

ANNUAL REPORT

2017–2018



MAKE
GREAT
HAPPEN





7 September 2018

Hon Shannon Fentiman MP
Minister for Employment and Small Business and
Minister for Training and Skills Development
GPO Box 806
Brisbane, Qld, 4001

Dear Minister

I am pleased to present the Annual Report 2017-18 and financial statements for TAFE Queensland.

I certify that this annual report complies with requirements of the:

- Financial Accountability Act 2009 (FAA) and the Financial and Performance Management Standard 2009 (FPMS); and
- annual report requirements for Queensland Government agencies.

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

Yours sincerely

A handwritten signature in black ink, appearing to be "Annabel Dolphin", written over a horizontal line.

Annabel Dolphin
Chairperson
TAFE Queensland

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The TAFE Queensland Annual Report 2017-18 is available from:

TAFE Queensland

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or online at tafeqld.edu.au/annualreports

Information on consultancies, overseas travel and the Queensland Language Services Policy can be accessed through the Queensland Government Open Data website <https://data.qld.gov.au/> or at tafeqld.edu.au/annualreports.

TAFE Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have any difficulty in understanding the annual report please call TAFE Queensland on (07) 3514 3600 and we will arrange an interpreter to effectively communicate the report to you.



COVER HERO BIO – TAFE Queensland dental technology teacher, Valetta Green, shows Diploma of Dental Technology student, Natasja Kerridg, a dental prostheses. The image was taken for the TAFE Queensland semester 1 2018 and semester 2 2018 major marketing campaigns.

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INTRODUCTION AND REVIEW

I FROM THE CHAIRPERSON AND CHIEF EXECUTIVE OFFICER

The past year has been an incredible year for our proud organisation, celebrating 135 years of delivering quality education and training services to our communities and industry partners both locally and nationally.

On 1 July 2017, TAFE Queensland officially became one registered training organisation (RTO), bringing together the operations of its six RTOs. As a result, TAFE Queensland is now one of the largest tertiary education providers in the country, annually delivering programs to more than 120,000 students, within Queensland, nationally and overseas.

In recognition of our unwavering contribution to the delivery of quality vocational education and training (VET) in Queensland, TAFE Queensland was awarded, for the third consecutive year, Large Training Provider of the Year at the 2017 Queensland Training Awards. This prestigious award recognises our highly experienced workforce and commitment to delivering best practice and innovative training that provides real employment outcomes for our students.

True to our positioning statement – Make Great Happen – TAFE Queensland achieved just that this year as the Official Training Partner for the Gold Coast 2018 Commonwealth Games (GC2018). Vital to the success of the Games, TAFE Queensland delivered bespoke, innovative online and in-person training programs to accommodate the induction and training of more than 15,000 volunteers, students, businesses and event leaders. This is an outstanding demonstration of our capability as an organisation – to both develop

customised large-scale training solutions and deliver training and skills to so many Queenslanders. We are incredibly proud of what we have accomplished, working hand-in-hand with the Gold Coast 2018 Commonwealth Games Corporation (GOLDOC) to provide the best possible training outcomes for their volunteer workforce. While TAFE Queensland's partnership with GOLDOC and the GC2018 saw thousands of current and former TAFE Queensland students, staff and volunteers get a taste of the action throughout April 2018, the skills learnt and connections made will no doubt leave a long lasting legacy for Queensland's workforce over the years to come.

This year continued to be a challenging year for TAFE Queensland, especially given the tightening of the VET Student Loans legislation and increased competition for funds. This year also saw a number of internal changes for TAFE Queensland, notably the welcoming of new executive members. This provided an excellent opportunity to review TAFE Queensland's strategic goals and objectives. The revised Strategic Plan 2018-2022 re-affirms our vision: to be the leading provider of VET that is at the heart of community success. The plan also marks a renewed focus on our values: safety first; focusing on our customer; taking responsibility; working together; and showing initiative.

The coming year will see us continuing to focus on preparing for TAFE Queensland's re-registration with the Australian Skills Quality Authority to operate as one RTO. Several strategic projects will also come to life during 2018-19 that align to TAFE Queensland's one RTO status, including a new student management system set to streamline our business into the future and provide a new level of service and satisfaction to our students, business partners and staff.

TAFE Queensland is committed to strengthening its position as the quality leader of practical, industry-relevant programs in the Queensland VET market and beyond. This report highlights the leadership role TAFE Queensland plays in stimulating economic growth and innovation, providing responsive and integrated services, achieving better education and training outcomes and creating pathways to employment for Queenslanders across the state.



Annabel Dolphin
Chairperson
TAFE Queensland

A handwritten signature in black ink, appearing to read 'Annabel Dolphin'.



Mary Campbell
Chief Executive Officer
TAFE Queensland

A handwritten signature in black ink, appearing to read 'Mary Campbell'.

OUR ORGANISATION

OUR COMMITMENT TO OUR STUDENTS, INDUSTRY AND THE VET SECTOR IS EVIDENT ACROSS OUR ORGANISATION

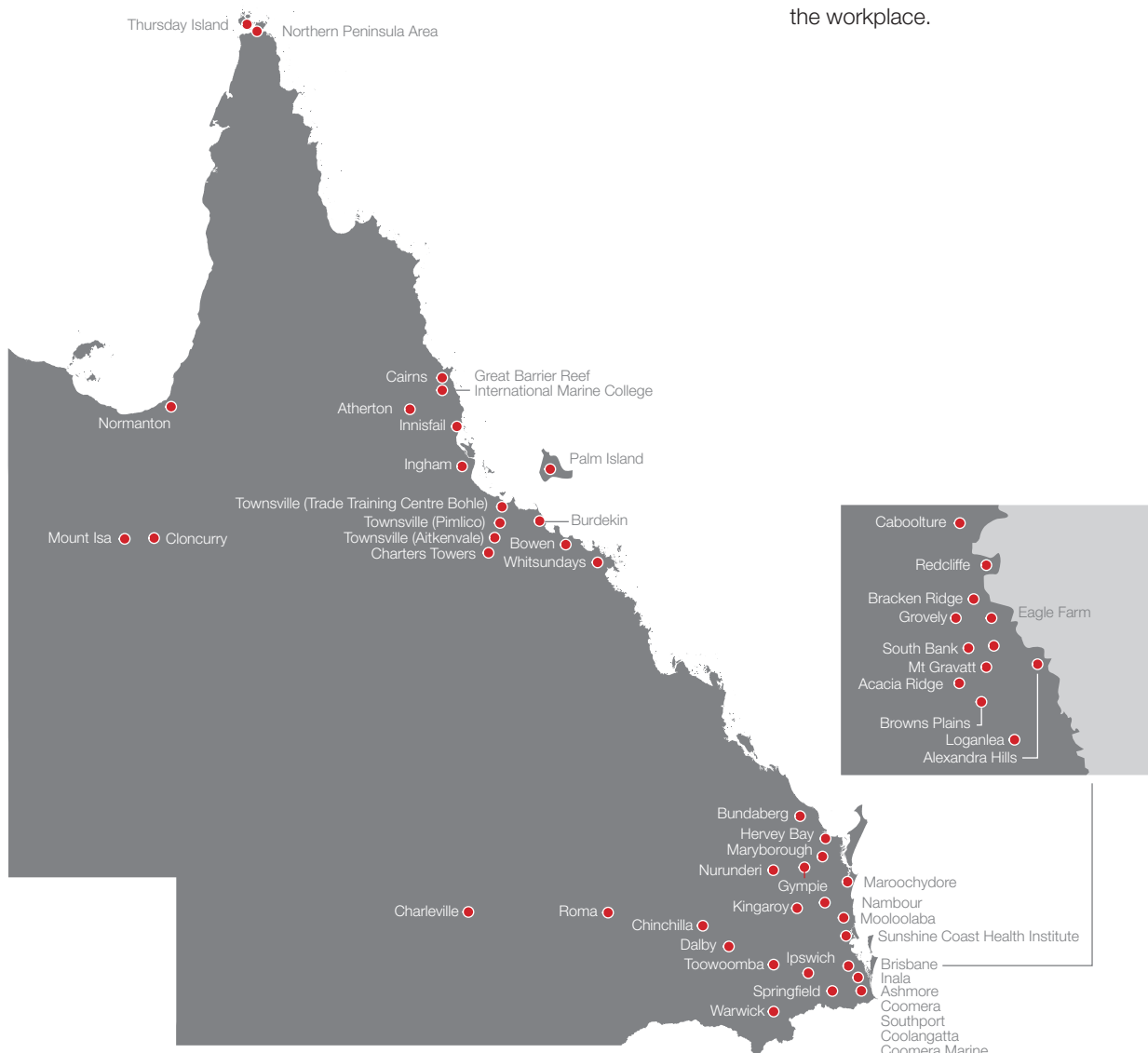
Government's objectives for the community

TAFE Queensland contributes to the Queensland Government's objectives for the community through industry engagement and skills development to align to industry requirements and job opportunities, student growth and community presence.

In alignment with the Queensland VET Quality Framework and compliance with the Standards for Registered Training Organisations (RTOs) 2015, TAFE Queensland offers practical, industry-relevant training in over 530 qualifications from foundation skills and entry level workforce qualifications to higher education degrees across more than 50 locations in Queensland.

TAFE Queensland's physical footprint covers an area from Thursday Island in the North, Coolangatta in the South and Hervey Bay in the East, to Mount Isa in the West.

In 2017-18, TAFE Queensland delivered education and training services to approximately 121,000 students (including 7,511 international students from over 110 countries) through a variety of delivery modes including face-to-face, online and blended in the workplace.



OUR VISION, VALUES AND KEY PRIORITIES

This year, the TAFE Queensland board and executive team undertook an extensive review of TAFE Queensland's strategic plan to ensure alignment with both the Minister for Employment and Small Business and Minister for Training and Skills Development (the minister) and the TAFE Queensland board's expectations in response to the changing needs of students, Queensland's industries and local communities.

As a result, our vision, mission and values have been refreshed to be more focused and provide clear direction and leadership to our future training delivery and workforce, and to funding bodies and more broadly, the VET sector, over the next five years.

Consistent with the direction set in the TAFE Queensland Strategic Plan

2018-2022, minister's Statement of Expectations and the TAFE Queensland Act 2013 (TQ Act), 2017-18 saw TAFE Queensland continue its efforts in four key areas:

- Industry, employer and student focus
- Our people make great happen
- Exceptional learning experiences for our students
- A strong and sustainable TAFE Queensland.

The following pages highlight TAFE Queensland's achievements against its operational priorities for 2017-18 that have had significant business-wide impact on achieving our strategic objectives.

OUR VISION

At TAFE Queensland, our vision is to be the leading provider of vocational education and training that is at the heart of community success.

OUR MISSION

At TAFE Queensland, we deliver quality education and training that enables the careers of our students and the development of the industries and communities we serve.

OUR VALUES



**SAFETY
FIRST**



**WORKING
TOGETHER**



**FOCUSING ON
OUR CUSTOMER**



**TAKING
RESPONSIBILITY**



**SHOWING
INITIATIVE**

GREAT RECOGNITION: TAFE QUEENSLAND

- 2017 Large Training Provider of the Year, Queensland Training Awards
- National Winner in the Best Education and Training Program category of the 2017 Australian Event Awards for its Diploma of Event Management program
- Winner of the Education Services Award for Excellence as part of the 2017 AustCham Korea Business Awards
- Nominated for the Australian Business Award for Service Excellence in relation to its GC2018 volunteer training programs
- Finalist at the World Federation of Colleges and Polytechnics (WFCP) Awards for Excellence 2018 in the category of Access to Learning and Employment – Australia-Pacific Technical College
- Nominated in two other categories at the WFCP Awards for Excellence 2018:
 - i. Applied Research – for the reports 'The VET Era: Equipping Australia's Workforce for the Future Digital Economy'¹ and 'Growing Opportunities in the Fraser Coast: Informing regional workforce development'²
 - ii. Entrepreneurship – TAFE Queensland GC2018 partnership.

¹ <http://tafeqld.edu.au/resources/pdf/about-us/research-papers/vet-era.pdf>

² https://jobsqueensland.qld.gov.au/wp-content/uploads/2017/09/growing_opportunities_research_report.pdf

KEY RESULTS

| 2017-2018



120,851
Unique students



Competency completion
90.96%



35.96 million
Hours of training delivered

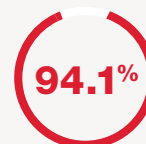


37,214

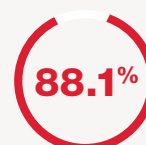
Cert 1+ Qualification awarded



Staff satisfaction
4.02
(scale of 1 to 5)



Employer satisfaction



Student satisfaction



Graduates employed or in further study

Organisational performance measures

Organisational performance measures

Service Delivery Standards (SDS) measures	2017-18 target/estimate	2017-18 actual	Notes
Proportion of attempted competencies successfully completed	90.0%	91.0%	–
Student post training outcomes (employed or in further study after training)	89.0%	85.3%	1,3
Proportion of graduates satisfied with the overall quality of training	89.0%	88.1%	1,2,4
Proportion of employers satisfied with the overall quality of training	85.0%	94.1%	2,5
Average cost per competency successfully completed	\$770	\$803	6

Notes:

1. Source: NCVET Australian vocational education and training statistics VET student outcomes 2017.
2. Results relate to student and employer activity in 2017.
3. Student post training outcome performance, whilst short of the target, remains high and is consistent with TAFEs in other jurisdictions.
4. Proportion of graduates satisfied with the overall quality of training is slightly behind target but remains high and is ahead of Queensland private providers and the national average for overall student satisfaction.
5. Source: TAFE Queensland 2017 Australian Quality Indicators for Learner Engagement and Employer Satisfaction Survey (AQILEES).
6. Average cost per competency successfully completed (total operating expenses/total units of competencies successfully achieved) is impacted by a number of variables, including completion rates, volume of training activity, type and duration of competencies delivered, class sizes and general cost increases (wage and Consumer Price Index increases).

FINANCIAL PERFORMANCE

As per the financial statements, TAFE Queensland recorded a consolidated operating profit of \$1.4m for 2017-18.

With the culmination of significant policy and regulation changes federally, overall declining market conditions locally and the impact of one-off systems implementation issues placing financial pressure on TAFE Queensland in 2017-18, the parent entity produced a small operating loss for 2017-18.

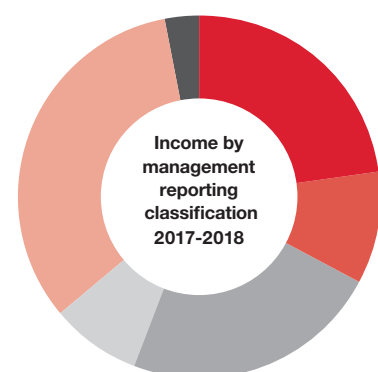
Given the breadth of quality training and regional community outcomes delivered across a large geographical state footprint, TAFE Queensland has

managed its resources effectively in a difficult operating environment, continuing to maintain a strong balance sheet underpinned by considerable holdings of liquid assets. TAFE Queensland continues to hold no debt with all initiatives funded through operating profits and working capital.

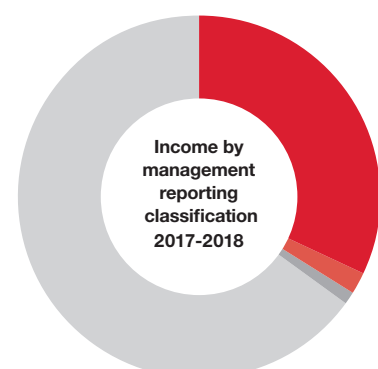
TAFE Queensland has continued its prudent management of expenditure, ensuring operating expenses were managed in line with the level of training demand from our customers while maintaining high quality outcomes for the state of Queensland.

Snapshots from the 2017-18 year are provided below. Further details are contained in the financial statements 2017-18 section of this report.

Operating performance: financial highlights	2016-17 \$'000	2017-18 \$'000
Income	687,161	627,613
Expenses	667,201	626,195
Operating Surplus	19,960	1,418
Cash and cash equivalents	216,185	220,375
Total Assets	396,003	400,330
Total Equity	290,207	303,028



- Domestic Training
- International Training
- Government Subsidised Training
- Commonwealth Training Programs
- Grants & Contributions
- Other Revenue



- Supplies and Services
- Depreciation and Amortisation
- Other Expenses
- Employee Expenses

YEAR IN REVIEW 2017-18

DELIVERING FOR QUEENSLAND

I STRATEGIC PRIORITY – SHARPEN OUR INDUSTRY, EMPLOYER AND STUDENT FOCUS

For over 135 years, TAFE Queensland has played a critical role in building a robust and adaptable workforce within Queensland. In this time, TAFE Queensland has seen changes occur in every industry in Queensland, helping employers stay ahead of the curve with exceptional training. A strong 94.1% of employers are satisfied with the overall quality of our training.

Enhancing our stakeholder engagement

GC2018 partnership

Years of hard work and planning came to fruition in April 2018, as the fever of the GC2018 swept throughout the nation. TAFE Queensland's volunteer training program came to life as the 15,000 strong volunteer workforce truly made GC2018 a Games to remember.

The training was a combination of online and face-to-face delivery on campus and across various Games venues. The paperless workbook model was a Games-first and saved an estimated 1.8 million pieces of paper. This flexible, easy to access and sustainability-driven approach was well-received by GC2018 volunteers, educators and industry.

Throughout the Games, not only did the TAFE Queensland logo adorn each volunteer's uniform and feature prominently on all field-of-play signage,

TAFE Queensland also hosted a number of business development events at Games venues throughout the state to strengthen industry ties and future training partnerships.

Congratulations to staff and students

A particular standout of the GC2018 was the contribution of over 300 TAFE Queensland staff and current and former students who were actively involved in delivering to the Games state-wide. This included graphic design, event management and beauty and fashion students working behind the scenes at the opening and closing ceremonies; students working with NEP Group, the Games broadcasting partner; and almost 100 current and past students working in hospitality roles with catering supplier, Delaware North.

