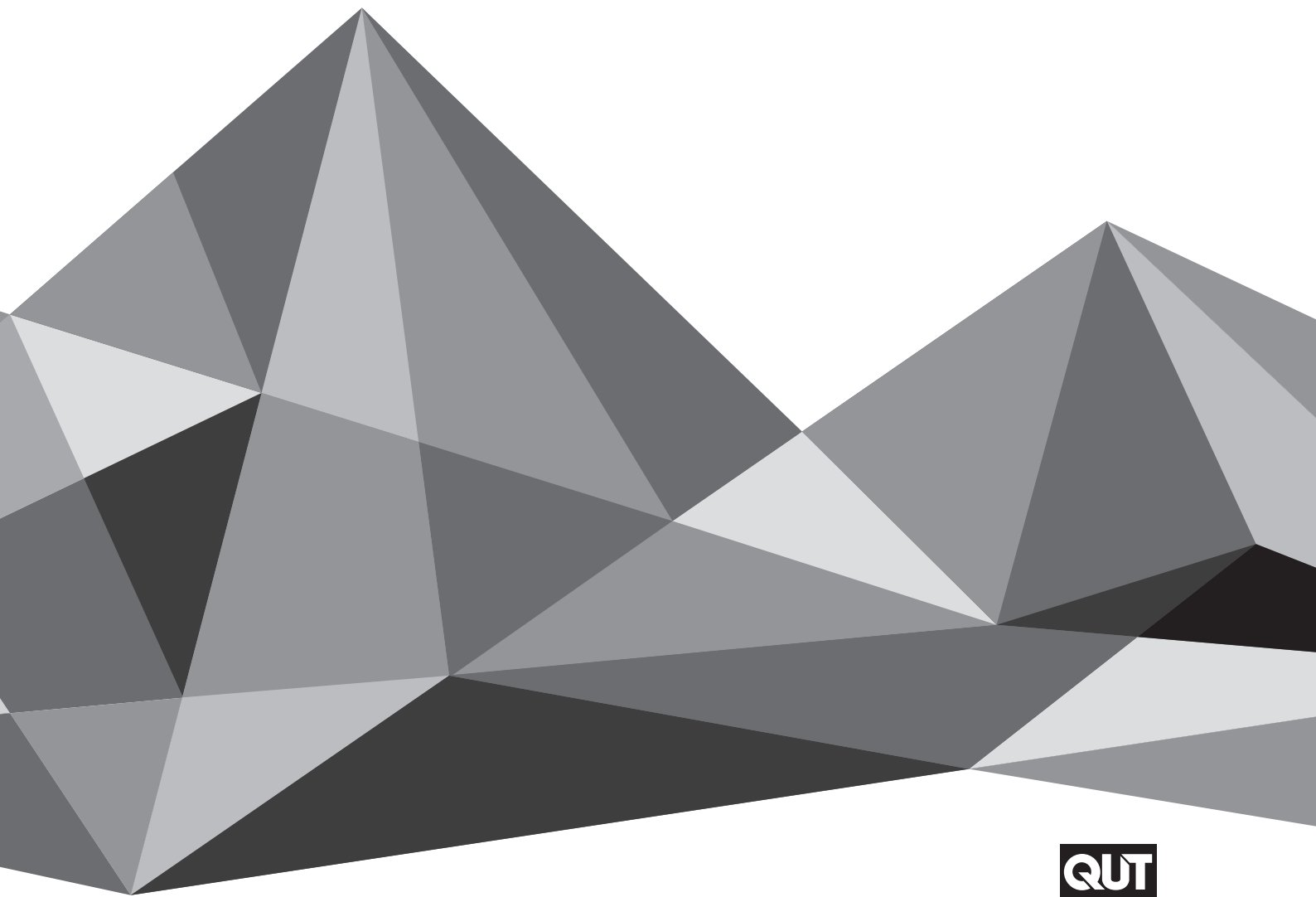


# Annual Report

Queensland University of Technology **2013**



a university for the **real** world<sup>®</sup>





February 24, 2014

The Honourable John-Paul Langbroek MP  
Minister for Education, Training and Employment  
30 Mary Street  
Brisbane Qld 4000

I am pleased to present the Annual Report 2013 and financial statements for Queensland University of Technology.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be accessed at [www.qut.edu.au/about/the-university/annual-report](http://www.qut.edu.au/about/the-university/annual-report).

Yours sincerely

A handwritten signature in black ink that reads 'Tim Fairfax'.

Tim Fairfax AC  
Chancellor



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overseas travel can be accessed through  
the Queensland Government Open  
Data website ([qld.gov.au/data](http://qld.gov.au/data)) or at  
[www.qut.edu.au/about/the-university/annual-report](http://www.qut.edu.au/about/the-university/annual-report)

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# Introduction and review

## From the Chancellor and Vice-Chancellor

This report covers a period which saw further embedding and evolution of the national policy agenda begun in 2009, one which sought to expand access by increasing student enrolments and encouraging study by people from disadvantaged backgrounds.

QUT has strongly supported these goals, and the nature of our response has been in line with principles and strategies set out in the Blueprint, an institutional plan which has adapted to new circumstances, being last revised in 2011, but which has retained continuity of expression of broad vision and institutional intent for nearly a decade.

QUT has grown its student population in line with the Blueprint's commitment to providing first-class learning opportunities and facilities, with a particular emphasis on growth in postgraduate and research

student groups. The university is also at the forefront of finding new ways to encourage disadvantaged people to take up university study, including by offering them support from our Learning Potential Fund. In 2013 the Fund reached its endowment goal of \$20 million, 18 months earlier than anticipated, and it is particularly noteworthy that a strong culture of philanthropy from staff is developing across QUT, with staff payroll donations increasing by 30 per cent over 2012.

Over the course of 2013 QUT took important steps towards the development of a more integrated and strategic approach to the development of online learning, with a major review of virtual learning environments and series of targeted projects aimed at raising the profile and impact of our work in this area. Such developments will complement the increasing sophistication and appeal of our physical campus

spaces, with the new Science and Engineering Centre and associated facilities proving a major drawcard for students and the wider public in 2013. Construction of the second stage of the Creative Industries Precinct is also well underway.

Significant advances in research capacity building and performance were made in 2013, with major grants received for work across areas including farm robotics, prostate cancer, palliative care, bio-energy, mental health and dementia, autism spectrum education, and reduction of agriculturally produced nitrous oxide. Over 100 of our health and medical researchers relocated to the Translational Research Institute (TRI) on the site of the Princess Alexandra Hospital early in the year, and more than 360 staff, researchers, research students and external groups moved into new premises in the new Science

facilities. These moves are designed to enhance productive interdisciplinary collaborations, and we have high expectations for future growth in research outcomes as a result.

This report also documents excellent progress with the building of our many international connections in research and teaching, and in line with the Blueprint we have seen a strong increase in outbound student mobility.

QUT's achievements in 2013 are the result of the commitment and ability of our students and our academic and professional staff. Their work relies on a foundation of strong governance and prudent financial management and we particularly acknowledge the positive contributions made to this endeavour by QUT Council members.

We commend this report to all our partners and stakeholders, including staff, students, alumni, donors, the professions, the business community, government, the media, and colleagues in the education and research sectors.



Tim Fairfax AC  
Chancellor



Professor Peter Coaldrake AO  
Vice-Chancellor



# Organisation



VICE-CHANCELLOR  
Professor Peter Coaldrake AO



SENIOR DEPUTY VICE-CHANCELLOR  
Professor Carol Dickenson

- Executive Deans of Faculties
- Research Institutes
- Caboolture campus



DEPUTY VICE-CHANCELLOR  
(CORPORATE PROGRAMS AND PARTNERSHIPS)  
Professor Peter Little



DEPUTY VICE-CHANCELLOR  
(INTERNATIONAL AND DEVELOPMENT)  
Professor Scott Sheppard

- Alumni and Development
- Confucius Institute at QUT
- QUT International
- QUT International College
- QUT Precincts



DEPUTY VICE-CHANCELLOR  
(LEARNING AND TEACHING)  
Professor Suzi Vaughan

- Awards and Grants
- Curriculum Design and Approval
- Learning and Teaching Development
- Learning and Teaching Evaluation
- Oodgeroo Unit
- Student Success and Retention



DEPUTY VICE-CHANCELLOR  
(RESEARCH AND COMMERCIALISATION)  
Professor Arun Sharma

- Commercial Services
- Continuing Professional Education
- Office of Research
- Research Students Centre



DEPUTY VICE-CHANCELLOR  
(TECHNOLOGY, INFORMATION AND LEARNING SUPPORT)  
Professor Tom Cochrane ^

- eLearning Services
- Information Technology Services
- Learning Environments and Technology Services
- QUT Library
- QUT Printing Services



EXECUTIVE DIRECTOR  
(FINANCE AND RESOURCE PLANNING)  
Mr Stephen Pincus

- Corporate Finance
- Facilities Management
- Planning and Budget
- Reporting and Analysis



REGISTRAR AND HEAD  
ADMINISTRATIVE SERVICES  
Ms Shard Lorenzo

- Equity
- Governance and Legal Services
- Human Resources
- Marketing and Communication
- Student Business Services
- Student Ombudsman Office
- Student Support Services

<sup>^</sup> Professor Cochrane announced his retirement from this role in December and Ms Judy Stokker was subsequently appointed, taking up duties in January 2014.

## Faculties



### **QUT BUSINESS SCHOOL**

EXECUTIVE DEAN

Professor Robina Xavier

- Accountancy
- Advertising, Marketing and Public Relations
- Economics and Finance
- Management
- QUT Graduate School of Business
- Corporate Education



### **CREATIVE INDUSTRIES**

EXECUTIVE DEAN

Professor Rod Wissler

- Design
- Media, Entertainment and Creative Arts



### **EDUCATION**

EXECUTIVE DEAN

Professor Wendy Patton

- Cultural and Professional Learning
- Curriculum
- Early Childhood



### **HEALTH**

EXECUTIVE DEAN

Professor Ross Young

- Biomedical Sciences
- Clinical Sciences
- Exercise and Nutrition Sciences
- Nursing
- Optometry and Vision Science
- Psychology and Counselling
- Public Health and Social Work



### **LAW**

EXECUTIVE DEAN

Professor John Humphrey

- Justice
- Law
- Legal Practice



### **SCIENCE AND ENGINEERING**

EXECUTIVE DEAN

Professor Martin Betts #

- Chemistry, Physics and Mechanical Engineering
- Civil Engineering and Built Environment
- Earth, Environmental and Biological Sciences
- Electrical Engineering and Computer Science
- Information Systems
- Mathematical Sciences

## Institutes



### **INSTITUTE OF HEALTH AND BIOMEDICAL INNOVATION**

EXECUTIVE DIRECTOR

Professor Lyn Griffiths



### **INSTITUTE FOR FUTURE ENVIRONMENTS**

EXECUTIVE DIRECTOR

Professor Ian Mackinnon

# Emeritus Professor David Siddle was appointed acting executive dean in December, following the resignation of Professor Martin Betts.

# Our vision, values and key priorities

The QUT Blueprint is the university's institutional strategic plan. Late 2013 saw the development of the fourth iteration of the plan, titled *Blueprint 4*, which will provide a revised planning framework for the university through to 2016.

*Blueprint 4*, set to be finalised and implemented in early 2014, sets out priorities, strategies, targets and key performance indicators (KPIs) for the university's three spheres of activity: students, learning and teaching; research and innovation; and people, culture and sustainability.

A copy of the current Blueprint can be accessed at [qut.edu.au/about/the-university/blueprint-for-the-future](http://qut.edu.au/about/the-university/blueprint-for-the-future).

As a leading Australian university, QUT's overall vision for the future is:

- to provide outstanding learning environments and programs that lead to excellent outcomes for graduates, enabling them to work in and guide a diverse and complex world characterised by increasing change
- to undertake high-impact research and development in selected areas, at the highest international standards, reinforcing our applied emphasis and securing significant commercial and practical benefits for the community and for our partners

- to strengthen and extend our strategic partnerships with professional and broader communities to reflect both our academic ambitions and our civic responsibility.

#### **QUT values:**

- scholarship, learning and achievement in all student and staff endeavours
- engagement with and responsiveness to our diverse internal and external communities
- social justice and equal opportunity in education, employment and research, and a particular emphasis on strategies which enable Indigenous Australians to achieve excellent educational outcomes
- a safe, supportive and healthy working environment which supports work/life balance
- honesty, integrity and ethical behaviour and practices
- a spirit of experimentation, innovation, entrepreneurialism and responsive and reliable client service.

QUT contributes to the Queensland Government's objectives for the community, specifically by supporting the growth of a four pillar economy, through courses that increase the knowledge and skills of Queenslanders and research that makes a real difference to the people of this State and their economy.

The following pages offer summaries of achievements against the objectives and key performance indicators of each of the key priorities of the Blueprint, namely:

- Realigning student composition
- Strengthening teaching and learning
- Building QUT's research reputation
- Developing a sustainable workforce
- Building further QUT's community
- Focusing on sustainability.

# Council membership

## CHANCELLOR (CHAIR)

**Mr Tim Fairfax, AC**  
DUniv QUT, DUniv VSC, FAICD

## VICE-CHANCELLOR

**Professor Peter Coaldrake, AO**  
BA (Hons) *James Cook*, PhD *Griff*, FAIM, FRIPAA

## CHAIR OF UNIVERSITY ACADEMIC BOARD

**Professor Carol Dickenson**  
BBus QIT, PhD Qld

## MEMBERS APPOINTED BY GOVERNOR IN COUNCIL

**Mr Wesley Enoch**  
BA(Hons)(Drama) QUT

**Mr Hugh Nalder**  
B Bus(Acc) QUT, MICA, MASCPA, MAIMM

**Mrs Jenny Parker**  
BCom Qld, CMIIA, FCA

**Mr Mario Pennisi**  
BAppSc(MedLabSc) QIT, FAICD, MBIO, MDIA, MARCS

**Dr Lee-Anne Perry AM**  
BEd(Hons) MEd Syd, DipCL BIF, EdD QUT, FACE, FACEL

**Dr John Puttick**  
DUniv QUT, FAICD, FAIM

**Mr Warren Tapp**  
RFD, MBA LLM *Bond*, GradDip (AppCorpGov) CSA, FAICD

**Ms Rosemary Vilgan**  
BBus QUT, DipSupMgt *Macq*, FASFA, FAICD

## ELECTED PROFESSIONAL STAFF MEMBERS

**Mr Ross Hall**  
BA(Music) *DDIAE*, GradDip(CompEd) QUT

**Dr Samuel Nielsen**  
BA Qld, BIT BSc(AppPhys) CQU, PGradDipPsych Qld, MEd(Res) PhD QUT

## ELECTED ACADEMIC STAFF MEMBERS

**Associate Professor Colin Anderson**  
BCom(Hons) LLB(Hons) DipEd Qld, LLM QUT, PhD Qld

**Dr Lee Duffield**  
BA DipEd DipJourn BEdSt Qld, MA Syd, PhD *James Cook*

**Associate Professor Philip Heywood**  
DipTP *Manc*, BA(Hons) *Oxf*

## ELECTED STUDENT MEMBERS\*

**Ms Stacey Percival**  
**Mr William Taylor**

## ELECTED ALUMNI MEMBERS

**Ms Jennifer Robertson**  
LLB GradCertBus MBus QUT

**Dr Tim Baker**  
BA Qld, BEd EdD QUT, FAHRI, ILPF

## ADDITIONAL MEMBERS APPOINTED BY COUNCIL

**Ms Teresa Handicott**  
LLB(Hons) QUT, MAICD, MCEW, MFINSIA.  
*Commenced 1 March 2013*

## SECRETARY

**Ms Shard Lorenzo**  
University Registrar  
BEd *Flinders*, GradDipEd *UniSA*, GradCertMgt *Adel*

## TENURE

Council serves a four-year term. The current term commenced on 21 November 2012.

\* Student members serve a two-year term.

# Governance

**QUT values good corporate governance and seeks to adopt best practice.**

## Management and oversight

QUT is established under the *Queensland University of Technology Act 1998* (the 'QUT Act') and operates within a comprehensive framework of legislative and regulatory requirements mandated at the State and Commonwealth level.

The university was established on 1 January 1989. Under section 4 of the QUT Act, the university is constituted as a body corporate. It has a seal and may sue and be sued in its corporate name.

## Functions

The university's functions are to:

- provide education at university standard
- provide facilities for, and encourage, study and research
- encourage the advancement and development of knowledge, and its application to government, industry, commerce and the community
- provide courses of study or instruction (at the level of achievement the Council considers appropriate) to meet the needs of the community
- confer higher education awards
- disseminate knowledge and promote scholarship

- provide facilities and resources for the wellbeing of the university's staff, students and other persons undertaking courses at the university.

## Powers

The university has all the powers of an individual and they may be exercised inside or outside Queensland and Australia. QUT's powers are contained in the QUT Act and include the power to:

- enter into contracts
- acquire, hold, dispose of and deal with property
- appoint agents and attorneys
- engage consultants
- fix charges and other terms for services and other facilities supplied
- do anything else necessary to or in connection with its functions.

The university's governing body is the QUT Council and its chief executive officer is the Vice-Chancellor.

The university manages its governance obligations by fostering a culture of good governance, supported by a comprehensive suite of policies and procedures, including the QUT Governance Framework and the Council Charter.

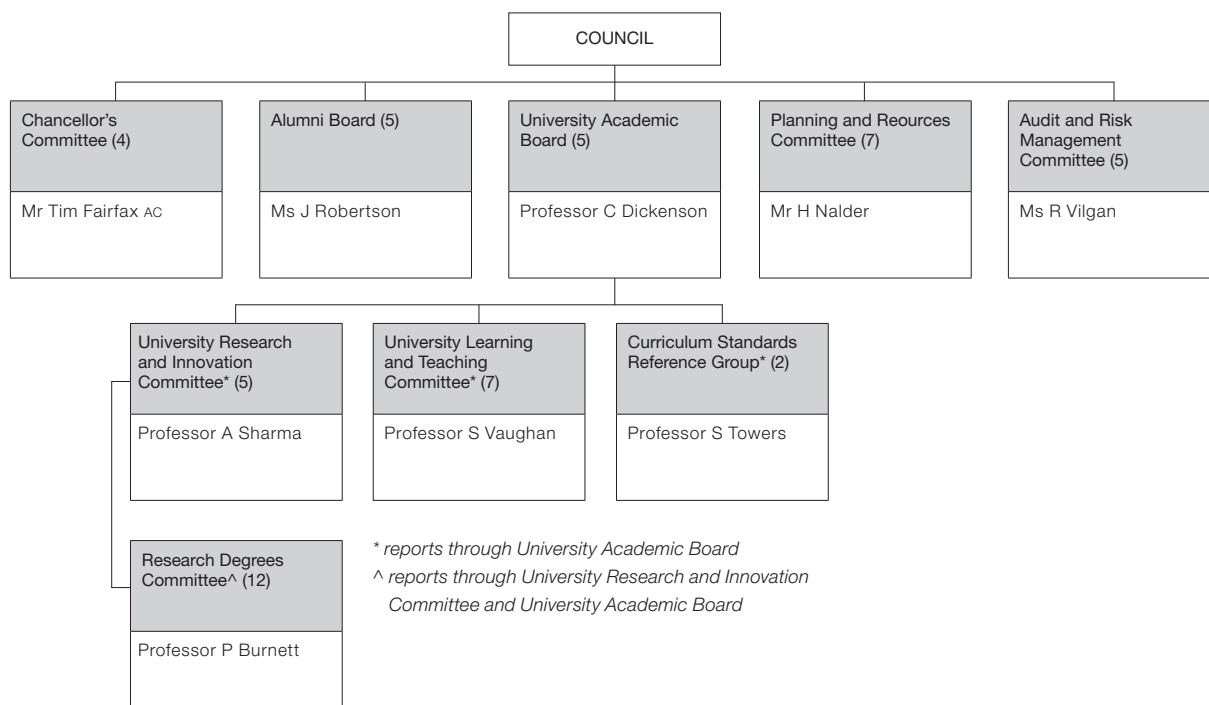
QUT also complies with the Voluntary Code of Best Practice for the Governance of Australian Universities, approved by the Ministerial Council for Tertiary Education and Employment in 2011.

The Council Charter and the QUT Governance Framework, together with the QUT Act and other university policies and procedures, address many of the matters set out in the voluntary code.

QUT Council undertakes an annual review of compliance with the voluntary code, and its 2013 review confirmed that QUT fully complies with most aspects of the code.

In respect of three sections of the voluntary code (overlap of members' terms, reporting for controlled entities, and risk assessment for controlled entities), QUT substantially complies with these aspects taking account of formal decisions by Council which determined the appropriate approach for QUT's circumstances.

## Council committees and committee chairs (number of meetings in 2013)



### Structure of QUT Council

QUT Council has up to 22 members and is constituted in accordance with the QUT Act. Council's term is for four years, with the exception of student members who serve a two-year term. Council's current term commenced on 21 November 2012 for a four-year term of office to 2016.

During 2013, Council had 21 members. This included one person in the 'additional member' category appointed by Council at its 21 March 2013 meeting.

In 2013, Council and other committee members external to QUT were not remunerated.

### Council business in 2013

In 2013, Council met eight times and held a one-day retreat in February, focusing on governance, external settings and challenges.

During 2013 Council considered the following items in carrying out its role:

- approval of 2014–2016 Consolidated Budget and 2014–2018 Asset Management Plan
- financial management reports (at each meeting)
- corporate performance reports (March, June, August and December)
- reporting on the implementation of the Student Services and Amenities Fee
- reports from QUT Enterprise Holdings and its subsidiaries
- strategic reports on teaching and learning, course developments and research and commercialisation matters
- status reports on the capital program, long-range infrastructure planning, and return on investment of capital projects
- reports on health and safety matters and strategic initiatives in health and safety

- revisions to QUT's Schedule of Authorities and Delegations
- annual report on QUT's Reconciliation Action Plan and its Reconciliation Statement
- approval of changes to the corporate reviews framework
- reports and relevant policy items from Council sub-committees.

### Evaluation and professional development of Council

Council has a framework for evaluation and professional development as specified in the Council Charter. During 2013 the following relevant activities were undertaken:

- conduct of orientation/induction activities for incoming appointed and additional members
- completion of an evaluation survey of Council performance (conducted in November–December 2013 with results to be considered in 2014)

- a formal professional development program for all Council members relating to university governance (conducted by the LH Martin Institute)
- participation by Council members in relevant activities at the university, including the Vice-Chancellor's Forum, and attendance at the university's Senior Leadership Group Conference in May 2013.

### Ethical conduct and social responsibility

The QUT Governance Framework describes how the structures, policies and practices of the university are integrated, and details the respective roles of Council and management, which are essential for the effective discharge of responsibilities. The Governance Framework also expresses QUT's recognition of its obligation to act in a socially responsible manner.

The QUT Staff Code of Conduct has been prepared under the *Public Sector Ethics Act 1994* and applies to all employees of QUT and to other 'officers' such as external committee members, adjunct and visiting academics, and volunteers acting on behalf of QUT. The QUT Staff Code of Conduct outlines the ethical obligations of all staff for integrity, accountability, and the efficient use of university resources.

The university has a formal communication strategy in place for senior staff relating to their role in supporting the principles set out in the Code of Conduct, and provides an online training module to all staff on ethical decision making and behaviour. The university actively promotes the Code of Conduct and ethical behaviours through a number of staff processes and information resources throughout the year, particularly performance planning and review. New employees are required to complete this training within one month of commencement.

QUT has a number of procedures and codes of conduct to guide and assist individuals to discharge their responsibilities in an ethical and responsible manner. They include:

- The Council Procedure 1 – Committees
- QUT Code of Conduct for Research
- University Animal Ethics Committee
- University Human Research Ethics Committee
- University Institute Biosafety Committee.

QUT maintains a Register of Disclosed Interests to assist staff in recognising and declaring conflicts of interest. Specific policies on conflicts of interest related to research activities and gifts have also been developed. Reports are provided to each university committee on members' disclosed interests annually or more frequently if interests change.

QUT's Corruption and Fraud Control Plan was further implemented through development and rollout of online training to reinforce a culture of high ethical standards and accountability in learning and teaching, research and community-related activities.

The Office of the Gene Technology Regulator (OGTR) conducted a five-day audit of QUT in November 2013, which involved two senior inspectors meeting with a broad range of university personnel. A report will be provided to the university with recommendations to be implemented by the QUT Institute Biosafety Committee.

As a consequence of a chemical spill in March 2013, improvement notices issued by Workplace Health and Safety Queensland (WHSQ) were addressed. These included a subsequent audit, rectification action plan (RAP) development and actions, hazard and operability studies (HAZOPs) and local safety management system application upgrade.

In 2013, the Queensland Ombudsman investigated two student matters relating to exclusion for unsatisfactory academic progress and a student misconduct case. In both cases the Ombudsman recommended more information about the reason for Appeals Committee's decisions be included in correspondence back to the student. The recommendation was implemented in 2013 through changes to model decision letters.

Following a review by the Queensland Ombudsman of the university's student grievance policy and procedures, a revised grievance policy was completed by QUT and implemented in 2013.

### Compliance Program

The university's Compliance Program includes a register of obligations, an annual compliance reporting process, including risk assessment, and a communication strategy incorporating targeted education and training activities. The Compliance Program also includes a Register of Licences, which was reviewed in 2013 to ensure that a record of all current licences and registrations held by the university is available at all times.

### QUT planning and quality frameworks

QUT's policies around its planning framework, corporate reviews, and quality framework provide the overall structure to guide these activities at university and organisational area level. The policies are approved by QUT Council and are subject to periodic review, with the corporate reviews policy having been reviewed and updated in 2013. The policies are available online in QUT's Manual of Policies and Procedures.

During 2013, QUT conducted thematic reviews on workplace health and safety and assurance and risk management services and a faculty review for the QUT Business School, under its corporate reviews framework.

## Recordkeeping

Under the *Public Records Act 2002*, QUT is required to make and keep full and accurate records of its activities in accordance with recordkeeping standards and policies issued by the state archivist.

The university's strategic approach is to capture records in electronic formats, taking account of the manner in which most transactional business is now conducted.

For this purpose, the university uses an electronic recordkeeping and document management system, HP TRIM, which meets the system requirements of the relevant legislation and standards. Since the implementation of TRIM, QUT has adopted the practice of scanning the diminishing number of hard copy records which come into existence, ensuring that all records are stored digitally, with physical folders only created for the purposes of storing original signed hard copy records.

Substantial work has been undertaken by the university to implement TRIM in a comprehensive way, and to integrate it with corporate information systems supporting key business processes. This work continued during 2013. In response to changes to the university's curriculum development and approval processes and the requirements of the *Tertiary Education Quality and Standards Agency Act 2011* for course accreditation, recordkeeping procedures and support tools for faculty- and university-level committees dealing with these matters were reviewed during 2013.

The university's recordkeeping program is documented through its policies and procedures, a business classification scheme and a university sector-specific retention and disposal schedule.

The university's records management policy states that all staff and organisational areas have

responsibilities for recordkeeping and specifies requirements for records capture and retention. All staff using the corporate records system undertake mandatory online training on recordkeeping and privacy principles before access to use the TRIM system is granted. In addition, more than 25 face-to-face training sessions were offered to TRIM users throughout 2013 to promote quality recordkeeping.

Audits of recordkeeping compliance are conducted annually in key areas and are also considered as part of the audits and reviews conducted by the university. Reviews were conducted in 2013 in areas such as IT security, data custodianship and data classification.

Appropriate mechanisms are in place to ensure the reliability and security of the university's recordkeeping system, through corporate firewalls, user authentication, permission levels and access control groups.

Record disposal procedures require formal approval of an officer delegated by the Vice-Chancellor for the purpose, and the university has an approved and implemented retention and disposal schedule. A revised, express sector-wide retention and disposal schedule developed by Queensland universities is currently under review by Queensland State Archives.

As part of its objective of ensuring all records are accessible in electronic formats, in 2013, QUT digitised a large holding of student records from predecessor institutions and transferred the permanent physical records to Queensland State Archives.

A records management services unit is responsible for implementing QUT's records management program and for supporting faculties and divisions in undertaking their records management activities.

## Audit and Risk Management Committee

Audit and Risk Management Committee (ARMC) advises both Council and the Vice-Chancellor, as accountable officer, on the performance or discharge of functions and duties under the *Financial Accountability Act 2009*, Financial Accountability Regulation 2009, Financial and Performance Management Standard 2009 and the university's Assurance and Risk Management Services Charter.

Audit and Risk Management Committee's main functions are to:

- assess and contribute to the audit process including evaluation and facilitation of the internal audit function
- oversee and approve financial and operational reporting
- review business risk as reported, including compliance, corruption and fraud.

## Committee membership

### CHANCELLOR

**Mr T Fairfax AC**

DUniv QUT, DUniv USC, FAICD  
(attended 5 of 5 meetings)

Four external members with professional accounting, financial or auditing expertise nominated from or by Council

### Ms R Vilgan

BBus QUT, DipSupMgt Macq, FASFA, FAICD  
(nominated as Chair by Chancellor)  
(5/5)

### Mrs J Parker

BCom Qld, CMIIA, FCA  
(5/5)

### Ms T. (Teresa) Handicott

LLB(Hons) QUT, MAICD, MCEW, MFINSIA  
(3/3)

#### Mr S Maitland

OAM, RFD, BEc Syd, MBus LLM QUT, FCPA, FAICD, FCIS, F Fin, FAIM (4/5)

No members of the ARMC were remunerated by QUT in 2013.

The Vice-Chancellor, the Executive Director Finance and Resource Planning, and the Director Assurance and Risk Management Services have rights of audience and debate but are not members of the committee.

#### Relationship with Queensland Audit Office (QAO)

Staff from the university's Corporate Finance Department and Assurance and Risk Management Services worked closely with Crowe Horwath (auditors appointed by QAO) during the year to facilitate the university's annual audit. Staff from Crowe Horwath also attended two meetings of Audit and Risk Management Committee in 2013 and were given the opportunity to meet with the committee without the presence of management.

#### Assurance and Risk Management Services

The primary purpose of Assurance and Risk Management Services, mandated through the approved Charter, is to add value to the university's operations and assist the university to achieve its corporate goals by providing independent analysis, appraisals, recommendations, counsel and information on the university's systems of internal control, effectiveness of risk management and the quality of performance. This is achieved with due regard to Queensland Treasury's *Audit Committee Guidelines*.

