



ANNUAL REPORT 2020

the university for the real world[®]



26 February 2021

The Honourable Grace Grace MP
Minister for Education
Minister for Industrial Relations
Minister for Racing
PO Box 15033
City East Qld 4002

I am pleased to submit for presentation to the Parliament the Annual Report 2020 and financial statements for the Queensland University of Technology (QUT).

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2019*, and
- the detailed requirements set out in the *Annual report requirements for Queensland Government agencies*.

A checklist outlining the annual reporting requirements is provided at page 90 of this annual report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'L. Xiaoling'.

Dr Xiaoling Liu
Chancellor

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QUT
Administration
2 George Street
GPO Box 2434
Brisbane Qld 4001
Australia

Phone +61 7 3138 2000
Website www.qut.edu.au

CRICOS No. 00213J

Published by
QUT Marketing and Communication

The QUT 2020 Annual Report is available from QUT Marketing and Communication (see back cover) or online at www.qut.edu.au/about/governance-and-policy/annual-report

Information on consultancies and overseas travel can be accessed through the Queensland Government Open Data website (www.data.qld.gov.au) or online at www.qut.edu.au/about/governance-and-policy/annual-report

ISSN 0819-209X
ABN 83 791 724 622

Introduction and review

The QUT community acknowledges that our university stands on Aboriginal lands, the Country of the Turrbal and Yugara people: lands that were never ceded. We pay our respects to their Elders—past, present and emerging—and thank them for their wisdom, forbearance and spirit of sharing. We respectfully recognise the role that Aboriginal and Torres Strait Islander people play within the university and in the wider community. We celebrate that the lands on which we live, study and work have always been places of learning, research and engagement.

As the university for the real world, QUT has been well positioned to respond to the effects of COVID-19 on government policy, the movement of people, the economy, and how we interact with our community. QUT adapted to this fluid environment by redesigning course delivery and assessment. The university implemented on-campus social distancing measures and adjusted working arrangements to ensure continuity in a time of rapid change. Our remarkable success is a testament to the dedication and resourcefulness of our staff and students, who responded to necessity with a practical determination to confront adversity and get the job done.

Strong, sustained financial health and deep local and international engagement have made QUT a resilient institution, able to continue provision of outstanding education and extending human knowledge

throughout the crisis. QUT reacted to economic change by implementing savings measures, including a travel freeze, a recruitment chill, reductions in capital works, and an organisational repositioning process.

The financial impact of COVID-19, new arrangements for Commonwealth funding and the likely slow return of international students required a realignment of university structure. After a lengthy strategic and consultative process involving staff and their representatives, changes to services were implemented to more closely align services and support for education and research; to reduce duplication of effort; to introduce flexibility in the support for areas where there will be less demand in the future; and to streamline decision making. Under the change, QUT transitioned into a three-division/five-faculty configuration as of February 2021; 159 ongoing positions were made redundant, balanced by the creation of 99 ongoing positions and 41 additional fixed-term retraining positions.

The quality of QUT's response was enriched by valued additions to leadership. The year began with the QUT community officially welcoming new Chancellor Dr Xiaoling Liu, whose diverse experience and global perspective have been invaluable during this tumultuous year. Provost Professor Nic Smith joined QUT from Auckland in April amidst substantial repositioning and international travel restrictions. The strength of QUT's leadership pipeline became apparent in the appointments of QUT's

Professor Christopher Barner-Kowollik as Deputy Vice-Chancellor and Vice-President (Research), Professor Robina Xavier as Deputy Vice-Chancellor and Vice-President (Education), Distinguished Professor Patsy Yates AM as Executive Dean of the Faculty of Health, and Professor Peter Anderson as the foundational Executive Director of the new Carumba Institute. Thanks are also due to Professor Xavier for serving as Acting Provost, Carl Cartwright for his contribution in the role of Acting Chief Financial Officer, and Associate Professor Amanda Gudmundsson and Professor Troy Farrell for their efforts as Acting Executive Deans of the QUT Business School and Science and Engineering Faculty, respectively.

QUT continued to build on the *Blueprint 6* priority of Indigenous Engagement, Success and Empowerment by welcoming QUT Elder-in-Residence Gregory Egert, affectionately and respectfully known as Uncle Cheg. The community-building efforts of Uncle Cheg and the Indigenous Strategy team are supported by QUT's *Campus to Country: Positioning Strategy*, which commits QUT to embedding Indigenous Australian cultures, knowledges and perspectives within the fabric of our campuses. QUT ranks third in Australia and first in Queensland for Indigenous Australian award course completion, and these initiatives will be key to driving further increases in Indigenous Australian participation, attainment and quality of experience in higher education.

QUT's flagship equity program, the Learning Potential Fund, is a remarkable example of the QUT community's commitment to fair access. The first and still the largest of its kind in Australia, the fund has distributed more than 33 000 scholarships and bursaries to assist students in financial need since its inception in 1998. The establishment of the Emergency Student Fund in March 2020, which aided more than 340 students experiencing COVID-19 financial hardship, is the latest expression of this commitment.

QUT was proud to partner with the Queensland Government and Queensland's world-class educators to develop the Fortitude Valley State Secondary College, Brisbane's first vertical and inner-city school in more than 50 years. The success in adapting to 2020's challenges by developing innovative teacher-created, online student learning experiences highlights the value of collaboration between school, government and university.

QUT once again recorded significant achievements in academic performance during the year. QUT was named Australia's best young university in the Times Higher Education (*THE*) Young University Rankings and was ranked 14th internationally, and 186th in the world in the 2021 *THE* World University Rankings. At a discipline level, QUT ranked 17th globally for Communication and Media Studies and 36th in Nursing in the Quacquarelli Symonds (QS) Subject Ranking 2020, and six subjects placed within the top 75 of the Academic Ranking of World Universities (ARWU) Global Ranking of Academic Subjects: nursing (17th), transportation science (50th), communication, hospitality and tourism management, civil engineering, and education (all 51-75). QUT sits within the top 40 in employer-student connections in the global QS Graduate Employability Rankings 2020, and our education graduates have the highest graduate employability rates in the country.

Such strong ranking performances rely entirely upon the talent and energy of our outstanding academics, right across the disciplines.

QUT's excellence across research, learning and teaching, and professional practice is captured by the recognition of its people:

- Distinguished Professor Lidia Morawska, Director of the International Laboratory for Air Quality and Health, who led an international group of 239 scientists in the journal *Clinical Infectious Diseases* calling for public institutions to recognise and mitigate airborne transmission of COVID-19. She was also elected a Fellow of the Australian Academy of Science, an acknowledgement of her outstanding contributions to science and society.
- Professor Michael Bode, who received the Australian Academy of Science Fenner Medal for outstanding contribution to biology. Michael's work addresses environmental problems such as overfishing and the protection of endangered animals.
- Professor Kevin Burrage and Professor Ken Ostrikov were awarded the prestigious Humboldt Prize, also known as the Humboldt Research Award, in recognition of their accomplishments in research and teaching.
- Alumna and NASA scientist Dr Abigail Allwood, who was named as a joint winner of the Advance Global Australian Award, which recognises Australia's top expatriates; and alumna Dr Megan Rossi, who was named Young Achiever of the Year in the United Kingdom by the Australian High Commissioner for her trailblazing research into gut health.
- Adam Robinson, Quandamooka man and QUT Manager, Industry Engagement (Indigenous Projects), whose QUT-backed

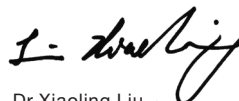
world-first Indigenous start-up, IndigiLedger, uses blockchain technology to verify the authenticity of Aboriginal and Torres Strait Islander artistic and cultural works.

- The team behind the QUT Peter Coaldrake Education Precinct, which was awarded Building of the Year in the 2020 Queensland Institute of Architect awards.

QUT farewelled a number of senior colleagues, among them were Emeritus Professor Carol Nicoll PSM and Emeritus Professor Mandy Thomas who announced they would be retiring at the end of 2020. They will be enjoying life beyond full-time employment and leave a legacy of an enriched environment for learning, teaching and research which will continue to benefit QUT and the community for years to come.

QUT's continued success is entirely a function of all our remarkable contributors: those above, along with our many other students and alumni; academic and professional staff; and partners in government and industry, locally and across the globe. We take pride in this community's achievements, in what QUT is and what QUT aspires to be. We applaud the dedication, diligence, talent and vision of outstanding individuals at all levels across the institution. We wish to acknowledge in particular the members of QUT Council for their wisdom, guidance and support of the university.

We commend this report to the Queensland Parliament and to all colleagues, partners and contributors to the life of QUT, Queensland's university for the real world.



Dr Xiaoling Liu
Chancellor



Professor Margaret Sheil AO
Vice-Chancellor and President

Organisation

VICE-CHANCELLOR AND PRESIDENT ¹

Professor Margaret Sheil AO

- Chancellery Division
 - Vice-Chancellor and President
 - Assurance, Risk and Integrity Services
 - Business Development
- Finance Business Solutions
- Government Relations and Policy
- Indigenous Strategy
- International
- Marketing and Communication

PROVOST ¹

Professor Nic Smith ²

- Academic Division
 - Executive Deans of Faculties
 - Digital Business Solutions
 - Education
 - Research

VICE-PRESIDENT (ADMINISTRATION) AND UNIVERSITY REGISTRAR ¹

Ms Leanne Harvey

- Division of Administrative Services
 - Equity and Wellbeing
 - Facilities Management
 - Governance and Legal Services
 - Health Safety and Environment
 - HiQ
- Human Resources
- Oodgeroo Unit
- Planning, Reviews and Quality
- Student Administration
- Student Services and Wellbeing

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (INTERNATIONAL)

Professor Scott Sheppard

- QUT International
- International Student Services
- Confucius Institute at QUT

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (EDUCATION)

Professor Robina Xavier ³

- Learning and Teaching Unit
- Digital Learning
- Library Services
- QUT College
- QUT Entrepreneurship
- Student Ombudsman

VICE-PRESIDENT (BUSINESS DEVELOPMENT)

Professor Mark Harvey

- Business Development
- Advancement Office
- Corporate Partnerships
- Industry Engagement
- QUT Precincts

DEPUTY VICE-CHANCELLOR AND VICE-PRESIDENT (RESEARCH)

Professor Christopher Barner-Kowollik

- Research Institutes
- eResearch Office
- Office of Research Services
- Office of Research Ethics and Integrity
- Office of the Pro Vice-Chancellor (Graduate Research and Development)

PRO VICE-CHANCELLOR (INDIGENOUS STRATEGY)

Ms Angela Barney-Leitch (Woppaburra Guami Enkil)

- Indigenous Australian Strategy and Policy
- Carumba Institute

CHIEF FINANCIAL OFFICER

Mr Carl Cartwright

- Finance Operations
- Finance Resource Management

CHIEF INFORMATION OFFICER

Ms Cathy Ford ⁴

- Digital Business Solutions

¹ QUT moved to a three-division structure from the previous six divisions on 1 July 2020.

² Professor Nic Smith commenced in the role on 2 April 2020.

³ Professor Robina Xavier commenced in the new role of Deputy Vice-Chancellor and Vice-President (Education) on 26 February 2020.

⁴ Ms Cathy Ford resigned as Chief Information Officer in December 2020. Mr Huw Davies was appointed to the role for a 12-month term.

FACULTIES

QUT BUSINESS SCHOOL EXECUTIVE DEAN

**Associate Professor
Amanda Gudmundsson⁵**

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

CREATIVE INDUSTRIES EXECUTIVE DEAN

**Emeritus Professor
Mandy Thomas**

- Design
- Creative Practice
- Communication

EDUCATION EXECUTIVE DEAN

**Emeritus Professor
Carol Nicoll^{PSM}**

- Early Childhood and Inclusive Education
- Teacher Education and Leadership

HEALTH EXECUTIVE DEAN

**Distinguished Professor
Patsy Yates^{AM 6}**

- 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 Dan Hunter

- Justice
- Law
- Legal Practice

SCIENCE AND ENGINEERING⁷ EXECUTIVE DEAN

Professor Troy Farrell⁸

- Biology and Environmental Science
- Built Environment
- Chemistry and Physics
- Civil and Environmental Engineering
- Computer Science
- Earth and Atmospheric Sciences
- Electrical Engineering and Robotics
- Information Systems
- Mathematical Sciences
- Mechanical, Medical and Process Engineering

INSTITUTES

INSTITUTE OF HEALTH AND BIOMEDICAL INNOVATION

EXECUTIVE DIRECTOR

**Distinguished Professor
Lyn Griffiths**

INSTITUTE FOR FUTURE ENVIRONMENTS

EXECUTIVE DIRECTOR

Professor Kerrie Wilson

CARUMBA INSTITUTE⁹

EXECUTIVE DIRECTOR

**Professor Peter Anderson
(Walpiri and Murinpatha)¹⁰**

⁵ Professor Robina Xavier left the role to commence the new role of Deputy Vice-Chancellor and Vice-President (Education) on 26 February 2020. Associate Professor Amanda Gudmundsson commenced in the role on 26 February 2020.

⁶ Emeritus Professor Ross Young left the role on 20 February 2020. Distinguished Professor Patsy Yates^{AM} commenced in the role on 16 March 2020.

⁷ The Science and Engineering Faculty transitioned from six Schools to 10 Schools on 1 January 2020.

⁸ Professor Gordon Wyeth left the role on 15 May 2020. Professor Troy Farrell commenced in the role on 18 May 2020.

⁹ Carumba Institute commenced operations on 1 January 2020.

¹⁰ Professor Peter Anderson commenced in the role on 1 January 2020.

Our vision, values and key priorities

The QUT Blueprint is the university's institutional strategic plan. The sixth iteration of the plan, *Blueprint 6*, provided a planning framework for the university in 2020.

Blueprint 6 formalises QUT's ambitions and informs our purpose: to provide transformative education and research relevant to our communities. The Blueprint provides a framework and strategies to realise our vision to be the university for the real world.

It identifies the way our priorities manifest across our key spheres of activity, driving greater coherence and coordination of our efforts.

Blueprint 6 can be accessed at <https://www.qut.edu.au/about/blueprint-for-the-future>

Blueprint 6 identifies seven priorities:

- Creativity and Entrepreneurship
- Health and Wellbeing
- Professional Engagement and Ethical Leadership
- Digital Transformation and Technology

- Indigenous Australia Engagement, Success and Empowerment
- Sustainability and the Environment
- Aspiration and Inclusion.

Each of these priorities will be realised through activities embedded across five key spheres:

- the student lifecycle
- innovative, practical and engaging learning and teaching
- high-quality, relevant research
- co-designed Indigenous Australian teaching, research and learning
- organisational practices and culture.

QUT Values support Queensland's public service values. The values are:

- Ambition
- Curiosity
- Integrity
- Inclusiveness
- Innovation.

QUT contributes to Queensland Government's objectives for the community which are built around Unite and Recover—Queensland's Economic Recovery Plan. The university contributes to the objectives by stimulating economic growth and innovation; helping Queenslanders transform their lives through courses that increase their knowledge and skills; and research that makes a real difference to the people of this state and the economy.

This report offers summaries of achievements against the objectives and key performance indicators of each of the key priorities of the *Blueprint 6*.

QUT Council membership

CHANCELLOR (CHAIR)

Dr Xiaoling Liu

BEng CQU, PhD Imperial College London,
AusIMM, GAICD, FTSE
(attended 6 of 6 meetings)

VICE-CHANCELLOR AND PRESIDENT

Professor Margaret Sheil AO

BSc(Hons), PhD UNSW, FTSE, FRACI,
FANZSMS
(6/6)

CHAIR OF UNIVERSITY ACADEMIC BOARD

Professor Nic Smith

BE(Hons) PhD Auckland, MA(Oxon),
FRSNZ, FEngNZ
Commenced 2 April 2020
(5/5)

GOVERNOR IN COUNCIL APPOINTED MEMBERS

Ms Monica Bradley

MBA QUT, GAICD
(6/6)

Mr Mick Gooda

(5/6)

Mr Peter Howes

BBus QUT, MBusAdmin QUT,
FAHRI (Life), FAIM
(6/6)

Mrs Jenny Parker

Deputy Chancellor
BCom QUT, CMIIA, FCA
(5/6)

Mr Mario Pennisi AM

BAppSc(MedLabSc) QUT, MAICD,
MBIO, MDIA, MACRP
(5/6)

Dr Lee-Anne Perry AM

BEd(Hons) MEd Syd, DipCL BIF,
EdD QUT, FACE, FACEL, GAICD
(4/6)

Dr Susan Pond AM

DSc QUT, MBBS(Hons) Syd, MD UNSW,
FRACP, FTSE, FAHMS, FAICD
(6/6)

Ms Susan Rix AM

BFin Admin UNE, FCA, FAICD
(4/6)

ADDITIONAL MEMBERS

Mr Paul Lindstrom

BBus QUT, FCA
Commenced 27 February 2020
(4/5)

Dr Darryl McDonough

BBus (Acc), LLB (Hons) QUT, SJD Bond,
CPA, FAICD, FCPA
(5/6)

ELECTED ACADEMIC STAFF MEMBERS

Dr Kerry Manton

BAppSc(Hons), Grad Cert Acad Prac,
MEd, PhD QUT, GAICD, FHEA
(4/6)

Professor Paula McDonald

BSocSc(Hons)(Psych), PhD QUT,
GAICD, FHEA
(6/6)

Dr David Nielsen

BArch Wits, MTech TWR, PhD QUT
(6/6)

ELECTED PROFESSIONAL STAFF MEMBERS

Ms Gwen Amankwah-Toa

BJourn James Cook
(6/6)

Miss Anne-Marie Lacaze

BBehavSc (Psych) QUT,
GradDipPsych(Adv), Grad Cert
eLearning UNE, AssocMAPS
(6/6)

ELECTED ALUMNI MEMBERS

Dr Tim Baker

BA QUT, BEd EdD QUT, FAHRI, ILPF
(4/6)

Mr Earle Johnston

MBus(Philanthropy&NpSt) QUT,
CFRE, MAICD, MFIA
(6/6)

ELECTED STUDENT MEMBERS*

Ms Saskia Mathers

(5/6)

Ms Isobella Powell

(6/6)

SECRETARY

Ms Leanne Harvey

BBus (Acc) MCAE
Vice-President (Administration)
and University Registrar

Governance

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

MANAGEMENT AND OVERSIGHT

QUT was established on 1 January 1989 under the *Queensland University of Technology Act 1998* (the 'QUT Act'). The university is constituted as a body corporate and has the general powers outlined in the current 'QUT Act'.

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 QUT 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
- to exploit commercially, for the university's benefit, a facility or resource of the university, including, for example, study, research or knowledge, or the

practical application of study, research or knowledge, belonging to the university, whether alone or with someone else

- to perform other functions given to the university under this or another act.

FINANCIAL REPORTING ARRANGEMENTS

QUT is audited by the Queensland Auditor-General and transactions are accounted for in the financial statements approved by QUT Council each year.

GOVERNING BODY

The university's governing body is QUT Council and its chief executive officer is the Vice-Chancellor and President. QUT 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. In 2020 an annual review by QUT Council of compliance with the voluntary code confirmed that QUT fully complies with almost all aspects of the code.

STRUCTURE OF QUT COUNCIL

QUT Council has up to 22 members and is constituted in accordance with the QUT Act. Appointed, additional and elected members hold office for a term of not more than four years (with the exception of elected student members, who

normally hold office for a term of not more than two years). The terms of office for the current QUT Council commenced on 21 November 2016. In June 2020 the Minister for Education, Minister for Industrial Relations and Minister for Racing extended the terms of office of elected, appointed and additional members of Council to 30 September 2021. This was to enable consultation to take place within the QUT community on governance reform.

Other casual vacancies in appointed or additional member categories which arose during the year were addressed in accordance with the requirements of the QUT Act and QUT Council's procedures. At the close of 2020, there were no vacancies on QUT Council with all 22 positions filled.

With the exception of the Chancellor, members of QUT Council and committee members external to QUT were not remunerated.

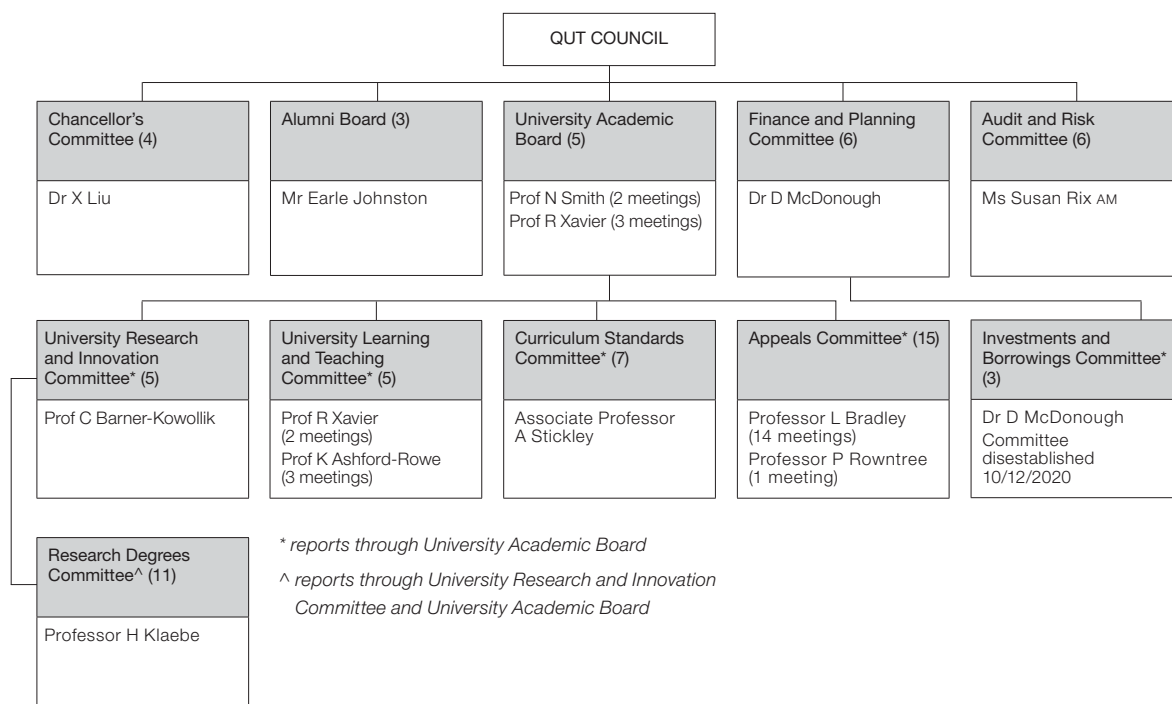
QUT COUNCIL BUSINESS IN 2020

QUT Council met six times in 2020.

During 2020 QUT Council considered the following items in carrying out its role:

- strategic positioning in response to the COVID-19 pandemic including faculty and divisional realignment and policy and process reform

QUT Council committees and committee chairs (number of meetings in 2020)



- approval of the 2021 Consolidated Budget including the 2021-2025 Capital Management Plan; noting that a budget revision is planned for consideration and endorsement by the Finance and Planning Committee and subsequent approval by Council in April 2021
- approval of the 2019 financial statements
- financial management reports monitoring QUT's financial performance
- corporate performance reports monitoring QUT's performance against its KPIs
- updates to corporate risk register and other risk matters
- reports relating to oversight of QUT Enterprise Holdings Pty Ltd (QEH) and its subsidiaries, and appointment of QEH directors
- reports on academic governance activities undertaken by the University Academic Board (all meetings except February)
- strategic reports on teaching and learning, course developments, and research matters

- reports on health and safety matters
- reports relating to reviews and implementation of recommendations under QUT's program of corporate reviews
- reports on the implementation of recommendations from the evaluation of Council performance 2018-2019
- review of the charters for several Council subcommittees
- review of the QUT Staff Code of Conduct and other policies to support compliance with the Human Rights Act 2019, reaffirm QUT's commitment to academic and intellectual freedom and in response to initiatives on sexual assault and sexual harassment
- appointment of external members of Risk and Audit Committee and Finance and Planning Committee
- approval of conferral of honorary titles
- approval of revisions to various policies, including policies on the university planning framework, conflict of interest management, intellectual property, outside

work, public interest disclosure management and organisational structure

- proposals for governance reform of QUT Council and consideration of the outcomes of consultation with the university community
- reports and relevant policy items from QUT Council sub-committees.

The summary report on QUT Council as a governing body is available at <https://www.qut.edu.au/about/governance-and-policy/qut-council-and-committees>

ETHICAL CONDUCT, SOCIAL RESPONSIBILITY AND EXTERNAL SCRUTINY

QUT recognises 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 provides an online, required training module to all staff on ethical decision making and behaviour. New staff must complete this training within one month of commencement and other staff biennially.