Creating tracks

The Creating Tracks program was one of the major legacy programs of the GC2018 Reconciliation Action Plan. The program was launched in 2018 to build the capability of 160 Aboriginal and/or Torres Strait Islander businesses to tender for work, reliably fulfil tender requirements, and to ultimately build sustainable and profitable businesses during and after the Games.

Supporting Aboriginal and/or Torres Strait Islander businesses is key to assisting to close the gap in economic outcomes for Aboriginal and Torres Strait Islander people. Economic independence builds resilience, pride and has a range of flow on effects to local economies. Training was delivered at the Gold Coast, Brisbane, Cairns, Townsville, Palm Island and Stradbroke Island, with 100% retention and success rate.

Le Cordon Bleu Brisbane institute

On 1 November 2017, TAFE Queensland announced a new partnership with Le Cordon Bleu to deliver world-class

culinary and patisserie training at TAFE Queensland's South Bank campus.

TAFE Queensland and Le Cordon Bleu joined forces to: deliver strong educational pathways and outcomes for students; provide industry-wide solutions; and enable the government to continue to establish Queensland as a major hospitality and tourism hub, critical for the continued development of the state's economy.

Celebrating 10 years with Ramsay Health Care

The partnership between TAFE Queensland and Ramsay Health Care's Greenslopes Private Hospital (GPH) is celebrating its 10th anniversary and to date, has produced more than 600 qualified nursing staff. The collaboration commenced in 2008, with the delivery of TAFE Queensland's Diploma of Nursing program on site at GPH, one of Australia's largest private teaching hospitals. Designed to address skills shortages in the health sector, the program has provided Ramsay Health Care with the well-trained, highly-motivated employees the company needs to operate efficiently.

Due to its success, the partnership has seen the Diploma of Nursing program rolled out across 19 Ramsay Health Care hospital locations around Queensland. The partnership also includes up-skilling for existing employees in areas such as intravenous medications, mothers and babies and the Certificate IV Training and Assessment.

Higher level apprenticeship and traineeship pilot

On 31 July 2017, TAFE Queensland partnered with PricewaterhouseCoopers (PwC) and the Gold Coast Hospital and Health Service (GCHHS) to launch a ground-breaking Higher Level

Apprenticeship and Traineeship Pilot. The program was aimed to help GCHHS attract and retain talented employees by building the capabilities of GCHHS workforce.

Of the 60 existing workers who commenced in the pilot, 46 successfully completed the program with a Diploma of Leadership and Management which was fully contextualised to GCHHS's policies and procedures. The model used by TAFE Queensland has been submitted by PwC to the federal government as one of the most successful model of the national HLA pilot programs.

Domestic violence and workplace awareness program

In 2017, TAFE Queensland and Clark's Logan City Bus Service offered the Domestic Violence and Workplace Awareness Program (DVWAP) to drivers in addition to supporting staff in the completion of a nationally recognised qualification in Certificate III in Driving Operations. Following the successful training model and collaboration in 2017, the DVWAP has been extended to a further 150 drivers in 2018.

Cyber security certification

TAFE Queensland Chief Executive Officer, Mary Campbell, travelled to Canberra on 25 January 2018 for the launch of Australia's first national skills-based cyber security certificate and diploma level qualifications. Developed in collaboration with Australia-wide industry partners and TAFE institutions, the courses will be provided nationally via TAFEs, with TAFE Queensland commencing delivery of programs in late 2018.

Market insights

TAFE Queensland recognised as a trusted and industry solutions provider

TAFE Queensland's successful partnership with the GC2018 provided the platform to showcase its ability to provide sophisticated training solutions to large organisations with complex training challenges.

Following GC2018, awareness of TAFE Queensland's partnership with the Games was 34% (prompted) and two in five Queenslanders (39%) suggested that they had a better perception of TAFE Queensland.

Brand research, conducted in April 2018, revealed that TAFE Queensland's brand is the most widely recognised tertiary provider in Queensland, with nearly six in ten (59%) Queenslanders aged 18-55 aware of it spontaneously.

Nearly nine in ten (87%) were aware of the TAFE Queensland brand when prompted. When compared to other Queensland educational institutions, 72% of Queenslanders agreed that TAFE Queensland is a trusted provider and 59% agreed that TAFE Queensland is a solutions provider.

Compared to other institutions, TAFE Queensland's strengths lie in our perceived value for money, practicality (hands-on learning) and flexibility.

Student acquisition

Masterbrand roll out

As part of the move to become a single RTO, the five regional trading names – TAFE Queensland Brisbane, TAFE Queensland Gold Coast, TAFE Queensland East Coast, TAFE Queensland South West and TAFE Queensland North – were gradually phased out to coincide with the launch of the new TAFE Queensland website www.tafeqld.edu.au on 3 May 2018.

One website goes live

The TAFE Queensland One Website Project delivered a new, consolidated and user-focused website for TAFE Queensland on 3 May 2018. The comprehensive single website, driven by one content management system, provides a consistent digital presence showcasing the very best TAFE Queensland offers to both future and current learners, industry partners, employers and staff of TAFE Queensland.

The new website replaced more than 20 regional and campaign sites, 679 published email addresses and 36

forms. The website has streamlined enquiry management channels and has enabled the promotion of one phone number and Live Chat statewide.

SkillsTech as a sub-brand

Due to its strong brand reputation within industry, TAFE Queensland's technical and trade training specialist, TAFE Queensland SkillsTech retained its SkillsTech sub-brand. It will continue to utilise the brand when marketing its products and services to employers, apprentices and trainees in technical trade areas.

TAFE Queensland Online

TAFE Queensland Online officially commenced as an autonomous business unit on 1 July 2018. This move saw the merging of educational and services staff into a single team and the transfer of more than 3,000 existing students whose ongoing study will be managed by TAFE Queensland Online.

Advancing Queensland

TAFE Queensland scholarships

This year, 65 scholarships were awarded to students based on either outstanding academic merit or access and equity. A further 10 scholarships were awarded as part of the Advance Queensland – TAFE Queensland Pathways Scholarships of \$5,000 each for disadvantaged students across a wide range of industry areas in eligible science, technology, engineering and maths (STEM) courses. In partnership with the Queensland Government, the Advance Queensland – TAFE Queensland Pathways Scholarships initiative focuses on growing the economy and supporting students to obtain qualifications to pursue their chosen careers in STEM industries.

TAFE Queensland commenced a new program this year – an introduction to drone technology (Certificate III in Engineering) – developed in partnership with the Queensland Government to fulfil the specific criterion requirements under the Advance Queensland – TAFE Queensland Pathways Scholarships initiative.

Fee-free training for year 12 graduates

As part of the Queensland Government's Year 12 fee-free training initiative a total of 5,307 students began training in subsidised courses this financial year. The largest uptake of TAFE Queensland course offerings has been the Certificate III in Electrotechnology, Certificate III in Carpentry, Certificate III in Plumbing and Certificate III in Engineering (Mechanical and Fabrication).

Rescuing TAFE

This year, 5,148 students (new and continuing students) were enrolled in a Rescuing TAFE supported qualification over the course of the financial year. Since its commencement in July 2015, over 15,400 students have accessed training opportunities that they may not have otherwise been able to undertake without the support of Rescuing TAFE funding from the Queensland Government.

Back to work program

Since the commencement of the Queensland Government's Back to Work Employment initiative in regional Queensland in July 2016, and the subsequent expansion into South East Queensland in July 2017, TAFE Queensland has responded to over 6,793 referrals for career and training assessment. As at 30 June 2018, 4,904 jobseekers have been referred to training, 4,353 of which have been referred with Certificate III Guarantee Boost funding. A total of 963 formerly unemployed, under-employed or at-risk individuals have achieved positive employment outcomes post training as a result of this initiative.

Regional skills adjustment strategy

The Regional Skills Adjustment Strategy (RSAS) is a \$10 million two-year Queensland Government funded initiative delivered by TAFE Queensland to support regional workforces and workers that are at risk of being displaced from traditional industries, and providing a regional response to workers retrenched as a result of significant company closures.

The strategy also provides proactive support to employers in target industries, including resources, manufacturing, infrastructure, food processing and agriculture sectors, to build workforce resilience and address skills or labour shortages.

Since its commencement in late 2017, TAFE Queensland has supported over 180 impacted workers to gain foundation, employability and technical skills to transition to alternative employment opportunities in their local region.

Out of home care

In partnership with the Queensland Department of Education, TAFE Queensland supported over 157 young people as part of the What's Next Out of Home Care (OOHC) fund.

The OOHC fund was a one year pilot program designed to reduce financial barriers and provide individualised career and training information to young Queenslanders and the chance to access training opportunities previously unavailable to them.

As at 30 June 2018, TAFE Queensland referred 73 young people to VET training including six to Skilling Queenslanders for Work programs and 66 other young people, including current secondary students, to activities designed to increase their capacity to participate in training pathways for future employment or training and further education.

National response to displaced students

In response to a number of high profile private training providers closing their doors this year, TAFE Queensland was called upon to provide a range of services to support TAFE Directors Australia (TDA) — the tuition assurance scheme operator — and the significant volume of impacted students across the country.

This included the establishment of a call centre that managed more than 13,000 calls on behalf of TDA and hosted several information sessions for Queensland-based students.

Over 800 apprentices, primarily in electrical, successfully transitioned to TAFE Queensland. Additionally, as a tuition assurance scheme member, TAFE Queensland was called upon to be a second provider to teach-out units that students had commenced but not yet completed (without charge) to approximately 1,200 impacted VET Student Loans/VET FEE HELP students.

STRONGER WITHIN

I STRATEGIC PRIORITY – BUILD OUR CAPABILITY AND OUTCOMES FOCUS

TAFE Queensland's employees are more engaged than ever, with 82% submitting responses as part of the Employee Satisfaction Survey – a 4% increase on last year's response rate.

TAFE Queensland achieved a score of 4.02 for employee satisfaction, which is in front of the target of 3.5 and similar to prior year performance (3.96).

Reward and recognition

Large training provider of the year

For the third consecutive year, TAFE Queensland was named the Large Training Provider of the Year at the 56th Queensland Training Awards state finals. Fourteen awards were announced at a gala dinner on 1 September 2017, with TAFE Queensland having success across three award categories. From 77 finalists, TAFE Queensland was represented by seven finalists comprised of both students and teachers.

Winners went on to compete at the peak national awards for VET – the Australian Training Awards – in Canberra on 23 November 2017.

Korea celebrates business innovation

The Australian Chamber of Commerce in Korea held its annual AustCham Business Awards in conjunction with the Australia Day celebration's on 26 January 2018 at the JW Marriott Dongdaemun Square, Seoul. The

AustCham Business Awards recognises and celebrates outstanding companies and individuals that have contributed to growing the business relationship between Australia and Korea.

TAFE Queensland was honoured to be a part of the event and was bestowed the Award for Excellence in the category of Education Services, in recognition of our outstanding achievement and dedication to the Australia-Korea business relationship.

Best education and training program

On 13 September 2017, TAFE Queensland was announced as the national winner in the Best Education and Training Program category of the 2017 Australian Event Awards for its Diploma of Event Management program. An independent judging panel, comprised of industry experts, selected the program ahead of three other national finalists. The Diploma of Events Coordinator for TAFE Queensland's East Coast region, Karina Hogan, credited the course's immersive, hands-on approach for the win.

AUSTAFE leaders and legends

A number of high achieving TAFE Queensland and Charles Darwin University staff were recognised at the annual Queensland and Northern Territory Chapter of AUSTAFE Leaders and Legends dinner. As with previous years, each category received nominations from strong candidates. The following TAFE Queensland staff were recognised:

2017 AUSTAFE Legends

Geoffrey Lingard – South West
Jacqueline Harle – East Coast
Barbara Murfet – Brisbane
Warren Rhoades – SkillsTech

2017 AUSTAFE Educational Leadership Award

Steven Ross – SkillsTech

2017 AUSTAFE Emerging Leader Education and Training Category

Renee Hastrich – Gold Coast

2017 AUSTAFE Emerging Leader Support Services Category

Renee Galvin – East Coast
Meegan Whimp – South West

The winners of the AUSTAFE Leadership Awards will be sponsored by the AUSTAFE Queensland Chapter to represent Queensland in the National Leadership Awards at the National AUSTAFE Conference in October 2018.

TAFE Queensland staff awards

The fourth statewide TAFE Queensland Staff Awards were held in May 2018 to recognise the outstanding achievement and high performance of our staff across ten award categories that reflect our corporate values and focus on safety and service quality. After six regional finals, the awards culminated in a state final event.

This year's awards brought together over 150 of our staff from across Queensland. The awards dinner was held on 25 May 2018, where TAFE Queensland proudly announced the following winners of the 2018 TAFE Queensland State Staff Awards:

Great Achiever Award Educator of the Year 2018

Ian Hodges – North

Great Achiever Award Employee of the Year 2018

Scott Dickson – Gold Coast

Educational Leader Award 2018

Mark Reilly – East Coast

Lifetime Achievement Award 2018

Catherine Scanlon – Gold Coast

Industry Collaboration Award 2018

Kylie Galletta – Brisbane and
Stephen Gates – SkillsTech

Great Business Award 2018

Alexandra Hills Team – SkillsTech
Barry Evans, Peter Hall, Mark Wann,
Nathan Evans, Grant Geary, Lein Dodge,
Damien Kelly, Mike Stirton, Blair Layt,
Dylan Smith, Nick Stewart, Allen Nuttall

Great Service Award 2018

Customer Service Leaders – North
Emma McLaren and Julia Prior

Great Safety Award 2018

Petrina Hilton – Corporate

Great Team Award 2018

GC2018 Volunteer Training Product
Team – Gold Coast
Lisa Wynter, Simon Zanchetta, James
Croft, Angie Roberts-Jahn, Shira Nagel,
Tom Borowik, Chris Odgers-Jewell,
Kellie Shadwick, Sebastian Waters and
Joyce Cheng

Great Ideas Award 2018

Simon Zanchetta – Gold Coast
Anne Catherine Smith – South West

Glazing Safety Award

TAFE Queensland SkillsTech Business
Manager, Donna Playford, received
a Glazing Safety Award for her work
with the Australian Glass and Glazing
Association (AGGA) Workplace Health
and Safety Committee. Donna was
awarded the accolade at the annual
AGGA Industry Awards in June 2018.
Six TAFE Queensland students were
also presented with awards. The winners
went on to represent Queensland at
the AGGA Safety and National Design
Awards, which was held in Adelaide in
August 2017.

National Travel Industry Awards

TAFE Queensland teacher, Cheryleigh
Lazarus, has been nominated for the
annual premier industry event, the 2018
Australian Federation of Travel Agents
National Travel Industry Awards. The
awards recognise outstanding individuals
working in the Australian travel industry.
Winners will be announced at the Gala
Awards Dinner on 21 July 2018 at the
International Convention Centre in Sydney.

Australia Day honour

TAFE Queensland Cookery Teacher,
Jason Ford, received the accolade
of South Burnett 2018 Citizen of the
Year during the Australia Day Awards
ceremony, which were held in Murgon.
Jason has been a passionate advocate
for the region's food, wine and tourism
industries over the past 15 years, and
has been volunteering his professional
skills to cultivate a flourishing South
Burnett hospitality and tourism industry.

2018 Fulbright Scholarship

TAFE Queensland Principal Consultant
Student Engagement, Dr. Anitza Geneve,
has been awarded the 2018 Fulbright
Professional Scholarship in VET by
the Australian-American Fulbright
Commission. Anitza's Fulbright project
will investigate, design, implement and
evaluate the use of a Massive Open
Online Course (MOOC) to support the
digital literacy skills and employability
skills (Australian Core Skills for Work) of
learners undertaking competency-based
training in the Australian VET sector.

Anitza will spend three months with
her host organisation, Massachusetts
Institute of Technology (MIT) in the
United States, working with the Office
of Open Learning to align the MOOC
project to international best practice.

Maintaining quality and compliance

Quality review framework

This year TAFE Queensland launched
its Quality Review Framework (QRF)
to guide the review and evaluation
of training, assessment and support
services provided by TAFE Queensland.
With students in front of mind, the QRF
builds on TAFE Queensland's Learner
Experience and Engagement Plan
(LEEP), as well as the six stages of the
student journey as identified in ASQA's
new audit model.

Undertaken by TAFE Queensland
educators, the review promotes
reflection on current educational
practices and uses relevant student
enrolment and outcomes data to
evaluate the effectiveness of TAFE
Queensland's provision of education and
training to meet student and industry
needs.

ANMAC accreditation

TAFE Queensland's application to
Australian Nursing and Midwifery
Accreditation Council (ANMAC) was
successful with TAFE Queensland
accredited and approved to deliver the
Diploma of Nursing up to 22 May 2023
with no conditions.

Educator VET currency

TAFE Queensland's Centre for Learning
and Teaching continued to deliver a
broad range of professional development
opportunities to update educator
VET currency in preparation for TAFE
Queensland's RTO re-registration.
Over the past year, webinars and other
professional advancement opportunities
have been delivered around the
development of assessment tools
(including third party reports), recognition
of prior learning, assessment mapping,
evidencing educator competency and
currency requirements, and validation of
assessment.

Another key operational priority for the
Centre for Learning and Teaching this
past year has been the implementation
of TAFE Queensland's Micro-credential
Scheme. The scheme offers TAFE
Queensland educators the opportunity
to extend their expertise beyond the
minimum requirement of a Certificate
IV in Training and Assessment to
selected units from the Diploma of
Vocational Education and Training
such as assessment writing (including
recognition of prior learning), validation
and e-facilitation skills.