The audit approach in 2013 involved:

- adoption of a 'total audit approach' incorporating a blend of compliance, operational, quality, integrated and information technology audits and reviews to achieve a two-fold impact of internal controls enhancement and business process improvements
- supporting management through proactive preventative auditing rather than 'after-the-event' detective auditing

- a risk-based and client-focused audit methodology
- providing management advice on an effective and efficient internal control framework
- assisting management in responding to emerging issues and the changing environment.

The Annual Assurance and Risk Management Plan for 2013 was achieved after approved additions and deferrals.

#### Financial management and accountability

QUT has a number of policies relating to financial management and accountability, including specific policies on balance sheet management, user charging and expenditure. The university also has a Financial Management Practice and Procedures Manual and a Business Case Framework for the support of significant projects or proposals.

#### Respecting the rights of the community

As a public institution, QUT aims to provide as much information as is practicable to the general community on its functions and activities. QUT complies with provisions of the Queensland Government's *Right to Information Act 2009* and the *Information Privacy Act 2009* and assists the community in this regard by making the university's policies and procedures publicly available through the QUT website, together with the university's organisational structure, staffing, and committee agendas and minutes, with the exception of those committee activities which are considered to be confidential, private or of legal or commercial sensitivity.

QUT's committee structure creates numerous opportunities for community involvement in the university's functioning and policy direction. The university's governing body, QUT Council, includes members of the general community, graduates, staff and students. Council is assisted and advised in performing its functions by advisory and management committees

which include representatives from Council, members of commerce, industry, government and the professions, QUT staff and students, and academics from other higher education institutions. Community involvement is also provided through QUT Alumni, a forum of QUT graduates, academic staff, past and present Council members and other qualified persons.

#### Recognising and managing risk

QUT is committed to establishing an organisational philosophy and culture that ensures risk management is an integral part of all university activities and a core management capability. Risk management allows the university to take advantage of opportunities to improve its outcomes and outputs by ensuring that any risk taken is based on informed decision making and on realistic analysis of possible outcomes.

QUT is also committed to business continuity management as an integral component of risk management, to ensure continuity of key business services.

Council through the Audit and Risk Management Committee is responsible for ensuring there are adequate policies and procedures in relation to risk management, compliance and internal control systems. The Vice-Chancellor and the senior management team are responsible for the implementation of these policies and managers at all levels are accountable for effective risk management.

The university's Risk Management Framework provides detailed guidelines on application of the risk management process, the roles and responsibilities of key stakeholders, level of documentation and reporting requirements.

In June 2013, Council conducted a facilitated risk workshop in conjunction with senior university officers and discussion informed the updating of the university's corporate risk register.

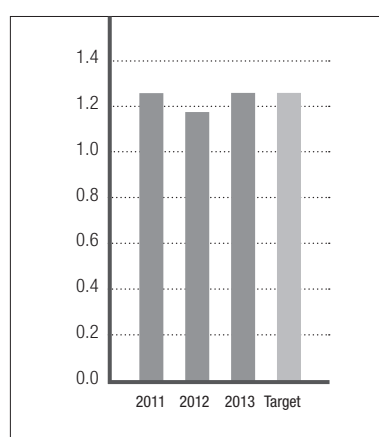
# Realigning student composition

Professor Carol Dickenson, Senior Deputy Vice-Chancellor

**QUT's student population grew from 44 327 enrolments in 2012 to more than 45 570 enrolments in 2013.**

QUT continued to have strong demand for its courses through the Queensland Tertiary Admissions Centre (QTAC) and achieved in excess of 350 more first preferences from applicants than in 2012. QUT's key performance indicator (KPI) relating to demand through the QTAC—the first preferences: offers ratio—increased between 2012 and 2013.

**QTAC first preferences: offers ratio**



QUT launched a new Science course in 2013 with increased numbers of commencing students and a significant increase and improvement in student engagement and retention. This is leading to sharply increased student numbers entering second-year courses in physics and chemistry at QUT.

At Caboolture campus, the first year of the Bachelor of Business (Accountancy) and the second year of the Bachelor of Education (Early Childhood) were introduced.

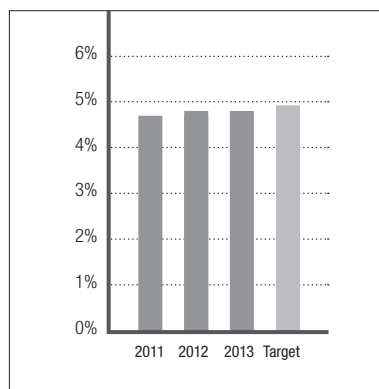
Postgraduate courses which saw strong increases in commencing enrolments in 2013 included the Master of Education, Master of Business (Advanced), Graduate Certificate in Business, Graduate Diploma of Legal Practice, Graduate Diploma of Education (Senior Years) and Master of Information Technology (Advanced).

**HDR student load represented 4.8 per cent of QUT student load in 2013.**

*Blueprint 3* has a target of at least six per cent of the student population being higher degree research (HDR) students by 2016.

Student enrolments	2010	2011	2012
<b>Total enrolments</b>	<b>41962</b>	<b>42554</b>	<b>44327</b>
<b>Course group</b>			
Higher degree research	1873	2189	2362
Higher degree coursework	4971	4783	4748
Other postgraduate	2746	2685	2814
Bachelor degree	30 697	31 334	32 950
Other undergraduate	638	553	583
Other	1037	1010	870
<b>Enrolment kind</b>			
Commencing	16 120	16 648	17 890
Continuing	25 842	25 906	26 437
<b>Gender</b>			
Female	23 172	23 527	24 248
Male	18 790	19 027	20 079
<b>Attendance type</b>			
Full-time	28 108	28 180	29 377
Part-time	13 854	14 374	14 950
<b>Campus</b>			
Gardens Point	23 718	24 073	24 992
Kelvin Grove	13 459	13 546	13 997
Caboolture	528	598	682
Overseas	258	142	226
External	3999	4195	4430
<b>Domestic/international</b>			
Domestic	35 183	35 635	37 323
International	6779	6919	7004
<b>Course faculty</b>			
Business	7917	7845	7812
Creative Industries	3252	3287	5370
Education	4310	4342	4185
Health	7059	7563	9534
Law	3714	3663	3946
Science and Engineering	—	—	9101
University-wide	3780	3686	3890
QUT International College	335	338	351
Other	58	101	138
Built Environment and Engineering	6298	6484	—
Science and Technology	5239	5245	—

**HDR student share of all students**



In 2013 total HDR enrolments peaked at 2278 in April, exceeding the target by 28 students.

QUT's international HDR students increased to 729 against a target of 720 enrolments. This was due in part to removal of the application fee for all HDR international applicants on a one-year trial basis, fee sponsorships, and targeted programs to support students and their supervisors.

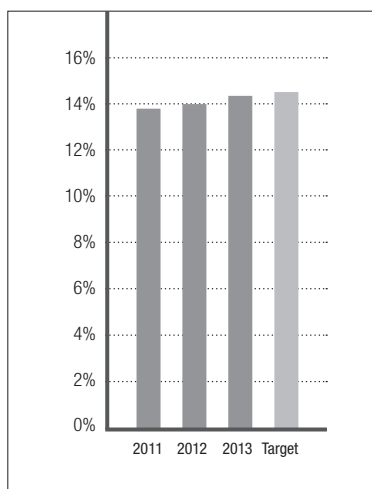
**Students from low socioeconomic (SES) backgrounds represented 14.3 per cent of domestic undergraduate students in 2013, an increase from 14 per cent in 2012.**

*Blueprint 3* aims for QUT to increase the share of domestic undergraduate students from low SES backgrounds to 16 per cent in 2016.

In 2013, QUT had a record number of equity scholarship applicants (5000) and recipients (2100). Almost 900 students with a disability were assisted with an individual service plan.

Equity data is routinely benchmarked against past performance, against other universities, and against aspirational targets.

**Share of domestic undergraduate students from low SES**



Access, participation, success and retention data for equity students are compared annually.

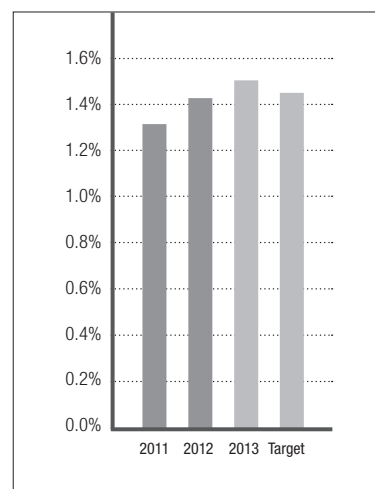
Caboolture campus saw a 20 per cent increase in demand for personal information sessions and more than 200 capable low-SES school leavers and adults were financially supported in Personal Competencies Assessment and Special Tertiary Admissions Test workshops and sittings.

**The proportion of Indigenous undergraduate students again increased from the previous year, representing 1.54 per cent of domestic undergraduate students in 2013 compared to 1.43 per cent in 2012.**

QUT aims to lift Indigenous student representation to 1.5 per cent by 2016. QUT exceeded this target in 2013.

Under performance funding arrangements with the Australian Government, QUT received a \$576551 reward payment in 2013 for exceeding a target for the proportion of domestic undergraduate students

**Share of domestic undergraduate students who are Indigenous**

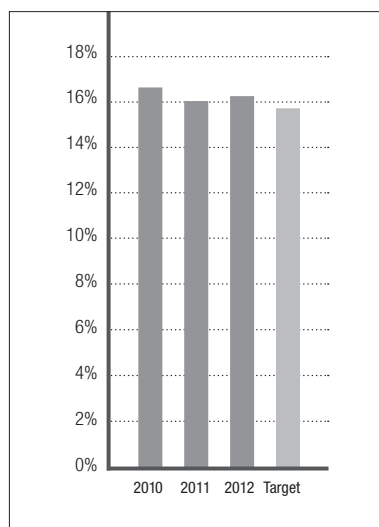


who are Indigenous. This target was included in QUT's 2011–2013 mission-based compact with the government. QUT exceeded the 2012 target of 1.39 per cent.

The Australian Government has allocated up to \$2.5 million to QUT for two projects under the Higher Education Participation and Partnerships Program. Approximately \$1.5 million over four years will go to the creation and maintenance of the Aboriginal and Torres Strait Islander higher education portal, and \$1 million to the Aboriginal and Torres Strait Islander social marketing strategy.

The inaugural Indigenous Australian Science and Infrastructure Development (SID) winter school was held in July 2013. A joint initiative between QUT and Parsons Brinckerhoff (Australia-Pacific), the SID winter school aims to increase access and participation in higher education for Aboriginal and Torres Strait Islander participants. Sixteen Year Nine and 10 Aboriginal and Torres Strait Islander students from the Ipswich and Moreton Bay regions were selected to attend.

#### Commencing ex-QUT bachelor degree attrition



#### Student attrition

A particular target of *Blueprint 3* is to reduce the commencing bachelor degree attrition rate to 14 per cent by 2016.

Progress towards this objective slowed slightly in 2012 (most recent available data) with a small increase in the attrition rate.

In pursuit of the Blueprint target, the Student Success Program (SSP) made 6926 direct contacts with students in semester one 2013, 21 per cent more than for the same period in the previous year.

The program increased the number of calls to students who were late to respond to an offer, students who failed units in their first year, and to international students in relation to study load.

Students who requested contact after completing the unit exit survey were also contacted. The SSP made 3600 contacts with students in semester two, including 1430 first-year students who failed units in semester two 2012 and were placed on academic probation. Contact was also made with 304 (of 877) students who had not accepted their QTAC offer two days after receiving it (May and June offer rounds).

Student Services and Amenities Fee revenue was used to provide initiatives in support of student learning in 2013, including an increased number of academic skills advisers (ASAs). The ASAs provide specialist study skills assistance for at-risk and high-need students. The Study Solutions service provides self-referral appointments for students to obtain personalised support. In 2013 there was a 210 per cent increase in ASA consultations and a 125 per cent increase in appointments compared to the same time in 2012.

Equity initiatives that provide support for Indigenous and low-income students, such as the extended pre-law and justice program, have had a positive effect on attrition rates in the Faculty of Law.

#### International student enrolments in 2013 accounted for 15.7 per cent of the student population, with 11.3 per cent of international students being HDR students.

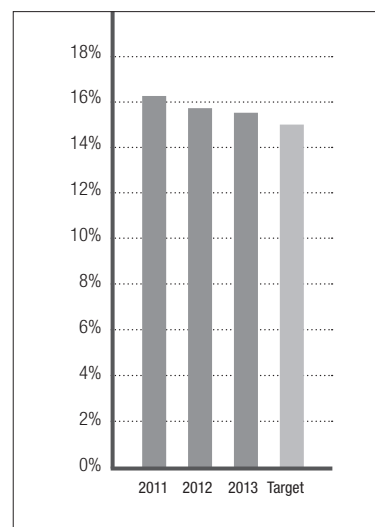
*Blueprint 3* aims to retain a balanced level of international student enrolments at about 15 per cent, with an increasing share comprising international HDR students.

This outcome represents a sustained good result for QUT and is attributable to QUT's investment and diversification in key international student markets.

QUT International College continued to provide pathways for students in 2013, with 92 per cent of students who successfully completed a college program in 2012 progressing to a QUT degree program or other college program last year.

2013 saw the graduation of the first cohort of a new degree in media and communication with the Chinese University of Hong Kong. As part of this transnational Bachelor of Media

#### International student share of total population



and Communication, launched in September 2012, 15 students completed internships with major media organisations in Hong Kong.

2013 was the final year of the Bachelor of Education Studies (Primary TEFL) offered in Malaysia. This program has resulted in spin-off activities including short course training for Malaysian educators; research collaboration; and in 2013, an outbound mobility program for QUT education students.

The Bachelor of Early Childhood (Teacher Education) in Papua New Guinea continued during 2013 with a cohort of 36 students, and is due for completion in 2014.

# Strengthening teaching and learning

Professor Suzi Vaughan, Deputy Vice-Chancellor (Learning and Teaching)

In 2013, QUT staff continued to achieve success in the Australian Awards for University Teaching.

Citations from the Australian Government's Office for Learning and Teaching (OLT) were received by Professor Gayle Kerr, Dr Sue Carson, the Explore Uni Team and Associate Professor Jillian Hamilton, who also received an award for teaching excellence.

A team led by Associate Professor Peter Hudson received a program award for Teacher Education Done Differently.

Professor Lisa Nissen is a member of the Health Fusion Team Challenge, led by Central Queensland University, which was the recipient of an OLT award for programs that enhance learning.

Dr Deborah Peach received a \$211 000 innovation and development grant in round one of the OLT grant program.

**QUT was awarded \$3.2 million to lead an OLT project: Step up! Transforming Mathematics and Science Pre-Service Secondary Teacher Education in Queensland.**

The bid involved 35 academics across five institutions in preparing the successful application.

The 2013 LexisNexis-Australasian Law Teachers Association Award for Excellence and Innovation in the Teaching of Law was awarded to Associate Professor Rachael Field and James Duffy.

The Faculty of Education has secured \$2 million in funding from the Origin Foundation to expand the work of the QUT Exceptional Teachers for Disadvantaged Schools program into other universities.

QUT has received funding from The Atlantic Philanthropies of US\$950 000 for the School of Nursing nurse education project in Vietnam.

**The \$5 million Parenting, Eating and Activity for Child Health program (PEACH), delivered by QUT, commenced in 2013.**

PEACH is funded by Queensland Health under the National Partnership Agreement of Preventive Health to promote healthy lifestyle behaviours within families, with a strong focus on nutrition.

**QUT's Learning and Teaching Transformation initiative, Transform, began formally in July 2013.**

A priority of *Blueprint 3* is to develop more comprehensive approaches to strengthening student engagement with learning and the university.

In support of this priority, the goal of Transform is to bring the benefits of real-world, campus-based, collaborative learning to a more diverse cohort of learners using online and mobile learning.

The aim is to increase QUT's share of the postgraduate and continuing professional education market, enhance our undergraduate students' learning experiences and contribute to a sustainable future for the university. Staff from across QUT have already been engaged in early discussions about the initiative.

**A number of significant course reviews and changes were undertaken in 2013.**

The Law School substantially completed the review of the undergraduate law degree and associated degrees in order to give the curriculum a more practical commercial focus and to ensure that it meets the standards of an Australian Qualifications Framework level 8 qualification. The school offered for the first time, in semester two, a new mining law subject which was well received by students.

QUT Business School further developed flexible delivery opportunities in its postgraduate portfolio with completion of the development of pre-experience management offerings to be launched in 2014. This complements existing flexible delivery postgraduate offerings in marketing, integrated marketing communication, public relations and professional accounting.

The executive education portfolio continued to perform strongly with the launch of a new blended learning model for the Executive Master of Business (Complex Project Management) and the graduation of the first part-time Brisbane cohort. The delivery of executive education programs was enhanced by a diverse range of QUT staff and local executives as well as international guests from key partners.

Associate Professor Gary Thomas commenced as the Associate Director, Academic – Indigenous Knowledges to provide academic

leadership around Indigenous Knowledges for students and staff.

**QUT Business School has maintained its five-star rating in the Graduate Management Association of Australia's latest assessment of Master of Business Administration (MBA) programs.**

Results are published in the annual Hobson's *Good Universities Guide to MBAs*.

In June 2013 *The Financial Times* released the *Master in Finance Special Report* for pre-experience programs. The QUT Business School, through its Master of Business (Applied Finance), was ranked at number 40. This is the first time QUT has been ranked in this report and QUT is the only Australian business school to be ranked this year.

**QUT is one of only two Australian universities to have its MBA and Executive MBA programs ranked within the nation's top four by the *The Financial Review Boss MBA Ranking*.**

Released in September, QUT's MBA program was ranked as the third best in the nation, by *Boss*, while QUT's Executive MBA program came in at number four.

**Based on latest reportable data, the equivalent of 8.4 per cent of QUT's graduating students have had an international study experience.**

This result is in line with the *Blueprint 3* aim to ensure that 10 per cent of all graduating students have had an international study experience by 2016.

QUT has experienced significant demand and growth in outbound mobility (44.5 per cent in semester exchange over the past 12 months). Total outbound mobility numbers (semester and short term) are expected to reach 900 during 2013. This represents a trebling of total outbound numbers since 2008.

**In its first year, the Real World Placement Program has actively involved more than 1000 students.**

The early success of this program is a significant contribution to the *Blueprint 3* goal to refine and mainstream real-world learning that engages a diverse population of students, and enhances opportunities for work-integrated learning and transitions into professional practice across all undergraduate programs.

The new program included 452 students with industry and volunteer sector placements and included a significant number of international students.

**As part of the Early Career Academic Recruitment and Development program, 113 staff have been enrolled in the Graduate Certificate in Academic Practice since its first offering in 2011.**

Of these, 33 have now graduated and a number have gone on to apply for entry into the Masters of Education.

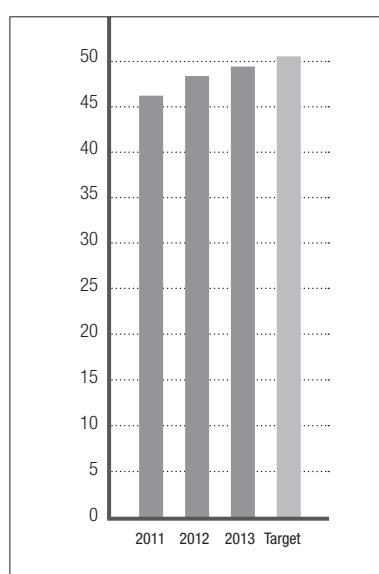
A particular aim of *Blueprint 3* is to extend formal teaching qualifications as a requirement for new and early-career academics.

The reach of the Sessional Academic Development program increased, with attendance by 693 sessional academics. This compares with 454 attendees at the 2010 conference-style events.

Student satisfaction for domestic bachelor degree graduates was 49.5 in 2013, up from 48.4 in 2012.

QUT has established a KPI for student satisfaction of domestic bachelor graduates, which uses scores on the Course Experience Questionnaire (CEQ).

**Student satisfaction: CEQ for bachelor graduates**



During 2013 QUT implemented Reframe: QUT's Evaluation Framework to enable the university executive, academic staff and students to engage in conversations about learning and teaching. In its first year of implementation the new framework has made an impact with 84 568 student and 1391 staff responses to the Pulse and Insight surveys, 751 student responses to the exit survey, and 494 staff engaged in workshops to support their personal evaluation strategies.

QUT International College's IELTS test centre continues to grow with 4365 tests conducted by the end of 2013.

*Blueprint 3* aims for QUT to improve English language proficiency for all students, aspiring for all commencing students to be at International English Language Testing System (IELTS) 6.5 by 2016.

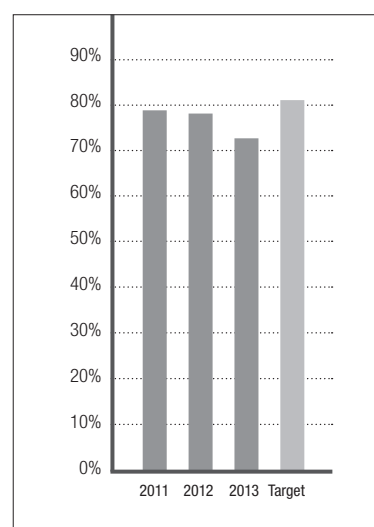
The English language for Academic Purposes Advanced Course was introduced and offered for the first time during 2013 for students requiring an IELTS 7.0 or equivalent for degree programs.

Forty-nine new students from 19 countries participated in the QUT Introductory Academic Program, a four-week intensive orientation program for new AusAID scholars. Conducted before the commencement of the academic year, the program is designed to enhance preparation for the forthcoming academic year.

**QUT continued to have strong work outcomes for domestic bachelor graduates, with those in full-time work representing 72.7 per cent of those available for full-time work.**

A particular aim of *Blueprint 3* is that QUT maintain a position in the top quartile of Australian universities for graduate employment outcomes.

**Graduate Destinations survey outcomes for bachelor graduates looking for full-time work**



Graduate employment can be affected by external factors such as graduate demand in specific industries and disciplines, and the overall economy.

**Significant teaching policy achievements were made in 2013.**

Achievements included:

- a single approach to late assessment across QUT
- an agreed approach to honours grading
- the phasing out of concurrent teaching of undergraduate and postgraduates from 2014.

**The university's approach to the way it designs, develops, accredits, reviews and re-accredits courses was strengthened in 2013.**

The new course reaccreditation cycle was introduced with two new committees established as part of the governance structure.

Its implementation represents a necessary step in a wider process to meet the Tertiary Education Quality and Standards Agency threshold standards.

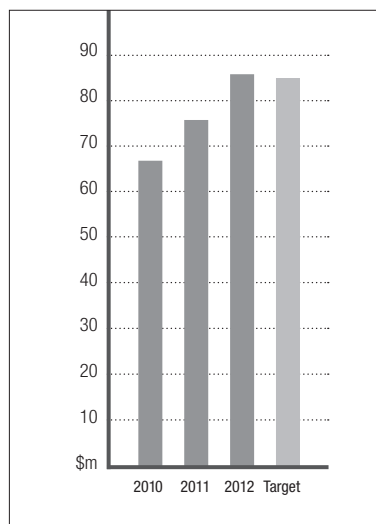
# Building QUT's research reputation

Professor Arun Sharma, Deputy Vice-Chancellor (Research and Commercialisation)

**QUT has achieved strong growth in research outcomes.**

QUT's research income for the 2012 calendar year (reported in 2013) grew to a record \$86.072 million, which exceeded the university's target of \$85 million.

**Research income**

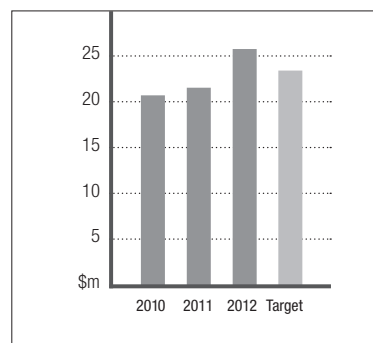


**Research income** is one of QUT's key performance indicators, and it uses the four categories of the Higher Education Research Data Collection (HERDC):

1. Australian competitive grants
2. Other public service research income
3. Industry and other research income
4. Cooperative Research Centre research income

**Competitive research** – another QUT key performance indicator—uses Category 1 Australian competitive grants of the HERDC.

**Competitive research**



In 2012 QUT's competitive research income climbed to \$25.844 million, exceeding the university's target of \$23.496 million.

*Blueprint 3* aims for 'top-two' position in national competitive grants in at least five areas (education; creative industries; applied mathematics/statistics; information technology; and robotics, avionics and automation).

During 2013 QUT secured Australian Research Council (ARC) funding for 15 Discovery Projects (\$4.9 million); one Discovery Indigenous grant (Professor Aileen Moreton-Robinson); 10 ARC Linkage Project grants (\$2.72 million); two Future Fellowships (\$1.49 million); five Discovery Early Career Researcher Awards (\$2 million); and one research infrastructure Linkage Infrastructure, Equipment and Facilities grant of \$0.46 million.

QUT was also awarded 11 grants from the National Health and Medical Research Council (NHMRC) totalling \$4.74 million.

QUT aims to distinguish its health research by a focus on prevention and the use of technology for better health outcomes. In particular, the aim is to be a national research leader in areas of nursing, wound healing, optometry, prostate cancer, and biomedical engineering.

**Professor Patsy Yates was awarded \$2.49 million from the NHMRC for the Centre of Research Excellence for End-of-Life Care.**

A team led by Professor Yates was also awarded \$2.846 million over three years from Austin Health under the Advance Care Plan-Linkage project. QUT is part of a consortium led by Austin Health that has been successful in a bid to deliver National Advisory Services for Palliative Care and Advance Care Planning.

*Blueprint 3* aims for QUT to lead at least six nationally endorsed centres of excellence in thematic areas of strength.

National centres include:

- NHMRC Centre of Research Excellence in Reducing Healthcare Associated Infections
- Wound Management Innovation Cooperative Research Centre (CRC)
- NHMRC Centre of Research Excellence in Sun and Health
- Australian Prostate Cancer Research Centre – Queensland
- ARC Centre of Excellence for Creative Industries and Innovation.

The CRC for Infrastructure and Engineering Asset Management ceased activities on 30 June 2013.

**The ARC awarded QUT \$19 million to lead a national effort to establish an ARC Centre of Excellence in Robotic Vision.**

The centre will undertake the basic research in robotic vision that is needed for robots to become a reality in mines, farms and building sites.

The team led by Professor Peter Corke had also been awarded \$3 million over three years from the Queensland Government to fast track development of farm robotics. The centre's fundamental research will complement this applied research in agricultural robotics which is supported by the Queensland Government.

**The Australian Prostate Cancer Research Centre – Queensland will receive a \$6.2 million grant over four years from the Australian Government.**

The APCRC-Q was established in 2009 as a joint initiative of QUT's Institute of Health and Biomedical Innovation and the Princess Alexandra Hospital, and is dedicated to the translation of prostate cancer research from 'bench to bedside'.

**QUT is a partner in a major new CRC for Living with Autism Spectrum Disorders (ASD).**

This CRC will receive more than \$104 million over its eight-year lifespan with financial input coming from the Australian Government (\$30 million) as well as 56 other participants. The CRC has three core research programs: early diagnoses and intervention, education by skilled professionals, and improving opportunities for people with ASD to

participate in higher education and employment and improving lifelong physical and health management. QUT will lead research in the education program.

**QUT received a \$4.8 million investment from the Queensland Government for the development of tropical pulses.**

The research investment will enable researchers to use biotechnology to genetically improve chickpea resistance to drought, salinity, pests and viruses. By developing hardier tropical crops and enabling their greater use, QUT is helping to develop new industries for Queensland and position the state as a leading exporter of pulses and the food bowl of Asia.

QUT received \$1.8 million funding under Round 2 of the Commonwealth Government Climate Change Filling the Research Gap programs for three national projects designed to help farmers reduce emissions of one of the most serious greenhouse gases, nitrous oxide, a move that would also lead to improved soil fertility and earn farmers valuable carbon credits.

A team led by Professor David Kavanagh was awarded \$6.54 million over three years from the Australian Government to deliver the E-Mental Health Support Service, a project focused on the engagement and education of primary care practitioners and Indigenous health workers across Australia.

Professor William Doherty led a team which was awarded \$2.97 million under the Australia-India Strategic Research Fund to support the project, Integrated Technologies for Economically Sustainable Bio-based Energy.

**In 2013, QUT implemented 18 contracts from Australian Awards Fellowships and Public Sector Linkages Program with total contract value of \$4.6 million.**

These AusAID-funded grants involved partnerships and engagement with government agencies from countries in Latin America, Africa, Asia and the Pacific. These activities were attended by more than 200 participants.

QUT has received funding from The Atlantic Philanthropies of US\$500 000 to establish an Institute for Community Health Research at Hue University of Medicine and Pharmacy (UMP) in Vietnam.

Professor James Dale's team will receive a total of \$2.025 million over 2013–2018 from Horticulture Australia Limited. The grant is for research into genetic modification of horticultural plants.

The National Indigenous Research and Knowledges Network (NIRAKN), funded by the ARC and headed by QUT's Professor Aileen Moreton-Robinson, was launched in July 2013. The network involves Indigenous researchers from 22 universities and research institutes across the country.

In *Blueprint 3*, the university aimed to establish a major and themed institute in the science, technology, engineering and mathematics area. The Institute for Future Environments (IFE) was established in 2012.

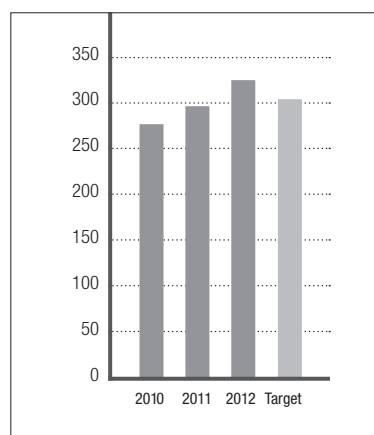
During 2013 IFE was populated and commenced operations in the new Science and Engineering Centre (SEC) at Gardens Point. From late 2012 through 2013, more than 360 staff, researchers, HDR students and external groups were settled into P and Y Blocks of the SEC.

QUT's Higher Education Research Network (HERN) was formally launched in March 2013. HERN will focus on broadening and strengthening the study of higher education, and its membership has grown to 219 staff, with several faculties launching HERN-related groups. The inaugural Higher Education Research Publication Awards were presented at the HERN Symposium in December. The awards are designed to reward and recognise high-quality higher education research at QUT and to raise the profile of QUT's strengths in higher education research.

