



Annual Report

QUEENSLAND UNIVERSITY OF TECHNOLOGY **2014**

a university for the **real** world[®]



February 26, 2015

The Honourable Kate Jones MP
Minister for Education
30 Mary Street
Brisbane Qld 4000

I am pleased to present the Annual Report 2014 and financial statements for Queensland University of Technology.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be accessed at www.qut.edu.au/about/the-university/annual-report.

Yours sincerely

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

Tim Fairfax AC
Chancellor

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of Technology

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the Queensland Government Open
Data website (qld.gov.au/data) or at
www.qut.edu.au/about/the-university/annual-report

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Introduction and review

From the Chancellor and Vice-Chancellor

The year 2014 marks a decade since the initial Blueprint strategy for QUT's development was promulgated. We are pleased to report that QUT continued to make excellent progress in 2014, in line with the ambitious and evolving vision for the university set out in that strategy, now in its fourth iteration.

That vision is captured in the phrase 'real world' which has, since the establishment of the university, been a defining characteristic of QUT. The phrase is given meaning by the relevance, quality and impact of our research and education programs at all levels and, in turn, is underpinned by a sustained focus on linkages with the professions and industry, across the full spectrum of the activities that are documented in this report.

The Blueprint ideals of engagement and building selective areas of strength were evident in both our education and research endeavours—exemplified by the area of

robotics, which served as a showcase for QUT's first venture into MOOCs in 2014, and in the university being awarded a \$19 million QUT-led national ARC Centre of Excellence in Robotic Vision. The finalisation of the multi-partner Centre for Children's Health Research (CCHR), formerly known as the Queensland Children's Hospital Academic Research Facility, was another notable example. Along with the many other achievements marked in this report, QUT also made key staffing appointments to ensure a strong foundation for the future.

It is very pleasing to report that the Learning Potential Fund (LPF) endowment, established to provide educational opportunity for those from financially disadvantaged backgrounds, reached almost \$28 million during 2014. The only such large-scale perpetual fund in the Australian higher education sector, the LPF is the most prominent of our philanthropic endeavours. Our efforts have been augmented by

a strong culture of staff giving which has seen donor numbers increase by 43 per cent in 2014 to almost 600 people.

Internationalisation continued to be embedded in a variety of ways in 2014. Continued strong growth and diversification in the numbers of students from overseas was complemented by increasing numbers of domestic students undertaking overseas study experiences. A good example is found in the QUT Business School which has developed a new four-year international degree that will see students undertake a mandatory full year of international experience with one of our partner universities. The first intake for this cohort is in 2015.

Across the university, the ongoing review and improvement of our courses was focused, in particular, to ensure compliance with the new regulatory environment, including the Australian Qualifications Framework. The need to effectively adapt and respond

in an evolving higher education environment was underscored when, in May 2014, major deregulatory changes to higher education policy were proposed by the Federal Government.

We are confident that, whatever the future policy environment, QUT is well positioned to thrive and to continue to be an exemplar of how quality,

relevance, accessibility and support can be integral to the best universities.

QUT's achievements in 2014 are the product of the wonderful commitment of our academic and professional staff to the ambitions of the university. And their work relies on QUT's strong governance foundation and the guidance of its Council.

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



Tim Fairfax AC
Chancellor



Professor Peter Coaldrake AO
Vice-Chancellor



Organisation



VICE-CHANCELLOR

Professor Peter Coaldrake AO

- Assurance and Risk Management Services (operational aspects)
- Strategic Intelligence Unit



SENIOR DEPUTY VICE-CHANCELLOR

Professor Carol Dickenson

- Executive Deans of Faculties
- Research institutes
- Caboolture campus



DEPUTY VICE-CHANCELLOR (RESEARCH AND COMMERCIALISATION)

Professor Arun Sharma

- Office of Commercial Services
- Office of Research
- Office of Research Ethics and Integrity
- Research Students Centre



DEPUTY VICE-CHANCELLOR (CORPORATE PROGRAMS AND PARTNERSHIPS)

Professor Peter Little



DEPUTY VICE-CHANCELLOR (TECHNOLOGY, INFORMATION AND LEARNING SUPPORT)

Ms Judy Stokker

- eLearning Services
- Information Technology Services
- Learning Environments and Technology Services
- Project Portfolio Office
- QUT Library
- QUT Printing Services



DEPUTY VICE-CHANCELLOR (INTERNATIONAL AND DEVELOPMENT)

Professor Scott Sheppard

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



EXECUTIVE DIRECTOR (FINANCE AND RESOURCE PLANNING)

Mr Stephen Pincus

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



DEPUTY VICE-CHANCELLOR (LEARNING AND TEACHING)

Professor Suzi Vaughan

- Learning and Teaching Unit
- Oodgeroo Unit
- QUT Transform



UNIVERSITY REGISTRAR AND HEAD ADMINISTRATIVE SERVICES

Ms Shard Lorenzo

- Equity Services
- Governance and Legal Services
- Health, Safety and Environment
- Human Resources
- Marketing and Communication
- Student Business Services
- Student Ombudsman's Office
- Student Support Services

Faculties



QUT BUSINESS SCHOOL

EXECUTIVE DEAN

Professor Robina Xavier

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



CREATIVE INDUSTRIES

EXECUTIVE DEAN

Professor Mandy Thomas

- Design
- Media, Entertainment and Creative Arts



EDUCATION

EXECUTIVE DEAN

Professor Wendy Patton

- Cultural and Professional Learning
- Curriculum
- Early Childhood



HEALTH

EXECUTIVE DEAN

Professor Ross Young

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



LAW

EXECUTIVE DEAN

Professor John Humphrey

- Justice
- Law
- Legal Practice



SCIENCE AND ENGINEERING

EXECUTIVE DEAN

Professor Gordon Wyeth

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

Institutes



INSTITUTE OF HEALTH AND BIOMEDICAL INNOVATION

EXECUTIVE DIRECTOR

Professor Lyn Griffiths



INSTITUTE FOR FUTURE ENVIRONMENTS

EXECUTIVE DIRECTOR

Professor Ian Mackinnon

Our vision, values and key priorities

The QUT Blueprint is the university's institutional strategic plan. The fourth iteration of the plan, titled *Blueprint 4*, was released in May 2014, providing a revised planning framework for the university.

Blueprint 4, sets out priorities, strategies, targets and key performance indicators (KPIs) for the university's three spheres of activity: students, learning and teaching; research and innovation; and people, culture and sustainability.

A copy of the current Blueprint can be accessed at qut.edu.au/about/the-university/blueprint-for-the-future.

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

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

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

QUT values:

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

QUT's values support Queensland's public service values.

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

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

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

Council membership

CHANCELLOR (CHAIR)

Mr Tim Fairfax, AC
DUniv QUT, DUniv USC, FAICD

DEPUTY CHANCELLOR

Dr John Puttick
DUniv QUT, FAICD, FAIM

VICE-CHANCELLOR

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

CHAIR OF UNIVERSITY ACADEMIC BOARD

Professor Carol Dickenson
BBus QIT, PhD Qld

MEMBERS APPOINTED BY GOVERNOR IN COUNCIL

Mr Wesley Enoch
BA(Hons)(Drama) QUT

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

Mrs Jenny Parker
BCom Qld, CMIIA, FCA

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

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

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

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

ELECTED PROFESSIONAL STAFF MEMBERS

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

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

ELECTED ACADEMIC STAFF MEMBERS

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

Professor Judith Clements
BAppSc MAppSc RMIT, PhD Monash

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

ELECTED STUDENT MEMBERS*

To 20 November 2014

Ms Stacey Percival
Mr William Taylor

From 21 November 2014

Mr Thomas Cramsie
Mr Jack McGuire

ELECTED ALUMNI MEMBERS

Ms Jennifer Robertson
LLB GradCertBus MBus QUT

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

ADDITIONAL MEMBERS APPOINTED BY COUNCIL

Ms Teresa Handicott
LLB(Hons) QUT, GAICD, MCEW, SF Fin

Professor Mary O'Kane
BSc Qld, PhD ANU, DUniv CQCI, Hon DSc *Macq*, DUniv *Canberra*, Hon DSc *W'gong*, FTSE, Hon FIE Aust, CPEng

SECRETARY

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

TENURE

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

* Student members serve a two-year term.

Governance

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

Management and oversight

QUT 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 a common seal.

Functions

The university's functions are to:

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

Powers

The university has the powers outlined more fully in the QUT Act.

Governing body

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

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 2014, an annual review by QUT Council of compliance with the voluntary code, confirmed that QUT fully complies with most aspects of the code.

Structure of QUT Council

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

In 2014, Council and other committee members external to QUT were not remunerated.

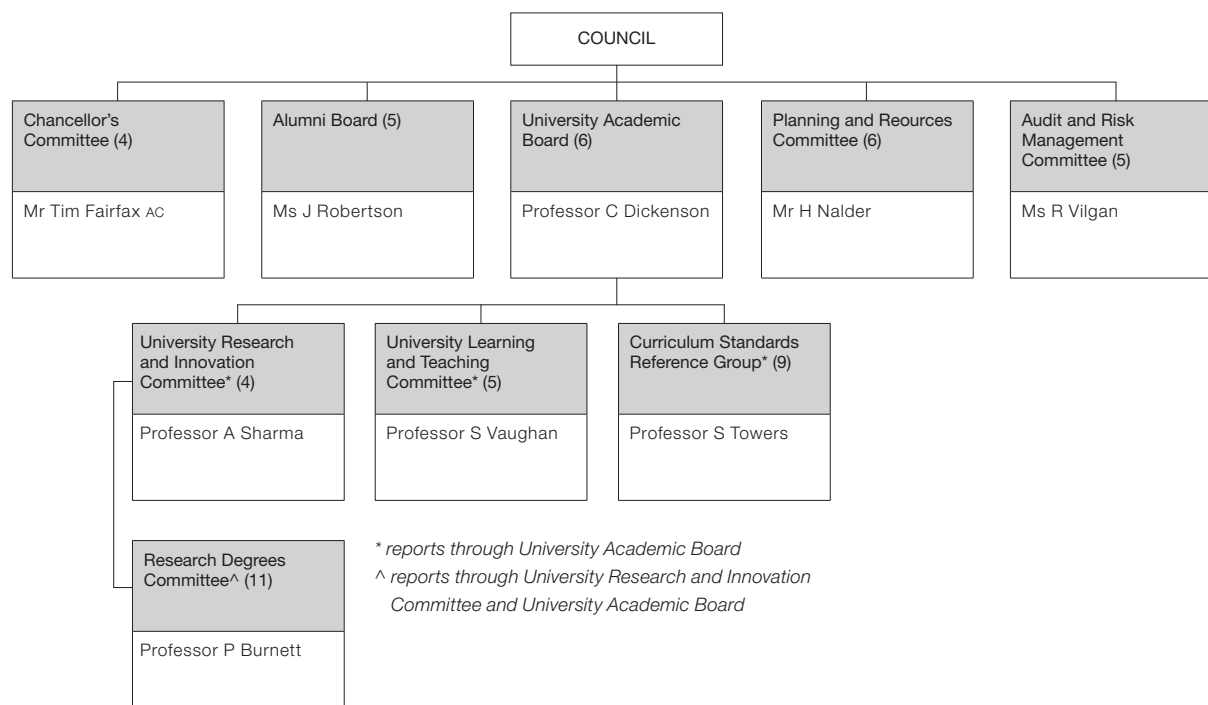
Council business in 2014

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

During 2014 Council considered the following items in carrying out its role:

- a revised QUT Blueprint and key performance indicators
- approval of 2015–2017 Consolidated Budget and 2015–2019 Asset Management Plan
- approval of the 2013 financial statements
- financial management reports (at each meeting)
- corporate performance reports (March, May, August and December)
- corporate risk register
- reports from QUT Enterprise Holdings and its subsidiaries, and appointments of directors
- strategic reports on teaching and learning, course developments and research and commercialisation matters
- status reports and papers on the capital program, and long-range infrastructure planning
- student fee contribution setting principles
- reports on health and safety matters and strategic initiatives in health and safety

Council committees and committee chairs (number of meetings in 2014)



- revisions to QUT's Schedule of Authorities and Delegations
- annual report on QUT's Reconciliation Action Plan
- reports and relevant policy items from Council sub-committees.

Ethical conduct and social responsibility

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 was reviewed in 2014, to ensure its alignment with the ethics principles and values set out in the Public Sector Ethics Act, and to ensure its relevance and currency for the university, and minor revisions were approved by Council at its December meeting.

The QUT Staff Code of Conduct outlines the ethical obligations of all staff for integrity, accountability, and the efficient use of university resources.

The university has a formal communication strategy in place for senior staff relating to their role in supporting the principles set out in the Code of Conduct, and provides an online training module to all staff on ethical decision making and behaviour.

The university actively promotes the Code of Conduct and ethical behaviours through a number of staff processes and information resources throughout the year, particularly performance planning and review. New employees are required to complete this training within one month of commencement.

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

- the Council Procedure 1 – Committees
- Conflict of interest policy
- QUT Code of Conduct for Research
- University Animal Ethics Committee
- University Human Research Ethics Committee
- University Biosafety Committee (UBC).

In late 2014, the UBC carried out an audit of bio-specimens to ensure QUT was compliant with all State and Commonwealth legislation.

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

QUT's Corruption and Fraud Control Plan was reviewed, updated and communicated for implementation in 2015. The rollout of online training was continued to reinforce a culture of high ethical standards and accountability in learning and teaching, research and community-related activities.

In February 2014, QUT received a small fine in the Magistrates Court relating to a chemical spill which occurred in March 2013. No conviction was recorded and the fine was applied under a public benefit order to a local environmental group.

In 2014, QUT participated in a review of Queensland universities' compliance with the *Right to Information Act 2009* and the *Information Privacy Act 2009*. The report tabled in Parliament included recommendations for QUT in regard to various information management matters.

Compliance Program

The university's Compliance Program includes a register of obligations, an annual compliance reporting process, including risk assessment, and a communication strategy incorporating targeted education and training activities.

The Compliance Program also includes a Register of Licences, which is reviewed annually to ensure that a record of all current licences and registrations held by QUT is available at all times.

QUT planning and quality frameworks

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

During 2014, under its corporate reviews framework, QUT conducted a thematic review of QUT's strategy and service model for corporate and executive education programs and a review of the Creative Industries Faculty. Two further reviews were centrally administered—an external review of the Australian Centre for Health Services Innovation (AusHSI) and an external evaluation of the Confucius Institute at QUT.

Recordkeeping

Under the *Public Records Act 2002*, QUT is required to make and keep full and accurate records of its activities. The university's strategic approach is to capture records in electronic formats.

Substantial work has been undertaken by the university to implement its corporate electronic recordkeeping and documents management system, HP TRIM, in a comprehensive way, and to integrate it with corporate information systems supporting key business processes. This work continued during 2014.

The university's recordkeeping program is documented through its policies and procedures, a business classification scheme and a university sector-specific retention and disposal schedule. A revised University Sector Retention and Disposal Schedule was approved for implementation by the State Archivist in 2014.

All staff using the corporate records system undertake mandatory online training on recordkeeping and privacy principles before access to use the TRIM system is granted. In addition, more than 21 face-to-face training sessions were offered to TRIM users throughout 2014 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 the audits and reviews conducted by the university. Reviews were conducted in 2014 in areas such as IT security and information privacy. Additionally, records user permissions are audited annually.

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

Record disposal procedures require formal approval of an officer delegated by the Vice-Chancellor for the purpose.

As part of its objective of ensuring all records are accessible in electronic formats, in 2014 QUT continued work on a program of digitisation of student records from predecessor institutions.

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

Audit and Risk Management Committee

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

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

- assess and contribute to the audit process including evaluation and facilitation of the internal audit function

- oversee and approve financial and operational reporting
- review business risk as reported, including compliance, corruption and fraud.

Committee membership

CHANCELLOR

Mr T Fairfax AC

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

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

Ms R Vilgan

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

Ms T. (Teresa) Handicott

LLB(Hons) *QUT*, GAICD, MCEW, SF Fin
(5/5)

Mr S Maitland OAM

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

Mrs J Parker

BCom *Qld*, CMIIA, FCA
(4/5)

No members of the ARMC were remunerated by QUT in 2014.

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

Relationship with Queensland Audit Office (QAO)

Staff from the university's Corporate Finance Department and Assurance and Risk Management Services worked closely with the QAO during the year to facilitate the

university's annual audit. Staff from the Queensland Audit Office also attended two meetings of Audit and Risk Management Committee in 2014 and were given the opportunity to meet with the committee without the presence of management.

Assurance and Risk Management Services

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

The audit approach in 2014 involved:

- adoption of a 'total audit approach' incorporating a blend of compliance, operational, quality, integrated and information technology audits and reviews to achieve a two-fold impact of internal controls enhancement and business process improvements
- supporting management through proactive preventative auditing rather than 'after-the-event' detective auditing
- a risk-based and client-focused audit methodology
- providing management advice on an effective and efficient internal control framework
- assisting management in responding to emerging issues and the changing environment.

The Annual Assurance and Risk Management Plan for 2014 was achieved after approved additions and deferrals.

Financial management and accountability

QUT has a number of policies relating to financial management and accountability, including specific policies on balance sheet management, user charging and expenditure.

The university also has a Financial Management Practice and Procedures Manual and a Project Proposal Framework for the support of significant projects or proposals.

Recognising and managing risk

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

The Vice-Chancellor and the senior management team are responsible for the implementation of these policies and managers at all levels are accountable for effective risk management.

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

The university's Corporate Risk Register is continuously reviewed and updated in conjunction with the Audit and Risk Management Committee.

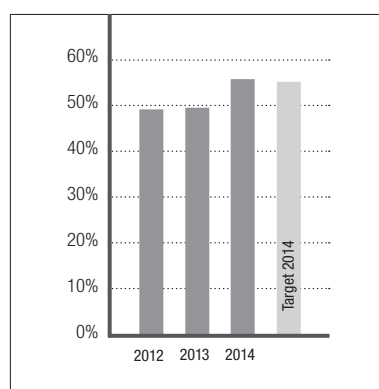
Realigning student composition

Professor Carol Dickenson, Senior Deputy Vice-Chancellor

In 2014 QUT continued to increase its proportion of OP 1–6 students.

QUT's key performance indicator relating to the quality of the undergraduate intake uses the percentage of OP 1–15 students admitted through the Queensland Tertiary Admissions Centre who have an OP of 1–6.

Quality of undergraduate intake



QUT Open Day at Gardens Point on Sunday 27 July attracted a near-15 per cent increase in numbers compared to 2013. QUT also exhibited at the annual Tertiary Studies Expo (TSXPO). Both events provided an opportunity for prospective students and their families to speak with staff and students.

The QUT Caboolture Open Day was held on Sunday 17 August. Visitor numbers were similar to 2013; however the number of course booklets distributed increased significantly.

Applications for the Vice-Chancellor's Scholarship Program in 2014 increased by 99 per cent from 2013.

Applications from students who received an OP1 increased by 34 per cent for this program, which targets students of outstanding academic achievement.

The new QUT Future Leaders program was launched in 2014.

About 70 of south-east Queensland's best and brightest Year 11 students were invited to participate in a range of enrichment opportunities to enhance their senior studies in this new program that spans the final two years of their senior schooling.

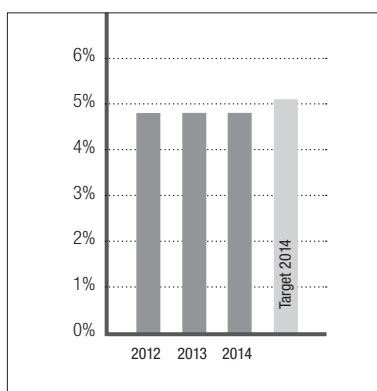
QUT's student population grew from 45 575 enrolments in 2013 to more than 47 230 enrolments in 2014.

Student enrolments	2011	2012	2013
Total enrolments	42554	44327	45575
Course group			
Higher degree research	2189	2362	2453
Higher degree coursework	4783	4748	5225
Other postgraduate	2685	2814	2980
Bachelor degree	31 334	32 950	33 459
Other undergraduate	553	583	641
Other	1010	870	817
Enrolment kind			
Commencing	16 648	17 890	17 891
Continuing	25 906	26 437	27 684
Gender			
Female	23 527	24 248	24 812
Male	19 027	20 079	20 763
Attendance type			
Full-time	28 180	29 377	30 384
Part-time	14 374	14 950	15 191
Campus			
Gardens Point	24 073	24 992	25 608
Kelvin Grove	13 546	13 997	14 162
Caboolture	598	682	790
Overseas	142	226	248
External	4195	4430	4767
Domestic/international			
Domestic	35 635	37 323	38 413
International	6919	7004	7162
Course faculty			
Business	7845	7812	7987
Creative Industries	3287	5370	5369
Education	4342	4185	4231
Health	7563	9534	9691
Law	3663	3946	3958
Science and Engineering	—	9101	9589
University-wide	3686	3890	4254
QUT International College	338	351	408
Other	101	138	88
Built Environment and Engineering	6484	—	—
Science and Technology	5245	—	—

HDR student load represented 4.8 per cent of QUT student load in 2014.

Blueprint 4 has a target of at least 6 per cent of the student population being higher degree research (HDR) students by 2016.

HDR student share of all students

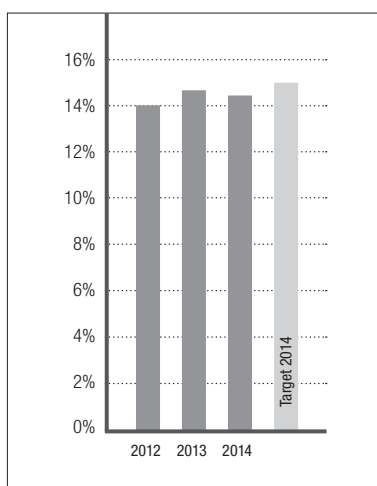


In 2014 QUT had 24 Indigenous HDR candidates, up from 21 in 2013.

Blueprint 4 aims for QUT to increase the share of domestic undergraduate students from low socioeconomic status (SES) backgrounds to 16 per cent in 2016.

Students from low SES backgrounds represented 14.2 per cent of domestic undergraduate students in 2014.

Share of domestic undergraduate students from low SES



The on-campus and in-school activities of the Widening Participation Program continued on a large scale.

Eight thousand students from years 6–12 attended an ‘Explore Uni’ day, and 600 students attended a residential camp.

About \$3 million has been granted to a collaborative Science, Technology, Engineering and Mathematics (STEM) outreach program for low-income schools, offered by five Queensland universities, including QUT.

Operating over a three-year period, the consortium will focus on curriculum extension activities with middle school students (in particular in mathematics) and on seminars for parents and other key influencers of student career choice to ensure they are fully aware of STEM-related futures.

Nearly 685 low-income commencing students (Q-Step) received a guaranteed scholarship and an OP bonus.