The university actively promotes the Code of Conduct and ethical behaviours through a number of staff processes and information resources throughout the year, including performance planning and review. In addition, staff must complete online training on corruption and fraud awareness and prevention which reinforces a culture of high ethical standards and accountability in learning and teaching, research and other activities. Other required training supporting ethical obligations includes information privacy awareness and training on equal opportunity principles for work and study environments. Staff are required to complete these training activities upon appointment and then biennially.

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 QUT Council Procedure 1—Committees
- Conflict of Interest policy and associated procedures
- policy on staff gifts and benefits
- QUT Code of Conduct for Research
- University Animal Ethics Committee
- University Human Research Ethics Committee
- University Biosafety Committee.

QUT maintains a Register of Disclosed Interests to assist staff in recognising and declaring conflicts of interest.

Policies on conflicts of interest, including conflicts related to research activities, have also been developed. Reports are provided to each university committee on members' disclosed interests annually or more frequently if interests change.

With regard to external scrutiny, there were no significant issues identified by the Queensland Ombudsman, the Crime and Corruption Commission or the Office of the Information Commissioner in 2020. On 3 November 2020, the Fair Work Ombudsman wrote to QUT, and a number of other universities, to call for action to ensure the university was meeting its obligations under the Fair Work legislation, specifically in relation to wage underpayments.

As part of the Crime and Corruption Commission's Corruption Audit Plan 2019–2021, in May 2019 the Crime and Corruption Commission made public its plan to audit QUT, as one of three universities audited, for Research Fraud. In May 2020, the final audit report made positive observations across the three universities. Specifically, the Crime and Corruption Commission found that QUT has comprehensive governance, policy, procedures and other resources on research and recommended four areas for improvement: research governance framework, conflict of interest management, peer reviews, and investigation capabilities and deterrent measures. A follow up implementation plan has been communicated to the Crime and Corruption Commission and the recommended actions are expected to be completed in first quarter 2021.

In May 2019 the following Queensland Audit Office (QAO) report was tabled in the Queensland legislative assembly 'Education: 2017–2018 results of financial audits (Report 19: 2018–19)'.

This report summarised the results of QAO financial audits of the seven

Queensland public universities and their controlled entities, and other education sector entities. It provided an overview of the universities' finances at 31 December 2018 and any financial accounting issues that arose during the audits.

Reflecting upon the QAO recommendations included within their report, QUT has continued to manage ongoing costs and revenues, through developing strategies and implementing cost-saving initiatives, to reduce the risks associated with changes in government funding arrangements and external market factors. Examples include—though are not limited to—strategically increasing student load intakes across international and domestic cohorts to mitigate the risks of both the Australian Government operating grant freeze at 2017 levels and the impact of the Queensland reduced school leaver cohort forecast for 2020. Significant progress continues to be made in transforming the cost effectiveness of support services for students, information technology, human resources, finance and research.

QUT has taken prompt action to address internal control deficiencies to mitigate the risk of fraud or error, and resolved all issues from prior years including improved procedures for verifying bank account changes independent of change requests.

HUMAN RIGHTS

QUT is committed to the protection of human rights and has responded to the *Human Rights Act 2019* (the HRA) by integrating human rights considerations into policy and procedure including the QUT Staff Code of Conduct, QUT Student Code of Conduct, Management of student misconduct policy, and various policies relating to the hiring and accessing of university spaces. The university has commenced training key staff about the requirements of the HRA

and developed internal guidelines to assist process owners and decision makers in the proper consideration of human rights. QUT has designated discrimination advisors forming part of the Equity and Wellbeing department and has commenced transitioning to a central complaint handling process for human rights complaints. There were no human rights complaints received by QUT in 2020.

COMPLIANCE PROGRAM

The university's Compliance Management System includes a register of compliance obligations, an annual compliance reporting process, including risk assessment, and a communication strategy incorporating targeted education and training activities. The Compliance Management System also includes a Register of Licences, which is reviewed annually to ensure that a record of all current licences and registrations held by QUT is available at all times. In 2020 work was undertaken to embed consideration of human rights into QUT policy and decision-making processes. QUT also worked to raise awareness of Commonwealth national security legislation and implement the recommendations of the University Foreign Interference Taskforce Guidelines to counter foreign interference in Australian universities.

QUT PLANNING, REVIEWS AND QUALITY FRAMEWORKS

QUT's policies around its planning, corporate reviews, and quality frameworks provide the overall structure to guide these activities at university and organisational area level. The policies are approved by QUT Council and are published online. The academically-focused integrated planning process continued in 2020 albeit in a condensed and refined format to specifically plan for recovery and growth of QUT during and post COVID-19. Major refinements to the policy framework were made to reflect the changes to planning practice.

Corporate reviews were paused in 2020 while COVID-19 restrictions were in place, but smaller-scale review activity continued. Implementation of actions arising from 2018 corporate reviews (Faculty of Health, and Science and Engineering Faculty) continued and were largely resolved by the end of 2020.

This year, QUT's quality assurance, compliance, and standards activities occurred as part of business as usual. The pandemic resulted in a number of impacts to the university's compliance obligations, particularly in relation to international students. These issues were recognised nationally by the Tertiary Education Quality and Standards Agency (TEQSA). TEQSA reduced the administrative burden of regulation on providers and QUT acted in accordance with this advice, ensuring compliance and support to students was maintained.

RECORDKEEPING

The university's strategic approach to recordkeeping is to capture records in electronic format. This is supported by a recordkeeping program including policies and procedures documenting roles and responsibilities, and other resources such as a business classification scheme and training programs which support records management activities.

During 2020 the recordkeeping program included the following activities:

- improvements to recordkeeping practices in certain key functional areas of the university
- integrations between QUT's corporate records system and other corporate systems, including the research project management system, to ensure capture of records and accuracy of data
- approval of early disposal of temporary records following digitisation in accordance with policies and procedures

- addressing requirements for records relating to vulnerable persons, in response to Queensland State Archives Guideline on Creating and Keeping Records for the Proactive Protection of Vulnerable Persons
- digitisation of student records from QUT's predecessor institutions to promote efficient access as required for business purposes
- updating and auditing system security structures to ensure accuracy in a changing corporate structure.

All staff using the corporate records system undertake mandatory online training on recordkeeping before access to use the system is granted. In addition, online training sessions are available to system users to promote high-quality recordkeeping.

Audits of recordkeeping compliance are conducted annually in key areas such as decision-making committees in faculties, and recordkeeping is also considered as part of university audits and reviews. Additionally, records user permissions are audited annually.

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.

RISK AND AUDIT COMMITTEE

Risk and Audit Committee (RAC) advises both QUT Council and the Vice-Chancellor and President, 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 2019* and the university's Assurance, Risk and Integrity Services Charter.

RAC's main functions are to oversee the university's financial reporting, assess and contribute to internal and external audit processes, and assess and monitor the university's systems for internal control and risk management.

COMMITTEE MEMBERSHIP

External Council member nominated by the Chancellor as Chair

Ms Susan Rix AM
BFinAdmin UNE, FCA, FAICD
(6/6)

Four external members with extensive expertise in accounting, auditing or risk management nominated from or by Council:

Mr David Hodges
BCom Qld, LLB QUT, GradDipAppCorpGov
GIA, FCPA, MAICD, MIIA, AGIA, CIA
(6/6)

Mr Peter Howes
BBus QIT, MBusAdmin Qld, FAHRI (Life), FAIM
(6/6)

Mr Craig Mitchell
BCom UNSW, CPA, MAICD
(1/1)

Dr Susan Pond AM
DSc Qld, MBBS(Hons) Syd, MD UNSW,
FRACP, FTSE, FAHMS, FAICD
(6/6)

There was one vacancy on RAC until 15 October 2020, the vacancy was filled by Mr Craig Mitchell. No members were remunerated by QUT in 2020.

The Chancellor, Vice-Chancellor and President, the Chief Financial Officer, Vice-President (Administration) and University Registrar and the Director, Assurance, Risk and Integrity Services, have rights of audience and debate but are not members of the committee.

During 2020 RAC addressed the following matters in carrying out its responsibilities:

- review of the 2019 financial statements and preparations for the 2020 external audit, including review of the external audit plan and significant accounting policies prior to the end of the financial year
- review of QUT's corporate risk register
- major review of QUT's enterprise risk management framework, QUT's risk management policy, and an independent quality assessment of the internal audit program

- review of internal audit reports, and oversight of audit recommendations
- review of reports on various risk matters such as QUT's response to COVID-19, health and safety, cyber security and business.

ASSURANCE, RISK AND INTEGRITY SERVICES

The primary purpose of Assurance, Risk and Integrity Services, mandated through the approved Assurance, Risk and Integrity Services Charter, is to add value to the university's operations and assist the university to achieve its strategic priorities 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.

The assurance and audit approach in 2020 involved:

- incorporating a blend of compliance, operational, strategic, 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 focus on risk management to assist management in embedding it into day-to-day university activities
- providing management advice on an effective and efficient internal control framework
- assisting management in responding to emerging issues and the changing environment.

The annual integrated Plan for Assurance, Audit, Risk and Improvement Activities for 2020 was substantially achieved after additions and approved deferrals. In 2019 the Independent Quality Assessment was completed by the Institute of Internal Auditors which concluded that the QUT

Internal Audit function is operating professionally and generally conforms with the International Internal Audit Standards. The review identified a number of good practices and seven areas for improvement which were implemented in 2020.

RECOGNISING AND MANAGING RISK

QUT Council through the RAC is responsible for ensuring there are adequate policies and procedures in relation to risk management, compliance and internal control systems.

The Vice-Chancellor and President 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 enterprise risk management (ERM) system provides qualitative directional risk appetite statements, detailed guidelines on application of the risk management process, the roles and responsibilities of key stakeholders, level of documentation and reporting requirements.

In 2020 the following initiatives were implemented to further embed risk management into university activities:

- risk workshops with the Primary Risk Owners and selected Action Owners which informed the update of the Corporate Risks Register and the university's risk appetite for key activities
- risk workshop for academic integrity with university stakeholders to identify emerging risks and mitigating strategies
- review and refresh the university's Business Continuity Management Framework including the business continuity plan and business impact analysis templates
- independent review of a sample of COVID-19 specific business continuity plans, system recovery plans and Business Continuity Management Framework for lessons learnt and continuous improvement.

Key statistics

STUDENTS ^a	2016	2017	2018	2019	2020 ^b
Total enrolments	48 833	49 847	50 804	52 511	52 672
Commencing students	18 854	19 202	19 455	19 862	19 252
Continuing students	29 979	30 645	31 349	32 649	33 420
Full-time	36 611	37 977	38 649	39 744	37 334
Part-time	12 222	11 870	12 155	12 767	15 338
Undergraduate	36 480	37 792	39 039	39 871	39 156
Postgraduate coursework	8939	8660	8527	9426	10 390
Higher degree research	2655	2652	2518	2512	2465
Non-award	759	743	720	702	661
Female	26 451	26 955	27 355	28 243	28 545
Male	22 361	22 852	23 390	24 209	24 036
Other	21	40	59	59	91
Aboriginal and Torres Strait Islander	711	759	825	825	864
Domestic	40 986	41 489	41 860	42 742	44 230
International	7847	8358	8944	9769	8442
GRADUATES ^a	2016	2017	2018	2019	2020
Total completions	11 543	11 942	11 588	12 059	c
Undergraduate	7143	7546	7603	7842	c
Postgraduate coursework	3969	3971	3548	3791	c
Higher degree research	431	425	437	426	c
STAFF ^d	2016	2017	2018	2019	2020
Total staff FTE	4802	4713	4721	4886	5049
Academic staff FTE	2174	2111	2145	2260	2293
Professional staff FTE	2629	2602	2576	2627	2756
Full-time/fractional full-time staff FTE	3929.6	3825.8	3791.1	3885.9	4048.5
Casual staff FTE ^e	872.7	887.3	930.2	1000.4	1000.4
Total staff including casuals (bodies)	12 859	12 856	12 728	13 292	c
FINANCE (\$'000) ^f	2016	2017	2018	2019	2020
Total revenue	992 519	1 063 605	1 059 016	1 160 763	1 054 164
Australian Government grants	382 832	385 489	385 601	386 026	387 795
Higher Education Loan Program (HELP) including upfront student payments	254 762	265 045	268 186	276 216	282 758
Fees and charges	219 490	239 161	264 504	296 359	260 844
Other revenue	135 435	173 910	140 725	202 162	122 767
Total expenditure	940 928	963 185	1 026 415	1 072 372	1 028 946
Salary and wages expenses	563 139	565 551	578 048	621 298	623 156
Other expenses	377 789	397 634	448 367	451 074	405 790
AUDITED RESEARCH INCOME (\$'000)	2016	2017	2018	2019	2020
Total research income	93 431	100 114	96 232	92 321	c
Australian competitive grants	32 871	32 112	32 018	32 056	c
Other public sector research funding	30 832	33 897	28 921	27 514	c
Industry and other funding for research	24 612	27 480	29 953	27 312	c
Cooperative research centre funding	5115	6625	5341	5440	c

a Data shown is for government-reportable students, graduates and courses

b 2020 student data is preliminary and will be finalised after completion of Annual Report

c Final data not available by completion of Annual Report

d Full-time/fractional full-time staff data is at 31 March each year as per Commonwealth Government reporting. Casual staff data is for the whole calendar year (January-December) for each year

e 2020 data not available by completion of Annual Report. 2020 Casual staff FTE uses 2019 Casual staff FTE as an estimate

f QUT Parent Entity

Students, learning and teaching

QUT will deliver exceptional campus-based and online educational experiences that prioritise learner success and graduate employability.

The COVID-19 pandemic had major impacts on QUT's students, learning and teaching in 2020.

QUT's response to the lockdown and social distancing requirements included transferring campus-based teaching and learning activities to fully online delivery in the second half of Semester 1 and mixed delivery in Semester 2. The university facilitated online assessment, ensuring there was adequate academic and student support, scaling-up the use of collaboration technologies and providing flexibility in student academic concessions to accommodate the exceptional circumstances.

To ensure the best possible student experience, academic staff were provided with extensive training and resources to support the rapid move to fully online teaching.

Campus services were maintained as much as was practical, ensuring appropriate health and safety guidelines were followed at all times. For example, the libraries remained open and deployed strategies to enable social distancing, provided hand sanitiser, implemented QR code registration within library computer laboratories, and undertook regular monitoring of

visitor numbers to ensure that the Queensland Health density requirements were not exceeded.

Regular communication with students and staff was achieved through emails and dedicated QUT COVID-19 webpages. QUT also released a short video and radio messages to send COVID-19 related information to Indigenous Australian students, their families and the wider community.

The university established an International Student COVID-19 Hardship Fund to provide immediate support to students experiencing financial hardship as a direct result of the pandemic. The Fund distributed \$2.899 million to more than 1600 students. QUT also worked in partnership with FareShare and FoodBank in a program, coordinated by Study Brisbane, to facilitate the distribution of 22 500 frozen meals to QUT's international student community.

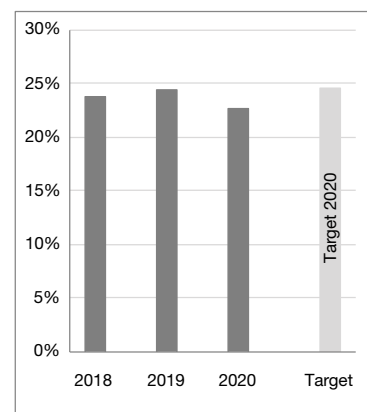
Despite the challenges of 2020, QUT's student population continued to grow and reached a new historical high of 52 672 enrolments.

There was greater competition between Queensland universities in 2020 for a reduced commencing student cohort. This reduction was due to the introduction of the Prep

year in 2007 in Queensland, which decreased the number of Year 12 students in 2019.

The Queensland Tertiary Admissions Centre (QTAC) first preference market share for QUT (Semesters 1 and 2 combined) in 2020 was 22.7 per cent, which was less than in 2019 and under QUT's 2020 target of 24.5 per cent.

QTAC first preferences market share



Commencing international student enrolments in 2020 were 33 per cent less than in 2019 due to COVID-19 travel restrictions.

Significant growth was experienced in domestic postgraduate markets as students took up opportunities to retrain and/or upgrade their skills in preparation for the post COVID-19 environment.

In 2020 QUT had 1488 more domestic student enrolments than in 2019, particularly in graduate certificate, graduate diploma and coursework master programs.

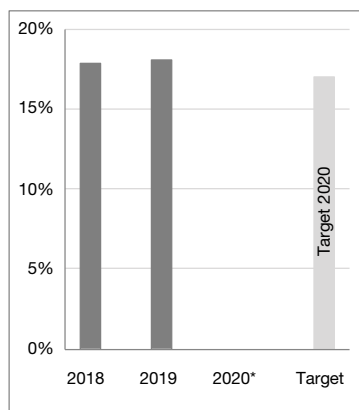
QUT International College was expanded to support both international and domestic students and was renamed QUT College to better reflect the courses on offer and the student cohort. The newly positioned college offered four short online undergraduate certificates in support of the Australian Government's COVID-19 Higher Education Relief Package in priority areas such as nursing and information technology. Offerings for the domestic market are expanding in 2021 commencing with the introduction of two diploma courses for domestic students included in our QTAC offer package.

QUT continues to review its overall student cohort priorities and associated marketing strategies. In 2020 QUT introduced a Year 12 Early Offer Scheme which allowed Queensland students to apply for entry to specific courses in 2021 before receiving their ATAR or International Baccalaureate Diploma. This proved popular with school leavers and in the November 2020 offer round QUT made 610 Year 12 Early Offers across 15 courses.

In 2020 QUT received \$3.609 million from the Australian Government's Performance-Based Funding (PBF) scheme.

The PBF scheme uses measures pertaining to domestic bachelor students: attrition rates, equity group participation rates, overall graduate employment rates, and student satisfaction with teaching quality. QUT tracked its performance against these measures in 2020 and also used sub-measures for Indigenous Australian students.

Attrition rates for commencing domestic bachelor students

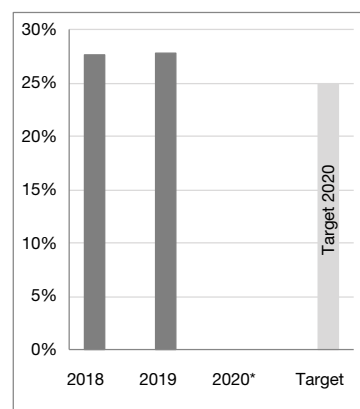


* Final data not available by completion of Annual Report

The attrition rate measures the percentage of commencing bachelor degree students who neither completed their course in the same year nor returned to QUT in the following year, and as such the attrition data for 2020 will not be available until 2021. COVID-19 impacted upon QUT's attrition rate for 2019, increasing slightly from 2018. The measurement for 2019 includes 2020 enrolment patterns, therefore students who took Leave of Absence as they were unable to return to study or chose not to study online in 2020 contributed to the slight increase in attrition.

QUT operates a full suite of student support services to facilitate student success. QUT completed its third trial of online, 24/7, written feedback support for language and writing with the support of Studiosity. Nearly 13 000 students across all faculties accessed the support service. QUT also piloted EesySoft which delivers real time messaging aligned to key student milestones, designed to reinforce the value of active participation in learning and normalise help-seeking where relevant.

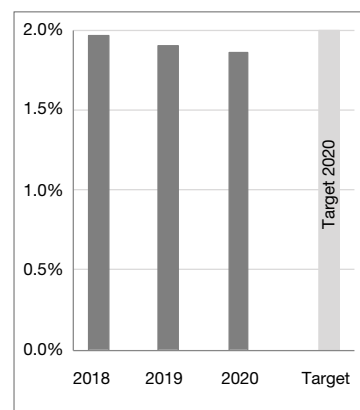
Attrition rates for commencing domestic bachelor Indigenous Australian students



* Final data not available by completion of Annual Report

In recent years attrition rates for Indigenous Australian students have been higher than for all students and this continued for the 2019 cohort. This outcome was also impacted by COVID-19 and the first semester 2020 enrolment change for a group of students. QUT aims to reduce this attrition rate to 25 per cent for the 2020 commencing group with specific programs under a collaboration between the Oodgeroo Unit and Student Success Group.

Participation rates for Indigenous Australian bachelor students



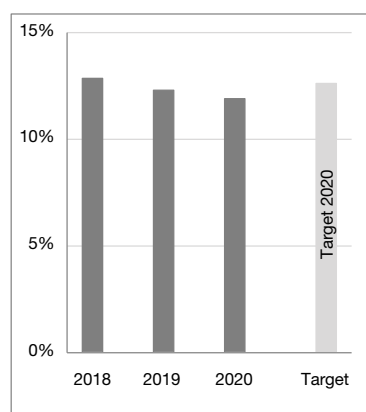
The participation rate for Indigenous Australian bachelor students decreased from 2018 to 2020, and at 1.86 per cent in 2020 was less than QUT's 2020 target of 2.00 per cent.

More Indigenous Australian students graduated from QUT than any other Queensland university in 2019.

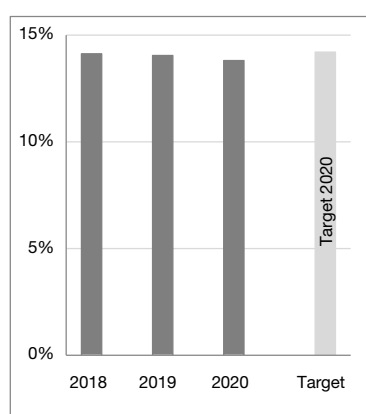
The university ranked third in Australia for Indigenous Australian completions for award courses.

The participation rates for low-socioeconomic status (low-SES) and regional/remote bachelor students showed small variations from 2018 to 2020, with the 2020 rates both being less than the university's 2020 target participation rates.

Participation rates for low-SES bachelor students



Participation rates for regional/remote bachelor students

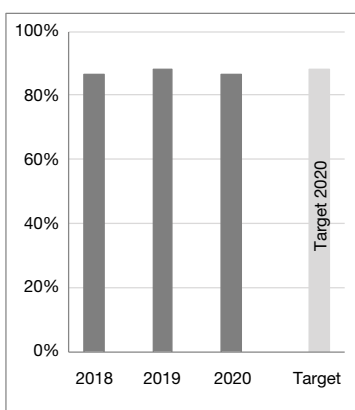


As with other COVID-19 response strategies, QUT's Widening Participation team pivoted outreach programs to low-SES partner

schools through the delivery of virtual sessions. More than 10 000 students participated in the in-school career education programs in 2020, the highest number of engagements since the program began 10 years ago.

To better support incoming students, the AdvantageStart Readiness Instrument Pilot was introduced in mid-2020 for 890 selected commencing equity group students. The objectives were to help students consider their readiness for study; establish a positive help-seeking relationship early in the semester; and to help our teams better understand the complexities of the commencing student profile and seek to match success interventions and strategies to self-reported needs. Outcomes of the pilot will be monitored in 2021.

Overall graduate employment rates for domestic bachelor students

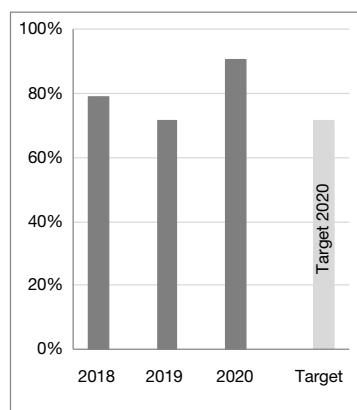


QUT's overall graduate employment rate increased from 2018 to 2019 (Graduate Outcomes Survey). The rate decreased in 2020 to 86.6 per cent and was less than QUT's target of 88 per cent. The COVID-19 pandemic was recognised as a factor for some graduate respondents being unable to start work.

In response to the challenging labour market conditions, QUT launched Bridge to the Future, a series of 16 facilitated workshops aimed at building adaptability, resilience, self-leadership skills and entrepreneurial mindsets. More than 180 students and alumni participated with positive participant feedback.

The overall graduate employment rate for Indigenous Australian students significantly increased to 90.6 per cent in 2020 and exceeded QUT's target.