**HDR student completions climbed to 325 in 2012, up from 294 in 2011.**

A particular aim of *Blueprint 3* is 350 annual HDR completions by 2016.

**HDR completions**



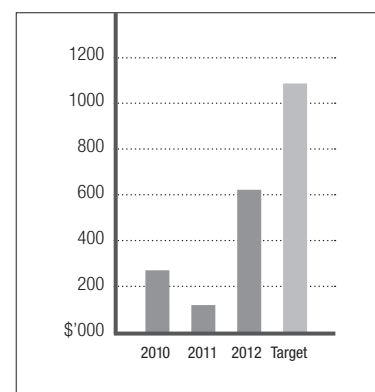
This places QUT eighth out of Australian universities for HDR completions and is an outstanding result for QUT.

This, in part, has been contributed to by a significant revision of IFN001: Advanced Information Research Skills—a research skills unit for HDR students and researchers that is unique to QUT. The redesigned unit has attracted extremely positive student feedback and completion rates have improved significantly.

**Licensing income per \$100 million research income** is one of QUT's key performance indicators which expresses QUT's licensing income in terms of total research income.

Licensing income can vary significantly from year to year, even in universities with large research efforts. In 2014 QUT will consider a more comprehensive measure for commercialisation income.

**Licensing income per \$100 million research income**



**QUT ePrints reached a major milestone on the evening of 27 May, with its 10 millionth full-text download.**

The purpose of ePrints is to increase the dissemination of QUT's research outputs to the world, with usage steadily increasing as the repository collection increases in size. Repository statistics show that 97.8 per cent of usage is external to QUT.

QUT annually benchmarks its research income, competitive grants performance and block grant funding against other Australian universities.

QUT participates in the National Survey of Research Commercialisation which benchmarks QUT against the Group of Eight and universities in the Australian Technology Network.

QUT monitors its performance in global university rankings.

# Developing a sustainable workforce

Ms Shard Lorenzo, Registrar and Head Administrative Services

The rollout of a three-year workforce planning strategy for QUT commenced in 2013.

A key priority of *Blueprint 3* is to develop a sustainable and high-quality workforce profile. QUT full-time equivalent (FTE) staff figures are presented in the following table.

**QUT Staff Full-Time Equivalent (FTE)**

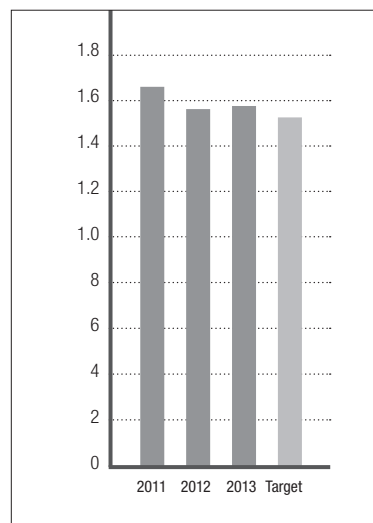
	2011	2012	2013
<b>Total staff FTE</b>	<b>4310</b>	<b>4350</b>	<b>4477</b>
Full-Time/Fractional Full-Time (FT/FFT)	3568	3505	3633
Casual *	742	844	844
Academic FT/FFT	1337	1361	1404
Professional FT/FFT	2231	2145	2228
<b>Campus (FT/FFT)</b>			
Gardens Point	1743	1649	1724
Kelvin Grove	1740	1751	1750
Caboolture	45	54	51
Off Campus	39	50	108
<b>Academic FT/FFT</b>			
Female	600	619	632
Male	737	741	772
<b>Professional FT/FFT</b>			
Female	1410	1356	1421
Male	821	788	807

\* Due to timing, 2013 casual FTE uses 2012 casual FTE

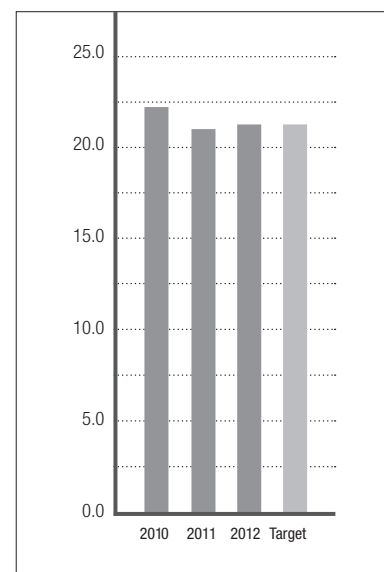
The university has established two key performance indicators for staffing ratios to align with two of *Blueprint 3* aims:

- move the professional staff: academic staff ratio to the sector mid-point by 2016
- improve student: staff ratios to better the national average by 2016.

**Professional to academic staff ratio**



**Student: staff ratio**



Sessional staff make a significant contribution to QUT's academic workforce, and sessional staff full-time equivalent (FTE) data is included in the student: staff ratio.

In 2013, an additional six Indigenous academics were recruited to new identified positions.

QUT remains committed to building a strong cohort of Indigenous staff, particularly in academia, with a target for Indigenous staff to be 1.5 per cent of the total workforce by 2016.

Indigenous staff made up 33.7 FTE of QUT's total staff in 2013.

Consultation on the university's updated Indigenous employment strategy, which supports Indigenous staff and encourages and supports new appointments, was undertaken during 2013.

An ongoing position of Indigenous employment coordinator was established to support and drive Indigenous employment.

**As part of the university's focus on developing a sustainable and high-quality workforce, considerable effort continued to be directed towards academic workforce regeneration to grow academic capacity.**

The university has commenced a project to roadmap the capabilities required to deliver academic work at QUT in the future. This is in response to significant trends reshaping the higher education sector that will have major implications for academic work. The roadmap will outline organisational capabilities such as policies, systems and processes needed to deliver real-world learning, research and engagement.

Key supporting strategies included:

- an application to the Australian Tax Office for an early retirement scheme for academics aged over 55
- the use of social media to recruit outstanding candidates for senior positions
- improved induction and access to systems for new employees.

Throughout 2013, significant progress was made in assisting three faculties involved in recent restructures (Science and Engineering, Creative Industries and Health) to embed their new structures and processes and to enhance staff capability.

**The total number of staff who completed the Early Career Academic Recruitment and Development (ECARD) program to the end of 2013 was 326, which included 31 staff recruited under the process in 2013.**

*Blueprint 3* aims to maintain the momentum of improved academic quality and the achievement of major demographic change by recruiting to the ECARD and other development programs.

During 2013 the Mid-Career Academic Development program was delivered to 29 participants and the Sessional Career Advancement Development program was delivered to 61 participants.

Furthermore three capacity-building professors were recruited in 2013, bringing the total appointed to 36.

**Comprehensive staff development, leadership and management programs were offered to staff in 2013.**

These programs were delivered by internal staff and external partners.

Senior and aspiring senior leaders attended a new leadership program, releadership, designed in house specifically for QUT managers.

A new workshop, Leading Workplace Change, was attended by 51 leaders to help them understand the change process and its impact on, and implications for themselves and their staff.

The Performance Coaching workshop was delivered to 92 PPR supervisors to assist them in leading constructive performance conversations with their staff.

**The outstanding achievements of almost 500 academic and professional staff were acknowledged and rewarded through the 2013 Vice-Chancellor's Performance Fund and the Vice-Chancellor's Awards for Excellence.**

QUT has a comprehensive and integrated performance management and reward and recognition strategy. A performance planning and review framework is in place for all staff.

Detailed policies and procedures on academic promotion are also in place.

**QUT's work-life balance framework encompasses a range of policies, programs and structures to support flexible work practices for staff.**

These include:

- flexible hours and variable hours arrangements
- reduced working year scheme
- pre-retirement employment arrangements
- leave entitlements – generous maternity and partner leave entitlements are available, along with sick leave and additional personal leave entitlements to assist with 'carer' requirements, and special leave to serve with community groups including the Australian Defence Force and State Emergency Services
- job sharing (professional staff)
- workload allocation guidelines.

QUT's work-life balance framework also supports staff who are carers, as defined by the *Carers (Recognition) Act 2008*. These initiatives include the provision of breastfeeding facilities and parenting rooms for nursing mothers.

Staff leave balances are proactively monitored, with supervisors regularly informed of staff members with high recreational and long-service leave accruals; such staff members are then required to take leave.

**A major wellness initiative involving 1000 staff saw QUT named one of the nation's top five active organisations in 2013.**

The participating staff, from 15 organisational areas across the university, joined in the Global Corporate Challenge, an activity-based challenge that encourages increased incidental and planned physical activity levels. QUT was also again awarded '2nd Most Active Organisation—Education and Training'.

Staff wellness is promoted through the university's 'Wellness Matters' program, which provides resources, training and individual appraisals to encourage staff to attain and maintain healthy lifestyles.

The university also strengthened its commitment to staff wellbeing by increasing its awareness and support for those affected by domestic and family violence.

**QUT has received an Employer of Choice for Women citation from the Equal Opportunity for Women in the Workplace Agency for the eleventh consecutive year.**

The Blueprint includes the aim to strengthen QUT's position as a preferred employer. QUT is one of the few organisations to have received the citation every year since its inception.

Gender equity parameters relating to the promotion of women are regularly benchmarked against past performance, against other universities, and against aspirational targets.

**QUT was named the Best University to Work For in Australia in 2012.**

Announced in June 2013 by the nation's university jobs website, UniJobs, the award was established as a way for a third-party organisation to voice the general feeling of staff at Australian universities.

**QUT keeps staff informed of workplace policies and entitlements in a number of ways.**

An online Manual of Policies and Procedures (MOPP) provides comprehensive information. The university website, which features a staff gateway, also provides quick and concise information. A 'welcome to QUT' link targets new staff, ensuring all staff have relevant information and support. HR advisers also are available to help staff understand their various entitlements.

The terms and conditions of employment for the university's senior, academic and professional staff are provided for within the relevant industrial instruments:

- QUT Employee Collective Agreement (senior staff) 2009–2012
- QUT Enterprise Agreement (academic staff) 2010–2012
- QUT Enterprise Agreement (professional staff) 2010–2012.

These agreements have expired and negotiations are progressing for replacement agreements for academic and professional staff. Consultation with senior staff is progressing in relation to future employment agreements. The current agreements will continue to apply until terminated or replaced by new enterprise agreements.

The university consults with relevant unions on a range of matters as appropriate, including change processes and policy. Professional and academic staff consultative committees are also used to consult with relevant unions on various workplace relations issues.

QUT has well-documented grievance resolution policies and procedures, with trained staff available to assist with workplace-related grievances and allegations of bullying.

**Benchmarking activities**

For the professional to academic staff ratio and the student: staff ratio, QUT compares its outcomes to prior years' averages for universities in the Australian higher education sector, Group of Eight, Australian Technology Network and Queensland.

QUT has participated in the UniForum professional staff activity survey with other sector stakeholders for the past three years.

In early 2014 QUT will conduct its sixth staff opinion survey. Voice Project, a team of researchers and consultants based at Macquarie University in Sydney, has been engaged to conduct the survey. The engagement of Voice Project will facilitate benchmarking with other Australian universities.

# Building further QUT's community

Professor Scott Sheppard, Deputy Vice-Chancellor (International and Development)

**QUT was ranked Australia's top university under 50 years old in the 2013 *Times Higher Education* Top 100 Under 50 rankings. Globally QUT is ranked 26 among universities established in the past 50 years.**

In the QS World University Rankings released in May 2013, QUT was ranked in the World Top 200 for 15 of the 30 subjects included in the ranking. QUT has entered the top 50 for the first time in any subject listing, ranking 26th for communication and media studies.

A key priority of *Blueprint 3* is to build further QUT's sense of community. This includes making QUT campuses extremely attractive destinations for students, staff and the wider community.

Key construction projects include upgrades to social and collaborative learning spaces, completion of the Science and Engineering Centre, and the new Library at Caboolture.

On 22 May 2013 the Governor of Queensland, Her Excellency Penelope Wensley, officially opened the newly refurbished historic Governor's Library in Old Government House.

The restoration and refurbishing of the library was inspired by the gift of an 1860s bookcase donated to QUT in honour of the late George Raff, a member of Queensland's parliament.

**In promotion of the Blueprint's 'culture of community' five successful Business Leaders' Forums were held during 2013.**

Guest speakers included Mr Grant O'Brien, Managing Director and Chief Executive Officer of Woolworths Limited; Ms Helen Clark, Administrator, United Nations Development Programme and former Prime Minister of New Zealand; Mr Grant King, Managing Director, Origin Energy; Mr Kim Williams AM, Former Chief Executive, News Corp Australia; and Mr David Attenborough, Managing Director and Chief Executive Officer, Tabcorp Holdings Limited.

**2013 heralded a new QUT community event, the inaugural QUT Classic Fun Run.**

Around 1200 participants took part, ranging in age from six to 86, in a range of routes taking in the Gardens Point campus, the Botanic Gardens and South Bank.

QUT's annual Open Day was held at the redeveloped Gardens Point Precinct in July with an estimated 50 per cent increase in visitor numbers compared to 2012.

QUT presented its fourth annual Student Leadership Conference, Enhance, from 11 to 13 July, bringing together 150 delegates from QUT and other universities.

A special event was held in May at the Kelvin Grove Library to acknowledge family members of actor and writer Diane Cilento and playwright Anthony Shaffer who had donated a collection of books, posters and original play scripts to the library's collection.

On 29 August, the Right Honourable the Lord Mayor of Brisbane, Cr Graham Quirk, hosted an International Student Friendship Ceremony at QUT in the Gardens Theatre.

**Robotronica, featuring international, national and local robotic experts, was held at QUT's Science and Engineering Centre on 18 August.**

The highlight of the event was the 30 quadcopter swarm of drones, electronically choreographed to an art and design spectacular. Professor Hiroshi Ishiguro, Director of the Intelligent Robotics Laboratory at Osaka University, delivered the keynote lecture, first live and then virtually via his humanoid self-replica robot.

QUT was chosen as the Queensland host for the inaugural Chinese Graduate Careers Fair, organised by Austrade and Zhaopin.com, and attended by more than 200 Chinese students from Queensland universities.

In recognition of those who have donated their bodies to the Medical Engineering Research Facility Body Bequest Program, QUT held the first Thanksgiving and Remembrance Ceremony.

The inaugural QUT Vice-Chancellor's STEM Camp was held in June 2013 at Gardens Point for 121 Year 11 students selected from across Brisbane (one third of the group) and regional Queensland (two-thirds) who participated in a range of activities related to science, technology, engineering and maths.

Caboolture campus had more than 3000 school students attending on-campus events during the year.

QUT has acquired one of William Robinson's most significant works, *The Blue Pools, Springbrook to Beechmont*. The painting augments

the university's William Robinson Art Collection, the largest and most significant public collection of the work of this Australian landscape painter.

**The Confucius Institute at QUT was awarded the 'Confucius Institute of the Year' for the third consecutive year at a ceremony in Beijing in December 2012 and broadcast on Chinese national television.**

QUT's Careers and Employment won the Best Practice Award at the National Association of Graduate Careers Advisory Services Conference in December 2012. The award was for the International Student Community Engagement Project, delivered in partnership with Volunteering Queensland. The project provides a preparatory experience for international students aimed at building confidence and skills to enter the Australian workforce through a community and voluntary setting.

**QUT ePrints has been named as the top repository in Australia.**

In the 2013 edition of the *Ranking Web of Repositories*, QUT ePrints was ranked as the top repository in Australia, fourteenth top institutional repository, and twenty-first top repository in the world overall.

The Webometrics Ranking Web of Repositories produced by the Cybermetrics Lab (Spain) currently ranks QUT ePrints as the number one repository in Australia; ninth institutional repository in the world; and eighteenth repository worldwide.

QUT was one of five winners of the AMX Innovation Awards announced in June at the 2013 UBTech Conference in Orlando Florida. QUT won the Collaboration Award for the Science

and Engineering Centre, and was the only university outside North America to receive an award.

QUT was awarded third prize in Australia's Academic and Research Network (AARNet) Inaugural Awards for Excellence announced at the 2013 QuestNet Conference held in July. The QUT Cube Project was recognised as an innovative use of the AARNet service and as a world-first facility, delivering unique learning, research, and entertainment experiences for all members of the university, school children, and public visitors.

**QUT's sense of community was fostered through a culture of community, scholarship, service and high achievement for many staff in 2013.**

In recognition of Professor Tom Cochrane's contribution over 30 years to the development of QUT, and Queensland Institute of Technology (QIT) earlier, he was named an Emeritus Professor and awarded the inaugural QUT Distinguished Service Medal.

QUT researchers at the Translational Research Institute (TRI) were awarded five of the seven prizes in the TRI Inaugural Poster Symposium.

The 2013 Prime Minister's Queen Elizabeth II Diamond Jubilee Award was presented to Dr Laura Bray.

Professor Myles McGregor-Lowndes OAM has been appointed a member of the Australian Charities and Not-for-profits Commission (ACNC) Advisory Board.

In November 2012 Professor Doug Hargreaves was appointed Honorary Fellow (in effect Life Member) of Engineers Australia.

Professor Duncan Campbell was elected a Fellow of the Institute of Engineers Australia.

Dr Willa Huston has been awarded the Wesley Research Institute Researcher of the Year Award in recognition of her ongoing work in molecular mechanisms, particularly in relation to Chlamydia and its effects.

**QUT Chancellor, Tim Fairfax AC, was named by the Queensland Premier as one of five Queensland Greats for 2013.**

QUT secured five AusAID Australian Leadership Awards Fellowships (now known as Australia Awards Fellowships) in Round 13. Only 58 fellowships were awarded from some 700 applications, with QUT having the highest number of successful submissions.

Professor Rod Wissler was appointed by the Queensland Government to the Board of the Queensland Music Festival for a four-year term.

**Professor Anita Lee Hong was part of a delegation representing the National Indigenous Higher Education Network at the Twelfth Session of the United Nations Permanent Forum on Indigenous Issues held in New York.**

Professor Peter Little was elected to the Board of the European Foundation for Management Development (EFMD), Europe's largest network association in the field of management development.

Professor Patsy Yates is among 172 leaders to be inducted into the American Academy of Nursing 2013 Class of Fellows.

Dr Melanie White was awarded a 2013 Churchill Fellowship to study methods for finding genetic markers of attention deficit hyperactivity disorder and substance abuse.

Dr Katie McConnel, curator of Old Government House, received a gold award for her project *Re-imagining the Governor's Library at Old Government House* in the 2013 Queensland Heritage Awards.

Professor Carol Dickenson has been appointed by the COAG Standing Council on Tertiary Education, Skills and Employment to the Australian Qualifications Framework Council for a three-year term.

Distinguished Professor Stuart Cunningham has been elected to the United Kingdom-based Academy of the Social Sciences, and has won a Fulbright Senior Scholar award to the United States, in 2014.

Professor Per Davidsson was awarded the Academy of Management Entrepreneurship Division Mentor Award for 2013. He was also awarded an honorary doctorate from Leuphana University, Germany in July.

Professor Selena Bartlett was awarded the Women in Technology (WiT) Biotech Research Award as well as the Biotech Outstanding Achievement Award.

Dr Jennifer Firn was named the WiT Rising Star for her research on controlling invasive exotic plants.

Professor Karen Thorpe has been named as among Australia's '100 Women of Influence' in the 2013 awards list.

**Dr Michael Milford was named as one of seven Microsoft Research Faculty Fellows for 2013.**

Associate Professor Rachael Field won the Woman Lawyer of the Year Award 2013 at the Women Lawyers Association of Queensland 35th Anniversary Gala Awards.

Professor Zee Upton has won the inaugural Banksia Scientific

Regenerative Medicine Award, offered by Banksia Scientific and Life Sciences Queensland Ltd.

Professor Carol Dickenson, Professor Robina Xavier, Professor Judith McLean, Dr Katie McConnel and Professor Vivienne Tippet are included on the YWCA Queensland's 125 Leading Women.

Four researchers from the Institute of Health and Biomedical Innovation were winners at the Queensland Young Tall Poppy Awards which recognise excellence in early career research and engagement with the wider community.

Professor Kerry Carrington has received the American Society of Criminology, Division of Women and Crime Distinguished Scholar Award 2013, the first academic from an Australian university to receive this prestigious award.

**Creative Industries PhD researcher Sarah Harper's selection for a 2013 Prime Minister's Australia Asia Award was an exemplar of QUT student and alumni achievement in 2013.**

A QUT MBA team secured second place in the first attempt at Concordia University's John Molson International MBA Case Competition, the world's oldest and most prestigious MBA business competition.

The QUT postgraduate team has taken out first prize against 63 teams from 20 countries in Asia's largest business planning competition, the mai Bangkok Business Challenge.

QUT business honours student Benjamin Boulter was named as a delegate to the G20 Youth Summit in Russia in June.

QUT was named the overall winner of the Northern University Games after 300 students participated.

QUT won the Kirby Contract Law Moot in Melbourne against a field of 90 students in 24 teams representing 15 Australian law schools. Lucy Munt was awarded best speaker in the grand final.

QUT took home the John White Spirit of the Games shield and was placed eighth out of 41 teams at the 2013 Australian University Games. QUT's tally included 13 team medals, eight individual gold medals and one individual bronze medal.

The QUT Business School Student Case Competition Team competed in the 2013 Asian Business Case Competition in Singapore, securing second place. QUT students took first place in the inaugural Australian Association of Convenience Stores (AACS) Innovation Challenge in Melbourne.

QUT Council member and alumnus, Rosemary Vilgan, was named as the 2013 Telstra Australian Business Woman of the Year. Ms Vilgan, CEO of QSuper, also won the Community and Government Award and the Business Innovation Award.

QUT acting graduates Wayne Blair and Deborah Mailman won the Best Director and Best Actress awards respectively for the film *The Sapphires* at the Australian Academy of Cinema and Television Arts Awards.

QUT graduates won four awards at the 2012 Walkley Awards for Excellence in Journalism. Awards were made to Leigh Sales, Angus Grigg, Amanda Gearing and Nance Haxton, who was also a finalist in the radio documentary category.

QUT alumnus architect Noel Robinson received an Export Hero Award from the Export Council of Australia.

QUT Business School graduate Jellaine Ross won the Telstra Queensland Young Business Women's Award.

QUT creative writing graduates Ellen Van Neerven and Rebecca Jessen were winners at the 2013 Queensland Literary Awards.

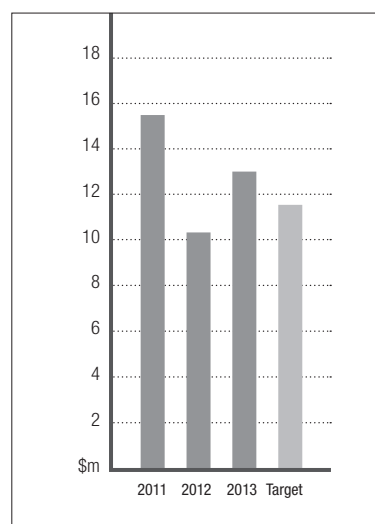
### **The Learning Potential Fund endowment goal of \$20 million has been achieved in 2013, 18 months earlier than anticipated.**

The endowment goal has been reset at \$50 million for this fund. Staff payroll donors reached an all-time high of 432 as at 18 December 2013, representing an increase of 30 per cent over the 2012 number of donors.

### **In 2013 QUT's philanthropy income was \$13 million (up by \$2.7 million on 2012 and exceeding the 2013 target of \$11.3 million), with a further \$18.3 million worth of corporate grants and sponsorships.**

QUT has established a key performance indicator for philanthropy income, which is defined as gifts and donations to QUT. This includes gifts by individuals, alumni and staff and grants made by philanthropic organisations.

**Philanthropy income**



# Focusing on sustainability

Professor Tom Cochrane, Deputy Vice-Chancellor (Technology, Information and Learning Support)

Mr Stephen Pincus, Executive Director (Finance and Resource Planning)

**QUT is sharpening its focus on environmental sustainability through academic activities (coursework and research) and its own operations.**

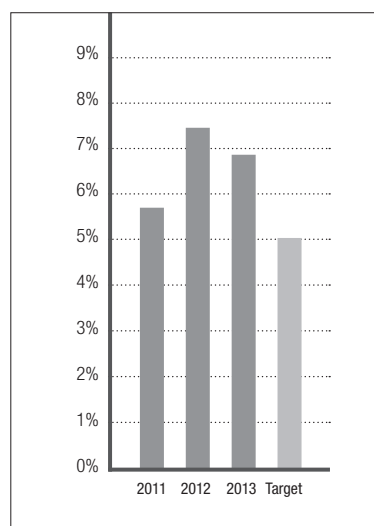
One key priority of *Blueprint 3* is to focus on the various dimensions of QUT's sustainability—environmental, social and economic.

QUT aims to strengthen and diversify its resource base to support the aims of *Blueprint 3* and maintain the financial viability of the university by achieving an appropriate underlying budget surplus.

QUT has established a key performance indicator for the underlying operating margin, with the target of five per cent over three years.

The university has continued to maintain a healthy financial position which enables it to make strategic investments in physical and virtual infrastructure that will ensure the ongoing sustainability of the university.

Underlying operating margin



**Construction of the new \$80 million Creative Industries Precinct Stage 2 is well underway.**

The 12 000 square metre construction project includes world-standard studio spaces for dance, drama, music and visual arts. Teaching activities are scheduled to commence in semester two, 2015.

The redevelopment of D Block, Gardens Point will be completed by early 2014. The ground floor will be transformed into an exhibition space to showcase School of Design work and will include active 'laneway'-like social learning spaces. The space will also house a large teaching studio and an open forum which will accommodate industry and academic events.

During 2013, QUT completed the upgrading of social and collaborative learning spaces in O Block at Gardens Point.

**Caboolture campus continues to develop with the new library providing a learning and social hub.**

The new facility, which began operations in late 2012, provides additional individual study areas, technology-equipped group areas, more computers for student use and collaborative and social spaces which are visible to the campus and encourage a sense of activity and student presence.

The Honourable Julia Gillard MP, Prime Minister of Australia and the Honourable Campbell Newman MP, Premier of Queensland opened QUT's new Science and Engineering Centre on 28 February.

### **2013 saw major investment in the university's information and communication technologies.**

*Blueprint 3* aims to continue to integrate information and communication technologies into teaching, research, business support functions and infrastructure.

The new-look IT Helpdesk, featuring improved search functionality for IT support information, dynamic real time information for centrally managed student lab PC availability, information on most common IT support queries and service status updates was launched in April 2013. A mobile interface of the site also enables staff and students to access the same information on any device.

### **The new version of QUT's intranet for staff and students, QUT Virtual, went live in May.**

The new service supports the university's strategic direction and goals by providing a range of benefits for staff and students.

These include:

- a single interface to access services
- a consistent look and feel with QUT's online environment
- dedicated pages for researchers
- dashboards, portlets with personalised displays, HR and finance functionality and community information.

### **A vendor-initiated change to the student email service saw 140 000 email accounts for current students and alumni migrated from live@edu to Microsoft Office 365 over a single weekend in September.**

An intensive communications and engagement exercise was conducted with students in preparation for the migration to ensure that they understood the new email account structure.

The Learning and Teaching in Collaborative Environments (LATICE) project continues to support staff teaching in the university's new collaborative learning spaces with physical, technical and pedagogical support activities taking place.

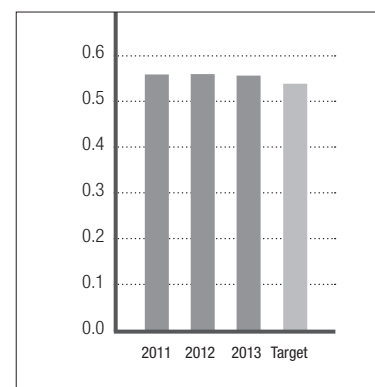
During the year 83 staff were inducted through the LATICE program and in semester two 48 units were taught in a collaborative learning space. Initial evaluation results, including student surveys and staff interviews, show the positive impact this work is having on the student learning experience.

### **In support of financial sustainability, during 2013, QUT completed a major upgrade to its financial systems.**

Further new functionality to streamline procurement and expense reimbursements will be rolled out across the university in the first half of 2014.

The university has set an energy use target at 0.51 GJ/m<sup>2</sup> GFA by 2016. This energy use target is one of the university's key performance indicators.

**Annual energy intensity in GJ/m<sup>2</sup> GFA**



# Financial summary

## Summary

The university has continued to manage its resources diligently to generate a solid surplus whilst maintaining a strong balance sheet which supports a comprehensive capital development plan within an increasingly competitive and resource intensive higher education sector.

The university's financial position remains strong, underpinned by considerable holdings of property, plant and equipment and liquid assets (cash and investments) with relatively low borrowings to equity ratio of approximately 8 per cent.

## Income Statement

### *Operating Result and Margin (\$56.3 million or 6.3 per cent)*

The university achieved a solid operating surplus of \$56.3 million or 6.3 per cent operating margin (2012: \$100.3 million or 11.5 per cent). The actual operating surplus was significantly down from the previous year's surplus due to large one-off capital grants and multi-year grants received in 2012. The original budgeted surplus (\$19 million) was exceeded due to increased revenue (\$46 million) partly offset by increased expenditure (\$8.5 million).

The budget revenue variance was predominantly attributable to increased revenue from Australian Government grants, student fees, and higher than expected income and unrealised gains from investments.

### *Underlying Operating Result and Margin (\$59.0 million or 6.9 per cent)*

The 2013 operating result included upfront recognition of multi-year income, capital grants and impacts of abnormal income and expenses and unrealised gains/losses. When these impacts are excluded by applying a standard approach recommended by the Australian Institute of Company Directors (AICD) and Financial Services Institute of Australasia (FINSIA), the underlying operating result and margin are \$59.0 million (2012: \$60.1 million) and 6.9 per cent (2012: 7.5 per cent) respectively. This is a positive result above the benchmark target rate of 5.0 per cent across the budget triennium, providing greater capacity for strategic investment and capital renewal.

### *Income (\$889 million, increased \$16.5 million or 2 per cent)*

The Higher Education Loan Program payments increased \$29.4 million (18 per cent) aligned with increases in student load and more students electing to defer their debt.

Australian Government grants decreased \$8.9 million (3 per cent) primarily due to a decrease in the one-off Education Infrastructure Fund funding. In 2012 the university received from Education Infrastructure Fund (EIF) a final instalment total of \$12.5 million for the Science and Engineering Centre whereas no funding was received from EIF in 2013.

