



FINANCIAL AUDIT REPORT

26 June 2023

Education 2022

Report 16: 2022–23

As the independent auditor of the Queensland public sector, including local governments, the Queensland Audit Office:

- provides professional audit services, which include our audit opinions on the accuracy and reliability of the financial statements of public sector entities
- provides entities with insights on their financial performance, risk, and internal controls; and on the efficiency, effectiveness, and economy of public service delivery
- produces reports to parliament on the results of our audit work, our insights and advice, and recommendations for improvement
- supports our reports with graphics, tables, and other visualisations, which connect our insights to regions and communities
- conducts investigations into claims of financial waste and mismanagement raised by elected members, state and local government employees, and the public
- shares wider learnings and best practice from our work with state and local government entities, our professional networks, industry, and peers.

We conduct all our audits and reports to parliament under the *Auditor-General Act 2009* (the Act). Our work complies with the *Auditor-General Auditing Standards* and the Australian standards relevant to assurance engagements.

- Financial audit reports summarise the results of our audits of over 400 state and local government entities.
- Performance audit reports cover our evaluation of some, or all, of the entities' efficiency, effectiveness, and economy in providing public services.

Learn more about our publications on our website at www.qao.qld.gov.au/reports-resources/fact-sheets.

Mr J Kelly MP
Acting Speaker of the Legislative Assembly
Parliament House
BRISBANE QLD 4000

26 June 2023

This report is prepared under Part 3 Division 3 of the *Auditor-General Act 2009*.



Brendan Worrall
Auditor-General



© The State of Queensland (Queensland Audit Office) 2023.

The Queensland Government supports and encourages the dissemination of its information. The copyright in this publication is licensed under a Creative Commons Attribution-Non-Commercial-No Derivatives (CC BY-NC-ND) 4.0 International licence.



To view this licence visit <https://creativecommons.org/licenses/by-nc-nd/4.0/>

Under this licence you are free, without having to seek permission from QAO, to use this publication in accordance with the licence terms. For permissions beyond the scope of this licence contact copyright@qao.qld.gov.au

Content from this work should be attributed as: The State of Queensland (Queensland Audit Office) *Education 2022* (Report 16: 2022–23), available under CC BY-NC-ND 4.0 International.

Cover image is a stock image purchased by QAO.

ISSN 1834-1128

Contents

Report on a page	1
Recommendations for entities	2
1. Overview of entities in this sector	3
2. Results of our audits	4
3. Financial performance of education sector entities	10
Appendices	20
A. Full responses from entities	21
B. Legislative context	24
C. Status of prior recommendations	28
D. Audit opinions for entities preparing financial reports	31
E. Entities not preparing financial reports	34
F. Financial results	37
G. Campus, student, and employee data	40

Acknowledgement

The Queensland Audit Office acknowledges the Traditional and Cultural Custodians of the lands, waters, and seas across Queensland. We pay our respects to Elders past, present, and emerging.

Report on a page

This report summarises the results of our audits of the entities in Queensland’s education sector, including the Department of Education; the Department of Youth Justice, Employment, Small Business and Training; TAFE Queensland; 7 universities; 8 grammar schools; and other statutory bodies.

Financial statements are reliable

All education entities’ financial statements are reliable and comply with relevant reporting requirements. The entities have efficient and effective financial statement processes, and they were able to prepare good-quality financial statements.

Security of information systems needs to be strengthened

We continue to identify weaknesses in the entities’ information systems. While the entities are addressing deficiencies identified in prior years and improving the security of their systems, the risk of cyber attacks continues to increase, which highlights the need for greater urgency. In 2022, a cyber security incident partially disabled one university’s information technology network when a compromised account was accessed. Given how much the entities rely on their information systems, it is critical that they establish stronger controls to protect their sensitive information from unauthorised users and cyber criminals.

Universities are managing risk but can do more

We found universities recognise the importance of managing their risks – cyber, academic integrity, research, financial, and health and safety. They have processes in place to identify and manage them, but most use spreadsheets to record and monitor risks. They would benefit from having a central system that automates the recording and monitoring of risks. This would provide efficiencies in processes and would also give them a big-picture view of risk across their business.

Universities’ operating results have decreased

This year, operating results for universities significantly decreased by \$1.3 billion because of reduced Australian Government funding, losses on investments due to a decline in market conditions, and continued cost escalations. All universities, except for one, made a loss. The easing of Australia’s border restrictions in 2022 saw a small increase in revenue from international students, but revenue remains below pre-pandemic levels.

A decline in domestic student enrolments has proved to be challenging. More students are deferring or reducing their studies to enter the workforce and manage cost-of-living pressures. TAFE Queensland is also experiencing similar challenges and will need to continue assessing its cost of service delivery.

Departments continue to assess the condition of assets

Both departments are progressing with their asset condition assessments from 2022. The Department of Education is assessing the condition of all schools that are more than 5 years old, while the Department of Youth Justice, Employment, Small Business and Training is assessing the condition of its assets (TAFE campuses) using a risk-based approach.

Having up-to-date information on the condition of assets will help the departments in planning the timing and cost of maintenance, and in making decisions on replacing or upgrading assets in future.



Recommendations for entities

Education entities need to take immediate action regarding the security of their information systems

We strongly recommend that education entities continue to address the security of their information systems. We made the same recommendation in *Education 2021* (Report 19: 2021–22).

We reported 60 weaknesses this year in the security of information systems. As cyber security threats increase in number and sophistication, entities must promptly address any weaknesses in their information systems. All entities need strong security practices and must emphasise the importance of them – in their processes and to their staff – in protecting against fraud, error, and significant reputational damage.

Other prior year recommendations also require further action

While progress has been made on the 2 recommendations from last year's report, the Department of Education; the Department of Youth Justice, Employment, Small Business and Training; and TAFE Queensland still need to take further action.

We have included a full list of prior year recommendations and their status in [Appendix C](#).

Reference to comments

In accordance with s.64 of the *Auditor-General Act 2009*, we provided a copy of this report to relevant entities. In reaching our conclusions, we considered their views and represented them to the extent we deemed relevant and warranted. Any formal responses from the entities are at [Appendix A](#).

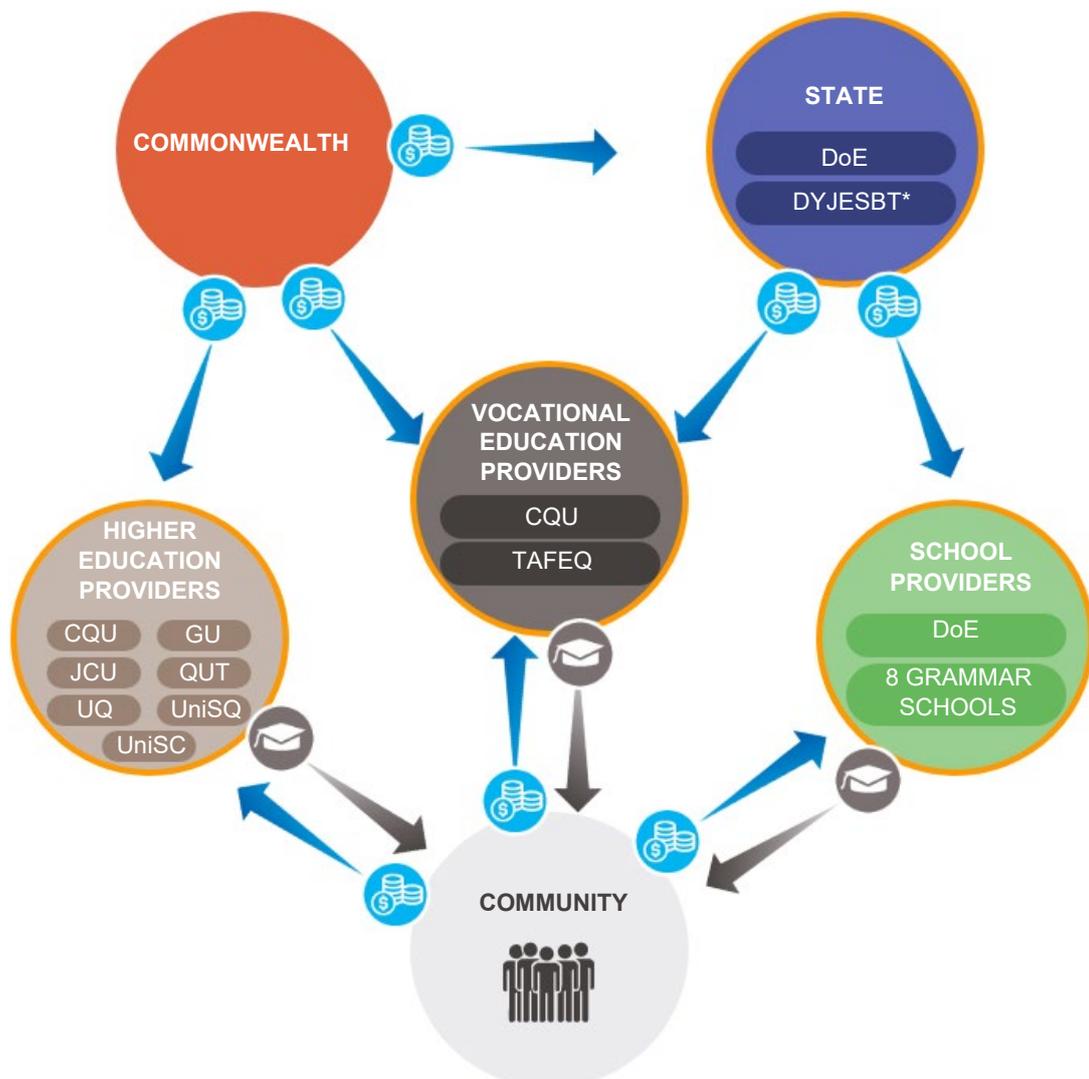


1. Overview of entities in this sector

This report summarises the financial audit results for education sector entities as at their year-end dates for preparing financial statements. For the Department of Education; the Department of Youth Justice, Employment, Small Business and Training; TAFE Queensland; and some statutory bodies, this was 30 June 2022. For universities, grammar schools, and other statutory bodies, it was 31 December 2022.

We provide 44 opinions in this sector. The analysis in this report focuses on the 18 entities highlighted in Figure 1A (some appear twice), representing 99.3 per cent of the revenue within the education sector.

Figure 1A
Entities in the education sector



Notes: Yellow outer circles indicate the entities included in this report.

CQU – Central Queensland University; DoE – Department of Education; DYJESBT – Department of Youth Justice, Employment, Small Business and Training; GU – Griffith University; JCU – James Cook University; QUT – Queensland University of Technology; TAFEQ – TAFE Queensland; UQ – The University of Queensland; UniSQ – University of Southern Queensland; UniSC – University of the Sunshine Coast.

* Department names and responsibilities were changed by *Administrative Arrangements Order (No. 1) 2023* made by Governor in Council on 18 May 2023. This report reflects the departments that existed during 2022. Department of Employment, Small Business and Training (DESBT) was restructured to include the functions of Youth Justice to form Department of Youth Justice, Employment, Small Business and Training (DYJESBT).

Source: Compiled by the Queensland Audit Office.



2. Results of our audits

This chapter provides an overview of our audit opinions for entities in the education sector. It also evaluates the effectiveness of the systems and processes (internal controls) the entities use to prepare financial statements, and the maturity (efficiency and effectiveness) of risk management internal controls at Queensland universities.

Chapter snapshot



Audit opinion results

We issued unmodified audit opinions for all education entities in Queensland. Readers can rely on the results in the audited financial statements.

One university's financial statement preparation was disrupted by a cyber security incident. The university received an extension to its legislative deadline for signing its financial statements. All other education entities met their legislative deadlines (with the exception of one that was not finalised at the date of this report).

DEFINITION

We express an **unmodified opinion** when financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards.

We provide the details of our audit opinions in [Appendix D](#).

Entities not preparing financial statements

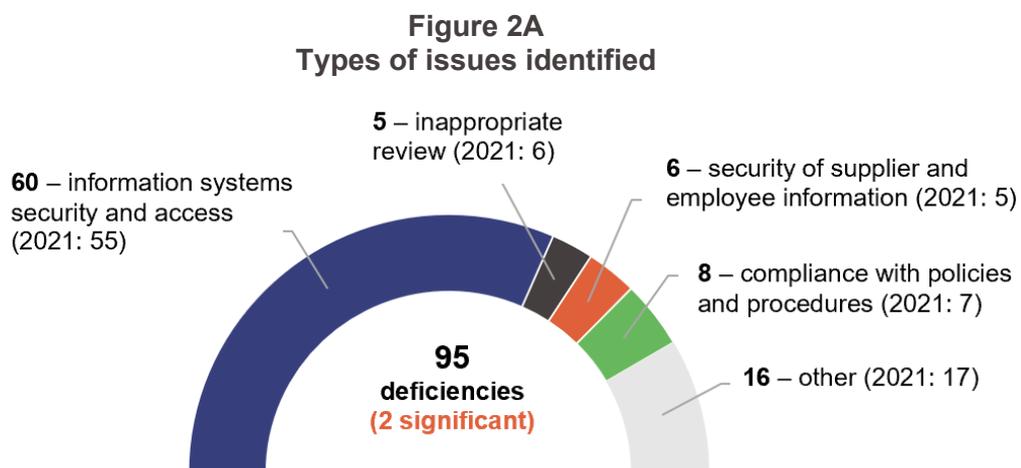
Not all Queensland public sector education entities produce financial statements. The full list of entities not preparing financial statements and the reasons is provided in [Appendix E](#).