Contemporary work environment

OctoberVET and World Teachers Day

On 27 October 2017, TAFE Queensland marked World Teachers' Day with a number of workshop activities that provided TAFE Queensland educators the opportunity to cross-fertilise ideas, explore opportunities, engage in design thinking and showcase exceptional practices.

Concurrently, TAFE Queensland facilitated an OctoberVET event themed Recognising and Celebrating Our Educator Talent in 2017, featuring a presentation from Dr. Raymond Smith, lecturer in the School of Education and Professional Studies at Griffith University, on the contribution of VET student placement to innovation in host organisations. The presentation was live-streamed to more than 50 staff across the state. Other sessions included:

- Nurturing educational leadership; industry intimacy: Role of applied learning and applied research in VET; and
- Embedding enterprise skills across the Australian Qualifications Framework spectrum.

Feedback received at the event was positive and highlighted the significance of engaging educators from across regional and remote areas to participate in inclusive knowledge-sharing opportunities.

Be your best you

On the 18 June 2018, TAFE Queensland engaged a new Employee Assistance Provider — Benestar. Benestar offers a range of holistic and proactive employee support services including BeneHub and Best You program. From confidential counselling for all employees and their immediate family members to individual coaching and access to a health and wellbeing portal, support is easily accessible to assist staff in range of personal or work-related issues from mental health to relationships to exercise and sleep.

TAFE Queensland workforce

 Total staff (FTE)	3,978.12
 Permanent staff	2,676.18
 Temporary staff	1,001.98
 Casual staff	186.24
 Contract staff	113.7
 Permanent separation rate	5.58%

AHEAD OF THE CURVE

I STRATEGIC PRIORITY – DELIVER EXCEPTIONAL LEARNING EXPERIENCES

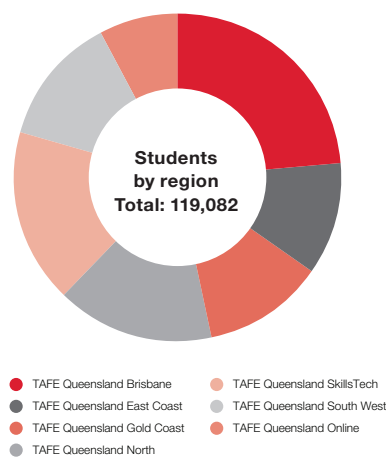
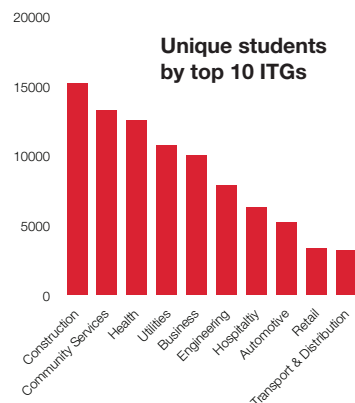
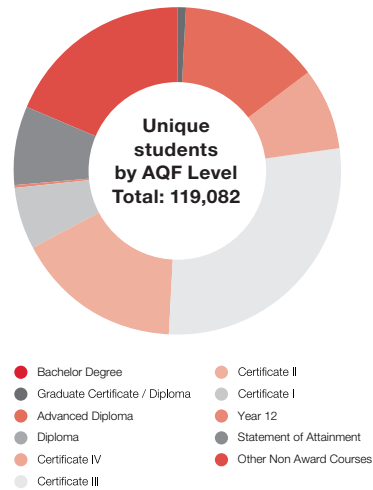
TAFE Queensland students continue to do extraordinary things—with an incredible 85.3% going on to employment or further study. The success of our students is reflected in our performance, with 88.1% of TAFE Queensland students satisfied with the overall quality of training, which puts us ahead of Queensland private providers and the national average for overall student satisfaction.

Job-ready, tech savvy and in-demand students

Our student profile

Our unique structure and statewide delivery model demonstrates our commitment to supporting a diverse student profile including school leavers, up-skillers, career changers and job seekers from a wide range of socioeconomic and cultural backgrounds in regional and remote locations.

This broad customer profile is representative of the community and demonstrates our commitment to delivering training to students at any stage of their career journey to meet ever-changing skills needs.



Historic moment for graduates

TAFE Queensland marked an historic occasion in November 2017, with the awarding of the first cohort of graduates in its Bachelor of Contemporary Music Practice. Following the formation of our partnership with the University of Canberra two years prior, the diploma-to-degree pathway initiative enables students to study a Bachelor degree through TAFE Queensland without having to change institutions. Fifteen TAFE Queensland students successfully graduated from the degree and will now embark on forging a career in the music industry.

Students celebrate graduation

An impressive 37,214 VET qualifications have been awarded this financial year, with more than 3,000 students attending graduation ceremonies across the state in the past year.

'Skillaroos' excel in Abu Dhabi

TAFE Queensland 'Skillaroos' Emelilia Montague and Nathan McHugh, with TAFE Queensland air conditioning and refrigeration expert, Carl Balke, travelled to Abu Dhabi in October 2017 to compete at the 44th WorldSkills international competition. Outstanding performances from the 2017 'Skillaroos' team saw Australia advance from 12th position at the 2015 São Paulo competition to finish 10th in the 2017 international rankings.

Emelilia and Nathan's individual performances are to be commended and ultimately contributed to an outstanding and extremely pleasing overall team result. The event saw 77 countries competing across 51 skills categories, with China, Switzerland, Korea, France, Brazil, Austria, Chinese Taipei, Italy, Liechtenstein and Australia ranking as the top counties globally.

The result reinforces Australia's reputation as a leading provider of internationally recognised skills and trades, and cements the importance of continuing to deliver quality VET initiatives for the nation's future prosperity.

WorldSkills Australia National Championships

From 2 to 4 June 2018, 45 trainees and apprentices from TAFE Queensland competed in the 2018 WorldSkills Australia National Championship in Sydney. The championship is the largest vocational education and excellence competition in Australia and trainees and apprentices travelled from across the nation to put their skills to the test in 50 different trade and skills areas.

Competitors battled it out in simulated workshops, salons and studios in front of around 20,000 spectators for their place in the Australian WorldSkills team set to take on the world at the 45th WorldSkills international competition in Kazan, Russia in 2019.

TAFE Queensland students returned home triumphant with eight medals. Joshua Simons received the Medal of Excellence for the top score of the competition.

Congratulations to the following TAFE Queensland medallists:

Jade Read — GOLD, Business Services

Joshua Simons — GOLD, IT Network Systems Administration

Patrick Brennan — GOLD, Refrigeration and Air Conditioning

Charles Ray — SILVER, Electrical Control

Timothy Peterson — SILVER, Electrical Installation

Jade Moffat — SILVER, Fashion Technology

Chris McNally — SILVER, Refrigeration and Air Conditioning

Hayden Whyte — SILVER, Signage

2017 HIA Regional Apprentice of the Year

Third-year apprentice Reece Cleeton was awarded the Housing Industry Association's Regional Apprentice of the Year during their annual Sunshine Coast/Wide Bay Housing Awards on 6 October 2017. Reece, a TAFE Queensland student and East Coast Apprenticeships apprentice carpenter, received the accolade in recognition of his quality workmanship, strong work ethic and excellent academic results, among other criteria.

2017 Australian Apprentice of the Year

Former TAFE Queensland student Gemma Hartwig was named as the 2017 Australian Apprentice of the Year at the Australian Training Awards during a ceremony held at the National Convention Centre in Canberra on 23 November 2017.

Gemma is a qualified diesel fitter and completed her training at TAFE Queensland's Dalby campus. At the age of 14, Gemma began a school-based apprenticeship where she balanced senior studies with week-long training blocks at the Dalby campus.

Earlier in 2017, Gemma was awarded the Harry Hauenschild Queensland Apprentice of the Year, and was invited to be a member of the esteemed Australian Training Awards VET Alumni; a group of individuals that have achieved the highest level within their fields.

2017 VET Student of the Year

Following her success at the 2017 Queensland Training Awards, Rachael Turner was a finalist at the Australian Training Awards. Now Rachael is forging a career as one of Queensland's most up-and-coming entrepreneurs in the building and construction industry.

After running a successful music school for 10 years, Rachael decided to pursue her passion for construction and design at TAFE Queensland. Rachael is now running her own design and construction company.

Local designer wins London internship

Graduating TAFE Queensland student, Sofia Tomkins, was awarded a three month internship with London fashion house Karl Donoghue, commencing in April 2018. The Diploma of Applied Fashion Design and Merchandising student was awarded the internship at the Bloom Fashion Showcase ahead of six other students in her cohort. The internship marks the second major award the young designer has won, having been recognised earlier in 2017 with a six-month mentorship by local ethical and sustainable label Sinerji.

Waste Recycling Industry Awards

TAFE Queensland engineering fabrication trade apprentice, Tristan Mills, was awarded the prestigious Apprentice of the Year Award at the Waste Recycling Industry Awards on 29 July 2017.

The awards recognise the best of the industry's employees, and both TAFE Queensland and Tristan's employer J.J. Richards Engineering, congratulate Tristan on his achievement.

Lighthouse Club Australia Bursary

TAFE Queensland carpentry students Lucas Hall and Michael Dowling were awarded a \$2,500 Lighthouse Club Australia Bursary, respectively, at the Lighthouse Club Brisbane Annual Winter Ball on 5 August 2017. TAFE Queensland developed a partnership with Lighthouse Club Australia this year to provide educational bursaries for young disadvantaged students pursuing construction-related courses. Michael and Lucas were selected for their outstanding commitment to their studies.

TAFE Queensland and the Australian Industry Trade College partnership

The partnership between TAFE Queensland and the Australian Industry Trade College (AITC) has seen a 25% increase in student numbers compared to the same time last year at the Alexandra Hills Training Centre, with 225 students seeking places in Semester 1, 2018.

The demand for quality trained pre-vocational students has increased, with employers once again contacting the centre seeking pre-vocational students to fill vacant apprenticeship positions.

Building on this successful partnership, AITC will open its third school in July 2018 at TAFE Queensland's Maroochydoore campus.

Real world learning experiences

Nambour students apply knowledge in the real world

TAFE Queensland students undertaking a Diploma of Conservation and Land Management at TAFE Queensland's Nambour campus received practical learning experience through a special project at the Mary Cairncross Scenic Reserve in Maleny.

Students surveyed numbers and behaviours of red-legged pademelons (small forest wallabies) and developed a fauna management plan to present to local council. The initiative was designed to enable students to apply theoretical learning to real-world environments in a practical way that benefits the pademelons, council and the public.

Remote area teacher education program expansion

The community-based Aboriginal and Torres Strait Islander teacher education program – offered in partnership between TAFE Queensland, Queensland Department of Education and James Cook University – has been expanded to include Certificate III and Diploma of Early Childhood Education and Care to its list of offerings in 2018. This is a targeted workforce development strategy to ensure adequate numbers of local Aboriginal and Torres Strait Islander teachers of Prep to Year 3 in schools located in Aboriginal and Torres Strait Islander communities. The program has successfully seen hundreds of people graduate with Certificate IV in Education to Bachelor of Education in its 30-year history.

Students featured at Gold Coast Film Festival EMERGE awards night

Two TAFE Queensland screen and media graduates had their student short films showcased at the Gold Coast Film Festival in April 2018. Congratulations to Karla Denny for her short film 'Found in a photograph' and Drece Hepi-Amaji for his work titled 'Fractured Minds'.

Presenting Professor Jimmy Choo

In September 2017, TAFE Queensland partnered with world-renowned fashion icon and artisan turned educator, Professor Jimmy Choo OBE, to deliver a series of events around innovation and creativity in the fashion industry. The partnership provided TAFE Queensland students with invaluable access to an industry leader and aided the facilitation of successful learning outcomes. It also reaffirmed TAFE Queensland's status as a key contributor in fashion design education.

Iron Chef heats up Cairns

TAFE Queensland Culinary Ambassador, Iron Chef Hiroyuki Sakai, visited TAFE Queensland Cairns campus in May 2018 to promote an exciting work experience opportunity for TAFE Queensland apprentice chefs.

Chef Sakai is a global cooking superstar – winner of an impressive 70 competitions in the Iron Chef's 'Kitchen Stadium' – and he is generously offering two apprentices from North Queensland the opportunity to gain an all-expenses-paid, week-long placement in one of his restaurants in Japan.

TAFE Queensland students in Cairns, Townsville and the Whitsundays will battle it out in a cooking competition in August 2018 to secure the coveted work experience opportunity.

Stamp out bullying

Twenty-five TAFE Queensland Diploma of Screen and Media students worked collaboratively with state member of parliament for Coomera, Michael Crandon, the Glass Media Group and Pimpama State Secondary College students to deliver anti-bullying public service announcements to high school students.

Pimpama State Secondary College drama students acted in the public service announcement and shadowed TAFE Queensland students throughout filming and post-production.

The Stamp Out Bullying public service announcements were aired on local television channels over the Christmas period and during the Commonwealth Games period. They were also used as part of the Premier's round table regarding cyber bullying in early 2018.

Festival experience broadens students' horizons

Students from TAFE Queensland creative industries courses demonstrated their talents at the Sunshine Coast's Horizon Festival from 24 August to 2 September 2017. Sponsored by TAFE Queensland and created as part of the Nambour Activations Plan, the creative showcase saw a selection of music, visual arts, graphic design, photography and information computer technology students promote, document and perform to help ensure the event's success.

Complementary services

#DiscoverMyCareer

To date, TAFE Queensland has provided the #DiscoverMyCareer – Harrison Assessments Work Preference Questionnaire – to 10,413 students across 90 Queensland schools. The outcome assists students to discover their behavioural strengths, their likes and dislikes and consider their career pathway options. This also supports students when selecting subjects as part of their Senior Education and Training plan for their last two years of senior schooling.

#DiscoverMyFuture

The #DiscoverMyFuture program has now reached 7,089 students across 64 schools this year. A resounding 82% of students believe the program has helped them recognise interests, explore career options and understand the avenues to achieving career aspirations. The current retention rate remains at 90%, with more than 182 schools expected to re-engage with the program in 2018-19.

A FOCUS ON GROWTH

I STRATEGIC PRIORITY – EMBED SUSTAINABILITY

Through our extensive regional presence, TAFE Queensland is committed to delivering sustainable and responsive services that maximise training and skills outcomes for our communities now and into the future.

Matching delivery locations to demand

Additional support for Charleville and Cunnamulla

TAFE Queensland expanded its service offering by providing new courses and study opportunities for people further west of Roma. This was made possible by working closely with the community and regional councils, and by inviting suitably qualified local people to become part of TAFE Queensland's teaching team.

The study opportunities are designed to equip people in these regions to find available work or start their own business, to grow the local economy.

New campus in Townsville

TAFE Queensland opened the Aitkenvale campus on 30 November 2017, bringing the number of Townsville-based campuses to three. The majority of students who attend TAFE Queensland in North Queensland are above the age of 25 and the Aitkenvale campus promises to provide a flexible and interactive learning experience. The campus is offering certificates and diplomas in areas including community services, early childhood education, counselling and youth work.

Four year investment program

The \$17.25 million Advancing our Training Infrastructure Program has transitioned into its second year with its primary task to maintain and improve state-owned training assets. A number of significant capital projects have commenced in 2017-18 that have increased the scope of TAFE Queensland to deliver high quality training, whilst also nurturing upgrades to building fabric and internal componentry.

Ashmore campus \$1 million facelift

On 26 April 2018, the minister announced more than \$1 million in funding to upgrade the Ashmore campus to provide students with the most up-to-date training environment and equipment. Stage one is well underway with greater access to state-of-the-art welding bays. Stage two will include new welders, LED lighting and upgraded equipment.

Townsville resource centre upgrade

The Townsville resource centre officially opened on 3 May 2018. The newly refurbished space has been created for students to study, research and collaborate at the Pimlico campus. The \$1.6 million project included the demolition and complete refit of two levels of D Block, refurbishment of the resource centre and construction of two lecture theatres.

International activity

International student advisory panel

TAFE Queensland student, Emma Jeskanen, has been named as a member of the 2018 Queensland International Student Advisory Panel (QISAP). Emma, an international student from Finland, is undertaking a Certificate IV in Commercial Cookery and a Diploma of Hospitality at TAFE Queensland's Pimlico campus.

QISAP is an initiative under the International Education and Training Strategy to Advance Queensland 2016-2026. Membership is selected at the start of each year and is comprised of international students representing different nationalities, gender, levels of study, and regions of Queensland to harness the diversity of the international student voice.

Meat processing in Vietnam

TAFE Queensland International secured an Australia Awards Vietnam Short Course Tender – which saw TAFE Queensland's meat processing educators deliver training programs in Vietnam. Up to 20 participants from the program travelled to Australia to undertake an intensive training program. This included meeting with key industry stakeholders and viewing a range of meat processing facilities from medium-to-large abattoirs, meat retailers, and wholesale sites along the beef value chain in Australia.

TAFE Queensland trainers accompanied the group to view facilities in Indonesia before returning to Vietnam for further skill development. As part of our ongoing commitment to delivering on-the-job mentoring, TAFE Queensland trainers will provide mentoring to participants in Vietnam during two further visits later in the year.

New partnership with Suan Dusit University Thailand

TAFE Queensland and Suan Dusit University, Thailand, entered into a partnership to foster reciprocal student and staff exchanges. In January 2018, Suan Dusit University hosted TAFE Queensland Chef, Brett Lenske and TAFE Queensland's 2017 Apprentice Chef of the Year, Paul Barrick. Paul was presented the prize to visit Thailand on being awarded the accolade. During the visit Brett and Paul delivered cooking demonstrations and participated in Thai cooking classes.