State Government funding decreased approximately \$5.1 million (33 per cent). In 2012 the university recognised \$6.39 million revenue for the forgiveness portion of the Innovation Building Fund loan drawn for the Science and Engineering Centre. In 2013 the draw-down was smaller and hence the revenue recognised for the forgiveness portion was significantly smaller at \$1.66 million.

The increase in fees and charges was largely driven by Fee Paying Overseas students increasing by \$7.22 million which aligned with the growth in student load. Revenue from continuing education increased \$1.4 million. Revenue from Fee Paying domestic students increased by \$4 million though upfront fee collection decreased by \$1.67 million as more students elected to defer the payment.

Consultancy income is lower than last year by \$10.3 million due to the university receiving and bringing to account in 2012 a multiyear grant for the Next Steps School Initiative. Ausaid Funding decreased by \$6.3 million due to a reduction in the number of tenders available.

Investment income decreased slightly from 2012 results though continued to provide good returns off the back of strong returns from equity markets.

*Expenses (\$833 million, increased \$60.5 million or 8 per cent)*

Employee-related expenses increased \$28 million (6 per cent) driven by a combination of factors including industrial agreements and interim administrative payments and the ongoing effects of the introduction in 2011 of entitlements for Academic and Senior Staff to accrue unused annual recreation leave each year. The university is taking active management of the leave liability to mitigate the risk of a growing leave liability.

Finance Costs increased by \$0.8 million mainly associated with interest payments on the additional and final draw-down of a commercial loan for the construction of the Science and Engineering Centre in 2013.

Repairs and maintenance costs increased by \$5 million (21 per cent) and other expenses increased by \$19.8 million (8 per cent) due to the purchase of non-capitalised equipment (\$4 million) and the expensing of previously capitalised costs associated with the Science and Engineering buildings at Gardens Point campus (\$10.7 million). Contributions to collaborative projects also increased by \$3.7 million including the Translational Research Institute.

## Financial Position

The Statement of Financial Position outlines the financial strength of the university and its capacity to meet current obligations and support long-term priorities.

*Net Assets (\$1,304million, increased \$17 million or 1 per cent)*

QUT's net asset position as at 31 December 2013 was \$1304 million representing an increase of \$17 million (1 per cent). This increase was driven by several key factors including:

- an increase in cash and cash equivalents of \$28 million driven by the operating surplus which is retained to cover future cash flow needs in the capital program; increase of \$50 million in Other Financial Assets primarily driven by the \$30 million investment into the QIC Inflation plus fund. A \$70 million decrease in current receivables was offset by the decrease in current liabilities of \$67.5 million which was impacted by the change to the timing of student invoicing for first and second semester 2014.
- the decrease in non-current assets totalling \$41 million was driven by property, plant and equipment decrease of \$49 million.
- an increase in non-current liabilities totalling \$18 million due to the final draw-down of a commercial loan for the construction of the Science and Engineering Centre.

*Liquidity Ratio (3.5:1)*

The university's liquidity ratio of current assets to current liabilities is 3.5:1. This may appear to be relatively high though is deemed reasonable due to the significant investment funds under management by the Queensland Investment Corporation which are recorded as current

assets and are readily converted to cash. The remaining funds held in cash and cash equivalents are actively managed for the purpose of supporting the university's obligations to granting bodies and the significant asset management plan.

In conclusion, the university produced a solid underlying operating result in 2013 and together with the overall sound financial position remains strongly placed to support the university's budgeted plans, objectives and longer term aspirations.

**Queensland University of Technology**  
**Income Statement**  
For the Year Ended 31 December 2013

		Consolidated		Parent	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
Note			(Restated)		(Restated)
<b>REVENUE FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance					
Australian Government grants	2	342,467	351,697	342,467	351,455
HELP - Australian Government payment	2	194,494	165,012	194,494	165,012
State and Local Government financial assistance	3	10,329	15,458	10,329	15,454
HECS-HELP - Student Payments		26,478	23,488	26,478	23,488
Fees and charges	4	176,508	166,820	176,924	166,845
Investment revenue	5	22,858	20,069	22,767	19,976
Royalties, trademarks and licences	6	11	550	1	414
Consultancy and contracts	7	47,914	57,997	47,703	58,055
Other revenue	8	51,253	49,870	52,210	50,592
<b>Total revenue from continuing operations</b>		<b>872,312</b>	<b>850,961</b>	<b>873,373</b>	<b>851,291</b>
Gains on disposal of assets		15	24	15	24
Other investment income	5	20,789	25,023	15,978	21,535
<b>Total other income from continuing operations</b>		<b>20,804</b>	<b>25,047</b>	<b>15,993</b>	<b>21,559</b>
<b>Total revenue and income from continuing operations</b>		<b>893,116</b>	<b>876,008</b>	<b>889,366</b>	<b>872,850</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Employee related expenses	9	484,058	455,943	481,914	453,786
Depreciation and amortisation	10	55,010	47,695	54,979	47,654
Repairs and maintenance	11	30,718	25,456	30,713	25,448
Borrowing costs	12	3,588	2,815	3,588	2,815
Impairment of assets	13	(601)	402	(590)	400
Loss on disposal of assets		368	115	361	111
Other expenses	14	263,654	242,917	262,097	242,268
<b>Total expenses from continuing operations</b>		<b>836,795</b>	<b>775,343</b>	<b>833,062</b>	<b>772,482</b>
<b>Operating result attributable to members of Queensland University of Technology</b>		<b>56,321</b>	<b>100,665</b>	<b>56,304</b>	<b>100,368</b>

The accompanying notes form part of these financial statements.

**Queensland University of Technology**  
**Statement of Comprehensive Income**  
**For the Year Ended 31 December 2013**

	Note	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Operating result attributable to members of Queensland University of Technology</b>		<b>56,321</b>	100,665	<b>56,304</b>	100,368
<b>Other comprehensive income</b>					
Gain / (loss) on revaluation of land and buildings, net of tax	19	<b>(39,144)</b>	(11,699)	<b>(39,137)</b>	(11,699)
Gain / (loss) on available-for-sale financial assets reclassified from equity	18	<b>(36)</b>	(93)	-	-
<b>Total other comprehensive income</b>		<b>(39,180)</b>	(11,792)	<b>(39,137)</b>	(11,699)
Total comprehensive income attributable to:					
Members of Queensland University of Technology		<b>17,141</b>	88,873	<b>17,167</b>	88,669
		<b>17,141</b>	88,873	<b>17,167</b>	88,669

The accompanying notes form part of these financial statements.

	Note	Consolidated		Parent	
		2013	Restated 31/12/2012	2013	Restated 31/12/2012
		\$'000	\$'000	\$'000	\$'000
			01/01/2012		01/01/2012
			\$'000		\$'000
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	15	164,959	135,631	160,448	131,773
Receivables	16	49,664	119,776	49,225	119,506
Inventories	17	3,102	3,091	3,102	3,094
Other financial assets	18	245,943	195,322	245,891	195,258
<b>TOTAL CURRENT ASSETS</b>		<b>463,668</b>	<b>453,820</b>	<b>458,666</b>	<b>449,631</b>
<b>NON-CURRENT ASSETS</b>					
Receivables	16	40,308	41,389	40,308	41,389
Other financial assets	18	51,029	39,244	54,974	42,946
Property, plant and equipment	19	973,192	1,022,944	973,192	1,022,926
Intangible assets	20	30,674	32,855	30,674	32,847
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,095,203</b>	<b>1,136,432</b>	<b>1,099,148</b>	<b>1,140,108</b>
<b>TOTAL ASSETS</b>		<b>1,558,871</b>	<b>1,590,252</b>	<b>1,557,814</b>	<b>1,589,739</b>

**TOTAL NON-CURRENT ASSETS**

**TOTAL ASSETS**

The accompanying notes form part of these financial statements.

Queensland University of Technology  
Statement of Financial Position  
As At 31 December 2013

		Consolidated		Parent	
	Note	2013 \$'000	Restated 31/12/2012 \$'000	Restated 31/12/2012 \$'000	Restated 01/01/2012 \$'000
			01/01/2012 \$'000		
<b>LIABILITIES</b>					
<b>CURRENT LIABILITIES</b>					
Trade and other payables	21	32,169	40,509	31,439	32,286
Borrowings	22	1,127	899	1,127	-
Provisions	23	70,263	64,222	70,157	55,278
Other liabilities	24	27,399	92,368	27,380	20,777
<b>TOTAL CURRENT LIABILITIES</b>		<b>130,958</b>	<b>197,998</b>	<b>130,103</b>	<b>108,341</b>
<b>NON-CURRENT LIABILITIES</b>					
Trade and other payables	21	88	-	-	-
Borrowings	22	95,990	77,726	95,990	13,499
Provisions	23	21,780	20,437	21,717	16,642
Other liabilities	24	5,626	6,803	5,626	4,560
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>123,484</b>	<b>104,966</b>	<b>123,333</b>	<b>34,701</b>
<b>TOTAL LIABILITIES</b>		<b>254,442</b>	<b>302,964</b>	<b>253,436</b>	<b>143,042</b>
<b>NET ASSETS</b>		<b>1,304,429</b>	<b>1,287,288</b>	<b>1,304,378</b>	<b>1,198,542</b>
<b>EQUITY</b>					
Reserves	25	278,375	317,586	278,394	361,276
Retained earnings	25	1,026,054	969,702	1,025,984	837,266
<b>TOTAL EQUITY</b>		<b>1,304,429</b>	<b>1,287,288</b>	<b>1,304,378</b>	<b>1,198,542</b>

The accompanying notes form part of these financial statements.

Queensland University of Technology  
Statement of Changes in Equity  
For the Year Ended 31 December 2013

2013

	Parent			
	Retained Earnings	Asset Revaluation Reserve	Endowment Reserves	Total
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 01 January</b>	969,643	317,568	-	1,287,211
Income statement	56,304	-	-	56,304
Gain / (loss) on revaluation of property, plant & equipment	-	(39,137)	-	(39,137)
Gain / (loss) on revaluation of available-for-sale assets	-	-	-	-
Reclassification	37	(37)	-	-
<b>Sub-total</b>	<b>1,025,984</b>	<b>278,394</b>	<b>-</b>	<b>1,304,378</b>
<b>Balance at 31 December 2013</b>	<b>1,025,984</b>	<b>278,394</b>	<b>-</b>	<b>1,304,378</b>

2012

	Parent			
	Retained Earnings	Asset Revaluation Reserve	Endowment Reserves	Total
	\$'000	\$'000	\$'000	\$'000
<b>Balance at 01 January</b>	833,879	329,267	32,009	1,195,155
Error adjustment	3,387	-	-	3,387
<b>Re-stated balance at 01 January</b>	837,266	329,267	32,009	1,198,542
Income statement	100,368	-	-	100,368
Gain / (loss) on revaluation of property, plant & equipment	-	(11,699)	-	(11,699)
Gain / (loss) on revaluation of available-for-sale assets	-	-	-	-
<b>Sub-total</b>	937,634	317,568	32,009	1,287,211
Transfers - endowment reserve / retained earnings	32,009	-	(32,009)	-
<b>Balance at 31 December 2012</b>	<b>969,643</b>	<b>317,568</b>	<b>-</b>	<b>1,287,211</b>

The accompanying notes form part of these financial statements.

**Queensland University of Technology**  
**Statement of Changes in Equity**  
**For the Year Ended 31 December 2013**

**2013**

	<b>Consolidated</b>			
	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Endowment Reserves</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 01 January</b>	<b>969,702</b>	<b>317,586</b>	<b>-</b>	<b>1,287,288</b>
Income statement	56,321	-	-	56,321
Gain / (loss) on revaluation of property, plant & equipment	-	(39,143)	-	(39,143)
Gain / (loss) on revaluation of available-for-sale assets	-	(37)	-	(37)
Reclassification	31	(31)	-	-
<b>Sub-total</b>	<b>1,026,054</b>	<b>278,375</b>	<b>-</b>	<b>1,304,429</b>
<b>Balance at 31 December 2013</b>	<b>1,026,054</b>	<b>278,375</b>	<b>-</b>	<b>1,304,429</b>

**2012**

	<b>Consolidated</b>			
	<b>Retained Earnings</b>	<b>Asset Revaluation Reserve</b>	<b>Endowment Reserves</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Balance at 01 January</b>	<b>833,641</b>	<b>329,377</b>	<b>32,009</b>	<b>1,195,027</b>
Error adjustment	3,387	-	-	3,387
<b>Re-stated balance at 01 January</b>	<b>837,028</b>	<b>329,377</b>	<b>32,009</b>	<b>1,198,414</b>
Income statement	100,665	-	-	100,665
Gain / (loss) on revaluation of property, plant & equipment	-	(11,699)	-	(11,699)
Gain / (loss) on revaluation of available-for-sale assets	-	(92)	-	(92)
<b>Sub-total</b>	<b>937,693</b>	<b>317,586</b>	<b>32,009</b>	<b>1,287,288</b>
Transfers - endowment reserve / retained earnings	32,009	-	(32,009)	-
<b>Balance at 31 December 2012</b>	<b>969,702</b>	<b>317,586</b>	<b>-</b>	<b>1,287,288</b>

The accompanying notes form part of these financial statements.

Queensland University of Technology  
Statement of Cash Flows  
For the Year Ended 31 December 2013

		Consolidated		Parent	
	Note	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Australian Government Grants		536,590	518,788	536,590	518,546
OS - HELP (net)		237	33	237	33
State Government Grants		8,632	9,049	8,632	9,045
Local Government Grants received		30	18	30	18
HECS HELP - Student payments		26,478	23,488	26,478	23,488
Receipts from student fees and other customers		282,651	265,732	283,932	266,211
Interest received		7,809	9,245	7,719	9,152
Payments to suppliers and employees (inclusive of GST)		(779,776)	(701,912)	(776,674)	(698,703)
Interest paid		(3,433)	(2,110)	(3,433)	(2,110)
<b>Net cash provided by (used in) operating activities</b>		<b>79,218</b>	<b>122,331</b>	<b>83,511</b>	<b>125,680</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of plant and equipment		318	306	318	306
Proceeds from sale of available-for-sale financial assets		1	-	-	-
Refund of imputation credits from ATO		685	619	685	619
Distributions received		14,363	10,824	14,363	10,824
Advances of cash into investment fund		(44,363)	(10,824)	(44,363)	(10,824)
Payment for additional investment in subsidiary		-	-	(5,000)	(5,000)
Payments for property, plant and equipment		(41,804)	(152,818)	(41,749)	(152,813)
Payment for intangible asset		(1,069)	(1,453)	(1,069)	(1,453)
<b>Net cash used by investing activities</b>		<b>(71,869)</b>	<b>(153,346)</b>	<b>(76,815)</b>	<b>(158,341)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from loan drawdowns		23,000	79,173	23,000	79,173
Repayment of loan principal		(1,021)	(808)	(1,021)	(808)
<b>Net cash provided by / (used in) financing activities</b>		<b>21,979</b>	<b>78,365</b>	<b>21,979</b>	<b>78,365</b>
Net increase (decrease) in cash and cash equivalents		29,328	47,350	28,675	45,704
Cash and cash equivalents at beginning of year		135,631	88,281	131,773	86,069
<b>Cash and cash equivalents at end of financial year</b>	15	<b>164,959</b>	<b>135,631</b>	<b>160,448</b>	<b>131,773</b>

The accompanying notes form part of these financial statements.

## 1 Summary of Significant Accounting Policies

The significant accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial report includes separate financial statements for the Queensland University of Technology (QUT) as the parent entity and the consolidated entity consisting of QUT and its subsidiaries.

### (a) Basis of preparation

The annual financial statements represent the audited general purpose financial statements of Queensland University of Technology. They have been prepared on an accrual basis in accordance with Australian Accounting Standards.

Additionally the statements have been prepared in accordance with following statutory requirements:

- *Higher Education Support Act 2003 (Cwlth)* (Financial Statement Guidelines)
- *Financial Accountability Act 2009 (Qld)* and the *Financial and Performance Management Standard 2009*.

Queensland University of Technology is a not-for-profit entity and these statements have been prepared on that basis. Some of the requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

#### *Date of authorisation for issue*

The annual financial report was authorised for issue by the University Council as per the Certificate of the Queensland University of Technology.

#### *Historical cost convention*

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available for sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, and certain classes of property, plant and equipment.

#### *Critical accounting estimates*

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entities accounting policies. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement notes:

- Property, Plant and Equipment (refer note 19).
- Provisions (refer note 23).
- Contingencies (refer note 28).

The Australian government passed its Clean Energy Act in November 2011 which resulted in the introduction of a price on carbon emissions made by Australian businesses from 1 July 2012.

The flexible market based price phase of the carbon pricing mechanism will commence on 1 July 2015. It will be preceded by a three year period during which the price of permits will be fixed at \$23 per tonne or carbon dioxide equivalent in year one, \$24.15 in year two and \$25.40 in year three.

Section 4.3.4 of Queensland Treasury and Trade's report on 'Carbon Price Impacts for Queensland' dated August 2011 indicates that, for non-residential construction activities, costs may increase by between 0.7 per cent and 0.8 per cent over the period 2012/13 to 2015/16.

On this basis and other information available, the introduction of the carbon pricing mechanism is not expected to have a significant impact on QUT's critical accounting estimates, assumptions and management judgements.

#### *Changes in accounting policy and methodology and prior period error*

The effect of changes arising from accounting policy, methodology and prior period error are disclosed in the Financial Statements and Notes. A summary of the adjustments on the consolidated and parent entities balance sheet and income statement has been set out in note 1(ae). A note has also been included in each of the affected notes stating that the 2012 comparative figures have been recast.

## 1 Summary of Significant Accounting Policies continued

### (b) Principles of consolidation

#### *(i) Subsidiaries*

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of QUT (parent entity) as at 31 December 2013. QUT and its subsidiaries together are referred to in this financial report as the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the consolidated entity has the ability to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the University. They are de-consolidated from the date control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the consolidated entity (refer note 1(g)).

Inter-company transactions, balances and unrealised gains on transactions between consolidated entity companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

#### *(ii) Associates*

Associates are entities over which the consolidated entity has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are not accounted for using the equity method of accounting, due to materiality. Investments in listed securities are recorded at fair value and unlisted securities are recorded at the lower of cost and fair value.

#### *(iii) Joint ventures*

Joint venture operations

Interests in the assets, liabilities and expenses of joint venture operation are incorporated in the financial statements under the appropriate headings. Details of the joint venture are set out in note 32.

### (c) Foreign currency translation

#### *(i) Functional and presentation currency*

Items included in the financial statements of each of the consolidated entities are measured using the currency of the primary economic environment in which the entity operations (the functional currency). The consolidated financial statements are presented in Australian dollars, which is QUT's functional and presentation currency.

#### *(ii) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the income statement.

#### *(iii) Consolidated entity companies*

The results and financial position of all the consolidated entity's subsidiaries (none of which has the currency of a hyperinflationary economy) do not have a functional currency different from the presentation currency.

### (d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The consolidated entity recognises revenue when: the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the consolidated entity; and specific criteria have been met for each of consolidated entity's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The consolidated entity

## 1 Summary of Significant Accounting Policies continued

### (d) Revenue recognition continued

bases estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

#### *(i) Government Grants*

QUT treats operating grants received from Australian Government entities as income in the year of receipt (refer note 2). Grants are recognised at fair value where QUT obtains control of the right to receive the grant, it is likely that economic benefits will flow to QUT and it can be reliably measured.

#### *(ii) Student fees and charges*

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such income is treated as income in advance. Fees and charges relating to debtors are recognised as revenue in the year to which the prescribed course relates.

#### *(iii) Human resources*

Contract revenue is recognised in line with the percentage of the service performed. Other human resources revenue is recognised when the service is provided.

#### *(iv) Lease income*

Lease income from operating leases is recognised in income on a straight-line basis over the lease term, where material.

#### *(v) Sale of goods*

Revenue from the sale of goods is recognised upon the delivery of the goods to customers.

### (e) Income tax

QUT is exempt from income tax under Subdivision 50 B of the Income Tax Assessment Act 1997, however the following subsidiaries are not:

- GeneCo Pty Ltd
- Brisbane Business School Pty Ltd
- QUT Enterprise Holdings Pty Ltd
- QUT Enterprise Holdings Trust
- qutbluebox Pty Ltd
- QUT bluebox Trust
- Creative Industries Precinct Pty Ltd

For the 2013 Financial Statements, the consolidated entity has not incurred an income tax liability. However, should an income tax liability be incurred in the future, deferred tax assets will be recognised for unused tax losses in cases where it is probable that future taxable amounts will be available to utilise those losses.

Income tax on cumulative timing differences will also be set aside to the deferred tax liability or the deferred tax asset account at the rates which are expected to apply when those timing differences reverse.

### (f) Leases

Leases of property, plant and equipment where the consolidated entity, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases (refer note 19). As at 31 December 2013, the consolidated entity had not entered into any finance leases.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases (refer note 29). Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis over the period of the lease, where material.

Lease income from operating leases is recognised in income on a straight-line basis over the lease term, where material.

## 1 Summary of Significant Accounting Policies continued

### (g) Business combinations

The purchase method of accounting is used to account for all business combinations, including business combinations involving entities or businesses under common control, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange.

### (h) Impairment of assets

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Value in use is assessed as the depreciated replacement cost of land, buildings and leasehold improvements and the depreciated cost of other property, plant and equipment.

### (i) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, term deposits, and other short-term, highly liquid investments. These investments have original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

### (j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial, as their carrying amount is assumed to approximate their fair value.

Trade and other receivables are due for settlement within 21 days. Debtors arising from student fees are recognised at the amounts receivable, as sanctions are applied to students who do not pay. Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off.

A provision for impairment of receivables is established when there is objective evidence that the consolidated entity will not be able to collect all the amounts due according to the original terms of receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 90 days overdue) are considered indicators that the trade receivable is impaired. The amount of the provision is recognised in the income statement.

The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recorded in the income statement against 'impairment of assets'. When a trade receivable is uncollectable, it is written off against the allowance account for trade receivables, with subsequent recovery of amounts previously written off credited against 'impairment of assets' in the income statement.

### (k) Inventories

#### *(i) Raw materials and stores*

Raw materials and stores are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and other costs directly attributable to the acquisition of the item. Costs are assigned to individual items of inventory on the basis of weighted average cost. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

#### *(ii) Bookshop*

Inventories are stated at the lower of cost and net realisable value. Cost is determined using a weighted average method of calculation.

## 1 Summary of Significant Accounting Policies continued

### (l) Non-current assets (or disposal groups) held for sale and discontinued operations

Non-current assets (or disposal groups) are classified as held for sale and stated at the lower of their carrying amount and fair value less costs of disposal, if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale, that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale.

As at 31 December 2013, the consolidated entity did not have any non-current assets (or disposal groups) held for sale or any discontinued operations.

### (m) Investments and other financial assets

The consolidated entity classifies its investments in the following categories; financial assets at fair value through profit or loss; loans and receivables; and available for sale financial assets. Management determines the classification of its investments at initial recognition and re-evaluates this designation at each reporting date.

#### *(i) Financial assets at fair value through profit or loss*

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets in this category are classified as current assets, if acquired principally for the purpose of selling in the short term, or as non-current assets if management does not intend to dispose of the investment within 12 months of the statement of financial position date.

The University classifies a portion of its investments with Queensland Investment Corporation (QIC) as non-current assets, which represent the endowment funds. These investments are used to fund scholarships, prizes, sponsorships and research initiatives.

#### *(ii) Loans and receivables*

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are included in current assets, except for those with maturities greater than 12 months after the balance sheet date which are classified as non-current assets. Loans and receivables are included in receivables in the statement of financial position.

#### *(iii) Available-for-sale financial assets*

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless management intends to dispose of the investment within 12 months of the balance sheet date.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities.

### (n) Derivatives

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The University designates certain derivatives as either; (1) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedges).

#### *(i) Fair value hedge*

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

## 1 Summary of Significant Accounting Policies continued

### (n) Derivatives continued

#### *(ii) Cash flow hedge*

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement within other income or other expense.

Amounts that have been recognised in other comprehensive income are reclassified from equity to profit or loss as a reclassification adjustment in the periods when the hedged item affects profit or loss (for instance when the forecast sale that is hedged takes place). The gain or loss relating to the effective portion of forward foreign exchange contracts hedging export sales is recognised in the income statement within 'sales'.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss that has been recognised in other comprehensive income from the period when the hedge was effective shall remain separately in equity until the forecast transaction occurs. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was recognised in other comprehensive income shall be reclassified to profit or loss as a reclassification adjustment.

#### *(iii) Derivatives that do not qualify for hedge accounting*

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statement and are included in other income or other expenses.

### (o) Fair value measurement

The fair value of assets and liabilities must be measured for recognition and disclosure purposes.

The consolidated entity classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value of assets or liabilities traded in active markets (such as available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (Level 1). The quoted market price used for assets held by the consolidated entity is the most representative of fair value in the circumstances within the bid-ask spread.

For those assets or liabilities that are not traded in active markets other valuation techniques are applied, including adopting the investee's net assets as a fair value measure.

Fair value measurement of non-financial assets is based on the *highest and best use* of the asset. The consolidated entity considers market participants use of, or purchase price of the asset, to use it in a manner that would be highest and best use.

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

### (p) Property, plant and equipment

Asset recognition thresholds:

#### *(i) Land*

Land purchased with a value equal to or greater than \$1 is recorded at cost.

#### *(ii) Buildings (including heritage buildings and land improvements)*

Buildings (including heritage buildings and land improvements) constructed since the last revaluation with a value equal to or greater than \$10,000 are initially recorded at cost.

## 1 Summary of Significant Accounting Policies continued

### (p) Property, plant and equipment continued

Buildings which are capable of disaggregation into significant components are recorded as complex assets, so that the significant components and their remaining service potential are identified and depreciated independently to provide more reliable and relevant information. Buildings which are not capable of disaggregation into significant components are recorded as minor buildings.

Heritage buildings are entered or provisionally entered on the Queensland Heritage Register pursuant to the Queensland Heritage Act 1992.

#### *(iii) Major plant and equipment*

This asset class may be used at management discretion and includes assets with high price volatility, for example, specialised vehicles, shipping vessels and earthmoving equipment. The consolidated entity has not classified any assets within the 'Major plant and equipment' category.

#### *(iv) Plant and equipment*

Plant and equipment with a value equal to or greater than \$5,000 is initially recorded at cost. However, plant and equipment donated to the consolidated entity is recorded at the consolidated entity's estimate of fair value in the year of donation.

#### *(v) Leasehold improvement assets*

Leasehold improvement assets with a value equal to or greater than \$10,000 are initially recorded at cost.

#### *(vi) Library – Reference*

The consolidated entity does not hold any assets within the 'Library – Reference' category.

#### *(vii) Heritage and cultural assets*

Art collection purchases are initially recorded at cost. However, artwork donated to the consolidated entity is recorded at the consolidated entity's estimate of fair value in the year of donation.

### **Depreciation**

Depreciation on an asset is calculated using the straight line method to allocate cost (or re-valued amount), net of residual value over estimated useful life. An asset's useful life is reviewed and adjusted if necessary each year. The following is a schedule of useful lives allocated to new assets:

<i>Category</i>	<i>Life (years)</i>
Buildings	20 - 100
Plant and equipment:	
- Motor vehicles	5
- IT equipment	3 - 8
- Other plant and equipment	3 - 20
Leasehold improvement assets	Unexpired period of lease
Heritage and cultural assets	100 - 120

Assets are depreciated from the month after acquisition or, in respect of buildings, land improvements and leasehold improvements constructed, from the month after the asset is completed and ready for use. Land is not depreciated.

The majority of the consolidated entity's land is reserved for educational purposes under the *Land Act 1994 (Queensland)*. The consolidated entity cannot sell this land or the assets which attach to it without Queensland Government permission.

## 1 Summary of Significant Accounting Policies continued

### (p) Property, plant and equipment continued

#### Revaluations

The following information outlines the revaluation basis and frequency for each asset class:

##### *(i) Land*

An independent valuation of land, based on fair value, is carried out at least every five years and indexed in intervening years. In accordance with these requirements the next independent valuation will occur in 2014.

##### *(ii) Buildings (including heritage and land improvements)*

An independent valuation of buildings (including heritage and land improvements), based on fair value, being depreciated replacement cost, is carried out at least every five years and is indexed in intervening years. In accordance with these requirements the next independent valuation will occur in 2016.

In accordance with Queensland State Treasury policy, accumulated depreciation is restated following revaluation, to reflect the lapsed utility in the asset, with the change in the gross carrying amount of the asset. The carrying amount of the asset after revaluation therefore equals its revalued amount.

Increases in the carrying amount arising from revaluation of buildings are credited to the asset revaluation reserve in other comprehensive income. However, if the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement to the extent of the original decrease. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves through other comprehensive income to the extent of the remaining reserves attributable to the asset class, all other decreases are charged to the income statement.

##### *(iii) Plant and equipment*

All plant and equipment is recorded at cost and is not independently valued or indexed.

##### *(iv) Leasehold improvement assets*

All leasehold improvement assets above \$10,000 are recorded at cost and are not independently valued or indexed.

##### *(v) Heritage and cultural assets*

An external, independent valuation of the QUT Museum collections, based on fair value, being current market value, is carried out at least every five years and indexed in intervening years. In accordance with these requirements the next independent valuation of the museum art collections will occur in 2016.

Increases in the carrying amount arising from revaluation of the art collection are credited to asset revaluation reserve in other comprehensive income. However, if the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement to the extent of the original decrease. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserves attributable to the asset, all other decreases are charged to the income statement.

Revaluation increments and decrements may only be offset against one another within a class of non-current assets.

#### Indexations

Indexation is undertaken annually across a range of asset classes within property, plant and equipment, when an independent valuation is not scheduled to take place (refer note 19).

### (q) Intangible assets

##### *(i) Research and development*

Expenditure on research activities is recognised in the income statement as an expense when it is incurred.

Expenditure on development activities, including software development, relating to the design and testing of a new or improved product is recognised as an intangible asset after considering whether: it is commercially and technically feasible; it is probable that the project will be completed and will generate future economic benefits;

## 1 Summary of Significant Accounting Policies continued

### Intangible assets continued

its cost can be measured reliably; and the cost is greater than \$100,000. The capitalised expenditure comprises all directly attributable costs, including costs of materials, services and direct labour. Other development expenditure is recognised in the income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit, which varies from 3 to 10 years.

#### *(ii) Computer software*

Computer software is stated at historical cost less amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the University and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Computer software is amortised using the straight line method to allocate the cost over the period of the expected benefit, which varies from 3 to 15 years.