Entities should further strengthen their internal controls

We assess whether the internal controls entities use to prepare financial statements are reliable, and we report any weaknesses in their design or operation to management for action. We rate these weaknesses as either significant deficiencies (higher risk that require immediate action by management) or deficiencies (lower risk that can be corrected over time).

Overall, we found the internal controls that education sector entities have in place to ensure reliable financial reporting are generally effective but can be improved. We were able to rely on the internal controls for the purposes of our audit, but identified 2 significant deficiencies relating to security of/access to electronic payment files, and validation of changes to the bank details of suppliers.

Figure 2A summaries the nature of internal control deficiencies reported this year.



Source: Compiled by Queensland Audit Office.

As part of our audits, we monitor how entities resolve the weaknesses we have identified. In 2022, entities resolved fewer than half of the prior-year and current-year deficiencies. The open issues mainly relate to information systems (62 per cent), which entities expect to resolve within the next 12 months.

Entities must evolve to keep pace with the rapid changes in technology and the growing risk of cyber attacks, and they must promptly address any weaknesses in their information systems. Our prior year recommendation – to strengthen the security of their information systems – remains relevant, as we have identified additional issues they need to address. [Appendix C](#) provides the full recommendation and its status.



Entities need to address ongoing security weaknesses in their information systems

According to the Australian Cyber Security Centre, education is one of the 5 sectors most vulnerable to cyber security incidents. Entities in this sector hold personal information on their students and employees, as well as on intellectual property associated with their research. All are targets for cyber attacks.

Entities in the education sector strive for collaboration and sharing of information between students, academics, and researchers. Managing access and security in this collaborative environment requires these entities to be on the forefront of information technology security practices.

Our most common findings across all education entities relate to the need to further strengthen security practices for:

- accessing the entities' information technology networks and systems
- securing high-risk accounts such as those for people who have highly privileged/full-system access
- securing system accounts that do not need to be accessible for or operated by human users
- only giving system users the minimum amount of access they need
- updating security settings in line with better practices and each entity's updated risk assessment and security policies.

Strengthening security for information systems also includes:

- people: ensuring employees, students, and research collaborators are aware of cyber security risks and what they need to do to report suspicious activities
- processes: ensuring that processes are in place to not only prevent and detect security incidents but also to respond and recover in the event of cyber security breaches
- technologies: continuously assessing and updating the security of systems in line with updated security recommendations from the information system providers (for example, Microsoft).

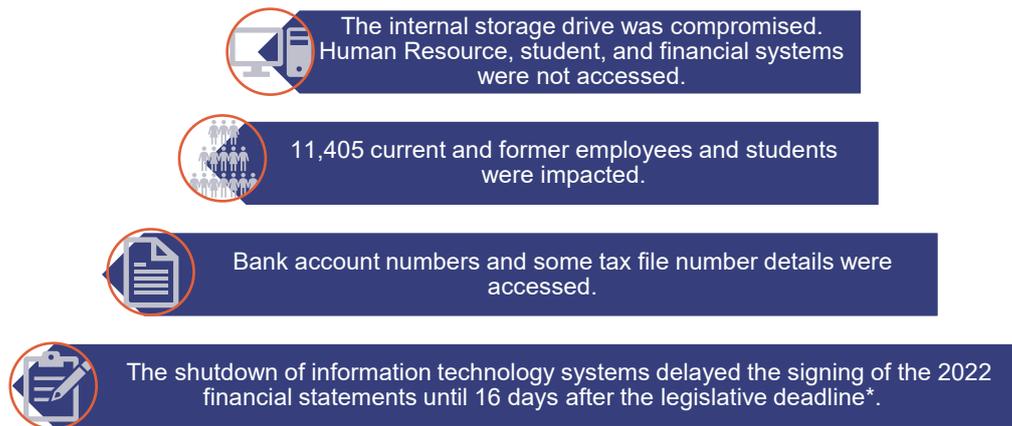
Queensland University of Technology had a cyber security incident

In December 2022, Queensland University of Technology (QUT) had a cyber security attack on its information technology network. The security breach occurred through a compromised account. Through this account, the threat actors (those conducting malicious activities) then gained 'privileged' access to some of the university's systems. They introduced ransomware designed to encrypt the systems into an unusable state so the university would have to comply with the threat actors' demands. Through a rapid response supported by third party experts, the university was able to contain the attack and limit its impact before it progressed further. No core systems were breached, and no ransom was paid.

This attack caused a partial disruption of services for the university that lasted more than 4 weeks. A key learning management system (Canvas), to support QUT's learning and teaching activities, remained operational throughout. Figure 2B details the impacts.



Figure 2B Impacts from the QUT cyber security incident



Note: * QUT received an extension to its legislative deadline for signing its financial statements.

Source: Compiled by the Queensland Audit Office from publicly available information on the QUT website.

The cyber incident occurred when QUT was in the process of implementing its overall cyber security strategy that included addressing our recommendations to improve its information security practices. This highlights the need for education entities to address recommendations – from audits and other assurance providers – with greater urgency, particularly their security practices, as cyber threats continue to increase in frequency and sophistication.

We extended our audit approach in response to the cyber attack, to include:

- reviewing the reports of external experts who supported management in responding to the incident
- meeting with senior management to understand the impact of the incident on the business, and the recovery process
- validating the completeness and accuracy of balances in the finance system, once it was back online.

As a cyber security attack is no longer a matter of ‘if’ but ‘when’, each entity needs to develop a plan for how to respond. The plan should clearly outline the steps the entity will take when a cyber attack occurs, and the framework it will follow for decision-making. This year, we plan to complete an audit on *Responding to and recovering from cyber attacks*, which will provide insights into, and lessons learned from, entities’ preparedness for these attacks.

Universities’ risk management processes are generally effective, but could be improved

We have recently updated the model we developed for assessing the maturity of risk management practices. The model is available on our website at www.qao.qld.gov.au/reports-resources/better-practice. It enables entities to identify the maturity level they want to achieve, and to focus on key areas for development. The model also makes it easier to share better practices across the public sector.

The updated model outlines 4 levels of maturity across 5 components of risk management (see Figure 2C).

DEFINITION

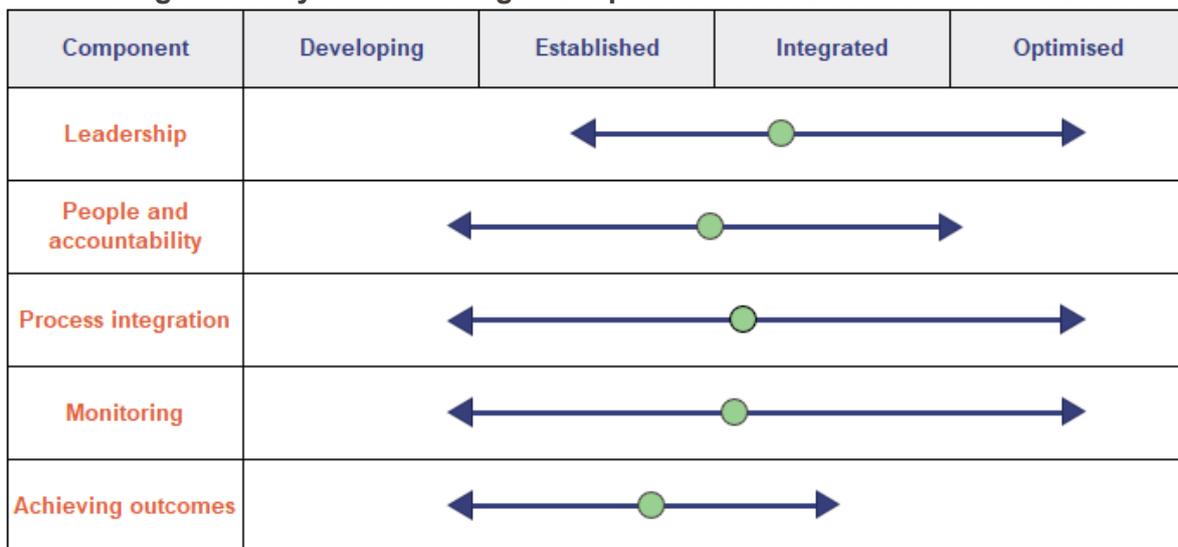
We use 4 levels of maturity, which we define as:

- **developing** – an entity does not have this control, or it is not operating effectively, so the identified risk is not managed
- **established** – an entity shows basic competency in this area, so legislative requirements are met, or the identified risk is managed
- **integrated** – an entity is developed in this area or regularly demonstrates this, so controls work together to respond to the identified risk; however, the efficiency or effectiveness of controls could still be improved
- **optimised** – the entity consistently demonstrates this control and is a leader of best practice in this area.

This year, we worked with the 7 Queensland public universities to measure the maturity of their risk management processes.

On average, we assessed the majority of their processes as established or integrated, as shown in Figure 2C. We found the risk management processes universities have in place are generally effective, but could be improved.

Figure 2C
Average maturity of risk management processes at Queensland universities



● Average of university components ← → Average range of university maturity ratings

Source: Compiled by the Queensland Audit Office from our risk management maturity assessments.

Observations from risk assessment at universities

Universities are large organisations. The 7 public universities in Queensland have full-time equivalent staff of between 1,370 and 8,450, spread across multiple schools, faculties and supporting divisions. These have a history of operating semi-autonomously within an overall governance structure.

Common strengths across the universities included the following:

- Universities’ audit and risk committees provide effective oversight, including regular and open communication with executive management.
- Universities have established risk management frameworks, including policies and procedures.
- Senior management formally assesses strategic risks annually.
- Independent reviews and internal audits are completed in high-risk areas.



Opportunities to improve at some universities included the following:

- Risk treatment plans (documents that outline the internal controls that will be implemented to prevent a risk from occurring, or detect and respond if it does occur) are not always aligned with the university’s risk appetite (the amount of risk the university is willing to accept in achieving its strategic objectives).
- Risk treatment plans are implemented by individual risk owners, but the universities do not consistently monitor the effectiveness of the internal controls designed to address these risks.
- Training is not always mandatory or designed to align with the needs of individual risk owners. Some risk management training is provided as part of staff induction processes, with ad hoc training given when required.

This emphasises the importance of having a central risk team and system that can support an appropriate risk culture across all areas of the universities, and monitor and report to governance committees on risks. While some universities do their risk reporting through centrally maintained spreadsheets, a risk management system could improve the effectiveness and efficiency with which they manage risk. For example, by automating:

- prompts for overdue risk assessments or treatments, so they are timelier
- reporting so it is done faster and with less effort.

We found that risk assessments and mitigation strategies are generally well documented, but they are not maintained in a central system. Of the 7 universities, only one has risk management software.

Most universities have strong reporting and monitoring processes for key strategic and operational risk areas. Case study 1, in Figure 2D, describes how one university has taken a targeted approach to managing a key risk.

Figure 2D
Case study 1

Opportunity to leverage off good risk management
<p>All universities recognise workplace health and safety as a key risk due to the nature of their business and the significant consequences if they do not manage this risk appropriately. They have large campuses with many staff and students who engage in a variety of activities, including teaching and research.</p> <p>Where universities fail to mitigate workplace health and safety risks, the consequences can extend beyond financial losses, and can include damage to their reputations, legal ramifications, and even impacts on human life. Risk treatments focus on ongoing review of workplace health and safety processes, regular internal audits, mandatory training, and adequate insurance coverage. Universities report on these risks to governance committees.</p> <p>At one university, a workplace health and safety incident occurred that involved a volatile chemical reaction, which could have resulted in personal injury. The university followed the procedures outlined in its risk management plan. This included notifying the appropriate regulatory authority immediately following the incident and conducting an independent investigation. The university prepared detailed reports identifying gaps and recommendations. These were discussed at its audit and risk committee and council meetings, and were then implemented. Learnings from this incident were used to strengthen other areas of the university that had a similar risk profile.</p> <p>All universities could leverage off the robust practices they use in certain areas, and use examples like this incident to implement better risk management across their whole businesses. The risk owners from this area could help to educate and provide training to other risk owners throughout the business, creating a risk culture across the university that is consistent and well managed.</p>