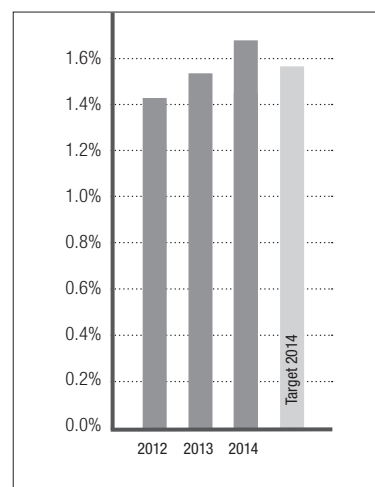
Overall, 2215 students received a scholarship or bursary from the Equity Scholarship Scheme and 240 received an emergency bursary.

Students with disabilities were supported in record numbers with 1700 service plans developed and implemented during the year.

The proportion of Indigenous undergraduate students again increased from the previous year, representing 1.68 per cent of domestic undergraduate students in 2014 compared to 1.54 per cent in 2013.

QUT aims to lift Indigenous student representation to 1.7 per cent by 2016.

Share of domestic undergraduate students who are Indigenous



The Pre-Orientation Program (POP) Week for Aboriginal and Torres Strait Islander students commenced on 9 February with the POP barbecue, which was attended by some 230 guests including local elders, family and friends and commencing students.

The Go Further! QUT Experience is a joint initiative of QUT's Oodgeroo Unit and Arrow Energy. Now in its second year, the Go Further! QUT Experience is a significant contributor to demystifying university and encouraging an interest in higher education among Aboriginal and Torres Strait Islander communities.

The 2014 camp attracted 56 students in Years 9 and 10 from across the Gladstone and Moreton Bay regions.

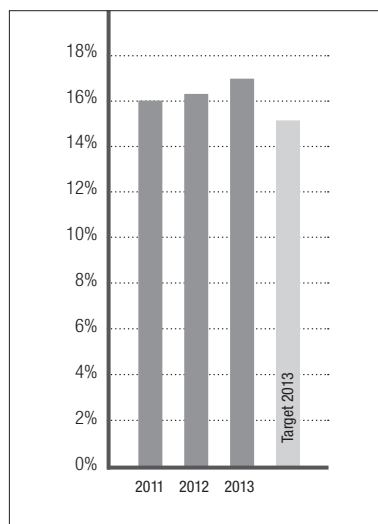
The Student Success Program (SSP) contacted more than 9400 students to offer referral and advice.

Another 9000 students were emailed advice about QUT services.

Improving student retention continues to be an important goal at QUT. A particular target of *Blueprint 4* is to reduce the commencing bachelor degree attrition rate to 14 per cent by 2016.

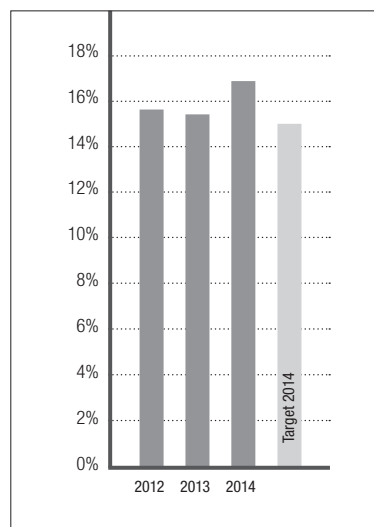
The students, who were contacted by trained advisers in the SSP call centre, were identified as at risk of disengaging from their studies through a variety of monitoring strategies.

Commencing ex-QUT bachelor degree attrition



International student enrolments in 2014 accounted for 16.9 per cent of the student population, with 10.7 per cent of international students being HDR students.

International student share of total population



Blueprint 4 aims to retain a balanced level of international student enrolments in the range of 15–20 per cent of total, with an increasing proportion being international HDR students.

In late 2014, the QUT International College had 1596 EFTSL, the highest number recorded. This includes Commonwealth reportable and non-reportable EFTSL.

A total of 94 per cent of all QUT International College pathway students who successfully completed a college program in 2013 progressed to a QUT degree program or other college program in 2014.

A total of 41 new students from 17 countries participated in the Introductory Academic Program in 2014.

This program is a four-week intensive orientation for new Australia Award (formerly AusAid) scholars, and is designed to enhance their preparation for the forthcoming academic year.

Blueprint 4 key performance indicators compare QUT's outcomes to universities in the Australian higher education sector, Group of Eight, Australian Technology Network and across Queensland. Progress reporting on these indicators is undertaken on a quarterly basis.

Student and staff equity data is routinely benchmarked against past performance, against other universities, and against aspirational targets.

Specifically, access, participation, success and retention data for equity students are compared annually. Gender equity parameters relating to the seniority and promotion of women are similarly benchmarked.

Strengthening teaching and learning

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

The ratings in the 2015 edition of the *Good Universities Guide* showed a significant improvement for QUT across a number of the scales.

QUT celebrated two awards for Teaching Excellence in the Australian Awards for University Teaching (AAUT) in 2014.

The awards went to Associate Professor Rachael Field from the School of Law and Associate Professor Dann Mallet from the Mathematical Sciences School.

AAUT citations were received by Dr Erin O'Connor, Associate Professor Mary Ryan, Professor Rebekah Russell-Bennett and Dr Kerri-Ann Kuhn.

QUT received \$1043 000 in Category 1 competitive research funding through the Office for Learning and Teaching Grant Scheme.

This represents a significant success for QUT in this highly competitive scheme. Innovation and Development projects funded cover areas as

diverse as learning analytics beyond the Learning Management System, enabling competence in prescribing medicines across multiple healthcare disciplines through systematic assessment practices, and Indigenous cultural competency for legal academics.

QUT will take a lead role in delivering a \$6.5 million e-mental health initiative.

More than 15 000 primary health practitioners will be trained in the use of e-mental health services, as announced by the Australian Government in June.

The Mentoring Beginning Teachers (MBT) program is being developed by the Faculty of Education.

The MBT program, an initiative of the Queensland Government, will be delivered across all regions in Queensland during 2014 and 2015.

About 1000 mentor teachers will undertake this two-day program for advancing their mentoring knowledge and skills for supporting beginning teachers.

QUT has successfully tendered for the delivery of a longstanding national graduate course in public sector management.

Public servants from agencies across Australia will be able to complete a Graduate Certificate in Business (Public Sector Management) offered by QUT.

The program is currently delivered in all capital cities with some 400 commencing enrolments annually.

As part of QUT's commitment to enhancing the development and inclusion of Aboriginal and Torres Strait Islander knowledges within the academic curriculum, the Indigenous Knowledges Minor is open to all students in all disciplines.

Business Connect was launched in 2014.

This initiative provides fee-based packages (Bronze, Silver and Gold) for corporate partners to engage with a range of executive development products and services offered by the Graduate School of Business.

QUT Business School was re-accredited for five years by the Association of MBAs, part of QUT's 'triple crown' of international business accreditations.

QUT's Graduate School of Business is the only business school in Australia to have two programs rated 'five stars' in the 2014 Graduate Management Association of Australia rankings.

The MBA offered by QUT was one of just eight in Australia to receive a five-star endorsement, and our Executive MBA also secured the prestigious five out of five ranking.

In the UK Financial Times latest international rankings of the top 45 Masters in Finance programs, QUT's Master of Business (Applied Finance) is the only Australian university course to feature, ranked at number 40.

This is the second year in a row that the QUT course has been named as the only Australian university program in the leading Global Masters in Finance pre-experience ranking.

The QUT Business School has retained its *4 Palmes of Excellence* in the 2014 Eduniversal international ranking of the top 1000 business

schools globally. The *4 Palmes* represents 'top business schools with significant international influence', and QUT ranks at the top of *4 Palmes* in Australia.

In 2014, QUT offered new courses.

These included the Graduate Certificate in Policy and Governance and the Master of Fine Arts (Research). QUT also introduced renewed undergraduate courses across a range of disciplines including education, design, mathematics, information technology, urban development, podiatry, and medical imaging.

QUT's commitment to internationalising the student experience through its outbound mobility endeavours has seen overall experiences increase.

Blueprint 4 aims to ensure that 15 per cent of all graduating students by 2016 have had an international study experience.

As at the end of 2013 (as reported in the September 2014 AUIDF Benchmarking Mobility report), international experiences rose to nine per cent. This represents a total mobility population of 941—a 7.5 per cent increase over 2012 (875).

QUT remains one of the leaders in international study experiences, particularly for research students.

In the 2013 mobility benchmarking report, 79.4 per cent of students who successfully completed a postgraduate research degree had been overseas, compared with a sector average 27.3 per cent.

QUT has been supported under the first tranche of the Australian Government's New Colombo Plan (NCP) to enable two student groups, led by QUT professorial staff, to travel to Indonesia for short-term study programs.

Funding has been awarded to QUT for eight projects to support student mobility under the NCP for 2015. The projects will support study exchanges with Bhutan, Cambodia, China, India, Sri Lanka and Vietnam.

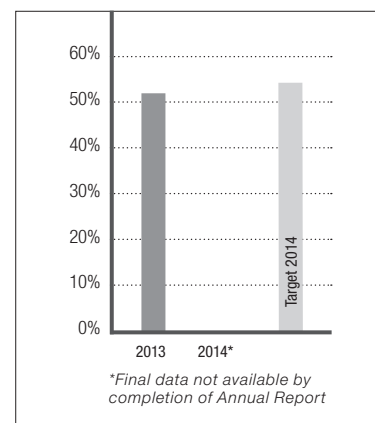
QUT was successful in a bid for an Erasmus Mundus mobility grant, with a total value of 180 000 Euros.

This grant is in partnership with RMIT (lead Australian university), University of the Arts London, and the Danish School of Media and Journalism.

Over the life of the project (two to three years), the grant will support up to 10 QUT interactive and visual design students to study with the European partners and undertake an internship with their industry partners.

Blueprint 4 aims to enhance opportunities for work-integrated learning (WIL) and transitions into professional practice across all undergraduate programs and to increase WIL opportunities for postgraduate students.

Percentage of students who have completed Work Integrated Learning units upon graduation



The QUT InPlace system is a comprehensive university-wide system supporting WIL activities such as placements, internships, practicum, industry-based projects and service learning.

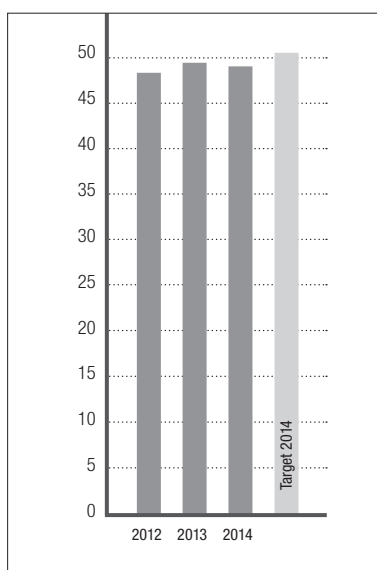
More than 15 000 WIL placements and projects are facilitated annually, and more than 12 000 organisations that have partnered with QUT on placements have been recorded in the system.

In addition, through the non-credit-bearing Real World Placement Program, 640 students engaged in new placements in 2014, an increase of 40 per cent over 2013.

The Career Mentor Scheme again exceeded the previous year's mentor-mentee matches at over 800 in total.

Student satisfaction of domestic bachelor graduates is a key performance indicator that uses scores on the Course Experience Questionnaire (CEQ).

Student satisfaction: CEQ for bachelor graduates



Introduced in 2013, Reframe: QUT's Evaluation Framework has repositioned the evaluations model from a single survey instrument to a richer more customised instrument.

Staff and students are continuing to provide valuable feedback on their unit and learning experiences through the automated Pulse and Insight surveys.

The overall satisfaction of QUT's international student population is reflected in the International Student Barometer (ISB), improving from 87 per cent in 2012 to 89 per cent in 2014 (ranked sixth nationally).

Support services also rated highly in the 2014 ISB, in particular for the Medical Centre, language support, Accommodation Service and Careers Advisory Services.

Blueprint 4 aims for QUT to improve English language proficiency for all students and academic staff. QUT's universal entry requirement of International English Language Testing System (IELTS) is 6.5. In the medium term QUT aspires to lift that further.

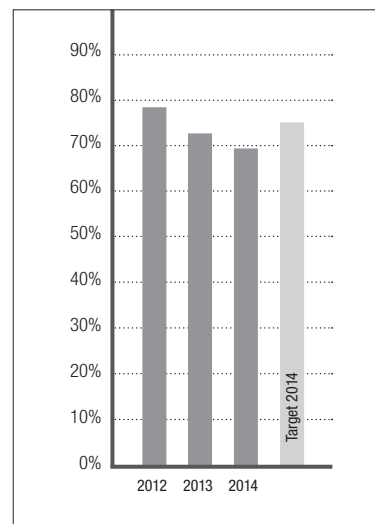
QUT's IELTS Test Centre was awarded a Commendation for Excellence in Test Centre Management at the 2014 IELTS Conference.

This represents second place in the world for IELTS centre management and reflects the high-quality management of the centre and dedication and commitment of its staff.

A particular aim of *Blueprint 4* is that QUT maintain a position in the top quartile of Australian universities for graduate employment outcomes.

Our targets acknowledge the national context where the graduate employment market is challenging.

Graduate Destinations Survey outcomes for bachelor graduates looking for full-time work



QUT attracted 82 organisations to its fifteenth Annual Careers Fair in 2014, attended by some 3300 QUT students.

The event at the Gardens Point campus on 24 March gave students the opportunity to meet potential employers from industry, business and government sectors, and allowed exhibitors to promote graduate employment and work experience opportunities to QUT students.

A priority of *Blueprint 4* is to develop more comprehensive approaches to strengthening student engagement with learning and the university.

A series of video stories that follows nine students from diverse backgrounds through their first year of university has been released within QUT and externally. *Project Unknown* captures the uncertainties, challenges and triumphs of the students, and explores themes such as identity, engagement and success.

Around 600 high-performing students across all faculties have been trained as peer leaders to enhance their ability to support their peers to achieve learning success.

A number of peer programs support students across campuses and courses by providing local academic assistance and engaging students within a community of peers.

QUT saw a 46 per cent increase in new referrals to the Academic Skills Advisers service from January to September 2014, compared to the same period in 2013.

Academic skills advisers provide a specialist service for at-risk and high-needs students to assist them with study skills.

The Library's STIMulate program—a Student Services and Amenities Fee (SSAF) funded program—provides maths, science and IT support for learning across QUT, and is delivered by a team of seven academic staff and 117 student volunteers (Peer Learning Facilitators or 'PLFs'), who together provided 2737 drop-in consultations and 2628 visits to group support sessions in 2014. During this period, the trained volunteer team provided 3919 hours of volunteer time.

In semester two 2014, 70 tutors were appointed to support 136 students across 273 subjects in the Indigenous Tutorial Assistance Scheme – Tertiary Tuition (ITAS-TT).

This scheme provides supplementary tutorial assistance to eligible Aboriginal and Torres Strait Islander students.

QUT is developing an electronic system for ITAS-TT for 2015 that will include processes for tutor expressions of interest, registration, student application and tutor allocation.

A particular aim of *Blueprint 4* is to maintain our commitment to staff capability building in the changing higher education environment.

In 2014, 98 academics recruited under QUT's Early Career Academic Recruitment and Development (ECARD) program were enrolled in the Graduate Certificate of Academic Practice.

There were 17 ECARD graduations in 2014, bringing the number of total graduations to 61.

QUT continued to deliver Sessional Academic Staff Development Workshops in 2014.

In 2013 and 2014, a total of 704 sessional staff attended at least one three-hour workshop, and 306 have completed the full suite of four workshops.

QUT finalised its assurance that all award courses offering places to new students in 2015 are compliant with the strengthened Australian Qualifications Framework.

A total of 207 courses were included in the assurance processes over the past three years, with the majority of these completed in 2014.

In accordance with Tertiary Education Quality and Standards Agency (TEQSA) regulation requirements, all English language programs were successfully re-registered during 2014.

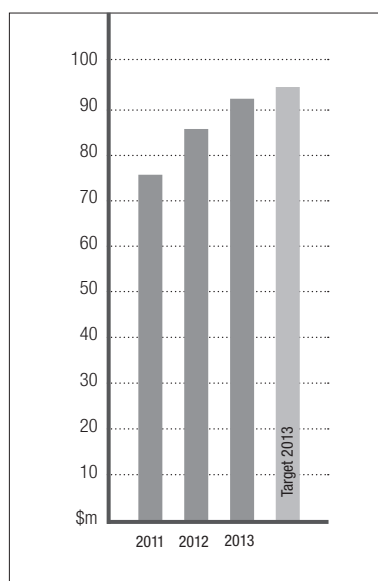
QUT compares its key performance indicator outcomes to universities in the Australian higher education sector, Group of Eight, Australian Technology Network and across Queensland.

Building QUT's research reputation

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

QUT's research income for the 2013 calendar year (reported in 2014) exceeded the 2012 record result and was \$92.575 million.

Research income (\$M)

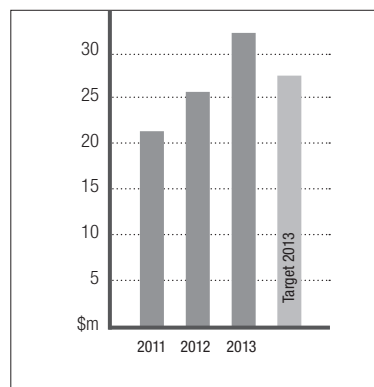


Research income is one of QUT's key performance indicators, using the four categories of the Higher Education Research Data Collection (HERDC):

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

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

Competitive research (\$M)



In 2013 QUT's competitive research income again increased, reaching \$32.725 million and exceeding the university's target of \$27.462 million.

Blueprint 4 aims for 'top-two' position in national competitive grants in at least five areas (education; creative industries; applied mathematics/statistics; information technology; and robotics, avionics and automation).

Blueprint 4 also aims for QUT to lead at least six nationally endorsed centres of excellence in thematic areas of strength.

National centres led by QUT include:

- National Health and Medical Research Council (NHMRC) Centre of Research Excellence in Reducing Healthcare Associated Infections
- NHMRC Centre of Research Excellence in Sun and Health
- NHMRC Centre of Research Excellence in End of Life Care
- Australian Research Council (ARC) Centre of Excellence for Robotic Vision
- Wound Management Innovation Cooperative Research Centre (CRC)
- Australian Prostate Cancer Research Centre – Queensland.

Australian government funding for the ARC Centre of Excellence for Creative Industries and Innovation ceased on 30 June 2014.

The Centre of Excellence for Robotic Vision, led by Professor Peter Corke, has been awarded \$19 million over seven years from 2014 by the ARC.

QUT also is a major participant in the ARC Centre of Excellence for Mathematical and Statistical Frontiers of Big Data, Big Models, New Insights (ACEMS); and the NHMRC Centre of Research Excellence in Lung Health of Aboriginal and Torres Strait Islander Children.

QUT is the Queensland lead in a new international biosecurity research program involving unmanned aerial systems to detect plant pests.

Australia's Plant Biosecurity Cooperative Research Centre (PBCRC) is providing \$1.74 million towards the new \$6.5 million project, which will be led by CRC participants at Kansas State University, with QUT and the Victorian Department of Environment and Primary Industries as research partners.

Professor Anthony Clarke was appointed as the newly established \$1.4 million Chair of Fruit Fly Biology in partnership with the PBCRC.

The Australia-China Centre for Air Quality Science and Management, of which QUT is the lead Australian partner, was launched in December 2014 in Beijing.

The centre is a partnership between QUT and more than 20 other universities and government agencies in Australia and China.

In 2014 the Australian Prostate Cancer Research Centre-Queensland (APCRC-Q) was awarded \$4.25 million from the Movember Foundation to develop new drugs and treatments for prostate cancer and gain a better understanding of why some disease forms become resistant to treatments.

In the ARC Linkage Project Grants round, announced in June 2014, QUT was awarded 15 grants with \$4.9 million from the ARC and approximately \$7.4 million (cash and in-kind) in partner funding.

In the latest ARC funding round for 2015, QUT had 26 projects funded with a total value of \$10.4 million, which represented an increase of \$2.7 million over the previous year.

The projects funded were across Discovery Projects, Discovery Early Career Researcher Award, Discovery Indigenous and Linkage Infrastructure, Equipment and Facilities schemes.

QUT received a total of 19 Discovery project grants totalling \$7.9 million, the largest amount of funding awarded to QUT under this scheme.

QUT's percentage of the national Discovery project allocation increased from 1.9 per cent (2013 outcomes) to 3.2 per cent (2014 outcomes).

QUT researchers awarded ARC Future Fellowships in the 2014 round were Associate Professor Xavier Boyen, Dr Kathryn Fairfull-Smith, Dr Wenbiao Hu, Professor Zhi-Yong Li, Dr John McMurtrie and Dr Michael Milford.

QUT received \$5.8 million from the NHMRC in its October grant round, comprising six Project Grants, three Early Career Research Fellowships, and two Career Development Fellowships.

Professor Nicholas Graves' Researching Effective Approaches to Cleaning in Hospitals (REACH) program secured \$646,817 under the NHMRC's Partnerships scheme.

Professor Nathan Efron and Dr Nicola Pritchard are principal investigators in a multidisciplinary, multinational project which has been awarded US\$1.1 million by the US National Institutes of Health to evaluate the use of corneal confocal microscopy to identify and predict diabetes neuropathy.

In June 2014, the Bill and Melinda Gates Foundation awarded a further US\$3.96 million for the Virus Resistant Bananas for Africa project, led by Distinguished Professor James Dale AO.

The School of Nursing will receive \$1.85 million over five years for establishing two new Chairs of Nursing at Royal Brisbane and Women's Hospital and Princess Alexandra Hospital.

Professor Lyn Griffiths secured up to \$5 million funding over six and a half years for conducting a clinical trial to qualify a biomarker for prognosis of risk of developing mild cognitive impairment due to Alzheimer's disease.

Professor Patsy Yates was awarded an additional \$1.07 million over three years for the Palliative Care Outcomes Collaboration, \$1.76 million over three years for Palliative Care Curriculum for Undergraduates (PCC4U) and \$2.4 million for the Program of experience in the palliative approach (PEPA).

QUT has also received a total of \$1.58 million from the Queensland Government's Accelerate Partnerships program.

This program provided funding for three early-career awards, a mid-career fellowship and two major projects, including a project to deliver better and cheaper hospital care for the elderly.

Professor Peter Talbot is the project leader of a new three-year, \$4 million collaboration with AutoCRC and the Malaysia Automotive Institute (MAI) to develop improved methods of manufacturing the advanced materials used in lithium-ion batteries for electric vehicles.

QUT successfully implemented 24 international projects with a total value of AU\$5761840.

The majority of these projects are part of the DFAT-funded Australia Awards Fellowships program, the Public Sector Linkages Program and the Government Partnership for Development Facility schemes.

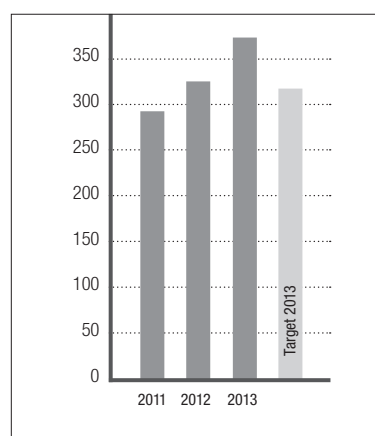
Seventeen Vice-Chancellor's Research Fellowships were awarded to leading postdoctoral researchers.