#### *(iii) Trademarks and licences*

During the reporting period, the consolidated entity did not hold any significant trademarks or licences.

### **(r) Unfunded superannuation**

The consolidated entity does not have any unfunded superannuation liabilities.

### **(s) Trade and other payables**

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within agreed trading terms.

### **(t) Borrowings**

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the University has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

### **(u) Employee benefits**

#### *(i) Key executive management personnel and remuneration*

Key executive management personnel and remuneration disclosures are made in accordance with Australian Government Department of Education Guidelines and the Financial Reporting Requirements for Queensland Government Agencies issued by Queensland Treasury.

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the University during 2013.

## 1 Summary of Significant Accounting Policies continued

### (u) Employee benefits continued

Position	Responsibilities	Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Vice-Chancellor	The Vice-Chancellor (VC) is responsible for the operation of the University.	The QUT Act provides University Council with the authority to approve recommendations to appoint the VC and the VC's remuneration is determined by the Chancellor's Committee on delegation from QUT Council.	Appointed April 2003
Deputy Vice-Chancellor, Academic	The Deputy Vice-Chancellor (DVC), Academic is responsible for the academic standards of the University.	The VC has the authority to appoint the DVC, Academic and determine remuneration as set out in the QUT Manual of Policies and Procedures (MOPP)	Appointed March 2012
Deputy Vice-Chancellor, Corporate Programs & Partnerships	The DVC, Corporate Programs & Partnerships is responsible to the VC for leading growth of the University's corporate education.	The VC has the authority to appoint the DVC, Corporate Programs & Partnerships as set out in the QUT MOPP	Appointed May 2012
Deputy Vice-Chancellor, International & Development	The DVC, International and Development is head of the Division of International and Development, and is responsible to the VC for leading the University's international, development and engagement activities.	The VC has the authority to appoint the DVC, International & Development as set out in the QUT MOPP	Appointed February 2008
Deputy Vice-Chancellor, Learning & Teaching	The DVC, Learning and Teaching is responsible to the VC for leading improvements and advancements in teaching and learning quality in the University.	The VC has the authority to appoint the DVC, Learning & Teaching as set out in the QUT MOPP	Appointed February 2011
Deputy Vice-Chancellor, Research and Commercialisation	The DVC, Research and Commercialisation is head of the Division of Research and Commercialisation and is responsible to the VC for leading the University's research and commercialisation agendas.	The VC has the authority to appoint the DVC Research and Commercialisation as set out in the QUT MOPP	Appointed January 2008
Deputy Vice-Chancellor, Technology, information & Learning support	The DVC, Technology, Information and Learning Support is head of the Division of Technology, Information and Learning Support, and is responsible to the VC for leading and coordinating the University's technology, information and learning support functions.	The VC has the authority to appoint the DVC, Technology, information & Learning support as set out in the QUT MOPP	Appointed July 2003 Retired December 2013
Executive Director, Finance & Resource Planning	The Executive Director, Finance and Resource Planning is head of the Division of Finance and Resource Planning, and is responsible to the VC for the finances and planning functions of the University.	The VC has the authority to appoint the Executive Director, Finance & Resource Planning as set out in the QUT MOPP	Appointed March 2009
Registrar & Head, Administrative Services	The Registrar is head of the Division of Administrative Services, Secretary to Council and the chief administrative officer of the University, responsible to the VC for the administration of the University.	The VC has the authority to appoint the Registrar as set out in the QUT MOPP	Appointed May 2012

### Remuneration

The University seeks external advice and considers relevant benchmarking data when considering changes to remuneration for key executive management personnel.

Remuneration for the university's key executive management personnel is determined by the Vice-Chancellor and reviewed by the Chancellor's Committee. The remuneration for the Vice-Chancellor is determined by the Chancellor's Committee. Remuneration and other terms of employment for the key executive management personnel are outlined in the Employee Collective Agreement (Senior Staff) 2009-2012 (which rolls on until renegotiated, replaced or terminated) and under individual employment contracts. University policy provides for the provision of performance related bonuses and other benefits which can include motor vehicles.

## 1 Summary of Significant Accounting Policies continued

### (u) Employee benefits continued

Remuneration packages for key executive management personnel comprise the following components:

Short term employee benefits which include:

- Base – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
- Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Long term employee benefits include long service leave accrued.

Post-employment benefits include superannuation contributions.

Redundancy for non-contracted appointments, the Employee Collective agreement provides the notice period to be given. For contracted staff the individual employment contract will provide the terms and conditions of redundancy that will apply.

Performance bonuses may be paid or payable annually depending upon satisfaction of key criteria. Performance payments of the key executive management are capped at 10% of total fixed remuneration and the Vice-Chancellor's is capped at 15%. In exceptional circumstances QUT policy does allow for a bonus of 20% of total fixed remuneration. The amounts payable are tied to the achievement of predetermined individual targets and organisational performance. The Vice-Chancellor's bonus is determined by the Chancellors Committee and approved by QUT Council.

#### *(ii) Annual leave*

The liability for annual leave is recognised in current provisions for employee benefits as it is due to be settled within 12 months after the end of the reporting period. It is measured at the amount expected to be paid when the liability is settled. Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

#### *(iii) Wages and salaries*

Liabilities for wages and salaries, including non-monetary benefits, expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Liabilities for sick leave are recognised when the leave is taken and measured at the rates paid or payable.

#### *(iv) Long service leave*

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to anticipated future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that approximate the estimated future cash outflows.

#### *(v) Retirement benefit obligations*

Employees of the consolidated entity are entitled to benefits on retirement, disability or death from the consolidated entity's superannuation plan. The consolidated entity has a defined benefit division and a defined contribution division within its plan. The defined benefit division provides a defined lump sum benefit or pension based on years of service and final average salary.

The UniSuper Defined Benefit Division (DBD), which is the predominant plan within the University, is a defined benefit plan under superannuation law however, as a result of amendments to Clause 34 of the UniSuper Trust Deed; it is deemed a defined contribution plan under Accounting Standard AASB 119 Employee Benefits. The DBD receives fixed contributions from the consolidated entity and the consolidated entity's legal or constructive obligation is limited to these contributions. Additionally, any actuarial risk and investment risk falls on the consolidated entity's employees.

## 1 Summary of Significant Accounting Policies continued

### (u) Employee benefits continued

#### *(vi) Termination Benefits*

Termination benefits are payable when employment is terminated before the nominated appointment end date, or when an employee accepts voluntary redundancy in exchange for these benefits. QUT recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance date are discounted to present value.

### (v) Rounding of amounts

The financial statements preparation software (CaseWare) used within QUT for the preparation of these statements, has an automatic rounding function which sums all accounts in a mapping group before rounding to the nearest \$1,000.

Rounding adjustments are off set against inventories in the statement of financial position.

### (w) Goods and services tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

### (x) Arrangements containing a lease

In accordance with AASB Interpretation 4 Determining whether an arrangement contains a lease, the consolidated entity has determined that the following arrangement conveys the right to use an asset and has accounted for it in accordance with AASB 117 Leases:

#### *(i) Caboolture Campus Shared Use Agreement*

The agreement permits the shared use of the Caboolture Campus and facilities by QUT and The Brisbane North Institute of TAFE.

### (y) Investment property

During the reporting period, the University did not hold any investment properties.

### (z) Comparative amounts

Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

### (aa) Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of the amount determined in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets* and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

## 1 Summary of Significant Accounting Policies continued

### (aa) Financial guarantee contracts continued

Where guarantees in relation to loans or other payables of subsidiaries or associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

### (ab) New accounting standards and interpretations

The following standards have been issued / reissued and have effective dates that make adoption mandatory for the 1 January 2013 to 31 December 2013 reporting period.

AASB13 – Fair Value Measurement.

AASB119 – Employee Benefits.

AASB2011-8 – Amendments arising from AASB13 Fair Value.

AASB2011-9 – Presentation of Items of Other Comprehensive Income.

AASB2011-10 – Amendments arising from AASB119.

AASB2012-2 – Disclosures - Offsetting Financial Assets and Financial Liabilities.

AASB2012-3 – Offsetting Financial Assets and Financial Liabilities.

AASB2012-5 – Annual Improvements 2009-2011 Cycle.

AASB2012-6 – Mandatory Effective date of AASB9 and Transition Disclosures for AASB10.

Below is a brief description of the changes including impacts on the Financial Statements Guidelines for each of these standards.

#### AASB13 – Fair Value Measurement

This standard defines fair value and sets out a framework for measurement and the associated disclosures required. The definition, measurement methods and disclosures apply when another standard requires or permits fair value measurements or disclosures unless otherwise specified in paragraphs 6 and 7.

The concept of fair value is that it is a market-based measurement and not subject to the entity's use of the asset or liability. Observable market transactions are to be used to measure fair value where possible. In the instance that they are not readily available, an entity is to use a valuation technique that maximises use of observable inputs and minimises the use of unobservable inputs. It is expected that fair valuations use the same assumptions that market participants would use. Both observable and unobservable inputs are defined by the Standard.

This Standard requires additional disclosures that enable users of the financial statements to assess the valuation techniques and inputs used to develop the fair value measurements and the effect of the measurements on profit or loss or other comprehensive income. Assets and liabilities reported at fair value are to be categorised into a three tiered hierarchy dependent on the availability of data used in their valuation. The disclosures are to be presented in tabular format and are to contain quantitative information on the assets and liabilities reported at fair value, the method used to value them and any relevant information on inputs.

#### AASB119 – Employee Benefits

The revised AASB 119 clarifies the concept of "termination benefits", and the recognition criteria for liabilities for termination benefits will be different. If termination benefits meet the timeframe criterion for "short term employee benefits", they will be measured according to the AASB 119 requirements for "short term employee benefits". Otherwise, termination benefits will need to be measured according to the AASB 119 requirements for "other long term employee benefits".

AASB2011-8 - No significant changes. This standard amends a list of standards due to the introduction of AASB13. The definition of Fair Value as per AASB13 does not apply to AASB2, but instead measures FV in accordance within the Standard. AASB3 is amended to require fair value to be measured instead of determined or estimated.

AASB2011-9 - No significant changes. This standard amends the terminology of the Income Statement to Profit or Loss and Other Comprehensive Income. It also changes the requirement to group items in OCI on the basis of whether they are potentially re-classifiable to profit and loss subsequently.

AASB2011-10 - No significant changes. This standard amends several others for changes in AASB119, including changing the wording of actuarial gains and losses to re-measurements of defined benefit plans.

## 1 Summary of Significant Accounting Policies continued

### (ab) New accounting standards and interpretations continued

AASB2012-2 - No significant changes. This standard introduces a section to AASB7 for disclosures required for offsetting financial assets and financial liabilities in accordance with AASB137.42 and associated application guidance paragraphs in the Appendix. Although this standard is effective 1 Jan 2013, AASB7 is not effective for NFP until 1 Jan 2014. Early adoption is permitted.

AASB2012-3 - No significant changes. This standard amends AASB132 Application Guidance providing further explanation around the criterion for paragraphs 42 (a); when an entity currently has a legally re-enforceable right to set off recognised amounts and 42 (b); when an entity intends to settle on a net basis, or realise the asset and settle the liability simultaneously.

AASB2012-5 - No significant changes.

AASB2012-6 - This standard requires the fair value of investments shall be measured according to AASB13 not AASB9, if AASB9 is adopted early.

AASB101 - Several new paragraphs have been inserted around the requirement of comparative information for preceding periods and clarification of when and what is required.

AASB116 - Clarification of classification of spare parts, stand-by equipment and servicing equipment either as PPE or inventory.

AASB132 - Tax on interest, dividends, losses or gains relating to financial instruments is to be treated in accordance with AASB112.

The following standards are applicable for NFPs on or after 1 January 2014 and early adoption is not permitted.

AASB9 – Financial Instruments (1 Jan 2015).

AASB10 – Consolidated Financial Statements (1 Jan2014).

AASB11 – Joint Arrangements (1 Jan2014).

AASB12 – Disclosure of Interest in Other Entities (1 Jan2014).

AASB127 – Consolidated and Separate Financial Statements (1 Jan 2014).

AASB128 – Investments in Associates and Joint Ventures (1 Jan 2014.)

AASB1053 – Application of Tiers of Australian Accounting Standards (1 July 2013).

AASB1055 – Budgetary Reporting (1 July 2014).

AASB2010-7 – Amendments arising from AASB9 (1 Jan2015).

AASB2011-7 – Amendments arising from the Consolidation and Joint Arrangements Standards (1 Jan2014).

AASB2012-3 – Amendments - Offsetting Financial Assets and Financial Liabilities (1 Jan2014).

AASB2012-10 – Transition Guidance AASB10.

### (ac) Issuance of financial statements

The QUT Council has approved the financial statements upon recommendation from the Audit and Risk Management Committee. The financial statements are authorised for issue by the Chancellor, Vice-Chancellor and Director, Corporate Finance (Chief Finance Officer) at the date of signing the Management Certificate.

### (ad) Non-adjusting events after the end of the reporting period

None.

## 1 Summary of Significant Accounting Policies continued

### (ae) Prior period adjustment

In 2013 as part of a review of the lease provisions an error was identified in the calculation of the provisions. Simple interest had been used instead of compounding interest in the calculation. The provision has now been corrected through a prior period adjustment.

*Restated Income Statement:*

	Consolidated			Parent		
	Restated 31/12/2012	Restatement Adjustment In 2012	Original 31/12/2012	Restated 31/12/2012	Restatement Adjustment In 2012	Original 31/12/2012
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>REVENUE FROM CONTINUING OPERATIONS</b>						
Fees and charges	166,820	(230)	167,050	166,845	(230)	167,075
<b>Total revenue from continuing operations</b>	<b>850,961</b>	<b>(230)</b>	<b>851,191</b>	<b>851,291</b>	<b>(230)</b>	<b>851,521</b>
<b>Total revenue and income from continuing operations</b>	<b>876,008</b>	<b>(230)</b>	<b>876,238</b>	<b>872,850</b>	<b>(230)</b>	<b>873,080</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>						
Other expenses	242,917	1,937	240,980	242,268	1,937	240,331
<b>Total expenses from continuing operations</b>	<b>775,343</b>	<b>1,937</b>	<b>773,406</b>	<b>772,482</b>	<b>1,937</b>	<b>770,545</b>
<b>Operating result attributable to members of Queensland University of Technology</b>	<b>100,665</b>	<b>(2,167)</b>	<b>102,832</b>	<b>100,368</b>	<b>(2,167)</b>	<b>102,535</b>

*Restated Statement of Financial Position:*

	Consolidated						Parent					
	Restated 31/12/2012	Restatement Adjustment In 2012	Original 31/12/2012	Restated 01/01/2012	Restatement Adjustment	Original 31/12/2011	Restated 31/12/2012	Restatement Adjustment In 2012	Original 31/12/2012	Restated 01/01/2012	Restatement Adjustment	Original 31/12/2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>												
<b>Current assets</b>												
Receivables	119,776	3,287	116,489	50,641	3,516	47,125	119,506	3,287	116,219	50,228	3,516	46,712
<b>Total current assets</b>	<b>453,820</b>	<b>3,287</b>	<b>450,533</b>	<b>313,697</b>	<b>3,516</b>	<b>310,181</b>	<b>449,631</b>	<b>3,287</b>	<b>446,344</b>	<b>310,986</b>	<b>3,516</b>	<b>307,470</b>
<b>Total non-current assets</b>	<b>1,136,432</b>	<b>0</b>	<b>1,136,432</b>	<b>1,028,608</b>	<b>0</b>	<b>1,028,608</b>	<b>1,140,108</b>	<b>0</b>	<b>1,140,108</b>	<b>1,030,598</b>	<b>0</b>	<b>1,030,598</b>
<b>Total assets</b>	<b>1,590,252</b>	<b>3,287</b>	<b>1,586,965</b>	<b>1,342,305</b>	<b>3,516</b>	<b>1,338,789</b>	<b>1,589,739</b>	<b>3,287</b>	<b>1,586,452</b>	<b>1,341,584</b>	<b>3,516</b>	<b>1,338,068</b>
<b>Liabilities</b>												
<b>Current liabilities</b>												
<b>Total current liabilities</b>	<b>197,998</b>		<b>197,998</b>	<b>109,011</b>		<b>109,011</b>	<b>197,606</b>		<b>197,606</b>	<b>108,341</b>		<b>108,341</b>
<b>Non-current liabilities</b>												
Other liabilities	6,803	2,067	4,736	4,560	129	4,431	6,803	2,067	4,736	4,560	129	4,431
<b>Total non-current liabilities</b>	<b>104,966</b>		<b>102,899</b>	<b>34,880</b>	<b>129</b>	<b>34,751</b>	<b>104,922</b>		<b>102,855</b>	<b>34,701</b>	<b>129</b>	<b>34,572</b>
<b>Total liabilities</b>	<b>302,964</b>		<b>300,897</b>	<b>143,891</b>	<b>129</b>	<b>143,762</b>	<b>302,528</b>		<b>300,461</b>	<b>143,042</b>	<b>129</b>	<b>142,913</b>
<b>Net assets</b>	<b>1,287,288</b>	<b>1,220</b>	<b>1,286,068</b>	<b>1,198,414</b>	<b>3,387</b>	<b>1,195,027</b>	<b>1,287,211</b>	<b>1,220</b>	<b>1,285,991</b>	<b>1,198,542</b>	<b>3,387</b>	<b>1,195,155</b>
<b>Equity</b>												
Reserves	317,586		317,586	361,386		361,386	317,568		317,568	361,276		361,276
Retained earnings	969,702	1,220	968,482	837,028	3,387	833,641	969,643	1,220	968,423	837,266	3,387	833,879
Parent entity interest	1,287,288	1,220	1,286,068	1,198,414	3,387	1,195,027	1,287,211	1,220	1,285,991	1,198,542	3,387	1,195,155
<b>Total equity</b>	<b>1,287,288</b>	<b>1,220</b>	<b>1,286,068</b>	<b>1,198,414</b>	<b>3,387</b>	<b>1,195,027</b>	<b>1,287,211</b>	<b>1,220</b>	<b>1,285,991</b>	<b>1,198,542</b>	<b>3,387</b>	<b>1,195,155</b>

**2 Australian government financial assistance including HECS-HELP and other Australian government loan**

**(a) Commonwealth Grants Scheme and Other Grants**

	Note	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Commonwealth grants scheme <sup>#1</sup>		238,867	233,130	238,867	233,130
Indigenous support fund		1,649	1,354	1,649	1,354
Partnership & participation program <sup>#2</sup>		12,287	16,391	12,287	16,391
Transitional cost program		-	478	-	478
Promotion of excellence in learning and teaching		465	248	465	248
Reward funding		577	551	577	551
<b>Total Commonwealth Grants Scheme and Other Grants</b>	36(a)	<b>253,845</b>	<b>252,152</b>	<b>253,845</b>	<b>252,152</b>

**(b) HELP - Australian Government Payments**

HECS - HELP		170,020	150,819	170,020	150,819
FEE - HELP <sup>#3</sup>		20,852	13,356	20,852	13,356
SA-HELP		3,622	837	3,622	837
<b>Total HELP - Australian Government Payments <sup>#3a</sup></b>	36(b)	<b>194,494</b>	<b>165,012</b>	<b>194,494</b>	<b>165,012</b>

**(c) Scholarships**

Australian postgraduate awards		7,721	6,855	7,721	6,855
International postgraduate research scholarships		652	612	652	612
Commonwealth education costs scholarship <sup>#4</sup>		(480)	1,198	(480)	1,198
Commonwealth accommodation scholarships <sup>#4</sup>		(33)	171	(33)	171
Indigenous access scholarships		22	417	22	417
Indigenous staff scholarships		43	-	43	-
<b>Total Scholarships</b>	36(c)	<b>7,925</b>	<b>9,253</b>	<b>7,925</b>	<b>9,253</b>

**(d) DIISR Research**

Joint research engagement program <sup>#5</sup>		8,911	9,539	8,911	9,539
Research training scheme		18,735	17,416	18,735	17,416
Research infrastructure block grants		3,370	3,666	3,370	3,666
Sustainable research excellence in universities		2,363	2,449	2,363	2,449
<b>Total DIISR Research</b>	36(d)	<b>33,379</b>	<b>33,070</b>	<b>33,379</b>	<b>33,070</b>

**2 Australian government financial assistance including HECS-HELP and other Australian government loan continued**

**(e) Other Capital Funding**

	Note	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Education Investment Fund		-	12,500	-	12,500
<b>Total Other Capital Funding</b>	36(e)	-	12,500	-	12,500

**(f) Australian Research Council**

**(i) Discovery**

Projects	5,800	4,907	5,800	4,907
Fellowships	4,575	4,306	4,575	4,306
<b>Total Discovery</b>	<b>10,375</b>	<b>9,213</b>	<b>10,375</b>	<b>9,213</b>

**(ii) Linkages**

Special research initiatives	1,230	-	1,230	-
Infrastructure	140	425	140	425
Projects	5,356	6,884	5,356	6,884
<b>Total Linkages</b>	<b>6,726</b>	<b>7,309</b>	<b>6,726</b>	<b>7,309</b>

**(iii) Networks and Centres**

Centres	2,226	2,160	2,226	2,160
<b>Total Networks and Centres</b>	<b>2,226</b>	<b>2,160</b>	<b>2,226</b>	<b>2,160</b>

**(iv) Other**

ARC Unexpended	(2)	(51)	(2)	(51)
<b>Total other ARC</b>	<b>(2)</b>	<b>(51)</b>	<b>(2)</b>	<b>(51)</b>

**Total Australian Research Council**

36(f)	<b>19,325</b>	<b>18,631</b>	<b>19,325</b>	<b>18,631</b>
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**(g) Other Australian Government Financial Assistance**

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Non-capital</b>				
National Health & Medical Research Council (NHMRC)	8,560	6,827	8,560	6,827
AUSAID	6,921	7,330	6,921	7,330
Department of Innovation, Industry, Science and Research	3,117	1,068	3,117	826
Department of Health & Ageing	2,139	3,271	2,139	3,271
Sugar Research & Development Corporation	1,567	1,256	1,567	1,256
Department of Agriculture, Fisheries & Forestry	1,044	1,114	1,044	1,114
Health Workforce Australia	600	1,928	600	1,928

**2 Australian government financial assistance including HECS-HELP and other Australian government loan continued**

**(g) Other Australian Government Financial Assistance continued**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
DEEWR Indigenous Tutorial Assistance Scheme	597	265	597	265
Grains Research & Development Corporation	483	360	483	360
University of Queensland	420	22	420	22
Department of Defence	327	717	327	717
Horticulture Australia Ltd	283	75	283	75
Beyond Blue Ltd	240	-	240	-
CSIRO ICT Centre	217	33	217	33
University of Sydney	189	101	189	101
DMTC Ltd	123	37	123	37
Australia Council	120	175	120	175
La Trobe University	88	-	88	-
Financial Markets Foundation for Children	79	49	79	49
Cotton Research & Development Corporation	70	-	70	-
Dementia CRC	64	-	64	-
Brisbane Green Heart CitySmart Pty Ltd	62	-	62	-
Australian Learning & Teaching Council	60	454	60	454
Department of Families, Housing, Community Services & Indigenous Affairs	53	-	53	-
Australian Customs & Border Protection Services	50	50	50	50
Queensland Dairyfarmers Organisation	49	190	49	190
Australian Bureau of Statistics	45	-	45	-
Department of Immigration & Citizenship	45	-	45	-
Australian Catholic University	44	-	44	-
Rural Industries Research & Development Corporation	36	36	36	36
RMIT University	29	14	29	14
Australian Institute of Criminology	24	22	24	22
Australian Research Council	23	150	23	150
University of South Australia	20	21	20	21
University of Wollongong	20	20	20	20
Safe Work Australia	20	20	20	20
University of Technology Sydney	20	16	20	16
Curtin University	20	14	20	14
Department of Foreign Affairs & Trade	6	15	6	15

**2 Australian government financial assistance including HECS-HELP and other Australian government loan continued**

**(g) Other Australian Government Financial Assistance continued**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Griffith University	3	36	3	36
Murdi Paaki Regional enterprise Corp	-	100	-	100
Australian Council of the Deans of Education	-	71	-	71
Australian Federal Police	-	40	-	40
National ICT Australia	-	37	-	37
Deakin University	-	37	-	37
Department of Infrastructure, Transport, Regional Development & Local Government	-	25	-	25
Diving Australia Inc.	-	5	-	5
Australian Centre for International Agricultural Research (ACIAR)	-	1	-	1
University of Tasmania	-	(9)	-	(9)
Other	116	98	116	98
<b>Total Other Australian Government Financial Assistance</b>	<b>27,993</b>	<b>26,091</b>	<b>27,993</b>	<b>25,849</b>
<b>Total Australian Government Financial Assistance</b>	<b>536,961</b>	<b>516,709</b>	<b>536,961</b>	<b>516,467</b>

- #1 Includes the basic CGS grant amount, CGS Regional Loading, CGS Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.
- #2 Partnership and participation program funding, which includes Equity Support Program, decreased by \$4.104 million due to receiving multi-year funding in 2012 of \$12.7 million.
- #3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.
- #3a HELP payments increased by \$29.482 million due to higher enrolments under demand driven funding, changes to up-front discounts and a full year of SA HELP, which was only introduced for second half of 2012.
- #4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively and all prior year amounts returned in 2013.
- #5 Includes Institutional Grants Scheme.

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Reconciliation</b>				
Australian Government Grants (a + c + d + e + f + g + h)	342,467	351,697	342,467	351,455
HECS - HELP	170,020	150,819	170,020	150,819
FEE - HELP	20,852	13,356	20,852	13,356
SA-HELP	3,622	837	3,622	837
<b>Total Australian Government Financial Assistance</b>	<b>536,961</b>	<b>516,709</b>	<b>536,961</b>	<b>516,467</b>

**2 Australian government financial assistance including HECS-HELP and other Australian government loan continued**

**(h) Australian Government Grants received - cash basis**

	Note	Consolidated		Parent	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
CGS and Other DIISRTE Grants		253,844	252,151	253,844	252,151
Higher Education Loan Programmes		194,123	167,091	194,123	167,091
Scholarships		7,924	9,253	7,924	9,253
DIISR research		33,379	33,071	33,379	33,071
Other Capital Funding		-	12,500	-	12,500
ARC grants - Discovery		10,158	9,185	10,158	9,185
ARC grants - Linkages		6,478	6,710	6,478	6,710
ARC grants - Networks and Centres		1,939	1,867	1,939	1,867
Other Australian Government Grants		27,993	26,515	27,993	26,514
<b>Total Australian Government Grants received - cash basis</b>		<b>535,838</b>	<b>518,343</b>	<b>535,838</b>	<b>518,342</b>
OS-Help (Net)	36(g)	1,608	996	1,608	996
<b>Total Australian Government funding received - cash basis</b>		<b>537,446</b>	<b>519,339</b>	<b>537,446</b>	<b>519,338</b>

**3 State and local government financial assistance**

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Non-capital</b>				
State government financial assistance	10,299	15,440	10,299	15,436
Local government financial assistance	30	18	30	18
<b>Total</b>	<b>10,329</b>	<b>15,458</b>	<b>10,329</b>	<b>15,454</b>
<b>Total State and Local Government Financial Assistance</b>	<b>10,329</b>	<b>15,458</b>	<b>10,329</b>	<b>15,454</b>

State government financial assistance has decreased due to a reduction in drawdowns of IBF and Smart State loans and reduced allowance for debt forgiveness in 2013: \$1.667 million (2012: \$6.39 million).

**4 Fees and charges**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
<b>Course Fees and Charges</b>				
Fee-paying overseas students <sup>#1</sup>	136,274	129,050	136,274	129,050
Continuing education	8,604	7,182	8,506	7,067
Fee-paying domestic postgraduate students <sup>#2</sup>	8,671	10,320	8,671	10,320
Fee-paying domestic undergraduate students	6,297	6,484	6,297	6,484
Fee-paying domestic non-award students	93	304	93	304
Other domestic course fees and charges	50	12	50	12
<b>Total Course Fees and Charges</b>	<b>159,989</b>	<b>153,352</b>	<b>159,891</b>	<b>153,237</b>
<b>Other Non-Course Fees and Charges</b>				
Facilities hire fees	1,411	1,063	1,397	1,048
Health services fees	868	797	868	797
Late fees	192	205	192	205
Library photocopier fees	1,265	1,287	1,265	1,287
Parking fees <sup>#3</sup>	4,522	3,628	4,598	3,670
Registration fees	782	634	782	634
Rental charges <sup>#4</sup>	3,766	3,057	4,218	3,170
Student accommodation	84	85	84	85
Student services and amenities fees <sup>#5</sup>	3,062	2,200	3,062	2,200
Other fees and charges	567	512	567	512
<b>Total Other Fees and Charges</b>	<b>16,519</b>	<b>13,468</b>	<b>17,033</b>	<b>13,608</b>
<b>Total Fees and Charges</b>	<b>176,508</b>	<b>166,820</b>	<b>176,924</b>	<b>166,845</b>

#1 Fee Paying Overseas Students' revenue increase was driven by the approved fees increase and growth in Fee paying for overseas students EFTSL which increased from 4,771 (2012) to 4,918 (2013).

#2 There was a \$4 million increase in Domestic Postgraduate revenue, which has been offset by a large increase in Fee Help deferrals (refer note 2).

#3 Short term parking increased due to the new SEC building (Gardens Point) opening in April 2013 and other casual parking increasing in line with the new SEC parking costs and increased availability (24 hour access).

#4 New tenancies in the new SEC building (Gardens Point) has increased rental revenue receipts. Rental charges 2012 comparative figure has been adjusted by \$230,000 for a prior adjustment. It was previously \$3.4 million in 2012.

#5 The increase in Student Services and Amenities fees in 2013 is reflective of a full 12 months fee compared to only 6 months since its introduction in 2012. Also note an increase in SA-Help (refer note 2).

**5 Investment revenue and income**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Investment revenue</b>				
Interest	7,810	9,245	7,719	9,152
Realised investment gains	15,048	10,824	15,048	10,824
<b>Total investment revenue</b>	<b>22,858</b>	<b>20,069</b>	<b>22,767</b>	<b>19,976</b>
<b>Other investment income</b>				
Unrealised investment gains	20,789	25,023	15,978	21,535
<b>Total other investment income</b>	<b>20,789</b>	<b>25,023</b>	<b>15,978</b>	<b>21,535</b>
<b>Net investment income</b>	<b>43,647</b>	<b>45,092</b>	<b>38,745</b>	<b>41,511</b>

The net present value adjustments to interest free Queensland Government Smart State and Innovation Building Fund loans are reported in unrealised investment gains 2013: \$1.974 million (2012: \$7.578 million).