Fostering relationships in Brunei

On 4 September 2017, a delegation from Brunei's Mahakarya Institute of the Arts participated in the signing of a Memorandum of Understanding with TAFE Queensland. The agreement initiates a formal relationship between the two training organisations, with the aim to foster a strong film and television industry in Brunei. The ceremony was attended by institute co-founders: Lady Munji Athirah of Brunei's royal family; Siti Kamaluddin, Brunei's first female film director; and Dr. Alex Fischer, Educational Director. Brunei's High Commissioner His Excellency Haji Zakaria bin Haji Ahmad was also in attendance.

The institute aims to emulate TAFE Queensland's Coomera campus screen and media facilities and course offerings.

Expansion of in-country representative network

TAFE Queensland International has further increased its in-country representative network with the addition of South Korea and Japan. This model has shown positive outcomes in terms of enrolments and brand awareness, with the involvement of the in-country managers in key promotional events and international recruitment initiatives.

Re-imagining our technology

Student management solution

TAFE Queensland has worked with Technology One to develop and build a student management system (SMS) that will significantly enhance the student experience. Extensive solution verification, including bespoke development and individual deliverable and user acceptance testing has been the key focus this financial year along with a program of organisational readiness to ensure a smooth transition at go live in August 2018.

The new system will, for the first time, provide TAFE Queensland staff and students access to a comprehensive SMS that is available anywhere, anytime, on any device.

Aurion upgrade

This year, TAFE Queensland commissioned a body of work to transition from the fully managed human resource payroll service provided by Aurion to a Software as a Service (SaaS) business model where Aurion will only provide third-party infrastructure support.

The delivery of the upgrade and transition to the SaaS was successfully completed and will provide significant savings to TAFE Queensland.

Fujitsu managed service arrangement

TAFE Queensland also transitioned from Unisys to Fujitsu – as TAFE Queensland's information and communications technology (ICT) support provider in January 2017. This new arrangement continues to produce operational savings through the alignment of services with TAFE Queensland's needs.

Library systems

In collaboration with our library solution vendor, Civica, TAFE Queensland Libraries and e-Learning Services have merged the seven Spydus institutions into a sole TAFE Queensland library website. All TAFE Queensland students and educators now see a single, TAFE Queensland branded library page and can access local and statewide resources more quickly and efficiently.

The Ebsco Discovery Service project is on track for its October 2018 soft launch. Anticipated benefits to students include an increase in discoverability of digital, full-text journal articles, enhanced search functionality and increased access for the retrieval of digital content.

New look for Connect

TAFE Queensland's learning management system (Connect) received a new design update making it easier for our students to access learning materials, complete assessments and contact their teacher.

In December 2017, a new user interface built with a mobile-friendly and responsive design was launched. This new interface is easier to navigate and is designed for use via mobile phone and tablet. It has been three years

since TAFE Queensland commenced delivering learning via Connect with the organisation continuously working to create a better online experience for our users, on multiple devices.

Cyber security

TAFE Queensland continues to progress, with the implementation of an ISO 27001 information security program. Work is currently underway to complement the information security management system with the required policies and procedures.

In parallel, technical security measures are being strengthened to further protect our ICT infrastructure and systems.

Australia-Pacific Technical College

This year marks the successful completion of Australia-Pacific Technical College's (APTC) stage 2-extension period as an Australian development program that is changing lives for graduates, their workplaces and communities in the Australia-Pacific Island region.

Since its establishment in 2007, APTC has trained more than 12,500 Pacific Islanders, which makes it an important contributor to the growth and sustainability of the Pacific. In 2017-2018, APTC delivered 82 programs to 1,266 students in 26 Australian qualifications who successfully completed 34,297 competencies. A key part of APTC's success has been its ability to work in partnership with relevant stakeholders and industry partners to develop a competitive workforce through the provision of Australian skills and qualifications.

The successful completion of the training support program to the Fijian Sugarcane Industry project – a collaboration between the European Union and the Australian Government – enabled APTC to work closely with partners like the Fiji Sugar Corporation and the Habitat for Humanity Fiji to train Fiji's sugarcane industry workers and assist with recovery efforts post Cyclone Winston.

The transformative impact of APTC has been widely recognised through the achievements of its graduates. An outstanding example has been Certificate IV in New Small Business graduate, Vani Duguci, who won the 2018 South Pacific Business Development Business Women of the Year. Graduates like Aisake Tamanilo, who is now pursuing higher education studies, is part of a group of 13 other students who were provided with the opportunity to undertake Certificate II in Skills for Work and Vocational Pathways. The program helped develop the skills of people with disabilities in Fiji for entry into the workforce, and enabled them to explore further technical and vocational training opportunities.

Further demonstrating its success, 83% of APTC graduates were recorded as being in employment – having gone on to advance their careers, start their own small businesses or pursue work opportunities abroad.

In December 2017, APTC commemorated its 10-year anniversary of delivering technical and vocation education and training in the Pacific. A series of activities and events were held around the region to mark this milestone, including the launch of APTC's Impact Stories publications www.aptc.edu.au/publications.

TAFE Queensland is proud of its track record of having managed APTC since its inception, and is honoured to have the opportunity to implement the next exciting phase of APTC.

Australia-Pacific Training College – Stage 3

Following a competitive tender process, TAFE Queensland was pleased to announce in April 2018 that it was successful in its bid to be the managing contractor for the third stage of APTC. APTC3 will commence on 1 July 2018 through to 30 June 2022, with a four year extension. As managing contractor, TAFE Queensland will ensure APTC delivers on the vision of the Australian Government to enhance Pacific prosperity through a more skilled, inclusive and productive workforce. TAFE Queensland will continue to develop critical skills for employment across the Australia-Pacific Island region, delivering demand-driven, Australian-standard training.

GOVERNANCE

I MANAGEMENT AND STRUCTURE

TAFE Queensland was established by the TAFE Queensland Act 2013 (TQ Act) as a statutory body under the Financial Accountability Act 2009 and the Statutory Bodies Financial Arrangements Act 1982 on 1 July 2014. This legislation prescribes the objectives and functions associated with the governance of TAFE Queensland.

Functions

TAFE Queensland has the following functions under the TQ Act:

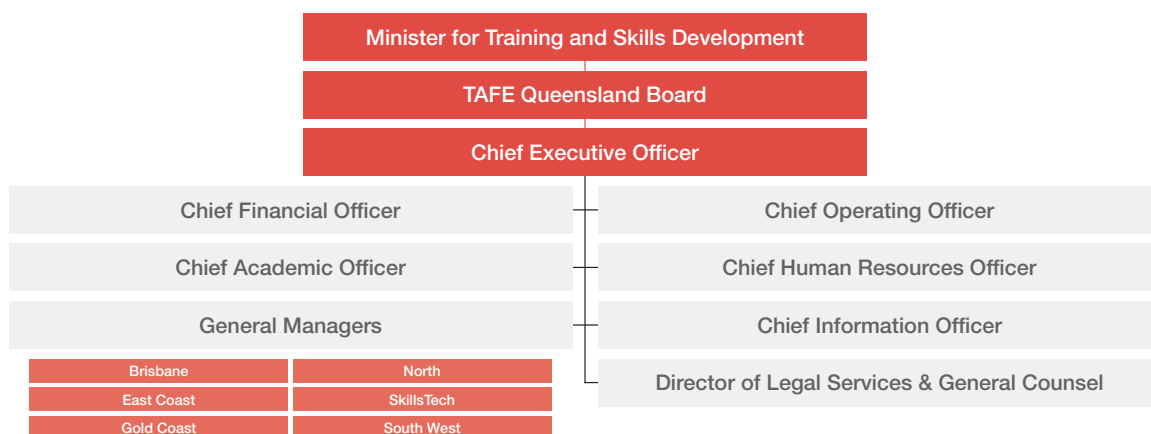
- a. to provide vocational education and training services;
- b. to provide further education, and other forms of education, to support and complement the provision of vocational education and training services;
- c. to produce andw sell vocational education and training products;
- d. to prepare, publish, distribute or license the use of literary or artistic work, audio or audio-visual material, or computer ssoftware;
- e. to undertake research and development on matters relating to its functions;
- f. to contribute to and actively engage with industry on matters relating to its functions;
- g. to exploit commercially TAFE Queensland’s resources, including any study, research or knowledge or the practical application of any study, research or knowledge;
- h. to report to the minister on the performance of its functions;
- i. to advise and make recommendations to the minister about matters relevant to the performance of its functions and any other matters referred to it by the minister;
- j. any other functions given to it under an Act.

TAFE Queensland is to perform its functions:

- a. in a way that is efficient, effective and responsive to the needs of industry, students and the general community; and
- b. on a not-for-profit basis.

Organisational structure

The TAFE Queensland board provides the strategic direction and vision and the TAFE Queensland executive team operationalises the activity required to implement the strategic plan for the organisation.



Machinery of government – changes

From the 13 December 2017, following the Administration Arrangement Orders (No. 3) of 2017, ministerial responsibilities for TAFE Queensland transferred from the Honourable Yvette D’Ath MP, Attorney-General and Minister for Justice and Minister for Training and Skills to the Honourable Shannon Fentiman MP, Minister for Employment and Small Business and Minister for Training and Skills Development. The TAFE Queensland board would like to thank Ms D’Ath for her leadership and support of TAFE Queensland and more broadly the VET sector during her time as Minister for Training and Skills.

TAFE Queensland board

TAFE Queensland's governing body is the TAFE Queensland board. The board was established in August 2013 under Section 12 of the TQ Act.

On 1 December 2016, the minister appointed the current board members for the following terms:

Ms Annabel Dolphin (Chairperson)

1 December 2016 – 30 November 2020

Mr Shaun Coffey

1 December 2016 – 30 November 2018

Ms Louise Cox

1 December 2016 – 30 November 2018

Mr Peter Dowling

1 December 2016 – 30 November 2020

Ms Noela L'Estrange

1 December 2016 – 30 November 2020

Mr Peter Price

1 December 2016 – 30 November 2018

Ms Deborah Wilson

1 December 2016 – 30 November 2020

Board business in 2017-18

This annual report demonstrates significant achievements against our strategic and operational priorities for TAFE Queensland in 2017-18 considering the challenging VET market conditions.

During 2017-18, the board met their legislated requirements through the development of the TAFE Queensland Strategic Plan 2018-22 and the submission of the TAFE Queensland Operational Plan 2018-19 to the minister.

The roll out of the TAFE Queensland Strategic Plan 2018-22 allowed the board, to provide staff with their priorities moving forward. The plan highlights the safety and wellbeing of staff, students and the wider community as the main priority.

In addition to safety, the board stressed the importance of remaining the premier public provider by ensuring that quality teaching and learning remains the key differentiator of TAFE Queensland in the Queensland VET market.

During the reporting period, the board held 12 meetings and travelled to the Hervey Bay, Southport, Aviation

Australia, Acacia Ridge and Cairns campuses to connect and actively engage with key stakeholders including students, employers, industry, community members and staff to gain a better understanding of local training needs, now and into the future.

This year, TAFE Queensland was granted specific approval to enter into a Type One financial arrangement to acquire Aviation Australia Pty Ltd. Effective 1 October 2017, the ownership of Aviation Australia transferred from the minister to TAFE Queensland, formalising the establishment of Aviation Australia as a subsidiary of TAFE Queensland. The arrangement allows TAFE Queensland and Aviation Australia to work closely together to strengthen, grow and respond to opportunities within both domestic and international aviation training markets.

In April 2018, the board had the privilege of assisting TAFE Queensland with the Commonwealth Games by participating in activities aimed at building partnerships and seeking new business opportunities to support the sustainability of TAFE Queensland.

In June 2018, the board travelled to Cairns to launch the TAFE Queensland Reconciliation Action Plan. The plan sets out TAFE Queensland's vision for reconciliation as well as key actions and timelines centred on the three themes of: relationships, respect and opportunities. As part of the launch, the board hosted an industry stakeholder event to showcase Aboriginal and Torres Strait Islander programs. The launch signifies the importance and firm commitment to reconciliation on behalf of the board.

Having received an updated Statement of Expectations in May 2018, the board remains committed to delivering on the government's objectives for the community, ensuring the delivery of sustainable and responsive training services for Queenslanders. Through the strategic plan, the board has reinforced its commitment to quality training and the requirement to maintain high quality standards expected by students, employers, industry and the community.

Executive management

Following the resignation of Jodi Schmidt, Chief Executive Officer (CEO), in September 2017, the TAFE Queensland board appointed Mary Campbell, General Manager SkillsTech as interim CEO whilst a national recruitment process was undertaken. During this time, the board decided not to fill the roles of Chief Operating Officer and Chief Academic Officer following their resignations in late 2017 until a CEO was appointed. In the interim, these functions are being undertaken by other executive members.

The board was unanimous in recommending Mary Campbell as the CEO for TAFE Queensland which was supported by the Queensland Government. On 1 July 2018, Mary Campbell will officially commence as TAFE Queensland's CEO.

As at 30 June 2018, TAFE Queensland's executive team was:

INTERIM CHIEF EXECUTIVE OFFICER

Ms Mary Campbell (GAICD)

- Australia-Pacific Technical College board member
- Director of TAFE Director's Australia
- The Queensland Overseas Foundation board member
- Committee for Economic Development of Australia Trustee
- Brand, marketing and communication

CHIEF FINANCIAL OFFICER

Ms Sue Davis

- Corporate finance
- Financial planning and performance reporting
- Tax management and treasury
- Business intelligence
- Strategy and operational planning
- Funding policy, pricing and costing
- Risk and compliance
- Asset planning and management

CHIEF INFORMATION OFFICER

Mr Alan Chapman

- TAFE information services
- Technical and architectural services
- ICT governance, strategy and information management

CHIEF HUMAN RESOURCE OFFICER
Ms Julia Smith

- Workplace health and safety strategy, framework and reporting
- Human resources
- Employee relations
- Payroll services

DIRECTOR LEGAL SERVICES & GENERAL COUNSEL

Mr Gareth Hewson

- Legal and board services
- Right to information

EXECUTIVE DIRECTOR

Mr Robert Petherbridge (MAICD)

- Business development
- Committee for Economic Development of Australia Trustee

GENERAL MANAGER NORTH REGION

Ms Joann Pyne (GAICD)

- Northern Queensland campuses and faculties
- TAFE Queensland Libraries
- TAFE Queensland Reconciliation Action Plan
- Centre of Learning and Teaching
- Learning technology innovation services
- Higher Education and Research Committee chair
- TAFE Queensland Academic board chair
- Quality, Innovation, Training and Employment board member
- ASQA re-registration

GENERAL MANAGER BRISBANE REGION

Dr Paul Wilson

- Brisbane and Greater Brisbane campuses and faculties
- TAFE Queensland International (TQI)
- TAFE Queensland Higher Education
- TAFE Queensland English Language and Literacy Services (TELLS)
- Logan Interdepartmental Committee
- International Practitioners Board of the Chair Academy, USA

A/GENERAL MANAGER EAST COAST REGION

Ms Ana Rodger

- East Coast campuses and faculties
- TAFE Queensland Online
- Board of Jobs Fraser Coast member
- Ed Sunshine Coast Inc. treasurer/member
- AUSTAFE Queensland treasurer/member
- Sunshine Coast Health Institute (SCHl) Management Committee member
- SCHl Research Committee member and SCHl Education Committee member

GENERAL MANAGER GOLD COAST REGION

Ms Karen Dickinson (GAICD)

- Gold Coast campuses and faculties
- TAFE Queensland Scholarships
- TAFE Directors Australia National Scholarship Fund
- TAFE Queensland Commonwealth Games Steering Committee chair
- Commonwealth Games – Workforce Legacy Advisory Group member
- Study Gold Coast Management Committee member

A/GENERAL MANAGER SKILLSTECH

Mr John Tucker (GAICD)

- SkillsTech campuses and faculties
- Logan Education and Employment Pathways Model Committee member
- WorldSkills Queensland Committee chair

GENERAL MANAGER SOUTH WEST REGION

Mr Brent Kinnane (MAICD)

- South West campuses and faculties
- TAFE Queensland TAFE at Schools
- Aviation Australia board member
- Toowoomba Chamber of Commerce board member

Public sector ethics

TAFE Queensland is defined as a Queensland public service agency for the purposes of the Public Sector Ethics Act 1994. For this reason, there is an obligation to comply with the Code of Conduct for the Queensland Public Service.

All TAFE Queensland employees are given access to appropriate education and training about public sector ethics as part of TAFE Queensland's orientation program (which contains a mandatory unit on the Code of Conduct). During 2017-18, an updated online version of the induction materials was implemented. This unit is available online to all employees at all times and can be used at regular intervals during their employment as required. Code of conduct "refresher" training is implemented across TAFE Queensland.

The Working with TAFE: Conduct, Ethics and Performance Policy is the basis of the TAFE Queensland's framework of administrative human resource procedures and management practices. These have proper regard to the ethics, principles and values of TAFE Queensland. There is a strong alignment with the Code of Conduct for the Queensland public service.

In addition, the planning processes of TAFE Queensland are congruent with the public sector ethics principles and incorporate integrity and accountability into our strategies, objectives and actions. Integral to the framework of our employee performance agreements is the requirement that our behaviours incorporate the ethical priorities of the Public Sector Ethics Act 1994.

GOVERNANCE

I RISK MANAGEMENT AND ACCOUNTABILITY

Audit, Finance and Risk Management Committee

The Audit, Finance and Risk Management Committee (AFRC) advises the board on the quality of operating controls, reviews financial risks, internal and external audit functions, financial statements and risk management.

In 2017-18, the AFRC continued its focus on embedding TAFE Queensland's Risk Management Framework with a goal of improving the visibility and management of risks faced by the business.

TAFE Queensland's Risk Management Framework includes policy and procedures that are based on the approach that TAFE Queensland will be risk aware, responsive, agile and resilient and allow for the review and addressing of risks that have the potential to affect the strategic and operational objectives of our organisation.

TAFE Queensland conducts risk management activities in accordance with the international standard for risk management. The AFRC has been focused on maturing four risk attributes: risk leadership, knowledge management, governance and assurance, along with resources, tools and processes.