These prestigious three-year fellowships are targeted at QUT's areas of research strength to build research careers with impact.

An aim of *Blueprint 4* is 430 annual HDR completions by 2016. HDR completions refer to the total number of individual students who successfully completed their HDR programs during the reporting year.

HDR student completions climbed to 374 completions in 2013, up from 325 in 2012.

HDR completions



This result places QUT sixth out of Australian universities for HDR completions, up from eighth place in 2012.

QUT ePrints' Webometrics' rankings are currently first among all repositories in Australia, and tenth among all institutional repositories in the world.

The QUT ePrints service, which enables the online exposure of QUT's research to the world, reached more than 15 785 000 total full-text downloads.

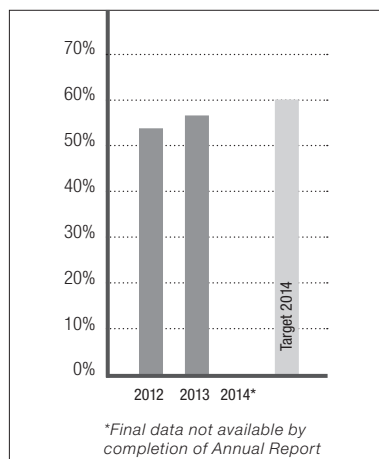
In 2014, IFN001: Advanced Information Research Skills (AIRS)—the mandatory unit for all PhD students—continued to provide high-level research skills and knowledge for QUT's PhD cohort and other research students who chose to undertake the unit.

In response to student feedback, the AIRS website was completely refreshed to improve navigation and enhance the online experience for the mandatory unit.

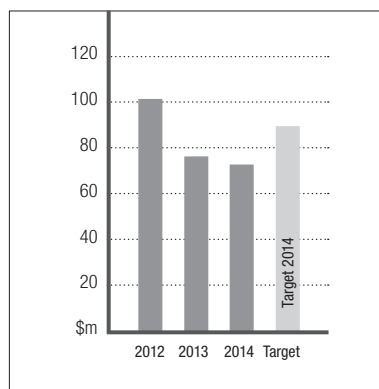
Online content was mapped more clearly to the resource log requirements and frequently asked questions were added.

In conjunction with *Blueprint 4*, QUT established new key performance indicators and measures effective from 2014 as below.

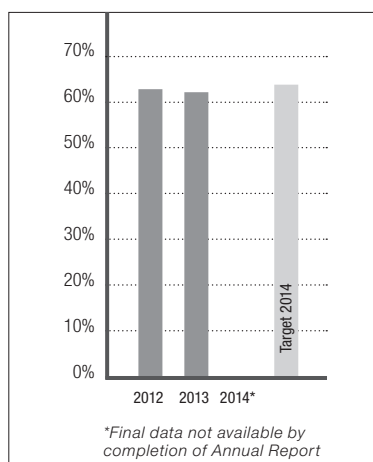
HDR completions within maximum EFTSL



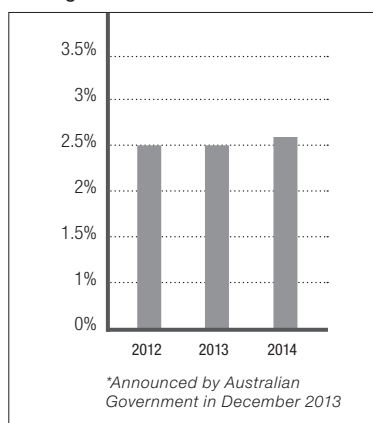
Commercial income (\$M)



Quality of research publications



QUT share of national research block grant income*



QUT annually benchmarks its research income, competitive grants performance and block grant funding against other Australian universities, including the Australian Technology Network (ATN).

QUT monitors its performance in global university rankings, including QS World University Rankings, Times Higher Education (THE) and the ARWU (Shanghai Jiao Tong).

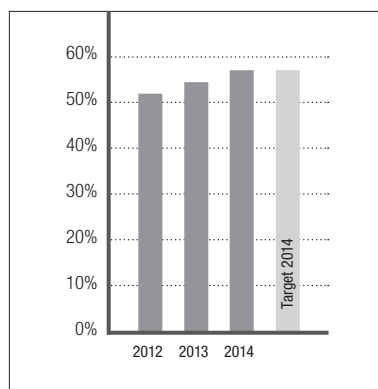
Developing a sustainable workforce

Ms Shard Lorenzo, University Registrar and Head Administrative Services

Strategic workforce planning activities continued to be implemented through 2014 to underpin QUT's ongoing need for a workforce capable of supporting its priorities into the future.

A key performance indicator is workforce sustainability, which represents total employee benefits and on-costs as a proportion of total revenue.

Workforce sustainability



A key priority of *Blueprint 4* is to develop a sustainable and high-quality workforce profile. QUT full-time equivalent (FTE) staff figures are presented in the following table.

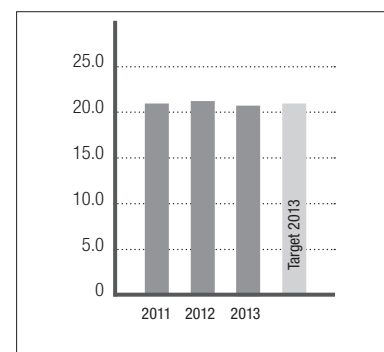
QUT Staff Full-Time Equivalent (FTE)

	2012	2013	2014
Total staff FTE	4350	4534	4653
Fixed term and ongoing	3505	3633	3751
Casual *	844	901	901
Fixed term and ongoing FTE			
Academic	1361	1404	1454
Professional	2145	2228	2298
Campus			
Gardens Point	1649	1724	1781
Kelvin Grove	1751	1750	1807
Caboolture	54	51	53
Off Campus	50	108	111
Academic			
Female	619	632	659
Male	741	772	795
Professional			
Female	1356	1421	1469
Male	788	807	829

* Due to timing, 2014 casual FTE uses 2013 casual FTE

A *Blueprint 4* target is to improve student: staff ratios to be clearly in the national top half of universities by 2016.

Student: staff ratio

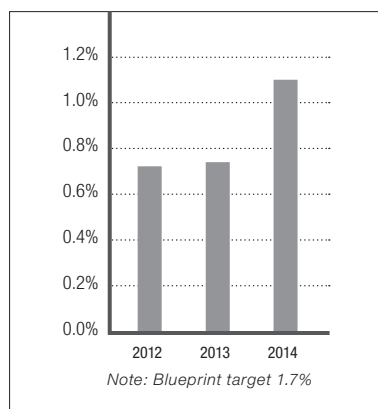


Sessional staff make a significant contribution to QUT's academic workforce, and sessional staff full-time equivalent (FTE) data is included in the student: staff ratio.

QUT is aiming for Aboriginal and Torres Strait islander people to be 1.7 per cent of the workforce.

Indigenous staff made up 48.1 FTE of QUT's ongoing and fixed-term staff in 2014.

Share of staff who are Indigenous



The position of the Indigenous Employment Coordinator has continued through 2014 to support and drive increasing Indigenous employment across the university.

An Indigenous Pilot Traineeship Program for six trainees was launched to support the recruitment, retention, development and workforce participation of Indigenous employees.

This program is planned to roll out across the university.

A project to map the capabilities required to deliver academic work at QUT in the future is being finalised. Project findings have already informed a number of initiatives aimed at ensuring strategic alignment across the university, and ensured that organisational capabilities including policies, systems and processes, deliver real-world learning, research and engagement.

The total number of staff who has completed the Early Career Academic Recruitment and Development (ECARD) program grew to 363.

An additional 47 ECARD positions were recruited for in 2014 with staff expected to commence in the program from 2015.

In accordance with *Blueprint 4*, the university continues to maintain the momentum of building academic quality and achieving major demographic change through targeted development programs and strategies.

During the year, the Mid-Career Academic Development (MCAD) program had 22 participants, and the Sessional Career Advancement Development (SCAD) program had 63 participants.

The university also welcomed another four capacity-building professors, bringing the total number appointed to 40.

In early 2014, an Early Retirement Scheme was offered to ongoing academic staff and International College educators aged over 55 years. In all, 41 eligible staff elected to take early retirement.

QUT's permanent separation rate, based on the number of separations of ongoing staff over the 2014 calendar year, was 6.2 per cent.

A number of development programs in support of the *Blueprint 4* priority to continue to build a strong and effective leadership culture were implemented. For senior and near-senior leaders, these programs included releadership, Leadership Masterclasses, and Quality Women in Leadership.

Additionally, the Leading Others Program continued to be well received with 58 participants.

The outstanding achievements of 496 academic and professional staff were acknowledged and rewarded through the 2014 Vice-Chancellor's Performance Fund and the Vice-Chancellor's Awards for Excellence.

The David Gardiner QUT Teacher of the Year Award was established this year in recognition of the outstanding contribution of the late Professor David Gardiner AM, QUT's former Deputy Vice-Chancellor (Academic) and former Dean of the Faculty of Law.

The inaugural David Gardiner QUT Teacher of the Year Award was presented to Dr Abby Cathcart.

The university has a comprehensive and integrated performance management and reward and recognition strategy.

A key part of this is a performance planning and review framework, which seeks to identify, review, develop, recognise and reward work performance.

Integral to the success of this process is open and effective communication between staff and supervisors. To this end, performance coaching workshops were delivered to 72 supervisors to assist them in leading constructive performance conversations with their staff.

As articulated in *Blueprint 4*, QUT is committed to developing flexible and supportive work arrangements. This commitment is supported in part by the following:

- flexible hours available in a variety of circumstances including, for example, those relating to parental or carer responsibilities, disability, age, or matters of family violence
- an employee assistance program
- reduced working year scheme
- pre-retirement employment arrangements
- leave entitlements to assist with parental or carer responsibilities, in the event of personal illness, injury or bereavement, or to celebrate cultural or religious days of observance and other special leave to serve with community groups

including the Australian Defence Force and State Emergency Services

- job sharing
- breastfeeding facilities and parenting rooms for nursing mothers
- rehabilitation and return to work support
- workload allocation guidelines.

Staff continued to show strong support for the 2014 Global Corporate Challenge with 1120 participants.

QUT was awarded the most active education and training organisation in Australia, the second most active education and training organisation globally, and the third most active organisation in the Asia Pacific region.

In recognition of its achievements, the QUT Wellness Team received Gold recognition in the Queensland Government's *Healthier, Happier Workplaces* program.

Staff leave balances were also proactively managed during 2014 achieving a 90 per cent reduction in accrued excess recreation leave and a 78 per cent reduction in accrued excess long service leave. This ensured that staff accessed their leave entitlements and assisted with work-life balance.

The university's aim for women to be 40 per cent of senior staff by 2016 continues to increase steadily and reached 38.4 per cent in 2014.

Blueprint 4 identifies the university's key priority to strengthen its position as a preferred employer.

QUT was among only 76 organisations to receive an inaugural Employer of Choice for Gender Equality citation from the Workplace Gender Equality Agency (which replaced the Employer of Choice for Women citation) in 2014.

QUT has an exceptional record of achievement in this area, being one of the few organisations to have received a citation every year since its inception.

QUT was named Queensland's employer of choice for women in technological careers.

The Women in Technology (WiT) organisation announced QUT's award at its seventeenth annual awards ceremony. IHBI research fellow Dr Nathalie Bock won the WiT PhD Career Start award.

In 2014 the Staff Opinion Survey was conducted for the sixth time, and QUT achieved an overall engagement score of 81 per cent—the second highest score for the sector.

Eighty-nine per cent of survey participants supported the statement 'I am proud to say I work at QUT'.

QUT keeps staff informed of workplace policies and entitlements through various forms of communication.

An online Manual of Policies and Procedures (MOPP) provides comprehensive information, and the university website, which features a staff gateway, also provides quick and concise information. New staff can access information and support on the 'Welcome to QUT' website,

and HR advisers are available to help all staff understand their various entitlements.

Terms and conditions of employment for academic and professional staff are contained within new agreements approved by the Fair Work Commission in July 2014 after extensive enterprise bargaining negotiations concluded. These include:

- QUT Enterprise Agreement (academic staff) 2014–2017
- QUT Enterprise Agreement (professional staff) 2014–2017.

Consultation continued with senior staff in relation to changes to their employment agreements, which included a proposal to terminate the QUT Employee Collective Agreement (Senior Staff) 2009–2012 and move to enhanced individual employment contracts. Senior staff voted in strong support of these changes, and the agreement was terminated by the Fair Work Commission on 3 November.

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

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

For benchmarking of workforce sustainability, Indigenous staff, and the student: staff ratio, QUT compares its outcomes to universities in the Australian higher education sector, Group of Eight, Australian Technology Network and across Queensland.

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

Building further QUT's community

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

In conjunction with the G20 Leaders' Summit in November, QUT played host to a number of international leaders.

Prime Minister of the Republic of India Narendra Modi (together with Australian Minister for Agriculture Barnaby Joyce and Queensland Premier Campbell Newman) toured the Science and Engineering Centre.

President of Indonesia Joko Widodo, accompanied by the First Lady of Indonesia Iriana Widodo, also visited QUT.

Other G20 visitors included His Excellency Governor Zhu Xiaodan, Governor of China's Guangdong province, and Secretary-General of the Organisation for Economic Co-operation and Development (OECD), Angel Gurría.

A key priority of *Blueprint 4* is to build further QUT's sense of community. This includes promoting a culture of community, philanthropy, scholarship, service and high achievement; and further developing QUT's international and alumni networks and partnerships.

QUT hosted the world-first G20 Global Business Challenge, a business competition for universities and business schools.

The event was run by QUT, The University of Queensland and Griffith University, together with the Queensland Government.

Forty teams representing 18 countries competed, with Team Memorial, a group of graduates from Memorial University of Newfoundland, Canada announced as winners.

To commemorate the university's 25th anniversary, a gala dinner was held on 10 September at the Brisbane Convention and Exhibition Centre.

Queensland Premier Campbell Newman and Mrs Lisa Newman were guests at the event, along with the Queensland Treasurer, the Education Minister, the Deputy Leader of the Opposition and the Acting Lord Mayor. The event was sold out, with 850 guests in attendance.

The 2014 annual QUT Ball, 'Soul Train', was held on 28 March with more than 500 students, staff and their guests enjoying some vintage Motown, soul and disco music.

Speakers at Vice-Chancellor's Forums during 2014 were:

- Xavier Prats Monné, Deputy Director-General of the Directorate-General for Education and Culture at the European Commission
- Nobel Laureate in physics, Distinguished Professor Brian Schmidt AC FRS
- Kerrie Tim, Special Advisor Indigenous Engagement in the Department of Prime Minister and Cabinet
- Mark Scott AO, Managing Director of the Australian Broadcasting Corporation
- Miles Franklin Literary Award-winning author Frank Moorhouse AO
- Lisa Paul AO PSM, Secretary of the Commonwealth Department of Education
- Dr Michael Schaper, Deputy Chairperson of the Australian Competition and Consumer Commission
- Former Treasurer and Deputy Prime Minister, the Honourable Wayne Swan MP.

QUT had another sell-out year for the QUT Business Leaders' Forum series.

Speakers included Ian Narev (Commonwealth Bank Group), Catherine Livingstone AO, (Telstra Corporation Ltd), Ian McLeod (Wesfarmers Ltd), and the Honourable Dame Quentin Bryce AD CVO.

Six Queensland business leaders or organisations from the past and present were inducted into the Queensland Business Leaders Hall of Fame in July.

The inaugural QUT International Alumni Leaders' Conference was held in Kuala Lumpur, Malaysia from 28 to 30 March 2014.

Kelvin Grove and Caboolture branch libraries hosted 44 and 14 children respectively as part of the National Simultaneous Storytime campaign on 21 May. The initiative encourages the enjoyment of books by young Australians with the simultaneous reading of an Australian children's book at events across the country.

In recognition of National Sorry Day (26 May) and National Reconciliation Week (27 May–3 June), Kelvin Grove Library screened a curated collection of TEDx talks presented by Aboriginal and Torres Strait Islander speakers and performers.

Creative Leaps International, a New York-based performance group who also specialise in leadership development, worked with QUT and the Tim Fairfax Family Foundation for 18 days in July.

The TEDxQUT conference was held on 2 August, exhibiting TED talks from around the globe, all of which explored the way in which different ideas and perceptions can positively impact the world.

QUT hosted the 2014 International Conference on End of Life: Law, Ethics, Policy and Practice in August, with the event attracting 341 delegates from 26 countries.

QUT also hosted the annual conference for IT professionals in Higher Education in Australia, QUESTnet, from 1 to 4 July 2014.

Anti-Poverty Week was marked on 15 October with activities to raise awareness about student poverty and the support services available to QUT students experiencing financial difficulties.

QUT's Susan Caulfield-Leclercq Dance Programs Collection was launched on 4 November. The new online repository features QUT dance programs dating back to 1984.

The Oodgeroo Unit facilitated the inaugural *Murri-Ailan Way* showcasing Aboriginal and Torres Strait Islander talent, culture and community over three days across three campuses.

In 2014, The Cube hosted 6800 students in the STEM High School Engagement program.

Thousands more visited the digital interactive learning space, which displayed 4000 hours of screen time.

In November, QUT Library hosted the OpenConAU2014—a one-day satellite event for students and early-career

researchers on open access, open education and open data.

In November QUT ran the second annual Big Biology and Bioinformatics Symposium (B3 2014), which was attended by about 180 people.

The Institute for Future Environments continued its successful Grand Challenge Public Lecture Series in 2014 with 11 lectures by eminent researchers about the grand challenges confronting humanity in the twenty-first century.

QUT Business School hosted the Tripartite Conference on Financial Econometrics with the National Centre for Econometric Research (NCER), Princeton's Bendheim Centre of Finance, and Singapore Management University's (SMU) School of Economics.

The QUT Business School also hosted the Financial Markets and Corporate Governance Conference, and the International Institute of Fisheries Economics and Trade Conference 2014.

Inaugural business case competitions were hosted at three levels—high school (Blueshift), undergraduate (Australian Undergraduate Business Case Competition), and graduate level (G20 Global Business Challenge).

Caboolture campus hosted the FIRST LEGO League in November 2014, with more than 400 attendees, from 26 schools.

William Robinson AO generously donated a further major piece of work to QUT: *'Dome of Space and Time'*. QUT has purchased a new work by Robinson, *'The Garden'*.

The Australia Network will screen the William Robinson film *William Robinson: A Painter's Journey* three times (with repeats) over the next two years, including to audiences in Hong Kong and Japan.

Professor Peter Donnelly from the University of Oxford presented a talk on genetics on 27 February as part of the Distinguished Visitors Lecture Series.

On 5 June QUT presented *An Evening with Dr Michio Kaku* at the Brisbane Convention and Exhibition Centre, attended by some 1500 people. Dr Kaku is a world-renowned theoretical physicist.

Academy award-winning film producer Lord David Puttnam spoke with CEO Institute Chairman Ray Weekes at a special event held in Room Three Sixty on 7 October.

The Cube won the Gold Apex Award for Education and Healthcare at the fifth Annual Global Apex Awards in Las Vegas, a major international digital signage event.

For the eleventh year, QUT welcomed more than 250 teachers of English from China's Jiangsu Province for an eight-week TESOL immersion program in Australia. The program included intensive classes as well as a one-week school experience at Fraser Coast Anglican College in Hervey Bay.

A QUT-commissioned report on the Economic Impact of a Future Tropical Biorefinery Industry in Queensland was launched by Federal Minister for Industry Ian Macfarlane at Parliament House in Canberra in September.

QUT's Business Intelligence and Reframe: QUT Evaluation Framework team was awarded the Unipromo Award for Excellence in Information Technology Management in the 2014 ATEM/Campus Review awards.

The Science and Engineering Faculty's Widening Participation partnership with Tullawong State High School was recognised with a Peter Doherty Award 2014—Science Education Partnership Award.

In 2014 QUT Chancellor, Tim Fairfax AM, received the award of Companion (AC) in the General Division of the Order Of Australia. Professor Susan Street was recognised with the award of Officer (AO) in the General Division.

QUT Council member Dr Lee-Anne Perry, Professor Peter Little, Associate Professor Cheryl Stock and Professor Doug Hargreaves were made Members (AM) in the General Division.

Professor Nathan Efron was awarded the Kenneth W Bell Medal by the Cornea and Contact Lens Society of Australia, making him the seventh recipient of this medal, and the first from Queensland.

Graeme Baguley received the International Education Association of Australia award for Distinguished Contribution to International Education 2014.

The work of Distinguished Professor James Dale AO has been recognised by *Time* magazine, with his 'Superbanana' hailed as one of the world's 25 Best Inventions for 2014.

Professor Dale has also been elected as a Fellow of the Australian Academy of Technological Sciences and Engineering.

Professor Kerry Carrington is the recipient of the 2014 American Society of Criminology (Division of Critical Criminology) Lifetime Achievement Award.

Associate Professor Gene Moyle was awarded the 2014 Australian Psychological Society (APS) Award of Distinction, in recognition of her significant contributions to the APS College of Sport and Exercise Psychologists.

Professor Lyn Griffiths received the Enrico Greppi Award 2014 from the Italian Society for the Study of Headaches.

Dr Megan Gibson received the National Association for Early Childhood Teacher Education Dissertation Award.

Associate Professor Phil Heywood was admitted into the Planning Institute of Australia Hall of Fame.

The Australian Entomological Society awarded Professor Anthony Clarke with the 2014 Mackerras Medal for excellence in entomology.

Dr Mark Schutze received a Smithsonian Fellowship to work with experts at the Smithsonian National Museum of Natural History in Washington to learn more about fruit flies.

The QUT Executive MBA team won the 2014 Sasin mai Bangkok Business Challenge.

Five QUT students were named by Lord Mayor Graham Quirk as 2014 Brisbane International Student Ambassadors. They were Hongzhi Liu from China, Joos Meikhel Gaghenggang from Indonesia, Raisa

Ochola from Kenya, Pamela Philip Wani from South Sudan, and Yi-Hsiu Chen from Taiwan.

Jyi Lawton was recognised as QUT 2014 Student Leader of the Year.

Thomas Davies was named as 2014 Young Philanthropist at the Queensland Community Foundation Philanthropist of the Year Awards.

QUT students and alumni returned from the Commonwealth Games with a tally of seven gold, four silver and six bronze medals.

Nathalie Bock won the Women in Technology PhD Career Start Award, recognising her research in growth factor delivery for bone regeneration.

A team of roboticists from QUT was placed third overall out of a field of 15 universities across five countries in the International Maritime RobotX Challenge in Singapore on 26 October. The team also won the Best Paper Awards (tied with MIT) and an Innovation/Environmental Monitoring Award.

Queensland's 2015 Rhodes Scholar is Bachelor of Mathematics graduate Brody Foy. Brody is the fourth Rhodes Scholar from QUT in the past five years.