**6 Royalties, trademarks and licences**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Royalties	11	550	1	414
<b>Total royalties, trademarks and licences</b>	<b>11</b>	<b>550</b>	<b>1</b>	<b>414</b>

Royalties decreased due to the ceasing in 2012 of contract / licence agreements with Curtin University and Acid Vision / World project.

**7 Consultancy and contracts**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Consultancy	18,749	33,709	18,111	33,336
Contract research	29,165	24,288	29,592	24,719
<b>Total consultancy and contracts</b>	<b>47,914</b>	<b>57,997</b>	<b>47,703</b>	<b>58,055</b>

In 2012, the University received and recognised revenue for a multi-year funding agreement from the Federal Government for the Focus School Next Steps Initiative. Funding was received as follows (2012: \$10.5 million; 2013: \$3.2 million). Consultancy and contract research was further impacted by the reduction of tenders released by AusAid during 2013.

**8 Revenue and Other Income**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Other revenue</b>				
Donations and bequests	12,268	9,572	12,268	9,572
Scholarships and prizes	716	698	716	698
Non-government grants	17,768	16,801	18,319	17,014
Sale of goods	8,203	8,525	8,203	8,525
Recoveries	9,316	10,198	9,847	10,743
Sponsorships	1,154	1,513	1,154	1,519
Other	1,828	2,563	1,703	2,521
<b>Total other revenue</b>	<b>51,253</b>	<b>49,870</b>	<b>52,210</b>	<b>50,592</b>

**9 Employee related expenses**

<b>Academic</b>				
Salaries and wages	170,014	161,239	170,014	161,239
Contributions to superannuation and pension schemes - Funded	27,890	25,809	27,890	25,809
Payroll tax	10,164	9,422	10,164	9,422
Worker's compensation	362	568	362	568
Long service leave expense	4,013	6,084	4,013	6,084
Annual leave	15,262	12,011	15,262	12,011
Parental leave expense	1,532	1,195	1,532	1,195
<b>Total academic</b>	<b>229,237</b>	<b>216,328</b>	<b>229,237</b>	<b>216,328</b>
<b>Non-academic</b>				
Salaries and wages	187,958	176,225	186,097	174,264
Contributions to superannuation and pension schemes - Funded	30,466	28,061	30,298	27,927
Payroll tax	11,286	10,381	11,192	10,340
Worker's compensation	459	266	452	262
Long service leave expense	3,404	5,614	3,404	5,614
Annual leave	19,334	17,550	19,320	17,533
Parental leave expense	1,914	1,518	1,914	1,518
<b>Total non-academic</b>	<b>254,821</b>	<b>239,615</b>	<b>252,677</b>	<b>237,458</b>
<b>Total employee related expenses</b>	<b>484,058</b>	<b>455,943</b>	<b>481,914</b>	<b>453,786</b>

**10 Depreciation and amortisation**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Depreciation</b>				
Buildings	33,013	27,695	33,013	27,695
Plant and equipment	12,310	10,115	12,300	10,096
<b>Total depreciation</b>	<b>45,323</b>	<b>37,810</b>	<b>45,313</b>	<b>37,791</b>
<b>Amortisation</b>				
Leasehold improvements	6,445	6,695	6,424	6,680
Intangibles	3,242	3,190	3,242	3,183
<b>Total amortisation</b>	<b>9,687</b>	<b>9,885</b>	<b>9,666</b>	<b>9,863</b>
<b>Total depreciation and amortisation</b>	<b>55,010</b>	<b>47,695</b>	<b>54,979</b>	<b>47,654</b>

**11 Repairs and maintenance**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Buildings	10,960	11,734	10,960	11,727
Non-capitalised construction	8,558	2,911	8,558	2,911
Computing	8,891	8,567	8,896	8,567
Equipment	938	852	938	852
Other	1,371	1,392	1,361	1,391
<b>Total repairs and maintenance</b>	<b>30,718</b>	<b>25,456</b>	<b>30,713</b>	<b>25,448</b>

**12 Borrowing costs**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Interest charges	3,588	2,815	3,588	2,815
<b>Total borrowing costs expensed</b>	<b>3,588</b>	<b>2,815</b>	<b>3,588</b>	<b>2,815</b>

**13 Impairment of assets**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Doubtful debts written off	192	516	203	516
Change in provision for bad and doubtful debts	(793)	(114)	(793)	(116)
<b>Total impairment of assets</b>	<b>(601)</b>	<b>402</b>	<b>(590)</b>	<b>400</b>

**14 Other expenses**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Scholarships, grants and prizes	55,282	53,461	55,282	53,461
Non-capitalised equipment <sup>#1</sup>	19,284	14,939	19,199	14,919
Advertising, marketing and promotional expenses	11,792	10,517	11,640	10,395
Audit fees, bank charges, legal costs and insurance expenses	6,311	5,876	6,232	5,793
General consumables	10,761	8,872	10,761	8,840
Printing and stationery	3,373	3,629	3,366	3,621
Rental, hire and other leasing fees <sup>#2</sup>	19,049	15,961	19,053	15,947
Telecommunications	2,819	3,182	2,794	3,155
Travel and related staff development and training	25,242	24,082	25,113	23,939
Consultants and contractors	40,486	38,153	39,415	37,868
Commission	8,310	9,496	8,310	9,496
Cost of sales	5,414	5,092	5,414	5,092
Contributions to collaborative projects <sup>#3</sup>	24,547	20,845	24,559	20,864
Library acquisitions	11,108	10,838	11,108	10,838
Utilities	12,468	11,043	12,468	11,042
Act of grace and special payments	8	-	8	-
Other	7,400	6,931	7,375	6,998
<b>Total other expenses</b>	<b>263,654</b>	<b>242,917</b>	<b>262,097</b>	<b>242,268</b>

#1 Non-capitalised equipment has increased due to fit-out of the Science and Engineering Centre.

#2 Rental, hire and other leasing fees 2012 comparative figure has been adjusted by \$1.937 million for a prior period adjustment. It was previously \$14.010 million in 2012 Parent.

#3 Contributions to collaborative projects has increased due to additional contributions made to the Translational Research Institute.

**15 Cash and cash equivalents**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	11,840	13,322	7,329	9,464
Deposits at call	53,119	62,309	53,119	62,309
Term deposits	100,000	60,000	100,000	60,000
<b>Total cash and cash equivalents</b>	<b>164,959</b>	135,631	<b>160,448</b>	131,773

**(a) Reconciliation to cash at the end of the year**

The above figures are reconciled to cash at the end of the year as shown in the statement of cash flows as follows:

Balances as above	164,959	135,631	160,448	131,773
Balance as per cash flow statement	164,959	135,631	160,448	131,773

**(b) Cash at bank and on hand**

Cash at bank is an interest bearing account with interest received monthly. The effective interest rate as at 31 December 2013 was 2.00% (2012: 2.50%).

**(c) Deposits at call**

Deposits at call are interest bearing on floating interest rates. The effective interest rate as at 31 December 2013 was 3.67% (2012: 4.29%). These deposits are held with QTC and are redeemable subject to the following notice periods: up to \$20 million, 10:00am the same day; between \$20 million and \$50 million, 4:00pm the business day before and more than \$50 million, at least 2 business days before.

**(d) Term deposits**

Term deposits are bearing floating interest rates between 3.56% and 4.65% (2012: 4.80% and 6.11%). These deposits have an average maturity of 105 days (2012: 95 days).

## 16 Receivables

		Consolidated		Parent	
		2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000
	Note		(Restated)		(Restated)
<b>Current</b>					
Student fees <sup>#1</sup>		3,383	78,327	3,383	78,327
Provision for impairment		(181)	(77)	(181)	(77)
		3,202	78,250	3,202	78,250
Student loans		291	258	291	258
Provision for impairment		(155)	(137)	(155)	(137)
		136	121	136	121
Trade receivables		18,115	19,357	17,804	19,232
Provision for impairment		(2,439)	(3,361)	(2,432)	(3,342)
		15,676	15,996	15,372	15,890
Prepayments		15,183	13,903	15,156	13,848
GST receivable		2,398	1,581	2,290	1,472
Accrued revenue <sup>#2</sup>		13,069	9,925	13,069	9,925
		30,650	25,409	30,515	25,245
<b>Total current receivables</b>		<b>49,664</b>	119,776	<b>49,225</b>	119,506
<b>Non-current</b>					
Prepayments		40,308	41,389	40,308	41,389
<b>Total non-current receivables</b>		<b>40,308</b>	41,389	<b>40,308</b>	41,389
<b>Total receivables</b>		<b>89,972</b>	161,165	<b>89,533</b>	160,895

#1 The value of student debtors decreased by \$74.9 million. In 2012 continuing students were open to enrol from December and the amount was shown as Unearned Revenue. In 2013 no income for 2014 is included as a debtor. Any amounts paid for 2014 teaching periods have been moved to Income in Advance. Unearned Revenue also shows a corresponding decrease (refer note 24).

#2 Accrued revenue 2012 comparative figure has been adjusted upwards by \$3.287 million for a prior period adjustment. It was previously \$6.638 million in 2012 Parent.

**16 Receivables continued**

**(a) Impaired receivables**

As at 31 December 2013 current receivables of the University with a nominal value of \$2.787 million (2012: \$3.575 million) were impaired, comprising student fees of \$181,000 (2012: \$77,000); student loans of \$155,000 (2012: \$137,000); and trade receivables of \$2.451 million (2012: \$3.361 million).

The ageing of these receivables is as follows:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Student fees</b>		
Under 3 months	-	5
3 to 6 months	1	16
Over 6 months	180	57
	<b>181</b>	<b>78</b>
<b>Student loans</b>		
Under 3 months	44	47
3 to 6 months	22	23
Over 6 months	89	67
	<b>155</b>	<b>137</b>
<b>Trade</b>		
Over 3 months	2,439	3,361
	<b>2,439</b>	<b>3,361</b>

As at 31 December 2013, trade receivables that were past due but not impaired totalled \$6.729 million (2012: \$6.856 million) and student fees of \$486,000 (2012: \$496,000). A large portion of the outstanding debt is owed by government agencies, which is considered recoverable.

The ageing analysis of these receivables is as follows:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Student fees</b>		
Under 3 months	277	209
3 to 6 months	209	287
	<b>486</b>	<b>496</b>
<b>Trade</b>		
Under 3 months	6,729	6,856
	<b>6,729</b>	<b>6,856</b>

**16 Receivables continued**

**(a) Impaired receivables continued**

Movements in the provision for impaired receivables are as follows:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Student fees</b>		
At 1 January	77	129
Provision for impairment recognised during the year	208	77
Receivables written off during the year as uncollectible	(27)	(154)
Unused amount reversed	(77)	(129)
<b>At 31 December</b>	<b>181</b>	<b>(77)</b>
<b>Student loans</b>		
At 1 January	137	87
Provision for impairment recognised during the year	164	173
Receivables written off during the year as uncollectible	(9)	(36)
Unused amount reversed	(137)	(87)
<b>At 31 December</b>	<b>155</b>	<b>137</b>
<b>Trade</b>		
At 1 January	3,361	3,828
Provision for impairment recognised during the year	2,529	3,741
Receivables written off during the year as uncollectible	(90)	(380)
Unused amount reversed	(3,361)	(3,828)
<b>At 31 December</b>	<b>2,439</b>	<b>3,361</b>

**(b) Financial assets classified as loans and receivables**

The carrying amounts of the group's receivables are denominated in the following currencies:

	<b>Consolidated</b>	
	<b>2013</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>
Australian dollars	87,721	161,061
US dollars	1,984	-
Euro	173	42
HK dollars	75	62
GB pounds	19	-
	<b>89,972</b>	<b>161,165</b>
Current receivables	49,664	119,776
Non-current receivables	40,308	41,389
	<b>89,972</b>	<b>161,165</b>

A summarised analysis of the sensitivity of receivables to foreign exchange and interest rate risk can be found in note 34.

**16 Receivables continued**

**(c) Fair value and credit risk**

Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value.

**17 Inventories**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
<b>At cost:</b>				
Inventories including Bookshop	3,102	3,091	3,102	3,094
<b>Total inventories</b>	<b>3,102</b>	<b>3,091</b>	<b>3,102</b>	<b>3,094</b>

**18 Other financial assets**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
<b><i>Fair value through profit or loss</i></b>				
Managed investment funds	245,891	195,258	245,891	195,258
<b><i>Available for sale</i></b>				
Listed securities	52	64	-	-
<b>Total current other financial assets</b>	<b>245,943</b>	<b>195,322</b>	<b>245,891</b>	<b>195,258</b>
<b>Non-Current</b>				
<b><i>Fair value through profit or loss</i></b>				
Shares in subsidiaries	-	-	4,077	3,861
Managed investment funds	47,445	35,764	47,445	35,764
Listed securities	2,559	2,538	2,559	2,538
Unlisted securities	893	783	893	783
<b><i>Available for sale financial assets</i></b>				
Listed securities	132	159	-	-
<b>Total non-current other financial assets</b>	<b>51,029</b>	<b>39,244</b>	<b>54,974</b>	<b>42,946</b>
<b>Total other financial assets</b>	<b>296,972</b>	<b>234,566</b>	<b>300,865</b>	<b>238,204</b>

Changes in fair values of other financial assets are recorded in the income statement, excluding Leaf Energy Ltd which is an available for sale financial asset and changes are recorded in the statement of changes in equity through other comprehensive income.

**19 Property, plant and equipment**

Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the current financial year:

Parent	Construction in progress \$'000	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Leasehold improvement \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>As at January 2012</b>							
<b>Opening net book amount</b>							
- Cost	108,304	-	-	106,256	61,937	79	276,576
- Valuation	-	229,260	811,390	-	-	22,459	1,063,109
- Accumulated depreciation	-	-	(339,149)	(55,519)	(18,279)	-	(412,947)
<b>Net book amount</b>	<b>108,304</b>	<b>229,260</b>	<b>472,241</b>	<b>50,737</b>	<b>43,658</b>	<b>22,538</b>	<b>926,738</b>
<b>Year ended 31 December 2012</b>							
Opening net book amount	108,304	229,260	472,241	50,737	43,658	22,538	926,738
Revaluation	-	(17,673)	5,525	-	-	450	(11,698)
Additions	131,288	-	4,524	21,359	-	177	157,348
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(456)	-	-	(456)
Depreciation charge	-	-	(27,695)	(10,096)	(6,680)	-	(44,471)
Reclassifications	(4,535)	-	-	-	-	-	(4,535)
<b>Closing net book amount</b>	<b>235,057</b>	<b>211,587</b>	<b>454,595</b>	<b>61,544</b>	<b>36,978</b>	<b>23,165</b>	<b>1,022,926</b>
<b>As at 31 December 2012</b>							
- Cost	235,058	-	4,524	121,056	56,378	210	417,226
- Valuation	-	211,587	821,010	-	-	22,955	1,055,552
- Accumulated depreciation	-	-	(370,939)	(59,513)	(19,400)	-	(449,852)
<b>Net book amount</b>	<b>235,058</b>	<b>211,587</b>	<b>454,595</b>	<b>61,543</b>	<b>36,978</b>	<b>23,165</b>	<b>1,022,926</b>

19 Property, plant and equipment continued

Parent	Construction in progress \$'000	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Leasehold improvement \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>Year ended 31 December 2013</b>							
<b>Opening net book amount</b>							
- Cost	235,058	-	4,524	121,056	56,378	210	417,226
- Valuation	-	211,587	821,010	-	-	22,955	1,055,552
- Accumulated depreciation	-	-	(370,939)	(59,513)	(19,400)	-	(449,852)
<b>Net book amount</b>	<b>235,058</b>	<b>211,587</b>	<b>454,595</b>	<b>61,543</b>	<b>36,978</b>	<b>23,165</b>	<b>1,022,926</b>
<b>Year ended 31 December 2013</b>							
<b>Opening net book amount</b>							
Revaluation	235,058	211,587	454,595	61,543	36,978	23,165	1,022,926
Additions	-	(150)	(39,684)	-	-	694	(39,140)
Assets included in a disposal group classified as held for sale and other disposals	30,748	-	211,351	21,646	4,829	1,023	269,597
Depreciation charge	-	-	(150)	(440)	-	(15)	(605)
Reclassification	(227,848)	-	(33,013)	(12,300)	(6,424)	-	(51,737)
<b>Closing net book amount</b>	<b>37,958</b>	<b>211,437</b>	<b>593,099</b>	<b>70,449</b>	<b>35,383</b>	<b>24,867</b>	<b>973,193</b>
<b>As at 31 December 2013</b>							
- Cost	37,958	-	9,268	136,240	61,207	1,057	245,730
- Valuation	-	211,437	967,324	-	-	23,810	1,202,571
- Accumulated depreciation	-	-	(383,494)	(65,791)	(25,824)	-	(475,109)
<b>Net book amount</b>	<b>37,958</b>	<b>211,437</b>	<b>593,098</b>	<b>70,449</b>	<b>35,383</b>	<b>24,867</b>	<b>973,192</b>

19 Property, plant and equipment continued

Consolidated	Construction in progress \$'000	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Leasehold improvement \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>As at January 2012</b>							
<b>Opening net book amount</b>							
- Cost	108,304	-	-	106,417	62,010	79	276,810
- Valuation	-	229,260	811,390	-	-	22,459	1,063,109
- Accumulated depreciation	-	-	(339,149)	(55,651)	(18,330)	-	(413,130)
<b>Net book amount</b>	108,304	229,260	472,241	50,766	43,680	22,538	926,789
<b>Year ended 31 December 2012</b>							
Opening net book amount	108,304	229,260	472,241	50,766	43,680	22,538	926,789
Revaluation	-	(17,673)	5,525	-	-	450	(11,698)
Additions	131,289	-	4,524	21,365	-	177	157,355
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(461)	-	-	(461)
Depreciation charge	-	-	(27,695)	(10,116)	(6,695)	-	(44,506)
Reclassifications	(4,535)	-	-	-	-	-	(4,535)
<b>Closing net book amount</b>	235,058	211,587	454,595	61,554	36,985	23,165	1,022,944
<b>As at 31 December 2012</b>							
- Cost	235,058	-	4,524	121,218	56,451	210	417,461
- Valuation	-	211,587	821,010	-	-	22,955	1,055,552
- Accumulated depreciation	-	-	(370,939)	(59,664)	(19,466)	-	(450,069)
<b>Net book amount</b>	235,058	211,587	454,595	61,554	36,985	23,165	1,022,944

Assets included in a disposal group classified as held for sale and other disposals

19 Property, plant and equipment continued

Consolidated	Construction in progress \$'000	Land \$'000	Buildings \$'000	Property, plant and equipment \$'000	Leasehold improvement \$'000	Other Property, Plant and Equipment \$'000	Total \$'000
<b>As at January 2013</b>							
<b>Opening net book amount</b>	235,058	-	4,524	121,218	56,451	210	417,461
- Cost	-	211,587	821,010	-	-	22,955	1,055,552
- Valuation	-	-	(370,939)	(59,664)	(19,466)	-	(450,069)
- Accumulated depreciation							
<b>Net book amount</b>	235,058	211,587	454,595	61,554	36,985	23,165	1,022,944
<b>Year ended 31 December 2013</b>							
<b>Opening net book amount</b>	235,058	211,587	454,595	61,554	36,985	23,165	1,022,944
Revaluation	-	(150)	(39,685)	-	-	694	(39,141)
Additions	30,748	-	211,351	21,646	4,829	1,023	269,597
Assets included in a disposal group classified as held for sale and other disposals	-	-	(150)	(440)	-	(15)	(605)
Depreciation charge	-	-	(33,013)	(12,304)	(6,424)	-	(51,741)
Reclassifications	(227,848)	-	-	(7)	(7)	-	(227,862)
<b>Closing net book amount</b>	37,958	211,437	593,098	70,449	35,383	24,867	973,192
<b>As at 31 December 2013</b>							
- Cost	37,958	-	9,268	136,348	61,207	1,057	245,838
- Valuation	-	211,437	967,324	-	-	23,810	1,202,571
- Accumulated depreciation	-	-	(383,494)	(65,899)	(25,824)	-	(475,217)
<b>Net book amount</b>	37,958	211,437	593,098	70,449	35,383	24,867	973,192

**19 Property, plant and equipment continued**

**(a) Valuations of land and buildings**

The consolidated entity's land values are indexed using rates provided by an independent valuer on a 'per campus' basis. In 2013 the consolidated entity's land values were indexed as follows: Gardens Point campus 0%, Kelvin Grove campus 0%, Samford and Newstead properties -4% (2012 Gardens Point campus -5%, Kelvin Grove campus -10%, Samford property -10% and Newstead property -5%). The next independent valuation of land is due in 2014 as detailed in note 1(p).

The consolidated entity indexes buildings (including heritage and land improvements) using rates from the Australian Bureau of Statistics. Buildings were indexed using the 'Non-residential Construction Implicit Price Deflator Total Non-residential Building' -1.3% in 2013 and land improvements using the 'Engineering Construction Work Done Implicit Price Deflator' -0.7% in 2013. The next independent valuation of buildings is in 2016 as detailed in note 1(p).

The University's heritage and cultural assets are indexed using rates provided by the University's Art Curator: 3% in 2013 (2% in 2012).

**(b) Non-current assets pledged as security**

There are no non-current assets pledged as security by QUT or any of its controlled entities.

**(c) Valuation of other property, plant and equipment**

The University's heritage and cultural assets are indexed using rates provided by the University's Art Curator: 3% in 2013 (2% in 2012). The next independent valuation of the museum collections is due in 2016 as detailed in note 1(p).

## 20 Intangible Assets

	Software under development \$'000	Software at cost \$'000	Total \$'000
<b>Consolidated</b>			
<b>At 1 January 2012</b>			
Cost	1,624	44,280	45,904
Accumulated amortisation	-	(11,229)	(11,229)
<b>Net book amount</b>	<b>1,624</b>	<b>33,051</b>	<b>34,675</b>
<b>Year ended 31 December 2012</b>			
Opening net book amount	1,624	33,051	34,675
Additions	1,696	1,014	2,710
Disposals	-	(88)	(88)
Amortisation charge	-	(3,190)	(3,190)
Reclassification	(1,252)	-	(1,252)
<b>Closing net book amount</b>	<b>2,068</b>	<b>30,787</b>	<b>32,855</b>
<b>At 31 December 2012</b>			
Cost	2,068	43,276	45,344
Accumulated amortisation	-	(12,489)	(12,489)
<b>Net book amount</b>	<b>2,068</b>	<b>30,787</b>	<b>32,855</b>
<b>At 1 January 2013</b>			
Cost	2,068	43,276	45,344
Accumulated amortisation	-	(12,489)	(12,489)
<b>Net book amount</b>	<b>2,068</b>	<b>30,787</b>	<b>32,855</b>
<b>Year ended 31 December 2013</b>			
Opening net book amount	2,068	30,787	32,855
Additions	1,389	214	1,603
Amortisation charge	-	(3,242)	(3,242)
Reclassification	(534)	(8)	(542)
<b>Closing net book amount</b>	<b>2,923</b>	<b>27,751</b>	<b>30,674</b>
<b>At 31 December 2013</b>			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
<b>Net book amount</b>	<b>2,923</b>	<b>27,751</b>	<b>30,674</b>

Software under development includes capitalisation of internally generated software.

**20 Intangible Assets continued**

	Software under development \$'000	Software at cost \$'000	Total \$'000
<b>Parent</b>			
<b>At 1 January 2012</b>			
Cost	1,624	44,266	45,890
Accumulated amortisation	-	(11,225)	(11,225)
<b>Net book amount</b>	<b>1,624</b>	<b>33,041</b>	<b>34,665</b>
<b>Year ended 31 December 2012</b>			
Opening net book amount	1,624	33,041	34,665
Additions	1,696	1,009	2,705
Disposals	-	(88)	(88)
Amortisation charge	-	(3,183)	(3,183)
Reclassifications	(1,252)	-	(1,252)
<b>Closing net book amount</b>	<b>2,068</b>	<b>30,779</b>	<b>32,847</b>
<b>At 31 December 2012</b>			
Cost	2,068	43,257	45,325
Accumulated amortisation	-	(12,478)	(12,478)
<b>Net book amount</b>	<b>2,068</b>	<b>30,779</b>	<b>32,847</b>
<b>At 1 January 2013</b>			
Cost	2,068	43,257	45,325
Accumulated amortisation	-	(12,478)	(12,478)
<b>Net book amount</b>	<b>2,068</b>	<b>30,779</b>	<b>32,847</b>
<b>Year ended 31 December 2013</b>			
Opening net book amount	2,068	30,779	32,847
Additions	1,389	214	1,603
Disposals	-	-	-
Amortisation charge	-	(3,242)	(3,242)
Reclassifications	(534)	-	(534)
<b>Closing net book amount</b>	<b>2,923</b>	<b>27,751</b>	<b>30,674</b>
<b>At 31 December 2013</b>			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
<b>Net book amount</b>	<b>2,923</b>	<b>27,751</b>	<b>30,674</b>

Software under development includes capitalisation of internally generated software.

**21 Trade and other payables**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Trade payables	8,016	10,888	7,696	10,842
Accrued expenses	23,847	29,395	23,437	29,174
OS-HELP liability to Australian Government	293	56	293	56
Other payables	13	170	13	170
<b>Total current trade and other payables</b>	<b>32,169</b>	<b>40,509</b>	<b>31,439</b>	<b>40,242</b>
<b>Non-current</b>				
Trade payables	88	-	-	-
<b>Total non-current trade and other payables</b>	<b>88</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total trade and other payables</b>	<b>32,257</b>	<b>40,509</b>	<b>31,439</b>	<b>40,242</b>

OS HELP is a loan scheme to assist eligible undergraduate students to undertake some of their course of study overseas.

Due to the short term nature of current trade creditors, the carrying value is assumed to approximate the fair value.

A change in practice occurred to reallocate manually accounted payables to accrued expenses. The change occurred to allow trade creditors to purely reflect that which is displayed within the QUT finance system.

The decrease in the accrued expenses is attributable to the inclusion in 2012 of the final commitments for the Science and Engineering Centre of \$6.3 million.

Other payables declined as the centre management of the Sustainable Built Environment National Research Centre transferred to Curtin University in 2013.

## 22 Borrowings

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
<b>Unsecured</b>				
Queensland Treasury Corporation loans (commercial)	1,127	899	1,127	899
Total current unsecured borrowings	1,127	899	1,127	899
<b>Total current borrowings</b>	<b>1,127</b>	<b>899</b>	<b>1,127</b>	<b>899</b>
<b>Non-current</b>				
<b>Unsecured</b>				
Queensland Government loans (non-commercial)	20,921	19,407	20,921	19,407
Queensland Treasury Corporation loans (commercial)	75,069	58,319	75,069	58,319
Total non-current unsecured borrowings	95,990	77,726	95,990	77,726
<b>Total non-current borrowings</b>	<b>95,990</b>	<b>77,726</b>	<b>95,990</b>	<b>77,726</b>
<b>Total borrowings</b>	<b>97,117</b>	<b>78,625</b>	<b>97,117</b>	<b>78,625</b>

The Queensland Government, through the Smart State Research Facilities Fund and the Innovation Building Fund, has lent a total of \$69.63 million, which has a net present value of \$20.921 million. All Smart State Research Facility Fund loans and Innovation Building Fund loans have now been received. These loans are interest free with repayments commencing in the 11<sup>th</sup> year of the 30 year term.

The University was granted approval to borrow a total of \$125 million through QTC for the following infrastructure projects; \$78 million to finance part of the construction costs of the Science and Engineering Centre and \$47 million to finance part of the construction cost of the Creative Industries Precinct Phase II. The borrowings will be repaid over a period of 30 years subject to terms and conditions negotiated with QTC. The \$78 million has been drawdown for the Science and Engineering Centre and the \$47 million for the Creative Industries Precinct Phase II is planned to be drawn down over 2014.

Under the State's Borrowing Program, the University has access to an \$11.5 million working capital loan facility through QTC. The working capital loan facility, which is a temporary overdraft (limit of up to 30 days) used for cash flow management, was not accessed during 2013.

### (a) Interest rate risk exposure

Details of the University's exposure to interest rate changes on interest bearing liabilities are set out in financial risk management (refer note 34).

### (b) Fair value measurement

Details of fair value of interest bearing liabilities of the University are set out in fair value measurements (refer note 35).

### (c) Security

The University does not have any assets pledged as security for current interest bearing liabilities.

The carrying amounts of the University's borrowings are denominated in the following currencies, for an analysis of the sensitivity of borrowings to interest rate risk and foreign exchange risk refer to note 34.

**22 Borrowings continued**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
Australian dollar	97,117	78,625	97,117	78,625
	<b>97,117</b>	<b>78,625</b>	<b>97,117</b>	<b>78,625</b>

**23 Provisions**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Current provisions expected to be settled within 12 months</b>				
Employee benefits				
Annual leave	25,058	21,411	24,952	21,301
Long service leave	4,324	4,296	4,324	4,296
Parental leave	424	374	424	374
<b>Subtotal</b>	<b>29,806</b>	<b>26,081</b>	<b>29,700</b>	<b>25,971</b>
<b>Current provisions expected to be settled after 12 months</b>				
Employee benefits				
Annual leave	10,173	8,054	10,173	8,054
Long service leave	30,284	30,087	30,284	30,087
<b>Subtotal</b>	<b>40,457</b>	<b>38,141</b>	<b>40,457</b>	<b>38,141</b>
<b>Total current provisions</b>	<b>70,263</b>	<b>64,222</b>	<b>70,157</b>	<b>64,112</b>
<b>Non-current provisions</b>				
Employee benefits				
Long service leave	21,780	20,437	21,717	20,393
<b>Total non-current provisions</b>	<b>21,780</b>	<b>20,437</b>	<b>21,717</b>	<b>20,393</b>
<b>Total provisions</b>	<b>92,043</b>	<b>84,659</b>	<b>91,874</b>	<b>84,505</b>

The current liability provision reflects an entitlement currently due to employees. This current liability has been split into two categories i.e. settlements expected within 12 months and settlements expected after more than 12 months. This split is estimated based on historical trends and probability.

The non-current liability provision reflects those employee entitlements which are not classified as current and is also based on historical trends and probability.