The board maintains a Risk Appetite Statement that guides the decision making frameworks across the organisation and manages quarterly reviews of known and emerging risks via the TAFE Queensland executive, this committee and the board, including the establishment and monitoring of mitigation strategies.

Internal audit

The organisation's compliance obligations also remained in focus for the AFRC, aided by the involvement of internal auditors PricewaterhouseCoopers, in conjunction with the Queensland Audit Office to deliver a program of audit work for 2017-18.

The audit function is managed through the AFRC and is used to determine whether TAFE Queensland's risk management controls and governance processes, as designed and represented by management, is adequate and functioning in a manner to ensure:

- risks are appropriately identified and managed
- interaction with the various groups involved with governance occurs as needed
- significant financial, managerial and operating information is accurate, reliable, and timely
- employees' actions are in compliance with policies, standards, procedures and applicable laws and regulations
- resources are acquired economically, used efficiently, and are adequately protected
- programs, plans and objectives are achieved
- quality and continuous improvement are fostered in TAFE Queensland's governance and internal control process
- significant legislative or regulatory issues impacting TAFE Queensland are recognised and addressed properly.

The specific scope of work is set by the annual audit plan which for 2017-18 included:

- review of key financial policies and processes — payroll review of the IT security
- review of international student processes
- review of contract management
- review of VET Student Loan compliance
- review of the pricing policy
- review of safety risk management.

TAFE Queensland's risk management and internal audit activities are cognisant of key legislative requirements, such as the TQ Act and the Financial Accountability Act 2009. The activities were also undertaken with due regard to the Queensland Treasury Audit Committee Guidelines 2012.

The members of the AFRC for 2017-18 were Mr Peter Dowling (Chair), Ms Louise Cox, Ms Annabel Dolphin and Mr Shaun Coffey.

External scrutiny

TAFE Queensland was not subject to external scrutiny for this reporting period.

Information systems and record keeping

TAFE Queensland has taken a proactive approach to cyber security and ensuring the security and integrity of its information and systems. Throughout the year the ISO 27001 Information Security Standard has continued to be embedded with further implementation of the standards-compliant information security management system and the development of a suite of associated policies and guidelines.

The focus on cyber security remains a high priority for the operational organisation, the executive and the board. This has been supported through a number of cyber security activities, a general increase in cyber security measures and assurance, and emphasis on cyber security awareness and training for staff.

TAFE Queensland continues to improve its recordkeeping maturity with an electronic document store now in excess of 215,000 records including executive correspondence and business processes for finance, human resources and general administration. The electronic document and records management system maintains a full audit event history for every record and is used to manage a large number of business transaction workflows.

TAFE Queensland maintains a central recordkeeping team to support the organisation's implementation of electronic recordkeeping; uplift staff skills in recordkeeping practices; coordinate recordkeeping professionals across the organisation; and, continue to enhance recordkeeping maturity and discipline organisation-wide.

Digitisation of paper based files continues to improve and now incorporates a number of paperless approval processes, including travel and payroll approvals. The ongoing development of a digitisation disposal policy for records will establish a compliant process for the disposal of paper based records after they have been digitised.

TAFE Queensland is awaiting Queensland State Archives approval for a new Education and Training Retention and Disposal Schedule developed with the Queensland Department of Education to replace the current Technical and Further Education Institutes Retention and Disposal Schedule. This is expected to further streamline records management for TAFE Queensland.

Our Information Management Framework identifies the disciplines necessary to manage information efficiently and in compliance with legislation and standards. Policies and procedures have been reviewed and revised along with the development of new policies and procedures throughout the year.

GOVERNANCE

I HUMAN RESOURCES

Strategic workforce planning and performance

Our workforce is made up of dedicated educators and support staff who strive on a daily basis to “make great happen.” To support our people throughout 2017-18, a number of focused initiatives and strategies were implemented.

A review of the TAFE Queensland values was undertaken and the values were refreshed to reflect staff feedback on what TAFE Queensland meant to them and their customers. The updated values are working together, focusing on our customer, taking responsibility and showing initiative. A fifth but priority safety first value was added by the board to reflect the increased focus on safety.

Integral to the TAFE Queensland Leadership Framework is senior leadership capability and behaviours to drive an inclusive and performing culture. TAFE Queensland invests heavily to develop senior leaders as part of its Connected Leaders program, to create a strong and aligned network across the state. The focus of Connected Leaders in previous years has been on individual performance and improvement, where 2017-18 saw a natural progression to a focus on teamwork and strengthening relationships across the Connected Leaders network. The format has also evolved in response to participant feedback to be delivered more flexibly, to respond to organisational requirements and constraints. The program will continue to be delivered in 2018-19.

The self-development tool, Life Styles Inventory (LSI), continues to be made available for new entrants to the network and for coaching across the organisation. On an annual basis senior leaders have received 360 degree

feedback using Network Leadership Survey, which focuses on five core leadership competencies (three people focused and two task focused).

Development of our middle and lower level leaders has been enhanced by a management development program that teaches our leaders how to build successful teams and deliver commercial business outcomes. This program was developed for internal TAFE Queensland use, but has also been purchased by an external client.

Our new starters in 2017-18 were provided with an updated induction program. The program was updated to transfer the program to our learning management system (Connect) to enable increased interactivity. The content was also updated to reflect one RTO and other business changes.

Performance and motivation is managed within TAFE Queensland’s performance planning and development processes, encouraging high-quality, two-way discussions to help staff achieve in their current roles and focus on future development. A more vigorous review process is being established for educators to ensure they meet regulatory requirements for competency and currency.

Integral to our performance framework is recognition. A corner stone of the recognition program is the TAFE Queensland Staff Awards. The fourth TAFE Queensland State Staff Awards were successfully implemented, recognising the contributions and achievements of our people across the state. Every year the program is based on peer nominations, celebrating winners across regions and corporate and culminating in a state award ceremony.

The health, safety and wellness of our people and students remains a high focus. Across TAFE Queensland there has been a number of initiatives undertaken to continue to improve safety compliance, leadership and culture, including a refreshed Work Health, Safety and Wellbeing Statement of Commitment. This work has been initiated under the TAFE Queensland Workplace Health and Safety Operational Plan 2016-2019.

A major focus has been a comprehensive response to the Workplace Health and Safety and Other Legislation Amendment Act (Queensland) 2017, including aligning our operations to the Codes of Practice. An impact statement was created to identify the specific impacts of the legislative provisions on our organisation. The statement has informed and influenced our health, safety and wellness program of work and this will continue into 2018-19.

In the unfortunate event where a staff member is injured at work or home, a safe and effective return to work is critical. A rehabilitation and return to work (RRTW) network has been activated across TAFE Queensland to improve consistency of processes and provide valuable professional development opportunities for RRTW coordinators. In addition to regular videoconference meetings, in early 2018, an inaugural TAFE Queensland conference was held and attended by RRTW coordinators from across the state. This provided the opportunity for presentations from key external providers who support RRTW for our people.

Various wellness initiatives have taken place across the state, for example, recognising 'R U OK? Day', flu vaccinations, Smoke Free Workplace initiative, QSuper financial wellbeing sessions, Mental Health First Aid and Domestic and Family Violence Awareness training.

We foster an inclusive and flexible work environment, as outlined in TAFE Queensland's Human Resources and Workforce Management Manual and the Staff Equity and Diversity Policy.

Creating an intrinsically rewarding workplace is important to TAFE Queensland. To track how our staff are responding to the work environment, TAFE Queensland has undertaken an annual Employee Engagement Survey. Over a number of years there has been an improvement in our staff's engagement with TAFE Queensland. Stand out items in 2017 were brand identity, collaboration and innovation.

In 2018, our annual employee engagement survey was again run across TAFE Queensland. The survey in 2018 was a "pulse" survey, focusing on measuring identified TAFE Queensland-wide priorities from the 2017 survey and key issues for the organisation regarding change management. An excellent response rate was achieved, with 82% for the whole organisation.

People, Culture and Safety Committee

The People, Culture and Safety Committee (PCSC) advises the board on matters involving the performance of the CEO and the effectiveness of the board, the work, health and safety and the human resources strategies for the organisation.

During the year, the PCSC focused on creating stability within the executive team by facilitating the appointment process for the Interim CEO, Chief Financial Officer, Chief Information Officer and Director of Legal Services & General Counsel.

The PCSC also set the priority for embedding a safety culture into the organisation by ensuring that 'safety first' be elevated to a value for the organisation and ensuring that a key strategy for the organisation focus on enhancing a safety culture and leadership to deliver improved safety performance.

The PCSC also undertook an annual board evaluation in order to ensure ongoing effectiveness of the board function, monitored staff engagement and management response to the annual staff satisfaction survey, managed the performance of the CEO and supported the CEO in setting performance expectations for executive level staff.

The members of the PCSC in 2017-18 were Ms Deborah Wilson (Chair), Ms Noela L'Estrange, Ms Annabel Dolphin and Mr Peter Price.

Employee relations framework

TAFE Queensland is committed to consulting with staff and Unions. There are a number of ongoing and regular consultative mechanisms that enhance the consultation processes to support delivery of change and improvement. Across TAFE Queensland there are local consultative committees and the TAFE Queensland Consultative Committee meets quarterly and is attended by executive team members and the CEO.

During 2017-18, TAFE Queensland, in consultation with the Unions and employees, initiated agreed actions from the previous Enterprise Bargaining Agreement negotiations.

TAFE Queensland's workforce operates under a number of industrial instruments:

- TAFE Queensland (TAFE Services Employees) Certified Agreement 2016 and
- TAFE Queensland Educators Certified Agreement 2016.

FINANCIAL STATEMENTS

2017–18

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Income					
Sales of goods and services	4	260,391	278,328	251,503	278,328
Grants and contributions	5	350,229	396,144	344,298	396,144
Interest		4,351	5,054	4,307	5,054
Other income		12,642	7,635	8,626	7,635
Total income		627,613	687,161	608,734	687,161
Expenses					
Employee expenses	6	406,065	397,965	398,346	397,965
Supplies and services	7	202,680	252,129	197,048	252,129
Grants and subsidies		13	-	13	-
Depreciation and amortisation		13,530	12,013	12,849	12,013
Finance/borrowing costs		69	-	-	-
Other expenses	8	3,838	5,093	3,295	5,093
Total expenses		626,195	667,201	611,551	667,201
Operating result		1,418	19,960	(2,816)	19,960
Other Comprehensive Income					
Increase in asset revaluation surplus		54	58	54	58
Total Other Comprehensive Income		54	58	54	58
Total comprehensive income for the year		1,472	20,018	(2,763)	20,018

The accompanying notes form part of these statements.

STATEMENT OF FINANCIAL POSITION

I AS AT 30 JUNE 2018

	Notes	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current assets					
Cash and cash equivalents	9	220,375	216,185	214,036	216,185
Receivables	10	85,273	100,738	82,577	100,738
Inventories		1,138	852	1,013	852
Other current assets		5,657	8,039	5,028	8,039
Total current assets		312,443	325,813	302,653	325,813
Non-current assets					
Property, plant and equipment	11	48,533	42,089	40,140	42,089
Intangible assets	12	36,453	28,101	36,031	28,101
Other non-current assets		2,901	-	-	-
Total non-current assets		87,887	70,190	76,171	70,190
Total assets		400,330	396,003	378,824	396,003
Current liabilities					
Payables	13	31,898	42,328	30,721	42,328
Accrued employee benefits	14	20,053	18,967	19,183	18,967
Interest-bearing liabilities		452	-	-	-
Other current liabilities	15	43,828	44,501	41,475	44,501
Total current liabilities		96,231	105,796	91,380	105,796
Non-current liabilities					
Accrued employee benefits	14	223	-	-	-
Interest-bearing liabilities		847	-	-	-
Total non-current liabilities		1,070	-	-	-
Total liabilities		97,301	105,796	91,380	105,796
Net assets		303,028	290,207	287,444	290,207
Equity					
Contributed equity		181,445	170,096	170,096	170,096
Retained earnings		121,404	119,986	117,169	119,986
Asset revaluation surplus		179	125	179	125
Total equity		303,028	290,207	287,444	290,207

The accompanying notes form part of these statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 JUNE 2018

	Retained Earnings		Asset Revaluation Surplus		Contributed Equity		TOTAL	
	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent	Consolidated	Parent
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2016	100,025	100,025	68	68	168,795	168,795	268,888	268,888
Operating result	19,960	19,960	-	-	-	-	19,960	19,960
Increase in asset revaluation surplus	-	-	58	58	-	-	58	58
Net transfers in/(out) from other Queensland Government entities	-	-	-	-	1,301	1,301	1,301	1,301
Balance at 30 June 2017	119,986	119,986	125	125	170,096	170,096	290,207	290,207
Operating result	1,418	(2,816)	-	-	-	-	1,418	(2,816)
Increase in asset revaluation surplus	-	-	54	54	-	-	54	54
Net transfers in/(out) from other Queensland Government entities	-	-	-	-	11,350	-	11,350	-
Balance at 30 June 2018	121,404	117,169	179	179	181,445	170,096	303,028	287,444

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash flows from operating activities					
Sales of goods and services		277,081	293,420	267,883	293,420
Grants and contributions		353,823	374,708	348,999	374,708
GST input tax credits from ATO		20,586	24,260	20,286	24,260
Interest received		4,420	4,780	4,376	4,780
Other receipts		5,732	6,640	5,731	6,640
Employee expenses		(406,520)	(401,898)	(398,869)	(401,898)
Supplies and services		(226,804)	(270,827)	(221,088)	(270,827)
Grants and subsidies		(13)	-	(13)	-
GST remitted to ATO		(7,254)	(11,774)	(7,254)	(11,774)
Finance / borrowing costs		(69)	-	-	-
Other payments		(3,062)	(2,414)	(3,062)	(2,414)
Net cash provided by operating activities		17,921	16,896	16,990	16,896
Cash flows from investing activities					
Dividends received		707	-	-	-
Sales of property, plant and equipment		62	50	67	50
Payments for property, plant and equipment		(5,510)	(13,110)	(5,268)	(13,110)
Payments for intangible assets		(14,001)	(18,848)	(13,938)	(18,848)
Net cash used in investing activities		(18,741)	(31,907)	(19,139)	(31,907)
Cash flows from financing activities					
Borrowing redemptions		(287)	-	-	-
Net cash used in financing activities		(287)	-	-	-
Net increase in cash and cash equivalents		(1,107)	(15,012)	(2,149)	(15,012)
Increase in cash and cash equivalents from restructuring		5,297	-	-	-
Cash and cash equivalents at beginning of financial year		216,185	231,196	216,185	231,196
Cash and cash equivalents at end of financial year	9	220,375	216,185	214,036	216,185

The accompanying notes form part of these statements.

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

Notes to the Statement of Cash Flows

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Reconciliation of cash flows from operating activities				
Operating result	1,418	19,960	(2,816)	19,960
Non-cash items included in operating result				
Depreciation and amortisation	13,530	12,013	12,849	12,013
Loss on sale of property, plant and equipment	440	339	363	339
Net Sunshine Coast Health Institute contribution / write -off of assets	-	(5,160)	-	(5,160)
Share of profits of joint ventures – equity method	(3,179)	-	-	-
Change in assets and liabilities:				
(Increase)/decrease in receivables	15,721	(17,722)	15,760	(17,722)
(Increase)/decrease in GST input tax credits receivable	2,863	(247)	2,860	(247)
Increase/(decrease) in GST payable	(459)	114	(459)	114
(Increase)/decrease in inventories	(102)	(189)	(161)	(189)
(Increase)/decrease in other current assets	3,177	(73)	3,011	(73)
Increase/(decrease) in accounts payable	(11,842)	3,095	(11,830)	3,095
Increase/(decrease) in accrued employee benefits	337	(2,985)	216	(2,985)
Increase/(decrease) in other liabilities	(3,983)	7,750	(2,803)	7,750
Net cash provided by operating activities	17,921	16,896	16,990	16,896

The accompanying notes form part of these statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

1. Basis of Financial Statement preparation

(a) General Information

TAFE Queensland is a statutory body established under the *TAFE Queensland Act 2013* and governed by an independent board.

TAFE Queensland is the largest and most experienced provider of vocational education and training in the state, with a history of serving Queensland's communities for over 130 years. Each year TAFE Queensland enrolls over 120,000 students across a network of over 50 campuses in Queensland, in employers' workplaces, online and in markets offshore. Our offering spans foundation skills and entry level qualifications to higher education degrees across more than 500 programs.

The corporate office and principal place of business is 133 Mary Street, Brisbane Qld 4000.

(b) Compliance with prescribed requirements

TAFE Queensland has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2017.

TAFE Queensland is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

New accounting standards early adopted and/or applied for the first time in these financial statements are outlined in Note 23.

(c) 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.

Foreign currency transactions are translated to the functional currency using the average exchange rates prevailing each month in which the transactions occur. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in the foreign currencies at year end are generally recognised in the profit or loss.

(d) Comparatives

Comparative information reflects the audited 2016-17 financial statements which has been restated where necessary to be consistent with disclosures in the current reporting period.

(e) Current / Non-Current Classification

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

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or TAFE Queensland does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

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

(f) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chairperson, TAFE Queensland board, the Chief Executive Officer, and Chief Financial Officer at the date of signing the Management Certificate.

(g) Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for the following:

- Buildings which are measured at fair value;
- Provisions expected to be settled 12 or more months after reporting date which are measured at their present 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

I FOR THE YEAR ENDED 30 JUNE 2018

1. Basis of Financial Statement preparation (continued)

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 at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique. Fair value is determined using one of the following three approaches:

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The income approach converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

All assets and liabilities for which fair value is measured or disclosed in the

financial statements are categories within the following fair value hierarchy based on the data and assumptions used in the most recent specific appraisals:

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

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 (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

(h) The Reporting Entity

The consolidated financial statements include all income, expenses, assets, liabilities and equity of the 'economic entity' comprising TAFE Queensland and the entities it controls where these entities are material (refer to Note 2). All transactions and balances internal to the economic entity have been eliminated in full.