Overall graduate employment rates for Indigenous Australian bachelor students

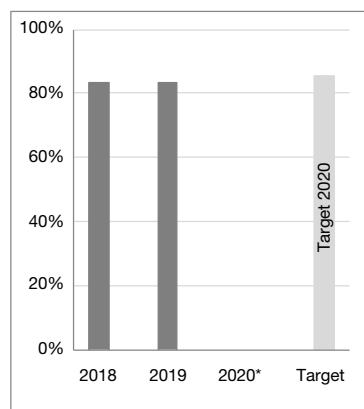


The 2020 result reflected the large increase in Indigenous Australian graduate respondents who indicated that they were available for overall employment. Of these respondents, the number who had employment more than doubled from the 2019 Graduate Outcomes Survey.

To recognise Indigenous Australian graduating students, QUT's Oodgeroo Unit provided graduation hampers to mid-year graduating students. They were accompanied by a congratulatory video, encouraging students to stay connected to QUT.

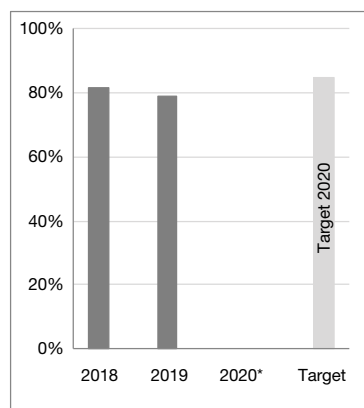
There were small changes in student satisfaction with teaching quality between 2018 and 2019. QUT aims to increase this measure to 85.7 per cent for all students for 2020 and to 84.6 per cent for Indigenous Australian students.

Student satisfaction with teaching quality for domestic bachelor students



* Final data not available by completion of Annual Report

Student satisfaction with teaching quality for Indigenous Australian bachelor students

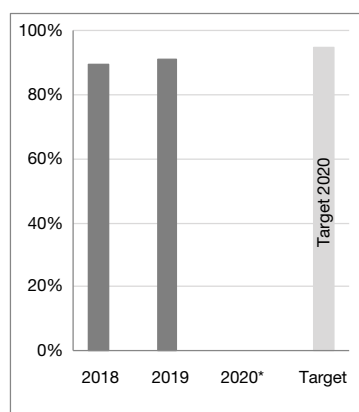


* Final data not available by completion of Annual Report

In Semester 1, 2020 QUT collected feedback from students on their online learning experience via a specially developed Online Learning Experience Survey. Feedback informed the university's strategies for learning in Semester 2, 2020 and beyond.

One of QUT's key performance indicators (KPIs) is the percentage of students who have work integrated learning (WIL) or international experiences prior to graduation. Therefore, QUT aims to enable all undergraduate students to experience WIL and to expand international opportunities for students. This percentage increased from 2018 to 2019 and although the 2020 data is not finalised, it is anticipated that due to international travel restrictions QUT's 2020 target will not be met.

Work Integrated Learning (WIL) or international experiences prior to graduation



* Final data not available by completion of Annual Report

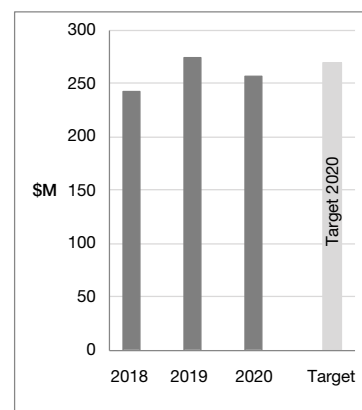
In the first half of 2020, COVID-19 led to restrictions on placements for all courses across the QUT program portfolio with particular impacts in key areas such as health and education. Where possible, arrangements were made to defer placements to later in the year and for some courses, alternative arrangements including virtual and remote WIL experiences were provided. QUT worked extensively with relevant professional bodies throughout the year to respond to the changing circumstances.

Outbound international student mobility was paused in 2020 due to COVID-19 travel restrictions. There was a transition to virtual mobility options during Semester 1 to enable completion of semester exchange programs, and short-term virtual

partner programs were held in the mid-year break. There is strong interest from students to study a semester abroad in 2021, however it is expected that ongoing global travel restrictions will continue to impact mobility programs for the foreseeable future.

In 2020 QUT continued to contribute to the WIL to Work project for international students funded by the Australian Government and delivered in partnership with other universities. The WIL to Work project is delivering a suite of online learning resources to better support international student engagement in work and work integrated learning.

Course revenue diversification



Diversification of course revenue from sources other than Australian Government funding is a QUT KPI. This KPI includes revenue from international and domestic fee-paying students, non-Commonwealth supported online courses and short courses. The 2020 total revenue from these sources was less than QUT's 2020 target, and \$18 million less than in 2019. There was a \$22 million reduction from 2019 in international student revenue due to the COVID-19 pandemic. However domestic fee-paying revenue (including QUT Online) increased by \$10 million. The revenue from short courses, professional development and executive education was \$7 million less than in 2019.

**In response to COVID-19,
QUT delivered English
Language Programs online,
a first for the university.**

QUT Online expanded to deliver 30 courses with a total of 104 units. As at December 2020, there were more than 1000 QUT Online students and there have been 250 graduations since the inception of the portfolio at the beginning of 2019.

TEACHING EXCELLENCE

QUT was recognised with five citations for Outstanding Contributions to Student Learning in the 2019 Australian Awards for University Teaching (AAUT) which recognise exemplary work being done by university educators and support staff to improve the student experience and enhance learning outcomes in higher education. The recipients were Dr Sarah Dart, Dr Genna Gillett-Swan, Associate Professor Sarah Holland-Batt, Associate Professor Alice Payne and Dr Suzanne Taylor.

Professor Jillian Hamilton was elected Vice President of the Council of Australasian University Leaders in Learning and Teaching (CAULLT), which is the peak professional body for leaders in learning and teaching.

The QUT 2020 David Gardiner Teacher of the Year Award recipient was Dr Kath O'Brien, from the Faculty of Health for transforming undergraduate learning through the use of innovative technology.

The new online professional development module, Indigenous Perspectives in Learning and Teaching, was completed by 175 staff in 2020.

**STUDENT AND GRADUATE
ACHIEVEMENTS**

**The 2020 QUT Alumnus of the
Year and Indigenous Alumnus
of the Year was His Honour
Judge Nathan Jarro.**

The Young Alumnus of the Year recipients were Reba Brammer and Matt Fairhurst. The Faculty Outstanding Alumni Award recipients were Julian Anderson (Science and Engineering), Jane Bourne (Education), Dr Kirstin Ferguson (Business), Debbie Kilroy OAM (Law and Special Excellence), Dr Benjamin Law (Creative Industries) and Dr Robyn Littlewood (Health).

Creative Industries Faculty alumna Jessie Hughes was named a John Monash Scholar for 2020, and is undertaking a Master in Screenwriting and Filmmaking at the London Film Academy.

QUT student Kathryn Dorante was the Queensland Law Society's First Nations Law Student of the Year.

QUT student Madison Birtchnell was recognised as one of Australia's top future graduates at the Top 100 Future Leaders Competition. The competition showcases the most promising future leaders graduating from Australian universities and is run by GradConnection in conjunction with Chandler Macleod and the Australian Financial Review.

Businesses founded by QUT alumni were successful at the 2020 Lord Mayor's Business Awards. UNE PIECE, a global brand of sun-conscious swimwear founded by Carly Brown, won the CCIQ Award for Outstanding Small Business.

The HSBC Award for Excellence in Business Adaptation was won by Street Science, founded by Steve Liddell. During the COVID-19 pandemic, Street Science launched a free home-schooling program and digital classroom kits and virtual excursions for schools around the world.

In the Australia Day Foundation UK 2020 Awards, Faculty of Health alumna Dr Megan Rossi was named the Young Achiever of the Year in the UK.

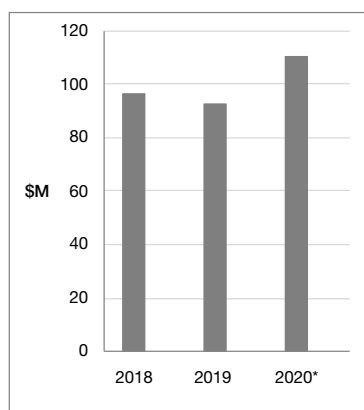
QUT's 2015 Outstanding Alumnus of the Year, Dr Abigail Allwood, was named the joint winner of Advance's 2020 Overall Award and winner of the 2020 Science and Technology Award.

Research

QUT facilitates transformative research, innovation and knowledge transfer with real-world relevance.

QUT continued to have strong research outcomes for 2020.

External research income



* 2020 estimate; final data not available by completion of Annual Report

QUT's 2020 total estimated research income was \$110 million, which was \$17.6 million more than in 2019.

QUT maintained its position as the ninth largest recipient of Research Block Grant allocations in 2020, with funding of \$52.5 million representing 2.7 per cent of the national total.

The following is a selection of examples of research income awarded during 2020.

Distinguished Professor Patsy Yates AM was awarded \$1.05 million as part of the Palliative Care Outcomes Consortium and had a successful application for funding under the National

Palliative Care Projects Grant – Core Round, with an additional three years of funding for a total of \$12.5 million.

In 2020 QUT was awarded 13 Australian Research Council (ARC) Discovery Projects worth \$4.9 million, representing a success rate of 15 per cent.

QUT was awarded seven ARC Linkage Projects commencing in 2020, worth a total of \$2.54 million. Industry participants in the above Linkage Projects will contribute a total of \$1.16 million bringing the total value to \$3.7 million.

QUT was awarded six ARC Discovery Early Career Researcher Award (DECRA) grants totalling \$2.3 million in 2020 with a success rate of 19 per cent.

Associate Professor Emilie Sauret was awarded an ARC Future Fellowship with a value of \$900 000 over five years. The fellowship will further elucidate the complex microscopic fluid physics that is a current challenge for the advancement of microfluidic technologies.

In May 2020 Professor Ray Chan was awarded a National Health and Medical Research Council (NHMRC) Investigator Grant at a total value of \$1.54 million over five years. Professor Chan's application was one of only two applications within

the scheme's Emerging Leadership level ranked into the NHMRC's highest scoring category (category 7).

In the NHMRC 2020 Ideas grants round QUT was awarded four Ideas grants with total funding of \$3.8 million.

QUT awardees for grants from the Medical Research Future Fund (MRFF) in 2020 were:

- Professor Steven McPhail: \$2.997 million over five years from the MRFF Emerging Priorities and Consumer Driven Research Initiative
- Professor Stewart Trost: \$870 950 under the MRFF's Preventive and Public Health Research Grant scheme.

QUT was awarded seven new Advance Queensland Industry Fellowships in 2020 worth \$1.1 million plus \$1.1 million of industry funding. This represented a success rate of 29 per cent.

QUT was awarded an ARC Industrial Transformation Training Centre for Collaborative Robotics in Advanced Manufacturing in 2020, for which QUT will receive approximately \$4.25 million.

QUT is partnering in the \$45 million ARC Special Research Initiative in Excellence in Antarctic Science (SRIEAS) led by Monash University in Securing Antarctic's Environmental Future. This program aims to deliver unprecedented research capability for securing Antarctic environments in the face of uncertain change. Expected outcomes include better environmental management, unparalleled strategic decision-support for an effective Antarctic Treaty, and new minds to address Antarctica's new challenges. SRIEAS Deputy Director will be QUT's Professor Kerrie Wilson and six other QUT researchers will be involved. The bid attracted \$36 million in ARC funding and \$9 million in partner organisation funding. In the twenty-first Cooperative Research Centre (CRC) Program Round (2019) outcomes announced in March 2020, all three CRC bids that QUT was involved in were successful. These were for:

- Future Energy Exports CRC (led by University of Western Australia, with total cash funding of approximately \$80 million over 10 years across all partners)
- Reliable, Affordable, Clean Energy (RACE) for 2030 CRC (led by University of Technology, Sydney with total cash funding of approximately \$150 million over 10 years across all partners)
- Building 4.0 CRC (led by Monash University with cash funding of approximately \$56 million over seven years).

During 2020 QUT was participating in the following CRCs:

- Autism CRC
- Bushfire and Natural Hazards CRC
- Building 4.0 CRC
- Cyber Security CRC
- Defence CRC for Trusted Autonomous Systems
- Digital Health CRC
- Fight Food Waste CRC

- Food Agility CRC
- Future Battery Industries CRC
- Future Energy Exports CRC (FEnEx CRC)
- Future Food Systems CRC
- iMOVE CRC
- CRC Northern Australia
- CRC for Optimising Resource Extraction
- Rail Manufacturing CRC
- Reliable, Affordable, Clean Energy for 2030 CRC (RACE for 2030 CRC)
- Innovative Manufacturing CRC
- SmartSat CRC.

QUT was awarded five grants from Meat and Livestock Australia in 2020 worth \$1.73 million.

Distinguished Professor Lyn Griffiths was awarded \$1.4 million for the MTPConnect REDI Program.

Professor Alexander Paz was awarded \$1.13 million from the Department of Transport and Main Roads and the Motor Accident Insurance Commission for the Transport Academic Partnership 2020-2025.

In 2020 QUT established 310 new Commercial Research and Consulting projects worth \$67.2 million.

QUT and commercialisation company Innovyz established a new company in 2020 called CelluAir that is focused on developing novel, biodegradable and highly breathable filters for face masks.

In 2020 QUT and medical devices manufacturer Osteopore signed an Exclusive Option to Licence for a 3D printed modular bone implant technology.

QUT obtained a non-exclusive license from Corteva, MIT Broad and their collaborators to use the CRISPR (clustered regularly interspaced short palindromic repeats) technology in agricultural research and development activities. This technology allows

for the creation of gene edited disease-resistant bananas within Distinguished Professor James Dale's laboratory in the Centre for Agriculture and the Bioeconomy. This builds on the execution of a master commercialisation agreement between several parties to grant QUT commercialisation rights to gene edited bananas.

The COTSbot, a robot that seeks out and controls the Great Barrier Reef's crown-of-thorns starfish (COTS), which are responsible for an estimated 40 per cent of the reef's total decline in coral cover, was displayed in the Guggenheim Museum in New York from February to August 2020. The robot was developed by QUT roboticists Professor Matthew Dunbabin and Dr Feras Dayoub.

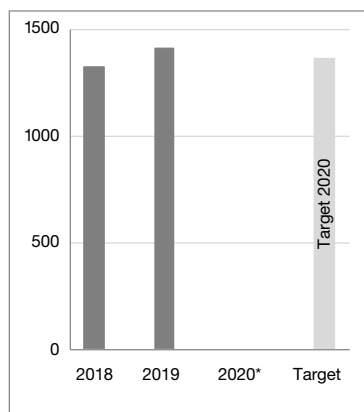
In 2020 QUT established 11 Tier 1 Research Centres to recognise high-quality world-leading concentrations of research capabilities:

- Centre for Agriculture and the Bioeconomy
- Centre for Biomedical Technologies
- Centre for Data Science
- Centre for the Digital Child
- Centre for Future Enterprise
- Centre for Genomics and Personalised Health
- Centre for Healthcare Transformation
- Centre for Justice
- Centre for Materials Science
- Centre for Robotics
- Digital Media Research Centre.

QUT had 426 higher degree research course completions in 2019 (reported in 2020). This placed QUT at seventh place among Australian universities.

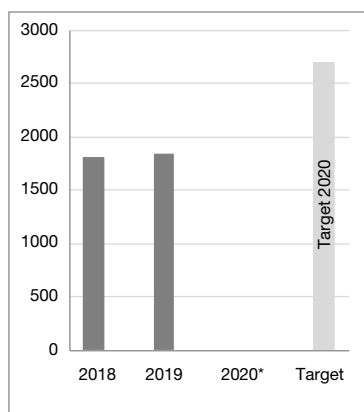
QUT's numbers of research publications in the top 10 per cent and top 25 per cent of journals increased from 2018 to 2019.

Number of research publications in top 10 per cent journals



*Final data not available by completion of Annual Report

Number of research publications in top 25 per cent journals



*Final data not available by completion of Annual Report

QUT's hub of scholarly expertise, the Office for Scholarly Communication (OSC) was launched on 2 March 2020. The OSC will engage with policy in scholarly communications nationally and internationally, and explore new tools, challenges and initiatives in scholarly communication. The OSC supports and provides training to QUT researchers in achieving best practice in information research skills, scholarly publishing, research data management, copyright, open access, raising researcher profiles and the use of responsible publication metrics.

QUT's new centralised research management system *Pure* was implemented in early 2020 to replace the publications reporting module and depositing feature of other existing systems. *Pure* is used by researchers to deposit publications and other outputs of research for inclusion in QUT ePrints and the Research Achievements Database.

RESEARCHER RECOGNITION

Below is a selection of examples of QUT researchers who were recognised for research excellence during 2020.

QUT physicist and leading international air quality and health researcher Distinguished Professor Lidia Morawska was elected a Fellow of the Australian Academy of Science in 2020, an acknowledgement of her outstanding contributions to science and society.

Associate Professor Makrina Totsika was honoured with a 2020 Georgina Sweet Award for Women in Quantitative Biomedical Science. Professor Totsika was one of six Australian women recognised this year with special recognition for Excellence in Inclusivity.

Professor Kevin Burrage and Professor Ken Ostrikov were awarded the prestigious Humboldt Prize, also known as the Humboldt Research Award, in recognition of their accomplishments in research and teaching.

Associate Professor Divya Mehta was a Finalist for the 2020 Queensland Women in STEM Prize People's Choice Award.

Dr Nathalie Bock was a finalist in the Australian Museum Eureka Prize in the Outstanding Early Career Researcher category.

Professor Matthew Simpson won the 2020 EO Tuck Medal awarded by the Australian and New Zealand Industrial and Applied Mathematics annually for outstanding research and distinguished service to the field of applied mathematics.

Organisational practices and culture

As the university for the real world, QUT will support staff to be the best version of themselves, be the most gender equitable university in Australia and one in which each member of the community actively and constructively contributes to the university's success.

The past year has been one of significant change and development for QUT. In response to the COVID-19 pandemic the university has been focussed on: supporting its workforce through engaging and developing staff; reflecting community diversity; and providing change, health and wellbeing support and flexible work arrangements.

STAFF ENGAGEMENT

In 2020 the university accelerated improvements identified from 2018 Staff Survey feedback, specifically in leader visibility, change management, and the reduction of bureaucracy. QUT's response to the COVID-19 pandemic provided a unique opportunity to significantly increase the frequency and quality of executive leader communication, and to embark on organisational change aimed at streamlining processes and delivering digital transformation. Further improvements will continue to be realised as changes are implemented through 2021. The next Staff Survey has been postponed due to the financial and resourcing impacts of the pandemic.

STAFF DEVELOPMENT

In 2020 more than 1500 staff participated in training, development, and associated activities with the focus continuing to be on

developing leadership, coaching, change support, and performance management capability.

Although many staff development programs were interrupted due to the pandemic response, some were adapted and completed either online or via Zoom webinars.

Multiple cohort-based programs were designed, each with a unique focus and/or targeted staffing group:

(i) Accredited by the International Coach Federation, QUT's three-tiered flagship Coaching Development Program, Leader as Coach, was attended by 103 staff in 2020, growing QUT's internal Coaching Community of Practice to more than 350 staff by year's end. Among this community, 35 staff have now completed the Advanced Leader as Coach Program and met the training and mentoring requirements for credentialing as an Associate Certified Coach. This provides QUT staff with the opportunity to partner with an internal, credentialed Coach.

(ii) Due to the repositioning changes required by the university in 2020, a comprehensive Change Support program was enabled

through delivery of online workshops with an external provider. Almost 1000 staff members participated in one or more of 32 workshops across the following topic areas:

- Leading self in times of change
- Managing your motivation
- Managing self through change
- Mental toughness and resilience
- What matters most in times of change.

(iii) Performance, Planning and Review (PPR) workshops were held face to face early in the year to support 226 QUT supervisors in having effective performance and career conversations. The workshops, delivered in two parts, were facilitated by senior members of the Human Resources (HR) team, and focused on both the foundation, skills and application of QUT's PPR process, principles, roles, and requirements in line with Policy and the Enterprise Agreements.

(iv) Domestic and Family Violence support training was offered throughout the year. Eight workshops were delivered across 2020 via a combination

of face to face and online Zoom workshops. These workshops enabled the 113 participants to better understand Domestic and Family Violence, how to recognise it, and how to support those who may be involved.

- (v) Future-Focused Leaders is a program aimed at developing entrepreneurial and courageous leading-edge thinking and behaviours for 24 frontline and mid-level leaders. Two days of the program and the 360-degree leadership assessments were completed of the scheduled six days prior to it being postponed due to COVID-19. A decision was made in July to discontinue this program.

- (vi) Academic Career and Leadership Excellence was designed to be delivered to 19 high-potential and high-performing academic staff from a cross section of the university, enhancing career readiness and developing a leadership pipeline through focused learning, self-assessment, and coaching. The program had a strong focus on building personal effectiveness and partnering with community and industry stakeholders to create mutual value across the three academic domains: learning and teaching, research, and leadership. The program was unfortunately postponed due to COVID-19. Two of the seven scheduled days were completed before a decision was made to discontinue this program for 2020.

- (vii) The Heart of Daring Leadership, an empirically-based, courage building, introductory workshop was delivered to 25 professional and academic staff. The Dare to Lead™ program was scheduled to follow on from this workshop where through face-to-face interaction, training and coaching, participants develop their skills in four critical leadership areas required for

brave work, tough conversations and leading authentically. A decision was made to not run this program in 2020.

- (viii) The Quality Women in Leadership program (QWIL) enabled 20 professional and academic women in senior and near-senior positions to enhance insight into the working of the university and the higher education sector, enhance leadership, interpersonal and career development capabilities, and build strategic linkages. While this program was postponed until 2021 due to COVID-19, participants were still able to complete their leadership 360-degree assessments and university committee observations.

Leadership development, along with change support, performance management and onboarding, continued to be a critical focus for 2020. This focus was also reflected in several Foundational Modules workshops (delivered prior to March) as well as other activities such as the development of HR information videos and online modules on the following topics:

- Understanding the Enterprise Agreements
- Understanding and managing Flexible Work arrangements
- Managing at QUT
- Understanding Recruitment and Selection for Panel Chairs
- Understanding Leave Policy at QUT
- Job Applications Module
- Job Interview Skills Module.

These workshops and activities were attended/accessed by more than 300 staff.

The Performance, Leadership and Capability team convened the Welcome to QUT event for 94 new staff and continued to support HR Partners and the managers and leaders of faculties, institutes and divisions throughout 2020 via internal

consultancy support, albeit in a reduced capacity due to COVID-19 restrictions.

FLEXIBLE WORKING ARRANGEMENTS

QUT recognises the importance of balancing work and family or personal responsibilities and is committed to providing a supportive and flexible work environment through a framework of policies and initiatives which benefit staff and the university.

During the COVID-19 pandemic, the university rolled out a Working From Home (WFH) temporary workforce arrangement. The temporary arrangement enabled services to students and research activities to continue with minimal interruption, while ensuring general public health advice from government agencies was observed.

ORGANISATIONAL CHANGE

QUT identified a number of activities required to respond to the challenges presented by COVID-19 and to position the institution for a strong recovery in a changed world over the period 2020-2022. Two key elements of this response were to deliver a set of initial savings measures and an organisational realignment to effectively deliver key internal services. In 2020 and in accordance with the relevant Enterprise Agreements, QUT released a Proposal for Change and subsequent Change Management and Implementation Plan (CMIP) as part of the 'Repositioning QUT for a post-COVID world' change process. Implementation of this plan commenced in late January 2021.

This CMIP outlines a revised organisational structure for QUT which provides for the centralisation of shared functions from the faculties and divisions within the university, along with the streamlining of activities and processes.

STAFF SUPPORT

The university has continued the delivery of a range of health and wellbeing supports through the corporate wellness program. The wellness program promotes and encourages staff to prioritise their health (both physical and mental) and wellbeing. Staff who have health conditions which may be impacting their ability to be at work or return to work are supported by a team of allied health professionals in Health, Safety and Environment. This support is provided to staff who have workers' compensation claims as well as to staff who have a non-work related illness, injury or disability. Staff are also able to access the Employee Assistance Program for free and confidential counselling and support services in the areas of psychological counselling, wellbeing coaching, nutrition, financial and legal support and manager support.

ENTERPRISE AGREEMENTS

In response to the impact of the COVID-19 pandemic, QUT worked closely with the unions and proposed to staff a variation of the Professional staff and Academic staff Enterprise Agreements, to include a COVID-19 Schedule in each. The variations were agreed by the majority of staff who voted, and were ultimately approved by the Fair Work Commission. The Fair Work Commission decision, a summary of the main changes arising from the variations, as well as copies of the variations are available on the QUT website. The variations provide for immediate and longer-term cost saving measures, in the interests of minimising the impact of the pandemic on job security. The variations also included provision of additional COVID-19 related leave, work flexibility for those staff identified to be at higher risk and a commitment to consideration of the impact of the pandemic on staff performance and probation (where appropriate).