Queensland Chief Magistrate and QUT alumnus, the Honourable Tim Carmody QC, was sworn in as Chief Justice of Queensland on 8 July.

Greg Creed, Chief Executive Officer of Taco Bell, was named the 2014 QUT Alumnus of the Year.

Dr Sarina Sarina has been appointed as a Humboldt Research Fellow.

In 2014, MBA alumnus Dr Rabbur Reza, Chief Operating Officer for Beximo Pharmaceuticals, won the Bangladesh Australian Alumni Award for Business Leadership.

Dr Yan Xie won the Young Australia China Alumni of the Year Award, while Richard David won the 2014 Beck Property—Australia China Alumni Award for Corporate Achievement.

Film and Television graduate Patrick Clair won an Emmy for creating the opening title sequence for American HBO series *True Detective*.

Acting graduate Brenton Thwaites has a role alongside Meryl Streep and Jeff Bridges in the movie version of Lois Lowry's novel, *The Giver*.

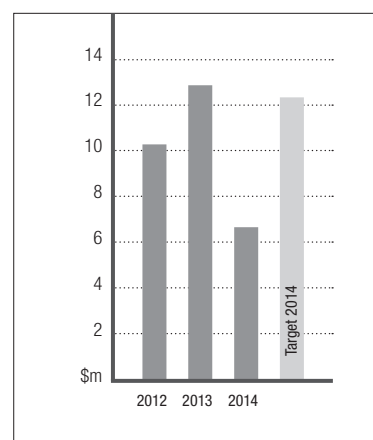
The Learning Potential Fund endowment has reached almost \$32 million during 2014 following a \$3 million pledge.

This has been augmented by the culture of staff giving which has seen the number of staff donors boosted to more than 600 in 2014—a 39 per cent increase over 2013 staff giving numbers.

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

In 2014 QUT's philanthropy income was \$6.697 million, with a further \$15.764 million in corporate, foundation and community support.

Philanthropy income (\$M)



Focusing on sustainability

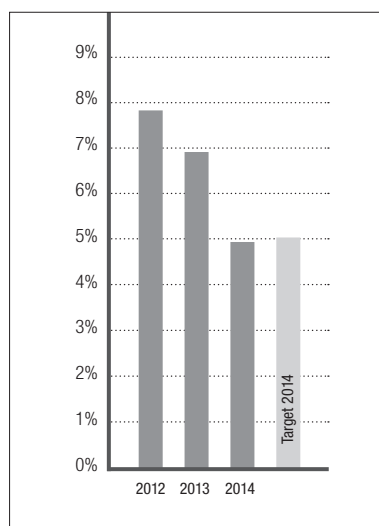
Ms Judy Stokker, Deputy Vice-Chancellor (Technology, Information and Learning Support)

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

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

QUT has established a key performance indicator for the underlying operating margin, with the target of 5 per cent over three years.

Underlying operating margin



Blueprint 4 aims to maintain the two city campuses as extremely attractive destinations for students, staff and the wider community; and to continue to develop QUT's Caboolture campus.

2014 saw the completion of the refurbishment of D Block, Gardens Point.

The refurbishment houses a one-stop shop for student and academic services along with new design studios, computer labs, student study spaces and meeting rooms, and incorporates social learning spaces around the entrance and surrounding laneways.

On 21 February the Queensland Minister for Health announced the centre under construction next to the Lady Cilento Children's Hospital in South Brisbane—to be known as the Centre for Children's Health Research.

The centre is a partnership between Queensland Health through Children's Health Queensland and several research organisations including QUT, the Queensland Children's Medical Research Institute, The University of Queensland, and the Translational Research Institute.

The \$4 million upgrade of the Kelvin Grove Data Centre was completed in November after eight months of construction.

The upgrade will deliver significant benefits for IT services, providing QUT with data centre capacity for the next five years.

It has increased the cooling and electrical capacity of the data centre by 50 per cent, and reduces a potential fire risk by separating electrical backup systems into a separate fire-retardant room.

The upgrade of Level 6 of Gardens Point Library was completed in October.

These works have resulted in an increase in individual student quiet study spaces; additional power outlets; and an upgrade to furniture, fittings and equipment.

Students' use of the space, and their feedback, indicates they are very satisfied with the refurbished spaces.

The Faculty of Law completed a \$200 000 major renovation of the QUT Moot Court with new technology and AV equipment.

With the design replicating an actual criminal court room, it is an important facility for preparing students for mooted competitions and honing their advocacy skills.

Another significant project was replacement of campus signage with a cohesive and contemporary signage system.

Blueprint 4 aims to continue to integrate information and communication technologies into teaching, research, business support functions and infrastructure.

The Email in the Cloud project has completed a number of major tasks in preparation for the migration of staff email and calendar accounts to the Microsoft Office 365 cloud.

These activities have also benefited students who can now use their single QUT Access password to get their Office 365 email as well as QUT services such as QUT Blackboard and QUT Virtual.

HDR student email accounts have been moved to the cloud, and the migration of staff email accounts to the cloud commenced in October.

Changes implemented to QUT systems during semester one ensured that the Class Registration process for semester two ran very well.

Under this critical, high-demand business process, QUT Virtual received over 680 000 visits from students with 1.9 million pages viewed during these transactions. Class registrations peaked at more than 3000 student registrations per minute.

A new QUT Virtual search tool, designed to help staff and students find information faster and more easily, was released in late May.

The tool allows users to search for data contained in QUT Virtual such as student information (authorised access only), staff information, and unit and class information.

The QUT Media Warehouse was rolled out across the university, enabling all QUT staff to upload media content (i.e. video, audio, images) for learning and teaching purposes.

It is also possible, if required, for group permissions to be enabled, for example, to make available to users rich media items in one course unit.

The first two stages of the 2014 upgrade to QUT's High Performance Computer (HPC) have been completed and will provide researchers with significantly increased computer and storage resources.

These improved resources are enabling key QUT researchers to conduct research faster and more efficiently.

The HPC upgrades have doubled storage capacity and performance and increased computer capacity by 50 per cent.

An upgrade to the online eBallot system, enabling electronic voting by members of Alumni for the first time, was released on 12 September.

The QUT Corporate Finance System was further enhanced with the implementation of the Oracle iProcurement and iExpenses modules incorporating user-friendly interfaces and mobile technology to improve procurement and expense reimbursement processes.

The recording of lectures at QUT was mandated in 2014. The new Lecture Recording System entered into full production for semester one and is available in 223 learning spaces across QUT campuses.

The lecture recording solution enables staff to make audio and screen recordings of their teaching material and deliver it to students via a QUT Blackboard unit site.

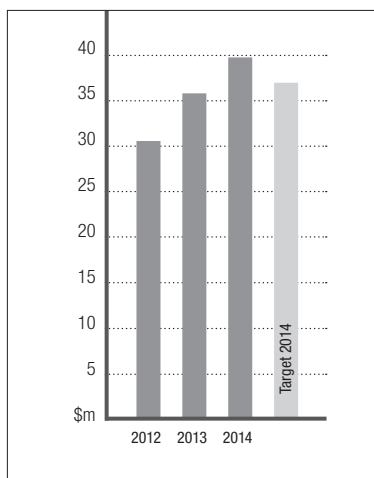
QUT continued to deliver a program of upgrading technologies and refurbishing learning and teaching spaces.

Technology upgrades included transforming lecture theatre podiums to the new standard digital lecture theatre podiums with lecture recording capabilities.

Other refurbishments included Gardens Point B Block Level 1 (B122 and B124), Kelvin Grove L Block 101, Q Block Room 216 and 218 Gardens Point, and Lecture Theatre N515 at Kelvin Grove.

QUT has identified domestic fee-paying income as part of the diversity of the resource base and has included it as a key performance indicator.

Domestic fee-paying income (\$M)

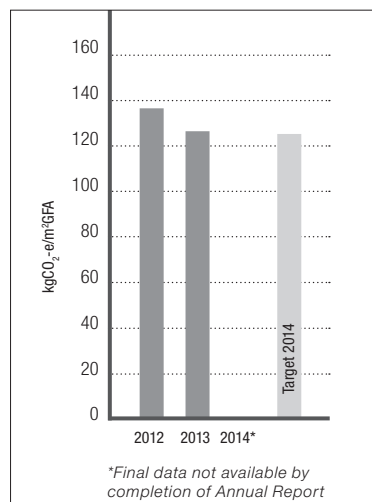


One key priority of *Blueprint 4* is to focus on the various dimensions of QUT's sustainability—environmental, social and economic.

QUT aims to sharpen the focus on environmental sustainability through academic activities (coursework and research) and its own operations.

A key performance indicator to measure carbon emissions was introduced in 2014.

Carbon emissions



QUT compares its outcomes to universities in the Australian higher education sector, Group of Eight, Australian Technology Network and across Queensland.

Summary of financial performance

Summary

The university has continued to manage its resources diligently to generate a solid surplus whilst maintaining a strong balance sheet in support of comprehensive operating and capital plans within an increasingly competitive and resource intensive higher education sector.

The university's financial position remains strong, underpinned by considerable holdings of property, plant and equipment, and liquid assets (cash and investments) with relatively low borrowings to equity ratio of 7 per cent. Subsequent to the balance date, the university has made an early repayment in January 2015 of all its interest free loans provided by the Queensland State Government recognising a further discount of approximately 10 per cent on the net present value of the loans.

Income Statement

Operating Result and Margin (\$33.9 million; 3.7 per cent)

The university achieved a solid operating surplus of \$33.9 million or 3.7 per cent operating margin (2013: \$56.3 million or 6.3 per cent). The actual operating surplus was marginally down from the previous year's surplus, noting a major contributing factor being a reduction of \$12 million in unrealised gains

from the Queensland Investment Corporation (QIC) managed investment funds.

The original budgeted surplus of \$28.4 million was exceeded through increased revenue \$31.4 million partly offset by increased expenditure \$25.9 million. The budget variance was predominantly driven by increased student load reflected in increased Commonwealth and other student fees.

Underlying Operating Result and Margin (\$43.3 million; 4.9 per cent)

The 2014 operating result includes upfront recognition of multi-year income, impacts of abnormal income

and expenses and unrealised gains/losses. When these impacts are excluded by applying a standard approach recommended by the Australian Institute of Company Directors (AICD) and the Financial Services Institute of Australia (FINSIA), the underlying operating result and margin are \$43.3 million (2013: \$59.0 million) and 4.9 per cent (2013: 6.9 per cent) respectively. This result is in line with the university's benchmark target rate of 5.0 per cent across the operating budget triennium. A table reconciling the statutory operating result to the underlying operating result is provided below.

Operating Result	\$'000 33,887
Revenue	907,008
Type 1- significant one off events	
Capital Grants & donations	- 2,494
Large multi-year grant	- 4,645
Type 2- Provisions and Fair Value Adj	
Unrealised Gains (excluding subsidiaries)	- 6,569
Adjusted underlying revenue	893,300
Expenses	873,121
Type 1- significant one off events	
Termination Payments	- 5,271
Non-capital expenses - Capital Grants	- 2,669
Large multi-year grant	- 10,269
Type 2 - Provisions & Fair Value Adj	
Provisions (one-off)	- 5,000
Adjusted underlying expenses	849,912
Underlying Result	43,389

Income (\$907.0 million, increased \$17.6 million; 2.0 per cent)

Australian Government grants increased \$8.6 million (3 per cent) primarily due to a \$4.3 million increase in "Other Australian Governments Financial assistance", with the biggest increases being from the National Health and Medical Research Council (NHMRC) of \$2.9 million and Australian Research Council (ARC) of \$2.4 million.

The Higher Education Loan Program payments increased \$16.1 million (8 per cent) aligned with increases in student load and more students electing to defer their debt.

The increase in fees and charges of \$26.3 million (15 per cent) was largely driven by Fee Paying Overseas students increasing \$23.9 million which aligned with both an increase in student load (10 per cent) and various fee increases.

State Government funding decreased \$2.1 million (21 per cent) driven in part by reductions in project revenues from Department of Health (\$1.3 million) and Department of Science, Information Technology, Innovation and the Arts (\$1.9 million); once-off recognition of revenue in 2013 from the upfront forgiveness of one third of the final loan draw-down of the Innovation Building Fund (\$1.6 million); whilst 2014 included a once-off recognition of loan discounts negotiated with the Queensland Government for early repayment of the university's interest free Government loan portfolio (\$2.4 million).

Investment income realised from the QIC managed investment funds totalling \$10.3 million (2013: \$15.0 million) decreased \$4.7 million as a result of challenging investment markets in 2014. Interest earnings of \$7.0 million (2013: \$7.7 million) also dropped \$0.7 million as a consequence of lower market interest rates.

Royalties and licences increased by \$0.76 million primarily driven by recognition of revenue earned through a commercial contract with a Commonwealth Government department.

Other revenue and income decreased by \$10.5 million when compared to prior year, driven by a \$6.0 million drop in donations, noting that 2013 results included two major receipts: a single major donation to the Learning Potential fund (\$4.0 million), and a final contribution from a significant donor towards the construction of the Science and Engineering Centre at Gardens Point Campus (\$5.0 million). This decrease was partly offset by artwork donations (\$1.9 million) in 2014. A reduction in insurance claim revenue in 2014 contributed to the prior year variance as a result of the final claim receipt (\$1.3 million) received in 2013 associated with the 2011 Brisbane flood.

Expenses (\$873 million, increased \$40.0 million; 4.8 per cent)

Employee related expenses increased \$36.6 million (8 per cent) driven by a combination of factors including a growth in employees (approximately 4 per cent) and salary rate increases associated with industrial agreements (approximately 3 per cent). Another contributing element was the flow-on effect of an increase in the Long Service Leave (LSL) liability arising from several factors including: a negotiated change to the LSL entitlements reducing the waiting period for eligible staff to access pro rata LSL entitlements from 10 to seven years; an increase in accumulated hours due to staff growth; and the negative impact of lower benchmarked Government Bond rates required to be used for discounting purposes in calculating the net present value (NPV) of the liabilities. The university is continuing to actively manage the leave liability to mitigate the risk of leave liability growth.

Depreciation expenses increased 5 per cent as a flow on consequence of the completion of the Science and Engineering Centre in 2013. Overall, repairs and maintenance expense remained at a similar level to 2013.

Finance costs increased by \$3.1 million mainly associated with an increase in the NPV adjustment (\$2.5 million) for the interest free Queensland Government loans; and an increase in interest payments (\$0.6 million) associated with a commercial loan drawn down for the construction of the Science and Engineering Centre in 2013.

Financial Position

The Statement of Financial Position outlines the financial strength of the university, providing an indication of its capacity to meet current obligations and support longer term priorities.

Net Assets (\$1,367 million, Increased \$63 million; 4.8 per cent)

QUT's net asset position as at 31 December 2014 was \$1,367 million representing an increase of \$63 million (4.8 per cent). This increase was driven by several key factors including:

- The increase in non-current Property, plant and equipment (\$55.9 million) largely driven by Construction-in-progress increasing by (\$65.1 million) of which a major project is the Creative Industries Phase II at Kelvin Grove campus (\$32 million); revaluation increments (\$28.8 million); net Asset Additions (\$16.6 million), offset by Depreciation expense (\$54.5 million);
- a decrease in cash and cash equivalents of \$43 million, driven by Deposits at Call decreasing by \$42 million to facilitate the

cash flow funding of the Creative Industries Phase II construction project;

- Non-current Prepayments increased by \$12.4 million largely due to a \$10 million payment treated as a prepaid lease associated with a research centre adjoining the new Queensland Children's Hospital.
- Current receivables increased by \$32.4 million as a result of a \$30.0 million drawdown on a QIC managed investment fund on the last day of the year requiring a one day settlement period before transfer to the university's operating bank account on 2nd January 2015;
- Total Liabilities increased by \$5.1 million, driven substantially from Long Service Leave Liabilities impacts. A significant move of \$21.1 million from non-current to current liabilities was associated with agreements negotiated in 2014 for the early repayment of Queensland Government interest free loans portfolio which were subsequently fulfilled on 5th January 2015.

Cash Flow and Liquidity

The university's liquidity as represented by the ratio of current assets to current liabilities reflects a position of high liquidity (2.7:1), which is deemed reasonable due to a significant portion of the investment funds under management by QIC are recorded as current assets and are readily converted to cash. The remaining funds held in cash and cash equivalents are actively managed for the purpose of supporting the university's obligations to granting bodies and the significant asset management plan.

In conclusion, the university produced a very solid underlying operating result in 2014 and together with the overall sound financial position remains strongly placed to support the university's budgeted plans, objectives and longer term aspirations.

Queensland University of Technology
Income Statement
For the Year Ended 31 December 2014

		Consolidated		Parent	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Income from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	351,133	342,467	351,133	342,467
HELP - Australian Government Payments	2	210,599	194,494	210,599	194,494
State and Local Government financial assistance	3	8,175	10,329	8,175	10,329
HECS-HELP - Student Payments		23,208	26,478	23,208	26,478
Fees and charges	4	202,862	176,508	203,244	176,924
Investment revenue	5	17,446	22,858	17,357	22,767
Royalties, trademarks and licences	6	977	11	759	1
Consultancy and contracts	7	49,245	47,914	49,003	47,703
Other revenue	8	40,992	51,253	41,654	52,210
Total revenue from continuing operations		904,637	872,312	905,132	873,373
Gains on disposal of assets		32	15	32	15
Other investment income	5	6,345	20,789	1,844	15,978
Total income from continuing operations		911,014	893,116	907,008	889,366
Expenses from continuing operations					
Employee related expenses	9	520,963	484,058	518,595	481,914
Depreciation and amortisation	10	57,813	55,010	57,813	54,979
Repairs and maintenance	11	30,828	30,718	30,820	30,713
Borrowing costs	12	6,674	3,588	6,674	3,588
Impairment of assets	13	(1,028)	(601)	(1,027)	(590)
Loss on disposal of assets		246	368	246	361
Other expenses	14	261,935	263,654	260,000	262,097
Total expenses from continuing operations		877,431	836,795	873,121	833,062
Net result attributable to members of Queensland University of Technology		33,583	56,321	33,887	56,304

The accompanying notes form part of these financial statements.

Queensland University of Technology
Statement of Comprehensive Income
For the Year Ended 31 December 2014

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Net result attributable to members of Queensland University of Technology		33,583	56,321	33,887	56,304
Other comprehensive income					
Gain (loss) on value of land, buildings, heritage and cultural assets, net of tax	19	28,839	(39,144)	28,839	(39,137)
Gain (loss) on value of available for sale financial assets, net of tax		319	(36)	-	-
Total other comprehensive income		29,158	(39,180)	28,839	(39,137)
Total comprehensive income for the year		62,741	17,141	62,726	17,167
Total comprehensive income attributable to:					
Members of Queensland University of Technology		62,741	17,141	62,726	17,167
Total		62,741	17,141	62,726	17,167

The accompanying notes form part of these financial statements.

Queensland University of Technology
Statement of Financial Position
As At 31 December 2014

		Consolidated		Parent	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	15	121,967	164,959	117,150	160,448
Receivables	16	82,173	49,664	81,677	49,225
Inventories	17	2,544	3,102	2,550	3,102
Other financial assets	18	255,212	245,943	255,212	245,891
TOTAL CURRENT ASSETS		461,896	463,668	456,589	458,666
NON-CURRENT ASSETS					
Receivables	16	52,728	40,308	52,728	40,308
Other financial assets	18	54,669	51,029	58,542	54,974
Property, plant and equipment	19	1,029,125	973,192	1,029,125	973,192
Intangible assets	20	28,623	30,674	28,623	30,674
TOTAL NON-CURRENT ASSETS		1,165,145	1,095,203	1,169,018	1,099,148
TOTAL ASSETS		1,627,041	1,558,871	1,625,607	1,557,814
LIABILITIES					
CURRENT LIABILITIES					
Trade and other payables	21	28,399	32,169	27,638	31,439
Borrowings	22	22,698	1,127	22,698	1,127
Provisions	23	88,840	70,263	88,740	70,157
Other liabilities	24	28,862	27,399	28,796	27,380
TOTAL CURRENT LIABILITIES		168,799	130,958	167,872	130,103
NON-CURRENT LIABILITIES					
Trade and other payables	21	353	88	-	-
Borrowings	22	73,286	95,990	73,286	95,990
Provisions	23	12,444	21,780	12,356	21,717
Other liabilities	24	4,989	5,626	4,989	5,626
TOTAL NON-CURRENT LIABILITIES		91,072	123,484	90,631	123,333
TOTAL LIABILITIES		259,871	254,442	258,503	253,436
NET ASSETS		1,367,170	1,304,429	1,367,104	1,304,378
EQUITY					
Reserves	25	307,533	278,375	307,233	278,394
Retained earnings	25	1,059,637	1,026,054	1,059,871	1,025,984
Parent entity interest		1,367,170	1,304,429	1,367,104	1,304,378
TOTAL EQUITY		1,367,170	1,304,429	1,367,104	1,304,378

The accompanying notes form part of these financial statements.

Queensland University of Technology
Statement of Changes in Equity
For the Year Ended 31 December 2014

	Parent		
	Retained Earnings \$'000	Reserve \$'000	Total \$'000
Balance at 1 January 2014	1,025,984	278,394	1,304,378
Net operating result	33,887	-	33,887
Gain (loss) on value of land, buildings, heritage and cultural assets, net of tax	-	28,839	28,839
Total comprehensive income	1,059,871	307,233	1,367,104
Balance at 31 December 2014	1,059,871	307,233	1,367,104

	Retained Earnings \$'000	Reserve \$'000	Total \$'000
Balance at 1 January 2013	969,643	317,568	1,287,211
Net operating result	56,304	-	56,304
Gain (loss) on value of land, buildings, heritage and cultural assets, net of tax	-	(39,137)	(39,137)
Reclassification	37	(37)	-
Total comprehensive income	1,025,984	278,394	1,304,378
Balance at 31 December 2013	1,025,984	278,394	1,304,378

	Consolidated		
	Retained Earnings \$'000	Reserve \$'000	Total \$'000
Balance at 1 January 2014	1,026,054	278,375	1,304,429
Net operating result	33,583	-	33,583
Gain (loss) on value of land, buildings, heritage and cultural assets, net of tax	-	28,839	28,839
Gain (loss) on value of available for sale financial assets, net of tax	-	319	319
Total comprehensive income	1,059,637	307,533	1,367,170
Balance at 31 December 2014	1,059,637	307,533	1,367,170

	Retained Earnings \$'000	Reserve \$'000	Total \$'000
Balance at 1 January 2013	969,702	317,586	1,287,288
Net operating result	56,321	-	56,321
Gain (loss) on value of land, buildings, heritage and cultural assets, net of tax	-	(39,143)	(39,143)
Gain (loss) on value of available for sale financial assets, net of tax	-	(37)	(37)
Reclassification	31	(31)	-
Total comprehensive income	1,026,054	278,375	1,304,429
Balance at 31 December 2013	1,026,054	278,375	1,304,429

The accompanying notes form part of these financial statements.