The parent entity financial statements include all income, expenses, assets, liabilities and equity of the parent only.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

2. Controlled entities

The following entities are controlled by TAFE Queensland:

Directly Controlled

Name	Purpose and Principal Activities	% Interest in Entity & Basis for Control	Total Assets \$'000		Total Liabilities \$'000		Total Revenue \$'000		Operating Result \$'000s	
			2018	2017	2018	2017	2018	2017	2018	2017
TAFE Queensland International Education Pty Ltd	Deliver training services and provide international development assistance	100% interest in ordinary share capital enabling control of majority voting rights	1,116	1,315	440	1,085	6,887	6,085	446	230
Aviation Australia Pty Ltd.	Support the development and growth of aviation and aerospace industries both in Australian and international markets	100% interest in ordinary share capital enabling control of majority voting rights	21,506	18,596	5,921	5,302	23,056	16,970	3,777	(1,322)

Note: the amounts provided for Aviation Australia Pty Ltd. in the above table are based on full year results and balances. Amounts included for the consolidated entity in these financial statements reflect the asset and liabilities balances as at 30 June 2018, and revenues and expenses from 1 October 2017.

Disclosure about Wholly-Owned Controlled Entities

TAFE Queensland International Education Pty Ltd

TAFE Queensland International Education Pty Ltd (TQIE) was established in July 2016 as a company limited by shares. TQIE's registered office is in Brisbane, Queensland, and its purpose is delivering training services and providing international development assistance and support to the Commonwealth Department of Foreign Affairs and Trade (DFAT) and to any other entity engaged in the provision of such services from time to time.

The predominant source of revenue for TQIE is earned through sub-contracting from TAFE Queensland for the delivery of services under the Australia Pacific Technical College (APTC) contract with DFAT. In 2017-18 TQIE recognised revenues totalling \$6.870 million (2016-17: \$6.805 million) in relation to services provided to TAFE Queensland.

TAFE Queensland controls 100% of the share capital and voting rights in the company. The transactions and balances of TQIE are immaterial to TAFE Queensland and the economic entity and therefore have not been consolidated in financial statements.

Aviation Australia Pty Ltd

Aviation Australia Pty Ltd was formed in October 2001 to provide aviation training. Aviation Australia Pty Ltd prepares and publishes separated financial statements, which are audited by the Auditor-General of Queensland. All shares in Aviation Australia were transferred to TAFE Queensland effective from 1 October 2017.

Given the activities of the company, no dividends or other financial returns are received by TAFE Queensland. There are no significant restrictions on TAFE Queensland's ability to access the company's assets or settle its liabilities.

The assets, liabilities, revenues and expenses of Aviation Australia have been consolidated in these financial statements effective from 1 October 2017.

Aviation Australia Pty Ltd (AA) has a 51% shareholding in Aviation Australia Riyadh College of Excellence LLC (AARCOE), with Shamal Commercial Investment LLC (SCI), a Saudi Arabian limited liability company holding the remaining 49% of the shares. In accordance with an agreement between the shareholders, Aviation Australia is entitled to a 20% share of the profits or liable for 20% of the losses in that company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

3. Joint arrangements

Joint arrangements exist when two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Since 2016-17 TAFE Queensland has partnered with Sunshine Coast Hospital and Health Service (SCHHS),

University of the Sunshine Coast (USC) and Griffith University for the operation of the Sunshine Coast Health Institute (SCHI). SCHI operates as a joint operation under an unincorporated joint venture agreement, based at the new Sunshine Coast University Hospital. The primary aims of SCHI are to advance the education of trainee medical officers, nurses, midwives, and other health care professionals, while providing outstanding patient care and extending

research knowledge. Each partner has rights and obligations to the assets, liabilities, revenue and expenses of SCHI.

TAFE Queensland has accounted for its interest in the joint arrangement, including recognising its share of assets, liabilities and expenses jointly held/incurred, in accordance with AASB 11 *Joint Arrangements*.

TAFE Queensland's share of the joint operation is 23.7% (2017: 23.7%).

4. Sales of goods and services

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Student fees and charges	150,793	165,021	149,528	165,021
Fees for training services	105,268	110,113	99,000	110,113
Sales of goods and ancillary services	4,330	3,193	2,975	3,193
Total	260,391	278,328	251,503	278,328

Sales of goods and services are recognised as revenues when it has been earned and can be measured reliably with a sufficient degree of certainty. Accrued revenue is recognised if the revenue has been earned but not yet invoiced.

5. Grants and contributions

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Queensland Government grants and contributions				
- Queensland Government subsidised training	141,399	156,703	139,168	156,703
- State Contribution grant	174,147	-	170,638	-
- VET Purchasers grant	-	134,000	-	134,000
- Rental support grant	-	47,786	-	47,786
- Corporate operating grant	-	33,246	-	33,246
- Other grants and contributions	27,059	14,887	26,895	14,887
Australian government grants and contributions	4,001	4,541	4,001	4,541
Other donations, sponsorships, and contributions	3,623	4,980	3,596	4,980
Total	350,229	396,144	344,298	396,144

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

5. Grants and contributions (continued)

Grants, contributions, donations and gifts received that are non-reciprocal in nature are recognised as revenue on receipt or when it is probable that the economic benefits will flow to TAFE Queensland, has a right to receive the contribution,

and the value of that benefit can be reliably measured. Grants received that are reciprocal in nature are recognised over the term of the arrangements.

Queensland Government subsidised training relates to the component of course fees that is received for eligible students from the Queensland Government.

The State Contribution grant (previously VET Purchaser's grant and Corporate Operating grant) is aimed at supporting quality training and skills delivery by subsidising public providers in areas of competitive disadvantage in comparison to private providers.

6. Employee expenses

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Salaries and wages	284,654	280,035	278,120	280,035
Annual leave	28,796	28,965	28,783	28,965
Long service leave	6,946	6,853	6,841	6,853
Employer superannuation contributions	39,008	38,517	38,396	38,517
Other employee benefits	23,577	21,115	23,577	21,115
Payroll tax and fringe benefits tax	17,893	17,444	17,558	17,444
Other employee-related expenses	5,190	5,036	5,072	5,036
Total	406,065	397,965	398,346	397,965

The number of employees as at 30 June 2018, including both full-time employees and part-time employees measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)) is 3,978 (4,072 full-time equivalent 2016-17).

Salaries, wages and sick leave

Salaries and wages due but unpaid at reporting date are recognised as a liability at current salary and wage rates. Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. As sick leave is non-vesting, a liability for unused sick leave entitlements is not recognised. An expense is recognised for this leave when taken.

Annual leave and long service leave

TAFE Queensland employs people in Australia under state-based awards and it also employs people overseas in connection with APTC in accordance

with the laws of the local jurisdictions in which APTC operates – Fiji, Vanuatu, Papua New Guinea, and Solomon Islands.

For employees of the parent engaged on Queensland-based conditions of employment, TAFE Queensland is a member of the Queensland Government's Annual Leave Central and Long Service Leave Central Schemes. A levy is payable to these schemes to cover the cost of employees' annual leave (including leave loading and on-costs) and long service leave. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and

long service leave are claimed back from the schemes quarterly in arrears. TAFE Queensland does not recognise a provision for annual leave or long service leave in the financial statements as these liabilities are held, and reported, on a whole-of-government basis.

For employees employed by subsidiaries or employed under foreign conditions of employment, a liability for annual leave accrued up to the end of the reporting period is recognised based on current salary and wage rates, and includes employer related on-costs. The liability for long service leave is recognised in the provision for long service leave and measured as the present value

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

6. Employee expenses (continued)

of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using marked yields at the reporting date on government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Superannuation schemes

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's

QSuper defined benefit plan as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant EBA or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon

the rates determined on the advice of the State Actuary. Contributions are paid by the department at the specified rate following completion of the employee's service each pay period. The department's obligations are limited to those contributions paid.

Workers Compensation

TAFE Queensland pays premiums to WorkCover Queensland in respect of its obligation for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not employment benefits and is recognised separately as employee related expenses.

Key management personnel and disclosures are detailed in note 21.

7. Supplies and services

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Contractors	26,006	39,982	24,989	39,982
Property rental	23,967	50,792	22,004	50,792
Property, information technology support services, and transport	75,756	86,091	74,584	86,091
Travel and accommodation	6,565	8,510	6,380	8,510
Agents commissions	4,876	3,815	4,536	3,815
Advertising and promotions	10,935	9,776	10,649	9,776
Training materials	8,121	9,709	7,990	9,709
Printing and stationery	4,427	4,837	4,381	4,837
Minor equipment purchases	8,038	10,098	8,033	10,098
Subscriptions, books, and publications	4,404	3,976	4,232	3,976
Finance, human resources, and support services	3,373	4,001	3,373	4,001
Other supplies and services	26,213	20,540	25,895	20,540
Total	202,680	252,129	197,048	252,129

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

8. Other expenses

Audit Fees

Other expenses includes remuneration to auditors. Total audit fees quoted by the Queensland Audit Office relating to the 2017-18 financial statements are \$163,000 (2016-17 \$173,000).

9. Cash and cash equivalents

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash at bank	108,484	72,557	102,145	72,557
Queensland Treasury Corporation Capital Guaranteed Cash Fund	111,891	143,628	111,891	143,628
Total	220,375	216,185	214,036	216,185

Cash and cash equivalents comprise cash on hand, cheques receipted but not yet banked, and other short term highly liquid investments.

10. Receivables

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Current				
Trade debtors	18,581	23,660	17,110	23,660
Less: Allowance for impairment loss	(3,259)	(4,002)	(3,223)	(4,002)
	15,321	19,659	13,886	19,659
GST receivable	1,536	3,910	1,509	3,910
Accrued revenue	60,344	70,695	59,835	70,695
Other receivables	8,072	6,475	7,347	6,475
Total	85,273	100,738	82,577	100,738

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at amounts due at the time of sale or service delivery. Trade debtors are generally due for settlement 30 days from invoice date. Other receivables are due in accordance with their contractual terms.

Collectability of trade debtors is reviewed on an ongoing basis. Individual debts that are uncollectable are written off when identified. Allowances for impairment are made where there is objective evidence that the organisation will not be able to collect all amounts due according to the original terms of the receivable. The most readily identifiable indicator of impairment is where a

debtor is overdue in paying a debt, according to the due date. Movements in the allowance for impairment are recognised as an expense in that period. All known bad debts were written-off at 30 June 2018.

Receivables and payables are stated with GST included. The net amount of GST recoverable from the Australian Taxation Officer is included as a current asset.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

10. Receivables (continued)

Individually impaired receivables (Aged)

	2018			2017		
	Gross Receivables \$'000	Allowance for Impairment \$'000	Carrying Amount \$'000	Gross Receivables \$'000	Allowance for Impairment \$'000	Carrying Amount \$'000
Consolidated						
Less than 30 days	9	(9)	-	-	-	-
30 to 60 days	-	-	-	-	-	-
60 to 90 days	-	-	-	-	-	-
Greater than 90 days	2,409	(2,409)	-	4,002	(4,002)	-
Total	2,418	(2,418)	-	4,002	(4,002)	-

Parent						
Less than 30 days	9	(9)	-	-	-	-
30 to 60 days	-	-	-	-	-	-
60 to 90 days	-	-	-	-	-	-
Greater than 90 days	2,373	(2,373)	-	4,002	(4,002)	-
Total	2,382	(2,382)	-	4,002	(4,002)	-

	Consolidated		Parent	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Ageing of past due but not impaired receivables				
Less than 30 days	5,450	5,716	4,500	5,716
30 to 60 days	1,001	1,488	666	1,488
60 to 90 days	577	3,263	460	3,263
Greater than 90 days	730	1,675	698	1,675
Total	7,759	12,143	6,324	12,143

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. Property, plant and equipment

Closing balances and reconciliation of carrying amount

	Buildings at Cost	Buildings at Valuation	Plant & Equipment	Work in Progress	Total
Consolidated	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000
Gross	4,740	5,266	124,111	1,906	136,023
Less: Accumulated depreciation	(2,154)	(3,854)	(81,481)	-	(87,489)
Carrying amount at 30 June 2018	2,586	1,412	42,630	1,906	48,533

Represented by movements in carrying amount:

Carrying amount at 1 July 2017	-	1,506	32,361	8,223	42,089
Acquisitions (including upgrades)	-	-	1,737	3,675	5,412
Transfers in	2,729	-	6,176	8	8,913
Disposals	(71)	-	(201)	(8)	(280)
Transfers between asset classes	-	(23)	10,015	(9,992)	-
Net revaluation increments in operating deficit	-	54	-	-	54
Depreciation expense	(72)	(124)	(7,458)	-	(7,654)
Carrying amount at 30 June 2018	2,586	1,412	42,630	1,906	48,533

Consolidated	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000
Gross	-	5,084	105,251	8,223	118,558
Less: Accumulated depreciation	-	(3,579)	(72,891)	-	(76,469)
Carrying amount at 30 June 2017	-	1,506	32,361	8,223	42,089

Represented by movements in carrying amount:

Carrying amount at 1 July 2016	-	1,543	25,550	1,575	28,668
Acquisitions (including upgrades)	-	25	780	12,305	13,110
Transfers in	-	-	6,461	-	6,461
Disposals	-	-	(389)	-	(389)
Transfers between asset classes	-	-	6,095	(5,658)	438
Net revaluation increments in operating deficit	-	58	-	-	58
Depreciation expense	-	(120)	(6,137)	-	(6,256)
Carrying amount at 30 June 2017	-	1,506	32,361	8,223	42,089

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. Property, plant and equipment (continued)

Closing balances and reconciliation of carrying amount

	Buildings at Cost	Buildings at Valuation	Plant & Equipment	Work in Progress	Total
TAFE Queensland	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000
Gross	-	5,266	110,600	1,906	117,772
Less: Accumulated depreciation	-	(3,854)	(73,778)	-	(77,632)
Carrying amount at 30 June 2018	-	1,412	36,822	1,906	40,140

Represented by movements in carrying amount:

Carrying amount at 1 July 2017	-	1,506	32,361	8,223	42,089
Acquisitions (including upgrades)	-	-	1,593	3,675	5,268
Disposals	-	-	(195)	-	(195)
Transfers between asset classes	-	(23)	10,015	(9,992)	-
Net revaluation increments in operating surplus	-	54	-	-	54
Depreciation expense	-	(124)	(6,952)	-	(7,076)
Carrying amount at 30 June 2018	-	1,412	36,822	1,906	40,140

TAFE Queensland	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000
Gross	-	5,084	105,251	8,223	118,558
Less: Accumulated depreciation	-	(3,579)	(72,891)	-	(76,469)
Carrying amount at 30 June 2017	-	1,506	32,361	8,223	42,089

Represented by movements in carrying amount:

Carrying amount at 1 July 2016	-	1,543	25,550	1,575	28,668
Acquisitions (including upgrades)	-	25	780	12,305	13,110
Transfers in	-	-	6,461	-	6,461
Disposals	-	-	(389)	-	(389)
Transfers between asset classes	-	-	6,095	(5,658)	438
Net revaluation increments in operating surplus	-	58	-	-	58
Depreciation expense	-	(120)	(6,137)	-	(6,256)
Carrying amount at 30 June 2017	-	1,506	32,361	8,223	42,089

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. Property, plant and equipment (continued)

Basis of capitalisation and recognition thresholds

Items of property, plant and equipment with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as property, plant and equipment in the following classes:

Class of fixed asset	Threshold
Buildings	\$10,000
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 for TAFE Queensland. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

Acquisition of property, plant and equipment

Acquisitions of property, plant and equipment are initially recorded at historical cost. Historical cost is determined as the fair value of consideration given to acquire the asset plus costs incidental to the acquisition, including design fees and all other establishment costs.

Measurement

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. Buildings are measured at fair value and reported at the revalued amounts, being the fair value at the date of valuation less any subsequent accumulated depreciation.

Buildings measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer, or by the use of appropriate and relevant indices.

Revaluations using independent professional valuer appraisals are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

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

The fair value measurement for buildings of \$1.412 million (\$1.506 million 2016-17) has been categorised as a Level 3 in the fair value hierarchy (refer to Note 1(g)).

The effective date of the last specific appraisal for TAFE Queensland's building was 30 June 2015, conducted by

quantity surveyor firm Gray, Robinson & Cotterell (GRC). The replacement cost estimate was prepared from plans and elevations together with available schedules and specifications. Where this standard of supplied information was not available, GRC determined appropriate information from site surveys that were conducted. GRC applied a combination of pricing methodologies all of which were adjusted to reflect the anticipated construction market as at the effective reporting date. Detailed estimates were also used to determine the cost of replacing the existing assets with a modern equivalent asset.

The building asset class was not specifically appraised in the reporting period, however previous valuations have been materially kept up-to-date via the application of relevant indices. TAFE Queensland ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. In 2017-18 TAFE Queensland has applied an index of 4.2%, consistent with those applied by the Department of Employment, Small Business and Training (as prepared by quantity surveyor firm GRC) for other state-owned training assets. GRC employs market driven indexation factors, such as Locality and Building Price Index, as mechanisms to ensure that estimates are reflective of the construction market at any point in time.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

11. Property, plant and equipment (continued)

Depreciation Expense

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset progressively over its estimated useful life to TAFE Queensland.

Straight line depreciation is used as that is consistent with the consumption of service potential of these assets over their useful life to TAFE Queensland.

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 life of the asset.

Assets under construction (work-in-progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is earlier. These assets are then reclassified to the relevant class within property, plant, and equipment.