UNIVERSITY POLICIES

As a consequence of the approved variations to the Enterprise Agreements, a number of university policies also required amendment such as the university's leave, performance and probation policies.

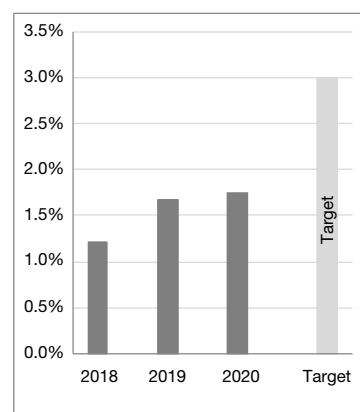
Additionally, a review of the Staff Code of Conduct was undertaken. The Code of Conduct specifically now incorporates a commitment to valuing social justice, equal opportunity, seeking to create a safe, supportive and inclusive working and learning environment, as well as recognition of obligations to the traditional owners of the land on which QUT stands and Indigenous students, staff, visitors and other members of the university community.

The university has continued to ensure that staff are consulted and/or informed of any changes or improvements made to workforce policies and entitlements.

ABORIGINAL AND TORRES STRAIT ISLANDER EMPLOYMENT

In 2020 the university focused on Indigenous Australian staff recruitment and retention and notably demonstrated the highest Indigenous Australian staff population recorded in the last six years. QUT continues to support the three per cent Indigenous Australian workforce target as outlined in the 2018-2021 Indigenous Australians Employment Strategy. An intensive review of the Strategy will commence in 2021 to include QUT's Indigenous Australian strategic priorities as outlined in the QUT enterprise agreements, *Blueprint 6, Campus to Country: Positioning Strategy* and other relevant strategic plans.

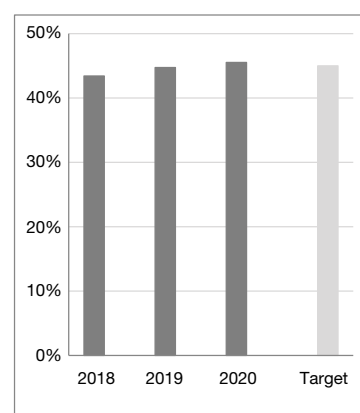
Indigenous Australian staff



GENDER EQUITY

The university has reviewed its current workforce strategy related to gender equity and has a renewed focus aimed at reducing work associated with benchmarking and to provide more resources to support internal professional development initiatives that directly assist staff. As a result, QUT ended its membership of the Science in Australia Gender Equity (SAGE) program at the end of 2020 while continuing many of the existing initiatives and activities associated with QUT's current SAGE Athena SWAN Action Plan. The lessons from the university's early involvement in this scheme will inform the work and new initiatives to be overseen by a broader Research Diversity and Inclusion Committee.

Share of women in senior positions



QUT's permanent separation rate for 2020 was 4.7 per cent.

QUT STAFF FULL-TIME EQUIVALENT (FTE)			
	2018	2019	2020
Total staff FTE	4721	4886	5049
Fixed term and ongoing	3791	3886	4048
Casual *	930	1000	1000
FIXED TERM AND ONGOING FTE			
Academic	1476	1537	1570
Professional	2315	2349	2478
ACADEMIC			
Female	691	728	750
Male	784	807	818
Other	1	1	2
PROFESSIONAL			
Female	1477	1532	1607
Male	837	815	869
Other	1	2	2

* Due to timing, at 31 March 2020 casual FTE uses 2019 casual FTE

* The above numbers are rounded to the nearest whole number.

STAFF RECOGNITION

In 2020 the Vice-Chancellor's Awards for Excellence (VCAE) recognised 10 individual staff and five teams.

The formal recognition program was modified in 2020:

- Judging criteria was expanded to reflect the university's *Blueprint 6* priorities and QUT Values
- The Student as Partner category was discontinued and an Inclusion and Diversity Excellence category was added
- Self-nominations were not eligible
- Due to COVID-19 restrictions VCAE recipients were recognised in a virtual ceremony
- No monetary gifts were awarded. Award recipients were formally acknowledged during the virtual ceremony and certificates were conferred.

STAFF ACHIEVEMENTS

In recognition of their sustained and distinguished service, in 2020 QUT conferred the title of Professor Emeritus on Professor Helen Edwards OAM, Professor Carol Nicoll PSM, Professor Mandy Thomas, Professor Stephen Towers and Professor Ross Young. The title of Distinguished Professor Emeritus was conferred on Distinguished Professor Stuart Cunningham AM.

QUT conferred the award of Doctor of the University for 2020 on Emeritus Professor Carol Dickenson AM, David Moffatt and Adele Rice AM in recognition of their distinguished service.

In 2020 QUT granted the title of Distinguished Professor to Professor Lyn Griffiths and to Professor Lidia Morawska.

QUT was awarded five 2020 Fulbright Scholarships and the recipients were:

- Dr Malindu (Mal) Fernando, Fulbright Future Scholarship (Postdoctoral)
- Associate Professor Rob Perrons, Fulbright Future Scholarship
- Sasha Purcell, Fulbright Indigenous Scholarship
- Associate Professor Kelly Richards, Fulbright Scholar Award
- Joseph West, Fulbright Future Scholarship (Postdoctoral).

Distinguished Professor Patsy Yates was honoured with a Member (AM) in the General Division of the Order of Australia. Distinguished Professor Yates AM was recognised for her significant service to tertiary education, including in cancer and palliative care nursing and medical research.

Mr Mario Pennisi, QUT Council member since 2012, was recognised, becoming a Member (AM) in the General Division for his significant service to the biomedical sector, to commercialisation initiatives and to research.

Professor Christopher Barner-Kowollik was honoured with the international Macro Group UK Medal for Outstanding Achievement award for outstanding achievements in polymer chemistry.

Dr Kristopher Rallah-Baker was appointed to the position of Adjunct Associate Professor in the School of Optometry and Vision Science. Dr Rallah-Baker is a Yuggera and Biri-Gubba-Juru/Yuggera man, Australia's first Indigenous ophthalmologist and President of the Australian Indigenous Doctors Association.

Distinguished Professor Lyn Griffiths was recognised by the Medical Technology Association of Australia for her contribution to the Australian medical technology industry with the prestigious 2020 Australian Medtech Outstanding Achievement Award. In addition, Distinguished Professor Griffiths was awarded the Life Sciences QIMR Berghofer Women of Influence Award.

Professor Derek Richards won the McCullough Robertson LSQ Industry Excellence Award.

QUT won two awards at the Universities Australia Marketing, Communications and Development award ceremony. Of the six awards made in 2020, QUT won Best Marketing Campaign (Smaller Budget), for the QUTeX business-to-business marketing campaign, and Best Real-Time Response Communications, for the Emergency Student Fund Appeal.

EVENTS

Due to the COVID-19 restrictions on large gatherings, QUT's Virtual Open Day was held online on 29 and 30 August 2020.

The university welcomed attendees to the inaugural QUT Pathways to Politics for Women program which began in February. There were a range of guest speakers from across the political spectrum.

More than 36 000 people attended QUT Precincts events in 2020, including workshops for school children, theatre performances, QUT Art Museum, Old Government House and the William Robinson Gallery, The Cube and exhibitions and activities in the Block and the Loft.

QUT hosted *Rite of Passage*, a group exhibition curated by Shannon Brett as a response to the significance of the year 2020 – 250 years since James Cook first arrived on our shores. Reframing the way that we perceive this year in our history, the exhibition showcased the strength of autobiographical work by 11 contemporary Aboriginal artists from across Australia.

Guest-curated by William Robinson's past student, Maureen Hansen, *Elixir of Light* brought together oil paintings, pastels, lithographs, watercolours and gouache works that celebrate the artist's extraordinary gift of colour perception.

The William Robinson Gallery opened the *By the Book* exhibition on 2 July 2020. *By the Book* draws upon Nick Earls' non-fiction novella, *William Robinson A New Perspective* (commissioned by QUT in 2018) to present an immersive exhibition experience. The exhibition brings the book to life, with an audio book recording guiding visitors through artworks, photographs and artefacts referred to in the text. *By the Book* also features a new collaborative sound work produced by artist and QUT alumnus, Lawrence English,

which draws on field recordings from the landscapes that Robinson painted.

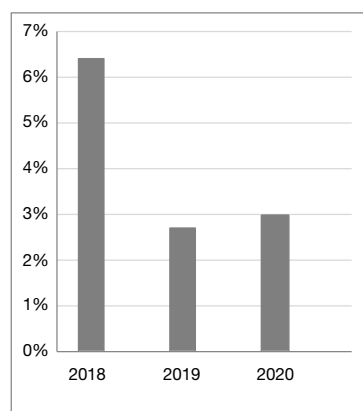
QUT Art Museum opened the exhibition *Miffy and Friends* on 21 November 2020. The exhibition is the first time the work of Miffy creator, Dutch illustrator Dick Bruna (1927-2017) has appeared in Australia. It places Miffy alongside the work of seven of Australia's most exciting contemporary artists who find the ideas encapsulated in Bruna's figure as inspiration for their own artistic practice. The exhibition received support from the Embassy of the Kingdom of the Netherlands to Australia and the Ambassador, Her Excellency Mrs Marion Derckx, spoke at the opening event.

QUT developed a Welcome to Country and Acknowledgment of Country video, to be played at graduations and significant events. The videos showcase the Turrbal and Yugara people and the Country upon which QUT sits.

FINANCIAL SUSTAINABILITY

The underlying margin is a QUT key performance indicator. Further information on this indicator is provided in the *Summary of financial performance*.

Underlying margin



FACILITIES

Significant projects which were completed in 2020 at Gardens Point campus included the refurbishment of U Block, upgrades to teaching spaces, a new PC2 laboratory in Q Block, and a Central Analytical Research Facility (CARF) Instrument Lab. An update to QUT's security access system hardware was also undertaken. Projects at Kelvin Grove campus included a major refurbishment in P Block for the QUT College, and the demolition of M Block including subsequent landscaping.

On 25 November 2020 QUT launched its *Campus to Country: Positioning Strategy* with a group of invited stakeholders from across government, community, business and industry sectors. The strategy will work alongside the university's estate master plan to provide a framework to guide and embed Indigenous Australian narratives into the fabric of QUT campuses. In doing so, it will transform QUT campuses in a way that will foster a greater recognition and understanding of Australia's First Nations People and the historic and cultural significance of the land which QUT inhabits.

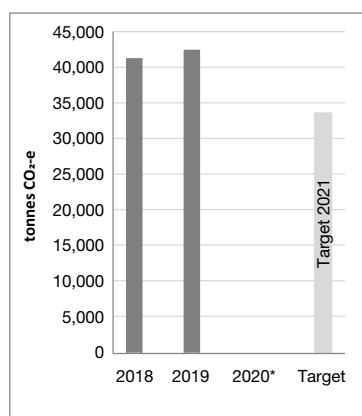
The Peter Coaldrake Education Precinct was awarded Building of the Year in the 2020 Queensland Regional Architecture Awards.

Announced by the Queensland chapter of the Australian Institute of Architects, the Precinct also received regional commendations for educational architecture and interior architecture.

QUT continues to work towards a low carbon future.

While carbon emissions increased slightly from 2018 to 2019, QUT expects that its 2020 carbon emissions will be less than 2018 and 2019. This is due to continuing energy efficiency projects, and the reduction in electricity use due to the COVID-19 partial shutdown of the university between March and June 2020.

Reduce carbon emissions

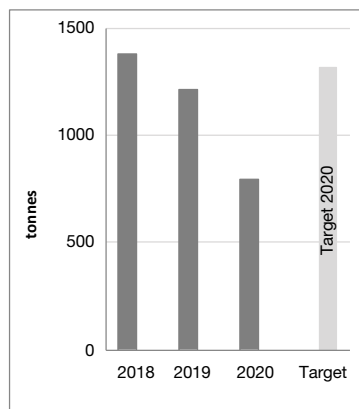


*Final data not available by completion of Annual Report

During 2020 QUT announced that it would use solar energy from the Columboola Solar Farm, which is being built between Miles and Chinchilla. The Solar Farm will not have impact on QUT's emissions until it is operational in 2021-2022.

QUT's waste to landfill decreased significantly from 2018 to 2019. It is anticipated that the 2020 waste to landfill will be much less than in 2019, due to staff and students being away from campuses, and on-campus activities being reduced, as a result of the COVID-19 pandemic.

Reduce waste to landfill



QUT continued to have solid performance in world rankings in 2020.

In early 2020 QUT reviewed its participation in global university rankings and decided to focus on the output of three ranking agencies: QS, *THE* and Shanghai Ranking (ARWU).

The ranking highlights for QUT in 2020 were:

- QUT was ranked first in Australia in the *THE* Young Universities Ranking, and third in the QS Top 50 Under 50 Ranking
- QUT was ranked 70th in the world in the *THE* University Impact Ranking
- QUT rose seven places to equal 217th in the QS World University Ranking
- QUT was ranked 186th in the *THE* World University Ranking
- QUT was ranked first in Australia for Communication and Media Studies (17th globally) and equal 36th in the world for Nursing in the QS World University Ranking by Subject
- QUT was ranked first in Australia for Biomedical Engineering and 17th in the world for Nursing in the ARWU Global Ranking of Academic Subjects.

2020 Summary of financial performance

Summary

Throughout 2020 the university has been working to respond to the challenges arising from the immediate impacts of the COVID-19 pandemic and the resulting downturns in the economic and international education outlook. We have and will continue to pursue our vision to be the university for the real world, committed to education and research relevant to the community.

QUT responded to the downturn in 2020 revenue with a series of initial cost saving measures including those that have impacted directly on staff (including deferred salary increments, additional leave provisions and reduced fractions for senior staff) together with a recruitment chill and the delay or cessation of capital investment projects in physical infrastructure and digital transformation. QUT's response to the challenges of 2020 have been underpinned by QUT's *Blueprint 6* strategy, the revised approach to research investment introduced in 2020 and earlier investments to support online learning, centralised service provision and research as part of the Business Transformation program. The recruitment chill and the organisational realignment has sought to minimise the number of individuals impacted by direct job losses where it has been practical to do so.

In the latter half of 2020 the university embarked on the second element of our response, to reposition organisational structures and services to focus on QUT's core education and research activities. The organisational realignment planned to commence in early 2021 will deliver cost savings in areas where there will be less activity, and where there was opportunity to reduce duplication and layers of management. The remaining two elements of the QUT response will involve an enhanced digital strategy and a review of our curriculum and overarching strategy in the light of the changes in international education and changes in the Federal government funding arrangements. A new QUT strategy will be delivered in the first half of 2021.

The global travel restrictions and border controls in response to COVID-19 flowed through to lower international student enrolment revenues. While significant for the 2020 financial year, the impact has not been as large as originally forecasted. Combined with the suite of cost saving measures implemented by management, QUT has recorded a limited operating surplus. Notwithstanding the 2020 operating surplus, the economic outlook for 2021 remains challenging with further significant revenue declines forecast in 2021 and beyond, particularly as the pipeline effect of reduced international enrolments are endure across the next three years.

Looking forward, the Consolidated Operating Budget and Capital Management Plan for 2021 and out-years has been developed being mindful of the current economic challenges though recognising the importance of the need for additional investments in areas critical to the future success of our students and research activities. The external environment continues to evolve rapidly, and the university will continue to carefully monitor and respond to both risk and opportunities in progressing achievement of QUT's objectives and longer-term aspirations.

Income statement

Operating Result and Margin (\$25.2 million or 2.4 per cent)

QUT operating surplus of \$25.2 million (2.4 per cent operating margin) was \$15.6 million higher than the original budgeted surplus of \$9.6 million (0.8 per cent) and \$63.2 million lower than the previous year surplus \$88.4 million (7.6 per cent). The most significant factors impacting the result across the two years were fees and charges revenue down \$35.5 million; investment revenue down \$12.0 million; Other investment income associated with unrealised gains declined \$67.4 million; Other miscellaneous revenue and income declined \$8.6 million; offset in part by a reduction in total expenses (\$43.4 million) aligned to COVID-19 impacts and management action taken to mitigate financial risks.

UNDERLYING RESULT RECONCILIATION:

(Note: the reported underlying results do not form part of the audited financial statements)

	2020 \$'000	2019 \$'000
Statutory Operating Result	25,218	88,391
Revenue	1,054,164	1,160,763
Type 1 – Significant one off events	–	–
Queensland payroll tax relief	(4,200)	–
Type 2 – Provisions and Fair Value adjustments	–	–
Unrealised gains (excluding subsidiaries diminution)	(1,821)	(75,939)
Underlying Operating Revenue	1,048,143	1,084,824
Expenses	1,028,946	1,072,372
Type 1 – Significant one off events	–	–
Severance Payments	(8,009)	(6,310)
Business services transformation program	(4,212)	(10,938)
Type 2 – Provisions and Fair Value adjustments	–	–
Underlying Operating Expenses	1,016,725	1,055,124
Underlying Operating Result	31,418	29,700
Underlying Operating Margin	3.0%	2.7%

Underlying Operating Result and Margin (\$31.4 million or 3.0 per cent)

The 2020 operating result included various income and expense related items that were considered either abnormal or had accounting treatments or valuations with exposures to external market valuation movements. To evaluate QUT's underlying operating result, adjustments are made to nullify these impacts which aligns with an approach based on a standard framework for reporting underlying results which has been applied consistently over the years.

The 2020 underlying operating result and margin (\$31.4 million or 3.0 per cent) improved when compared to the prior year (2019: \$29.7 million or 2.7 per cent). The rolling three-year average underlying margin (2018-20: 4.0 per cent) declined from the previous year and falls below the KPI benchmark target rate of 5.0 per cent across the budget triennium.

A reconciliation of the adjustments made to the statutory operating results when compared to the underlying operating result is provided above.

Income (\$1,054 million, decreased \$106.6 million or 9.2 per cent)

Total Income of \$1,054 million was down by \$106.6 million (9.2 per cent) on the previous year driven by the following major categories.

Australian Government grants were flat with a minor increase of \$1.8 million (0.5 per cent).

Higher Education Loan Program payments increased \$7.2 million (2.8 per cent) with the main driver being FEE HELP (up \$7.2 million) arising from an increase in Fee paying domestic Equivalent Full Time Student Load (EFTSL) and a growth in students deferring payment of fees to the Help Loan schemes.

State and Local Government financial assistance

increased \$5.8 million (108.9 per cent) primarily due to the granting of Queensland Payroll Tax (\$4.2 million) relief equivalent to two months expenses as part of the Queensland Government COVID-19 relief package. The payments for the remaining ten months of 2020 Payroll Tax has been approved for deferral to 2021 to assist in managing liquidity risk.

Fees and charges decreased by \$35.5 million (12 per cent) of which fee paying onshore international student income decreased by (\$24.2 million) driven by a decrease in EFTSL as a result of the COVID-19 travel restrictions. Continuing Education decreased by (\$5.0 million) as the university was unable to run programs due to COVID-19. Parking Fees decreased by (\$2.7 million) due to a drop in demand for short term car parking spots during the COVID-19 lock down.

Consultancy and Contracts income

increased \$2.8 million (5.1 per cent) with contract research increasing \$4.0 million, driven by the Australian Business contract research. Consultancy decreased (\$1.2 million) mainly in Australian Business consultancy.

Other Investment income

decreased \$67.4 million due to unrealised gains from QIC investment funds of \$3.3million compared with \$57.6 million in 2019. February and March saw a decline in the market value of both QIC funds as COVID-19 impacted the equity markets. Both funds went on to recover these early losses and make a small unrealised gain for 2020. QUT's investment holding in Education Australia Ltd was revalued down (\$1.5 million) compared to an unrealised gain of \$18.4 million in 2019. The holding value of the university's QEH Group subsidiaries had an unrealised gain of \$0.1 million compared to an unrealised loss \$6.6 million in 2019.

Expenses (\$1,029 million, decreased \$43.4 million or 4.0 per cent)

Total expenditure of \$1 029 million was down \$43.4 million (4.0%) driven by the following major categories.

Employee related expenses had a marginal increase of \$1.9 million (0.3 per cent). The university implemented several risk management strategies in response to the impacts COVID-19 related financial pressures including: a recruitment chill; senior staff reduced to a nine day fortnight; leave loading forgone for 18 months; industrial agreements were renegotiated to defer for 12 months a 2% salary increment which was originally due in December 2020; and all staff taking four days leave as part of a year-end close down initiative. Included in the professional staff related expenses is a provision for redundancy payments of \$4.2 million aligned to the approved Change Management and Implementation Plan (CMIP).

Repairs and maintenance increased \$5.5 million (11.6 per cent). Buildings repairs and maintenance increased by \$1.4 million and non-capitalised construction repair and maintenance increased by \$2.8 million. There were minor increases in both ICT maintenance, software and licences \$0.6 million and equipment repairs \$0.5 million.

Depreciation and Amortisation increased \$1.2 million (1.6 per cent). Building depreciation decreased (\$1.8 million) following the retirement of Kelvin Grove M Block. Amortisation of intangible assets increased (\$2.4 million) primarily due to new additions aligned with the new HiQ student services and annual adjustments to useful life assessments.

Other Expenses decreased \$53.3 million (16.5 per cent) mainly due to the international travel restrictions in 2020 impacting Travel

and Training expenditures down (\$20.1 million); Non capitalised equipment expenditure was down (\$10.6 million) and Consultants and Contractors decreased (\$6.9 million) due to management strategy of restricting and/or deferring non-essential spends; and acknowledging 2019 expenses were relatively higher due to the additional fit-out of the new Peter Coaldrake Education Precinct building.

Statement of 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 (\$1,758 million, increased \$27.9 million or 1.6 per cent)

QUT's net asset position as at 31 December 2020 was \$1 758 million representing an increase of \$27.9 million (1.6 per cent) driven by several key factors:

Current assets increased \$72.4 million (37.4 per cent) largely driven by an increase in cash and cash equivalents of \$74.1 million. The 2019 closing balance of cash was temporarily materially diminished and needed replenishment in 2020 to meet approved working capital thresholds. Investment returns from QIC long term diversified fund were retained in cash to support short term liquidity rather than the previous approach to reinvest back into the long-term fund. QUT management applied various cost control measures in response to the COVID-19 revenue risks through ceasing or deferring capital expenditures, travel and general payments. The Queensland State Government approved a payment deferral of 2020 Payroll Tax until 2021 to assist in improving short term liquidity.

Non-current assets decreased \$20.7 million (1.1 per cent) with

Property Plant and Equipment decreasing by \$18.5 million largely due to a decrease in new additions in 2020 down \$11.7 million as management ceased or deferred non-critical works and Revaluations were significant reduced by \$10.2 million compared to 2019.

Total liabilities increased by \$23.9 million (5.6 per cent) Trade and other payables increased by \$22.9 million due to payroll tax liability increasing by \$18 million following the approved State Government COVID-19 relief allowing QUT to defer 2020 payroll tax payments until 2021 to assist in short term liquidity. Current Provisions increased by \$5.5 million largely due to a provision for redundancy payments (\$4.2 million) aligned to the implementation of the approved CMIP.

Liquidity (Current) Ratio (1.0 / 2.8)

The university's liquidity ratio of current assets to current liabilities is notionally 1.0 (2019 0.9). It is important to recognise that a significant portion of the university's long-term investments (QIC Long Term Diversified Fund) are considered highly liquid. If these funds were incorporated into the liquidity ratio it would result in a revised ratio of 2.8.

The operating surplus in 2020 was significantly lower than the previous year largely due the extraordinary unrealised investment gains in 2019; and the impacts in 2020 of the COVID-19 pandemic adversely affecting international student enrolments, though revenue declines were mitigated in part by management actions to constrain costs and defer discretionary expenditures.

The COVID-19 pandemic significantly impacted university activities and plans in 2020, and will remain a significant challenge in 2021 and beyond though with the ongoing commitment of QUT's staff and management, the university is confident in achieving its objectives and longer-term aspirations.