Queensland University of Technology
Statement of Cash Flows
For the Year Ended 31 December 2014

		Consolidated		Parent	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES:					
Australian Government Grants	2(g)	558,765	536,590	558,765	536,590
OS - HELP (net)	2(g)	3,000	237	3,000	237
State Government Grants		5,658	8,632	5,658	8,632
Local Government Grants received		23	30	23	30
HECS HELP - Student payments	2(g)	23,208	26,478	23,208	26,478
Receipts from student fees and other customers		250,989	282,651	252,139	283,932
Interest received		6,659	7,809	6,569	7,719
Payments to suppliers and employees (inclusive of GST)		(805,641)	(779,776)	(802,486)	(776,674)
Interest paid		(4,005)	(3,433)	(4,005)	(3,433)
Net cash provided by/(used in) operating activities	33	38,656	79,218	42,871	83,511
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of plant and equipment		147	318	147	318
Proceeds from sale of available-for-sale financial assets		-	1	-	-
Refund of imputation credits from ATO		643	685	643	685
Distributions received		9,318	14,363	9,318	14,363
Advances of cash into investment fund		(55,659)	(44,363)	(55,659)	(44,363)
Payment for additional investment in subsidiary		-	-	(5,500)	(5,000)
Payments for property, plant and equipment		(82,079)	(41,804)	(82,079)	(41,749)
Payment for intangible asset		(1,272)	(1,069)	(1,272)	(1,069)
Recall of cash from investment trust		49,543	-	49,543	-
Payment for investments		(979)	-	-	-
Net cash used by/(used in) investing activities		(80,338)	(71,869)	(84,859)	(76,815)
CASH FLOWS FROM FINANCING ACTIVITIES:					
Proceeds from borrowings		-	23,000	-	23,000
Repayment of borrowings		(1,310)	(1,021)	(1,310)	(1,021)
Net cash provided by/(used in) financing activities		(1,310)	21,979	(1,310)	21,979
Net increase/(decrease) in cash and cash equivalents held		(42,992)	29,328	(43,298)	28,675
Cash and cash equivalents at beginning of year		164,959	135,631	160,448	131,773
Cash and cash equivalents at end of financial year	15	121,967	164,959	117,150	160,448

The accompanying notes form part of these financial statements.

1 Summary of Significant Accounting Policies

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

(a) Basis of preparation

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

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

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

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

Date of authorisation for issue

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

Historical cost convention

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

Critical accounting estimates

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

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

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

The Australian government passed its Clean Energy Act in November 2011 which resulted in the introduction of a price on carbon emissions made by Australian businesses from 1 July 2012. On 17 July 2014 the government abolished the carbon tax. The withdrawal of the carbon pricing mechanism is not expected to have a significant impact on the University's critical accounting estimates, assumptions and management judgements.

Changes in accounting policy and methodology and prior period error

There has been no changes in accounting policy or corrections of prior period errors.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of QUT (parent entity) as at 31 December 2014. QUT and its subsidiaries together are referred to in this financial report as the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the consolidated entity has the ability to govern the financial and operating policies, generally accompanying a shareholding of more than one-

1 Summary of Significant Accounting Policies continued

(b) Principles of consolidation continued

half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the consolidated entity controls another entity.

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

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

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

(ii) Associates

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

(iii) Joint ventures

Joint venture operations

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

(c) Foreign currency translation

(i) Functional and presentation currency

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

(ii) Transactions and balances

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

(iii) Consolidated entity companies

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

(d) Revenue recognition

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

The consolidated entity recognises revenue when: the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the consolidated entity; and specific criteria have been met for each of consolidated entity's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The consolidated entity bases estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Government grants

QUT treats operating grants received from Australian Government entities as income in the year of receipt

1 Summary of Significant Accounting Policies continued

(d) Revenue recognition continued

(refer note 2). Grants are recognised at fair value where QUT obtains control of the right to receive the grant, it is likely that economic benefits will flow to QUT and it can be reliably measured.

(ii) Student fees and charges

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

(iii) Human resources

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

(iv) Lease income

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

(v) Sale of goods

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

(e) Income tax

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

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

For the 2014 Financial Statements, the consolidated entity has not incurred an income tax liability. However, should an income tax liability be incurred in the future, deferred tax assets will be recognised for unused tax losses in cases where it is probable that future taxable amounts will be available to utilise those losses.

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

(f) Leases

Leases of property, plant and equipment where the consolidated entity, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases (refer note 29). As at 31 December 2014, the consolidated entity had not entered into any finance leases.

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

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

(g) Business combinations

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

1 Summary of Significant Accounting Policies continued

(h) Impairment of assets

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

(i) Cash and cash equivalents

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

(j) Trade receivables

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

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

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

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

(k) Inventories

(i) Raw materials and stores, work in progress and finished goods

Raw materials and stores, work in progress and finished goods are stated at the lower of cost and net realisable value. Cost comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

(ii) Bookshop

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

1 Summary of Significant Accounting Policies continued

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

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

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

As at 31 December 2014, the consolidated entity did not have any non-current assets (or disposal groups) held for sale or any discontinued operations.

(m) Investments and other financial assets

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

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

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

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

(ii) Loans and receivables

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

(iii) Available-for-sale financial assets

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

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

(n) Derivatives

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

(i) Fair value hedge

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

1 Summary of Significant Accounting Policies continued

(n) Derivatives continued

(ii) Cash flow hedge

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

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

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

(iii) Derivatives that do not qualify for hedge accounting

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

(o) Fair value measurement

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

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 available for sale securities.

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

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

- level 1 – represents fair value measurements that reflect unadjusted quoted market prices in active markets for identical assets and liabilities;
- level 2 – represents fair value measurements that are substantially derived from inputs (other than quoted prices included within level 1) that are observable, either directly or indirectly; and
- level 3 – represents fair value measurements that are substantially derived from unobservable inputs.

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

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the University for similar financial instruments.

More specific fair value information about the University's property, plant and equipment and investments is detailed in note 35.

1 Summary of Significant Accounting Policies continued

(p) Property, plant and equipment

Asset recognition thresholds:

(i) Land

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

(ii) Buildings (including land improvements)

Buildings (including land improvements) 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 as minor buildings.

(iii) Major plant and equipment

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

(iv) Plant and equipment

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

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

(v) Library – Reference

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

(vi) Heritage and cultural assets

Heritage buildings with a value equal to or greater than \$5,000 are initially recorded at cost.

Heritage 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. Heritage 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.

The asset recognition threshold limit for artwork is \$1. Art collection purchases with a value greater than \$1 are initially recorded at cost. Artwork donated to the consolidated entity is recorded at the consolidated entity's estimate of fair value in the year of donation.

(vii) Work in progress

Work in progress is shown at cost.

1 Summary of Significant Accounting Policies continued

(p) Property, plant and equipment continued

Depreciation

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

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

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.

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

Revaluations

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

(i) Land

An independent valuation of land, based on fair value, is carried out at least every five years and indexed in intervening years. In accordance with these requirements an independent valuation occurred in 2014 (refer note 19).

(ii) Buildings (including land improvements)

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

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

Increases in the carrying amount arising from revaluation of buildings are credited to the asset revaluation reserve in other comprehensive income. However, if the increase reverses a decrease previously recognised in the income statement, the increase is first recognised in the income statement to the extent of the original decrease. Decreases that reverse previous increases of the same asset 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) Heritage and cultural assets

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

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

1 Summary of Significant Accounting Policies continued

(p) Property, plant and equipment continued

Increases in the carrying amount arising from revaluation of heritage 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.

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

Increases in the carrying amount arising from revaluation of the art collection are credited to 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 directly in equity to the extent of the remaining reserves attributable to the asset, all other decreases are charged to the income statement.

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

Indexations

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

(q) Intangible assets

(i) Research and development

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

Expenditure on development activities, including software development, relating to the design and testing of a new or improved product is recognised as an intangible asset after considering whether: it is commercially and technically feasible; it is probable that the project will be completed and will generate future economic benefits; its cost can be measured reliably; and the cost is greater than \$100,000. The capitalised expenditure comprises all directly attributable costs, including costs of materials, services and direct labour. Other development expenditure is recognised in the income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Amortisation is calculated using the straight line method to allocate the cost over the period of the expected benefit, which varies from 3 to 10 years.

(ii) Computer software

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

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

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

(iii) Trademarks and licences

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

(iv) Impairment of non-current assets

All non-current physical and 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

1 Summary of Significant Accounting Policies continued

Intangible assets continued

amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

(r) Unfunded superannuation

The consolidated entity does not have any unfunded superannuation liabilities.

(s) Trade and other payables

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

(t) Borrowings

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

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

(u) Employee benefits

(i) Key executive management personnel and remuneration

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

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the University during 2014.

1 Summary of Significant Accounting Policies continued

(u) Employee benefits continued

Position	Responsibilities	Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Vice-Chancellor	The Vice-Chancellor (VC) is responsible for the operation of the University.	The QUT Act provides QUT Council with the authority to approve recommendations to appoint the VC and the VC's remuneration is determined by the Chancellor's Committee on delegation from QUT Council.	Appointed April 2003
Senior Deputy Vice-Chancellor	The Senior Deputy Vice-Chancellor is responsible for the academic standards of the University.	The VC has the authority to appoint the Senior Deputy Vice-Chancellor and determine remuneration as set out in the QUT Manual of Policies and Procedures (MOPP).	Appointed March 2012
Deputy Vice-Chancellor, Corporate Programs & Partnerships	The DVC, Corporate Programs and Partnerships is responsible to the VC for leading growth of the University's corporate education.	The VC has the authority to appoint the DVC, Corporate Programs & Partnerships as set out in the QUT MOPP.	Appointed May 2012
Deputy Vice-Chancellor, International & Development	The DVC, International and Development is head of the Division of International and Development, and is responsible to the VC for leading the University's international, development and engagement activities.	The VC has the authority to appoint the DVC, International & Development as set out in the QUT MOPP.	Appointed February 2008
Deputy Vice-Chancellor, Learning & Teaching	The DVC, Learning and Teaching is responsible to the VC for leading improvements and advancements in teaching and learning quality in the University.	The VC has the authority to appoint the DVC, Learning & Teaching as set out in the QUT MOPP.	Appointed February 2011
Deputy Vice-Chancellor, Research & Commercialisation	The DVC, Research and Commercialisation is head of the Division of Research and Commercialisation and is responsible to the VC for leading the University's research and commercialisation agendas.	The VC has the authority to appoint the DVC Research & Commercialisation as set out in the QUT MOPP.	Appointed January 2008
Deputy Vice-Chancellor, Technology, Information & Learning support	The DVC, Technology, Information and Learning Support is head of the Division of Technology, Information and Learning Support, and is responsible to the VC for leading and coordinating the University's technology, information and learning support functions.	The VC has the authority to appoint the DVC, Technology, Information & Learning support as set out in the QUT MOPP.	Appointed January 2014
Executive Director, Finance & Resource Planning	The Executive Director, Finance and Resource Planning is head of the Division of Finance and Resource Planning, and is responsible to the VC for the finances and planning functions of the University.	The VC has the authority to appoint the Executive Director, Finance & Resource Planning as set out in the QUT MOPP.	Appointed March 2009
Registrar & Head, Administrative Services	The Registrar is head of the Division of Administrative Services, secretary to QUT Council and the chief administrative officer of the University, responsible to the VC for the administration of the University.	The VC has the authority to appoint the Registrar as set out in the QUT MOPP.	Appointed May 2012

Remuneration

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

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

1 Summary of Significant Accounting Policies continued

(u) Employee benefits continued

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

Short term employee benefits which include:

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

Long term employee benefits include long service leave accrued.

Post-employment benefits include superannuation contributions.

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

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

(ii) Annual leave

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

(iii) Wages and salaries

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

(iv) Long service leave

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

(v) Retirement benefit obligations

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

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

1 Summary of Significant Accounting Policies continued

(u) Employee benefits continued

(vi) Termination benefits

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

(v) Rounding of amounts

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

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

(w) Goods and services tax (GST)

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

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

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

(x) Arrangements containing a lease

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

(i) Caboolture campus shared use agreement

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

(y) Investment property

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

(z) Comparative amounts

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

(aa) Financial guarantee contracts

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

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

1 Summary of Significant Accounting Policies continued

(aa) Financial guarantee contracts continued

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

(ab) New accounting standards and interpretations

The University 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 and Trade. Consequently, the University has not applied any Australian Accounting Standards and Interpretations that have been issued but are not yet effective.

The following standards have been issued / reissued and have effective dates that make adoption mandatory for reporting periods beginning on or after 1 January 2014 :

- AASB 10 Consolidated Financial Statements ;
- AASB 11 Joint Arrangements ;
- AASB 12 Disclosure of Interests in Other Entities ;
- AASB 127 (revised) Separate Financial Statements ;
- AASB 128 (revised) Investments in Associates and Joint Ventures ;
- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17].

AASB2013-8 provides authoritative guidance to not-for-profits in applying concepts of control in AASB 10 and AASB 12.

AASB 10 redefines and clarifies the concept of control of another entity, and is the basis for determining which entities should be consolidated into an entity's financial statements. AASB 2013-8 applies the various principles in AASB 10 for determining whether a not-for-profit entity controls another entity.

AASB 11 deals with the concept of joint control and sets out new principles for determining the type of joint arrangement that exists, which in turn dictates the accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement. The University has assessed its arrangements with other entities to determine whether a joint arrangement exists in terms of AASB 11. Based on present arrangements, no joint arrangements exist.

AASB 12 requires the extensive disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on its financial position, financial performance and cash flows.

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

AASB 9 Financial Instruments and AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] will become effective for reporting periods beginning on or after 1 January 2017. The main impacts of these standards are that they will change the requirements for the classification, measurement and disclosures associated with the University's financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

1 Summary of Significant Accounting Policies continued

(ac) Issuance of financial statements

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

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

None.

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

(a) Commonwealth Grants Scheme and Other Grants

		Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Commonwealth Grants Scheme ^{#1}		241,008	238,867	241,008	238,867
Indigenous Support Program		1,629	1,649	1,629	1,649
Partnership & participation program ^{#2}		8,898	12,287	8,898	12,287
Promotion of Excellence in Learning and Teaching		807	465	807	465
Reward funding		-	577	-	577
Improving the Quality of Maths & Science Teaching Program ^{#6}		-	1,088	-	1,088
Total Commonwealth Grants Scheme and Other Grants	36(a)	252,342	254,933	252,342	254,933

(b) HELP - Australian Government Payments

	Note	Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
HECS - HELP		182,352	170,020	182,352	170,020
FEE - HELP ^{#3}		24,233	20,852	24,233	20,852
SA-HELP		4,014	3,622	4,014	3,622
Total HELP - Australian Government Payments ^{#3a}	36(b)	210,599	194,494	210,599	194,494

(c) Scholarships

		Consolidated		Parent	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Australian Postgraduate Awards		8,304	7,721	8,304	7,721
International Postgraduate Research Scholarships		671	652	671	652
Commonwealth Education Costs Scholarship ^{#4}		335	(480)	335	(480)
Commonwealth Accommodation Scholarships ^{#4}		279	(33)	279	(33)
Indigenous Access scholarships		464	22	464	22
Indigenous Staff Scholarships		43	43	43	43
Total Scholarships	36(c)	10,096	7,925	10,096	7,925

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

(d) Education Research

		Consolidated		Parent	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
Joint Research Engagement Program		10,261	8,911	10,261	8,911
Research Training Scheme		19,387	18,735	19,387	18,735
Research Infrastructure Block Grants		3,595	3,370	3,595	3,370
Sustainable Research Excellence in Universities		2,426	2,363	2,426	2,363
Total Education Research	36(d)	35,669	33,379	35,669	33,379

(e) Australian Research Council

		Consolidated		Parent	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
(i) Discovery					
Discovery - Projects		5,859	5,800	5,859	5,800
Discovery - Fellowships ^{#5}		7,677	4,575	7,677	4,575
Total Discovery	36(e)	13,536	10,375	13,536	10,375
(ii) Linkages					
Linkages - Infrastructure		280	140	280	140
Linkages - Projects		3,949	5,356	3,949	5,356
Total Linkages	36(e)	4,229	5,496	4,229	5,496
(iii) Networks and Centres					
Networks and Centres - Centres		3,214	2,226	3,214	2,226
Total Networks and Centres		3,214	2,226	3,214	2,226
Linkages - Special Research Initiatives		855	1,230	855	1,230
(iv) Other					
ARC Unexpended		(69)	(2)	(69)	(2)
Total ARC	36(e)	21,765	19,325	21,765	19,325

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

(f) Other Australian Government Financial Assistance

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Non-capital				
National Health & Medical Research Council (NHMRC)	11,471	8,560	11,471	8,560
Department of Foreign Affairs & Trade	6,778	6,921	6,778	6,921
Department of Agriculture	2,621	1,044	2,621	1,044
Department of Health	1,500	2,139	1,500	2,139
Sugar Research & Development Corporation	1,305	1,567	1,305	1,567
Health Workforce Australia	941	600	941	600
Department of Education and Training	903	-	903	-
Department of Industry and Science ^{#6}	853	2,029	853	2,029
Grains Research & Development Corporation	817	483	817	483
Department of Prime Minister and Cabinet Indigenous Tutorial Assistance Scheme	767	597	767	597
University of Queensland	511	420	511	420
CSIRO	508	217	508	217
Horticulture Australia Ltd	374	283	374	283
Australian Centre for International Agricultural Research (ACIAR)	189	-	189	-
SMEC International Pty Ltd	168	-	168	-
Department of Foreign Affairs & Trade	159	6	159	6
Australian Bureau of Statistics	135	45	135	45
Brisbane Green Heart CitySmart Pty Ltd	126	62	126	62
Queensland Fruit and Vegetable Growers Ltd	116	-	116	-
Northern Territory Farmers Assoc Inc	112	-	112	-
University of New South Wales	108	-	108	-
Beyond Blue Ltd	100	240	100	240
CancerAustralia	100	-	100	-
Department of the Environment	90	-	90	-
La Trobe University	89	88	89	88
Foundation for Arable Research Australia Ltd	78	-	78	-
DMTC Ltd	45	123	45	123
Australian Institute of Criminology	35	24	35	24
Department of Defence	24	327	24	327
Australia Council	20	120	20	120
Safe Work Australia	20	20	20	20

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

(f) Other Australian Government Financial Assistance continued

University of Sydney	19	189	19	189
Department of Social Services	15	53	15	53
Cotton Research & Development Corporation	14	70	14	70
RMIT University	14	29	14	29
Griffith University	11	3	11	3
University of South Australia	3	20	3	20
Australian Customs & Border Protection Services	(50)	50	(50)	50
Dementia CRC	(88)	64	(88)	64
Financial Markets Foundation for Children	-	79	-	79
Australian Learning & Teaching Council	-	60	-	60
Other	260	373	260	373
Total Other Australian Government Financial Assistance	31,261	26,905	31,261	26,905
Total Australian Government Financial Assistance	561,732	536,961	561,732	536,961

- #1 Includes the basic CGS grant amount, CGS - Regional Loading, CGS - Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.
- #2 Includes Equity Support Program.
- #3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.
- #3a HELP payments increased by \$16.105 million due to increased student load and more students choosing to defer fee payment in response to the removal of discount for upfront payments.
- #4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.
- #5 Includes Early Career Researcher Award.
- #6 Reclassification of prior year revenue \$1.088 million for Improving the Quality of Maths & Science Teaching Program (refer note 2(a) and (f)).

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Reconciliation				
Australian Government Grants (a+c+d+e+f)	351,133	342,467	351,133	342,467
HECS - HELP	182,352	170,020	182,352	170,020
FEE - HELP	24,233	20,852	24,233	20,852
SA-HELP	4,014	3,622	4,014	3,622
Total Australian Government Financial Assistance	561,732	536,961	561,732	536,961

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

(g) Australian Government Grants received - cash basis

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
CGS and Other Education Grants	253,430	253,844	253,430	253,844
Higher Education Loan Programmes	210,009	194,123	210,009	194,123
Scholarships	10,096	7,924	10,096	7,924
Education research	35,669	33,379	35,669	33,379
ARC grants - Discovery	13,536	10,158	13,536	10,158
ARC grants - Linkages	4,218	5,248	4,218	5,248
ARC grants - Networks and Centres	2,692	1,939	2,692	1,939
ARC grants - Special Research Initiatives	855	1,230	855	1,230
Other Australian Government Grants	28,260	27,993	28,260	27,993
Total Australian Government Grants received - cash basis	558,765	535,838	558,765	535,838
OS-Help (Net) 36(f)	5,661	1,608	5,661	1,608
Total Australian Government funding received - cash basis	564,426	537,446	564,426	537,446

3 State and local government financial assistance

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Non-capital				
State government financial assistance	5,658	8,633	5,658	8,633
Local government financial assistance	23	30	23	30
Total	5,681	8,663	5,681	8,663
Capital				
State and local government financial assistance	2,494	1,667	2,494	1,667
Total	2,494	1,667	2,494	1,667
Total State and Local Government Financial Assistance	8,175	10,330	8,175	10,330

4 Fees and charges

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Course fees and charges				
Fee-paying onshore overseas students ^{#1}	158,765	134,817	158,765	134,817
Fee-paying offshore overseas students ^{#2}	1,017	1,457	1,017	1,457
Continuing education	8,806	8,604	8,682	8,506
Fee-paying domestic postgraduate students	9,119	8,671	9,119	8,671
Fee-paying domestic undergraduate students	6,428	6,297	6,428	6,297
Fee-paying domestic non-award students	2	93	2	93
Other domestic course fees and charges	42	50	42	50
Total Course fees and charges	184,179	159,989	184,055	159,891
Other Non-Course Fees and Charges				
Facilities hire fees	1,437	1,411	1,433	1,397
Health services fees	1,096	868	1,096	868
Student services fees from students	2,974	3,062	2,974	3,062
Late fees	139	192	139	192
Library photocopier fees	1,216	1,265	1,216	1,265
Parking fees ^{#3}	5,348	4,522	5,407	4,598
Registration fees ^{#4}	2,196	782	2,196	782
Rental charges	3,606	3,766	4,057	4,218
Student accommodation	94	84	94	84
Other fees and charges	577	567	577	567
Total Other fees and charges	18,683	16,519	19,189	17,033
Total Fees and charges	202,862	176,508	203,244	176,924

^{#1} Fee-paying onshore overseas students revenue increase was primarily driven by growth in fee-paying for overseas students and various increases in fees.

^{#2} Fee-paying offshore overseas students revenue decreased due to the completion of programs in Malaysia and Papua New Guinea.

^{#3} Parking revenues increased due to the expansion of short term parking and pay as you go facilities across Gardens Point and Kelvin Grove campuses.

^{#4} There was a significant increase over 2013 in students registering for courses and not fulfilling the enrolment or withdrawing incurring retention fees.