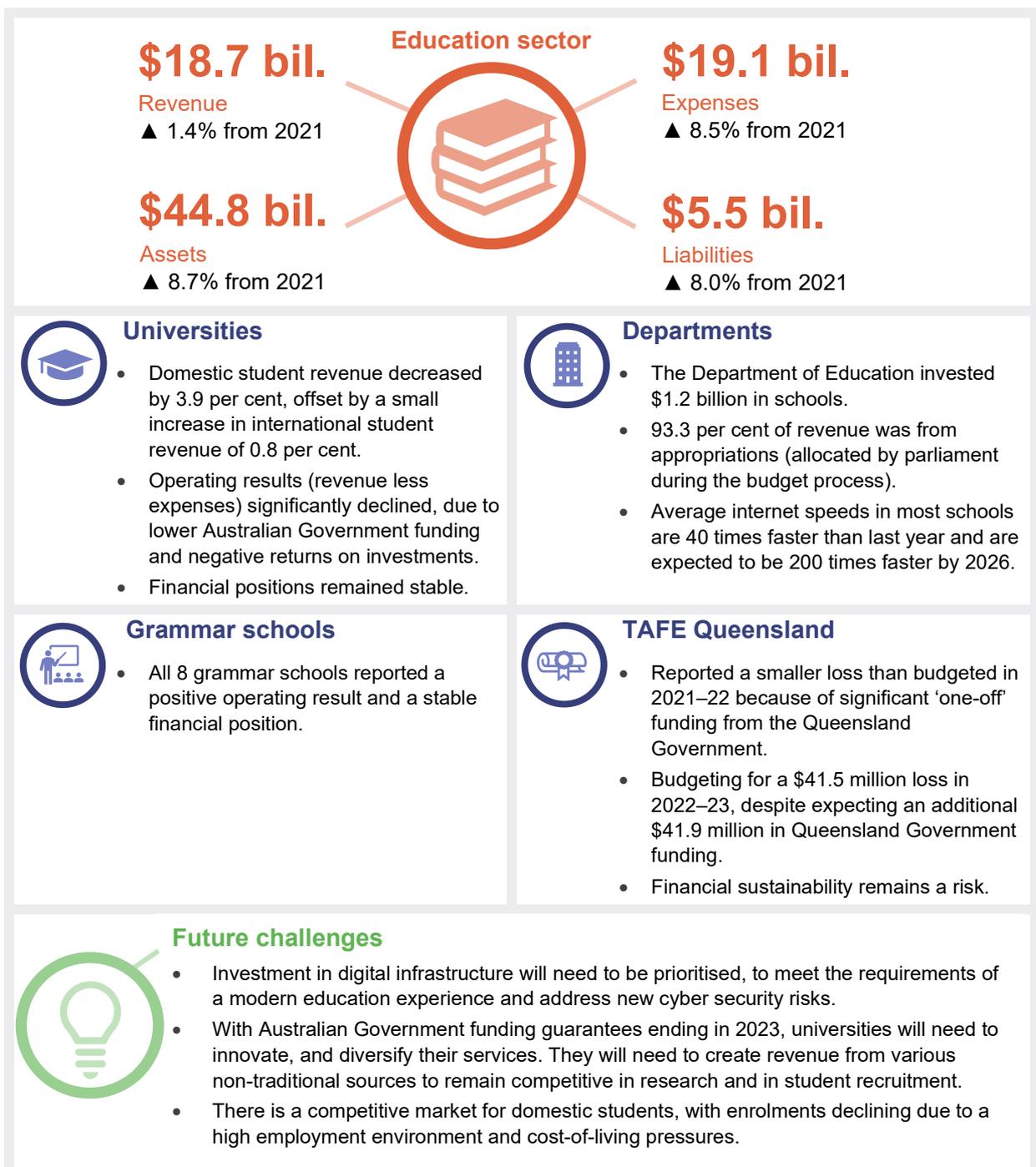
Source: Compiled by the Queensland Audit Office from our risk management maturity assessments.



3. Financial performance of education sector entities

This chapter analyses the financial performance and position of education entities. It also analyses their financial sustainability and considers emerging issues relevant to the sector.

Chapter snapshot

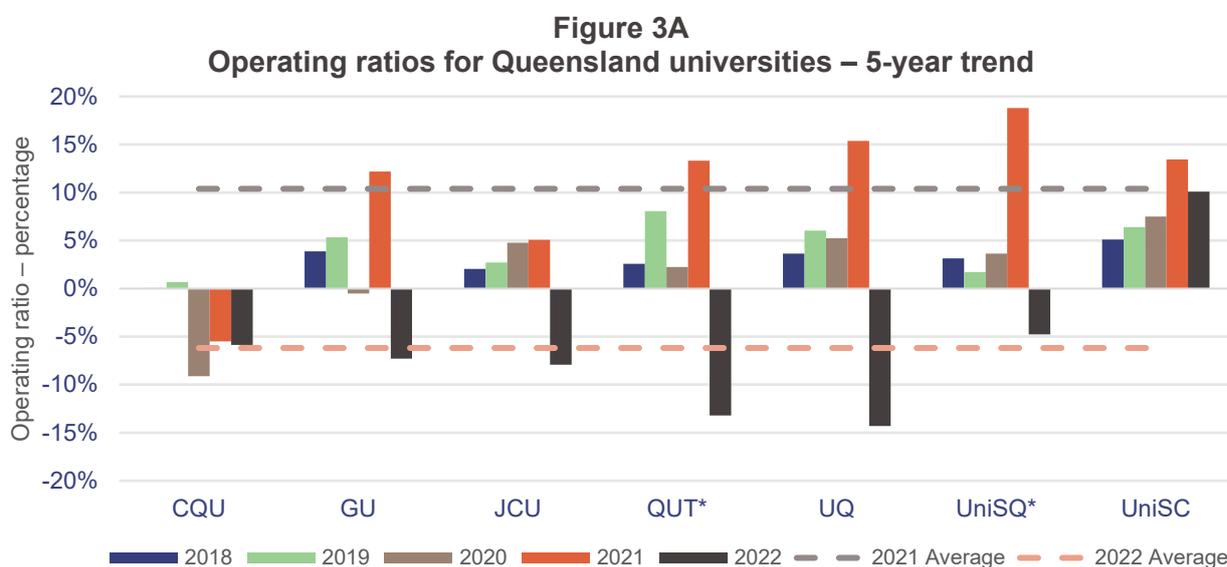


The financial performance of universities has declined

The 7 Queensland public universities’ operating results significantly decreased this year, by \$1.3 billion (177 per cent). Challenging domestic conditions, decreased Australian Government funding (with one-off research support not continuing), negative investment returns, and continued cost escalations have contributed to the losses incurred by 6 universities. Only University of the Sunshine Coast made a profit as it did not experience the same decreases in funding and investment returns. Of the 7 universities, 5 had budgeted for a loss in 2022.

To assess the long-term financial sustainability of universities, we calculate their operating ratios (revenue less expenses, expressed as a percentage of total revenue) as an average over time. As Figure 3A shows, the operating ratios for the universities have declined since last year. The challenging conditions are expected to continue in the short term, with most of the universities budgeting for a loss again in 2023.

This highlights the importance of universities continuing to manage their financial position and prioritise investment in areas that are critical to achieving their strategic objectives (for example, students and research activities).



Notes: CQU – Central Queensland University; GU – Griffith University; JCU – James Cook University; QUT – Queensland University of Technology; UQ – The University of Queensland; UniSQ – University of Southern Queensland; UniSC – University of the Sunshine Coast. These ratios include controlled entities (whose finances and operations are controlled by one of the universities).

* In 2021, the operating ratios for QUT and UniSQ included one-off gains following the restructuring of their investment in Education Australia Limited, which they recorded as revenue. Other Queensland universities recorded this as equity (assets less liabilities).

Source: Compiled by the Queensland Audit Office.

Universities received less Australian Government funding and lower returns on investments this year

In 2022, universities’ funding decreased by \$49 million under the Commonwealth Grants Scheme, due to a reduction in the amounts determined by the Australian Government, and by \$167 million for research. The reduction in research funding aligns with universities receiving \$170 million in one-off support for research from the Australian Government in 2021.

DEFINITION

Through the **Commonwealth Grants Scheme**, the Australian Government subsidises tuition costs for higher education students across a wide range of study disciplines and qualification levels.

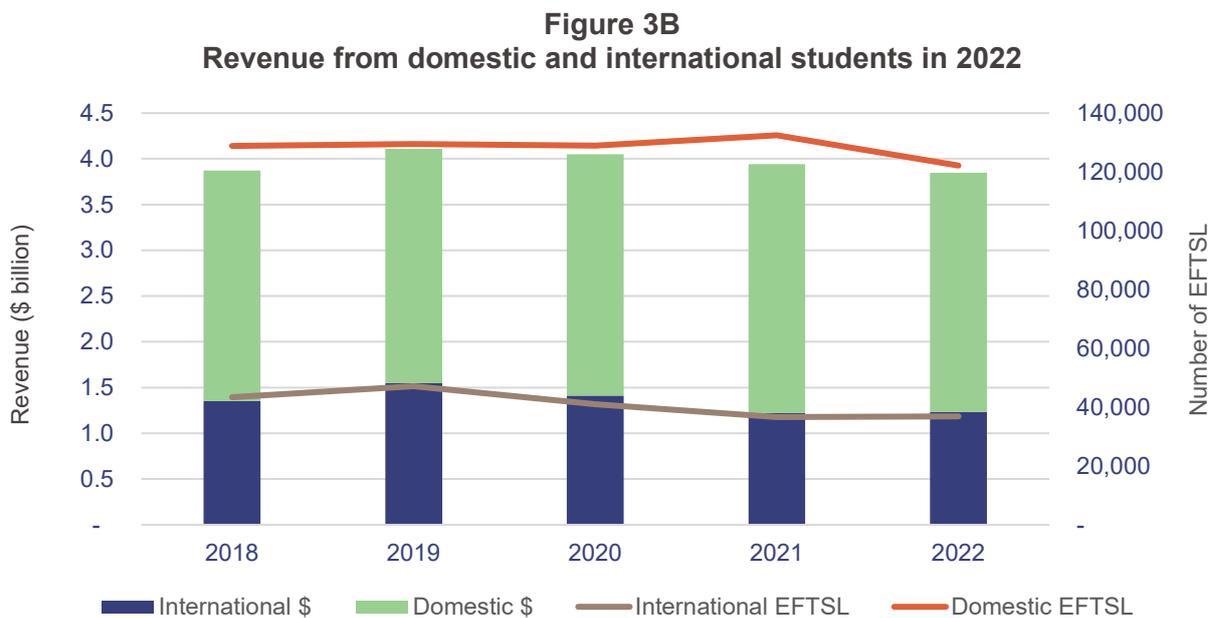
In 2021, universities' investments in managed funds – where their monies are pooled together with that of other investors – performed strongly. However, because of a decline in global financial markets, investment income in 2022 significantly decreased – by \$677 million (180 per cent). Across the university sector, a \$300 million loss on investments (2021: gain on investments of \$376 million) was recorded. This can fluctuate from year to year depending on market conditions. Movements in investment income will not translate into actual cash until the universities receive payments (for example, dividends) from their investments or sell them.

University of the Sunshine Coast made a profit of \$34.9 million in 2022. Its Commonwealth Grants Scheme funding increased by \$5.6 million (4 per cent), including for the continued expansion of its Moreton Bay campus. (Most other universities received lower funding for 2022.) During the year, it invested in managed funds. The timing of this resulted in better investment returns than those of other universities that hold these types of investments.

Decreasing revenue from domestic students is emerging as a key challenge

In 2022, total revenue recorded by the university sector from domestic students decreased by \$106 million (3.9 per cent) (2021: increased by \$81.5 million – 3.1 per cent), led by lower domestic student enrolments and a reduction in Australian Government grants. The domestic student market proved challenging, with the record low unemployment rates causing reduced demand, and more students taking smaller study loads to enable them to meet increasing cost-of-living pressures.

Figure 3B shows the breakdown between domestic and international revenue and the equivalent full-time student load (EFTSL) over the last 5 years.



Notes: Not all students study full-time for a whole year. Equivalent full-time student load (EFTSL) is a way of representing the various study loads as a proportion of the study load the students would have if they were studying full-time for one year. 'Number of EFTSL' adds all of these together.

Source: Compiled by the Queensland Audit Office.

The university funding model is complex. In 2021, the Australian Government introduced grant programs to help universities transition to new Job-ready Graduates Package reforms and to provide funding guarantees (regardless of student enrolments) for a 3-year period until 2023. In 2022, the transition payments made to universities decreased from \$87.2 million to \$38 million – by 56.5 per cent. The Australian Government has estimated that transition payments will decrease again for 2023 as universities adapt to the new funding system.



The arrangements to provide stability of funding to universities will be ending in 2023. This means universities will have their Commonwealth Grants Scheme payments (linked to student enrolments) reduced if they do not have enough domestic students enrolled to use the full funding available. This is a risk for some universities that are expecting student enrolments to continue decreasing. They will need to have strategies in place to attract and retain domestic students.

In November 2022, the Australian Government announced the establishment of an Australian Universities Accord. Its aim is to consult on a range of issues affecting the higher education system and provide recommendations to build a long-term plan for Australia's universities.

International student numbers are still below pre-pandemic levels

Restrictions on international travel has had a major impact on revenue from international students over recent years. The reopening of international borders in 2022 saw all universities perform better than expected, and revenue from international students increased by \$10.3 million (0.8 per cent) (2021: decreased by \$189 million – 13.4 per cent).

Despite this, international student commencements in 2022 remained below pre-pandemic levels, and universities are focusing on rebuilding their pipeline of students. Lower international student enrolments since the start of the pandemic in 2020 will continue to impact on revenue in the short to medium term.

Franking credit claims are being reviewed by the Australian Taxation Office

Education Australia Limited is a company owned by 38 Australian universities. It went through a major restructure in 2021, which resulted in each university receiving shares in IDP Education Limited (a listed company), a cash dividend, and franking credits related to the dividends received.

DEFINITION

Franking credits represent the tax a business pays on its profits. This saves its investors from having to pay tax on their share of the profits – known as dividends. Universities seek a refund from the Australian Taxation Office for the franking credits on their investment.

The franking credits claim for each university was \$22.8 million and totalled \$159.6 million for all Queensland public universities. The Australian Taxation Office is currently reviewing the eligibility of the franking credits claimed and has not refunded the majority of the 38 Australian universities' claims. While this does not affect the 2022 results for Queensland universities, it may change next year, depending on the outcome of the review.

TAFE Queensland's financial sustainability remains a risk

In *Education 2021* we reported on TAFE Queensland's (TAFEQ's) significant financial challenges. We recommended that it continue to clarify how much it costs to provide each of its services, so it could make informed decisions about future services and efficiencies in operations.