Financial Statements for
Queensland University of Technology
for the 2020 Reporting Period

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The principal address of Queensland University of Technology is:

Gardens Point Campus

2 George Street

Brisbane, Qld, 4000

Queensland University of Technology
Income Statement
For the Year Ended 31 December 2020

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Revenue and income from continuing operations					
Australian Government financial assistance					
Australian Government Grants	2.1	388,183	386,160	387,795	386,026
HELP - Australian Government Payments	2.1	263,401	256,228	263,401	256,228
State and Local Government financial assistance	2.2	11,205	5,682	11,124	5,325
HECS-HELP - Student Payments		19,357	19,988	19,357	19,988
Fees and charges	2.3	260,719	295,825	260,844	296,359
Royalties, trademarks and licences		186	124	93	129
Consultancy and contracts	2.4	58,631	55,663	58,647	55,789
Other income and revenue	2.5	34,334	42,197	33,713	42,293
Investment revenue	3	17,354	29,387	17,301	29,292
Other investment income	3	1,821	75,939	1,889	69,334
Total revenue and income from continuing operations		1,055,191	1,167,193	1,054,164	1,160,763
Expenses from continuing operations					
Employee related expenses	4	625,272	625,778	623,156	621,298
Depreciation and amortisation		75,729	74,570	75,724	74,566
Repairs and maintenance	5	53,208	47,675	53,208	47,671
Borrowing costs	6	7,176	7,327	7,173	7,327
Impairment of assets	7	800	(347)	801	(350)
Loss on disposal of assets		411	54	408	54
Other expenses	8	269,315	323,969	268,476	321,806
Total expenses from continuing operations		1,031,911	1,079,026	1,028,946	1,072,372
Net result attributable to members of Queensland University of Technology		23,280	88,167	25,218	88,391

The above Income Statement should be read in conjunction with the accompanying notes.

Queensland University of Technology
Statement of Comprehensive Income
For the Year Ended 31 December 2020

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Net result attributable to members of Queensland University of Technology		23,280	88,167	25,218	88,391
Other comprehensive income					
Gain (loss) on revaluation of land, buildings, heritage and cultural assets, net of tax	12	2,659	12,822	2,659	12,822
Gain (loss) on cash flow hedges, net of tax		23	(31)	23	(31)
Gain (loss) on equity instruments designated at fair value through other comprehensive income, net of tax		1,941	512		-
Total other comprehensive income		4,623	13,303	2,682	12,791
Total comprehensive income for the year		27,903	101,470	27,900	101,182
Total comprehensive income attributable to:					
Members of Queensland University of Technology		27,903	101,470	27,900	101,182
Total		27,903	101,470	27,900	101,182

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Queensland University of Technology
Statement of Financial Position
For the Year Ended 31 December 2020

		Consolidated		Parent	
		2020	2019	2020	2019
	Note	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	9	198,850	126,374	193,420	119,313
Receivables	10	41,783	35,237	41,670	35,065
Inventories		1,026	1,378	1,017	1,383
Other non-financial assets	14	30,221	38,183	30,208	38,125
Total current assets		271,880	201,172	266,315	193,886
Non-current assets					
Other financial assets	11	618,345	614,080	623,430	620,322
Property, plant and equipment	12	1,304,418	1,322,921	1,304,413	1,322,908
Intangible assets	13	12,373	17,481	12,373	17,481
Other non-financial assets	14	1,644	1,813	1,644	1,813
Total non-current assets		1,936,780	1,956,295	1,941,860	1,962,524
Total assets		2,208,660	2,157,467	2,208,175	2,156,410
Liabilities					
Current liabilities					
Trade and other payables	15	59,152	36,532	58,956	36,011
Borrowings	16	6,286	6,060	6,286	6,060
Provisions	17	106,241	100,986	106,235	100,772
Other liabilities	18	87,773	88,746	87,800	88,759
Total current liabilities		259,452	232,324	259,277	231,602
Non-current liabilities					
Borrowings	16	137,930	143,955	137,930	143,955
Provisions	17	13,300	10,538	13,300	10,510
Other liabilities	18	39,309	39,884	39,309	39,884
Total non-current liabilities		190,539	194,377	190,539	194,349
Total liabilities		449,991	426,701	449,816	425,951
Net assets		1,758,669	1,730,766	1,758,359	1,730,459
Equity					
Parent entity interest					
Reserves	19	418,604	413,381	409,872	407,190
Retained earnings	19	1,340,065	1,317,385	1,348,487	1,323,269
Parent interest		1,758,669	1,730,766	1,758,359	1,730,459
Total equity		1,758,669	1,730,766	1,758,359	1,730,459

The above Statement of Financial Position should be read in conjunction with the accompanying notes.

Queensland University of Technology
Statement of Changes in Equity
For the Year Ended 31 December 2020

2020	Consolidated			Parent		
	Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2020	413,381	1,317,385	1,730,766	407,190	1,323,269	1,730,459
Net result after income tax	-	23,280	23,280	-	25,218	25,218
Gain/(loss) on revaluation of land, buildings, heritage and cultural assets, net of tax	2,659	-	2,659	2,659	-	2,659
Gain/(loss) on financial assets at fair value through OCI	1,941	-	1,941	-	-	-
Gain/(loss) on cash flow hedges	23	-	23	23	-	23
Total comprehensive income	4,623	23,280	27,903	2,682	25,218	27,900
Transfer to/(from) retained earnings on disposal of equity investments at fair value	600	(600)	-	-	-	-
Balance at 31 December 2020	418,604	1,340,065	1,758,669	409,872	1,348,487	1,758,359

2019	Consolidated			Parent		
	Reserves	Retained Earnings	Total	Reserves	Retained Earnings	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at 1 January 2019	399,714	1,263,699	1,663,413	394,399	1,268,995	1,663,394
Amounts recognised directly in equity in relation to non-current asset adjustments on implementation of AASB 15 & 16	-	(34,117)	(34,117)	-	(34,117)	(34,117)
Balance as restated	399,714	1,229,582	1,629,296	394,399	1,234,878	1,629,277
Net result after income tax	-	88,167	88,167	-	88,391	88,391
Gain/(loss) on revaluation of land, buildings, heritage and cultural assets, net of tax	12,822	-	12,822	12,822	-	12,822
Gain/(loss) on financial assets at fair value through OCI	512	-	512	-	-	-
Gain/(loss) on cash flow hedges	(31)	-	(31)	(31)	-	(31)
Total comprehensive income	13,303	88,167	101,470	12,791	88,391	101,182
Transfer to/(from) retained earnings on disposal of equity investments at fair value	364	(364)	-	-	-	-
Balance at 31 December 2019	413,381	1,317,385	1,730,766	407,190	1,323,269	1,730,459

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Queensland University of Technology
Statement of Cash Flows
For the Year Ended 31 December 2020

		Consolidated		Parent	
		2020	2019	2020	2019
	Note	\$'000	\$'000	\$'000	\$'000
Cash Flows from:					
Operating Activities					
Australian Government Grants		642,744	653,283	642,744	653,283
OS - HELP (net)		8,261	1,376	8,261	1,376
State Government Grants		10,891	5,237	10,891	5,237
Local Government Grants received		233	88	233	88
HECS HELP - Student payments		19,357	19,988	19,357	19,988
Receipts from student fees and other customers		350,241	389,511	351,671	389,597
Interest received		2,118	3,958	2,118	3,863
Payments to suppliers and employees (inclusive of GST)		(913,809)	(990,694)	(912,829)	(983,361)
Interest paid		(7,120)	(6,073)	(7,173)	(6,073)
Dividends received		4,451	1,901	4,451	1,901
GST recovered / paid		1,109	(1,160)	1,045	(1,303)
Net cash provided by/(used in) operating activities	26	118,476	77,415	120,769	84,596
Investing Activities					
Proceeds from sale of property, plant and equipment		891	437	891	437
Proceeds from sale of financial assets		-	23	-	-
Refund of imputation credits from ATO		-	2,582	-	2,582
Distributions received		8,050	22,680	8,050	22,680
Advances of cash into investment fund		(117)	(21,490)	(117)	(21,490)
Payment for additional investment in subsidiary		-	-	(962)	(8,669)
Payments for property, plant and equipment		(45,453)	(57,294)	(45,453)	(57,288)
Payment for intangible asset		(578)	(45)	(578)	(45)
Payment for investments		(302)	(853)	(27)	(18)
Net cash used by/(used in) investing activities		(37,509)	(53,960)	(38,196)	(61,811)
Financing Activities					
Repayment of borrowings		(5,824)	(5,581)	(5,799)	(5,581)
Repayment of lease liabilities		(2,738)	(2,819)	(2,738)	(2,820)
Net cash provided by/(used in) financing activities		(8,562)	(8,400)	(8,537)	(8,401)
Net increase/(decrease) in cash and cash equivalents held					
		72,405	15,055	74,036	14,384
Cash and cash equivalents at beginning of year		126,374	111,319	119,313	104,929
Effects of exchange rate changes on cash and cash equivalents		71	-	71	-
Cash and cash equivalents at end of financial year	9	198,850	126,374	193,420	119,313

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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1 Summary of Significant Accounting Policies

(a) Basis of preparation

The Queensland University of Technology is a not-for-profit entity and these general purpose financial statements have been prepared on an accrual basis, except for the Statement of Cash Flows, which is prepared on a cash basis, in accordance with Australian Accounting Standards (AAS) and interpretations applicable to not-for-profit entities. Some of the AAS requirements for not-for-profit entities are inconsistent with the International Financial Reporting Standards (IFRS) requirements.

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

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Financial Accountability Act 2009 (Qld)* and the *Financial and Performance Management Standard 2019*.
- *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*.

Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets and certain classes of property, plant and equipment and provisions that have been measured at fair value.

Critical accounting estimates

The preparation of financial statements in conformity with AAS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's 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:

- Receivables (refer note 10)
- Other Financial Assets (refer note 11)
- Property, Plant and Equipment (refer note 12)
- Provisions (refer note 17)
- Other Liabilities (refer note 18)
- Contingencies (refer note 22)

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets, liabilities, revenue and expenses of Queensland University of Technology (parent entity) and its subsidiaries (consolidated entity) as at 31 December 2020.

Subsidiaries are all those entities that the University controls, because the University is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the University. They are de-recognised 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 25).

Intercompany transactions, balances and unrealised gains on transactions between the consolidated entities 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.

(c) Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the consolidated entities are measured and presented using the currency of the primary economic environment in which the entity operates (the functional currency). The results and financial position of all the consolidated entity's subsidiaries do not have a functional currency different from the presentation currency, which is Australian dollars.

(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.

1 Summary of Significant Accounting Policies

(d) Income tax

Queensland University of Technology is exempt from income tax under the provisions of Subdivision 50 B of the *Income Tax Assessment Act 1997 (ITAA)*, however the following entities are not:

- Brisbane Business School Pty Ltd
- QUT Student Managed Investment Fund
- QUT Enterprise Holdings Pty Ltd
- QUT Enterprise Holdings Trust
- qutbluebox Pty Ltd
- QUT bluebox Trust
- Creative Industries Precinct Pty Ltd

In 2020 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.

(e) 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 of 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.

(f) Rounding of amounts

Amounts have been rounded to the nearest \$1,000.

(g) Comparative amounts

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

(h) Financial reporting impact of COVID-19 response measures

On 3rd March the World Health Organisation declared the novel coronavirus (COVID-19) outbreak as a pandemic. This resulted in both the Australian and Queensland Governments taking action on border controls which had a significant impact on business operations of the University and increased economic uncertainty. In response the University applied a suite of risk mitigation strategies, while addressing challenges of moving its' teaching to blended on-line and on-campus delivery and preserving employment and planning for the future. Details for specific strategies and impacts are provided below and in associated disclosure notes.

Income Statement:

The University had significant reductions in budgeted revenue from international student, investments, rent, parking and other sources. Cost savings strategies have contributed to a significant reduction in expenses across a range of line items. Expenses related to international student recruitment agent commissions and staff and student travel costs decreased significantly due to travel and border control restrictions.

Further strategies to constrain costs were largely driven by:

- Recruitment chill;
- The entire senior staff group of 150 individuals agreeing to a 9-day fortnight through either reduction in salary or taking one day's leave per fortnight;
- Variations to the academic and professional staff enterprise agreements approved by staff and the Fair Work Commission included:
 - a pause of the next 2% salary increase for 12 months;
 - forgoing leave loading for 18 months;
 - taking 4 days leave during the Christmas shut down in 2020 and 2021; and
- Ceasing or deferring capital projects and equipment replacements.

1 Summary of Significant Accounting Policies

(h) Financial reporting impact of COVID-19 response measures

The University continues to assess and respond to potential flow on effects from the COVID-19 pandemic upon its business operations.

Statement of Financial Position:

The cost saving strategy to cease and/or defer major capital works has mitigated the need for external borrowings. The University has not needed to draw down any additional borrowings or liquidate any of its long-term investments due to COVID-19, thus preserving the strength of the Balance Sheet during this time of uncertainty. The initial 2020-2024 (5 year) Budget provided for \$1.187 billion in the capital program (physical and digital) which was revised downwards in the September forecast by \$338 million to \$849 million, of which the physical program was reduced by \$69 million.

The University's managed financial investment portfolio was initially impacted by the negative market movements contributed by the economic uncertainties arising from the COVID-19 pandemic. The investment markets have recovered the losses from earlier in the year though they remain highly volatile and the Queensland Investment Corporation actively manages this risk through the diversified investment portfolio.

The Queensland Government refunded two months payroll tax expense and allowed the payments of the residual payroll tax expense for 2020 to be paid through a deferred payment schedule throughout 2021 (refer note 15).

The University will seek to extend its working capital (overdraft) loan facility limit from \$60 million to \$100 million to provide a greater safety net for 2021.

Refer to individual notes for financial impact of COVID-19 response measures.

(i) Initial application of Australian Accounting Standards

Queensland University of Technology is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from Queensland Treasury.

Management have reviewed the new standards / amendments issued beginning 1 January 2020 and deemed they would have no impact on the University.

The following new or amended accounting standards have a future commencement date:

AASB 2020-4 *Amendments to Australian Accounting Standards – Covid-19 Related Rent Concessions*; Effective reporting periods on or after 1 June 2020. Under this amendment the University may elect not to assess a rent concession as a lease modification. The University has elected to treat the rent concession as a lease modification.

AASB 2020-1 & 2020-6 *Amendments to Australian Accounting Standards – Classifications of Liabilities as Current or Non-Current*; Effective reporting periods on or after 1 January 2023. This amendment seeks to clarify the requirements for the presentation of liabilities in the statement of financial position under current and non-current. The University will review the appropriate classification of liabilities, however overall there will be no financial impact for the University.

(j) Issuance of financial statements

The QUT Council has approved the financial statements upon recommendation from the Risk and Audit Committee on the 25th February 2021. The financial statements are authorised for issue at the date of signing the Management Certificate.

2 Revenue and Income

2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

Refund obligations may exist in contracts for situations where research has not been completed or the contract has been terminated early. As these circumstances are in the control of the university, refund obligations have only been recognised once realised.

(a) Commonwealth Grants Scheme and Other Grants

Funding received for Commonwealth Grants Scheme is in relation to teaching revenue for students. Revenue is recognised under AASB 15 *Revenue from Contracts with Customers*, as it has been determined that there are sufficiently specific and enforceable obligations. Student fee revenue is recognised over time. The remainder of the items in 2.1 (a) have been recognised under AASB1058 *Income of Not-for-profit Entities*, as they do not contain sufficiently specific performance obligations and therefore recognised when received.

2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

(a) Commonwealth Grants Scheme and Other Grants

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Scheme ^{#1}	282,175	278,347	282,175	278,347
Indigenous Support Program ^{#3}	3,138	3,216	3,138	3,216
Higher Education Participation and Partnership Program	3,822	3,804	3,822	3,804
Disability Performance Funding ^{#2}	559	436	559	436
Commonwealth Grants Scheme and Other Grants	388	134	-	-
Total Commonwealth Grants Scheme and Other Grants	290,082	285,937	289,694	285,803

(b) Higher Education Loan Programs

Funding received under the HELP programs is in relation to teaching revenue for students. Revenue is recognised under AASB 15 as it has been determined that there are sufficiently specific and enforceable obligations. Student fee revenue is recognised over time.

HECS - HELP	226,568	226,855	226,568	226,855
FEE - HELP ^{#4}	32,566	25,286	32,566	25,286
SA-HELP	4,267	4,087	4,267	4,087
Total Higher Education Loan Programs	263,401	256,228	263,401	256,228

(c) Education Research

Funding received from the Department of Education – Under both programs, sufficiently specific performance obligations have not been identified and therefore both programs fall outside the scope of AASB 15. Hence, the income is subject to AASB 1058 and recognised at the time the University has the contractual right to receive the grants.

Research Support Program	21,571	21,992	21,571	21,992
Research Training Program	30,903	30,584	30,903	30,584
Total Education Research Grants	52,474	52,576	52,474	52,576

(d) Other Capital Funding

Funding received for capital grants is recognised in accordance with AASB 1058. Revenue is recognised as expenditure is incurred to acquire or construct the asset.

Other

Linkage Infrastructure Equipment Facilities Grants	1,045	2,460	1,045	2,460
Total Other Capital Funding	1,045	2,460	1,045	2,460

2.1 Australian Government financial assistance including Australian Government loan programs (HELP)

(e) Australian Research Council

Funding received from Australian Research Council (ARC) has been assessed as meeting the sufficiently specific and enforceable agreement criteria in accordance with AASB 15. Management have judged that performance obligations are satisfied as research is performed and access to research findings is available to granting bodies upon request in line with grant agreements. Revenue is recognised over time as expenditure is incurred.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Discovery	13,587	11,577	13,587	11,577
Linkages	2,681	3,795	2,681	3,795
Networks and Centres	3,539	3,446	3,539	3,446
Special Research Initiatives	49	389	49	389
Total Australian Research Council	19,856	19,207	19,856	19,207

(f) Other Australian Government financial assistance

Funding received from National Health and Medical Research Council (NHMRC) has been assessed as meeting the sufficiently specific and enforceable agreement criteria in accordance with AASB 15. Management have judged that performance obligations are satisfied as research is performed and access to research findings is available to granting bodies upon request in line with grant agreements. Revenue is recognised over time as expenditure is incurred.

Non-capital

Other Australian Government Financial Assistance	24,726	25,980	24,726	25,980
Total	24,726	25,980	24,726	25,980
Total Australian Government financial assistance	651,584	642,388	651,196	642,254

#1 Includes the basic CGS grant, Regional Loading, Enabling Loading, Medical Student Loading, Allocated Places and Non Designated Courses.

#2 Includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education & Training.

#3 Replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2018.

#4 FEE HELP increases driven by Fee paying domestic EFTSL increase and a preference to defer the fees utilising the HELP scheme.

Reconciliation

Australian Government Grants	388,183	386,160	387,795	386,026
Higher Education Loan Programs	263,401	256,228	263,401	256,228
Total Australian Government financial assistance	651,584	642,388	651,196	642,254

2.2 State and local government financial assistance

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Non-capital				
Local government financial assistance	233	88	233	88
State government financial assistance ^{#1}	10,972	5,594	10,891	5,237
Total Non-capital	11,205	5,682	11,124	5,325
Total State and Local Government financial assistance	11,205	5,682	11,124	5,325

#1 State government financial assistance increase largely associated with payroll tax forgiveness of two months expense in Jan/Feb 2020 (\$4.24m)

2.3 Fees and charges

The course fees and charges revenue relates to undergraduate programs, graduate and professional degree programs and continuing education and executive programs. The revenue is recognised over time, as and when the course is delivered to students over the semester, in accordance with AASB 15 *Revenue from Contracts with Customers*.

When the course or training has been paid in advance by students or the University has received government funding in advance the University recognises the fees as unearned revenue until the services are delivered. The University has an obligation to return or refund fees if a student withdraws prior to census date. There is no significant financing component, as the period from when the student pays and the service is provided is less than 12 months.

Other non-course fees and charges relating to student services and amenities is recognised over time as and when the service is provided over the relevant academic year, under AASB 15. Revenue which relates to all other fees and charges is recognised at the point in time when the service or sale is delivered, under AASB 15.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Course Fees and Charges</i>				
Fee-paying onshore overseas students ^{#1}	221,204	245,423	221,204	245,423
Continuing education ^{#1}	4,772	9,813	4,772	9,807
Fee-paying domestic postgraduate students	11,055	10,988	11,055	10,988
Fee-paying domestic undergraduate students	8,166	6,044	8,166	6,044
Fee-paying domestic non-award students	250	210	250	210
Other domestic course fees and charges	4	20	4	20
Total Course Fees and Charges	245,451	272,498	245,451	272,492
<i>Other Non-Course Fees and Charges</i>				
Facilities hire fees ^{#1}	1,117	2,079	1,117	2,078
Health services fees	890	1,187	890	1,187
Student Services and Amenities Fees from students 29(h)	3,847	4,120	3,847	4,120
Late fees	137	149	137	149
Library photocopier fees ^{#1}	216	558	216	558
Parking fees ^{#1}	4,425	7,033	4,425	7,127
Registration fees ^{#1}	407	2,507	407	2,507
Rental charges ^{#1}	3,833	4,642	3,958	5,089
Student accommodation	6	46	6	46
Other fees and charges ^{#1}	390	1,006	390	1,006
Total Other Non-Course Fees and Charges	15,268	23,327	15,393	23,867
Total Fees and Charges	260,719	295,825	260,844	296,359

#1 The revenue categories were significantly impacted in 2020 due to COVID-19 restrictions on international travel, domestic border controls and events.

2.4 Consultancy and contracts

Funding received from non-government entities is recognised based on assessment of the terms in individual contracts. This revenue is recognised:

- Over time, as the service is provided in accordance with the terms of the contract under AASB 15; or
- At a point in time when the service has been delivered under AASB 15; or
- On receipt if the agreement does not fulfil both the sufficiently specific and enforceable agreement criteria under AASB 1058.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Consultancy	10,481	11,555	10,497	11,681
Contract research	48,150	44,108	48,150	44,108
Total consultancy and contracts	58,631	55,663	58,647	55,789

Australian Government and Queensland Government grants are reported in note 2.1 and 2.2.

2.5 Other income and revenue

- *Donations and bequests*

Donations and bequests generally have no enforceable performance obligations and as such income is recognised immediately when the funds are received under AASB 1058 *Income of Not-for-profit Entities*.

- *Sale of goods*

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

- *Non-government grants*

Revenue from non-government grants mainly relates to commercial consultancy agreements. Funding received from non-government entities is recognised based on assessment of the terms in individual contracts. This revenue is recognised:

- (i) Over time, as the service is provided in accordance with the terms of the contract under AASB 15; or
- (ii) At a point in time when the service has been delivered under AASB 15; or
- (iii) On receipt if the agreement does not fulfil both the sufficiently specific and enforceable agreement criteria under AASB 1058.

Refund obligations may exist in contracts for situations where work has not been completed or the contract has been terminated early. As these circumstances are in the control of the university, refund obligations have only been recognised once realised.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Other revenue</i>				
Donations and bequests ^{#1}	5,716	7,892	5,710	7,907
Scholarships and prizes	321	403	321	403
Non-government grants ^{#2}	14,953	16,709	15,053	17,138
Other	2,681	2,731	1,840	2,224
Sale of goods ^{#3}	3,319	4,905	3,319	4,902
Recoveries	5,282	7,423	5,408	7,603
Sponsorships	2,062	2,134	2,062	2,116
Total other revenue	34,334	42,197	33,713	42,293

#1 Donations and bequests decreased primarily due to the decrease in donated artwork of \$2.1 million, compared to 2019.

#2 Non-government grants decreased mainly due to the drop in grants from overseas non-profit organisations.

#3 Sale of goods decreased mainly due to overall reduced sales by QUT Bookshop reflecting the consequences of COVID-19 in 2020.

2.6 Revenue and Income from continuing operations

Revenue from contracts with customers

(a) Unsatisfied performance obligations

Remaining performance obligations represent services Queensland University of Technology has promised to provide to customers under the relevant service contracts which are satisfied as the services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in the University's contracts with customers, only agreements where there is a right to payment for work undertaken to date or where payment has been received in advance have been considered.

These unsatisfied performance obligations are expected to be satisfied within the following periods:

	Within 1 year	From 1 to 5 years	After 5 years	Total
Parent	\$'000	\$'000	\$'000	\$'000
2020				
Unsatisfied performance obligations	54,784	-	-	54,784
2019				
Unsatisfied performance obligations	44,504	-	-	44,504

2.6 Revenue and Income from continuing operations

(b) Assets and liabilities related to contracts with customers

The University has recognised the following contract assets, which are associated with contracts where expenditure has been incurred before revenue has been received and contract liabilities, which are associated with contracts where revenue has been received in advance of expenditure.

	Consolidated 2020		Parent 2020	
	Closing balance \$'000	Opening balance \$'000	Closing balance \$'000	Opening balance \$'000
Contract assets - current	4,764	4,907	4,764	4,907
Contract liabilities - current	54,784	44,504	54,784	44,504

(c) Transfers to acquire or construct a non-financial asset

The University satisfies its obligations to acquire or construct a non-financial asset as the asset is constructed or when it is acquired.