5 Investment revenue and income

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Investment revenue				
Interest	7,113	7,810	7,024	7,719
Realised investment gains	10,333	15,048	10,333	15,048
Total investment revenue	17,446	22,858	17,357	22,767
Other investment income				
Unrealised investment gains	6,345	20,789	1,844	15,978
Total other investment income	6,345	20,789	1,844	15,978
Net investment income	23,791	43,647	19,201	38,745

6 Royalties, trademarks and licences

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Royalties	977	11	759	1
Total royalties, trademarks and licences	977	11	759	1

Royalties increase arising from a one-off payment under a Department of Defence contract for Executive Master Complex Project Management Corporate Awards (EMCPM).

7 Consultancy and contracts

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Consultancy	18,907	18,749	18,640	18,111
Contract research	30,338	29,165	30,363	29,592
Total consultancy and contracts	49,245	47,914	49,003	47,703

8 Other revenue and income

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Donations and bequests ^{#1}	6,207	12,268	6,207	12,268
Scholarships and prizes	490	716	490	716
Non-government grants	15,327	17,768	15,767	18,319
Sale of goods	7,705	8,203	7,705	8,203
Recoveries	7,455	9,316	7,712	9,847
Sponsorships	2,074	1,154	2,074	1,154
Other	1,734	1,828	1,699	1,703
Total other revenue and income	40,992	51,253	41,654	52,210

#1 2013 results include one-off donations for the Learning Potential fund (\$4 million) and Science & Engineering Precinct (\$5 million)

9 Employee related expenses

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Academic				
Salaries	185,030	170,014	185,030	170,014
Contributions to superannuation and pension schemes - Funded	29,821	27,890	29,821	27,890
Payroll tax	10,925	10,164	10,925	10,164
Worker's compensation	284	362	284	362
Long service leave expense	7,993	4,013	7,993	4,013
Annual leave	15,002	15,262	15,002	15,262
Parental leave expense	1,531	1,532	1,531	1,532
Total academic	250,586	229,237	250,586	229,237
Non-academic				
Salaries	199,491	187,958	197,461	186,097
Contributions to superannuation and pension schemes - Funded	32,842	30,466	32,640	30,298
Payroll tax	12,097	11,286	11,990	11,192
Worker's compensation	369	459	360	452
Long service leave expense	4,624	3,404	4,624	3,404
Annual leave	19,018	19,334	18,998	19,320
Parental leave expense	1,936	1,914	1,936	1,914
Total non-academic	270,377	254,821	268,009	252,677
Total employee related expenses	520,963	484,058	518,595	481,914
Deferred superannuation expense	-	-	-	-
Total employee related expenses, including deferred benefits for superannuation ^{#1}	520,963	484,058	518,595	481,914

#1 Employee related expenses increased 7.6% primarily due to growth in staff (approximately 4%), salary entitlement increases (approximately 3%) and leave provisioning adjustments.

Queensland University of Technology
Notes to the Financial Statements
For the Year Ended 31 December 2014

10 Depreciation and amortisation

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Depreciation				
Buildings	30,326	29,980	30,326	29,980
Plant and equipment	21,145	18,755	21,145	18,724
Heritage and cultural assets	3,020	3,033	3,020	3,033
Total depreciation	54,491	51,768	54,491	51,737
Amortisation				
Intangibles	3,322	3,242	3,322	3,242
Total amortisation	3,322	3,242	3,322	3,242
Total depreciation and amortisation	57,813	55,010	57,813	54,979

11 Repairs and maintenance

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Buildings	12,885	10,960	12,877	10,960
Non-capitalised construction ^{#1}	4,131	8,558	4,131	8,558
Computing	11,065	8,891	11,065	8,896
Equipment	1,255	938	1,255	938
Other	1,492	1,371	1,492	1,361
Total repairs and maintenance	30,828	30,718	30,820	30,713

#1 Non-capitalised construction costs were significantly higher in 2013 due to the completion of the Science and Engineering Precinct surrounding works.

12 Borrowing costs

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Interest charges	6,674	3,588	6,674	3,588
Total borrowing costs expensed	6,674	3,588	6,674	3,588

Borrowing costs includes a net present value interest adjustment on Smart State and Innovation Building Fund loans in 2014 of \$2.669 million (2013: \$0.155 million).

Queensland University of Technology
Notes to the Financial Statements
For the Year Ended 31 December 2014

13 Impairment of assets

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Doubtful debts written off	562	192	563	203
Change in provision for bad and doubtful debts	(1,590)	(793)	(1,590)	(793)
Total impairment of assets	(1,028)	(601)	(1,027)	(590)

14 Other expenses

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Scholarships, grants and prizes	57,646	55,282	57,646	55,282
Non-capitalised equipment ^{#1}	14,633	19,284	14,594	19,199
Advertising, marketing and promotional expenses	12,973	11,792	12,587	11,640
Audit fees, bank charges, legal costs and insurance expenses	6,954	6,311	6,805	6,232
General consumables	9,363	10,761	9,359	10,761
Printing and stationery	3,221	3,373	3,210	3,366
Rental, hire and other leasing fees	17,961	19,049	17,959	19,053
Telecommunications	2,897	2,819	2,855	2,794
Travel and related staff development and training	26,280	25,242	26,119	25,113
Consultants and contractors ^{#2}	33,589	40,486	32,717	39,415
Commission ^{#3}	12,810	8,310	12,810	8,310
Cost of sales	4,835	5,414	4,707	5,414
Contributions to collaborative projects	26,126	24,547	26,126	24,559
Library acquisitions	12,113	11,108	12,113	11,108
Utilities	12,421	12,468	12,421	12,468
Act of grace and special payments	90	8	90	8
Other ^{#4}	8,023	7,400	7,882	7,375
Total other expenses	261,935	263,654	260,000	262,097

#1 Non-capitalised equipment spend reduced in 2014 as 2013 was unusually high due to the commissioning of the new science and engineering precinct at Gardens Point campus in 2013.

#2 Consultants and contractors expenditure reduced primarily from the finalisation of the major multi-year Commonwealth funded project (Next Steps Initiative).

#3 Commissions include overseas agent commission fees and increases in these payments during 2014 were driven by growth in fee paying overseas student enrolments.

#4 Included in "Other" is; Postage & Freight \$1.5 million, Intellectual Property Costs \$1.57 million, Corporate Memberships \$1.97 million and Donations and Sponsorships \$2.12 million.

15 Cash and cash equivalents

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Cash at bank and on hand	5,454	11,840	1,317	7,329
Deposits at call	10,833	53,119	10,833	53,119
Term deposits	105,680	100,000	105,000	100,000
Total cash and cash equivalents	121,967	164,959	117,150	160,448

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

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

Balances as above	121,967	164,959	117,150	160,448
Balance as per cash flow statement	121,967	164,959	117,150	160,448

(b) Cash at bank and on hand

Cash at bank is an interest bearing account with interest received monthly. The effective interest rate as at 31 December 2014 was 2.00% (2013: 2.00%).

(c) Deposits at call

Deposits at call are interest bearing on floating interest rates. The effective interest rate as at 31 December 2014 was 3.40% (2013: 3.67%). Deposits at call were significantly less due to an increase in expenditure in the Creative Industries Phase II project in December 2014.

(d) Term deposits

Term deposits are bearing floating interest rates between 3.42% and 3.80% (2013: 3.56% and 4.65%). These deposits have an average maturity of 103 days (2013: 105 days).

16 Receivables

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
Student fees	3,412	3,383	3,412	3,383
Provision for impairment	(133)	(181)	(133)	(181)
	3,279	3,202	3,279	3,202
Student loans	261	291	261	291
Provision for impairment	(108)	(155)	(108)	(155)
	153	136	153	136
Trade receivables ^{#1}	42,773	18,115	42,423	17,804
Provision for impairment	(928)	(2,439)	(922)	(2,432)
	41,845	15,676	41,501	15,372
Prepayments	16,781	15,183	16,710	15,156
GST receivable	4,473	2,398	4,392	2,290
Accrued revenue ^{#2}	15,642	13,069	15,642	13,069
	36,896	30,650	36,744	30,515
Total current receivables	82,173	49,664	81,677	49,225
GST Receivable consists of				
Gross amount of input tax credits receivable from the ATO	6,264	5,059	6,163	4,942
Gross GST payable to the ATO	(1,791)	(2,661)	(1,771)	(2,652)
Net GST Receivable	4,473	2,398	4,392	2,290
Non-current				
Prepayments ^{#3}	52,728	40,308	52,728	40,308
Total non-current receivables	52,728	40,308	52,728	40,308
Total receivables	134,901	89,972	134,405	89,533

#1 Trade receivables spiked on the last day of the year due to a drawdown of \$30 million from the University's managed investment account, taking a one day settlement period, whereby the Queensland Investment Corporation (QIC) controlled the cash before it was deposited into the University's bank account on the 2nd of January 2015.

#2 The accrued revenue increase has been largely driven by the increase in student applications deferring fee payment through the Commonwealth Government funded FEE_HELP loan program.

#3 Prepayments increased primarily due to a \$10 million contribution towards a 30 year lease arrangement for research space at a research centre adjoining the new Queensland Childrens Hospital.

16 Receivables continued

(a) Impaired receivables

As at 31 December 2014 current receivables of the University with a nominal value of \$1.169 million (2013: \$2.775 million) were impaired, comprising student fees of \$133,000 (2013: \$181,000); student loans of \$108,000 (2013: \$155,000); and trade receivables of \$928,000 (2013: \$2.439 million).

The ageing of these receivables is as follows:

	Consolidated	
	2014 \$'000	2013 \$'000
Student fees		
3 to 6 months	8	1
Over 6 months	125	180
	133	181
Student loans		
Under 3 months	-	44
3 to 6 months	11	22
Over 6 months	97	89
	108	155
Trade receivables		
Under 3 months	11	-
Over 3 months	917	2,439
	928	2,439

As at 31 December 2014, receivables that were past due but not impaired totalled \$7.711 million (2013: \$9.211 million). A large portion of the outstanding debt is owed by government agencies, which is considered recoverable.

The ageing analysis of these receivables is as follows:

	Consolidated	
	2014 \$'000	2013 \$'000
Student fees		
Under 3 months	1,109	851
3 to 6 months	1,630	1,631
	2,739	2,482
Trade receivables		
Under 3 months	4,860	6,729
3 to 6 months	112	-
	4,972	6,729

16 Receivables continued

(a) Impaired receivables continued

Movements in the provision for impaired receivables are as follows:

	Consolidated	
	2014	2013
	\$'000	\$'000
Student fees		
At 1 January	181	77
Provision for impairment recognised during the year	497	208
Receivables written off during the year as uncollectible	(364)	(27)
Unused amount reversed	(181)	(77)
At 31 December	133	181
Student loans		
At 1 January	155	137
Provision for impairment recognised during the year	(48)	164
Receivables written off during the year as uncollectible	156	(9)
Unused amount reversed	(155)	(137)
At 31 December	108	155
Trade receivables		
At 1 January	2,439	3,361
Provision for impairment recognised during the year	(1,493)	2,529
Receivables written off during the year as uncollectible	2,421	(90)
Unused amount reversed	(2,439)	(3,361)
At 31 December	928	2,439

(b) Financial assets classified as loans and receivables

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

	Consolidated	
	2014	2013
	\$'000	\$'000
Australian dollars	134,510	87,721
US dollars	389	1,984
Euros	3	173
HK dollars	-	75
GB pounds	-	19
	134,902	89,972
Current receivables	82,174	49,664
Non-current receivables	52,728	40,308
	134,902	89,972

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

17 Inventories

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
At cost:				
Inventories including Bookshop	2,544	3,102	2,544	3,102
Total inventories	2,544	3,102	2,544	3,102

18 Other financial assets

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
<i>Fair value through profit or loss</i>				
Managed investment funds	255,212	245,891	255,212	245,891
<i>Available for sale</i>				
Listed securities	-	52	-	-
Total current other financial assets	255,212	245,943	255,212	245,891
Non-current				
<i>Fair value through profit or loss</i>				
Shares in subsidiaries	-	-	4,852	4,077
Managed investment funds	49,787	47,445	49,787	47,445
Listed securities	2,900	2,559	2,900	2,559
Unlisted securities	1,003	893	1,003	893
<i>Available for sale</i>				
Listed securities	979	132	-	-
Total non-current other financial assets	54,669	51,029	58,542	54,974
Total other financial assets	309,881	296,972	313,754	300,865

19 Property, plant and equipment

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

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

19 Property, plant and equipment continued

Parent	Work in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Heritage and Cultural Assets \$'000	Total \$'000
Year ended 31 December 2014							
Opening net book amount							
- Cost	37,958	-	9,268	136,240	61,207	1,057	245,730
- Valuation	-	211,437	967,324	-	-	23,810	1,202,571
- Accumulated depreciation	-	-	(383,494)	(65,791)	(25,824)	-	(475,109)
Net book amount	37,958	211,437	593,098	70,449	35,383	24,867	973,192
Year ended 31 December 2014							
Opening net book amount							
Revaluation	37,958	211,437	593,098	70,449	35,383	24,867	973,192
Additions	-	19,108	8,113	-	-	1,618	28,839
Assets included in a disposal group classified as held for sale and other disposals	65,078	-	-	14,367	25	2,654	82,124
Depreciation charge	-	-	-	(492)	-	(1)	(493)
Reclassification	-	-	(30,326)	(14,164)	(6,981)	(3,020)	(54,491)
	(9,670)	-	(33,723)	28,572	(28,427)	43,202	(46)
Closing net book amount	93,366	230,545	537,162	98,732	-	69,320	1,029,125
As at 31 December 2014							
- Cost	93,366	-	-	203,743	-	1,640	298,749
- Valuation	-	230,545	907,664	-	-	119,970	1,258,179
- Accumulated depreciation	-	-	(370,502)	(105,011)	-	(52,290)	(527,803)
Net book amount	93,366	230,545	537,162	98,732	-	69,320	1,029,125

19 Property, plant and equipment continued

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

19 Property, plant and equipment continued

Consolidated	Work in progress \$'000	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Leasehold improvement \$'000	Heritage and Cultural Assets \$'000	Total \$'000
As at January 2014							
Opening net book amount	37,958	-	9,268	136,348	61,207	1,057	245,838
- Cost	-	211,437	967,324	-	-	23,810	1,202,571
- Valuation	-	-	(383,494)	(65,899)	(25,824)	-	(475,217)
- Accumulated depreciation	-	-	-	-	-	-	-
Net book amount	37,958	211,437	593,098	70,449	35,383	24,867	973,192
Year ended 31 December 2014							
Opening net book amount	37,958	211,437	593,098	70,449	35,383	24,867	973,192
Revaluation	-	19,108	8,113	-	-	1,618	28,839
Additions	65,078	-	-	14,367	25	2,654	82,124
Assets included in a disposal group classified as held for sale and other disposals	-	-	-	(492)	-	(2)	(494)
Depreciation charge	-	-	(30,326)	(14,164)	(6,981)	(3,020)	(54,491)
Reclassifications	(9,670)	-	(33,723)	28,572	(28,427)	43,203	(45)
Closing net book amount	93,366	230,545	537,162	98,732	-	69,320	1,029,125
As at 31 December 2014							
- Cost	93,366	-	-	203,851	-	1,641	298,858
- Valuation	-	230,545	907,664	-	-	119,970	1,258,179
- Accumulated depreciation	-	-	(370,502)	(105,119)	-	(52,291)	(527,912)
Net book amount	93,366	230,545	537,162	98,732	-	69,320	1,029,125

19 Property, plant and equipment continued

(a) Valuations of land and buildings (including heritage buildings)

Land was revalued in October 2014 at fair value, based on an independent assessment by Valued Valuation Services (Registered Valuers). Revaluations of land are indexed annually in intervening years using rates provided by an independent valuer on a per campus basis (refer note 1(p)). Management has assessed that there were no material changes to this valuation as at 31 December 2014.

The consolidated entity indexes buildings (including heritage and land improvements) using rates from the Australian Bureau of Statistics. Buildings were indexed using the 'Non-residential Construction Implicit Price Deflator Total Non-residential Building' 1.5% in 2014 and land improvements using the 'Engineering Construction Work Done Implicit Price Deflator' 1.9% in 2014. The next independent valuation of buildings is in 2016 as detailed in note 1(p).

(b) Non-current assets pledged as security

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

(c) Valuation of cultural assets

The University's cultural assets are indexed using rates provided by the University's Art Curator: 4% in 2014 (3% in 2013). The next independent valuation of the museum collections is due in 2016 as detailed in note 1(p).

(d) Asset Reclassification

The following adjustments were made in 2014 to comply with the Non-Current Asset Policies for the Queensland Public Sector:

- Heritage buildings were reclassified from the asset class of Buildings into Heritage & Cultural Assets.
- The asset class Leasehold Improvements is now incorporated into Plant & Equipment.

20 Intangible Assets

	Software under development \$'000	Software at cost \$'000	Total \$'000
Consolidated			
At 1 January 2013			
Cost	2,068	43,276	45,344
Accumulated amortisation	-	(12,489)	(12,489)
Net book amount	2,068	30,787	32,855
Year ended 31 December 2013			
Opening net book amount	2,068	30,787	32,855
Additions	1,389	214	1,603
Disposals	-	-	-
Amortisation charge	-	(3,242)	(3,242)
Reclassification	(534)	(8)	(542)
Closing net book amount	2,923	27,751	30,674
At 31 December 2013			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
Net book amount	2,923	27,751	30,674
At 1 January 2014			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
Net book amount	2,923	27,751	30,674
Year ended 31 December 2014			
Opening net book amount	2,923	27,751	30,674
Additions	1,324	-	1,324
Amortisation charge	-	(3,323)	(3,323)
Reclassification	(788)	736	(52)
Closing net book amount	3,459	25,164	28,623
At 31 December 2014			
Cost	3,459	40,299	43,758
Accumulated amortisation	-	(15,135)	(15,135)
Net book amount	3,459	25,164	28,623

Software under development includes capitalisation of internally generated software.

20 Intangible Assets continued

	Software under development \$'000	Software at cost \$'000	Total \$'000
Parent			
At 1 January 2013			
Cost	2,068	43,257	45,325
Accumulated amortisation	-	(12,478)	(12,478)
Net book amount	2,068	30,779	32,847
Year ended 31 December 2013			
Opening net book amount	2,068	30,779	32,847
Additions	1,389	214	1,603
Disposals	-	-	-
Amortisation charge	-	(3,242)	(3,242)
Reclassifications	(534)	-	(534)
Closing net book amount	2,923	27,751	30,674
At 31 December 2013			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
Net book amount	2,923	27,751	30,674
At 1 January 2014			
Cost	2,923	39,563	42,486
Accumulated amortisation	-	(11,812)	(11,812)
Net book amount	2,923	27,751	30,674
Year ended 31 December 2014			
Opening net book amount	2,923	27,751	30,674
Additions	1,324	-	1,324
Disposals	-	-	-
Amortisation charge	-	(3,323)	(3,323)
Reclassifications	(788)	736	(52)
Closing net book amount	3,459	25,164	28,623
At 31 December 2014			
Cost	3,459	40,299	43,758
Accumulated amortisation	-	(15,135)	(15,135)
Net book amount	3,459	25,164	28,623

Software under development includes capitalisation of internally generated software.

21 Trade and other payables

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
Trade payables	4,446	8,016	4,427	7,696
Accrued expenses	20,660	23,847	19,918	23,437
OS-HELP liability to Australian Government	3,293	293	3,293	293
Other payables	-	13	-	13
Total current trade and other payables	28,399	32,169	27,638	31,439
Non-current				
Trade payables	353	88	-	-
Total non-current trade and other payables	353	88	-	-
Total trade and other payables	28,752	32,257	27,638	31,439

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

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

The increase in the OS-HELP liability is attributable to increased funding from government on anticipated increasing student loan applications for 2015.

22 Borrowings

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
Unsecured				
Queensland Government loans (non-commercial)	21,097	-	21,097	-
Queensland Treasury Corporation Loans (commercial)	1,601	1,127	1,601	1,127
Total current unsecured borrowings	22,698	1,127	22,698	1,127
Total current borrowings	22,698	1,127	22,698	1,127
Non-current				
Unsecured				
Queensland Government loans (non-commercial)	-	20,921	-	20,921
Queensland Treasury Corporation loans (commercial)	73,286	75,069	73,286	75,069
Total non-current unsecured borrowings	73,286	95,990	73,286	95,990
Total non-current borrowings	73,286	95,990	73,286	95,990
Total borrowings	95,984	97,117	95,984	97,117

22 Borrowings continued

The Queensland Government, through the Smart State Research Facilities Fund and the Innovation Building Fund, has lent a total of \$69.63 million, which has an aggregated loan repayment amount totalling \$21.097 million as per the termination of the loan agreement between QUT and the Department of Science, Information Technology, Innovation and the Arts. The borrowings through the Queensland Government's Smart State Research Facilities Fund and Innovation Building Fund were repaid in January 2015.

The University was granted approval to borrow a total of \$125 million through QTC for the following infrastructure projects: \$78 million to finance part of the construction costs of the Science and Engineering Centre; and \$47 million to finance part of the construction cost of the Creative Industries Precinct Phase II. The borrowings will be repaid over a period of 30 years subject to terms and conditions negotiated with QTC. The \$78 million has been drawdown for the Science and Engineering Centre and the \$47 million for the Creative Industries Precinct Phase II is planned to be drawn down over 2015.

Under the State's Borrowing Program, the University has access to an \$11.5 million working capital loan facility through QTC. The working capital loan facility, which is a temporary overdraft (limit of up to 30 days) used for cash flow management, was not accessed during 2014.

(a) Interest rate risk exposure

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

(b) Fair value measurement

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

(c) Security

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

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

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Australian dollar	95,984	97,117	95,984	97,117
	95,984	97,117	95,984	97,117

23 Provisions

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current provisions expected to be settled within 12 months				
Employee benefits				
Annual leave	27,656	25,058	27,556	24,952
Long service leave	1,840	4,324	1,840	4,324
Parental leave	413	424	413	424
Defined benefit obligation	-	-	-	-
Subtotal	29,909	29,806	29,809	29,700
Current provisions expected to be settled after 12 months				
Employee benefits				
Annual leave	11,274	10,173	11,274	10,173
Long service leave	47,657	30,284	47,657	30,284
Subtotal	58,931	40,457	58,931	40,457
Total current provisions	88,840	70,263	88,740	70,157
Non-current provisions				
Employee benefits				
Long service leave	12,444	21,780	12,356	21,717
Defined benefit obligation	-	-	-	-
Total non-current provisions	12,444	21,780	12,356	21,717
Total provisions	101,284	92,043	101,096	91,874

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

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

Annual leave provision: reflects the amount of annual leave accrued as at 31 December 2014. This increase in leave provision is primarily due to a growth in academic appointments and a change in University policy in 2011 in response to changes in the *Fair Work Australia Act*, which allows Academic staff to accrue annual leave up to 40 days.

Long service leave provision: reflects the accumulated cost of long service leave accrued as at 31 December 2014. The current provision reflects entitlements for employees with over 7 years of service. The non-current provision reflects the accumulated cost of long service leave for employees with under 7 years service. The increase in long service leave provision is primarily due to a change in University policy in 2014 in response to EBA negotiations, which allows staff to access accrued pro-rata long service leave after 7 years of service (previously 10 years), combined with a growth in pro-rata leave balances.