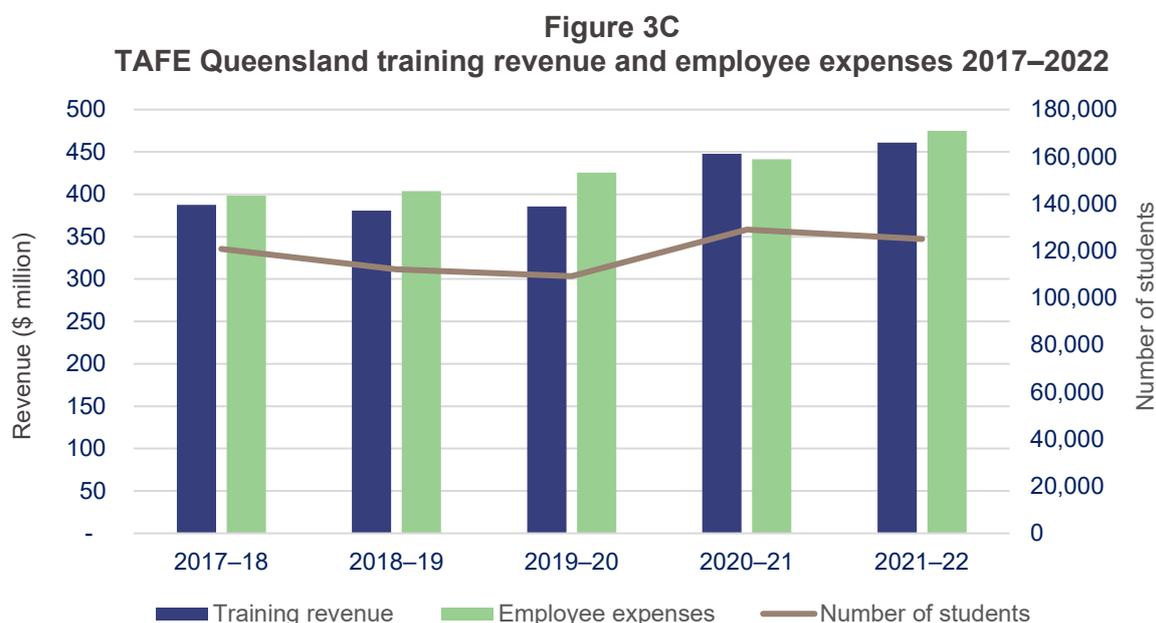
TAFEQ reported an operating loss of \$4.2 million in 2021–22, after receiving \$17.4 million in one-off COVID-19 financial support and \$12.6 million in one-off capital program funding from the Queensland Government. It also received \$26.4 million from short-term funding agreements that ended during the year. TAFEQ's losses are expected to continue in the future. While it is expecting to receive \$41.9 million in a new funding arrangement with the Queensland Government in 2022–23, this is less than the total funding of \$56.4 million it received last year. Despite this new funding, TAFEQ is still budgeting for an operating loss of \$41.5 million in 2022–23.

The losses are driven by:

- ongoing low unemployment levels, which reduce overall training demand
- TAFEQ continuing to provide training in many regional and remote campuses where the training demand is low, resulting in a high average cost per student
- cost increases from growing employee expenses under enterprise bargaining agreements.

Figure 3C shows that, for the 5 years to 2021–22, a major cost in delivering training – employee expenses – grew at a higher rate than training revenue did. This revenue excludes grant contributions received from the state government to support its operations.

Employee costs make up an average of 68 per cent of total expenses. The number of employees – on a full-time equivalent basis – has increased by 6.8 per cent over the last 5 years, from 3,978 to 4,248. Student numbers increased by 3.4 per cent over the same period. TAFEQ needs to effectively manage its workforce to ensure it is sustainable and able to meet future demands.



Source: Compiled by the Queensland Audit Office.

In *Managing workforce agility in the Queensland public sector* (Report 6: 2022–23), we stated that ‘Greater direction and leadership are needed to develop an integrated approach to strategic workforce planning, and to shift from operational to transformational approaches.’

In line with this, TAFEQ should undertake a robust assessment of the workforce skills it needs now, and in future, to meet its objectives including the expectations the state government places on it as a public provider. It should also continue to assess the impact of emerging technology and digital transformation on service delivery, workplace infrastructure, and workforce demand.

To improve its operating efficiency, TAFEQ continues to develop an organisation-wide educational planning tool that will enable a consistent approach to planning and enhance reporting (for example, on class sizes, teacher capacity, and productivity). This is anticipated to be in place in 2023–24.

TAFEQ is undertaking a major project focused on improving its customer engagement to increase the conversion rate of student inquiries to enrolments. It has also started a review of workforce structures to establish appropriate benchmarks for delivering support and corporate services across the state, as well as a review of the approval process for employing new staff. TAFEQ should use the outcomes of these initiatives to inform its broader workforce planning.

TAFEQ continues to work alongside Queensland Treasury and the Department of Youth Justice, Employment, Small Business and Training to develop a Queensland vocational education and training strategy that will assist with improving its sustainability. A longer-term vocational education and training reform under a new National Skills Agreement is currently being discussed by the Australian and state and territory governments. This agreement is proposed to commence in January 2024. TAFEQ will need to reflect any changes from this reform in its strategy.

Asset management at education entities

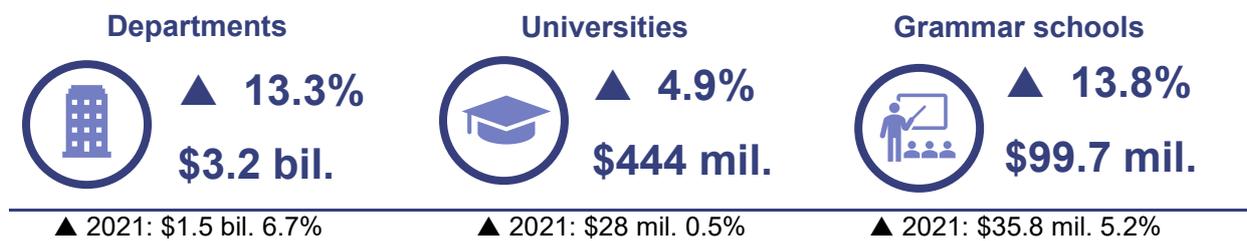
Property, plant, and equipment (land and buildings) continues to be the most significant item on the balance sheet for education entities, accounting for 85 per cent (\$38 billion) of total assets.

The increasing value of assets in the education sector, and their importance in the delivery of education services, means entities need to carefully plan for their maintenance, upgrade, or replacement. Well-developed asset management plans, linked to entities' overall strategies, can help with investment decisions and ensure assets continue to be fit for purpose and respond to changing learning styles.

Asset values increased across the education sector

Measuring the value of some asset categories (such as land, buildings, and infrastructure) for education entities can be complex. It requires judgements and assumptions. This includes updating the fair value of their buildings (to represent how much it would cost to replace them at today's prices). This is affected by various factors, including construction costs and labour supply.

Figure 3D
Movements for all asset categories



Source: Compiled by the Queensland Audit Office.

This year, all entities across the sector saw increases in the value of their assets. This was driven by a 10.6 per cent increase in buildings – by \$2.4 billion – compared to an increase of \$1.2 billion in the previous year.

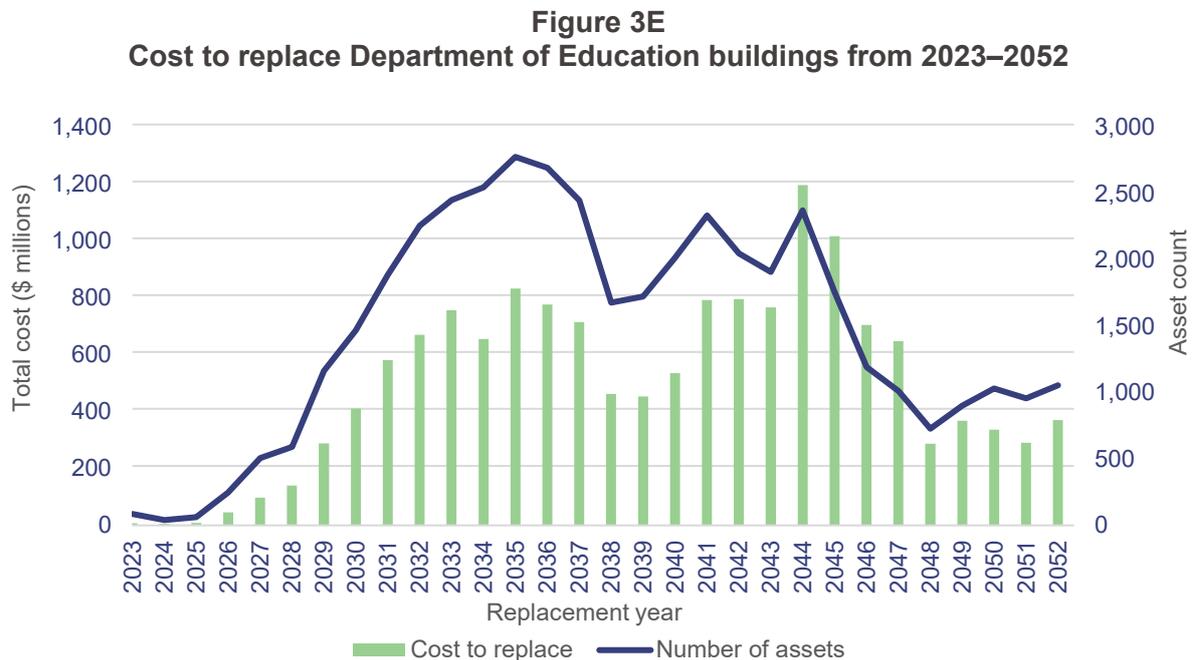
Most of the increases were due to the growth in construction costs and shortage in labour supply experienced in the building sector. This indicates that the costs of constructing new buildings will be significantly higher than in the past, which in turn will create significant budget challenges.

Population growth continues to influence capital programs

Population growth continues to affect the way schools are being built and buildings are being replaced. The Queensland school-age population is forecast to grow by 6.8 per cent over the next 5 years. The Department of Education is building new and expanded schools in the regions expected to have significant population growth, to ensure they have the capacity to service their communities.

The department manages over 35,000 learning spaces and support facilities across 1,258 schools. It has built 4 new schools – as planned – ready for students commencing in Term 1 2023, and it will open 9 new schools between 2024 and 2026. This is a significant outlay for the department, with over \$1 billion planned for expansion programs (new and existing schools) over the next 3 years.

While the expansion of education infrastructure is ongoing, existing infrastructure is continuing to age, requiring regular maintenance, upgrade, or replacement. Figure 3E shows the number of buildings the Department of Education owns, and the cost to replace them over the next 30 years. Approximately 67 per cent of buildings (equal to \$15 billion) will need to be replaced in the next decade due to their age.



Source: Compiled by the Queensland Audit Office, from Department of Education asset registers 2022.

The department will face challenges in achieving the desired outcomes from its capital investment program, with current market conditions placing considerable pressure on costs, and shortages in materials and labour creating risks around timing.

Departments have made progress with assessing the condition of their assets

In *Education 2021* we reported that the Department of Education and the Department of Youth Justice, Employment, Small Business and Training were in the process of assessing the condition of their assets (condition assessments) to support their future maintenance plans. We recommended that both departments complete regular and timely condition assessments.

By including condition assessments as part of their normal maintenance processes, departments can identify the need for maintenance work based on condition, to ensure their assets can meet strategic and operational priorities.

Department of Education

The Department of Education undertook a pilot condition assessment process covering 8 schools in 2021–22. At the time of the pilot, issues were identified with the integration of the data into the department's asset system. It has since rectified these.

Over the last year, the department implemented a condition assessment program covering all schools that are more than 5 years old – made up of 19 tranches that include 1,234 schools. Each tranche consists of schools located within a specific region, and tranches vary in size and type.

The condition assessment involves a full inspection and assessment of all buildings and infrastructure at each school and identifies maintenance works required. The department has completed the condition assessments of 12 tranches and is planning to have the remaining tranches assessed by the end of 2023.

So far this year, the Department of Education has evaluated data from the condition assessments from one tranche – consisting of 54 schools – and is integrating this into the individual school’s 4-year maintenance plans. These plans cover key preventative maintenance requirements, and ensure the assets are being maintained at the expected standards. The available condition data will be used to inform the department’s asset management plans, which will support their future maintenance programs.

Department of Youth Justice, Employment, Small Business and Training

The Department of Youth Justice, Employment, Small Business and Training undertook a pilot condition assessment at 2 sites in 2021. This indicated how much it would cost to perform the assessment across its entire asset portfolio, and resulted in the department adopting a risk-based methodology for a condition assessment program over a 3-year rolling period. This means it will not assess all its assets at this time.

The methodology involved reviewing the extent of inspections performed over the last 5 years, including the allocation of risk ratings, and identified 9 critical areas out of 30 building categories. The department has begun the condition assessment over the first critical area – electrical switchboards.

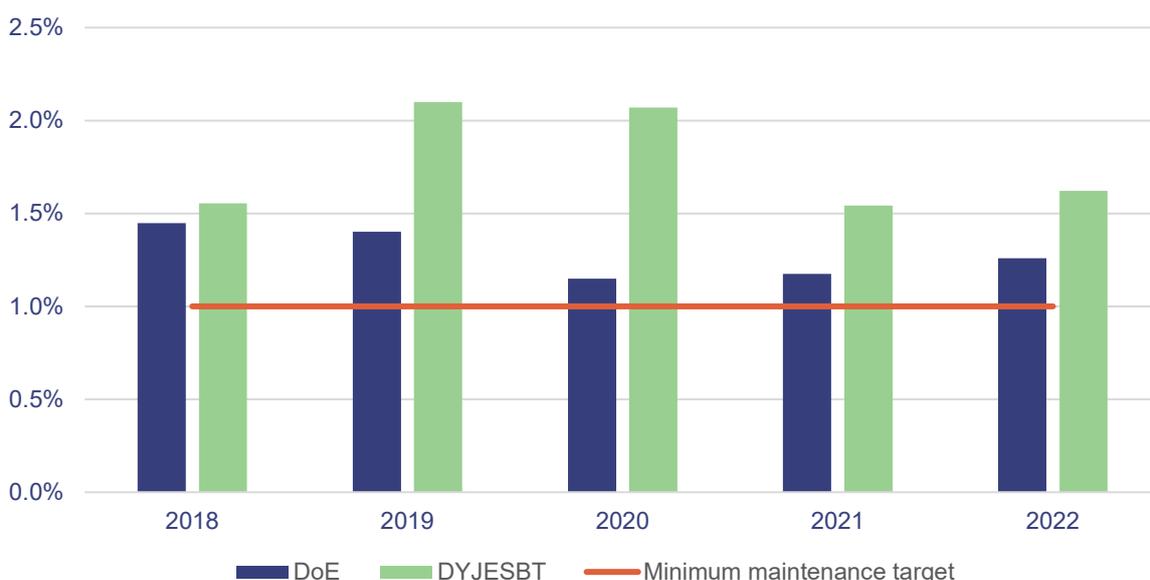
In the meantime, it has continued its delivery of prioritised maintenance (items that must be addressed promptly, such as safety issues) based on the results of prior inspections. Further work is required to appropriately capture, manage, and report on the asset condition data collated through the assessments. The department is currently developing a way to centralise the recording of this data, to inform future condition assessments.