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

Depreciation methods, estimated useful lives and residual values of property, plant and equipment are reviewed annually and adjusted if appropriate. The estimated useful lives for each class of depreciable assets are:

Class of fixed asset	Useful life (years)
Buildings	25 - 89
Plant and equipment	3 - 50

Impairment

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, TAFE Queensland determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

An impairment loss is recognised immediately in the statement of comprehensive income.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

12. Intangible assets

Closing balances and reconciliation of carrying amount

	Intellectual Property	Software Purchased	Software Internally Generated	Other Intangible Assets	Work in Progress	TOTAL
Consolidated	2018 \$'000	2018 \$'000	2018 \$'000	2018 \$'000	2017 \$'000	2018 \$'000
Gross	19,573	9,085	25,004	1,475	23,653	78,791
Less: Accumulated amortisation	(8,585)	(8,659)	(24,846)	(248)	-	(42,338)
Carrying amount at 30 June 2018	10,988	426	158	1,227	23,653	36,453

Represented by movements in carrying amount:

Carrying amount at 1 July 2017	7,202	1,151	140	387	19,222	28,101
Acquisitions (including upgrades)	476	33	159	991	12,375	14,035
Transfers between asset classes	8,134	-	-	-	(8,134)	-
Transfers in	178	58	-	-	191	427
Amortisation expense	(4,767)	(816)	(142)	(150)	-	(5,875)
Disposal/Write Off	(235)	-	-	-	-	(235)
Carrying amount at 30 June 2018	10,988	426	158	1,227	23,653	36,453

	Intellectual Property	Software Purchased	Software Internally Generated	Other Intangible Assets	Work in Progress	TOTAL
Consolidated	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000	2017 \$'000
Gross	13,325	9,268	24,845	623	19,222	67,283
Less: Accumulated amortisation	(6,124)	(8,117)	(24,705)	(237)	-	(39,182)
Carrying amount at 30 June 2017	7,202	1,151	140	387	19,222	28,101

Represented by movements in carrying amount:

Carrying amount at 1 July 2016	1,449	1,933	328	483	11,254	15,448
Acquisitions (including upgrades)	-	-	-	-	18,848	18,848
Transfers between asset classes	10,086	222	135	-	(10,880)	(438)
Amortisation expense	(4,334)	(1,004)	(323)	(97)	-	(5,757)
Carrying amount at 30 June 2017	7,202	1,151	140	387	19,222	28,101

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

12. Intangible assets (continued)

Closing balances and reconciliation of carrying amount

	Intellectual Property	Software Purchased	Software Internally Generated	Other Intangible Assets	Work in Progress	TOTAL
TAFE Queensland	2018	2018	2018	2018	2017	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	18,809	8,612	25,004	1,475	23,601	77,502
Less: Accumulated amortisation	(8,132)	(8,245)	(24,846)	(248)	-	(41,471)
Carrying amount at 30 June 2018	10,677	367	158	1,227	23,601	36,031

Represented by movements in carrying amount:

Carrying amount at 1 July 2017	7,202	1,151	140	387	19,222	28,101
Acquisitions (including upgrades)	464	-	159	991	12,323	13,938
Transfers between asset classes	7,943	-	-	-	(7,943)	-
Amortisation expense	(4,697)	(784)	(142)	(150)	-	(5,773)
Disposal/Write Off	(235)	-	-	-	-	(235)
Carrying amount at 30 June 2018	10,677	367	158	1,227	23,601	36,031

TAFE Queensland	2017	2017	2017	2017	2017	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	13,325	9,268	24,845	623	19,222	67,283
Less: Accumulated amortisation	(6,124)	(8,117)	(24,705)	(237)	-	(39,182)
Carrying amount at 30 June 2017	7,202	1,151	140	387	19,222	28,101

Represented by movements in carrying amount:

Carrying amount at 1 July 2016	1,449	1,933	328	483	11,254	15,448
Acquisitions (including upgrades)	-	-	-	-	18,848	18,848
Transfers between asset classes	10,086	222	135	-	(10,880)	(438)
Amortisation expense	(4,334)	(1,004)	(323)	(97)	-	(5,757)
Carrying amount at 30 June 2017	7,202	1,151	140	387	19,222	28,101

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

12. Intangible assets (continued)

Intangible assets with a cost greater than \$100,000 are capitalised. Intangible assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Costs associated with the development of intangible assets are capitalised and amortised on a straight-line basis over its estimated useful life. The cost of intangible assets includes the cost of all materials, direct labour, other directly attributable costs, and an appropriate proportion of overheads attributable during development.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets from the date that they were available for use. The useful lives of intangible assets are reviewed annually and adjusted if appropriate.

The estimated useful lives of intangible assets are:

Class of intangible asset	Useful life (years)
Intellectual property	3
Software purchased	3 - 10
Software internally generated	5 - 7
Other intangibles	3 - 5

Impairment

The carrying amounts of TAFE Queensland's non-current assets are reviewed annually to determine whether there is any indication of impairment. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by TAFE Queensland. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and amortised replacement cost.

13. Payables

	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Trade creditors	29,383	40,806	28,965	40,806
Other creditors	2,515	1,522	1,756	1,522
Total	31,898	42,328	30,721	42,328

Trade and other payables represent the value of goods and services provided to TAFE Queensland prior to the end of the financial year that remain unpaid. Trade and other payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase price less any applicable discounts. Amounts owing are unsecured.

14. Employee benefits

	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Accrued salaries and wages	9,393	9,685	9,393	9,685
Annual leave levy/provision	8,645	7,600	8,035	7,600
Long service leave levy/provision	2,016	1,683	1,755	1,683
Total	20,053	18,967	19,183	18,967
Non-Current				
Long service leave provision	223	-	223	-
Total	223	-	223	-

No provision for annual leave or long service leave is recognised in the parent's financial statements for staff employed in Australia on state-based awards as the liability is held on a whole of government basis and reported in those financial statements pursuant to AASB 1049 *Whole-of-government and General Government Sector Financial Reporting*. A provision is recognised for annual leave and long service leave relating to non-Australian based employees and subsidiary employees (refer also to Note 6).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

15. Other current liabilities

2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
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Unearned revenue	38,821	39,093	36,468	39,093
Payments received in advance	4,349	4,536	4,349	4,536
Other current liabilities	658	872	658	872
Total	43,828	44,501	41,475	44,501

Unearned revenue is recognised where payments for goods and services are received in advance of TAFE Queensland delivering the related goods and/or services.

16. Commitments for expenditure

2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
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Non-cancellable operating lease commitments

Payable:

Not later than one year	6,047	4,460	3,960	4,460
Later than one year and not later than five years	17,787	7,299	8,567	7,299
Later than five years	116,749	40,138	17,995	40,138
Total	140,584	51,897	30,522	51,897

Capital Expenditure

Payable:

Not later than one year	1,529	5,470	1,529	5,470
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total	1,529	5,470	1,529	5,470

Commitments are inclusive of GST which is not recoverable from the Australian Tax Office.

Leases where the lessor retains substantially all the risks and benefits of ownership of the asset are classified as operating leases and are not recognised in TAFE Queensland's Statement of Financial Position. Operating lease payments are expensed in the period incurred and are representative of the pattern of benefits derived over the lease term.

Operating leases are entered into as a means of acquiring access to office accommodation, training facilities, and office equipment. Lease payments are generally fixed, but with inflation escalation clauses upon which future years rentals are determined.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

17. Contingencies

At 30 June 2018, TAFE Queensland has 26 active claims with WorkCover Queensland and 8 claims with the Queensland Government Insurance Fund (2016-17: 29 claims with WorkCover Queensland and 6 claims with the Queensland Government Insurance Fund). These claims are not considered to be material in value.

18. Financial risk disclosures

Categorisation of financial instruments

Financial instruments are recognised in the Statement of Financial Position when TAFE Queensland becomes part to the contractual provisions of the financial instrument. TAFE Queensland has the following categories of financial assets and liabilities:

Category	Notes	Consolidated		Parent	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial Assets					
Total cash and cash equivalents	9	220,375	216,185	214,036	216,185
Receivables at amortised costs	10	85,273	100,738	82,577	100,738
Total Financial Assets		305,648	316,923	296,613	316,923
Financial Liabilities					
Financial liabilities measured at amortised cost - comprising:					
Payables	13	31,898	42,328	30,721	42,328
QTC borrowings		806	-	-	-
Lease liability		493	-	-	-
Total Financial Liabilities		33,196	42,328	30,721	42,328

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

18. Financial risk disclosures (continued)

Financial risk management

The TAFE Queensland board has the overall responsibility for the establishment and oversight of the risk management framework. The board established the Audit, Finance and Risk Management Committee, which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the board on its activities.

TAFE Queensland's activities expose it to a variety of financial risks as set out in the following table:

Risk Exposure	Definition	Exposure	Measurement Method	Risk Management Strategy
<i>Credit Risk</i>	Credit Risk exposure refers to the situation where TAFE Queensland may incur a financial loss as a result of another party to a financial instrument failing to discharge their obligation.	TAFE Queensland is exposed to credit risk in respect of its receivables (Note 10). The maximum exposure at balance date is the gross carrying amount of receivables inclusive of any allowance for impairment.	Ageing analysis, earnings at risk.	TAFE Queensland manages credit risk through its credit and debt management policies. These policies aim to reduce the exposure to credit default by ensuring that the TAFE Queensland invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
<i>Liquidity Risk</i>	Liquidity risk refers to the situation where TAFE Queensland may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset.	TAFE Queensland is exposed to credit risk in respect of its payables (Note 13).	Sensitivity analysis	TAFE Queensland ensures that minimal, but sufficient, levels of cash are held within various bank accounts so as to match the expected duration of the various employee and supplier liabilities.
<i>Market Risk</i>	The risk that the fair value or future cash flows of 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. 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.	TAFE Queensland is exposed to interest rate risk through its cash deposited through its investments with QTC and cash deposited in interest bearing accounts (Note 9).	Interest rate sensitivity analysis	TAFE Queensland does not undertake any hedging in relation to interest risk and manages its risk as per the liquidity risk management strategy.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

19. Events occurring after balance date

There were no events or transactions that arose between the end of the financial year and the date of this report that were of a material or unusual nature that would significantly affect the operations of TAFE Queensland.

20. Budget vs actual comparison

Statement of Comprehensive Income

	Budget 2018	Actual 2018	Variance 2018
	\$'000	\$'000	\$'000
Income			
Sales of goods and services	276,569	251,503	(25,066)
Grants and contributions	338,131	344,298	6,167
Interest	4,694	4,307	(387)
Other income	5,663	8,626	2,963
Total income	625,057	608,734	(16,323)
Expenses			
Employee expenses	401,057	398,346	(2,711)
Supplies and services	195,341	197,048	1,707
Grants and subsidies	2,042	13	(2,029)
Depreciation and amortisation	14,979	12,849	(2,130)
Other expenses	3,509	3,295	(214)
Total expenses	616,928	611,551	(5,377)
Operating result	8,129	(2,816)	(10,945)
Other Comprehensive Income			
Increase (decrease) in asset revaluation surplus	-	54	54
Total comprehensive income	-	54	54
Total comprehensive income for the year	8,129	(2,763)	(10,891)

Explanation of major variances:

<i>Sales of goods and services</i>	The variance against sales of goods and services mainly relates to student fees and charges (\$23.0m) due to lower than targeted student enrolments, with significant reductions in higher level qualifications following changes introduced under the VET Student Loan program.
<i>Grants and contributions</i>	The increase in grants and contributions is predominantly due to a one-off contribution from the Department of Employment, Small Business and Training towards reimbursable expenses (\$14.1m) and funding received for services to be provided under Regional Skills Adjustment Strategy (\$5.0m), offset by lower state government training subsidies recognised for eligible students under the VET Investment Plan as a result of lower than targeted enrolments (\$15.0m).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

20. Budget vs actual comparison (continued)

Statement of Financial Position

	Budget 2018	Actual 2018	Variance 2018
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	219,219	214,036	(5,183)
Receivables	79,366	82,577	3,211
Inventories	691	1,013	322
Other current assets	7,876	5,028	(2,848)
Total current assets	307,152	302,653	(4,499)
Non-current assets			
Property, plant and equipment	32,770	40,140	7,370
Intangible assets	35,680	36,031	351
Total non-current assets	68,450	76,171	7,721
Total assets	375,602	378,824	3,222
Current liabilities			
Payables	35,476	30,721	(4,755)
Employee benefits	24,147	19,183	(4,964)
Other current liabilities	35,690	41,475	5,785
Total current liabilities	95,313	91,380	(3,933)
Total liabilities	95,313	91,380	(3,933)
Net assets	280,289	287,444	7,155
Equity			
Total equity	280,289	287,444	7,155

Explanation of major variances:

<i>Property, plant and equipment</i>	The variance against property plant and equipment mainly relates to the recognition of TAFE Queensland's share of SCHI assets, with values not known at the time the budget was set (\$4.3m).
<i>Payables</i>	The variance against payables is mainly due to the GST payables not being offset against receivables in the budget (\$4.5m).
<i>Employee benefits</i>	The variance against employee benefits is mainly due to lower payables at 30 June for the long service leave and annual leave levies.
<i>Other current liabilities</i>	The increase in other current liabilities mainly relates to unearned revenue relating to training in progress or yet to commence. The amount of revenue recognised at year end is impacted by the timing of start and completion dates, as well as the payment options for the course (e.g. upfront payment, payment plans).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

20. Budget vs actual comparison (continued)

Statement of Cash Flows

	Budget 2018	Actual 2018	Variance 2018
	\$'000	\$'000	\$'000
Cash flows from operating activities			
Sales of goods and services	283,754	267,883	(15,871)
Grants and contributions	338,131	348,999	10,868
GST input tax credits received	19,930	20,286	356
Interest received	4,694	4,376	(318)
Other receipts	5,663	5,731	68
Employee expenses	(400,524)	(398,869)	1,655
Supplies and services	(215,650)	(221,088)	(5,438)
Grants and subsidies	(2,042)	(13)	2,029
GST remitted to ATO	(7,119)	(7,254)	(135)
Other payments	(2,725)	(3,062)	(337)
Net cash provided by operating activities	24,112	16,990	(7,122)
Cash flows from investing activities			
Sales of property, plant and equipment	-	67	67
Payments for non-financial assets	(19,675)	(19,206)	469
Net cash used in investing activities	(19,675)	(19,139)	536
Net increase/decrease in cash and cash equivalents	4,437	(2,149)	(6,586)
Cash and cash equivalents at beginning of financial year	214,782	216,185	1,403
Cash and cash equivalents at end of financial year	219,219	214,036	(5,183)

Explanation of major variances:

<i>Sales of goods and services</i>	The decrease in cash flows from sales of goods and services mainly relates to the receipt of lower student fees and charges due to lower than targeted student enrolments, with significant reductions in higher level qualifications following changes introduced under the VET Student Loan program.
<i>Grants and contributions</i>	The increase in cash flows from grants and contributions is predominantly due to a one-off contribution from the Department of Employment, Small Business and Training towards reimbursable expenses (\$14.1m) and funding received for services to be provided under Regional Skills Adjustment Strategy (\$5.0m), offset by lower than budgeted payments received for state government training subsidies during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

21. Key management personnel disclosures

(a) Ministerial remuneration

TAFE Queensland's responsible minister is identified as part of TAFE Queensland's key management personnel, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That minister is the Honourable Shannon Fentiman, Minister for Employment and Small Business and Minister for Training and Skills Development.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Member's Remuneration Handbook. TAFE Queensland 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 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 as from 2017-18, which are published as part of Queensland Treasury's Report on State Finances.

(b) Board members

TAFE Queensland is governed by an independent board. Current board members were appointed on 1 December 2016.

Board members' fees include fees paid for membership of TAFE Queensland's board and relevant board committees. Details of remuneration for each board member are:

	2018 Remuneration \$	2017 Remuneration \$
Annabel Dolphin (from 01/12/16)	60,225	30,050
Shaun Coffey (from 01/12/16)	38,325	21,668
Louise Cox (from 01/12/16)	38,325	21,668
Peter Dowling	38,325	38,713
Noela L'Estrange (from 01/12/16)	38,785	21,668
Peter Price ¹	38,325	21,668
Deborah Wilson (from 01/12/16)	38,325	21,668
Warren Tapp (to 30/11/16)	-	26,971
Anita Brown (to 30/11/16)	-	16,988
Darrell Butcher (to 30/11/16)	-	16,962
Elizabeth Honeycombe (to 30/11/16)	-	16,988
Vivienne Mallinson (to 30/11/16)	-	16,988
Total	290,635	276,001

¹ As a public sector employee, Mr Peter Price did not receive any remuneration as a TAFE Queensland board member until 1 December 2016 following a change in policy

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

21. Key management personnel disclosures (continued)

(c) Key executive management personnel

The following details for KMP reflect those positions that had authority and responsibility for planning, directing and controlling the activities of TAFE Queensland during 2017-18 and 2016-17.

Position	Position Responsibility
Chief Executive Officer	Strategic and operational management of TAFE Queensland.
Chief Operating Officer	Operational performance and the translation of organisational strategy into operational plans.
Chief Financial Officer	Financial strategy and planning, financial systems and reporting functions, financial policies and procedures, procurement functions, and the evaluation of investment decisions.
Chief Information Officer	Information and communications technology (ICT) strategy development, ICT contract management and procurement functions and ICT operational services.
Chief Academic Officer	Academic strategy, teaching governance, learning and quality, and digital product services.
Chief Human Resources Officer	Strategic human resources direction and delivery of human resources services.
Regional General Managers	Directing the activities at TAFE Queensland campuses in each region in alignment with TAFE Queensland's commercial and strategic direction.
Director, Legal Services & General Counsel	Legal advice to the board, executive and operating regions on contract, risk, compliance, right to information and governance matters.