	Consolidated 2020		Parent 2020	
	Closing balance \$'000	Opening balance \$'000	Closing balance \$'000	Opening balance \$'000
Australian Government unspent financial assistance	330	834	330	834
Other liabilities	328	348	328	348

During the reporting period, movements in the liability arose from cash received of \$1.391 million and income recognised of \$1.915 million, as a result of acquiring or constructing non-financial assets.

2.7 Reconciliation of revenue and income

The following table reconciles the amounts disclosed in notes 2.1 to 2.5 which contain the mandatory disclosures required by the department as per AASB 15 and AASB 1058:

	Note	Consolidated		Parent	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Total Australian Government financial assistance including Australian Government loan programs (HELP)	2.1	651,584	642,388	651,196	642,254
Total State and Local Government financial assistance	2.2	11,205	5,682	11,123	5,325
Total Fees and charges	2.3	260,719	295,825	260,844	296,359
Royalties, trademarks and licences		186	124	93	129
Total Consultancy and contract fees	2.4	58,631	55,663	58,647	55,789
Total Other revenue and income	2.5	34,334	42,197	33,713	42,293
Total		1,016,659	1,041,879	1,015,616	1,042,149
Total Revenue from contracts with customers as per AASB 15		914,040	911,669	912,997	911,939
Total Income of not-for-profit as per AASB1058		102,619	130,210	102,619	130,210
Total Revenue and Income from continuing operations		1,016,659	1,041,879	1,015,616	1,042,149

3 Investment revenue and income

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Investment revenue</i>				
Dividends	3,881	571	3,881	571
Realised investment gains	11,303	24,856	11,303	24,856
Interest	2,171	3,960	2,118	3,865
Total investment revenue	17,355	29,387	17,302	29,292
<i>Other investment income</i>				
Unrealised investment gains/losses	1,821	75,939	1,889	69,334
Total other investment income	1,821	75,939	1,889	69,334
Total investment income	19,176	105,326	19,191	98,626

4 Employee related expenses

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Academic</i>				
Salaries	222,250	227,353	222,250	227,353
Contributions to superannuation and pensions - Funded	37,690	37,265	37,690	37,265
Payroll tax	14,033	13,891	14,033	13,891
Worker's compensation	229	222	229	222
Long service leave expense	7,226	6,485	7,226	6,485
Annual leave	17,867	19,071	17,867	19,071
Parental leave expense	1,881	1,887	1,881	1,887
Total academic	301,176	306,174	301,176	306,174
<i>Non-academic</i>				
Salaries	239,181	237,075	237,106	232,989
Contributions to superannuation and pensions - Funded	40,034	38,737	39,888	38,383
Payroll tax	14,880	14,559	14,772	14,335
Worker's compensation	265	276	258	258
Long service leave expense	7,621	6,726	7,621	6,726
Annual leave	20,032	20,640	20,252	20,842
Parental leave expense	2,083	1,591	2,083	1,591
Total non-academic	324,096	319,604	321,980	315,124
Total employee related expenses	625,272	625,778	623,156	621,298

Employee related expenses increased marginally by \$1.859 million (0.3%) mainly driven by enterprise agreement negotiated salary adjustments for academic and professional staff as a result of the financial related responses to meet the challenges of the COVID-19 pandemic. Academic staff FTE decreased -0.8% which in part was in response to the COVID-19 impact on teaching and research, while Professional staff FTE decreased -2.1% driven by a "recruitment chill" as part of the risk management strategy in response to COVID-19.

Salaries and wages includes a provision of \$4.24 million for redundancy/severance payments in the non-academic staff category arising from the workforce repositioning response to COVID-19 impacts, set out in the Change Management Implementation Plan (CMIP).

Long service leave expense increased from 2019 due to a combination of factors including: changes in workforce profile in 2019 off the back of 2018 organisational transformation, new appointments in 2019 and subsequent retention/growth in the average length of service into 2020; and reduction in discount rates increasing leave liabilities.

5 Repairs and maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case the carrying amount of those parts that are replaced is derecognised and the cost of the replacing part is capitalised if the recognition criteria are met. Other routine operating maintenance, repair and minor renewal costs are also recognised as expenses, as incurred.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Buildings	15,462	14,008	15,467	14,011
Non-capitalised construction	9,922	7,047	9,922	7,047
Computing	23,710	23,065	23,710	23,065
Equipment	2,386	1,815	2,386	1,815
Other	1,728	1,740	1,723	1,733
Total repairs and maintenance	53,208	47,675	53,208	47,671

6 Borrowing costs

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Interest charges	7,176	7,327	7,173	7,327
Total borrowing costs expensed	7,176	7,327	7,173	7,327

7 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 asset fair value less costs of disposal and value in use.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Doubtful debts written off	247	157	248	154
Change in allowance for bad and doubtful debts	553	(504)	553	(504)
Total impairment of assets	800	(347)	801	(350)

8 Other expenses

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Scholarships, grants and prizes ^{#1}	74,494	75,911	74,494	75,911
Non-capitalised equipment ^{#2}	14,744	25,393	14,732	25,353
Advertising, marketing and promotional expenses ^{#3}	12,016	18,120	11,755	16,697
Audit fees, bank charges, legal costs and insurance expenses	8,358	8,855	8,269	8,680
General consumables	10,087	9,073	10,063	9,072
Printing and stationery	1,295	2,387	1,284	2,358
Rental, hire and other leasing fees ^{#4}	11,974	15,959	11,974	15,946
Telecommunications	3,156	2,577	3,145	2,542
Travel and related staff development and training ^{#5}	5,428	25,671	5,406	25,544
Consultants and contractors ^{#6}	38,757	45,959	38,313	45,230
Commission ^{#7}	15,396	20,589	15,396	20,589
Cost of sales	1,929	2,552	1,929	2,593
Contributions to collaborative projects	28,953	28,200	29,109	28,673
Library acquisitions	17,692	15,713	17,692	15,713
Utilities	12,688	14,469	12,685	14,480
Act of grace and special payments	404	82	404	82
Other	11,944	12,459	11,826	12,343
Total other expenses	269,315	323,969	268,476	321,806

#1 Scholarships, grants and prizes reduced in 2020 due to COVID-19 impact on Higher Degree Research Students \$2.12m and Mobility Scholarship \$2.28m. Equity Based Scholarships increased by \$3.96m due to COVID-19 with additional payments being made;

#2 Non-capitalised equipment decreased by \$10.62m mainly driven by last year's purchase of AV Consumable items associated with the new (KG) Education Precinct (Phase 2) and Lecture Theatre Upgrades. Non-essential spends have been limited in 2020 in response to COVID-19 strategies;

#3 Mainly due to COVID-19 restrictions, limited hospitality & marketing and promotional spending which were down by \$3.8m;

#4 Rental, hire and other leasing fees reduced in 2020 due to COVID-19 impact on hire of facilities & services mainly associated with expenditure with running conferences in: Room 360; Old Government House; Garden Theatre and Business Leaders Forum. Translational Research Institute operational expenditure also decreased;

#5 COVID-19 travel restriction reduced travel expenditure in 2020;

#6 Consultants and contractors expenditure decreased arising from supply chains disruption, shortage of contractors and materials and the cessation/deferral of non-essential projects;

#7 Due to COVID-19 international travel restriction in 2020, there was a decreasing commencing international student numbers and consequently reduced commissions.

9 Cash and cash equivalents

For statement of cash flows presentation purposes, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with 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.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Bank balances	20,506	11,053	15,076	9,047
Deposits at call	178,344	110,266	178,344	110,266
Term deposits	-	5,055	-	-
Total cash and cash equivalents	198,850	126,374	193,420	119,313

9 Cash and cash equivalents

(a) 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 2020 was 0.00% (2019: 1.00%).

(b) Deposits at call

Deposits at call are interest bearing on floating interest rates. The annual effective interest rate as at 31 December 2020 was 1.05% (2019: 1.64%). These deposits have an average maturity of NIL days.

10 Receivables

Trade receivables are generally due for settlement within 30 days of the date of invoice. The carrying value less allowance for impairment is a reasonable approximation of their fair values due to the short term nature of trade receivables.

Impairment

The university used the simplified approach to establish a provision matrix, which is based on historical credit loss experience, adjusted for forward looking factors specific to the debtors and the economic environment.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Trade receivables	12,938	18,359	12,860	18,312
Less: Allowance for impaired receivables	(1,087)	(558)	(1,087)	(554)
	11,851	17,801	11,773	17,758
Student fees	3,843	2,098	3,843	2,098
Student loans	103	124	103	124
Less: Allowance for impairment	(73)	(71)	(73)	(71)
	3,873	2,151	3,873	2,151
Accrued revenue	24,411	12,522	24,381	12,468
GST receivable	1,648	2,763	1,643	2,688
Total current receivables	41,783	35,237	41,670	35,065

Set out below is the movement in the allowance for expected credit losses of trade receivables:

At 1 January	554	967	554	967
Allowance for expected credit losses	663	(371)	663	(375)
Write off	(130)	(38)	(130)	(38)
At 31 December	1,087	558	1,087	554

11 Other financial assets

Classification

Queensland University of Technology has the following categories of financial assets; fair value through other comprehensive income, and fair value through profit or loss. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

(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. Queensland University of Technology classifies assets in this category as non-current assets.

(ii) Financial assets at fair value through other comprehensive income:

Debt instruments are measured at fair value through other comprehensive income if both the following conditions are met:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

11 Other financial assets

Changes in fair values of other financial assets at fair value through profit or loss are recorded in other income in the income statement (note 3 – Investment income).

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Non-current</i>				
<i>Financial assets at fair value through OCI</i>				
Listed/unlisted investments and convertible notes	11,747	9,722	-	-
<i>Fair value through profit or loss</i>				
Shares in subsidiaries	-	-	16,994	15,964
Managed investment funds	561,340	557,751	561,340	557,751
Listed securities	249	86	87	86
Unlisted securities ^{#1}	45,009	46,521	45,009	46,521
Total non-current other financial assets	618,345	614,080	623,430	620,322
Total other financial assets	618,345	614,080	623,430	620,322

#1 Unlisted securities include the holdings in Aarnet Pty Ltd, Medical Research Commercialisation Fund, Wound Management Innovation CRC and Education Australia Ltd.

(a) Hedging activities and derivatives

Cash flow hedges

The University is holding the following foreign exchange forward contracts:

	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 to 12 months	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>As at 31 December 2020</i>						
Cost of hedging	-	-	-	-	-	-
<i>As at 31 December 2019</i>						
Cost of hedging	-	1,599	-	-	-	1,599

The effect of the cash flow hedge on the income statement and statement of comprehensive income is, as follows:

	Total hedging gain/(loss) recognised in OCI	Ineffectiveness recognised in profit or loss	Line item in the income statement	Cost of hedging recognised in OCI	Amount reclassified from OCI to profit or loss	Line item in the income statement
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>As at 31 December 2020</i>						
Cost of hedging	-	-	-	-	-	-
<i>As at 31 December 2019</i>						
Cost of hedging	-	-	-	(23)	-	-

12 Property, plant and equipment

Asset recognition

(i) Land

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

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

Buildings constructed since the last revaluation with a value equal to or greater than \$10,000 are initially recorded at cost.

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 and depreciated as one asset.

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

(iii) Plant and equipment

Plant and equipment with a value equal to or greater than \$5,000 is initially recorded at cost. Plant and equipment donated to the University is recorded at fair value in the year of donation.

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

(iv) Cultural assets

Art collection purchases with a value greater than \$1 are initially recorded at cost. Artwork donated to the University is recorded at fair value in the year of donation.

(v) Work in progress

Work in progress is shown at cost.

(vi) Right of use assets

A right of use asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date (reduced by lease incentives received), plus initial direct costs incurred in obtaining the lease and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. A right-of-use-asset associated with land and buildings is subsequently measured at cost.

Depreciation

Depreciation is calculated using the straight line method to allocate cost (or revalued amount), net of residual value over the 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:

Category	Life (years)
Buildings	20 - 100
Plant and equipment:	
• Motor vehicles	5
• IT equipment	3 - 8
• Other plant and equipment	3 - 20
Right of use	2 - 90

Leasehold improvements Estimated useful life or unexpired period of lease, whichever is the shorter

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

12 Property, plant and equipment

Revaluation

(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 2024. In 2020 the University's land values were indexed using independent valuer rates as follows: Gardens Point campus 0%, Kelvin Grove campus 0% and Samford properties 5%.

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

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

An independent valuation of buildings based on fair value 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 2021. In 2020 the University's buildings were indexed by 0.3% using rates from the Australian Bureau of Statistics 'Non-residential Construction, Queensland'.

In 2020 the University's land improvements were indexed by 0.7% using rates from the Australian Bureau of Statistics 'Engineering Construction, Queensland'.

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 class 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) Cultural assets

An independent valuation of the QUT museum collections is carried out at least every five years and is indexed, using independent valuer rates, in intervening years. In accordance with these requirements the next independent valuation will occur in 2021. In 2020 the University's museum collections were indexed 0%.

(v) Right of Use Assets

A right of use asset is subsequently measured applying a cost model.

Repairs and maintenance

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a component of an asset, in which case, the costs are capitalised and depreciated.

Impairment of non-current assets

All non-current physical assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the University determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit or loss in the year the asset is derecognised.

12 Property, plant and equipment

Parent	Work in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Cultural Assets \$'000	Right of Use Assets \$'000	Total \$'000
At 1 January 2019							
- Cost	72,457	-	11	219,209	255	-	291,932
- Valuation	-	256,555	1,293,542	-	158,257	99,546	1,807,900
- Accumulated depreciation	-	-	(562,381)	(135,660)	(81,111)	-	(779,152)
Net book amount	72,457	256,555	731,172	83,549	77,401	99,546	1,320,680
Year ended 31 December 2019							
Opening net book amount	72,457	256,555	731,172	83,549	77,401	99,546	1,320,680
Additions	31,338	-	482	25,565	3,014	835	61,234
Reclassification of Heritage Buildings	-	-	42,937	-	(42,937)	-	-
Disposals	-	-	-	(491)	-	-	(491)
Revaluation	-	8,830	3,622	-	370	-	12,822
Depreciation charge	-	-	(47,047)	(18,452)	-	(5,819)	(71,318)
Reclassification	(77,149)	-	76,274	856	-	-	(19)
Closing net book amount	26,646	265,385	807,440	91,027	37,848	94,562	1,322,908
At 31 December 2019							
- Cost	26,646	-	-	239,296	456	-	266,398
- Valuation	-	265,385	1,497,986	-	37,392	100,381	1,901,144
- Accumulated depreciation	-	-	(690,546)	(148,269)	-	(5,819)	(844,634)
Net book amount	26,646	265,385	807,440	91,027	37,848	94,562	1,322,908
Year ended 31 December 2020							
Opening net book amount	26,646	265,385	807,440	91,027	37,848	94,562	1,322,908
Additions	23,202	-	-	22,874	614	2,840	49,530
Disposals	-	-	-	(483)	-	-	(483)
Revaluation	-	135	2,524	-	-	-	2,659
Revaluation decrease recognised in income	-	-	-	-	-	(100)	(100)
Depreciation charge	-	-	(45,221)	(18,921)	-	(5,895)	(70,037)
Reclassification	(19,730)	-	19,127	539	-	-	(64)
Closing net book amount	30,118	265,520	783,870	95,036	38,462	91,407	1,304,413
At 31 December 2020							
- Cost	30,118	-	-	251,503	1,070	-	282,691
- Valuation	-	265,520	1,521,486	-	37,392	103,120	1,927,518
- Accumulated depreciation	-	-	(737,616)	(156,467)	-	(11,713)	(905,796)
Net book amount	30,118	265,520	783,870	95,036	38,462	91,407	1,304,413

12 Property, plant and equipment

Consolidated	Work in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Cultural Assets \$'000	Right of Use Assets \$'000	Total \$'000
At 1 January 2019							
- Cost	72,458	-	11	219,222	255	-	291,946
- Valuation	-	256,555	1,293,542	-	158,257	99,546	1,807,900
- Accumulated depreciation	-	-	(562,381)	(135,663)	(81,111)	-	(779,155)
Net book amount	72,458	256,555	731,172	83,559	77,401	99,546	1,320,691
Year ended 31 December 2019							
Opening net book amount	72,458	256,555	731,172	83,559	77,401	99,546	1,320,691
Additions	31,338	-	482	25,572	3,014	835	61,241
Disposals	-	-	-	(491)	-	-	(491)
Transfers	-	-	42,937	-	(42,937)	-	-
Revaluation	-	8,830	3,622	-	370	-	12,822
Depreciation charge	-	-	(47,047)	(18,456)	-	(5,819)	(71,322)
Reclassification	(77,150)	-	76,274	856	-	-	(20)
Closing net book amount	26,646	265,385	807,440	91,040	37,848	94,562	1,322,921
At 31 December 2019							
- Cost	26,646	-	-	239,316	456	-	266,418
- Valuation	-	265,385	1,497,986	-	37,392	100,381	1,901,144
- Accumulated depreciation	-	-	(690,546)	(148,276)	-	(5,819)	(844,641)
Net book amount	26,646	265,385	807,440	91,040	37,848	94,562	1,322,921
Year ended 31 December 2020							
Opening net book amount	26,646	265,385	807,440	91,040	37,848	94,562	1,322,921
Additions	23,202	-	-	22,874	614	2,840	49,530
Disposals	-	-	-	(483)	-	-	(483)
Revaluation	-	135	2,524	-	-	-	2,659
Revaluation decrease recognised in income	-	-	-	-	-	(100)	(100)
Depreciation charge	-	-	(45,221)	(18,929)	-	(5,895)	(70,045)
Reclassification	(19,730)	-	19,127	539	-	-	(64)
Closing net book amount	30,118	265,520	783,870	95,041	38,462	91,407	1,304,418
At 31 December 2020							
- Cost	30,118	-	-	251,690	1,070	-	282,878
- Valuation	-	265,520	1,521,486	-	37,392	103,120	1,927,518
- Accumulated depreciation	-	-	(737,616)	(156,649)	-	(11,713)	(905,978)
Net book amount	30,118	265,520	783,870	95,041	38,462	91,407	1,304,418

13 Intangible Assets

Asset recognition

(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; 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 University did not hold any significant trademarks or licences.

(iv) Impairment of non-current assets

All non-current intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the University determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

Parent	Software at cost \$'000	Software under development \$'000	Total \$'000
At 1 January 2019			
Cost	42,254	3,841	46,095
Accumulated amortisation	(25,411)	-	(25,411)
Net book amount	16,843	3,841	20,684
Year ended 31 December 2019			
Opening net book amount	16,843	3,841	20,684
Additions	45	-	45
Amortisation	(3,248)	-	(3,248)
Closing net book amount	13,640	3,841	17,481
At 31 December 2019			
Cost	42,299	3,841	46,140
Accumulated amortisation	(28,659)	-	(28,659)
Net book amount	13,640	3,841	17,481
Year ended 31 December 2020			
Opening net book amount	13,640	3,841	17,481
Additions	106	472	578
Amortisation	(5,686)	-	(5,686)
Reclassification	3,841	(3,841)	-
Closing net book amount	11,901	472	12,373
At 31 December 2020			
Cost	46,246	472	46,718
Accumulated amortisation	(34,345)	-	(34,345)
Net book amount	11,901	472	12,373

13 Intangible Assets

	Consolidated	Software at cost \$'000	Software under development \$'000	Total \$'000
At 1 January 2019				
Cost		42,254	3,841	46,095
Accumulated amortisation		(25,411)	-	(25,411)
Net book amount		16,843	3,841	20,684
Year ended 31 December 2019				
Opening net book amount		16,843	3,841	20,684
Additions		45	-	45
Amortisation		(3,248)	-	(3,248)
Closing net book amount		13,640	3,841	17,481
At 31 December 2019				
Cost		42,299	3,841	46,140
Accumulated amortisation		(28,659)	-	(28,659)
Net book amount		13,640	3,841	17,481
Year ended 31 December 2020				
Opening net book amount		13,640	3,841	17,481
Additions		106	472	578
Amortisation		(5,686)	-	(5,686)
Reclassifications		3,841	(3,841)	-
Closing net book amount		11,901	472	12,373
At 31 December 2020				
Cost		46,246	472	46,718
Accumulated amortisation		(34,345)	-	(34,345)
Net book amount		11,901	472	12,373

14 Other non-financial assets

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Prepayments ^{#1}	25,457	33,276	25,444	33,218
Contract assets	4,764	4,907	4,764	4,907
Total current	30,221	38,183	30,208	38,125
<i>Non-current</i>				
Prepayments	1,644	1,813	1,644	1,813
Total non-current	1,644	1,813	1,644	1,813
Total other non-financial assets	31,865	39,996	31,852	39,938

#1 2019 prepayment is higher due to payroll days paid in advance, significant equipment procurement requiring partial prepayment deposits.

15 Trade and other payables

Due to the short term nature of current trade creditors, the carrying value is assumed to approximate the fair value. OS-HELP is a loan scheme to assist eligible undergraduate students to undertake some of their course of study overseas.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
OS-HELP liability to Australian Government #1	12,103	3,842	12,103	3,842
Trade payables#2	6,423	8,289	6,392	8,210
Accrued expenses#3	40,626	24,401	40,461	23,959
Total current trade and other payables	59,152	36,532	58,956	36,011
Total trade and other payables	59,152	36,532	58,956	36,011

#1 Increase in OS HELP liability due to funding received unable to be expensed as a result of COVID-19 international border controls and travel restrictions.

#2 Trade payables was higher in 2019 due to major project implementation of IT and audio visual purchases for the new education precinct.

#3 Accrued expenses includes an amount of \$22 million for a payroll tax deferral.

16 Borrowings

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.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Queensland Treasury Corporation loans (commercial)	6,286	6,060	6,286	6,060
Total current borrowings	6,286	6,060	6,286	6,060
<i>Non-Current</i>				
Queensland Treasury Corporation loans (commercial)	137,930	143,955	137,930	143,955
Total non-current borrowings	137,930	143,955	137,930	143,955
Total borrowings	144,216	150,015	144,216	150,015

The University was granted approval to borrow through Queensland Treasury Corporation for the following infrastructure projects:

- construction of the Science and Engineering Centre at Gardens Point Campus. The total loan was \$78 million (established 2012). The loan is now fixed at the rate of 5.066%, maturing in June 2038, with a quarterly debt service payment of \$1.363 million.
- construction of the Kelvin Grove Sportsfield Carpark. On the 3rd August 2016, the loan was established for \$34 million. The loan is fixed at the rate of 2.92% over 20 years, maturing in June 2036, with a quarterly debt service payment of \$0.563 million.
- purchased a building at 88 Musk Ave Kelvin Grove. On the 15 June 2018, the loan was established for \$58.8 million. The loan is fixed at the rate of 3.527% over 20 years, maturing in March 2038, with a quarterly debt service payment of \$1.028 million.

The weighted average borrowing rate is 4.083% (ranging from 2.92% to 5.066%) (2019: 4.078%).

Under the State's Borrowing Program, the University has access to a \$60 million (2019: \$60 million) working capital loan facility through Queensland Treasury Corporation. The working capital loan facility, which is a temporary overdraft used for cash flow management, was not accessed during 2020.

(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 (note 27).

16 Borrowings

(b) Fair value measurement

Details of fair value of interest bearing liabilities of the University are set out in fair value measurement (note 28).

(c) Risk exposures

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 (note 27).

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Australian dollars	144,216	150,015	144,216	150,015

(d) Reconciliation of liabilities arising from financing activities

	2019	Cash flows	Non-cash changes			2020
			Acquisition / Disposal	Foreign exchange movement	Fair value changes	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Long-term borrowings	143,955	(6,025)	-	-	-	137,930
Short-term borrowings	6,060	226	-	-	-	6,286
Total liabilities from financing activities	150,015	(5,799)	-	-	-	144,216

17 Provisions

(a) Annual Leave

The liability for annual leave is recognised in current provisions for employee benefits as it is part of the working capital used in the University's normal operating cycle, even if it is expected to be settled more than 12 months after the reporting period. It is measured at the amount expected to be paid when the liability is settled. The total amount of annual leave accrued as at 31 December 2020 has decreased by -3.4% (2019: 2.5% Parent) and reflects movement in leave balances held and related provisioning adjustments.