Departments are meeting their minimum maintenance requirements

The Department of Education spent \$369 million on maintenance in 2022, while the Department of Youth Justice, Employment, Small Business and Training spent \$35 million. The *Queensland Government Maintenance Management Framework* states that a minimum of one per cent of each department’s building portfolio is required to be spent annually on maintenance to sustain building assets and achieve expected life cycles. However, despite spending the required amounts, due to rising costs the departments may not have completed all the expected maintenance that was needed.

Figure 3F shows that both departments have met their minimum maintenance requirements over the last 5 years.

Figure 3F
Expenditure on building maintenance as a percentage of replacement cost



Note: DoE – Department of Education; DYJESBT – Department of Youth Justice, Employment, Small Business and Training.

Source: Compiled by the Queensland Audit Office.



Together, the departments increased their expenditure on repairs and maintenance in 2022 by \$79 million (24 per cent). Much of this increase can be attributed to cost escalations, due to supply chain issues, increases in the cost of construction material, labour supply shortages, and impacts from natural disasters.

Vaccination mandate in schools

On 16 December 2021, the Queensland Government implemented an employment vaccination directive in response to the growing concern about COVID-19. The directive was aimed at employees in high-risk settings, including health, education, corrections, and airports. The directive required all Department of Education employees within education facilities to be vaccinated by 17 December 2021, as a condition of employment.

With this directive in place, unvaccinated staff were stood down, which had an impact on the department's workforce, and some employees received penalties for their failure to comply with the directive.

The Department of Education disciplined 925 employees. Of these:

- 637 employees received penalties of a reduction of one increment pay level for a period of time, a deferral of increments, or deductions to pay
- 152 employees either had their matters revoked, or have appealed to the Queensland Industrial Relations Commission, with no penalty being applied as yet
- 136 employees have resigned since the disciplinary penalty was imposed.

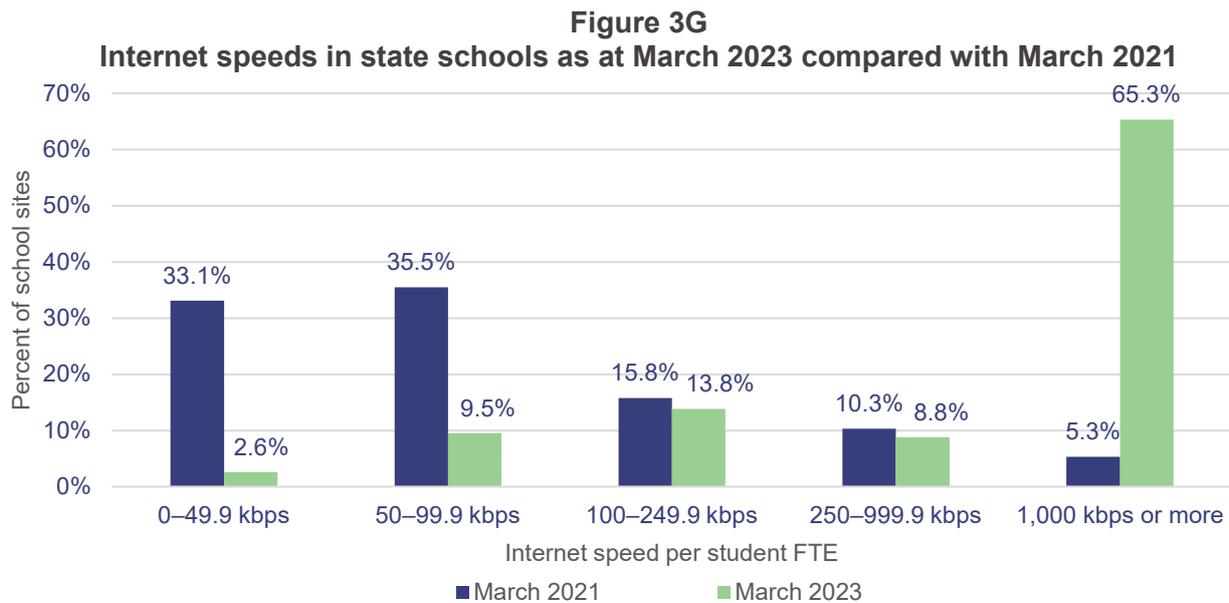
These employees make up approximately one per cent of the total full-time-equivalent workforce, but the department had the administrative burden of assessing the claims of staff seeking a vaccination exemption and of dealing with related actions. It also had to manage the supply of teachers. As identified in our *Forward work plan 2023–26* we plan to complete a performance audit on managing the supply of teachers in 2024–25.

Enabling digital learning in state schools

In *Enabling digital learning* (Report 1: 2021–22), we shared information about how well the Department of Education is connecting the students and staff of state schools to digital resources and online content. We reported that the department's benchmark for internet speed was 25 kilobits per second (kbps) per student, which was well below that of other states and not enough for the types of online learning now available for schools.

The Department of Education began a procurement process in April 2021 to increase the internet speed in schools. It signed a \$187 million, 5-year agreement with a supplier to upgrade internet speeds across state schools in December 2021. It has increased average internet speeds to 1,000 kbps per student for most (65 per cent) school sites, as shown in Figure 3G. This is a significant improvement since March 2021 when we completed our report.





Note: FTE – full-time equivalent.

Source: Compiled by the Queensland Audit Office from Department of Education data on internet speeds in schools.

Phase 2 of the department’s project is expected to see an increase in internet speeds to an average of 5,000 kbps for each student by 2026. The department is continuing to:

- work with the suppliers, who are upgrading the telecommunications exchange service. This will improve access to high-speed connectivity in the regions in which it is implemented
- work with the Queensland Government Chief Customer and Digital Officer to improve the digital infrastructure across the state. Of the 227 schools that were not on a fibre-optic connection (at March 2021), 7 are now connected. This is a significant step in improving digital infrastructure for schools, given the costs and distance to be covered for implementing fibre connection in regional and remote areas of Queensland
- provide guidance and support to schools to ensure students have access to the devices they need for digital learning and the internet
- enhance its technology infrastructure to support digital learning in schools.



Appendices

A.	Full responses from entities	21
B.	Legislative context	24
C.	Status of prior recommendations	28
D.	Audit opinions for entities preparing financial reports	31
E.	Entities not preparing financial reports	34
F.	Financial results	37
G.	Campus, student, and employee data	40



A. Full responses from entities

As mandated in Section 64 of the *Auditor-General Act 2009*, the Queensland Audit Office gave a copy of this report with a request for comments to the:

- Minister for Education, Minister for Industrial Relations and Minister for Racing
- Minister for Employment and Small Business, Minister for Training and Skills Development and Minister for Youth Justice
- Director-General, Department of Education
- Director-General, Department of Youth Justice, Employment, Small Business and Training.

We also provided a copy of the report with an invitation to respond to the:

- Premier and Minister for the Olympic and Paralympic Games
- Director-General, Department of the Premier and Cabinet
- Chief Executive Officer and Chairperson of TAFE Queensland
- chancellors and vice-chancellors of the 7 universities
- principals and chairs of the 8 grammar schools.

This appendix contains the detailed responses we received.

The heads of these entities are responsible for the accuracy, fairness, and balance of their comments.



Comments received from Director-General, Department of Education



Office of the
Director-General

Department of
Education

13 JUN 2023

Mr Brendan Worrall
Auditor-General
Queensland Audit Office
Email: gao@gao.qld.gov.au

Dear Mr Worrall

Thank you for your email dated 26 May 2023 providing a copy of your report to Parliament titled *Education 2022* (the Report) concerning the audit of entities in Queensland in the education sector. I note a copy was also provided to the Honourable Grace MP, Minister for Education, Minister for Industrial Relations and Minister for Racing.

I appreciate the opportunity to review the Report and I thank you and your team for your collaborative approach. The Report provides valuable information that the Department of Education will focus on to continue to strengthen the security of our information system.

The department will ensure that reviews of the security of our information systems and asset management of our educational entities are completed in a timely manner. Information derived from the assessments will be valuable in assisting the department to support the maintenance of our assets (both physical and digital), which need to be fit-for-purpose to deliver on our *Equity and Excellence: realising the potential of every student* strategy.

The department accepts the recommendations of this Report and will continue to monitor, address and implement these recommendations.

If you or your team require further information or assistance, please contact [REDACTED]

I look forward to continuing to work collaboratively with the Queensland Audit Office.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M De'ath'.

MICHAEL DE'ATH
Director-General

Ref: 23/421658

1 William Street Brisbane
Queensland 4000 Australia
PO Box 15033 City East
Queensland 4002 Australia
Telephone +61 7 3034 4754
Website www.qed.qld.gov.au
ABN 76 337 613 647

Comments received from Director-General, Department of Youth Justice, Employment, Small Business and Training



Department of
Youth Justice,
Employment,
Small Business
and Training

Our ref: 01559/23
Your ref: PRJ03239

Mr Brendan Worrall
Auditor-General
Queensland Audit Office
Email: gao@gao.gov.au

Dear Brendan

Thank you for your email dated 26 May 2023 regarding your proposed report *Education 2022* and for the opportunity to provide feedback on the report.

The Department of Youth Justice, Employment, Small Business and Training (DYJESBT) acknowledges the report and accepts its findings and recommendations.

The findings related to cyber security are noted and DYJESBT acknowledges the importance of continuing to ensure the entity's information systems are continually strengthened to avoid potential threats to the entity's data.

DYJESBT's adoption of a risk-based methodology for future asset condition assessment programs allows the delivery of a prioritised maintenance program in keeping with the broader Queensland Government asset maintenance statutory requirements and ensures state-owned training infrastructure can meet strategic and operational priorities.

DYJESBT will continue to work alongside TAFE Queensland and with central agencies to consider strategies to support TAFE Queensland's broader financial sustainability.

I thank you for the opportunity to provide comment on the report.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Robert Gee", written over a horizontal line.

Robert Gee APM
Director-General

13.6.23

1 William Street Brisbane
Queensland 4000 Australia
PO Box 15483 City East
Queensland 4002 Australia

ABN 84 375 484 983

B. Legislative context

Frameworks

Education entities prepare their financial statements in accordance with the following legislative frameworks and reporting deadlines.

Figure B1
Legislative frameworks for the education sector

Entity type	Entity	Legislative framework	Legislated deadline
Departments	Department of Education Department of Employment, Small Business and Training ¹	<ul style="list-style-type: none"> • <i>Financial Accountability Act 2009</i> • Financial and Performance Management Standard 2019 	31 August 2022
Statutory bodies	7 universities 8 grammar schools Queensland College of Teachers	<ul style="list-style-type: none"> • <i>Financial Accountability Act 2009</i> • Financial and Performance Management Standard 2019 • <i>Statutory Bodies Financial Arrangements Act 1982</i> • <i>Australian Charities and Not-for-profits Commission Act 2012</i> • Australian Charities and Not-for-profits Commission Regulation 2013 • <i>Higher Education Support Act 2003</i> • <i>Grammar Schools Act 2016</i> • Each statutory body also has its own enabling legislation 	28 February 2023
Statutory bodies – other (These have a different year-end date to the statutory bodies listed above.)	TAFE Queensland Queensland Curriculum and Assessment Authority Non-State Schools Accreditation Board	<ul style="list-style-type: none"> • <i>Financial Accountability Act 2009</i> • Financial and Performance Management Standard 2019 • <i>Statutory Bodies Financial Arrangements Act 1982</i> • Each statutory body also has its own enabling legislation 	31 August 2022
Controlled and jointly controlled entities ²	3 entities controlled by universities 3 jointly controlled entities 2 entities controlled by a department One entity controlled by a statutory body	<ul style="list-style-type: none"> • <i>Corporations Act 2001</i> • Corporations Regulations 2001 	31 October 2022 ³ 30 April 2023 ³
Controlled entities – foreign-based ²	7 entities controlled by universities	<ul style="list-style-type: none"> • Each controlled entity has its own enabling legislation in its country of incorporation 	Per relevant legislation

Entity type	Entity	Legislative framework	Legislated deadline
Other	Building and Construction Industry Training Fund (Qld) Translational Research Institute Trust 2 trusts controlled by universities One trust controlled by a statutory body 2 joint ventures controlled by universities and other public sector entities	<ul style="list-style-type: none"> Trust deed Joint venture agreement <i>Australian Charities and Not-for-profits Commission Act 2012</i> Australian Charities and Not-for-profits Commission Regulation 2013 	Per trust deed Per joint venture agreement

Notes:

¹ Renamed Department of Youth Justice, Employment, Small Business and Training following *Administrative Arrangements Order (No. 1) 2023* on 18 May 2023.