Annual leave provision: reflects the amount of annual leave accrued as at 31 December 2013. This increase in leave provision is primarily due to a growth in fixed term academic appointments and a change in University policy in 2011 in response to changes in the Fair Work Australia Act, which allows Academic staff to accrue annual leave up to 40 days.

Long service leave provision: reflects the accumulated cost of long service leave accrued as at 31 December 2013. The current provision reflects entitlements for employees with over 10 years of service. The non-current provision reflects the accumulated cost of long service leave for employees with under 10 years' service.

Parental leave provision: reflects the accumulated cost of parental leave accrued as at 31 December 2013. The increase is due predominantly to the value of parental leave days carried forward.

**24 Other liabilities**

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
<b>Current</b>				
Advances other	38	6	38	6
Unearned revenue	27,361	92,362	27,342	92,347
<b>Non-current</b>				
Lease expenses	4,374	4,004	4,374	4,004
Unearned revenue	1,252	2,799	1,252	2,799
Total non-current other liabilities	5,626	6,803	5,626	6,803
<b>Total other liabilities</b>	<b>33,025</b>	<b>99,171</b>	<b>33,006</b>	<b>99,156</b>

Lease expenses reflect the difference between actual and straight line payments for operating leases held by the University as at 31 December 2013. Lease expenses were previously disclosed under provisions. Accrued revenue 2012 Parent comparative figure has been adjusted by \$2.067 million for a prior period restatement. It was previously \$1.937 million.

Unearned revenue consists of student fees received in advance and unearned as at 31 December 2013. The 2012 result included \$84.454 million of fees for 2013 teaching periods mainly from enrolled continuing students. In 2013 the fees for future teaching periods are not included in unearned revenue, unless the student has paid in advance. The 2013 decrease in unearned revenue (\$65 million) is reflected in a corresponding decrease in student debtors balances (refer note 16).

Unearned revenue also includes a building lease incentive which is being amortised over the life of the lease term through to October 2016. This lease incentive was received in 2009 and the residual amount consists of a non-current component \$1.252 million (2012: \$2.799 million) and a current component \$2.569 million (2012: \$2.289 million).

## 25 Reserves and retained surplus

### (a) Reserves

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Reserves</b>				
Property, plant and equipment revaluation reserve	278,394	317,568	278,394	317,568
Available-for-sale revaluation reserve	(19)	18	-	-
Endowment fund reserve	-	-	-	-
<b>Total Reserves</b>	<b>278,375</b>	<b>317,586</b>	<b>278,394</b>	<b>317,568</b>
<b>Movements</b>				
<b>Property, plant and equipment revaluation reserve</b>				
Balance 01 January	317,568	329,267	317,568	329,267
Revaluation - gross	(39,143)	(11,699)	(39,137)	(11,699)
Reclassification	(31)	-	(37)	-
<b>Balance 31 December</b>	<b>278,394</b>	<b>317,568</b>	<b>278,394</b>	<b>317,568</b>
<b>Available-for-sale asset revaluation reserve</b>				
Balance 01 January	18	110	-	-
Revaluation - gross	(37)	(92)	-	-
<b>Balance 31 December</b>	<b>(19)</b>	<b>18</b>	<b>-</b>	<b>-</b>
<b>Endowment reserve</b>				
Balance 01 January	-	32,009	-	32,009
Transfers - retained surplus	-	(32,009)	-	(32,009)
<b>Balance 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total reserves</b>	<b>278,375</b>	<b>317,586</b>	<b>278,394</b>	<b>317,568</b>

### (b) Retained earnings

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Retained surplus at 1 January	969,702	837,028	969,643	837,266
Operating result for the year	56,321	100,665	56,304	100,368
Prior movement in retained earnings	31	-	37	-
Transfers - Endowment fund	-	32,009	-	32,009
<b>Retained earnings at 31 December</b>	<b>1,026,054</b>	<b>969,702</b>	<b>1,025,984</b>	<b>969,643</b>

**25 Reserves and retained surplus continued**

**(c) Nature and purpose of reserves**

*(i) Property, plant and equipment revaluation reserve*

The property, plant and equipment revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in note 1(p).

*(ii) Available for sale asset revaluation reserve*

Changes in the fair value and exchange differences arising on translation of investments, classified as available for sale financial assets, are taken to the available for sale investments revaluation reserve.

*(iii) Endowment fund reserve*

The endowment fund reserve was used to record movements in the value of the fund which is held in perpetuity for the benefit of future students through the provision of scholarships and bursaries.

In March 2012 Queensland Treasury issued APG 15 Framework for the Approval of General Reserves, in relation to the Financial Reporting Requirements for Queensland Government Agencies, to provide guidance to agencies in relation to the approval for the creation of reserves other than those reserves required under specific Australian accounting standards. APG 15 states that the use of general reserves other than in exceptional circumstances is not supported by Treasury and therefore the continuance of the Endowment Reserve is no longer supported and has been transferred to Retained earnings as at 31 December 2012. The balance of the Endowment Fund as at 31 December 2013 was \$47.163 million (2012: \$35.533 million), refer note 18.

## 26 Key Management Personnel Disclosures

### (a) Names of responsible persons and executive officers

The following were responsible persons and executive officers of Queensland University of Technology or its subsidiaries during the financial year:

Chancellor	Mr T Fairfax, AM	
Deputy Chancellor	Dr J Puttick	(Appointed 15 March 2013)
Vice-Chancellor	Prof P Coaldrake, AO	
Chair, University Academic Board	Prof C Dickenson	
Nominees of the Governor in Council	Mr W Enoch	
	Mr H Nalder	
	Dr J Puttick	
	Dr L Perry	
	Ms R Vilgan	
	Mr M Pennisi	
	Ms J Parker	
	Mr W Tapp	
Nominees of Council	Ms T Handicott	(Appointed 01 March 2013)
	Vacant	
Elected professional staff	Mr R Hall	
	Dr S Nielsen	
Elected academic staff	Dr L Duffield	
	A/Prof P Heywood	
	A/Prof C Anderson	
Elected student members	Ms S Percival	
	Mr W Taylor	
Elected alumni members	Dr T Baker	
	Ms J Robertson	
Secretary	Ms S Lorenzo	
Directors of Creative Industries Precinct Pty Ltd	Mr B Richards	(Term expired 06 November 2013)
	Mr C Cooke	(Term expired 06 November 2013)
	Mr G Ranger	(Appointed 06 November 2013)
	Ms K Lamprecht	(Appointed 06 November 2013)
	Ms R Drinkwater	
	Prof S Sheppard	
	Mr M Smellie	
	Prof R Wissler	
Secretary of Creative Industries Precinct Pty Ltd	Mr C Melvin	(Resigned 28 January 2013)
	Ms A Boland-Curran	(Appointed 28 January 2013)
Directors of QUT Enterprise Holdings Pty Ltd	Prof P Coaldrake	
	Prof K Bowman	(Alternate Director)
	Mr R Mortimer	
	Mr S Pincus	
	Mr J Puttick	
	Ms S Rix	
Secretary of QUT Enterprise Holdings Pty Ltd	Ms K Trott	

**26 Key Management Personnel Disclosures continued**

**(a) Names of responsible persons and executive officers continued**

Directors of qutbluebox Pty Ltd	Prof T Cochrane Dr T Evans Mr A Loch Mr H Nalder Prof A Sharma
Secretary of qutbluebox Pty Ltd	Mr S Denaro

**(b) Other key management personnel**

The following persons also had authority and responsibility for planning, directing and controlling the activities of Queensland University of Technology during the financial year:

Prof P Coaldrake	Vice-Chancellor	QUT
Dr C Dickenson	Deputy Vice-Chancellor, Academic	QUT
Prof P Little	Deputy Vice-Chancellor, Corporate Programs and Partnerships	QUT
Prof S Sheppard	Deputy Vice-Chancellor, International & Development	QUT
Prof S Vaughan	Deputy Vice-Chancellor, Learning & Teaching	QUT
Prof A Sharma	Deputy Vice-Chancellor, Research & Commercialisation	QUT
Prof T Cochrane	Deputy Vice-Chancellor, Technology, Information & Learning Support	QUT
Mr S Pincus	Executive Director, Finance & Resource Planning	QUT
Ms S Lorenzo	Registrar & Head, Administrative Services	QUT

All of the above persons were also key management persons during the year ended 31 December 2013.

**26 Key Management Personnel Disclosures continued**

**(c) Remuneration of board members and executives**

	Parent	
	2013 \$'000	2012 \$'000
<b>Remuneration of responsible officers</b>		
Nil to \$9,999	1	1
\$10,000 to \$19,999	-	1
<b>Remuneration of executive officers</b>		
\$240,000 to \$249,999	-	1
\$310,000 to \$319,999	-	1
\$350,000 to \$359,999	-	1
\$370,000 to \$379,999	1	1
\$380,000 to \$389,999	-	1
\$390,000 to \$399,999	1	-
\$420,000 to \$429,999	2	-
\$440,000 to \$449,999	1	-
\$450,000 to \$459,999	-	1
\$470,000 to \$479,999	-	2
\$490,000 to \$499,999	-	1
\$510,000 to \$519,999	1	-
\$560,000 to \$569,999	1	-
\$620,000 to \$629,999	1	-
\$930,000 to \$939,999	-	1
\$1,020,000 to \$1,029,999	1	-

**26 Key Management Personnel Disclosures continued**

**(d) Key management personnel compensation**

*(i) Members of Queensland University of Technology*

<b>31 December 2012</b>	<b>Short term monetary benefits</b>	<b>Short term non-monetary benefits</b>	<b>Long term employee benefits</b>	<b>Termination benefits</b>	<b>Post-employ- ment benefits</b>	<b>Total</b>
<i>Position title</i>						
Vice-Chancellor	776,395	29,635	16,843	-	114,272	937,145
Deputy Vice-Chancellor, Academic (Resigned 06 July 2012)	441,325	618	-	-	30,294	472,237
Deputy Vice-Chancellor, Academic (Appointed 05 March 2012)	371,728	19,086	3,436	-	59,475	453,725
Deputy Vice-Chancellor, Corporate Programs and Partnerships (Appointed 21 May 2012) Previously Executive Dean QUT Business School	416,047	-	3,271	-	53,497	472,815
Deputy Vice-Chancellor, International & Development	304,897	21,132	4,991	-	45,089	376,109
Deputy Vice-Chancellor, Learning & Teaching	257,007	17,723	5,301	-	39,066	319,097
Deputy Vice-Chancellor, Research & Commercialisation	421,096	102	8,937	-	60,575	490,710
Deputy Vice-Chancellor, Technology, Information & Learning Support	332,868	40	4,781	-	43,514	381,203
Executive Director, Finance & Resource Planning	288,119	14,262	4,121	-	45,582	352,084
Registrar & Head, Administrative Services (Appointed 14 May 2012)	205,768	-	5,112	-	32,431	243,311
<b>Total</b>	<b>3,815,250</b>	<b>102,598</b>	<b>56,793</b>	<b>-</b>	<b>523,795</b>	<b>4,498,436</b>

**26 Key Management Personnel Disclosures continued**

*(i) Members of Queensland University of Technology continued*

<b>31 December 2013</b>	<b>Short term monetary benefits</b>	<b>Short term non-monetary benefits</b>	<b>Long term employee benefits</b>	<b>Termination benefits</b>	<b>Post-employ- ment benefits</b>	<b>Total \$'000</b>
<i>Position title</i>						
Vice-Chancellor	851,281	30,538	18,774	-	127,610	1,028,203
Deputy Vice-Chancellor, Academic	468,870	15,799	10,657	-	72,419	567,745
Deputy Vice-Chancellor, Corporate Programs & Partnership	450,848	-	5,879	-	58,529	515,256
Deputy Vice-Chancellor, International & Development	341,592	20,664	7,460	-	50,704	420,420
Deputy Vice-Chancellor, Learning & Teaching	302,625	16,420	6,792	-	46,160	371,997
Deputy Vice-Chancellor, Research & Commercialisation	537,625	274	10,780	-	78,818	627,497
Deputy Vice-Chancellor, Technology, Information & Learning Support	342,411	185	8,099	-	45,820	396,515
Executive Director, Finance & Resource Planning	359,001	-	7,938	-	53,961	420,900
Registrar & Head, Administrative Services	379,560	-	8,292	-	56,383	444,235
	<b>4,033,813</b>	<b>83,880</b>	<b>84,671</b>	<b>-</b>	<b>590,404</b>	<b>4,792,768</b>

**26 Key Management Personnel Disclosures continued**

**(e) Performance payments to key management personnel**

The basis for performance payments made is set out in the table below.

Position Title	Date paid	Basis for payment
<b>2012</b>		
Vice-Chancellor	20 April 2012	Bonus payable on meeting performance targets up to 15% of salary.
Deputy Vic-Chancellor, Academic	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Corporate Programs and Partnerships	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, International & Development	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Learning & Teaching	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Research & Commercialisation	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Technology, Information & Learning Support	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Executive Director, Finance & Resource Planning	20 April 2012	Bonus payable on meeting performance targets up to 10% of salary.
Registrar & Head, Administrative Services	n/a	Bonus payable on meeting performance targets up to 10% of salary.

Position Title	Date paid	Basis for payment
<b>2013</b>		
Vice-Chancellor	31 May 2013	Bonus payable on meeting performance targets up to 15% of salary.
Deputy Vice-Chancellor, Academic	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Corporate Programs & Partnerships	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, International & Development	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Learning & Teaching	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Research & Commercialisation	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Technology, Information & Learning Support	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Executive Director, Finance & Resource Planning	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Registrar & Head, Administrative Services	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.

The aggregate performance bonuses paid to all key management personnel are as follows:

	Parent entity <b>2013</b> <b>\$'000</b>	Parent entity 2012 \$'000
Key management personnel	317	328
	<u>317</u>	<u>328</u>

**26 Key Management Personnel Disclosures continued**

**(f) Loans to key management personnel**

In 2013, there were no loans to key management personnel.

**(g) Other transactions with key management personnel**

In 2013, there were no other transactions with key management personnel.

**27 Remuneration of Auditors**

During the year, the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Audit and review of the Financial Statements</b>				
Fees paid to Queensland Audit Office:				
Audit and review of financial reports and other audit work under the Financial Accountability Act 2009	315	321	281	273
<b>Total remuneration for Audit services</b>	<b>315</b>	<b>321</b>	<b>281</b>	<b>273</b>
<b>Other audit and assurance services</b>				
Fees paid to Queensland Audit Office:				
Due diligence and controls assurance services	-	-	-	-
Fees paid to Ernst & Young:				
Advisory and tax services	-	186	7	186
Fees paid to BDO Kendalls (Qld) Pty Ltd:				
Audit services	-	24	39	24
Fees paid to Barr Group Pty Ltd:				
Audit services	-	9	7	9
Fees paid to Moore Stephens Pty Ltd:				
Tax services	-	2	-	2
Fees paid to de Blonk Smith Young:				
Advisory services	-	1	-	1
<b>Total remuneration for Other audit and assurance services</b>	<b>-</b>	<b>222</b>	<b>53</b>	<b>222</b>
<b>Total remuneration of auditors</b>	<b>315</b>	<b>543</b>	<b>334</b>	<b>495</b>

The Financial Statement audit work was sub-contracted by Queensland Audit Office to Crowe Horwath Brisbane in both 2012 and 2013.

## 28 Contingencies

### (a) Contingent liabilities

The University had contingent liabilities as at 31 December 2013 in respect of:

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Legal disputes and claims	2,618	2,097	2,618	2,097
	<b>2,618</b>	<b>2,097</b>	<b>2,618</b>	<b>2,097</b>

### (b) Contingent assets

The University had contingent assets at 31 December 2013 in respect of:

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
QUT's interest in Leaf Energy Ltd shares held by qutbluebox	-	-	129	106
	<b>-</b>	<b>-</b>	<b>129</b>	<b>106</b>

Movements in contingent assets and contingent liabilities are as follows:

	Consolidated			
	Contingent Assets		Contingent Liabilities	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Opening balance 1 January	-	-	2,097	2,000
Additional and increased contingent assets/liabilities recognised during the reporting period	-	-	521	97
<b>Closing balance 31 December</b>	<b>-</b>	<b>-</b>	<b>2,618</b>	<b>2,097</b>

### (c) Additional disclosure

#### Financial guarantee

A financial guarantee equivalent to the value of 6 months' rent plus GST was provided to the Cromwell Group as part of the tenancy agreement for the QUT occupation at 88 Musk Avenue Kelvin Grove and must be maintained for the duration of the tenancy agreement which expires on November 2016 with the option for further extensions.

## 29 Commitments

### (a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<i>Property, plant and equipment</i>				
Within one year	32,465	5,667	32,465	5,667
Later than one year	20,171	1,712	20,171	1,712
Total	52,636	7,379	52,636	7,379
<i>Intangibles</i>				
Within one year	205	883	205	883
Total	205	883	205	883

The above property, plant and equipment commitments include the capital project, Creative Industries Phase II at Kelvin Grove, 2013: \$52.6 million (2012 \$2.1 million).

### (b) Lease commitments

#### (i) Operating Leases

The University leases various offices, research facilities and warehouses under non-cancellable operating leases expiring within one to eighty years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

The University has a number of operating lease commitments relating to office accommodation and motor vehicles.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
		(Restated)		(Restated)
Within one year	8,172	7,004	8,172	7,004
Between one year and five years	16,017	22,957	16,017	22,957
Later than five years	14,147	15,087	14,147	15,087
Total future minimum lease payments	38,336	45,048	38,336	45,048

The weighted average interest rate implicit in the non-cancellable operating leases is 3.18% (2012: 3.76%).

The University has two leases, one for 80 years the other for 30 years, which have been prepaid in full and are not included in the commitments calculation. In prior years these leases have been included in the calculation and as such the 2012 commitment figure has been restated to reflect this change. The 2012 restated figure also includes the prior period adjustment to take into account the error in calculating year on year growth which was disclosed in note 1(ae).

#### (ii) Finance Leases

The University does not have any finance leases.

### 30 Related Parties

**(a) Parent entities**

The ultimate parent entity is QUT, a statutory body established under the Queensland University of Technology Act 1998.

**(b) Subsidiaries**

Interests in subsidiaries are set out in note 31.

**(c) Key management personnel**

Disclosures relating to directors and specified executives are set out in note 26.

**(d) Transactions with related parties**

The following transactions occurred with related parties:

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<i>Sale of goods and services</i>				
Subsidiaries	-	-	2,203	1,816
<b>Total sale of goods and services</b>	<b>-</b>	<b>-</b>	<b>2,203</b>	<b>1,816</b>
<i>Purchase of goods and services</i>				
Subsidiaries	-	-	19	112
Other related parties				
Winners-at-work Pty Ltd	18	61	18	61
Sauce Digital P/L	8	6	8	6
<b>Total purchase of goods and services</b>	<b>26</b>	<b>67</b>	<b>45</b>	<b>179</b>
<i>Other transactions</i>				
Capital contribution provided to subsidiaries	-	-	5,000	5,000
<b>Total other transactions</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>5,000</b>

Other related parties transactions have been restated in 2012 to include:

- Winners-at-work Pty Ltd, a proprietary company owned by QUT Council member Dr Tim Baker. Winners-at-work Pty Ltd undertakes consultancy activities for the QUT Business Faculty.
- Sauce Digital P/L, a proprietary company ultimately owned by QUT Council member Dr John Puttick. Sauce Digital P/L provides software licences and data storage for the University.

### 31 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

For the year ended 31 December 2013		Equity holding	Total Assets	Total Liabilities	Total Revenue	Operating Result
Name of entity	Class of shares	%	\$'000	\$'000	\$'000	\$'000
GenCo Pty Ltd	Ordinary	100.00	-	-	-	-
Brisbane Business School Pty Ltd	Ordinary	100.00	-	-	-	-
QUT Enterprise Holdings Pty Ltd	Ordinary	100.00	-	-	-	-
QUT Enterprise Holdings Trust	N/A	100.00	5,210	1,133	1,160	(4,774)
qutbluebox Pty Ltd	Ordinary	100.00	-	-	-	-
QUT bluebox Trust	N/A	100.00	2,338	88	733	(3,040)
Creative Industries Precinct Pty Ltd	Ordinary	100.00	1,013	206	425	(901)

For the year ended 31 December 2012		Equity holding	Total Assets	Total Liabilities	Total Revenue	Operating Result
Name of entity	Class of shares	%	\$'000	\$'000	\$'000	\$'000
GenCo Pty Ltd	Ordinary	100.00	-	-	-	-
Brisbane Business School Pty Ltd	Ordinary	100.00	-	-	-	-
QUT Enterprise Holdings Pty Ltd	Ordinary	100.00	-	-	-	-
QUT Enterprise Holdings Trust	N/A	100.00	4,442	591	1,593	(3,423)
qutbluebox Pty Ltd	Ordinary	100.00	-	-	-	-
QUT bluebox Trust	N/A	100.00	1,913	440	867	(2,280)
Creative Industries Precinct Pty Ltd	Ordinary	100.00	752	128	729	(510)

All above entities have a country of incorporation as Australia.

The above listed entities were established under authority of the Queensland University of Technology Act 1998 (Section 60).

- i GeneCo Pty Ltd was established to undertake research into gene probe technology. There is 1 share of 1,562,553 shares in GeneCo Pty Ltd that is not owned by the University. GeneCo Pty Ltd did not trade during the year. The net book value of GeneCo Pty Ltd has been fully diminished.
- ii Brisbane Business School Pty Ltd was established in 1999 in order to establish the business name 'Brisbane Business School'. Brisbane Business School Pty Ltd did not trade during the year.
- iii QUT Enterprise Holdings Pty Ltd was established in 2001 to act as the corporate trustee for QUT Enterprise Holdings Trust. QUT Enterprise Holdings Pty Ltd did not trade during the year.
- iv QUT Enterprise Holdings Trust was established in 2001 as a holding entity for QUT owned entities established to undertake or to initiate, promote, facilitate and oversee research and development projects, and education and training programs in relation to any University discipline. Creative Industries Precinct Pty Ltd and qutbluebox Pty Ltd are subsidiaries of QUT Enterprise Holdings Trust. The accounts are presented to QUT and consolidated with QUT accounts.
- v qutbluebox Pty Ltd was established in 2006 to act as the corporate trustee for QUT bluebox Trust. qutbluebox Pty Ltd did not trade during the year.
- vi QUT bluebox Trust was established in 2006 as an entity to carry out the commercialisation of QUT intellectual property. Under an agreed management and governance framework, QUT bluebox Trust will make decisions in relation to registration and use of intellectual property and the establishment of spin off companies. The accounts are presented to QUT Enterprise Holdings and consolidated with QUT Enterprise Holdings Trust.
- vii Creative Industries Precinct Pty Ltd (trading as QUT Creative Enterprise Australia) is a subsidiary of QUT Enterprise Holdings Trust. Creative Industries Precinct Pty Ltd was established in December 2001 to manage and operate the Creative Industries Enterprise Centre in Kelvin Grove. The company accounts are independently prepared and consolidated into the accounts of QUT Enterprise Holdings Trust.

## 32 Jointly controlled operations and assets

### (a) Kelvin Grove Urban Village (KGUV)

The University entered into a joint venture operation with the Queensland Government to develop a 16.5 hectare site adjacent to the present Kelvin Grove campus. The joint venture established the Kelvin Grove Urban Village (KGUV) to provide new opportunities in teaching, research and community engagement for the University. The completed joint venture operations include; the Creative Industries Precinct (CIP); the Institute of Health and Biomedical Innovation (IHBI); the Student Learning and Support Centre; and the Centre for Physical Activity, Clinical Education and Health (CPACEH).

Each party owns and controls its own land, but contributes to the cost of shared infrastructure and other project common works. The University and the Queensland Department of Housing and Public Works signed a Co-operation Deed that prescribes the processes, organisation and responsibilities for the development.

### (b) Translational Research Institute (TRI)

The Institute is a joint venture operation between The University of Queensland, Queensland University of Technology, Mater Medical Research Institute Ltd and Queensland Health, developed with the aim of translating the findings of basic biomedical research into better patient outcomes. TRI is Australia's newest and most comprehensive medical research and biopharmaceutical facility.

QUT has equal holdings in the TRI Unit Trust, although does not have control or significant influence over the entity. QUT contributes towards the operational costs and also has a licence agreement (original value \$25 million) to occupy the TRI building over 30 years, with an option to extend for a further 20 years at peppercorn rate.

**33 Reconciliation of operating result after income tax to net cash flows from operating activities**

	Consolidated		Parent	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<b>Operating result for the period</b>	<b>56,321</b>	100,665	<b>56,304</b>	100,368
<i>Non cash income statement movements</i>				
Depreciation and amortisation	<b>55,010</b>	47,695	<b>54,979</b>	47,654
Net (gain) / loss on sale of plant and equipment	<b>368</b>	(302)	<b>361</b>	(306)
Income from distributions received	<b>(685)</b>	(619)	<b>(685)</b>	(619)
<i>(Increase) / decrease in trade and other receivables</i>				
(Increase) / decrease in student loans	<b>(33)</b>	40	<b>(33)</b>	40
Increase / (decrease) in provision for doubtful debts	<b>18</b>	50	<b>18</b>	50
(Increase) / decrease in trade debtors	<b>1,268</b>	(3,781)	<b>1,428</b>	(3,956)
Increase / (decrease) in provision for doubtful debts	<b>(922)</b>	(204)	<b>(910)</b>	(218)
(Increase) / decrease in student fees debtors	<b>74,944</b>	(66,467)	<b>74,944</b>	(66,467)
Increase / (decrease) in provision for doubtful debts	<b>104</b>	(52)	<b>104</b>	(52)
Increase / (decrease) in goods and services tax refund due	<b>(818)</b>	1,506	<b>(818)</b>	1,506
(Increase) / decrease in other receivables	<b>(2,618)</b>	(9,162)	<b>(2,618)</b>	(9,162)
(Increase) / decrease in inventories	<b>(8)</b>	150	<b>(8)</b>	150
(Increase) / decrease in other financial assets at fair value through profit or loss	<b>(34,333)</b>	(39,569)	<b>(29,627)</b>	(35,960)
<i>Increase / (decrease) in payables</i>				
Increase / (decrease) in OS HELP liability to Australian Government	<b>237</b>	33	<b>237</b>	33
Increase / (decrease) in trade creditors	<b>(2,642)</b>	(2,256)	<b>(3,146)</b>	(1,975)
Increase / (decrease) in unearned revenue	<b>(66,552)</b>	71,864	<b>(66,552)</b>	71,864
Increase / (decrease) in accrued expenses	<b>(5,737)</b>	11,242	<b>(5,737)</b>	11,242
Increase / (decrease) in grants in advance	<b>32</b>	(4)	<b>32</b>	(4)
Increase / (decrease) in accrued employee benefits	<b>7,383</b>	12,573	<b>7,369</b>	12,585
Increase / (decrease) in other operating liabilities	<b>(2,119)</b>	(1,071)	<b>(2,131)</b>	(1,093)
<b>Net cash provided by / (used in) operating activities</b>	<b>79,218</b>	122,331	<b>83,511</b>	125,680

### 34 Financial Risk Management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

The University and the parent entity hold the following financial assets and liabilities:

	Consolidated		Parent	
	2013	2012	2013	2012
	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
Cash and cash equivalents	164,959	135,631	160,448	131,773
Trade and other receivables	89,972	161,165	89,533	160,895
Other financial assets	296,972	234,566	300,865	238,204
<b>Total financial assets</b>	<b>551,903</b>	<b>531,362</b>	<b>550,846</b>	<b>530,872</b>
<b>Financial liabilities</b>				
Trade and other payables	32,257	40,509	31,439	40,242
Borrowings (commercial)	76,196	59,218	76,196	59,218
Borrowings (non-commercial)	20,921	19,407	20,921	19,407
<b>Total financial liabilities</b>	<b>129,374</b>	<b>119,134</b>	<b>128,556</b>	<b>118,867</b>

#### (a) Market risk

##### (i) Foreign exchange risk

The risk to the University that currency fluctuations will occur due to changes in the foreign exchange rates is usually minimal, as the majority of contracts are in Australian dollars. Fees charged to overseas students are generally denominated in Australian dollars. For the small number of contracts settled in other currencies payment is usually made within thirty days. The exception to this, are contracts placed by the Library in Euros, GB pounds and US dollars early in the year, of which the majority are settled in the second half of the year. QUT received approval to undertake limited derivative transactions as cited in the Statutory Bodies Financial Amendment Regulation (No 1) 2011. The University is limited to foreign exchange forward contracts and foreign exchange options contracts only. Transactions are limited to hedge against exposure to foreign currency rate movements in relation to the payment of annual library subscriptions and purchase of high cost assets. All foreign exchange Forward contracts were exercised prior to year end.

The University monitors its exposure to foreign currency risk and responds to this in an ongoing manner as part of its budget and treasury management review procedures where material.

##### (ii) Price risk

The risk to the University is that the value of a financial instrument will fluctuate as a result of changes in market prices. The University prices goods and services based on a combination of cost recovery, or market forces depending on the type of item supplied. The University's biggest exposures to competitive market movements in price levels are for its market based investments with QIC, where funds are invested in the QIC Growth Fund, the QIC Australian Fixed Interest Fund, the QIC Inflation Plus Fund and the QIC Stable Fund. The University monitors its investments with QIC and provides regular reports to management and University Council for high level review and action as required.

### 34 Financial Risk Management continued

#### (a) Market risk continued

##### (iii) Cash flow and fair value interest rate risk

The University's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations. The University's commercial borrowings are all obtained through QTC with a blended rate derived from QTC's generic debt pool over 30 year terms, with a 15 year market readjustment. The University has limited exposure to interest rate risk due to interest free borrowing programs (through the Smart State Loans and Innovation Building Fund) and the long-term debt through QTC's generic debt pool.

The University's exposure to market risk for changes in interest rates also relates to short-term investments. The University minimises its exposure to fluctuating market interest rates by diversifying the University's investments in cash, fixed interest and short term investments with approved financial institutions. The risk sensitivity adopted by the University is +/- 1%. This reflects market conditions generally, whereby interest rates have the capacity to move by these margins within a 12 month period.