(b) 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. The accumulated cost of long service leave accrued as at 31 December 2020 is split between the current provision, which reflects entitlements for employees with over 7 years of service and the non-current provision, which reflects the accumulated cost of long service leave for employees with under 7 years of service. The increase in provision of 9.1% (2019: increase 6.6%) is due to increases in eligible staff leave balances, staff retention and probability rates, and reductions in bond rates used in discounting which increases the liability provision required.

2019 experienced a growth in staff off the back of the 2018 organisational transformation. Subsequent filling of vacancies and growth in average length of service flowed through to increases in long service leave liabilities for 2020.

(c) Parental leave

The liability for parental leave is recognised in the current provision 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. The accumulated cost of parental leave accrued as at 31 December 2020 has decreased by -4.8% (2019: decrease -8.7%), due predominantly to the value of parental leave days carried forward.

(d) Short term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

17 Provisions

(d) Short term obligations

A provision for redundancy/severance payments in the non academic staff category arising from the workforce repositioning response to COVID 19 impacts, set out in the QUT Repositioning Strategy Change Management Implementation Plan (CMIP) has been taken up in 2020. Management believe these redundancies have been reliably measured, based on the best information at the time, and amounts to \$4.245 million. It is expected that the liability will be wholly settled in 2021.

The CMIP provides staff, impacted by the redundancies, with the opportunity to apply for new positions that have been created as a result of the plan and has been considered in the calculation of the provision.

(e) Lease restoration obligations

The liability for lease restoration obligations is recognised in non-current provisions as the liability is due to be settled at the completion of the relevant leases, which have remaining terms ranging up to 5 years. The liability is measured at the rate per square metre for the appropriate classification of leased premise.

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current provisions</i>				
<i>to be settled within 12 months</i>				
Employee benefits				
Annual leave	31,276	32,209	31,270	32,060
Long service leave	1,760	2,778	1,760	2,713
Parental leave	324	341	324	341
Short-term provisions				
Redundancies	4,245	-	4,245	-
Subtotal	37,605	35,328	37,599	35,114
<i>to be settled after more than 12 months</i>				
Employee benefits				
Annual leave	15,551	16,409	15,551	16,409
Long service leave	53,085	49,249	53,085	49,249
Subtotal	68,636	65,658	68,636	65,658
Total current provisions	106,241	100,986	106,235	100,772
<i>Non-current provisions</i>				
Employee benefits				
Long service leave	13,161	10,399	13,161	10,371
Lease restoration obligation	139	139	139	139
Total non-current provisions	13,300	10,538	13,300	10,510
Total provisions	119,541	111,524	119,535	111,282

18 Other liabilities

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Current</i>				
Contract liability #1	55,755	45,478	55,755	45,478
Lease liability	2,846	2,317	2,846	2,316
Unearned revenue #2	29,172	40,928	29,199	40,942
Other current liability	-	23	-	23
Total current other liabilities	87,773	88,746	87,800	88,759
<i>Non-current</i>				
Lease liability	39,309	39,836	39,309	39,836
Unearned revenue #2	-	48	-	48
Total non-current other liabilities	39,309	39,884	39,309	39,884
Total other liabilities	127,082	128,630	127,109	128,643

#1 Contract liability increase arose due to revenue received in advance of expenditure while the rate of spend was reduced due to COVID-19.

#2 Unearned revenue decrease was driven by a reduction in student payments received in advance. This reduction was mostly prepaid fees from international students due to reduced enrolments following the impact of COVID-19 travel restrictions.

The University as lessee

Amounts recognised in the income statement:

Interest on lease liabilities	1,317	1,254	1,317	1,254
Expenses relating to short-term leases	94	93	94	93
Total	1,411	1,347	1,411	1,347

Exposure from variable lease payments

The University has no exposure to variable lease payments.

Exposure from extension options and termination options

The University has taken the position of not factoring in lease extensions as it reassesses the need for space upon the completion of each lease, at which time the terms are renegotiated.

Exposure from residual value guarantees

The University has no exposure to residual value guarantees.

Exposure from leases not yet commenced but committed by Queensland University of Technology

The University has no exposure from leases not yet commenced but committed.

Lease Liabilities - Queensland University of Technology as lessee

Policy on assessment of whether a contract, or contains, a lease is detailed below.

Lease liability

A lease liability is initially measured at the present value of unpaid lease payments at the commencement date of the lease. To calculate the present value, the unpaid lease payments are discounted using the interest rate implicit in the lease if the rate is readily determinable. If the interest rate implicit in the lease cannot be readily determined, the incremental borrowing rate at the commencement date of the lease is used. Lease payments included in the measurement of lease liabilities comprise:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI);
- the exercise price of a purchase option if Queensland University of Technology is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

18 Other liabilities

For a contract that contains a lease component and one or more additional lease or non-lease components, Queensland University of Technology allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

Subsequently, the lease liability is measured at amortised cost using the effective interest rate method resulting in interest expense being recognised as a borrowing cost in the income statement. The lease liability is remeasured when there are changes in future lease payments arising from a change, e.g. change in an index rate or change in a lease term, with a corresponding adjustment to the right-of-use asset. The adjustment amount is factored into depreciation of the right-of-use asset prospectively.

Right-of-use assets are presented within property, plant and equipment in note 12 and lease liabilities are presented within other liabilities in note 18.

Short-term leases and leases of low-value assets

Queensland University of Technology has elected not to recognise right-of-use assets and lease liabilities for short-term leases i.e. leases with a lease term of 12 months or less and leases of low-value assets, i.e. when the value of the leased asset when new is \$5,000 or less. Queensland University of Technology recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

19 Reserves and retained earnings

	Consolidated		Parent	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<i>Reserves</i>				
Hedging reserve - cash flow hedges	-	(23)	-	(23)
Property, plant and equipment revaluation reserve surplus	409,872	407,213	409,872	407,213
Fair value through OCI	8,732	6,191	-	-
Total reserves	418,604	413,381	409,872	407,190
<i>Movements in reserves were as follows:</i>				
<i>Hedging reserve - cash flow hedges</i>				
Balance 1 January	(23)	8	(23)	8
Transfers out	23	(31)	23	(31)
Balance 31 December	-	(23)	-	(23)
<i>Property, plant and equipment revaluation reserve surplus</i>				
Balance 1 January	407,213	394,391	407,213	394,391
Transfers in	2,659	12,822	2,659	12,822
Balance 31 December	409,872	407,213	409,872	407,213
<i>Fair value through OCI</i>				
Balance 1 January	6,191	5,315	-	-
Transfers in	1,941	512	-	-
Transfers out	600	364	-	-
Balance 31 December	8,732	6,191	-	-
Total reserves	418,604	413,381	409,872	407,190
<i>Movements in retained earnings were as follows:</i>				
Retained earnings at the beginning of the financial year	1,317,385	1,263,699	1,323,269	1,268,995
Amounts recognised directly in equity in relation to non-current asset adjustments on implementation of AASB 15 & 16	-	(34,117)	-	(34,117)
Net result for the period	23,280	88,167	25,218	88,391
Fair value through OCI transfer	(600)	(364)	-	-
Retained earnings financial year end	1,340,065	1,317,385	1,348,487	1,323,269

19 Reserves and retained earnings

(a) Nature and purpose of reserves

(i) Property, plant and equipment revaluation reserve surplus

The property, plant and equipment revaluation reserve surplus is used to record increments and decrements on the revaluation of non-current assets (refer note 12).

(ii) Hedging reserve - Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the hedging reserve - cash flow hedges (refer Other Comprehensive Income).

(iii) Fair value through other comprehensive income reserve

Changes in fair value of financial assets that are measured at fair value through other comprehensive income in accordance with AASB 9 are taken to this reserve.

20 Key management personnel disclosures

Key management personnel and remuneration disclosures are made in accordance with the Australian Government Department of Education Financial Statement Guidelines.

Remuneration

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

Remuneration for the University's key 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 management personnel are outlined in their individual employment contracts. University policy provides for the provision of performance related bonuses and other benefits which can include motor vehicles.

Remuneration packages for key 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 income statement.
- Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.

Performance bonuses may be paid or payable annually depending upon satisfaction of key criteria. Performance payments of the key management are up to 12% of total fixed remuneration and the Vice-Chancellor's is up to 20%. In exceptional circumstances Queensland University of Technology 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 and the Vice Chancellor's direct reports in senior staff group "E" range are approved by the Chancellor's Committee.

Performance payments paid in early 2020 related to 2019 calendar year performance. Senior staff have agreed that in response to COVID-19 performance payments for 2020 calendar year will be forgone which will reduce expenses in 2021.

Post-employment benefits include superannuation contributions.

Long term employee benefits include long service leave accrued.

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.

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. Queensland University of Technology 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.

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

20 Key management personnel disclosures

(a) Names of responsible persons and executive officers

The following were responsible persons and executive officers of the Queensland University of Technology or its subsidiaries during the financial year:

Chancellor	Dr X Liu	Commenced 01 January 2020
Deputy Chancellor	Mrs J Parker	
Vice-Chancellor and President	Prof M Sheil, AO	
Provost, as Chair, University Academic Board	Prof N Smith	Commenced 02 April 2020
Nominees of the Governor in Council	Mr M Gooda Dr L Perry, AM Mr P Howes Mr M Pennisi, AM Ms S Rix, AM Ms M Bradley Dr S Pond, AM Mrs J Parker	
Nominees of Council	Mr P Lindstrom	Commenced 27 February 2020
Elected professional staff	Dr D McDonough Ms G Amankwah-Toa Miss A Lacaze	
Elected academic staff	Dr K Manton Prof P McDonald Dr D Nielsen	
Elected student members	Ms S Mathers Ms I Powell	
Elected alumni members	Dr T Baker Mr E Johnston Ms L Harvey	
Secretary Directors of Creative Industries Precinct Pty Ltd	Mr B Chenoweth Mr H Turner Ms A Rooke Prof R Xavier Prof M Thomas Dr J Harry Prof M Harvey	Resigned 30 September 2020 Resigned 30 September 2020 Resigned 01 October 2020 Resigned 30 September 2020 Resigned 31 December 2020 Appointed 25 November 2020
Secretary of Creative Industries Precinct Pty Ltd	Ms A Boland	Resigned 31 December 2020
Directors of QUT Enterprise Holdings Pty Ltd	Dr J Harry Prof M Harvey	Resigned 31 December 2020
Secretary of QUT Enterprise Holdings Pty Ltd Directors of qutbluebox Pty Ltd	Ms A Boland	Resigned 31 December 2020
Secretary of qutbluebox Pty Ltd	Dr J Harry Dr E Rayment Mr A Leech Mr S Denaro Mr D Speedy	Resigned 31 December 2020 Appointed 7 July 2020 Appointed 2 December 2020 Resigned 18 February 2020 Appointed 19 March 2020

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Queensland University of Technology during the financial year:

Vice-Chancellor and President	Prof M Sheil, AO	Appointed February 2018
Provost	Prof N Smith	Appointed April 2020
Deputy Vice-Chancellor and Vice-President, International	Prof S Sheppard	Appointed February 2008
Deputy Vice-Chancellor and Vice-President Education	Prof R Xavier	Appointed February 2020

20 Key management personnel disclosures

(b) Other key management personnel

Deputy Vice-Chancellor, Research & Innovation	Prof C Barner-Kowollik	Appointed December 2019
Chief Financial Officer (interim from 23 September 2019)	Mr C Cartwright	Appointed September 2019
Vice-President (Administration) and Registrar	Ms L Harvey	Appointed December 2018
Vice-President (Business Development)	Prof M Harvey	Appointed March 2019

All of the above persons were key management persons during the year ended 31 December 2020.

(c) Remuneration of board members and executives

	Parent	
	2020 Number	2019 Number
<i>Remuneration of responsible officers</i>		
Nil to \$9,999	-	1
70,000 to \$79,999	1	-
<i>Remuneration of executive officers</i>		
\$30,000 to \$39,999	-	1
\$100,000 to \$109,999	-	1
\$270,000 to \$279,999	-	1
\$430,000 to \$439,999	-	1
\$440,000 to \$449,999	1	-
\$450,000 to \$459,999	2	-
\$460,000 to \$469,999	-	1
\$490,000 to \$499,999	1	-
\$500,000 to \$509,999	-	1
\$530,000 to \$539,999	1	-
\$560,000 to \$569,999	-	1
\$570,000 to \$579,999	1	-
\$590,000 to \$599,999	1	-
\$640,000 to \$649,999	-	1
\$750,000 to \$759,999	-	1
\$1,160,000 to \$1,169,999	-	1
\$1,180,000 to \$1,189,999	-	1
\$1,200,000 to \$1,209,999	1	-

(d) Key management personnel compensation and performance payments

	Parent	
	2020 \$'000	2019 \$'000
Short-term employee benefits	\$ 4,310	\$ 4,470
Post-employment benefits	447	518
Other long-term benefits	96	139
Termination benefits	-	1,011
Total	\$ 4,853	\$ 6,138

(e) Loans to key management personnel

In 2020 there were no loans to key management personnel.

(f) Other transactions with key management personnel

In 2020 there were no other transactions with key management personnel.

21 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	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Audit and review of the Financial Statements</i>				
Queensland Audit Office	292	300	260	260
Total paid for audit and review	292	300	260	260

22 Contingencies

(a) Contingent liabilities

The University did not have any contingent liabilities that could be reliably measured as at 31 December 2020, however the following matter is being monitored.

Employee costs

The University continues to monitor the outcome of a Federal court case, to which QUT is not a party, relating to entitlements of casual employees. The High Court of Australia granted special leave for this decision to be appealed. The resolution of these legal matters along with any potential legislative response and application to QUT's specific circumstances, may result in a back payment for unpaid entitlements where individuals do not meet an amended definition of a casual employee at law. At reporting date, the outcome of this court appeal, any potential legislative response, and any estimated cost of this by applying the outcome to QUT is not known.

(b) Contingent assets

The University did not have any contingent assets as at 31 December 2020.

Movements in contingent assets and contingent liabilities are as follows:

	Consolidated			
	Contingent Assets		Contingent Liabilities	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Opening balance 1 January</i>	-	-	-	2,000
Reductions in contingent assets/liabilities	-	-	-	(2,000)
Closing balance 31 December	-	-	-	-

23 Commitments

(a) Capital commitments

Capital expenditure contracted for at the reporting date but not recognised as liabilities are:

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Property, plant and equipment</i>				
Within one year	3,284	9,264	3,284	9,264
Between one year and five years	449	-	449	-
Total PPE commitments	3,733	9,264	3,733	9,264

The above property, plant and equipment commitments represent major capital project commitments which in 2020 include: (KG) Faculty of Education Rationalisation: \$1.733 million; (GP) P-Blk Property and Retail Strategy: \$0.985 million; (GP) Q-Blk Electrical Infrastructure Upgrade Stage 1: \$0.313 million and various other capital projects totalling \$0.702 million.

There are no intangible capital projects with commitments of one year or greater.

23 Commitments

(b) Lease commitments

(i) Operating Leases

Under AASB 16 *Leases*, Queensland University of Technology as a lessee recognises the majority of leases on the statement of financial position as Right of Use assets with corresponding lease liabilities. A short term lease, which did not qualify as a Right of Use asset was recognised in 2020. The University has no operating lease commitment relating to motor vehicle leases.

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Within one year	22	1	22	1
Between one year and five years	-	-	-	-
Later than five years	-	-	-	-
Total future minimum lease payments	22	1	22	1

The weighted average interest rate implicit in the non-cancellable operating leases is 0.00% (2019: 2.88%).

(ii) Finance Leases

The University does not have any finance leases.

24 Related Parties

(a) Parent entities

The ultimate parent entity is Queensland University of Technology, a statutory body established under the *Queensland University of Technology Act 1998*.

(b) Subsidiaries

Interests in subsidiaries are set out in note 25.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 20.

(d) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Sale of goods and services</i>				
Subsidiaries	-	-	394	1,438
Total sale of goods and services	-	-	394	1,438
<i>Purchase of goods and services</i>				
Subsidiaries	-	-	39	160
Other related parties				
Winners-at-work Pty Ltd	3	3	3	3
Total purchase of goods and services	3	3	42	163
<i>Other transactions</i>				
Capital contribution provided to subsidiaries	-	-	962	8,669
Transferred to Student Managed Investment Fund (SMIF)	-	-	5	262
Total other transactions	-	-	967	8,931

The transactions with the above related parties were conducted as arm's length arrangements and within standard commercial terms.

Other Arrangements

The following arrangements have not been deemed to be related parties under the definition of AASB 124 *Related Party Disclosures*, as there is neither control, significant influence or key management personnel representatives for the below entities:

24 Related Parties

(d) Transactions with related parties

Translational Research Institute (TRI)

The Institute is a joint 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. Queensland University of Technology does not have control or significant influence over the entity noting surplus distributions must be reinvested as intended under the shareholders agreement dated 16 June 2009. Queensland University of Technology contributes towards the operational costs and also has a prepaid licence agreement (original value \$25 million) to occupy the TRI building over 30 years (lease expires May 2043), with an option to extend for a further 20 years at peppercorn rate.

Herston Imaging Research Facility (HIRF)

In April 2013, Queensland University of Technology entered into a collaborative agreement with the University of Queensland, Queensland Medical Research Institute, Metro North Hospital and Health Service to contribute to the establishment of the HIRF. In late 2015, the agreement was amended from an 'initial period - 5 years' to 'an expiry date - 5 April 2025'.

Centre for Children's Health Research (CCHR)

Queensland University of Technology has entered into an agreement between Queensland Health and the University of Queensland to contribute towards an academic and research facility adjacent to the Queensland Children's Hospital (formerly the Lady Cilento Children's Hospital). An establishment agreement between the parties provides for a 30 year lease on a portion of the premises (lease expires July 2045).

25 Subsidiaries

The purchase method of accounting is used to account for all subsidiaries. Cost is measured as the fair value of the assets given, equity instruments issued or liabilities incurred or assumed at the date of exchange.

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described below:

Name of Entity	Principal place of business	Class of shares	Equity Holding	2019
			2020 %	%
Brisbane Business School Pty Ltd	Australia	Ordinary	100.00	100.00
Student Managed Investment Fund	Australia	n/a	100.00	100.00
QUT Enterprise Holdings Pty Ltd	Australia	Ordinary	100.00	100.00
QUT Enterprise Holdings Trust	Australia	n/a	100.00	100.00
qutbluebox Pty Ltd	Australia	Ordinary	100.00	100.00
QUT bluebox Trust	Australia	n/a	100.00	100.00
Creative Industries Precinct Pty Ltd	Australia	Ordinary	100.00	100.00

Brisbane Business School Pty Ltd was established in 1999 in order to establish the business name 'Brisbane Business School'. In 2019, Brisbane Business School Pty Ltd became the Corporate Trustee for the Student Managed Investment Fund. Brisbane Business School Pty Ltd did not trade during the year.

Student Managed Investment Fund is a trust established in 2019, as an experimental 'real' world learning tool for students. Brisbane Business School Pty Ltd acts as the corporate trustee.

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.

QUT Enterprise Holdings Trust was established in 2001 as a holding entity for Queensland University of Technology 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 audited accounts are presented to QUT and consolidated with QUT accounts.

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.

QUT bluebox Trust was established in 2006 as an entity to carry out the commercialisation of Queensland University of Technology 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 audited accounts are presented to QUT Enterprise Holdings Trust and consolidated with QUT Enterprise Holdings Trust.

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 audited company accounts are independently prepared and consolidated into the accounts of QUT Enterprise Holdings Trust.

25 Subsidiaries

SMIF Statement of Receipts and Payments

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Opening bank balance	262	-	-	-
Purchase of shares #1	(158)	-	-	-
Payment of brokage fees	-	-	-	-
Bank interest	-	-	-	-
Contributions made to SMIF	5	262	-	-
Closing bank balance	109	262	-	-

#1 The value of shares purchased in 2020 was \$161,516 as at 31 December 2020.

26 Reconciliation of operating result after income tax to net cash flows from operating activities

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
Operating result for the period	22,596	88,167	25,218	88,391
Depreciation and amortisation	75,729	74,569	75,724	74,565
Net (gain)/loss on sale of plant and equipment	411	54	408	54
Fair value gains on other financial assets at fair value through profit or loss	(12,405)	(100,712)	(13,192)	(94,196)
Non cash donations received	(575)	(2,706)	(575)	(2,706)
Interest expense relating to leasing standard	1,317	1,220	1,317	1,254
(Increase)/decrease in student loans	21	49	21	48
Increase/(decrease) in provision for impairment	2	(50)	2	(50)
(Increase)/decrease in trade debtors	5,425	(1,455)	5,452	(1,826)
Increase/(decrease) in provision for impairment	529	(409)	533	(412)
(Increase)/decrease in student fee debtors	(1,743)	195	(1,743)	212
(Increase)/decrease in GST refund due	1,045	(515)	1,045	(504)
(Increase)/decrease in other receivables	(11,913)	3,592	(11,913)	3,627
(Increase)/decrease in inventories	366	267	366	282
(Increase)/decrease in other non-financial assets	7,988	(1,565)	7,917	(1,534)
(Increase)/decrease in OS HELP liability to Aust Gov't	8,261	1,376	8,261	1,376
Increase/(decrease) in trade creditors	(1,970)	2,735	(1,818)	2,839
Increase/(decrease) in unearned revenue	(11,743)	4,920	(11,743)	5,149
Increase/(decrease) in accrued expenses	16,502	2,488	16,502	2,649
Increase/(decrease) in accrued employee benefits	5,111	2,953	5,463	3,136
Increase/(decrease) in contract liabilities	10,277	2,219	10,277	2,219
Increase/(decrease) in other current liabilities	(25)	23	(23)	23
Increase/(decrease) in lease expense	530	-	530	-
(Increase)/decrease in right of use assets	2,740	-	2,740	-
Net cash provided by/(used in) operating activities	118,476	77,415	120,769	84,596

2019 figures for right of use assets have been re-classified from operating cash flows to financing cash flows.

27 Financial Risk Management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk. The University's 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 various 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.

27 Financial Risk Management

The University and the parent entity hold the following financial assets and liabilities:

	Consolidated		Parent	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<i>Financial assets</i>				
Cash and cash equivalents	198,850	126,374	193,420	119,313
Trade and other receivables	41,783	35,237	41,670	35,065
Financial assets at fair value through OCI	11,747	9,722	-	-
Other financial assets	606,598	604,358	623,430	620,322
Total financial assets	858,978	775,691	858,520	774,700
<i>Financial liabilities</i>				
Trade and other payables	59,152	36,532	58,956	36,011
Borrowings (commercial)	144,216	150,015	144,216	150,015
Total financial liabilities	203,368	186,547	203,172	186,026

(a) Market risk

(i) Foreign exchange risk

The risk to the University that currency fluctuations could 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, Great British pounds and US dollars early in the year, of which the majority are settled in the second half of the year. Queensland University of Technology received approval to undertake limited derivative transactions as cited in the Statutory Bodies Financial Arrangements 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 purchases of high cost assets. All foreign exchange forward 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 could 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 Long Term Diversified Fund and the QUT Endowment Fund (managed by QIC). The University monitors its investments with QIC and provides regular reports for review and action as required.

(iii) Interest rate risk

The University's exposure to market risk for changes in interest rates relates primarily to the long term debt obligations. To manage market risk the University has fixed rate loans on all existing commercial borrowings.

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 percent. This reflects market conditions generally, whereby interest rates have the capacity to move by these margins within a twelve month period.

(iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the University's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

27 Financial Risk Management

(a) Market risk

31 December 2020		Interest rate risk				Foreign exchange risk				Other price risk			
Carrying amount		-1%		+1%		-10%		+10%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets													
Cash and cash equivalents	198,850	(1,988)	(1,988)	1,988	1,988	-	-	-	-	-	-	-	-
Receivables	41,783	-	-	-	-	(100)	(100)	82	82	-	-	-	-
Other financial assets													
QIC Investment Funds	561,076	-	-	-	-	-	-	-	-	(56,076)	(56,076)	56,076	56,076
Listed securities/Managed funds	249	-	-	-	-	-	-	-	-	(25)	(25)	25	25
Unlisted securities/Managed funds	45,273	-	-	-	-	-	-	-	-	(4,527)	(4,527)	4,527	4,527
Financial assets at fair value through OCI	11,747	-	-	-	-	-	-	-	-	(1,175)	(1,175)	1,175	1,175
Financial liabilities													
Payables	59,152	-	-	-	-	(578)	(578)	473	473	-	-	-	-
Borrowings	144,216	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,988)	(1,988)	1,988	1,988	(678)	(678)	555	555	(61,803)	(61,803)	61,803	61,803
31 December 2019													
Carrying amount		-1%		+1%		-10%		+10%		-10%		+10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets													
Cash and cash equivalents	126,374	(1,264)	(1,264)	1,264	1,264	-	-	-	-	-	-	-	-
Receivables	35,238	-	-	-	-	143	143	(117)	(117)	-	-	-	-
Other financial assets													
QIC Investment Funds	557,483	-	-	-	-	-	-	-	-	(55,748)	(55,748)	55,748	55,748
Listed securities	86	-	-	-	-	-	-	-	-	(9)	(9)	9	9
Unlisted securities/Managed funds	46,789	-	-	-	-	-	-	-	-	(4,679)	(4,679)	4,679	4,679
Financial assets at fair value through OCI	9,722	-	-	-	-	-	-	-	-	(972)	(972)	972	972
Financial liabilities													
Payables	36,532	-	-	-	-	(513)	(513)	418	418	-	-	-	-
Borrowings	150,015	-	-	-	-	-	-	-	-	-	-	-	-
Total increase/(decrease)		(1,264)	(1,264)	1,264	1,264	(370)	(370)	301	301	(61,408)	(61,408)	61,408	61,408

(b) Credit risk

The risk to the University that one party of a financial instrument could 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 could encounter difficulty in raising funds to meet commitments is managed within the University's borrowing policy. The borrowings 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 financial position and regularly monitors liquidity as part of its treasury operations, budget review and reporting arrangements. In regards to borrowings the University has a working capital loan facility of up to \$60 million to act as a safety net for short term cash requirements. The University also has approved Queensland Treasury Corporation borrowings for infrastructure projects.

The University's accounts payables and receivables are considered to be short term in nature.

The following tables summarise the maturity of the University's financial assets and financial liabilities:

27 Financial Risk Management

(c) Liquidity risk

	Average interest rate		Variable interest rate		Less than 1 year		1 to 5 years		5+ years		Non-Interest Bearing		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	%	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets:														
Cash and cash equivalents	1.05	1.64	198,850	126,374	-	-	-	-	-	-	-	-	198,850	126,374
Receivables	-	-	-	-	-	-	-	-	-	-	41,783	35,237	41,783	35,237
Other financial assets														
Managed investment funds	-	-	-	-	-	-	-	-	-	-	561,076	557,483	561,076	557,483
Listed securities/Managed funds	-	-	-	-	-	-	-	-	-	-	249	86	249	86
Unlisted securities/Managed funds	-	-	-	-	-	-	-	-	-	-	45,273	46,789	45,273	46,789
Financial assets at fair value through OCI	-	-	-	-	-	-	-	-	-	-	11,747	9,722	11,747	9,722
Total Financial Assets			198,850	126,374	-	-	-	-	-	-	660,128	649,317	858,978	775,691
Financial Liabilities:														
Trade and other payables	-	-	-	-	-	-	-	-	-	-	59,152	36,532	59,152	36,532
Borrowings (commercial) #1	4.08	4.08	-	-	11,813	11,813	47,254	47,254	142,140	153,954	-	-	201,207	213,021
Total Financial Liabilities			-	-	11,813	11,813	47,254	47,254	142,140	153,954	59,152	36,532	260,359	249,553

#1 2019 previously only included principal payment, has now been re-instated to include interest payable and fees.

28 Fair value measurement

(a) Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly derived from observable inputs or estimated using another valuation technique.

Observable inputs are publicly available data that are relevant to the characteristics of the assets/liabilities being valued. Observable inputs used by the University include, but are not limited to, quoted market prices for financial assets at fair value either through Other Comprehensive Income or Income Statement depending on the election applied to each instrument.

Unobservable inputs are data, assumptions and judgements that are not available publicly, but are relevant to the characteristics of the assets/liabilities being valued.

The carrying amounts and aggregate fair values of financial assets and liabilities at balance date are:

Consolidated	Note	Carrying Amount		Fair Value	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assets					
Cash and cash equivalents	9	198,850	126,374	198,850	126,374
Receivables	10	41,783	35,237	41,783	35,237
Equity assets at fair value through OCI	11	11,747	9,722	11,747	9,722
Other financial assets	11	606,598	604,358	606,598	604,358
Total financial assets		858,978	775,691	858,978	775,691
Financial Liabilities					
Trade and other payables	15	59,152	36,532	59,152	36,532
Borrowings (commercial)	16	144,216	150,015	175,958	174,950
Total financial liabilities		203,368	186,547	235,110	211,482

(i) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and listed equity instruments) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1).

The carrying value less impairment allowance of trade receivables and payables is a reasonable approximation of their fair values due to their short-term nature.

The fair value of non-current borrowings disclosed in note 16 is estimated by discounting the future contractual cash flows at the current market interest rates. The borrowing rates for the Kelvin Grove Sportsfield Car Park is 2.92%, 88 Musk Avenue, Kelvin Grove is 3.527%, and the Science and Engineering Centre is 5.066%. All loans are fixed for the full term with a weighted average

28 Fair value measurement

(a) Fair value measurements

interest rate of 4.083%. The carrying amount (book value) is a traditional measure of indebtedness and is used to record the 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.

(b) Fair value hierarchy

The Queensland University of Technology categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement.

Level 1 quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs)

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels.

Fair value measurements at 31 December 2020

Consolidated	Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
<i>Financial assets</i>				
<i>Financial assets at fair value through profit or loss</i>				
Managed investment funds	561,340	-	561,076	264
Listed securities	249	249	-	-
Unlisted securities	45,009	-	-	45,009
<i>Financial assets at fair value through OCI</i>				
Unlisted investments	10,271	-	-	10,271
Convertible notes	1,476	-	-	1,476
Total financial assets	618,345	249	561,076	57,020
<i>Non-financial assets</i>				
Land, buildings, heritage & cultural assets #1	1,087,852	-	303,982	783,870
Total non-financial assets	1,087,852	-	303,982	783,870
<i>Financial liabilities</i>				
Borrowing (commercial)	144,216	-	144,216	-
Total liabilities	144,216	-	144,216	-

Fair value measurements at 31 December 2019

<i>Financial assets</i>				
<i>Financial assets at fair value through profit or loss</i>				
Managed investment funds	557,751	-	557,483	268
Listed securities	86	86	-	-
Unlisted securities	46,521	-	-	46,521
<i>Financial assets at fair value through OCI</i>				
Unlisted investments	9,467	-	-	9,467
Convertible notes	255	-	-	255
Total financial assets	614,080	86	557,483	56,511
<i>Non-financial assets</i>				
Land, building, heritage & cultural assets #2	1,110,674	-	303,233	807,441
Total non-financial assets	1,110,674	-	303,233	807,441
<i>Financial liabilities</i>				
Borrowings (commercial)	150,015	-	150,015	-
Total liabilities	150,015	-	150,015	-

#1 Level 2 non-financial assets are comprised of Land (\$265.520 million) and Artwork (\$38.462 million). Level 3 non-financial assets are comprised of Buildings (\$783.870 million).

#2 Level 2 non-financial assets are comprised of Land (\$256.555 million) and Artwork (\$34.463 million). Level 3 nonfinancial

28 Fair value measurement

(b) Fair value hierarchy

assets are comprised of Buildings (\$731.172 million) plus Heritage and Cultural Buildings (\$42.938 million).

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year.

For details of transfers in and out of level 3 measurements, see (d) below.

The Queensland University of Technology's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(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, over-the-counter derivatives) 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, Queensland Treasury Corporation borrowings and Cash Fund, the fair value is measured using reports provided by QIC and Queensland Treasury Corporation, such as QIC client product summaries, Queensland Treasury Corporation borrowings statements and Queensland Treasury Corporation 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.

The valuation technique (AASB 13 *Fair Value Measurement*) used to calculate fair value for Land and Artwork is the market approach and for Buildings and Heritage Buildings is the cost approach.

The fair value of forward foreign exchange contracts is determined using forward exchange rates at the end of the reporting period.

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 and building and heritage assets, which are explained in (d) below.

(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 2020 and 2019.

Consolidated			
Level 3 Fair Value Measurement 2020	Unlisted securities \$'000	Buildings \$'000	Total \$'000
Opening balance	56,511	807,441	863,952
Total gains/(losses) in profit or loss	(1,538)	(26,094)	(27,632)
Total gains/(losses) in comprehensive income	2,182	2,523	4,705
Purchases	26	-	26
Closing balance	57,181	783,870	841,051
Level 3 Fair Value Measurement 2019			
Opening balance	36,853	774,110	810,963
Total gains/(losses) in profit or loss	18,315	29,709	48,024
Total gains/(losses) in comprehensive income	1,326	3,622	4,948
Purchases	17	-	17
Closing balance	56,511	807,441	863,952

Gains/(losses) in financial investments are included in investment revenue/(expense) or grant revenue in the income statement.

29 Acquitment of Australian Government Financial Assistance

(a) Education - CGS and other Education grants

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Revenue and income for the period

Surplus/(deficit) from the previous year

Total revenue and income including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Commonwealth Grants Scheme	Indigenous Student Success Program		Access & Participation Fund Disability Support Program			
	2020	2019	2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
282,175	278,347	3,138	3,216	3,822	3,804	559
282,175	278,347	3,138	3,216	3,822	3,804	559
-	-	-	361	-	-	-
282,175	278,347	3,138	3,577	3,822	3,804	559
(282,175)	(278,347)	(3,046)	(3,577)	(3,822)	(3,804)	(559)
-	-	92	-	-	-	-

2.1(a)

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Revenue and income for the period

Surplus/(deficit) from the previous year

Total revenue and income including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Promotion of Excellence in Learning and Teaching		Total	
2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000
-	-	289,694	285,803
-	-	289,694	285,803
278	316	278	677
278	316	289,972	286,480
(81)	(38)	(289,683)	(286,202)
197	278	289	278

2.1(a)

29 Acquittal of Australian Government Financial Assistance

(b) Higher Education Loan Programs (excl OS-HELP)

	HECS-HELP (Australian Government payments only)		FEE-HELP #1				SA-HELP				Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only												
Cash Payable/(Receivable) at the beginning of the year	1,567	(931)	1,181	240	323	154	3,071	(537)				
Financial assistance received in Cash during the reporting period	221,542	229,353	26,737	26,220	4,224	4,257	252,503	259,830				
Cash available for period	223,109	228,422	27,918	26,460	4,547	4,411	255,574	259,293				
Revenue and income earned	226,568	226,855	32,566	25,286	4,267	4,087	263,401	256,228				
Accrual adjustment	-	-	(7)	(7)	-	-	(7)	(7)				
Cash Payable/(Receivable) at end of year	(3,459)	1,567	(4,641)	1,181	280	324	(7,820)	3,072				

#1 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

(c) Department of Education and Research Training

	Research Training Program		Research Support Program		Total	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Parent Entity (University) Only						
Financial assistance received in CASH during the reporting period (total cash received from Australian Government for the program)	30,903	30,584	-	21,992	30,903	52,576
Net accrual adjustments	-	-	21,571	-	21,571	-
Revenue for the period	30,903	30,584	21,571	21,992	52,474	52,576
Total revenue including accrued revenue	30,903	30,584	21,571	21,992	52,474	52,576
Less expenses including accrued expenses	(30,903)	(30,584)	(21,571)	(21,992)	(52,474)	(52,576)
Surplus/(deficit) for the reporting period	-	-	-	-	-	-

29 Acquitment of Australian Government Financial Assistance

(d) *Total Higher Education Provider Research Training Program expenditure*

	Parent Entity (University) Only	
	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	20,311	2,992
Research Training Program Stipends	7,601	-
Total for all types of support	27,912	2,992

(e) *Other Capital Funding*

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Net adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Opening retained funds adjustment

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for reporting period

Linkage Infrastructure, Equipment and Facilities Grant		Total	
2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
543	2,171	543	2,171
502	289	502	289
1,045	2,460	1,045	2,460
885	2,635	885	2,635
-	(1,136)	-	(1,136)
1,930	3,959	1,930	3,959
(1,586)	(3,074)	(1,586)	(3,074)
344	885	344	885

2.1(d)

29 Acquittal of Australian Government Financial Assistance

(f) Australian Research Council Grants

Parent Entity (University) Only

Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)

Net adjustments

2.1(e)

	Discovery		Linkages		Networks and Centres		Special Research Initiatives		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue for the period	15,728	14,522	4,026	3,827	8,153	3,039	19	-	27,926	21,388
Surplus/(deficit) from the previous year	(2,140)	(2,945)	(1,345)	(32)	(4,614)	407	30	389	(8,069)	(2,181)
Opening retained funds adjustment	13,588	11,577	2,681	3,795	3,539	3,446	49	389	19,857	19,207
Total revenue including accrued revenue	1,220	9,483	1,741	3,410	52	946	44	762	3,057	14,601
Less expenses including accrued expenses	-	(6,106)	-	(2,482)	-	(946)	-	(689)	-	(10,223)
Surplus/(deficit) for reporting period	14,808	14,954	4,422	4,723	3,591	3,446	93	462	22,914	23,585
	(13,481)	(13,734)	(2,922)	(2,982)	(3,355)	(3,394)	(93)	(419)	(19,851)	(20,529)
	1,327	1,220	1,500	1,741	236	52	-	43	3,063	3,056

29 Acquittal of Australian Government Financial Assistance

(g) OS-HELP

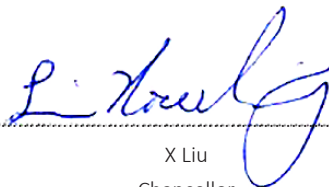
		2020 \$'000	2019 \$'000
	Parent Entity (University) Only		
	Cash received during the reporting period	9,014	7,081
	Cash spent during the reporting period	(753)	(5,704)
	Net cash received	8,261	1,377
	Cash surplus/(deficit) from the previous period	3,842	2,465
15	Cash surplus/(deficit) for reporting period	<u>12,103</u>	<u>3,842</u>

(h) Student Services and Amenities Fee

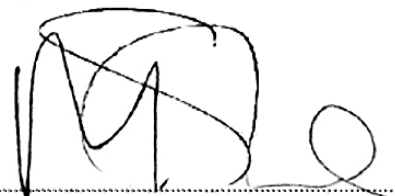
		2020 \$'000	2019 \$'000
	Parent Entity (University) Only		
	Unspent/(overspent) revenue from previous period	229	1,152
2.1(b)	SA-HELP	4,267	4,087
2.3	Student Services and Amenities Fees direct from students	3,847	4,120
	Total revenue expendable in period	8,343	9,359
	Student services expenses during period	(8,114)	(9,130)
	Unspent/(overspent) student services revenue	<u>229</u>	<u>229</u>

We have prepared these general purpose financial statements pursuant to the provisions of the *Financial Accountability Act 2009*, and *Financial and Performance Management Standard 2019*, and satisfy the requirements of the *Australian Charities and Not-for-profits Commission Act 2012 (Cth)*, and other prescribed requirements and certify that:

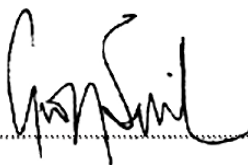
- (a) the financial statements are in agreement with the accounts and records of the Queensland University of Technology and its controlled entities; and
- (b) in our opinion:
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
 - (ii) the financial statements 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 2020 to 31 December 2020 and of the financial position as at 31 December 2020 in accordance with prescribed accounting standards and conform with the Financial Statement Guidelines for Australian Higher Education Providers for the 2020 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.



X Liu
Chancellor



M M Sheil, AO
Vice-Chancellor and President



Chief Financial Officer

Dated at Brisbane the 25th day of February 2021.

INDEPENDENT AUDITOR'S REPORT

To the Council of the Queensland University of Technology

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the Queensland University of Technology (the parent) and its controlled entities (the group).

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 31 December 2020, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 31 December 2020, the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the certificate given by the Chancellor, Vice-Chancellor and President, and the Chief Financial Officer.

Basis for opinion

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

I am independent of the parent and group in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General of Queensland Auditing Standards*.

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

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial report of the current period. I addressed these matters in the context of my audit of the financial report as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Valuation of specialised buildings (\$784 million)—Note 12

Key audit matter	How my audit addressed the key audit matter
<p>Specialised buildings were material to the Queensland University of Technology at balance date and were measured at fair value using the current replacement cost method that comprises:</p> <ul style="list-style-type: none"> gross replacement cost, less accumulated depreciation. <p>The University performs a comprehensive revaluation of all of its buildings every five years, or whenever a material variation is expected to have occurred, with desktop valuations conducted in the intervening period. A comprehensive valuation was conducted in 2016 by an external valuation specialist for all specialised buildings and in 2019 specifically for the newly constructed Education Precinct.</p> <p>The University derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> identifying the components of buildings with separately identifiable replacement costs developing a unit rate for each of these components, including: <ul style="list-style-type: none"> estimating the current cost for a modern substitute (including locality factors and on-costs), expressed as a rate per unit (e.g. \$/square metre) identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference indexing unit rates for subsequent increases in input costs. <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My procedures included, but were not limited to:</p> <p>In a previous year when a comprehensive valuation was conducted:</p> <ul style="list-style-type: none"> assessing the competence, capability and objectivity of the valuation specialist assessing the adequacy of management's review of the valuation process obtaining an understanding of the methodology used and assessing its design, integrity and appropriateness using common industry practices on a sample basis, evaluating the relevance, completeness, and accuracy of source data used to derive unit rates for the: <ul style="list-style-type: none"> modern substitute adjustment for excess quality or obsolescence. <p>In the current year when indexation was applied:</p> <ul style="list-style-type: none"> evaluating the reasonableness of the indices used against other publicly available information about movements in values for replacement costs of similar assets assessing the ongoing reasonableness of the asset useful lives by: <ul style="list-style-type: none"> reviewing management's annual assessment of useful lives reviewing assets with an inconsistent relationship between condition and remaining life performing reasonableness tests to confirm depreciation is calculated in accordance with the University's accounting policies and industry standards.

Responsibilities of the entity for the financial report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019, the *Australian Charities and Not-for-profits Commission Act 2012*, the Australian Charities and Not-for-profits Commission Regulation 2013 and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the parent's and group's internal control, but allows me to express an opinion on compliance with prescribed requirements.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.
- Conclude on the appropriateness of the parent's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

I communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with the Council, I determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 31 December 2020:

- a) I received all the information and explanations I required.
- b) In my opinion, the prescribed requirements in relation to the establishment and keeping of accounts were complied with in all material respects.

Prescribed requirements scope

The prescribed requirements for the establishment and keeping of accounts are contained in the *Financial Accountability Act 2009*, any other Act and the Financial and Performance Management Standard 2019. The applicable requirements include those for keeping financial records that correctly record and explain the parent's and group's transactions and account balances to enable the preparation of a true and fair financial report.

Michelle Reardon
as delegate of the Auditor-General

26 February 2021

Queensland Audit Office
Brisbane

Campuses and facilities

Gardens Point

2 George Street, Brisbane

- Institute for Future Environments
 - Centre for Agriculture and the Bioeconomy
 - Digital Observatory
 - Central Analytical Research Facility
 - Research Engineering Facility
 - Biorefining Research Facility
 - Visualisation and eResearch
- QUT Business School
- Faculty of Law
- Science and Engineering Faculty
- Science and Engineering Centre
 - The Cube
 - ARC Centres
- Gardens Point Precinct
 - Old Government House
 - William Robinson Art Gallery
 - QUT Art Museum
 - QUT Gardens Theatre

Kelvin Grove

Victoria Park Road, Kelvin Grove

- Institute of Health and Biomedical Innovation
- Faculty of Health
- Faculty of Education
- Peter Coaldrake Education Precinct
- The Sphere
- Creative Industries Faculty
- Creative Industries Precinct
 - La Boite Roundhouse Theatre
- QUT College

Distributed sites

- Medical Engineering Research Facility, The Prince Charles Hospital
- Da Vinci Precinct, Brisbane Airport
- Banyo Pilot Plant
- Samford Ecological Research Facility
- Translation Research Institute, Woolloongabba (partner)
- Australian Translational Genomics Centre, Princess Alexandra Hospital (partner)
- Centre for Children's Health Research, South Brisbane (partner)
- Herston Imaging Research Facility (partner)
- Redlands Research Facility (Queensland Department of Agriculture and Fisheries)
- Centre for Immunology and Infection Control at the Biomedical Research Centre—QIMR-Berghofer, Herston
- Mackay Renewable Biocommodities Pilot Plant

Canberra

Executive Education Centre



CRC participation

At the end of 2020, QUT was participating in the following CRCs:

- a) CRCs:**
Autism CRC; Bushfire and Natural Hazards CRC; CRC for Optimising Resource Extraction; CRC Northern Australia; Cyber Security CRC; Digital Health CRC; Fight Food Waste CRC; Food Agility CRC; Future Battery Industries CRC; Building 4.0 CRC; Future Food Systems CRC; iMOVE CRC; Innovative Manufacturing CRC; Rail Manufacturing CRC; SmartSat CRC; Defence CRC for Trusted Autonomous Systems; Future Energy Export CRC (FEnEx CRC); Reliable, Affordable, Clean Energy for 2030 CRC (RACE for 2030 CRC);

- b) CRCs successors (not funded by the Commonwealth Department of Industry):**
Mining 3; Frontier SI; Asset Institute
- c) CRC-like:**
Defence Materials Technology Centre (DMTC)

Glossary

AAUT Australian Awards for University Teaching

ACCTERM Australia-China Centre for Tissue Engineering and Regenerative Medicine

AM Member of the Order of Australia

AO Officer in the Order of Australia

ARC Australian Research Council

ARWU Academic Ranking of World Universities

ARM Advanced Robotics for Manufacturing

Assoc Prof Associate professor

ATAR Australian Tertiary Admission Rank

CARRS-Q Centre for Accident Research and Road Safety-Queensland

CARF Central Analytical Research Facility

CAULLT Council of Australasian University Leaders in Learning and Teaching

CCIQ Chamber of Commerce & Industry Queensland

CMIP Change Management and Implementation Plan

COTS Crown-of-thorns starfish

CRC Collaborative Research Centre

CRE-ELC Centre of Research Excellence in End of Life Care

CRE-EPOCH Centre of Research Excellence in the Early Prevention of Obesity in Childhood

CRISPR Clustered regularly interspaced short palindromic repeats

DCRC Dementia Collaborative Research Centre

DECRA Discovery Early Career Researcher Award

DMTC Defence Materials Technology Centre

DR Doctor

EO Tuck Medal Ernest Oliver Tuck Medal

ERM Enterprise risk management

FEnEx CRC Future Energy Exports Collaborative Research Centre

FTE Full-time equivalent

HELP Higher Education Loan Program

HR Human Resources

HRA Human Rights Act

HSBC Hong Kong and Shanghai Banking Corporation Limited

KPI Key performance indicator

Low-SES Low socioeconomic

LSQ Life Sciences Queensland

MERF Medical Engineering Research Facility

MIT Massachusetts Institute of Technology

MP Member of parliament

MRFF Medical Research Future Fund

NASA National Aeronautics and Space Administration

NHRMC National Health and Medical Research Council

OSC Office for Scholarly Communication

PBF Performance Based Funding

PC2 Physical Containment Level 2

Prep Preparatory

PSM Public service medal

PPR Performance, planning and review

QAO Queensland Audit Office

QEH QUT Enterprise Holdings Pty Ltd

QIMR Queensland Institute of Medical Research

QR Quick response

QS Quacquarelli Symonds

QTAC Queensland Tertiary Admissions Centre

QUT Queensland University of Technology

QWIL Quality Women in Leadership program

RAC Risk and Audit Committee

RACE Reliable, Affordable, Clean Energy Collaborative Research Centre

REDI Researcher Exchange and Development within Industry

SAGE Science in Australia Gender Equity

SRIEAS Special Research Initiative in Excellence in Antarctic Science

STEM Science, technology, engineering, and mathematics

SWAN Scientific Women's Academic Network

TEQSA Tertiary Education Quality and Standards Agency

THE *Times Higher Education*

UK United Kingdom

VCAE Vice-Chancellor's Awards for Excellence

WFH Working from home

WIL Work integrated learning

Compliance checklist

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> • A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	Page 1
Accessibility	<ul style="list-style-type: none"> • Table of contents • Glossary 	ARRs – section 9.1	Page 3 Page 96
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FAA *Financial Accountability Act 2009*
 FPMS *Financial and Performance Management Standard 2019*
 ARR *Annual report requirements for Queensland Government agencies*



BRISBANE
AUSTRALIA

Published by

QUT Marketing and Communication

Kelvin Grove campus
Victoria Park Road
Kelvin Grove Qld 4059
Phone +61 7 3138 1840
Fax +61 7 3138 3573

Email mkt_admin@qut.edu.au

www.qut.edu.au