² Controlled entity – an entity owned by one or more public sector entities.

³ The *Corporations Act 2001* does not require all small proprietary companies to prepare financial statements. Where financial statements are required, they must be completed within 4 months after the end of the financial year.

Source: Queensland Audit Office.

Accountability requirements

The *Financial Accountability Act 2009* applicable to the education sector requires these entities to:

- achieve reasonable value for money by ensuring the operations of the entity are carried out efficiently, effectively, and economically
- establish and maintain appropriate systems of internal control and risk management
- establish and keep funds and accounts that comply with the relevant legislation, including Australian accounting standards.

Queensland state government financial statements

Each year, Queensland state public sector entities must table their audited financial statements in parliament.

These financial statements are used by a broad range of parties, including parliamentarians, taxpayers, employees, and users of government services. For these statements to be useful, the information reported must be relevant and accurate.

The Auditor-General's audit opinion on these entities' financial statements assures users that the statements are accurate and in accordance with relevant legislative requirements.

We express an *unmodified opinion* when the financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards. We *modify* our audit opinion when financial statements do not comply with the relevant legislative requirements and Australian accounting standards and are not accurate and reliable.

Sometimes we include an *emphasis of matter* in our audit reports to highlight an issue that will help users better understand the financial statements. It does not change the audit opinion.

University and grammar school entities

In Queensland, universities provide tertiary education, including undergraduate and postgraduate studies. Universities and their subsidiaries carry out research and other activities in line with university objectives.

Of the 8 grammar schools, 6 provide schooling from Prep to Year 12. The other 2 start at Year 5 and Year 7 respectively.

University funding and regulation

Universities obtain funding mainly through government grants and student fees. Grants are based on student enrolments and the amount of research undertaken at each university. In Queensland, 91.2 per cent (2021: 82.2 per cent) of university funding comes from Australian and Queensland government grants and from student fees and charges. Australian Government funding is mainly recurrent, while state government grants are generally non-recurrent.

The Australian Government budget details how much funding is provided to universities for each field of education.

Grammar school funding and regulation

Grammar schools obtain funding through Australian and Queensland government grants and through tuition and boarding fees. In Queensland, 87.8 per cent (2021: 88.3 per cent) of grammar school funding comes from these sources.

The grammar schools are statutory bodies formed under the *Grammar Schools Act 2016*. They operate as independent schools in Queensland.

Departments

Department of Education

The Department of Education is a Queensland Government department established under the *Public Sector Act 2022*. It provides direction and oversight to the education sector in Queensland and delivers services for early childhood and education.

Department of Youth Justice, Employment, Small Business and Training

The Department of Youth Justice, Employment, Small Business and Training is a Queensland Government department established under the *Public Sector Act 2022*. The department's vision is for all Queenslanders to have the skills and opportunities to manage and adapt, now and into the future.

Departmental funding and regulation

The departments receive appropriation revenue (allocated by parliament during the budget process) that includes funding from both the Australian and Queensland governments. The departments disperse this funding across their respective service areas, which are early childhood education and care, and school education (Department of Education); and training and skills (Department of Youth Justice, Employment, Small Business and Training).

In Queensland, 93.2 per cent (2021: 93.3 per cent) of Department of Education funding, and 94.1 per cent (2021: 97.1 per cent) of Department of Youth Justice, Employment, Small Business and Training funding came from amounts appropriated by parliament.

Other education entities

TAFE Queensland

TAFE Queensland is the state's largest provider of practical, industry-relevant, vocational training. It is established as a statutory body under the *TAFE Queensland Act 2013*. It is a not-for-profit entity governed by an independent board.

Most of its income comes from training revenue received from students. In recognition of TAFE Queensland's cost disadvantage in the market (having to provide non-profitable courses), the Queensland Government provides a state contribution grant, which funds part of the difference in costs between public and private training providers.

Queensland Curriculum and Assessment Authority

The Queensland Curriculum and Assessment Authority is a statutory body established under the *Education (Queensland Curriculum and Assessment Authority) Act 2014*. It provides the syllabuses for all schooling from Kindergarten to Year 12. It also provides guidelines, assessment, reporting, testing, and certification services for Queensland schools. It revises syllabuses and guidelines and offers services and resources to help teachers implement them.

Most of its income comes from grant funding from the Queensland Government, approved through the state budget process.

Queensland College of Teachers

The Queensland College of Teachers is responsible for registering teachers for Queensland schools, and for providing accreditation for pre-service teacher education programs. It is a statutory body established under the *Education (Queensland College of Teachers) Act 2005* to ensure teachers meet Australian education standards and act ethically.

The biggest contributors to the college's income are its teacher registration and application fees.

Non-State Schools Accreditation Board

The Non-State Schools Accreditation Board works with non-state governing bodies in the areas of accreditation and funding eligibility. The board is a statutory body established under the *Education (Accreditation of Non-State Schools) Act 2001*.

While the board receives grant funding, most of its income is from corporate services the Department of Education provides, which it recognises at the value it would have paid for the services if it had to pay for them.



C. Status of prior recommendations

The following tables provide the current status of the issues raised in our prior reports.

Figure C1
Status of recommendations from our report *Education 2021* (Report 19: 2021–22)

Understand the cost of service delivery to make informed decisions about future services and efficiencies in operations (TAFE Queensland)		Partially implemented
REC 1	<p>In order to remain sustainable in the longer term, TAFE Queensland needs to continue to develop its understanding of the value of its services and the costs of delivering them.</p> <p>It should use this understanding to decide whether to invest in training that is more efficient or of greater value to students, standardise processes, and to continue to implement strategies for increasing its student revenue and market share.</p> <p>TAFE Queensland should continue to work alongside the Department of Employment, Small Business and Training¹ and Queensland Treasury to design and implement strategies to support its broader financial sustainability.</p>	<p>TAFE Queensland is still working on projects and initiatives to better understand its costs for service delivery, and expects these to be completed by 2023–24.</p> <p>It continues to work alongside Queensland Treasury and the Department of Youth Justice, Employment, Small Business and Training in the development of a longer-term Queensland vocational education and training strategy aimed at improving its sustainability.</p>
Complete regular and timely assessments of the condition of assets (Department of Education and Department of Employment, Small Business and Training¹)		Partially implemented
REC 2	<p>Both departments should ensure that condition assessments for their buildings are completed as soon as possible. The information from these assessments should be used to inform their maintenance budgets and long-term asset management strategies, which should consider both physical assets and digital infrastructure.</p> <p>These assessments should be undertaken regularly to ensure existing assets continue to be fit for purpose and to address changing learning styles.</p>	<p>The Department of Education implemented a condition assessment program consisting of 19 tranches – 12 tranches have been completed. The department is aiming to finalise the assessments across all applicable school sites by the end of 2023.</p> <p>The Department of Youth Justice, Employment, Small Business and Training is taking a risk-based approach to assessing the condition of its assets. It identified 9 critical areas – out of 30 building categories – that will be assessed over a 3-year period to 2024. The department has begun the condition assessment over the first critical area.</p>

Note:

¹ Renamed Department of Youth Justice, Employment, Small Business and Training following *Administrative Arrangements Order (No. 1) 2023* on 18 May 2023.

Source: Queensland Audit Office.

Figure C2
Status of recommendations from our report *Education 2020* (Report 18: 2020–21)

Strengthen the security of information systems (all entities)		Further action needs to be taken
<p>REC 1</p>	<p>All entities should strengthen the security of their information systems. They rely heavily on technology, and increasingly, they must be prepared for cyber attacks. Any unauthorised access could result in fraud or error, and significant reputational damage.</p> <p>Their workplace culture, through their people and processes, must emphasise strong security practices to provide a foundation for the security of information systems. These practices must also be aware of other users, such as students, to ensure all networks are as secure as possible.</p> <p>Entities should:</p> <ul style="list-style-type: none"> • provide security training for employees so they understand the importance of maintaining strong information systems, and their roles in keeping them secure • assign employees only the minimum access required to perform their job, and ensure important stages of each process are not performed by the same person • regularly review user access to ensure it remains appropriate • monitor activities performed by employees with privileged access (allowing them to access sensitive data and modify information) to ensure they are appropriately approved • implement strong password practices and multifactor authentication (for example, a username and password, plus a code sent to a mobile), particularly for systems that record sensitive information • encrypt sensitive information to protect it • patch vulnerabilities in systems in a timely manner, as upgrades and solutions are made available by software providers to address known security weaknesses that could be exploited by external parties. <p>Entities should also self-assess against all of the recommendations in <i>Managing cyber security risks</i> (Report 3: 2019–20) to ensure their systems are appropriately secured.</p>	<p>We continue to identify and track internal control deficiencies in entities' information systems.</p> <p>This year, we identified 34 new issues. Of the 55 open issues in 2021, 29 were resolved (leaving a total of 60 open issues in 2022).</p> <p>Cyber attacks continue to be a significant risk, given ongoing changes in entities' working environments (such as employees working from home).</p> <p>We recommend all education entities continue implementing policies and processes to strengthen the security of their information systems.</p>

Source: Queensland Audit Office.

Recommendation status definitions

Where a recommendation is specific to an entity, we have reported on the action that entity has taken and whether the issue is considered to be *fully implemented*, *partially implemented*, *not implemented* or *no longer applicable*.



Status	Definition
Fully implemented	Recommendation has been implemented, or alternative action has been taken that addresses the underlying issues and no further action is required. Any further actions are business as usual.
Partially implemented	Significant progress has been made in implementing the recommendation or taking alternative action, but further work is required before it can be considered business as usual. This also includes where the action taken was less extensive than recommended, as it only addressed some of the underlying issues that led to the recommendation.
Not implemented	Recommendation accepted No or minimal actions have been taken to implement the recommendation, or the action taken does not address the underlying issues that led to the recommendation.
	Recommendation not accepted The government or the agency did not accept the recommendation.
No longer applicable	Circumstances have fundamentally changed, making the recommendation no longer applicable. For example, a change in government policy or program has meant the recommendation is no longer relevant.

Where a general recommendation has been made for all entities to consider, we have assessed action on issues reported to specific entities in the prior year, as well as any further issues identified in the current year. On this basis, we have concluded whether *appropriate action has been taken* across the sector, or if *further action needs to be taken* to address the risk identified.

Status	Definition
Appropriate action has been taken	Recommendations made to individual entities have been implemented, or alternative action has been taken that addresses the underlying issues, and no further action is required. No new issues have been identified across the sector that indicate an ongoing underlying risk to the sector that requires reporting to parliament.
Further action needs to be taken	Recommendations made to individual entities have not been fully implemented, and/or new recommendations have been made to individual entities, indicating further action is required to address the underlying risk.



D. Audit opinions for entities preparing financial reports

The following table details the types of audit opinions issued, in accordance with Australian auditing standards for the 2022 financial year.

Figure D1
Our opinions for education sector financial reports for 2022

Entity type	Entity	Date audit opinion issued	Type of audit opinion issued
Departments and their controlled entities ¹	Department of Education ²	25.08.2022	Unmodified
	<ul style="list-style-type: none"> Queensland Education Leadership Institute Limited² 	20.10.2022	Unmodified
	Department of Employment, Small Business and Training ^{2,7}	05.09.2022	Unmodified
	<ul style="list-style-type: none"> BCITF (QLD) Limited^{2,3} 	30.08.2022	Unmodified
Universities and their controlled entities ¹	Central Queensland University	24.02.2023	Unmodified
	<ul style="list-style-type: none"> C Management Services Pty Ltd 	21.02.2023	Unmodified
	<ul style="list-style-type: none"> CQU Travel Centre Pty Ltd 	21.02.2023	Unmodified
	Griffith University	22.02.2023	Unmodified
	<ul style="list-style-type: none"> International WaterCentre Pty Ltd⁴ 	Not finalised	
	James Cook University	28.02.2023	Unmodified
	Queensland University of Technology	16.03.2023	Unmodified
	The University of Queensland	24.02.2023	Unmodified
	<ul style="list-style-type: none"> UQ Foundation Trust 	20.02.2023	Unmodified – EOM ⁶
	<ul style="list-style-type: none"> UQ Investment Trust 	20.02.2023	Unmodified – EOM ⁶
	University of Southern Queensland	24.02.2023	Unmodified
University of the Sunshine Coast	21.02.2023	Unmodified	
Grammar schools	Board of Trustees of the Brisbane Girls Grammar School	23.02.2023	Unmodified
	Board of Trustees of the Brisbane Grammar School	16.02.2023	Unmodified
	Board of Trustees of the Ipswich Girls' Grammar School	23.02.2023	Unmodified
	Board of Trustees of the Ipswich Grammar School	20.02.2023	Unmodified
	Board of Trustees of the Rockhampton Girls Grammar School	23.02.2023	Unmodified
	Board of Trustees of the Rockhampton Grammar School	27.02.2023	Unmodified
	Board of Trustees of the Toowoomba Grammar School	24.02.2023	Unmodified

Entity type	Entity	Date audit opinion issued	Type of audit opinion issued
	Board of Trustees of the Townsville Grammar School	23.02.2023	Unmodified
Statutory bodies and their controlled entities ¹	Non-State Schools Accreditation Board ²	03.08.2022	Unmodified
	Queensland College of Teachers	20.02.2023	Unmodified
	Queensland Curriculum and Assessment Authority ²	24.08.2022	Unmodified
	TAFE Queensland ²	30.08.2022	Unmodified
	• Aviation Australia Pty Ltd ²	25.08.2022	Unmodified
	• TAFE Queensland Scholarship Foundation ²	08.12.2022	Unmodified
Jointly controlled entities ¹	Queensland College of Wine Tourism	24.04.2023	Unmodified – EOM ⁶
	Queensland Cyber Infrastructure Foundation Ltd	19.05.2023	Unmodified
	Queensland Tertiary Admissions Centre Limited	18.08.2022	Unmodified
	Sunshine Coast Health Institute	28.03.2023	Unmodified – EOM ⁶
	Tropical Australia Academic Health Centre Limited	27.09.2022	Unmodified
Other	Building and Construction Industry Training Fund (Qld) ^{2,3}	30.08.2022	Unmodified
Audited by arrangement ⁵	Translational Research Institute Trust	24.03.2023	Unmodified – EOM ⁶

Notes:

¹ Controlled entity – an entity owned by one or more public sector entities.