Parental leave provision: reflects the accumulated cost of parental leave accrued as at 31 December 2014. The reduction in provision is due predominantly to the value of parental leave days carried forward.

24 Other liabilities

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Current				
Advances other	38	38	38	38
Unearned revenue	28,824	27,361	28,758	27,342
Australian government unspent financial assistance	-	-	-	-
Total current other liabilities	28,862	27,399	28,796	27,380
Non-current				
Lease expenses	4,446	4,374	4,446	4,374
Unearned revenue	543	1,252	543	1,252
Australian government unspent financial assistance	-	-	-	-
Total non-current other liabilities	4,989	5,626	4,989	5,626
Total other liabilities	33,851	33,025	33,785	33,006

Lease expenses reflect the difference between actual and straight line payments for operating leases held by the University as at 31 December 2014.

Unearned revenue also includes a building lease incentive which is being amortised over the life of the lease term through to October 2016. This lease incentive was received in 2009 and the residual amount consists of a non-current component \$543,000 (2013: \$1.194 million) and a current component \$651,000 (2013: \$651,000).

25 Reserves and retained earnings

(a) Reserves

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Reserves				
Property, plant and equipment revaluation reserve surplus	307,233	278,394	307,233	278,394
Available-for-sale revaluation reserve surplus	300	(19)	-	-
Total Reserves	307,533	278,375	307,233	278,394

Movements

Property, plant and equipment revaluation reserve surplus				
Opening balance	278,394	317,568	278,394	317,568
Revaluation - gross	28,839	(39,143)	28,839	(39,137)
Reclassification	-	(31)	-	(37)
	307,233	278,394	307,233	278,394
Available-for-sale revaluation reserve surplus				
Opening balance	(19)	18	-	-
Revaluation - gross	319	(37)	-	-
	300	(19)	-	-
Total reserves	307,533	278,375	307,233	278,394

(b) Retained earnings

Movements in retained earnings were as follows:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Retained earnings at 1 January	1,026,054	969,702	1,025,984	969,643
Net result for the period	33,583	56,321	33,887	56,304
Prior movement in retained earnings	-	31	-	37
Retained earnings at end of the financial year	1,059,637	1,026,054	1,059,871	1,025,984

(c) 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, as described in note 1(p).

(ii) Available for sale asset revaluation reserve surplus

Changes in the fair value and exchange differences arising on translation of investments, classified as available for sale financial assets, are taken to the available for sale asset revaluation reserve surplus, as described in note 1(m).

26 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	Mr T Fairfax, AC	
Deputy Chancellor	Dr J Puttick	
Vice-Chancellor	Prof P Coaldrake, AO	
Chair, University Academic Board	Prof C Dickenson	
Nominees of the Governor in Council	Mr W Enoch	
	Mr H Nalder	
	Dr J Puttick	
	Dr L Perry, AM	
	Ms R Vilgan	
	Mr M Pennisi	
	Ms J Parker	
	Mr W Tapp	
Nominees of Council	Ms T Handicott	
	Prof M O'Kane	(Appointed 01 January 2014)
Elected professional staff	Mr R Hall	
	Dr S Nielsen	
Elected academic staff	Dr L Duffield	
	Prof J Clements	(Appointed 01 January 2014)
	A/Prof C Anderson	
Elected student members	Ms S Percival	(Term expired 20 November 2014)
	Mr W Taylor	(Term expired 20 November 2014)
	Mr T Cramsie	(Appointed 21 November 2014)
	Mr J McGuire	(Appointed 21 November 2014)
Elected alumni members	Dr T Baker	
	Ms J Robertson	
Secretary	Ms S Lorenzo	
Directors of Creative Industries Precinct Pty Ltd	Mr G Ranger	
	Ms K Lamprecht	
	Mr M Smellie	
	Ms R Drinkwater	(Term expired 10 December 2014)
	Prof S Sheppard	(Term expired 10 December 2014)
	Prof R Wissler	(Term expired 10 December 2014)
	Ms A Birkill	(Appointed 10 December 2014)
	Prof R Xavier	(Appointed 10 December 2014)
	Prof M Thomas	(Appointed 10 December 2014)
	Prof S Street	(Appointed 18 August 2014)
	Prof S Street	(Term expired 10 December 2014)
Secretary of Creative Industries Precinct Pty Ltd	Ms A Boland	

26 Key management personnel disclosures continued

(a) Names of responsible persons and executive officers continued

Directors of QUT Enterprise Holdings Pty Ltd	Prof P Coaldrake, AO	
	Prof K Bowman	(Alternate Director)
	Mr S Pincus	
	Mr J Puttick	
	Ms S Rix	(Term expired 31 December 2014)
	Mr P Readdy	(Appointed 01 April 2014)
	Dr J Harry	(Appointed 01 April 2014)
Secretary of QUT Enterprise Holdings Pty Ltd	Ms K Trott	
Directors of qutbluebox Pty Ltd	Prof T Cochrane, AM	(Resigned 17 February 2014)
	Prof C Dickenson	(Appointed 16 April 2014)
	Dr T Evans	
	Mr A Loch	
	Mr H Nalder	
	Prof A Sharma	
Secretary of qutbluebox Pty Ltd	Mr S Denaro	

(b) Other key management personnel

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

Prof P Coaldrake, AO	Vice-Chancellor	QUT
Prof C Dickenson	Senior Deputy Vice-Chancellor	QUT
Prof P Little	Deputy Vice-Chancellor, Corporate Programs and Partnerships	QUT
Prof S Sheppard	Deputy Vice-Chancellor, International & Development	QUT
Prof S Vaughan	Deputy Vice-Chancellor, Learning & Teaching	QUT
Prof A Sharma	Deputy Vice-Chancellor, Research & Commercialisation	QUT
Ms J Stokker	Deputy Vice-Chancellor, Technology, Information & Learning Support	QUT
Mr S Pincus	Executive Director, Finance & Resource Planning	QUT
Ms S Lorenzo	Registrar & Head, Administrative Services	QUT

All of the above persons were also key management persons during the year ended 31 December 2014.

26 Key management personnel disclosures continued

(c) Remuneration of board members and executives

	Parent	
	2014 \$'000	2013 \$'000
Remuneration of responsible officers		
Nil to \$9,999	1	1
Remuneration of executive officers		
\$370,000 to \$379,999	1	1
\$380,000 to \$389,999	1	-
\$390,000 to \$399,999	-	1
\$410,000 to \$419,999	1	-
\$420,000 to \$429,999	-	2
\$440,000 to \$449,999	-	1
\$450,000 to \$459,999	1	-
\$470,000 to \$479,999	1	-
\$490,000 to \$499,999	1	-
\$510,000 to \$519,999	-	1
\$560,000 to \$569,999	-	1
\$570,000 to \$579,999	1	-
\$590,000 to \$599,999	1	-
\$620,000 to \$629,999	-	1
\$1,020,000 to \$1,029,999	-	1
\$1,050,000 to \$1,059,999	1	-

26 Key management personnel disclosures continued

(d) Key management personnel compensation

(i) Members of the Queensland University of Technology

31 December 2013	Short term monetary benefits	Short term non-monetary benefits	Long term employee benefits	Termination benefits	Post-employ- ment benefits	Total \$'000
<i>Position title</i>						
Vice-Chancellor	851,281	30,538	18,774	-	127,610	1,028,203
Senior Deputy Vice-Chancellor	468,870	15,799	10,657	-	72,419	567,745
Deputy Vice Chancellor, Corporate Programs & Partnership	450,848	-	5,879	-	58,529	515,256
Deputy Vice-Chancellor, International & Development	341,592	20,664	7,460	-	50,704	420,420
Deputy Vice-Chancellor, Learning & Teaching	302,625	16,420	6,792	-	46,160	371,997
Deputy Vice-Chancellor, Research & Commercialisation	537,625	274	10,780	-	78,818	627,497
Deputy Vice-Chancellor, Technology, Information & Learning Support	342,411	185	8,099	-	45,820	396,515
Executive Director, Finance & Resource Planning	359,001	-	7,938	-	53,961	420,900
Registrar & Head, Administrative Services	379,560	-	8,292	-	56,383	444,235
Total	4,033,813	83,880	84,671	-	590,404	4,792,768

31 December 2014	Short term monetary benefits	Short term non-monetary benefits	Long term employee benefits	Termination benefits	Post-employ- ment benefits	Total \$'000
<i>Position title</i>						
Vice Chancellor	877,709	30,975	19,299	-	131,146	1,059,129
Senior Deputy Vice Chancellor	496,881	8,153	11,540	-	76,528	593,102
Deputy Vice Chancellor, Corporate Programs & Partnership	432,529	-	6,020	-	59,974	498,523
Deputy Vice Chancellor, International & Development	330,460	20,859	7,924	-	53,823	413,066
Deputy Vice Chancellor, Learning & Teaching	303,669	16,088	7,823	-	53,186	380,766
Deputy Vice Chancellor, Research & Commercialisation	484,894	-	11,060	-	75,227	571,181
Deputy Vice Chancellor, Technology, Information & Learning Support	326,439	7,874	7,252	-	35,604	377,169
Executive Director, Finance & Resource Planning	380,008	-	9,061	-	61,586	450,655
Registrar & Head, Administrative Services	402,331	-	9,132	-	62,094	473,557
Total	4,034,920	83,949	89,111	-	609,168	4,817,148

26 Key management personnel disclosures continued

(e) Performance payments to key management personnel

The basis for performance payments made is set out in the table below.

Position Title	Date paid	Basis for payment
2013		
Vice-Chancellor	31 May 2013	Bonus payable on meeting performance targets up to 15% of salary.
Senior Deputy Vic-Chancellor	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Corporate Programs and Partnerships	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, International & Development	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Learning & Teaching	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Research & Commercialisation	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Technology, Information & Learning Support	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Executive Director, Finance & Resource Planning	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.
Registrar & Head, Administrative Services	19 April 2013	Bonus payable on meeting performance targets up to 10% of salary.

Position Title	Date paid	Basis for payment
2014		
Vice-Chancellor	02 May 2014	Bonus payable on meeting performance targets up to 15% of salary.
Senior Deputy Vice-Chancellor	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Corporate Programs & Partnerships	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, International & Development	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Learning & Teaching	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Research & Commercialisation	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Deputy Vice-Chancellor, Technology, Information & Learning Support	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Executive Director, Finance & Resource Planning	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.
Registrar & Head, Administrative Services	18 April 2014	Bonus payable on meeting performance targets up to 10% of salary.

The aggregate performance bonuses paid to all key management personnel are as follows:

	Parent entity 2014 \$'000	Parent entity 2013 \$'000
Key management personnel	339	317
	339	317

26 Key management personnel disclosures continued

(f) Loans to key management personnel

In 2014 there were no loans to key management personnel.

(g) Other transactions with key management personnel

In 2014 there were no other transactions with key management personnel.

27 Remuneration of auditors

During the year the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Audit and review of the Financial Statements				
Fees paid to Queensland Audit Office:				
Audit and review of financial reports and other audit work under the Financial Accountability Act 2009	285	315	251	281
Total remuneration for Audit services	285	315	251	281
Other audit and assurance services				
Fees paid to PriceWaterhouseCoopers:				
Audit services	10	-	10	-
Fees paid to Ernst & Young:				
Advisory and tax services	7	7	7	7
Fees paid to BDO Kendalls (Qld) Pty Ltd:				
Audit services	2	39	2	39
Fees paid to Barr Group Pty Ltd:				
Audit services	7	7	7	7
Fees paid to Moore Stephens Pty Ltd:				
Advisory services	1	-	1	-
Fees paid to KPMG:				
Audit services	70	-	70	-
Total remuneration for other audit and assurance services	97	53	97	53
Total remuneration of auditors	382	368	348	334

28 Contingencies

(a) Contingent liabilities

The University had contingent liabilities as at 31 December 2014 in respect of:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Legal disputes and claims	2,618	2,618	2,618	2,618
	2,618	2,618	2,618	2,618

(b) Contingent assets

The University had contingent assets at 31 December 2014 in respect of:

	Consolidated		Parent	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
QUT's interest in Leaf Energy Ltd shares held by qutbluebox	-	-	353	129
	-	-	353	129

Movements in contingent assets and contingent liabilities are as follows:

	Consolidated			
	Contingent Assets		Contingent Liabilities	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Opening balance 1 January	-	-	2,618	2,097
Additional and increased contingent assets/liabilities recognised during the reporting period	-	-	-	521
Closing balance 31 December	-	-	2,618	2,618

(c) Additional disclosure

Financial guarantee

A financial guarantee equivalent to the value of 6 months rent plus GST was provided to the Cromwell Group as part of the tenancy agreement for the QUT occupation at 88 Musk Avenue Kelvin Grove and must be maintained for the duration of the tenancy agreement which expires on November 2016 with the option for further extensions.

29 Commitments

(a) Capital commitments

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

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<i>Property, plant and equipment</i>				
Within one year	36,622	32,465	36,622	32,465
Between one and five years	-	20,171	-	20,171
Total	36,622	52,636	36,622	52,636

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<i>Intangibles</i>				
Within one year	65	205	65	205
Total	65	205	65	205

The above property, plant and equipment commitments include capital projects: Creative Industries Phase II at Kelvin Grove, 2014: \$20.4 million (2013: \$52.6 million); and the upgrade of Q Block at Gardens Point 2014: \$11.08 million. There are no capital projects with commitments greater than one year.

(b) Lease commitments

(i) Operating leases

The University leases various offices, research facilities and warehouses under non-cancellable operating leases. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the leases are renegotiated.

The University has a number of operating lease commitments relating to office accommodation and motor vehicles.

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

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Within one year	12,990	7,820	12,990	7,820
Between one year and five years	13,830	25,028	13,830	25,028
Later than five years	49,690	51,145	49,690	51,145
Total future minimum lease payments	76,511	83,993	76,511	83,993

The weighted average interest rate implicit in the non-cancellable operating leases is 3.59% (2013: 3.67%).

The University has four leases which have been prepaid and are not included in the commitments calculation.

(ii) Finance leases

The University does not have any finance leases.

30 Related Parties

(a) Parent entities

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

(b) Subsidiaries

Interests in subsidiaries are set out in note 31.

(c) Key management personnel

Disclosures relating to directors and specified executives are set out in note 26.

(d) Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
<i>Sale of goods and services</i>				
Subsidiaries	1,617	2,203	1,617	2,203
Total sale of goods and services	1,617	2,203	1,617	2,203
<i>Purchase of goods and services</i>				
Subsidiaries	76	19	76	19
Other related parties				
Winners-at-work Pty Ltd	7	18	7	18
Mary O'Kane & Associates Pty Ltd	9	-	9	-
Sauce Digital P/L	5	8	5	8
Total purchase of goods and services	97	45	97	45
<i>Other transactions</i>				
Capital contribution provided to subsidiaries	-	-	5,500	5,000
Total other transactions	-	-	5,500	5,000

The transactions with other 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*, though are worthy of note:

Translational Research Institute (TRI)

The Institute is a joint venture operation between the University of Queensland, Queensland University of Technology, Mater Medical Research Institute Ltd and Queensland Health, developed with the aim of translating the findings of basic biomedical research into better patient outcomes. TRI is Australia's newest and most comprehensive medical research and biopharmaceutical facility.

QUT has equal holdings in the TRI Unit Trust, although does not have control or significant influence over the entity. QUT contributes towards the operational costs and also has a licence agreement (original value \$25 million) to occupy the TRI building over 30 years, with an option to extend for a further 20 years at peppercorn rate.

30 Related Parties continued

(d) Transactions with related parties continued

Herston Imaging Research Facility (HIRF)

QUT has 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 over a period of 5 years.

Queensland Children's Medical Research Institute (QCMRI)

QUT has entered into an agreement between Queensland Health and the University of Queensland to contribute towards an academic and research facility on a site adjoining the Queensland Children's Hospital. A commitment deed entered has been agreed providing for a 30 year lease on a portion of the premises.

31 Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in note 1(b):

For the year ended 31 December 2014

Name of entity	Country of incorporation	Class of shares	Equity holding %
GeneCo Pty Ltd	Australia	Ordinary	100.00
Brisbane Business School Pty Ltd	Australia	Ordinary	100.00
QUT Enterprise Holdings Pty Ltd	Australia	Ordinary	100.00
QUT Enterprise Holdings Trust	Australia	N/A	100.00
qutbluebox Pty Ltd	Australia	Ordinary	100.00
QUT bluebox Trust	Australia	N/A	100.00
Creative Industries Precinct Pty Ltd	Australia	Ordinary	100.00

For the year ended 31 December 2013

Name of Entity	Country of incorporation	Class of shares	Equity holding %
GeneCo Pty Ltd	Australia	Ordinary	100.00
Brisbane Business School Pty Ltd	Australia	Ordinary	100.00
QUT Enterprise Holdings Pty Ltd	Australia	Ordinary	100.00
QUT Enterprise Holdings Trust	Australia	N/A	100.00
qutbluebox Pty Ltd	Australia	Ordinary	100.00
QUT bluebox Trust	Australia	N/A	100.00
Creative Industries Precinct Pty Ltd	Australia	Ordinary	100.00

The above listed entities were established under authority of the Queensland University of Technology Act 1998 (Section 60).

31 Subsidiaries continued

GeneCo Pty Ltd was established to undertake research into gene probe technology. There is 1 share of 1,562,553 shares in GeneCo Pty Ltd that is not owned by the University. GeneCo Pty Ltd did not trade during the year. The net book value of GeneCo Pty Ltd has been fully diminished.

Brisbane Business School Pty Ltd was established in 1999 in order to establish the business name 'Brisbane Business School'. Brisbane Business School Pty Ltd did not trade during the year.

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 QUT owned entities established to undertake or to initiate, promote, facilitate and oversee research and development projects, and education and training programs in relation to any University discipline. Creative Industries Precinct Pty Ltd and qutbluebox Pty Ltd are subsidiaries of QUT Enterprise Holdings Trust. The accounts are presented to QUT and consolidated with QUT accounts.

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 QUT intellectual property. Under an agreed management and governance framework, QUT bluebox Trust will make decisions in relation to registration and use of intellectual property and the establishment of spin off companies. The accounts are presented to QUT Enterprise Holdings 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 company accounts are independently prepared and consolidated into the accounts of QUT Enterprise Holdings Trust.

32 Jointly controlled operations and assets

Kelvin Grove Urban Village (KGUV)

The joint venture arrangement between the University and the Queensland Government to establish the Kelvin Grove Urban Village (KGUV), a 16.5 hectare site adjacent to the present Kelvin Grove campus, ceased on 31 December 2013. All property owners of the KGUV are now responsible for the soft landscaping on their property frontages.

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

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Operating result for the period	33,583	56,321	33,887	56,304
<i>Non cash income statement movements</i>				
Depreciation and amortisation	57,814	55,010	57,813	54,979
Net (gain) / loss on sale of plant and equipment	280	368	280	361
Income from distributions received	(1,013)	(685)	(1,013)	(685)
<i>(Increase) / decrease in trade and other receivables</i>				
(Increase) / decrease in student loans	30	(33)	30	(33)
Increase / (decrease) in provision for doubtful debts	(47)	18	(47)	18
(Increase) / decrease in trade debtors	(24,969)	1,268	(24,619)	1,428
Increase / (decrease) in provision for doubtful debts	(1,504)	(922)	(1,510)	(910)
(Increase) / decrease in student fees debtors	(29)	74,944	(29)	74,944
Increase / (decrease) in provision for doubtful debts	(48)	104	(48)	104
Increase / (decrease) in goods and services tax refund due	(2,251)	(818)	(2,102)	(818)
(Increase) / decrease in other receivables	(16,006)	(2,618)	(15,934)	(2,618)
(Increase) / decrease in inventories	552	(8)	552	(8)
(Increase) / decrease in other financial assets at fair value through profit or loss	(15,091)	(34,333)	(10,589)	(29,627)
<i>Increase / (decrease) in payables</i>				
Increase / (decrease) in OS HELP liability to Australian Government	3,000	237	3,000	237
Increase / (decrease) in trade creditors	(3,111)	(2,642)	(3,269)	(3,146)
Increase / (decrease) in unearned revenue	773	(66,552)	707	(66,552)
Increase / (decrease) in accrued expenses	(2,777)	(5,737)	(3,519)	(5,737)
Increase / (decrease) in grants in advance	-	32	-	32
Increase / (decrease) in accrued employee benefits	9,410	7,383	9,222	7,369
Increase / (decrease) in other operating liabilities	59	(2,119)	59	(2,131)
Net cash provided by / (used in) operating activities	38,655	79,218	42,871	83,511

34 Financial Risk Management

The University's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The University's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the University. The University uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

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

	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	121,967	164,959	117,150	160,448
Trade and other receivables	134,901	89,972	134,405	89,533
Available for sale financial assets	979	184	-	-
Other financial assets	308,902	296,788	313,754	300,865
Total financial assets	566,749	551,903	565,309	550,846
	Consolidated		Parent	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Financial liabilities				
Trade and other payables	28,752	32,257	27,638	31,439
Borrowings (commercial)	74,887	76,196	74,887	76,196
Borrowings (non-commercial)	21,097	20,921	21,097	20,921
Total financial liabilities	124,736	129,374	123,622	128,556

(a) Market risk

(i) Foreign exchange risk

The risk to the University that currency fluctuations will occur due to changes in the foreign exchange rates is usually minimal, as the majority of contracts are in Australian dollars. Fees charged to overseas students are generally denominated in Australian dollars. For the small number of contracts settled in other currencies payment is usually made within thirty days. The exception to this, are contracts placed by the Library in Euros, GB pounds and US dollars early in the year, of which the majority are settled in the second half of the year. QUT received approval to undertake limited derivative transactions as cited in the *Statutory Bodies Financial Amendment Regulation (No 1) 2011*. The University is limited to foreign exchange forward contracts and foreign exchange options contracts only. Transactions are limited to hedge against exposure to foreign currency rate movements in relation to the payment of annual library subscriptions and purchase of high cost assets. All foreign exchange forward contracts were exercised prior to year end.

The University monitors its exposure to foreign currency risk and responds to this in an ongoing manner as part of its budget and treasury management review procedures where material.

(ii) Price risk

The risk to the University is that the value of a financial instrument will fluctuate as a result of changes in market prices. The University prices goods and services based on a combination of cost recovery, or market forces depending on the type of item supplied. The University's biggest exposures to competitive market movements in price levels are for its market based investments with QIC, where funds are invested in the QIC Growth Fund, the QIC Australian Fixed Interest Fund, the QIC Inflation Plus Fund and the QIC Stable Fund. The University monitors its investments with QIC and provides regular reports to management and University Council for high level review and action as required.

34 Financial Risk Management continued

(a) Market risk continued

(iii) Cash flow and fair value interest rate risk

The University's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations. The University's commercial borrowings are all obtained through QTC with a blended rate derived from QTC's generic debt pool over 30 year terms, with a 15 year market readjustment. The University has limited exposure to interest rate risk due to interest free borrowing programs (through the Smart State Loans and Innovation Building Fund) and the long-term debt through QTC's generic debt pool.