##### (iv) Summarised sensitivity analysis

The following table summarises the sensitivity of the University's consolidated financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

31 December 2013	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
Cash and cash equivalents	164,959	(1,650)	(1,650)	1,650	1,650	-	-	-	-	-	-	-	-
Receivables	89,973	-	-	-	-	2	2	(2)	(2)	-	-	-	-
Other financial assets													
QIC investments	293,054	-	-	-	-	-	-	-	-	(29,305)	(29,305)	29,305	29,305
Listed securities	2,743	-	-	-	-	-	-	-	-	(274)	(274)	274	274
Unlisted securities / managed funds	1,175	-	-	-	-	-	-	-	-	(118)	(118)	118	118
<b>Sub-total</b>		(1,650)	(1,650)	1,650	1,650	2	2	(2)	(2)	(29,697)	(29,697)	29,697	29,697
<b>Financial liabilities</b>													
Trade and other payables	32,256	-	-	-	-	(62)	(62)	50	50	-	-	-	-
Borrowings (commercial)	76,196	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings (non-commercial)	20,921	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>		-	-	-	-	(62)	(62)	50	50	-	-	-	-
<b>Total increase/(decrease)</b>		(1,650)	(1,650)	1,650	1,650	(60)	(60)	48	48	(29,697)	(29,697)	29,697	29,697

## 34 Financial Risk Management continued

### (a) Market risk continued

31 December 2012	Carrying amount	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
<b>Financial assets</b>													
Cash and cash equivalent	135,631	(1,356)	(1,356)	1,356	1,356	-	-	-	-	-	-	-	-
Receivables	161,166	-	-	-	-	12	12	(10)	(10)	-	-	-	-
Other financial assets													
QIC investment funds	230,792	-	-	-	-	-	-	-	-	(23,079)	(23,079)	23,079	23,079
Listed securities	2,760	-	-	-	-	-	-	-	-	(276)	(276)	276	276
Unlisted securities / managed funds	1,014	-	-	-	-	-	-	-	-	(101)	(101)	101	101
<b>Sub-total</b>		(1,356)	(1,356)	1,356	1,356	12	12	(10)	(10)	(23,456)	(23,456)	23,456	23,456
<b>Financial liabilities</b>													
Trade and other payables	40,508	-	-	-	-	(31)	(31)	26	26	-	-	-	-
Borrowings (commercial)	59,218	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings (non-commercial)	19,407	-	-	-	-	-	-	-	-	-	-	-	-
<b>Sub-total</b>		-	-	-	-	(31)	(31)	26	26	-	-	-	-
<b>Total increase/(decrease)</b>		(1,356)	(1,356)	1,356	1,356	(19)	(19)	16	16	(23,456)	(23,456)	23,456	23,456

### (b) Credit risk

The risk to the University that one party of a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss is considered minimal. The University undertakes credit checks on new debtors where the assessed value exceeds \$5,000. In addition, credit risk is minimised by trading with a substantial number of parties. Credit checks are not required for government departments, public statutory bodies, and government and semi government agencies. Where a customer fails a credit check, any work undertaken by the University must be paid for in advance.

For wholesale customers without credit rating, the University generally retains title over the goods sold until full payment is received. For some trade receivables, the University may also obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

### (c) Liquidity risk

The risk to the University that the entity will encounter difficulty in raising funds to meet commitments is managed within the University's investment and borrowings policy. In which the investment policy keeps a safety net level of cash and cash equivalent financial assets in order to satisfy the University's financial liabilities as they fall due. The University has a very sound statement of financial position and regularly monitors liquidity as part of its treasury operations, budget review and reporting arrangements. In regards to borrowings the University has an established working capital loan facility (of up to \$11.5 million for thirty days) to act as a safety net for short term cash requirements (this facility has not been used since 2009). The University also has non-commercial and commercial borrowings. The non-commercial borrowings are through the Queensland Government's Smart State Research Facilities Fund and the Innovation Building Fund and the commercial borrowings are through QTC. The borrowings through the Queensland Government's Smart State Research Facilities Fund and the Innovation Building Fund are interest free and one third of the loan will be forgiven if all conditions of the loan are met. The approved QTC borrowings for infrastructure projects are interest bearing thirty year commercial loan agreements.

The University's accounts payables and receivables are considered to be short term in nature.

34 Financial Risk Management continued

(c) Liquidity risk continued

The following tables summarise the maturity of the University's financial assets and financial liabilities

	Average interest rate	Variable interest rate		Within 1 year		1 - 5 years		5+ years		Non-interest		Total	
		2013	2012	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial Assets:</b>													
Cash and cash equivalents	3.94	4.93	64,959	75,631	100,000	60,000	-	-	-	-	-	164,959	135,631
Receivables	-	-	-	-	-	-	-	-	-	89,972	161,165	89,972	161,165
Other financial assets													
QIC investment funds	-	-	-	-	-	-	-	-	-	293,054	230,792	293,054	230,792
Listed securities	-	-	-	-	-	-	-	-	-	2,743	2,760	2,743	2,760
Unlisted securities / managed funds	-	-	-	-	-	-	-	-	-	1,175	1,014	1,175	1,014
<b>Total Financial Assets</b>			<b>64,959</b>	<b>75,631</b>	<b>100,000</b>	<b>60,000</b>	-	-	-	<b>386,944</b>	<b>395,731</b>	<b>551,903</b>	<b>531,362</b>
<b>Financial Liabilities:</b>													
Trade and other payables	-	-	-	-	-	-	-	-	-	32,257	40,509	32,257	40,509
Borrowings (commercial)	5.03	5.03	-	-	1,127	899	5,208	4,092	69,861	-	-	76,196	59,218
Borrowings (non-commercial)	-	-	-	-	-	-	-	-	-	20,921	19,407	20,921	19,407
<b>Total Financial Liabilities</b>			-	-	<b>1,127</b>	<b>899</b>	<b>5,208</b>	<b>4,092</b>	<b>69,861</b>	<b>53,178</b>	<b>59,916</b>	<b>129,374</b>	<b>119,134</b>

## 35 Fair Value Measurement

### (a) Fair value measurements

The fair value financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of current receivable and payables, their carrying value is assumed to approximate their fair value. Based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are

	Carrying Amount	
	2013 \$'000	2012 \$'000
<b>Consolidated</b>		
<b>Financial assets</b>		
Cash and cash equivalents	164,959	135,631
Receivables	89,972	161,165
Other financial assets	296,972	234,566
<b>Total financial assets</b>	<b>551,903</b>	<b>531,362</b>
<b>Financial liabilities</b>		
Trade and other payables	32,257	40,509
Borrowings (commercial)	76,196	59,218
Borrowings (non-commercial)	20,921	19,407
<b>Total financial liabilities</b>	<b>129,374</b>	<b>119,134</b>
	Fair Value	
	2013 \$'000	2012 \$'000
<b>Consolidated</b>		
<b>Financial assets</b>		
Cash and cash equivalents	164,959	135,631
Receivables	89,972	161,165
Other financial assets	296,972	234,566
<b>Total financial assets</b>	<b>551,903</b>	<b>531,362</b>
<b>Financial liabilities</b>		
Trade and other payables	32,257	40,509
Borrowings (commercial)	76,877	62,095
Borrowings (non-commercial)	20,921	19,407
<b>Total financial liabilities</b>	<b>130,055</b>	<b>122,011</b>

**35 Fair Value Measurement continued**

**(b) Fair value hierarchy**

Queensland University of Technology uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1	The fair value of financial assets and financial liabilities with standard terms and conditions and traded in an active market is based on (unadjusted) quoted market prices. Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices. Financial instruments in this category include certain equity and debt investments where quoted prices are available from an active market.
Level 2	The fair value of financial assets and liabilities is determined by using quoted market prices in active markets for similar instruments or quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly (prices) or indirectly (derived from prices) observable from market data, other than quoted prices included in Level 1. Financial instruments in this category include fixed interest deposits and unit trusts.
Level 3	Where financial instruments are measured using valuation techniques based on unobservable inputs or observable inputs to which significant adjustments have been applied, such instruments are included in level 3 of the fair value hierarchy.

*(i) Recognised fair value measurements*

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2013. Comparative information for non-financials assets has not been provided as permitted by the transitional provisions of the new standard.

**Fair value measurements at 31 December 2013**

Consolidated	Note	2013 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Cash and cash equivalents	15	164,959	-	164,959	-
Receivables	16	89,972	-	-	89,972
Other financial assets	18				
QIC investment funds		293,054	-	293,054	-
Listed securities		2,743	2,743	-	-
Unlisted securities / managed funds		1,175	-	-	1,175
Total financial assets		551,903	2,743	458,013	91,147
<b>Financial liabilities</b>					
Trade and other payables	21	32,257	-	-	32,257
Borrowings (commercial)	22	76,196	-	76,196	-
Borrowings (non-commercial)	22	20,921	-	-	20,921
Total financial liabilities		129,374	-	76,196	53,178

**35 Fair Value Measurement continued**

**(b) Fair value hierarchy continued**

**Fair value measurements at 31 December 2012**

Consolidated	Note	2012 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<b>Recurring fair value measurements</b>					
<b>Financial assets</b>					
Cash and cash equivalents	15	135,631	-	135,631	-
Receivables	16	161,165	-	-	161,165
Other financial assets	18				
QIC investment funds		230,792	-	230,792	-
Listed securities		2,760	2,760	-	-
Unlisted securities / managed funds		1,014	-	-	1,014
Total financial assets		531,362	2,760	366,423	162,179
<b>Financial liabilities</b>					
Trade and other payables	21	40,509	-	-	40,509
Borrowings (commercial)	22	59,218	-	59,218	-
Borrowings (non-commercial)	22	19,407	-	-	19,407
Total financial liabilities		119,134	-	59,218	59,916

There are no non-recurring fair value measurements.

There were three transfers between levels 1 and 2 for recurring fair value measurements during the year for the following reasons:

- Cash and cash equivalents changed from level 1 to level 2 as this includes QTC cash funds and fixed interest securities. QTC only offers the cash fund to government related entities and fixed interest securities are not actively traded.
- Borrowing (commercial) changed from level 1 to level 2 as QTC only offers loans to government related entities.
- QIC funds changed from level 1 to level 2 as QIC only offer investment products to government related entities.

For transfers in and out of level 3 measurements, see (d) below.

*(ii) Disclosed fair values*

The fair value of assets or liabilities traded in active markets (such as publicly traded securities, and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (level 1). This is the most representative of fair value in the circumstances.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to QUT for similar financial instruments (level 3).

The fair value of non-current borrowings disclosed in note 22 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the consolidated entity for similar financial instruments. For the period ending 31 December 2013, the borrowing rates were determined to be between 5.03% and 5.55%, depending on the timing of borrowing. The University's commercial borrowings are payable to QTC. The carrying amount (book value) is a traditional measure of indebtedness and is used to record the

**35 Fair Value Measurement continued**

**(b) Fair value hierarchy continued**

value of a borrowing for accounting purposes. The fair value (market value) of the debt reflects the remaining cash flows required to repay the debt, valued at the current market rate of interest at the time. The fair value represents the true value of the borrowers indebtedness and hence the amount that would be required to be paid to extinguish the debt outstanding.

The University's non-commercial borrowings are interest free loans repayable through the Queensland Governments Smart State Research Facilities Fund and the Innovative Building Fund. The carrying amount and fair value of these financial liabilities are estimated by discounting the future contractual cash flows at the current market interest rate that is available for similar financial instruments.

**(c) Valuation techniques used to derive level 2 and level 3 fair values**

*(i) Recurring fair value measurements*

The fair value of financial instruments that are not traded in an active market (for example, fixed interest securities) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

For Queensland Government related entity financial instruments such as QIC Funds, QTC borrowings and the QTC cash fund. The fair value is measured using reports provided by QIC and QTC, such as QIC client product summaries, QTC borrowings statements and QTC cash fund statements. These financial instruments are only available to Queensland Government related entities and thus are not able to be traded in active markets.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. The fair value of financial instruments which are not traded is determined through calculating the net asset value of those instruments.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities are explained in (d) below.

**35 Fair Value Measurement continued**

**(d) Fair value measurements using significant unobservable inputs (level 3)**

The following table is a reconciliation of level 3 items for the periods ended 31 December 2013 and 2012:

**Consolidated**

	Unlisted securities / managed funds \$'000	Receivables \$'000	Total \$'000
<b>Level 3 Fair Value Measurements 2013</b>			
<b>Financial Assets</b>			
Opening balance	1,014	161,165	162,179
Adoption of AASB13	-	(71,193)	(71,193)
Total gains/(losses)	161	-	161
Closing balance	1,175	89,972	91,147
<b>Level 3 Fair Value Measurements 2012</b>			
<b>Financial Assets</b>			
Opening balance	892	81,348	82,240
Adoption of AASB13	-	79,817	79,817
Total gains/(losses)	86	-	86
Purchases	36	-	36
Closing balance	1,014	161,165	162,179

**Consolidated**

	Borrowings non-commercial \$'000	Trade and other payables \$'000	Total \$'000
<b>Level 3 Fair Value Measurements 2013</b>			
<b>Financial Liabilities</b>			
Opening balance	19,407	40,509	59,916
Adoption of AASB13	-	(8,252)	(8,252)
Total gains/(losses)	(3,486)	-	(3,486)
Issued debt	5,000	-	5,000
Closing balance	20,921	32,257	53,178
<b>Level 3 Fair Value Measurements 2012</b>			
<b>Financial Liabilities</b>			
Opening balance	13,499	33,004	46,503
Adoption of AASB13	-	7,505	7,505
Total gains/(losses)	(13,239)	-	(13,239)
Issued debt	19,147	-	19,147
Closing balance	19,407	40,509	59,916

Gains/(losses) in financial investments are included in investment revenue/(expense) or grant revenue in the income statement.

**36 Acquittal of Australian Government Financial Assistance**

**(a) DIIRTE - CGS and other DIIRTE grants**

	Note	Commonwealth grants scheme #1		Indigenous support program		Partnership & participation program		Capital development pool	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		<b>238,867</b>	233,130	<b>1,649</b>	1,354	<b>12,287</b>	16,391	-	-
Revenue for the period	2(a)	<b>238,867</b>	233,130	<b>1,649</b>	1,354	<b>12,287</b>	16,391	-	-
Surplus/(deficit) from the previous year		-	-	-	-	-	-	<b>1,707</b>	4,043
Total revenue including accrued revenue		<b>238,867</b>	233,130	<b>1,649</b>	1,354	<b>12,287</b>	16,391	<b>1,707</b>	4,043
Less expenses including accrued expenses		<b>(238,867)</b>	(233,130)	<b>(1,649)</b>	(1,354)	<b>(12,287)</b>	(16,391)	<b>(805)</b>	(2,336)
Surplus/(deficit) for the reporting period		-	-	-	-	-	-	<b>902</b>	1,707

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(a) DIIRTE - CGS and other DIIRTE grants continued**

	Note	Transitional cost program		Promotion of excellence in learning & teaching		Reward funding		Total	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		-	478	465	248	577	551	253,845	252,152
Revenue for the period	2(a)	-	478	465	248	577	551	253,845	252,152
Surplus/(deficit) from the previous year		-	-	-	-	-	-	1,707	4,043
Total revenue including accrued revenue		-	478	465	248	577	551	255,552	256,195
Less expenses including accrued expenses		-	(478)	(465)	(248)	(577)	(551)	(254,650)	(254,488)
Surplus/(deficit) for the reporting period		-	-	-	-	-	-	902	1,707

#1 Includes basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading.

The accompanying notes form part of these financial statements.

36 Acquitall of Australian Government Financial Assistance continued

(b) Higher education loan programmes (excl OS-HELP)

	HECS-HELP (Aust. Government payments only)										FEE-HELP				SA-HELP				Total	
	2013		2012		2013		2012		2013		2012		2013		2012		2013			
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000			
Financial assistance received in cash during the reporting period (total cash received from Australian Government for the program)	<b>Note</b>																			
		168,199	148,066			21,919	18,187			4,006	837			194,124	167,090					
Net accrual adjustments		1,821	2,753			(1,066)	(4,831)			(384)	-			371	(2,078)					
Cash available for the period		170,020	150,819			20,853	13,356			3,622	837			194,495	165,012					
Revenue earned	2(b)	(170,020)	(150,819)			(20,853)	(13,356)			(3,622)	(837)			(194,495)	(165,012)					
Cash payable/(receivable) at the end of the year		-	-			-	-			-	-			-	-					

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(c) Scholarships**

		Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships #2		Commonwealth Accommodation Scholarships #3	
	Note	2013	2012	2013	2012	2013	2012	2013	2012
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		7,721	6,855	652	612	(480)	1,198	(33)	171
Revenue for the period	2(c)	7,721	6,855	652	612	(480)	1,198	(33)	171
Surplus/(deficit) from the previous year		845	1,184	-	-	-	4,885	53	-
Total revenue including accrued revenue		8,566	8,039	652	612	(480)	6,083	20	171
Less expenses including accrued expenses		(7,525)	(7,194)	(652)	(612)	480	(6,083)	(20)	(118)
Surplus/(deficit) for the reporting period		1,041	845	-	-	-	-	-	53

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(c) Scholarships continued**

	Note	Indigenous Access Scholarship		Indigenous Staff Scholarships		Total	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		22	417	43	-	7,925	9,253
Revenue for the period	2(c)	22	417	43	-	7,925	9,253
Surplus/(deficit) from the previous year		6	55	-	-	904	6,124
Total revenue including accrued revenue		28	472	43	-	8,829	15,377
Less expenses including accrued expenses		(28)	(466)	(43)	-	(7,788)	(14,473)
Surplus/(deficit) for the reporting period		-	6	-	-	1,041	904

#2 Includes National Priority Scholarships and Grandfathered Scholarships

#3 Includes National Accommodation Scholarships.

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(d) DIIRTE Research**

	Note	Joint Research Engagement		Research Training Scheme		Systemic Infrastructure Initiative		Research Infrastructure Block Grants #4	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		8,911	9,539	18,735	17,416	-	-	3,370	3,666
Net accrual adjustments		-	-	-	-	-	-	-	-
Revenue for the period	2(d)	8,911	9,539	18,735	17,416	-	-	3,370	3,666
Surplus/(deficit) from the previous year		-	-	-	-	-	114	445	468
Total revenue including accrued revenue		8,911	9,539	18,735	17,416	-	114	3,815	4,134
Less expenses including accrued expenses		(8,911)	(9,539)	(18,735)	(17,416)	-	(114)	(2,950)	(3,689)
Surplus/(deficit) for the reporting period		-	-	-	-	-	-	865	445

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(d) DIISRTE Research continued

	Note	Sustainable Research Excellence in Universities <sup>#5</sup>				Total
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		2,363	2,449	33,379	33,070	
Net accrual adjustments		-	-	-	-	
Revenue for the period	2(d)	2,363	2,449	33,379	33,070	
Surplus/(deficit) from the previous year		704	1,963	1,149	2,545	
Total revenue including accrued revenue		3,067	4,412	34,528	35,615	
Less expenses including accrued expenses		(1,566)	(3,708)	(32,162)	(34,466)	
Surplus/(deficit) for the reporting period		1,501	704	2,366	1,149	

#4 The reported surplus for Research Infrastructure Block grants (2013: \$865,000) and is requested as a rollover.

#5 The reported surplus for Sustainable Research Excellence in Universities (2013: \$1,501 million) and is requested as a rollover.

The accompanying notes form part of these financial statements.

**36 Acquitment of Australian Government Financial Assistance continued**

**(e) Other Capital Funding**

Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Note	Better Universities Renewal Fund		Education Investment Fund		Total	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
		-	-	-	12,500	-	12,500
		-	-	-	-	-	-
2(e)		-	-	-	12,500	-	12,500
		-	865	-	157	-	1,022
		-	865	-	12,657	-	13,522
		-	(865)	-	(12,657)	-	(13,522)
		-	-	-	-	-	-

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(f) Australian Research Council Grants**

**(i) Discovery**

Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Note	Projects		Fellowships		Total	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
		5,585	4,930	4,575	4,306	10,160	9,236
		215	(23)	-	-	215	(23)
2(f)(i)		5,800	4,907	4,575	4,306	10,375	9,213
		3,626	3,135	2,622	697	6,248	3,832
		9,426	8,042	7,197	5,003	16,623	13,045
		(5,397)	(4,416)	(4,630)	(2,381)	(10,027)	(6,797)
		4,029	3,626	2,567	2,622	6,596	6,248

The accompanying notes form part of these financial statements.

**36 Acquitment of Australian Government Financial Assistance continued**

**(f) Australian Research Council Grants continued**

(ii) Linkages	Note	Special Research Initiatives		Infrastructure		International		Projects	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		1,230	-	-	270	-	-	5,248	6,440
Net accrual adjustments		-	-	140	155	-	-	108	444
Revenue for the period	2(f)(ii)	1,230	-	140	425	-	-	5,356	6,884
Surplus/(deficit) from the previous year		-	-	603	577	-	5	4,985	6,115
Total revenue including accrued revenue		1,230	-	743	1,002	-	5	10,341	12,999
Less expenses including accrued expenses		(647)	-	(366)	(399)	-	(5)	(7,281)	(8,014)
Surplus/(deficit) for the reporting period		583	-	377	603	-	-	3,060	4,985

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(f) Australian Research Council Grants continued**

**(ii) Linkages**

Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)

	Note	Total	
		2013 \$'000	2012 \$'000
Net accrual adjustments		6,478	6,710
Revenue for the period		248	599
Surplus/(deficit) from the previous year	2(f)(ii)	6,726	7,309
Total revenue including accrued revenue		5,588	6,697
Less expenses including accrued expenses		12,314	14,006
Surplus/(deficit) for the reporting period		(8,294)	(8,418)
		<b>4,020</b>	<b>5,588</b>

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(f) Australian Research Council Grants continued**

**(iii) Networks and Centres**

	Note	Centres			Total	
		2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000	
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)		1,939	1,867	1,939	1,867	
Net accrual adjustments		287	293	287	293	
Revenue for the period	2(f)(iii)	2,226	2,160	2,226	2,160	
Surplus/(deficit) from the previous year		368	883	368	883	
Total revenue including accrued revenue		2,594	3,043	2,594	3,043	
Less expenses including accrued expenses		(2,192)	(2,675)	(2,192)	(2,675)	
Surplus/(deficit) for the reporting period		402	368	402	368	

The accompanying notes form part of these financial statements.

**36 Acquittal of Australian Government Financial Assistance continued**

**(g) OS-HELP**

	2013	2012
Note	\$'000	\$'000
Cash received during the reporting period	2(h) 1,608	996
Cash spent during the reporting period	(1,371)	(964)
Net cash received	237	32
Cash surplus/(deficit) from the previous period	56	24
Cash surplus/(deficit) for the reporting period	21 293	56

**(h) Student Services and Amenities Fee**

	2013	2012
Note	\$'000	\$'000
Unspent/(overspent) revenue from previous period	2,290	-
SA-HELP revenue earned <sup>#1</sup>	4,006	837
Student services fees direct from students	4 3,062	2,200
Total revenue expendable in period	9,358	3,037
Student services expenses during period	(4,711)	(747)
Unspent/(overspent) student services revenue	4,647	2,290

#1 Includes \$384,216 received in 2013 relating to 2012 funding.

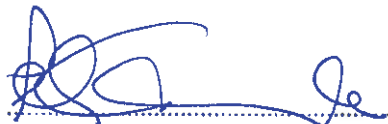
We have prepared the annual financial report pursuant to the provisions of the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2009*, and other prescribed requirements and certify that:

(a) the financial reports are in agreement with the accounts and records of the Queensland University of Technology and its controlled entities; and

(b) in our opinion:

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
- (ii) the financial reports have been drawn up to present a true and fair view of the transactions of the Queensland University of Technology for the period 1 January 2013 to 31 December 2013 and of the financial position as at 31 December 2013 in accordance with prescribed accounting standards and conform with the Financial Statement Guidelines for Australian Higher Education Providers for the 2013 Reporting Period issued by the Australian Government Department of Education;
- (iii) at the time of the certificate, there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- (iv) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Queensland University of Technology has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure; and
- (v) Queensland University of Technology charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

  
T V Fairfax  
Chancellor

  
O P Coaldrake  
Vice Chancellor

  
C R Cartwright CPA  
Director, Corporate Finance  
(Chief Financial Officer)

Dated at Brisbane the 24<sup>th</sup> day of FEBRUARY 2014.

The accompanying notes form part of these financial statements.

## INDEPENDENT AUDITOR'S REPORT

To the Council of Queensland University of Technology

### Report on the Financial Report

I have audited the accompanying financial report of Queensland University of Technology, which comprises the statements of financial position as at 31 December 2013, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chancellor, Vice Chancellor and Director, Corporate Finance of the entity and the consolidated entity comprising the University and the entities it controlled at the year's end or from time to time during the financial year.

#### *The Council's Responsibility for the Financial Report*

The University's Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

## *Independence*

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

## *Opinion*

In accordance with s.40 of the *Auditor-General Act 2009* –

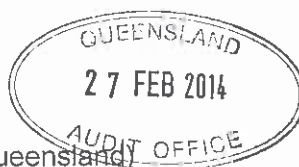
- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
  - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
  - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Queensland University of Technology and the consolidated entity for the financial year 1 January 2013 to 31 December 2013 and of the financial position as at the end of that year.

## **Other Matters - Electronic Presentation of the Audited Financial Report**

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



J WELSH FCPA  
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office  
Brisbane

# Glossary

**AARNet** Australia's Academic and Research Network

**AAUT** Australian Awards for University Teaching

**AC** Companion of the Order of Australia

**AM** Member of the Order of Australia

**AMBA** Association of MBAs

**AO** Officer of the Order of Australia

**APCRC-Q** Australian Prostate Cancer Research Centre – Queensland

**AQF** Australian Qualifications Framework

**ARC** Australian Research Council

**ASA** Academic Skills Adviser

**ASD** Autism Spectrum Disorders

**ATN** Australian Technology Network

**AusHSI** Australian Centre for Health Services Innovation

**Cab** Caboolture

**CEO** Chief executive officer

**CEQ** Course Experience Questionnaire

**CIQ** Confucius Institute at QUT

**CPE** Continuing Professional Education

**CRC** Co-operative Research Centre

**CVO** Commander of the Royal Victorian Order

**DVC** Deputy Vice-Chancellor

**EAP** English for Academic Purposes

**ECARD** Early Career Academic Recruitment And Development

**EIA** Excellence in Innovation for Australia

**EFMD** European Foundation for Management Development

**ERA** Excellence in Research for Australia

**ETDS** Exceptional Teachers for Disadvantaged Schools

**FTE** Full-time equivalent

**GCC** Global Corporate Challenge

**GDS** Graduate Destination Survey

**GFA** Gross floor area

**GMAA** Graduate Management Association of Australia

**Go8** Group Of Eight

**GP** Gardens Point

**HDR** Higher Degree Research

**HEPPP** Higher Education Participation and Partnerships Program

**HERDC** Higher Education Research Data Collection

**HERN** Higher Education Research Network

**HR** Human Resources

**HSAs** Health and Safety Advisers

**IAP** Introductory Academic Program

**IELTS** International English Language Testing System

**IFE** Institute for Future Environments

**IHBI** Institute of Health and Biomedical Innovation

**IT** Information technology

**KG** Kelvin Grove

**KPI** Key performance indicator

**LATICE** Learning And Teaching in Collaborative Environments

**LIEF** Linkage Infrastructure, Equipment and Facilities

**MBA** Master of Business Administration

**MCAD** Mid-Career Academic Development

**MERF** Medical Engineering Research Facility

**MOPP** Manual of Policies and Procedures

**NIRAKN** National Indigenous Research and Knowledges Network

**NIDDK** National Institute of Diabetes and Digestive and Kidney Diseases (US)

**NIH** National Institutes of Health (US)

**NHMRC** National Health and Medical Research Council

**OLT** Office of Learning and Teaching

**PCA** Personal Competencies Assessment

**PEACH** Parenting, Eating and Activity for Child Health

**PPR** Performance Planning and Review

**QAO** Queensland Audit Office

**QEH** QUT Enterprise Holdings

**QTAC** Queensland Tertiary Admissions Centre

**QUT** Queensland University of Technology

**SCAD** Sessional Career Advancement Development

**SEC** Science and Engineering Centre

**SEF** Science and Engineering Faculty

**SID** Science and Infrastructure Development

**SES** socioeconomic status

**SSP** Student Success Program

**STAT** Special Tertiary Admissions Test

**STEM** Science, Technology, Engineering and Mathematics

**TEQSA** Tertiary Education Quality and Standards Agency

**THE** Times Higher Education

**UMP** Hue University of Medicine and Pharmacy (Vietnam)

**VC** Vice-Chancellor

**WIL** Work Integrated Learning

# Campuses and facilities

## Brisbane inner city

### Gardens Point campus

2 George Street, Brisbane

- Institute for Future Environments
- QUT Business School
- Faculty of Law
- Science and Engineering Faculty
- Science and Engineering Centre
  - ARC Centre of Excellence in Robotic Vision
  - Central Analytical Facility
- Gardens Point Precinct
  - Old Government House
  - William Robinson Gallery
  - QUT Art Museum
  - QUT Gardens Theatre

## Kelvin Grove campus

Victoria Park Road, Kelvin Grove

- Institute of Health and Biomedical Innovation
- Faculty of Health
- Centre for Accident Research and Road Safety–Queensland
- Faculty of Education
- Creative Industries Faculty
  - Gasworks Music Studio, Fortitude Valley
- Creative Industries Precinct
  - ARC Centre of Excellence for Creative Industries and Innovation

## Brisbane north

### Caboolture campus

- Tallon Street, Caboolture

## Canberra

- QUT Business School

## Major research facilities

- QUT Medical Engineering and Research Facility, Prince Charles Hospital
- Australian Research Centre for Aerospace Automation, Brisbane Airport (partner)
- Pilot Plant and Engineering Workshops, Banyo
- Ecological Research Facility, Samford
- Australian Prostate Cancer Research Centre–Qld, Princess Alexandra Hospital (partner), Translational Research Institute
- Renewable Biocommodities Pilot Plant, Mackay
- QUT/Paediatric Spine Research Group, Mater Hospital
- QUT Carseldine Research Facility
- A number of field monitoring sites and glasshouse facilities



### ATN member

QUT is a member of the Australian Technology Network (ATN) of universities. Other members are the University of Technology Sydney, RMIT University, the University of South Australia and Curtin University of Technology.



### CRC participants

In addition to the Wound Management Innovation Cooperative Research Centre based at QUT, the university is a participant in another 11 CRCs: Autism; Automotive Australia 2020; Bushfire and Natural Hazards; Cell Therapy Manufacture; Defense Materials Technology; Optimising Resource Extraction; Plant Biosecurity; Polymers; Railway Innovation; Spatial Information; Smart Services; and Young and Well.



**Queensland University of Technology**  
Brisbane Australia

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