² Our audit opinion was also listed in *State entities 2022* (Report 11: 2022–23).

³ BCITF (Qld) Limited is the trustee for the fund but does not control it.

⁴ International WaterCentre Pty Ltd 2020 financial statements were signed on 12 December 2022. We issued an unmodified opinion with an emphasis of matter because the board intends to wind up the entity. The audits for the 2021 and 2022 financial statements were not finalised at the date of this report.

⁵ Where asked by a minister or public sector entity, and where the Auditor-General considers there is public interest, a financial audit of a non-public sector entity may be undertaken on a 'by-arrangement' basis.

⁶ EOM – emphasis of matter. Sometimes we include an emphasis of matter in our audit reports to highlight an issue that will help users better understand the financial statements. It does not change the audit opinion.

⁷ Renamed Department of Youth Justice, Employment, Small Business and Training following *Administrative Arrangements Order (No. 1) 2023* on 18 May 2023.

Source: Queensland Audit Office.

The Auditor-General approved exemptions from audit for the following entities (under s. 32 *Auditor-General Act 2009* – foreign-based controlled entities). These entities are still required to arrange for an audit to be completed.



Figure D2
Exempt entities

Entity	Country of incorporation	Audit firm	Date audit opinion issued	Type of audit opinion issued
Controlled entities of Central Queensland University				
PT CQU Executive Business Training Centre	Indonesia	Kap Kanel & Rekan	08.02.2023	Unmodified
Yayasan Pendidikan Tanah Ratu	Indonesia	Kap Kanel & Rekan	07.02.2023	Unmodified
Controlled entities of James Cook University				
James Cook Holdings Pte Ltd	Singapore	Baker Tilly TFW LLP	20.02.2023	Unmodified
James Cook University Pte Ltd	Singapore	Baker Tilly TFW LLP	23.02.2023	Unmodified
• Eagle Infotech Consultants Pte Ltd	Singapore	Baker Tilly TFW LLP	20.02.2023	Unmodified
• James Cook Academy Pte Ltd	Singapore	Baker Tilly TFW LLP	20.02.2023	Unmodified
• Tropical Futures Institute Limited	Singapore	Baker Tilly TFW LLP	20.02.2023	Unmodified – EOM

Source: Queensland Audit Office.



E. Entities not preparing financial reports

For each state public sector company, other than government owned corporations, the board of directors considers the requirements of the *Corporations Act 2001* and the company's constitution to determine whether financial statements need to be prepared. The board must revisit the assessment every 3 years or whenever a significant change occurs.

When entities are part of a larger group and are secured by a guarantee with other entities in that group (that they will cover their debts), the Australian Securities and Investments Commission allows them to not prepare a financial report. In addition, dormant or small companies that meet specific criteria under the *Corporations Act 2001* are not required to prepare financial statements.

If entities form part of a larger group that reports to the Australian Charities and Not-for-profits Commission, the commissioner may allow the group to jointly report under subsections 60–95(1) of the *Australian Charities and Not-for-profits Commission Act 2012*.

Accordingly, the Auditor-General will not issue audit opinions for the following controlled public sector entities for 2022, as they were not required to produce financial statements.

Figure E1
Entities not preparing financial reports

Public sector entity	Reason for not preparing financial statements
Controlled entities of Central Queensland University	
Australian International Campuses Pty Ltd	Non-reporting
Australian International Campuses Trust	Non-reporting
CQU Indonesia Holdings Pty Ltd	Non-reporting
DataMuster Pty Ltd	Non-reporting
Mask-Ed International Pty Ltd ¹	Dormant
Controlled entities of Griffith University	
Griffith Innovation Centre Ltd ¹	Wound up
Controlled entities of James Cook University	
CPB Trust	Non-reporting
Discover Sport Ltd	Non-reporting
JCU Asset Trust	Non-reporting
JCU College Pty Ltd	Non-reporting
JCU CPB Pty Ltd	Non-reporting
JCU Early Learning Centres Pty Ltd	Non-reporting

Public sector entity	Reason for not preparing financial statements
JCU Enterprises Pty Ltd	Non-reporting
JCU Health Pty Ltd	Non-reporting
JCU Univet Pty Ltd	Non-reporting
North Queensland Commercialisation Company Pty Ltd	Non-reporting
Tropical Queensland Centre for Oral Health Pty Ltd	Non-reporting
Controlled entities of Queensland University of Technology	
Brisbane Business School Pty Ltd	Non-reporting
QUT Advisory Pty Ltd	Non-reporting
QUT bluebox Trust	Non-reporting
QUT Enterprise Holdings Pty Ltd	Non-reporting
QUT Enterprise Holdings Trust	Non-reporting
qutbluebox Pty Ltd	Non-reporting
Student Managed Investment Fund	Non-reporting
Controlled entities of TAFE Queensland	
TAFE Queensland International Education Pty Ltd ¹	Non-reporting
Controlled entities of The University of Queensland	
Carsinosa Pty Ltd	Non-reporting
Cassowary Pharmaceuticals Pty Ltd	Non-reporting
Dendright Pty Ltd	Wound up
Frontier Inflammasome Therapeutics Pty Ltd	Non-reporting
IMBcom Pty Ltd	Non-reporting
Jetra Therapeutics Pty Ltd	Non-reporting
JKTech Pty Ltd	Non-reporting
Leximancer Pty Ltd ²	No longer a public sector entity
Liperate Therapeutics Pty Ltd	Non-reporting
Neo Rehab Pty Ltd	Non-reporting
SMI-ICE-Chile SpA	Non-reporting
Symbiosis Group Pty Ltd	Non-reporting



Public sector entity	Reason for not preparing financial statements
UniQuest Pty Ltd	Non-reporting
UQ College Ltd	Non-reporting
UQ Health Care Ltd	Non-reporting
UQ Holdings Pty Ltd	Non-reporting
UQ Jakarta Office Pty Ltd	Non-reporting
UQ Residences Ltd	Non-reporting
UQ Sport Ltd	Non-reporting
Controlled entities of University of Southern Queensland	
UIL Holdings Pty Ltd	Non-reporting
Union Institute of Language - Springfield Campus Pty Ltd	Non-reporting
University of Southern Queensland (South Africa) Pty Ltd ¹	Dormant
Controlled entities of University of the Sunshine Coast	
Thompson Institute Pty Ltd	Dormant
USC Capital and Commercial Pty Ltd	Dormant

Notes:

The transactions of these controlled entities have been consolidated into the financial statements of the public sector entity they are owned by unless otherwise stated.

¹ These entities have not been consolidated as they either do not trade or are insignificant to the financial statements of their owners.

² Leximancer Pty Ltd ceased to be a public sector entity on 21 November 2022.

Source: Queensland Audit Office.



F. Financial results

Figure F1
Universities – for the year ended 31 December 2022

Amounts in \$'000								
University	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Borrowings		
						Finance costs	New borrowings	Repayment of borrowings
CQU	1,149,711	504,883	410,558	434,809	(24,250)	9,285	-	-
GU	2,660,285	375,265	934,941	1,004,673	(69,732)	1,867	-	12,472
JCU	1,732,955	452,418	529,196	572,860	(43,664)	5,865	47,826	8,673
QUT	2,343,384	493,746	1,005,135	1,136,058	(130,923)	6,951	-	6,518
UQ	4,905,170	1,254,476	1,952,232	2,262,954	(310,722)	18,983	-	13,261
UniSQ	936,414	130,143	326,955	342,498	(15,543)	122	-	3,436
UniSC	913,135	222,385	346,136	311,195	34,940	3,920	-	11,211
Total	14,641,054	3,433,316	5,505,153	6,065,047	(559,894)	46,993	47,826	55,571

Note: CQU – Central Queensland University; GU – Griffith University; JCU – James Cook University; QUT – Queensland University of Technology; UQ – The University of Queensland; UniSQ – University of Southern Queensland; UniSC – University of the Sunshine Coast.

Source: Queensland Audit Office.

Figure F2
Universities – for the year ended 31 December 2021

Amounts in \$'000								
University	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Borrowings		
						Finance costs	New borrowings	Repayment of borrowings
CQU	1,148,306	488,525	404,716	426,721	(22,005)	9,114	34,975	-
GU	2,615,359	345,727	1,044,029	921,287	122,742	2,285	-	12,060
JCU ¹	1,585,656	384,828	563,547	538,029	25,518	6,005	52,179	7,060
QUT	2,376,636	456,060	1,163,230	1,024,355	138,875	6,895	-	6,035
UQ	5,074,794	1,240,496	2,435,560	2,093,625	341,935	16,930	53,577	8,678
UniSQ ²	900,894	123,348	421,750	342,362	79,388	158	-	1,530
UniSC ³	851,664	229,130	334,746	289,741	45,005	5,076	123,700	127,353
Total	14,553,309	3,268,114	6,367,578	5,636,120	731,458	46,463	264,431	162,716

Notes:

¹ JCU reclassified foreign exchange losses from income to expenses. There was no impact on the operating result.

² UniSQ reclassified international fee discounts from expenses to income. There was no impact on the operating result.

³ UniSC restated its prior year figures as its controlled entities did not meet the requirements for consolidation.

Source: Queensland Audit Office.



Figure F3
Departments and TAFE Queensland – for the year ended 30 June 2022

Amounts in \$'000								
Entity	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Finance costs	Borrowings New borrowings	Repayment of borrowings
DoE	27,746,398	1,447,456	10,982,740	10,823,544	159,196	19,498	-	8,374
DESBT	1,970,888	457,689	1,550,051	1,518,818	31,233	21,726	-	4,017
TAFEQ	429,148	169,895	712,485	716,695	(4,210)	2,003	-	-
Total	30,146,434	2,075,040	13,245,276	13,059,057	186,219	43,227	-	12,391

Note: DoE – Department of Education; DESBT – Department of Employment, Small Business and Training (renamed Department of Youth Justice, Employment, Small Business and Training following *Administrative Arrangements Order (No. 1) 2023* on 18 May 2023); TAFEQ – TAFE Queensland.

Source: Queensland Audit Office.

Figure F4
Departments and TAFE Queensland – for the year ended 30 June 2021

Amounts in \$'000								
Entity	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Finance costs	Borrowings New borrowings	Repayment of borrowings
DoE	24,358,030	1,161,644	10,163,456	10,006,139	157,317	19,785	-	7,691
DESBT	1,850,266	500,796	1,309,617	1,314,974	(5,357)	22,130	-	3,613
TAFEQ ¹	432,733	177,069	668,102	667,599	503	2,236	-	235
Total	26,641,029	1,839,509	12,141,175	11,988,712	152,463	44,151	-	11,539

Note:

¹ TAFEQ restated its prior year figures to account for a change in accounting policy for intangible assets.

Source: Queensland Audit Office.

Figure F5
Grammar schools – for the year ended 31 December 2022

Amounts in \$'000								
Grammar school	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Finance costs	Borrowings New borrowings	Repayment of borrowings
BGGS	180,821	44,808	55,963	52,286	3,677	953	-	1,815
BGS	269,121	63,771	70,660	69,841	819	1,022	-	2,522
IGGS	66,983	15,498	28,287	26,150	2,138	774	-	1,724
IGS	84,616	15,662	29,331	28,274	1,057	151	-	416
RGGS	41,151	3,479	12,554	10,780	1,773	107	600	387
RGS	99,216	15,968	48,587	47,075	1,512	427	-	806
TWGS	140,631	14,050	41,713	40,286	1,427	478	-	1,364
TVGS	85,677	16,181	36,192	33,489	2,703	603	2,200	1,933
Total	968,216	189,417	323,288	308,183	15,106	4,515	2,800	10,967

Note: BGGS – Brisbane Girls Grammar School; BGS – Brisbane Grammar School; IGGS – Ipswich Girls' Grammar School; IGS – Ipswich Grammar School; RGGS – Rockhampton Girls Grammar School; RGS – Rockhampton Grammar School; TWGS – Toowoomba Grammar School; TVGS – Townsville Grammar School.

Source: Queensland Audit Office.

Figure F6
Grammar schools – for the year ended 31 December 2021

Amounts in \$'000								
Grammar school	Total assets	Total liabilities	Total income	Total expenses (excl tax)	Operating result before tax	Finance costs	Borrowings New borrowings	Repayment of borrowings
BGGS	162,390	45,696	52,788	49,359	3,429	1,011	-	1,753
BGS	246,369	64,297	69,021	64,681	4,340	766	40,000	1,188
IGGS ¹	67,258	17,540	27,587	26,170	1,417	848	-	1,615
IGS ²	80,869	14,806	27,253	26,669	584	169	-	403
RGGS ³	36,778	3,230	9,824	9,437	387	118	-	344
RGS	91,083	16,884	44,886	43,245	1,641	1,348	-	1,068
TWGS	130,805	14,266	39,182	38,161	1,021	532	-	1,289
TVGS	76,981	15,460	33,398	31,360	2,038	656	-	1,704
Total	892,533	192,180	303,937	289,081	14,857	5,448	40,000	9,365

Notes:

¹ IGGS reclassified part of finance costs and repayment of borrowings to lease liabilities. There was no impact on the operating result.