Remuneration for key executive management personnel

Key executive management personnel of TAFE Queensland are appointed under the *TAFE Queensland Act 2013*. Remuneration and other terms of employment are formalised in individual contracts of employment. These contracts of employment make a provision for an appropriate combination of competitive fixed and variable remuneration components. Remuneration expenses for key management personnel comprise the following components:

- Short term employee expenses which include:
 1. Salaries, allowances and leave entitlements earned for the year or for that part of the year during which the employee occupied the specified position.
 2. Performance payments recognised as an expense during the year.
 3. Non-monetary benefits including fringe benefits tax applicable to that benefit.

- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned.
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits include payments in lieu of notice on termination and other lump sum entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

Performance payments

The variable component of remuneration is provided to executive managers through an annual incentive performance scheme. The scheme is designed to effectively reward a combination of key outcomes in excess of meeting business goals and targets, and networked leadership behaviours. The performance payment is contingent upon TAFE Queensland achieving the board-approved operating margin result, and

the individual satisfying the performance expected in their role. Performance payments may not exceed a maximum of twenty per cent of the CEO's total remuneration package and fifteen per cent of all other key management personnel's total remuneration package.

Performance assessments occur after the end of the financial year and consist of:

- Assessment against both TAFE Queensland and business unit measures and targets; and
- Assessment of the individual's network leadership behaviours.

These assessments include both peer assessment and CEO assessments. Payment of performance bonuses occurs in the year following actual performance.

A decision has been made by the TAFE Queensland board that annual incentive performance scheme for 2017-18 will not be activated.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

21. Key management personnel disclosures (continued)

Remuneration expenses

The following disclosure focus on the expenses incurred by TAFE Queensland attributable to KMP during the respective reporting periods. The amounts disclosed below are determined on the same basis as expenses recognised in the Statement of Comprehensive Income, with the exception of performance payments.

2017-18

Role	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses	Maximum Potential Performance Payment ¹
	Monetary	Non-monetary					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer (to 15/12/17)	189	-	4	12	390	596	-
Chief Executive Officer (from 18/09/17)	251	-	5	24	-	279	-
Chief Operating Officer (to 1/12/17)	129	-	3	15	-	146	-
Chief Financial Officer (from 6/11/17)	184	-	4	13	-	200	-
Chief Information Officer (to 25/09/2017)	85	-	1	10	-	96	-
Chief Information Officer (from 25/09/17)	203	-	4	24	-	231	-
Chief Academic Officer (to 11/01/18)	151	-	4	20	-	175	-
Chief Academic Officer (from 26/03/18)	52	-	1	6	-	59	-
Chief Human Resources Officer	207	-	4	26	-	237	-
Director, Legal Services and General Counsel (from 13/11/2017)	120	-	2	13	-	136	-
General Managers							
Brisbane	294	-	6	35	-	335	-
East Coast	214	-	5	27	-	245	-
Gold Coast	244	-	5	29	-	278	-
North	210	-	5	26	-	240	-
SkillsTech (to 19/09/2017)	78	-	2	9	-	89	-
SkillsTech (from 19/09/2017)	156	-	3	17	-	176	-
South West	254	-	5	26	-	285	-

¹Payment of performance bonuses occurs in the year following actual performance (refer to note 21 (c)). In 2017-18, performance payments relating to 2016-17 totalling \$155,168 were recognised. Payments were made on the 26 September 2017 to the CEO and on the 12 September 2017 for all other key management personnel (included in Short Term Monetary Employee Expenses above).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

21. Key management personnel disclosures (continued)

2016-17

Role	Short Term Employee Expenses		Long Term Employee Expenses	Post-Employment Expenses	Termination Benefits	Total Expenses	Maximum Potential Performance Payment ¹
	Monetary	Non-monetary					
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	433	-	9	31	-	473	39
Chief Operating Officer	249	-	6	33	-	287	20
Chief Financial Officer (to 27/01/17) ²	148	-	4	23	50	225	-
Chief Financial Officer (from 23/01/17) ²	108	-	2	10	-	120	20
Chief Information Officer	248	-	5	30	-	282	18
Chief Academic Officer (to 11/12/16) ²	120	-	2	12	-	134	-
Chief Academic Officer (from 12/12/16) ²	150	-	3	18	-	171	23
Chief Human Resources Officer (to 30/06/17) ²	262	-	6	33	-	300	20
Chief Human Resources Officer (from 15/5/17) ²	28	-	1	3	-	32	-
General Managers							
Brisbane (to 28/10/16) ²	146	-	3	14	148	311	-
Brisbane (from 24/10/16) ²	179	-	4	22	-	204	-
East Coast	259	-	5	32	-	296	19
Gold Coast (to 11/12/16) ²	136	-	3	16	-	156	-
Gold Coast (acting from 16/01/17 to 30/05/17) ²	84	-	1	8	-	94	-
Gold Coast (from 29/05/17) ²	19	-	-	2	-	22	-
North	246	1	5	32	-	285	20
SkillsTech	263	1	6	32	-	302	20
South West	211	1	4	26	-	242	18

1. Payment of performance bonuses occurs in the year following actual performance (refer to note 21 (c)). In 2016-17, performance payments relating to 2015-16 totalling \$342,622 were recognised. Payments were made on the 16 August 2016 to the CEO and on the 13 September 2016 for all other key management personnel (included in Short Term Monetary Employee Expenses above).
2. Remuneration disclosed for Chief Financial Officer, Chief Academic Officer, Chief Human Resources Officer and General Managers of Brisbane and Gold Coast reflects a change in incumbents during the financial year.

22. Related party transactions

Transactions with people / entities related to KMP

Related Party Declarations have been received from KMP with no material amounts required to be reported.

Transactions with other Queensland Government – controlled entities

TAFE Queensland's primary ongoing sources of funding from the Queensland Government for its services are grants and contributions via the Department of Employment, Training and Small Business (previously Department of Education and Training) as disclosed in Note 5.

Transactions with TQIE (controlled entity) and SCHI (joint arrangement) are disclosed in Notes 2 and 3 respectively.

TAFE Queensland holds funds in the Queensland Treasury Corporation (QTC) Capital Guaranteed Cash Fund as disclosed in Note 9.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

23. 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 effective dates are set out below:

AASB 9	<i>Financial Instruments (December 2014)</i>
AASB 2014-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</i> <p>These standards will first apply to TAFE Queensland's financial statements for 2018-19.</p> <p>The main impacts of these standards are that they will change the requirements for the classification, measurement, impairment and disclosures associated with TAFE Queensland's financial assets. AASB 9 will introduce different criteria for whether financial assets can be measured at amortised cost or fair value.</p> <p>TAFE Queensland 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 will change the categorisation and valuation of the financial assets reported in Note 18:</p> <ul style="list-style-type: none">• There will be no change to either the classification or valuation of the cash and cash equivalent item.• Trade receivables will be classified and measured at amortised cost, similar to the current classification of receivables. However, new impairment requirements will result in a provision being applied to all receivables rather than only on those receivables that are credit impaired. TAFE Queensland will be adopting the simplified approach under AASB 9 and measure lifetime expected credit losses on all trade receivables and contract assets using a provision matrix approach as a practical expedient to measure the impairment provision. Applying this approach, TAFE Queensland has estimated the opening provision for impairment for trade receivables on 1 July 2018 to be \$1.1 million, a decrease of \$2.2 million compared to the amount reported at 30 June 2018.• The amount of impairment for trade receivables owing from other government agencies of \$2.6 million is insignificant and immaterial due to the low credit risk for the state of Queensland. No additional impairment provision will be raised for these amounts on transition. <p>These changed amounts will form the opening balance of those items on the date AASB 9 is adopted. However, TAFE Queensland will not restate comparative figures for financial instruments on adopting AASB 9 as from 2018-19.</p>
AASB 15 & AASB 1058	<i>Revenue from Contracts with Customers & Income for Not-for-Profit Entities</i> <p>These standards will first apply to TAFE Queensland's financial statements for 2019-20.</p> <p>TAFE Queensland has commenced analysing the new revenue recognition requirements under these standards and is yet to form conclusions about significant impacts. Potential future impacts identifiable at the date of this report are as follows:</p> <ul style="list-style-type: none">• 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. TAFE Queensland has commenced evaluating the existing grant arrangements as to whether revenue from those grants could be deferred under the new requirements – however no conclusion or the potential impact, if any, has been determined at the present time.• Grants that are not enforceable and/or not sufficiently specific will not qualify for deferral, and continue to be recognised as revenue as soon as they are controlled.• Depending on the respective contractual terms, the new requirements of AASB 15 may potentially result in a change to the timing of revenue such that some revenue may need to be deferred to a later reporting period to the extent that TAFE Queensland has received cash but has not met its associated performance obligations (such amounts would be reported as a liability in the meantime). TAFE Queensland is yet to complete its analysis of existing arrangements for sale of its goods and services and the impact, if any, on revenue recognition has not yet been determined.• A range of new disclosures will also be required by the new standards in respect of TAFE Queensland's revenue.
AASB 16	<i>Leases</i> <p>This standard will first apply to TAFE Queensland's financial statement for 2019-20.</p> <p>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.</p> <p>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.</p> <p>AASB 16 allows a 'cumulative approach' rather than full retrospective application to recognising existing operating leases. If a lessee chooses to apply the 'cumulative approach', it does not need to restate comparative information. 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. TAFE Queensland will await further guidance from Queensland Treasury on the transitional accounting method to be applied.</p> <p>TAFE Queensland 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</p>

MANAGEMENT CERTIFICATE

FOR THE YEAR ENDED 30 JUNE 2018

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

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and;
- (b) the statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of TAFE Queensland for the financial year ended 30 June 2018, and of the financial position of TAFE Queensland at the end of that year.
- (c) 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.



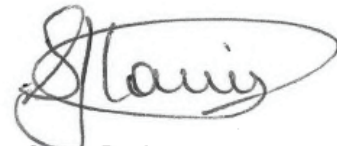
Annabel Dolphin
Chairperson
TAFE Queensland

Date: 29 August 2018



Mary Campbell
Chief Executive Officer
TAFE Queensland

Date: 29 August 2018



Susan Davis
Chief Financial Officer
TAFE Queensland

Date: 29 August 2018

INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 30 JUNE 2018



INDEPENDENT AUDITOR'S REPORT

To the Board of TAFE Queensland

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of TAFE Queensland and its controlled entities.

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2018, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2009 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2018, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

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

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

Other information

Other information comprises the information included in the group's annual report for the year ended 30 June 2018, but does not include the financial report and my auditor's report thereon.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Responsibilities of the Entity for the Financial Report

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

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

Auditor's responsibilities for the audit of the financial report

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

As part of an audit 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. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 parent's and group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the parent's and group's use of 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 parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.
- 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.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the Board 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.

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.



30 August 2018

Michelle Reardon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

APPENDIX A: COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Page i
Accessibility	Table of contents	ARRs – section 9.1	Page ii
	Glossary		Page 63
	Public availability	ARRs – section 9.2	Page ii
	Interpreter service statement	Queensland Government Language Services Policy ARRs – section 9.3	Page ii
	Copyright notice	Copyright Act 1968 ARRs – section 9.4	Page ii
	Information Licensing	QGEA – Information Licensing ARRs – section 9.5	n/a
General information	Introductory Information	ARRs – section 10.1	Page 1
	Agency role and main functions	ARRs – section 10.2	Page 19
	Machinery of Government changes	ARRs – section 31 and 32	Page 19
	Operating environment	ARRs – section 10.3	Page 6-18
Non-financial performance	Government's objectives for the community	ARRs – section 11.1	Page 3
	Other whole-of-government plans / specific initiatives	ARRs – section 11.2	Page 9
	Agency objectives and performance indicators	ARRs – section 11.3	Page 4-18
	Agency service areas and service standards	ARRs – section 11.4	Page 3-5
Financial performance	Summary of financial performance	ARRs – section 12.1	Page 6
Governance – management and structure	Organisational structure	ARRs – section 13.1	Page 19
	Executive management	ARRs – section 13.2	Page 20
	Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Page 20, 53 and tafeqld.edu.au/annualreports
	Public Sector Ethics Act 1994	Public Sector Ethics Act 1994 ARRs – section 13.4	Page 21
	Queensland public service values	ARRs – section 13.5	Page 21
	Governance – risk management and accountability	Risk management	ARRs – section 14.1
Audit committee		ARRs – section 14.2	Page 22
Internal audit		ARRs – section 14.3	Page 22
External scrutiny		ARRs – section 14.4	Page 22
Information systems and recordkeeping		ARRs – section 14.5	Page 23
Governance – human resources	Strategic workforce planning and performance	ARRs – section 15.1	Page 24
	Early retirement, redundancy and retrenchment	Directive No.11/12 Early Retirement, Redundancy and Retrenchment Directive No.16/16 Early Retirement, Redundancy and Retrenchment (from 20 May 2016) ARRs – section 15.2	n/a
Open Data	Statement advising publication of information	ARRs – section 16	Page ii
	Consultancies	ARRs – section 33.1	https://data.qld.gov.au
	Overseas travel	ARRs – section 33.2	https://data.qld.gov.au
	Queensland Language Services Policy	ARRs – section 33.3	https://data.qld.gov.au
Financial statements	Certification of financial statements	FAA – section 62 FPMS – sections 42, 43 and 50 ARRs – section 17.1	Page 58
	Independent Auditor's Report	FAA – section 62 FPMS – section 50 ARRs – section 17.2	Page 59

FAA *Financial Accountability Act 2009*
 FPMS *Financial and Performance Management Standard 2009*
 ARRAs *Annual report requirements for Queensland Government agencies*

GLOSSARY OF TERMS

A

Apprenticeship

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.

Australian Qualifications Framework

A comprehensive nationally-consistent framework incorporating all qualifications recognised in post-compulsory education throughout Australia. The framework identifies six levels in the VET sector: Certificate I, Certificate II, Certificate III, Certificate IV, Diploma and Advanced Diploma.

Australian Vocational Education And Training Research Association (AVETRA)

Australia's only national, independent association for research in vocational education and training.

C

Certificate 3 Guarantee (C3G)

A funding program administered by the Department of Education and Training designed to assist Queensland students to complete their first post school certificate 3 level qualification to gain a job or improve their employment status.

I

Information and communications technologies (ICT)

An umbrella term that describes the use of all technologies in the manipulation and communication of information.

Industry training groups (ITGs)

ITGs provide an effective forum for industry, training and government stakeholders to identify workforce and training needs and issues. The intent is to collaboratively develop strategies which effectively address and resolve these identified issues

ISO 27001 Information Security Standard

An information security standard and a specification for an information security management system (ISMS). An ISMS is a framework of policies and procedures that includes all legal, physical and technical controls involved in an organisation's information risk management processes.

K

Key performance indicator (KPI)

Tracking indicator used to measure the achievement of outputs against goals.

L

Learning Management System (LMS)

'Connect'

Connect is TAFE Queensland's Learning Management System. Connect provides an integrated learning environment to facilitate online, blended and mobile methods of delivery.

N

National Centre for Vocational Education Research (NCVER)

Australia's principal provider of VET research and statistics.

National Partnership Agreement

An agreement between the Commonwealth and the states and territories to facilitate coordination, monitoring and delivery of strategies to improve service delivery.

R

Recognition of prior learning (RPL)

The recognition of competencies currently held, regardless of how, when or where the learning occurred. A person's skills and knowledge acquired through previous formal or informal education and training, work or life experience may be used to grant status or credit in a subject or module.

Registered Training Organisation (RTO)

An organisation registered to deliver and assess nationally recognised VET.

S

School-based apprenticeships and traineeships (SATs)

Pathways for Year 10, 11 and 12 students combining senior studies, VET and employment.

Service Delivery Statement (SDS)

Budget papers prepared on a portfolio basis by agencies reporting to each minister and the Speaker. The document comprises a section for each departmental portfolio and one for the Legislative Assembly of Queensland. It is produced annually and provides budgeted financial and non-financial information for the budget year. The SDS sets out the priorities, plans and financial statements of agencies.

Strategic plan

The document provides TAFE Queensland's purpose and direction. It outlines overall objectives (including contributions to whole-of-government objectives, ambitions and targets) and how it will know if it has achieved those agency objectives (performance indicators).

STEM

STEM is a curriculum based on the idea of educating students in four specific disciplines — science, technology, engineering and mathematics — in an interdisciplinary and applied approach.

T

TAFE at School

TAFE at School allows young people to join the workforce sooner by giving them a nationally-recognised qualification, while they are still completing their secondary studies. TAFE Queensland receives funding from the Queensland Department of Education and Training as part of the VET in Schools (VETiS) funding program.

Technical And Further Education (TAFE)

Provides a wide range of predominantly vocational tertiary education courses, mostly qualifying courses under the National Training System, Australian Qualifications Framework or Australian Quality Training Framework.

Tuition assurance

If a provider ceases to provide a VET course of study (or closes), tuition assurance allows enrolled students to complete their course at another provider.

Tuition assurance scheme operator

Administers tuition assurance arrangements if a course provider ceases to provide a course at any time after it starts but before it is complete.

U

Unique student

A unique student is a term used to count physical students across a particular metric.

V

VET FEE-HELP (VFH)

VET FEE HELP is an income contingent loan scheme available to assist eligible students studying higher level vocational education and training (VET) qualifications to pay their tuition fees. Higher level VET qualifications are at the diploma level and above.

VET Student Loans (VSL)

The VET Student Loans program is an income contingent loan offered by the Australian Government that helps eligible students pay for some vocational education and training (VET) diploma level or above courses. VET Student loans commenced on 1 January 2017, replacing the VET FEE HELP scheme, which ceased on 31 December 2016.

Vocational education and training (VET)

Post-compulsory education and training which provides people with occupational or work-related knowledge and skills.

Providing feedback

We continually strive to meet best practice reporting standards and value the views of our readers. We invite your comments via the whole-of-government feedback survey available at:
www.qld.gov.au/annualreportfeedback

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