² IGS reclassified impairment gains from expenses to income. There was no impact on the operating result.

³ RGGS reclassified the loss on sale of asset from income to expenses, and reclassified goods and services tax receivable from liabilities to assets. There was no impact on the operating result and net assets.

Source: Queensland Audit Office.

G. Campus, student, and employee data

Figure G1
Location of campuses for Queensland universities

Region	CQU	GU	JCU	QUT	UQ	UniSQ	UniSC
Brisbane – East							
Brisbane – North							
Brisbane – South		2					
Brisbane – West					1		
Brisbane Inner City	1	1	1	2	1		1
Cairns	1		1				
Central Queensland	4						
Darling Downs – Maranoa						1	
Far North			1				
Gold Coast		1					
Ipswich						2	
Logan – Beaudesert		1					
Mackay – Isaac – Whitsunday	2		1				
Moreton Bay – North							1
Moreton Bay – South							1
Outback – North			1				
Outback – South							
Sunshine Coast	1						1
Toowoomba					1	1	
Townsville	1		1				
Wide Bay	1						2
Other ¹	11	1	2	1	1	1	8
Total	22	6	8	3	4	5	14

Notes: CQU – Central Queensland University; GU – Griffith University; JCU – James Cook University; QUT – Queensland University of Technology; UQ – The University of Queensland; UniSQ – University of Southern Queensland; UniSC – University of the Sunshine Coast.

¹ Other includes interstate, overseas or online campuses, or other non-campus hubs.

Source: Queensland Audit Office.



Figure G2
Equivalent full-time student load for Queensland universities

Equivalent full-time student load represents the various study loads of students as a proportion of the study load students would have if studying full-time for one year.

Region	CQU	GU	JCU	QUT	UQ	UniSQ	UniSC
Brisbane – East							
Brisbane – North							
Brisbane – South		7,337					
Brisbane – West					38,636		
Brisbane Inner City	769	2,261	387	33,917	1,956		19
Cairns	251		1,543				
Central Queensland	1,133						
Darling Downs – Maranoa							
Far North							
Gold Coast		11,737					
Ipswich						1,710	
Logan – Beaudesert		596					
Mackay – Isaac – Whitsunday	485		100				
Moreton Bay – North							369
Moreton Bay – South							2,329
Outback – North			10				
Outback – South							
Sunshine Coast	16						7,847
Toowoomba					1,665	10,525	
Townsville	90		6,847				
Wide Bay	412						479
Other	9,156	9,772	5,149	459			359
Total	12,311	31,703	14,036	34,375	42,257	12,235	11,402

Source: Queensland Audit Office.



Figure G3
Full-time equivalent employees for Queensland universities

Region	CQU	GU	JCU	QUT	UQ	UniSQ	UniSC
Brisbane – East							
Brisbane – North							
Brisbane – South		2,082					
Brisbane – West					6,698		
Brisbane Inner City	181	243		3,499	886		4
Cairns	71		479				
Central Queensland	838						
Darling Downs – Maranoa							
Far North			2				
Gold Coast		1,563					
Ipswich						395	
Logan – Beaudesert		195					
Mackay – Isaac – Whitsunday	133		26				
Moreton Bay – North							30
Moreton Bay – South							112
Outback – North			27				
Outback – South							
Sunshine Coast	30						1,129
Toowoomba					395	1,088	
Townsville	37		1,316				
Wide Bay	116						57
Other	280	139	147	170	475	13	43
Total	1,686	4,222	1,997	3,669	8,453	1,496	1,374

Source: Queensland Audit Office.

Figure G4
Location of Queensland grammar schools

Region	BGGS	BGS	IGGS	IGS	RGGS	RGS	TWGS	TVGS
Brisbane – East								
Brisbane – North								
Brisbane – South								
Brisbane – West								
Brisbane Inner City	1	1						
Cairns								
Central Queensland					1	1		
Darling Downs – Maranoa								
Far North								
Gold Coast								
Ipswich			1	1				
Logan – Beaudesert								
Mackay – Isaac – Whitsunday								
Moreton Bay – North								
Moreton Bay – South								
Outback – North								
Outback – South								
Sunshine Coast								
Toowoomba							1	
Townsville								3
Wide Bay								
Total	1	3						

Note: BGGS – Brisbane Girls Grammar School; BGS – Brisbane Grammar School; IGGS – Ipswich Girls' Grammar School; IGS – Ipswich Grammar School; RGGS – Rockhampton Girls Grammar School; RGS – Rockhampton Grammar School; TWGS – Toowoomba Grammar School; TVGS – Townsville Grammar School.

Source: Queensland Audit Office.



Figure G5
Equivalent full-time student load for Queensland grammar schools

Region	BGGS	BGS	IGGS	IGS	RGGS	RGS	TWGS	TVGS
Brisbane – East								
Brisbane – North								
Brisbane – South								
Brisbane – West								
Brisbane Inner City	1,530	1,830						
Cairns								
Central Queensland					354	1,410		
Darling Downs – Maranoa								
Far North								
Gold Coast								
Ipswich			930	1,086				
Logan – Beaudesert								
Mackay – Isaac – Whitsunday								
Moreton Bay – North								
Moreton Bay – South								
Outback – North								
Outback – South								
Sunshine Coast								
Toowoomba							1,200	
Townsville								1,367
Wide Bay								
Total	1,530	1,830	930	1,086	354	1,410	1,200	1,367

Source: Queensland Audit Office.



Figure G6
Full-time equivalent employees for Queensland grammar schools

Region	BGGS	BGS	IGGS	IGS	RGGS	RGS	TWGS	TVGS
Brisbane – East								
Brisbane – North								
Brisbane – South								
Brisbane – West								
Brisbane Inner City	227	302						
Cairns								
Central Queensland					72	307		
Darling Downs – Maranoa								
Far North								
Gold Coast								
Ipswich			164	115				
Logan – Beaudesert								
Mackay – Isaac – Whitsunday								
Moreton Bay – North								
Moreton Bay – South								
Outback – North								
Outback – South								
Sunshine Coast								
Toowoomba							161	
Townsville								209
Wide Bay								
Total	227	302	164	115	72	307	161	209

Source: Queensland Audit Office.



Figure G7
Location of Department of Education schools

Region	Primary ¹	Secondary ²	Independent ³	Combined ⁴	Special ⁵
Brisbane – East	20	3	10	1	1
Brisbane – North	16		15		2
Brisbane – South	27	7	20	2	7
Brisbane – West	6	1	24		2
Brisbane Inner City	13	2	16		2
Cairns	50	6	12	5	
Central Queensland ⁶	78	14	2	8	3
Darling Downs – Maranoa ⁶	74	10	7	19	
Far North	16		1	7	
Gold Coast	32	7	34	1	2
Ipswich	66	10	16	1	5
Logan – Beaudesert	40	11	9		2
Mackay – Isaac – Whitsunday	57	12	1	3	
Moreton Bay – North	22	4	16	1	4
Moreton Bay – South	12	2	14		1
Norfolk Island ⁷				1	
Outback – North	13	1		7	1
Outback – South	19	2		10	
Sunshine Coast	31	5	24		3
Toowoomba ⁶	35	5	1		2
Townsville	51	6	11	1	3
Wide Bay ⁶	94	10	15	9	4
Total	772	118	248	76	44

Notes:

- ¹ Primary schools provide students with compulsory education from Prep to Year 6.
- ² Secondary schools (or high schools) provide educational programs for students from Year 7 to Year 12.
- ³ Independent Public Schools can include schools from any other category. These schools are afforded greater autonomy in decision-making and increased capacity to work in new ways to maximise learning outcomes.
- ⁴ Combined schools generally provide education to students from Prep to Year 10 or Year 12, depending on the school's location.
- ⁵ Special schools provide highly specialised and individual programs for students with significant support needs.
- ⁶ Includes 9 schools with zero enrolments in 2022.
- ⁷ Norfolk Island Central School – Caretaker transfer from New South Wales State Government from 1 January 2022.

Source: Queensland Audit Office.



Figure G8
Equivalent full-time student load for Department of Education schools

Region	Primary	Secondary	Independent	Combined	Special
Brisbane – East	8,521	3,222	9,096	1,020	197
Brisbane – North	6,695		11,805		263
Brisbane – South	12,190	6,592	23,593	4,354	688
Brisbane – West	3,238	230	23,432		208
Brisbane Inner City	5,711	1,288	18,110		73
Cairns	11,391	4,650	11,054	7,194	
Central Queensland	14,470	9,803	1,098	6,351	284
Darling Downs – Maranoa	4,790	5,098	1,446	3,518	
Far North	654		1,352	2,736	
Gold Coast	16,865	8,764	37,242	1,882	248
Ipswich	20,809	9,960	12,765	1,719	758
Logan – Beaudesert	20,938	15,477	7,340		513
Mackay – Isaac – Whitsunday	12,470	8,974	84	544	
Moreton Bay – North	8,524	4,864	15,524	416	505
Moreton Bay – South	5,833	1,631	17,133		262
Norfolk Island				291	
Outback – North	1,746	962		1,380	27
Outback – South	612	529		1,110	
Sunshine Coast	10,740	4,781	25,699		371
Toowoomba	9,683	6,100	1,024		278
Townsville	9,990	2,926	11,774	330	303
Wide Bay	13,054	7,211	10,411	1,402	347
Total	198,924	103,062	239,982	34,247	5,325

Source: Queensland Audit Office.

Figure G9
Full-time equivalent employees for Department of Education schools

Region	Primary	Secondary	Independent	Combined	Special
Brisbane – East	872	343	931	136	88
Brisbane – North	656		1,256		136
Brisbane – South	1,184	702	2,216	403	386
Brisbane – West	302	46	2,214		129
Brisbane Inner City	545	147	1,688		115
Cairns	1,336	583	1,254	599	
Central Queensland	1,654	1,164	107	311	136
Darling Downs – Maranoa	674	726	172	569	
Far North	113		271	388	
Gold Coast	1,688	954	3,765	201	112
Ipswich	2,235	1,178	1,290	186	396
Logan – Beaudesert	2,131	1,763	767		228
Mackay – Isaac – Whitsunday	1,339	1,053	39	86	
Moreton Bay – North	949	524	1,570	63	261
Moreton Bay – South	572	197	1,637		107
Norfolk Island				33	
Outback – North	227	153		230	16
Outback – South	114	84		242	
Sunshine Coast	1,118	522	2,573		194
Toowoomba	1,117	721	136		150
Townsville	1,172	426	1,136	45	174
Wide Bay	1,652	926	1,206	236	167
Total	21,650	12,212	24,228	3,728	2,795

Source: Queensland Audit Office.

Figure G10
Campus data for Queensland vocational education and training

Region	TAFEQ	CQU
Brisbane – East	2	
Brisbane – North	2	
Brisbane – South	3	
Brisbane – West	1	
Brisbane Inner City	1	1
Cairns	5	1
Central Queensland	4	5
Darling Downs – Maranoa	4	
Far North	4	
Gold Coast	5	
Ipswich	4	
Logan – Beaudesert	2	
Mackay – Isaac – Whitsunday	3	2
Moreton Bay – North	2	
Moreton Bay – South		
Outback – North	3	
Outback – South	1	
Sunshine Coast	5	
Toowoomba	2	
Townsville	6	1
Wide Bay	7	1
Other ¹	3	3
Total	69	14

Notes: TAFEQ – TAFE Queensland; CQU – Central Queensland University.

¹ Other includes interstate, overseas or online campuses, or other non-campus hubs.

Source: Queensland Audit Office.



Figure G11
Equivalent full-time student load for Queensland vocational education and training

Region	TAFEQ	CQU
Brisbane – East	4,310	
Brisbane – North	9,937	
Brisbane – South	15,006	
Brisbane – West	647	
Brisbane Inner City	19,012	85
Cairns	9,610	160
Central Queensland	3,020	1,919
Darling Downs – Maranoa	1,791	
Far North	356	
Gold Coast	7,334	
Ipswich	10,807	
Logan – Beaudesert	858	
Mackay – Isaac – Whitsunday	366	899
Moreton Bay – North	1,590	
Moreton Bay – South		
Outback – North	610	
Outback – South	71	
Sunshine Coast	16,869	
Toowoomba	6,805	
Townsville	3,324	48
Wide Bay	5,891	83
Other	15,477	38
Total	133,691	3,232

Note: TAFE Queensland does not calculate equivalent full-time student load. Student numbers provided are unique student numbers by campus. Student numbers provided by campus are higher than the total unique student count due to some students attending multiple campuses. Students trained via third party providers or at offsite locations are reported against their enrolling campus.

Source: Queensland Audit Office.



Figure G12
Full-time equivalent employees for Queensland vocational education and training

Region	TAFEQ	CQU
Brisbane – East	155	
Brisbane – North	274	
Brisbane – South	699	
Brisbane – West	27	
Brisbane Inner City	720	9
Cairns	350	2
Central Queensland	6	83
Darling Downs – Maranoa	28	
Far North	5	
Gold Coast	542	
Ipswich	239	
Logan – Beaudesert	113	
Mackay – Isaac – Whitsunday	21	41
Moreton Bay – North	51	
Moreton Bay – South		
Outback – North	17	
Outback – South		
Sunshine Coast	313	
Toowoomba	229	
Townsville	229	6
Wide Bay	189	5
Other	13	5
Total	4,221	152

Source: Queensland Audit Office.





qao.qld.gov.au/reports-resources/reports-parliament

qao.qld.gov.au/contact-us

T: (07) 3149 6000
E: qao@qao.qld.gov.au
W: www.qao.qld.gov.au
53 Albert Street, Brisbane Qld 4000
PO Box 15396, City East Qld 4002