The University's exposure to market risk for changes in interest rates also relates to short-term investments. The University minimises its exposure to fluctuating market interest rates by diversifying the University's investments in cash, fixed interest and short term investments with approved financial institutions. The risk sensitivity adopted by the University is + / - 1%. This reflects market conditions generally, whereby interest rates have the capacity to move by these margins within a 12 month period.

(iv) Summarised sensitivity analysis

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

31 December 2014	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-1%		+1%		-10%		+10%		-10%		+10%	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Financial assets													
Cash and cash equivalents	121,967	(1,220)	(1,220)	1,220	1,220	-	-	-	-	-	-	-	-
Receivables	134,902	-	-	-	-	44	44	(36)	(36)	-	-	-	-
Other financial assets													
QIC investments	304,722	-	-	-	-	-	-	-	-	(30,472)	(30,472)	30,472	30,472
Listed securities	2,900	-	-	-	-	-	-	-	-	(290)	(290)	290	290
Unlisted securities / managed funds	1,280	-	-	-	-	-	-	-	-	(128)	(128)	128	128
Available for sale financial assets	979	-	-	-	-	-	-	-	-	(98)	(98)	98	98
Sub-total	-	(1,220)	(1,220)	1,220	1,220	44	44	(36)	(36)	(30,988)	(30,988)	30,988	30,988
Financial liabilities													
Trade and other payables	28,752	-	-	-	-	(113)	(113)	92	92	-	-	-	-
Borrowings (commercial)	74,887	749	749	(749)	(749)	-	-	-	-	-	-	-	-
Borrowings (non-commercial)	21,097	-	-	-	-	-	-	-	-	-	-	-	-
Other liabilities	33,851	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	749	749	(749)	(749)	(113)	(113)	92	92	-	-	-	-
Total increase/(decrease)		(471)	(471)	471	471	(69)	(69)	56	56	(30,988)	(30,988)	30,988	30,988

34 Financial Risk Management continued

(a) Market risk continued

31 December 2013	Carrying amount \$'000	Interest rate risk				Foreign exchange risk				Other price risk			
		-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	\$'000
Financial assets													
Cash and cash equivalent	164,959	(1,650)	(1,650)	1,650	1,650	-	-	-	-	-	-	-	-
Receivables	89,972	-	-	-	-	2	2	(2)	(2)	-	-	-	-
Other financial assets													
QIC investment funds	293,054	-	-	-	-	-	-	-	-	(29,305)	(29,305)	29,305	29,305
Listed securities	2,743	-	-	-	-	-	-	-	-	(274)	(274)	274	274
Unlisted securities / managed funds	1,175	-	-	-	-	-	-	-	-	(118)	(118)	118	118
Sub-total	-	(1,650)	(1,650)	1,650	1,650	2	2	(2)	(2)	(29,697)	(29,697)	29,697	29,697
Financial liabilities													
Trade and other payables	32,256	-	-	-	-	(62)	(62)	50	50	-	-	-	-
Borrowings (commercial)	76,196	762	762	(762)	(762)	-	-	-	-	-	-	-	-
Borrowings (non-commercial)	20,921	-	-	-	-	-	-	-	-	-	-	-	-
Sub-total	-	762	762	(762)	(762)	(62)	(62)	50	50	-	-	-	-
Total increase/(decrease)		(888)	(888)	888	888	(60)	(60)	48	48	(29,697)	(29,697)	29,697	29,697

(b) Credit risk

The risk to the University that one party of a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss is considered minimal. The University undertakes credit checks on new debtors where the assessed value exceeds \$5,000. In addition, credit risk is minimised by trading with a substantial number of parties. Credit checks are not required for government departments, public statutory bodies and government and semi government agencies. Where a customer fails a credit check, any work undertaken by the University must be paid for in advance.

For wholesale customers without credit rating, the University generally retains title over the goods sold until full payment is received. For some trade receivables, the University may also obtain security in the form of guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

(c) Liquidity risk

The risk to the University that the entity will encounter difficulty in raising funds to meet commitments is managed within the University's investment and borrowings policy. The investment policy keeps a safety net level of cash and cash equivalent financial assets in order to satisfy the University's financial liabilities as they fall due. The University has a very sound financial position and regularly monitors liquidity as part of its treasury operations, budget review and reporting arrangements. In regards to borrowings the University has an established working capital loan facility (of up to \$11.5 million for 30 days) to act as a safety net for short term cash requirements. This facility has not been used since 2009. The University also has non-commercial and commercial borrowings. The non-commercial borrowings are through the Queensland Government's Smart State Research Facilities Fund and the Innovation Building Fund and the commercial borrowings are through QTC. The borrowings through the Queensland Government's Smart State Research Facilities Fund are to be repaid on the 5th of January 2015. The aggregate loan repayment amount totals \$21,096,695 as per the termination of the loan agreement between the University and the Department of Science, Information Technology, Innovation and the Arts. The approved QTC borrowings for infrastructure projects are interest bearing 30 year commercial loan agreements.

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

34 Financial Risk Management continued

(c) Liquidity risk continued

The following table summarises the maturity of the University's financial assets and financial liabilities:

	Average interest rate		Variable interest rate		Within 1 year		1 - 5 years		5+ years		Non-interest		Total	
	2014 %	2013 %	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial Assets:														
Cash and cash equivalents	3.50	3.94	16,287	64,959	105,681	100,000	-	-	-	-	-	-	121,968	164,959
Receivables	-	-	-	-	-	-	-	-	-	-	134,901	89,972	134,901	89,972
Other financial assets														
QIC investment funds	-	-	-	-	-	-	-	-	-	-	304,722	293,054	304,722	293,054
Listed securities	-	-	-	-	-	-	-	-	-	-	2,900	2,559	2,900	2,559
Unlisted securities / managed funds	-	-	-	-	-	-	-	-	-	-	1,280	1,175	1,280	1,175
Available for sale financial assets	-	-	-	-	-	-	-	-	-	-	979	184	979	184
Total Financial Assets			16,287	64,959	105,681	100,000	-	-	-	-	444,782	386,944	566,750	551,903
Financial Liabilities:														
Trade and other payables	-	-	-	-	-	-	-	-	-	-	28,752	32,257	28,752	32,257
Borrowings (commercial)	5.01	5.03	-	-	1,601	1,127	7,292	5,208	65,994	69,861	-	-	74,887	76,196
Borrowings (non-commercial)	-	-	-	-	-	-	-	-	-	-	21,097	20,921	21,097	20,921
Total Financial Liabilities			-	-	1,601	1,127	7,292	5,208	65,994	69,861	49,849	53,178	124,736	129,374

35 Fair value measurement

(a) Fair value measurements

The fair value financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of current receivable and payables, their carrying value is assumed to approximate their fair value. Based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

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

Consolidated	Note	Carrying Amount	
		2014 \$'000	2013 \$'000
Financial assets			
Cash and cash equivalents	15	121,968	164,959
Receivables	16	134,901	89,972
Available for sale financial assets	18	979	184
Other financial assets	18	308,902	296,788
Total financial assets		566,750	551,903

Financial liabilities			
Trade and other payables	21	28,752	32,257
Borrowings (commercial)	22	74,887	76,196
Borrowings (non-commercial)	22	21,097	20,921
Total financial liabilities		124,736	129,374

Consolidated	Note	Fair Value	
		2014 \$'000	2013 \$'000
Financial assets			
Cash and cash equivalents	15	121,968	164,959
Receivables	16	134,901	89,972
Available for sale financial assets	18	979	184
Other financial assets	18	308,902	296,788
Total financial assets		566,750	551,903

Financial liabilities			
Trade and other payables	21	28,752	32,257
Borrowings (commercial)	22	84,736	76,877
Borrowings (non-commercial)	22	21,097	20,921
Total financial liabilities		134,585	130,055

35 Fair value measurement continued

(b) Fair value hierarchy

Queensland University of Technology uses the following hierarchy for determining and disclosing the fair value of assets and liabilities by valuation technique:

- Level 1** The fair value of financial assets and financial liabilities with standard terms and conditions and traded in an active market is based on (unadjusted) quoted market prices.
- Financial assets are priced at current bid prices, while financial liabilities are priced at current asking prices. Assets and liabilities in this category include certain equity and debt investments where quoted prices are available from an active market.
- Level 2** The fair value of financial assets and liabilities is determined by using quoted market prices in inactive markets for similar instruments or quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly (prices) or indirectly (derived from prices) observable from market data, other than quoted prices included in Level 1.
- Level 3** Where financial instruments are measured using valuation techniques based on unobservable inputs or observable inputs to which significant adjustments have been applied, such instruments are included in level 3 of the fair value hierarchy.

(i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2014.

Fair value measurements at 31 December 2014

Consolidated	Note	2014 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Other financial assets	18				
QIC investment funds		304,722	-	304,722	-
Listed securities		2,900	2,900	-	-
Unlisted securities / managed funds		1,280	-	-	1,280
Total financial assets		308,902	2,900	304,722	1,280
Land, buildings, heritage & cultural assets	19	837,027	-	230,545	606,482
Total non-financial assets		837,027	-	230,545	606,482
Financial liabilities					
Borrowings (commercial)	22	74,887	-	74,887	-
Borrowings (non-commercial)	22	21,097	-	-	21,097
Total liabilities		95,984	-	74,887	21,097

35 Fair value measurement continued

(b) Fair value hierarchy continued

Fair value measurements at 31 December 2013

Consolidated	Note	2013 \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Recurring fair value measurements					
Financial assets					
Other financial assets	18				
QIC investment funds		293,054	-	293,054	-
Listed securities		2,743	2,743	-	-
Unlisted securities / managed funds		1,175	-	-	1,175
Total financial assets		296,972	2,743	293,054	1,175
Land, buildings, heritage & cultural assets	19	829,402	-	211,437	617,965
Financial liabilities					
Borrowings (commercial)	22	76,196	-	76,196	-
Borrowings (non-commercial)	22	20,921	-	-	20,921
Total financial liabilities		97,117	-	76,196	20,921

There are no non-recurring fair value measurements.

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

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

(ii) Disclosed fair values

The fair value of assets or liabilities traded in active markets (such as publicly traded securities, and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the reporting date (level 1). This is the most representative of fair value in the circumstances.

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to QUT for similar financial instruments (level 3).

The fair value of non-current borrowings disclosed in note 22 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the consolidated entity for similar financial instruments. For the period ending 31 December 2014, the borrowing rates were determined to be between 5.01% and 5.55%, depending on the timing of borrowing. The University's commercial borrowings are payable to QTC. The carrying amount (book value) is a traditional measure of indebtedness and is used to record the value of a borrowing for accounting purposes. The fair value (market value) of the debt reflects the remaining cash flows required to repay the debt, valued at the current market rate of interest at the time. The fair value represents the true value of the borrowers indebtedness and hence the amount that would be required to be paid to extinguish the debt outstanding.

The University's non-commercial borrowings are interest free loans repayable through the Queensland Governments Smart State Research Facilities Fund and the Innovative Building Fund. The carrying amount and fair value of these financial liabilities is based on the agreed repayment amount to extinguish the debt on the 5th January 2015. This agreement is between the University and the Department of Science, Information Technology, Innovation and the Arts.

35 Fair value measurement continued

(c) Valuation techniques used to derive level 2 and level 3 fair values

(i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, fixed interest securities) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

For Queensland Government related entity financial instruments such as QIC Funds, QTC borrowings and the QTC cash fund. The fair value is measured using reports provided by QIC and QTC, such as QIC client product summaries, QTC borrowings statements and QTC cash fund statements. These financial instruments are only available to Queensland Government related entities and thus are not able to be traded in active markets.

The valuation technique used to calculate fair value for Land and Artwork is the market approach and for Buildings and Heritage Buildings is the cost approach.

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 which are explained in (d) below.

35 Fair value measurement continued

(d) Fair value measurements using significant unobservable inputs (level 3)

The following table is a reconciliation of level 3 items for the periods ended 31 December 2014 and 2013:

Consolidated

	Unlisted securities / managed funds \$'000	Buildings and heritage assets \$'000	Total \$'000
Level 3 Fair Value Measurements 2014			
Financial Assets			
Opening balance	1,175	617,964	619,139
Total gains/(losses) in profit or loss	105	(33,344)	(33,239)
Total gains/(losses) in comprehensive income	-	9,731	9,731
Purchases	-	12,132	12,132
Sales	-	(1)	(1)
Closing balance	1,280	606,482	607,762
Level 3 Fair Value Measurements 2013			
Financial Assets			
Opening balance	1,014	477,760	478,774
Total gains/(losses) in profit or loss	161	(33,013)	(32,852)
Total gains/(losses) in comprehensive income	-	(38,991)	(38,991)
Purchases	-	212,373	212,373
Sales	-	(165)	(165)
Closing balance	1,175	617,964	619,139

Consolidated

	Borrowings non-commercial \$'000	Total \$'000
Level 3 Fair Value Measurements 2014		
Financial Liabilities		
Opening balance	20,921	20,921
Total gains/(losses) in profit or loss	176	176
Closing balance	21,097	21,097
Level 3 Fair Value Measurements 2013		
Financial Liabilities		
Opening balance	19,407	19,407
Total gains/(losses) in profit or loss	(3,486)	(3,486)
Issued debt	5,000	5,000
Closing balance	20,921	20,921

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

35 Fair value measurement continued

(d) Fair value measurements using significant unobservable inputs (level 3) continued

(i) Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value at 31 December 2014 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)	Relationship of unobservable inputs to fair value
Unlisted securities / managed funds	1,280	earnings growth	+/- 10%	the higher the earnings growth the higher the fair value
Borrowings (non-commercial)	21,097	risk adjusted discount rate	4% - 6%	the lower the discount rate the higher the net present value of the non-commercial borrowings
Buildings and heritage buildings	577,928	estimate of the remaining service potential based on an assessment of current physical conditions	+/- 10%	increase / decrease in these factors would increase / decrease the fair value by 10%
Artwork	28,554	estimates around the condition of the artwork and changes in market demand of certain artists	+/- 15%	increase / decrease in these factors would increase / decrease the fair value by 7%

*There were no significant inter-relationship between unobservable inputs that materially affects fair value

The accompanying notes form part of these financial statements.

36 Acquittal 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 Australian Government for the program)

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Commonwealth Grants Scheme #1		Indigenous Support Program		Capital Development Pool		Partnership and Participation Program #2	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	241,008	238,867	1,629	1,649	-	-	8,898	12,287
2(a)	241,008	238,867	1,629	1,649	-	-	8,898	12,287
	-	-	-	-	-	1,707	-	-
	241,008	238,867	1,629	1,649	-	1,707	8,898	12,287
	(241,008)	(238,867)	(1,629)	(1,649)	-	(1,707)	(8,898)	(12,287)
	-	-	-	-	-	-	-	-

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(a) Education - CGS and other education grants continued

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Promo of Exc in Learning and Teaching		Reward Funding		Improving the Quality of Maths & Science Teaching Program			Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2013 \$'000
	807	465	-	577	1,088	-	253,430	253,845	
	-	-	-	-	(1,088)	1,088	(1,088)	1,088	
2(a)	807	465	-	577	-	1,088	252,342	254,933	
	-	-	-	-	1,088	-	1,088	1,707	
	807	465	-	577	1,088	1,088	253,430	256,640	
	(170)	(465)	-	(577)	(626)	-	(252,331)	(255,552)	
	637	-	-	-	462	1,088	1099	1,088	

#1 basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, Maths and Science Transition Loading and Full Fee Places Transition Loading.

#2 Includes Equity Support Program.

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(b) Higher education loan programmes (excl OS-HELP)

	HECS-HELP (Aust. Government payments only)						FEE-HELP #3			SA-HELP			Total	
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'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	(5,285)	(2,035)			(525)	(1,593)	(15)	(385)			(5,825)	(4,013)		
Financial assistance received in cash during the reporting period	182,003	168,199	23,976	21,919	4,030	4,006	210,009	194,124						
Cash available for the period	176,718	166,164	23,451	20,326	4,015	3,621	204,184	190,111						
Less revenue earned	182,352	170,020	24,233	20,852	4,014	3,622	210,599	194,494						
Accrual adjustment	113	(1,429)	(1,363)	1	208	(15)	(1,042)	(1,443)						
Cash Payable/(Receivable) at the end of the year	(5,521)	(5,285)	(2,145)	(525)	209	(16)	(7,457)	(5,826)						

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

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(c) Scholarships

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

2(c)

Australian Postgraduate Awards	2014 2013 \$'000	2014 2013 \$'000	International Postgraduate Research Scholarships 2014 2013 \$'000	Commonwealth Education Cost Scholarships ^{##}		Commonwealth Accommodation Scholarships ^{##}	
				2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
8,304	7,721	671	652	335	(480)	279	(33)
8,304	7,721	671	652	335	(480)	279	(33)
1,041	845	-	-	-	-	-	53
9,345	8,566	671	652	335	(480)	279	20
(8,430)	(7,525)	(604)	(652)	(277)	480	(176)	(20)
915	1,041	67	-	58	-	103	-

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(c) Scholarships continued

Parent Entity (University) Only

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

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Indigenous Access Scholarship		Indigenous Staff Scholarships			Total	
	2014	2013	2014	2013	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	464	22	43	43	43	10,096	7,925
2(c)	464	22	43	43	43	10,096	7,925
	-	6	-	-	-	1,041	904
	464	28	43	43	43	11,137	8,829
	(567)	(28)	(27)	(43)	(43)	(10,081)	(7,788)
	(103)	-	16	-	-	1,056	1,041

#4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

	(d) Education research															
	Joint Research Engagement				Research Training Scheme				Research Infrastructure Block Grants ^{#5}				Sustainable Research Excellence in Universities ^{#6}			
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	Total	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'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)	10,261	8,911	19,387	18,735	3,595	3,370	2,426	2,363	35,669	33,379						
Revenue for the period	10,261	8,911	19,387	18,735	3,595	3,370	2,426	2,363	35,669	33,379						
Surplus/(deficit) from the previous year	-	-	-	-	865	445	1,501	704	2,366	1,149						
Total revenue including accrued revenue	10,261	8,911	19,387	18,735	4,460	3,815	3,927	3,067	38,035	34,528						
Less expenses including accrued expenses	(10,261)	(8,911)	(19,387)	(18,735)	(3,990)	(2,950)	(3,524)	(1,566)	(37,162)	(32,162)						
Surplus/(deficit) for the reporting period	-	-	-	-	470	865	403	1,501	873	2,366						

#5 The reported surplus for Research Infrastructure Block Grants of \$470,000 for 2014 is expected to be rolled over for future use by Education.

#6 The reported surplus for Sustainable Research Excellence in Universities of \$403,000 for 2014 is expected to be rolled over for future use by Education.

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(e) Australian Research Council Grants

(i) Discovery

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Projects		Fellowships		Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
	5,519	5,585	7,677	4,575	13,196	10,160
	340	215	-	-	340	215
2(e)(i)	5,859	5,800	7,677	4,575	13,536	10,375
	4,029	3,626	2,567	2,622	6,596	6,248
	9,888	9,426	10,244	7,197	20,132	16,623
	(5,422)	(5,397)	(5,424)	(4,630)	(10,846)	(10,027)
	4,466	4,029	4,820	2,567	9,286	6,596

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(e) Australian Research Council Grants continued

(ii) Linkages

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Infrastructure		Projects			Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	
	280	-	3,805	5,248	4,085	5,248	
	-	140	144	108	144	248	
2(e)(ii)	280	140	3,949	5,356	4,229	5,496	
	377	603	3,060	4,985	3,437	5,588	
	657	743	7,009	10,341	7,666	11,084	
	(161)	(366)	(3,566)	(7,281)	(3,727)	(7,647)	
	496	377	3,443	3,060	3,939	3,437	

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(e) Australian Research Council Grants continued

(iii) Networks and Centres and Special Research Initiatives

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

	Centres		ARC Unexpended		Total Networks and Centres		
	2014	2013	2014	2013	2014	2013	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
	2,796	1,939	(69)	(2)	2,727	1,937	
	418	287	-	-	418	287	
2(e)(iii)	3,214	2,226	(69)	(2)	3,145	2,224	
	402	368	-	-	402	368	
	3,616	2,594	(69)	(2)	3,547	2,592	
	(2,159)	(2,192)	69	2	(2,090)	(2,190)	
	1,457	402	-	-	1,457	402	

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(e) Australian Research Council Grants continued

(iii) Networks and Centres and Special Research Initiatives

Parent Entity (University) Only

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

Net accrual adjustments

Revenue for the period

Surplus/(deficit) from the previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus/(deficit) for the reporting period

Special Research Initiatives		Total	
2014	2013	2014	2013
\$'000	\$'000	\$'000	\$'000
855	1,230	3,582	3,167
-	-	418	287
855	1,230	4,000	3,454
583	-	985	368
1,438	1,230	4,985	3,822
(708)	(647)	(2,798)	(2,837)
730	583	2,187	985

2(e)(iii)

The accompanying notes form part of these financial statements.

36 Acquittal of Australian Government Financial Assistance continued

(f) OS-HELP

Parent Entity (University) Only

Cash received during the reporting period
Cash spent during the reporting period
Net cash received
Cash surplus/(deficit) from the previous period
Cash surplus/(deficit) for the reporting period

2014	2013
\$'000	\$'000
5,661	1,608
(2,661)	(1,371)
3,000	237
293	56
3,293	293

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(g) Student Services and Amenities Fee

Parent Entity (University) Only

Unspent/(overspent) revenue from previous period
SA-HELP revenue earned
Student services fees direct from students
Total revenue expendable in period
Student services expenses during period
Unspent/(overspent) student services revenue

2014	2013
\$'000	\$'000
4,264	2,291
4,014	3,622
2,974	3,062
11,252	8,975
(8,200)	(4,711)
3,052	4,264

2(b)

4

The accompanying notes form part of these financial statements.

We have prepared the annual financial report pursuant to the provisions of the *Financial Accountability Act 2009* and *Financial and Performance Management Standard 2009*, and other prescribed requirements and certify that:

(a) the financial reports are in agreement with the accounts and records of the Queensland University of Technology and its controlled entities; and

(b) in our opinion:

- (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
- (ii) the financial reports have been drawn up to present a true and fair view of the transactions of the Queensland University of Technology for the period 1 January 2014 to 31 December 2014 and of the financial position as at 31 December 2014 in accordance with prescribed accounting standards and conform with the Financial Statement Guidelines for Australian Higher Education Providers for the 2014 Reporting Period issued by the Australian Government Department of Education;
- (iii) at the time of the certificate, there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
- (iv) the amount of Australian Government financial assistance expended during the reporting period was for the purpose(s) for which it was intended and Queensland University of Technology has complied with applicable legislation, contracts, agreements and programme guidelines in making expenditure; and
- (v) Queensland University of Technology charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



T V Fairfax, AC
Chancellor



O P Coaldrake, AO
Vice Chancellor



C R Cartwright, FCPA
Director, Corporate Finance and
Chief Financial Officer

Dated at Brisbane the 26th day of FEBRUARY 2015.

INDEPENDENT AUDITOR'S REPORT

To the Council of the Queensland University of Technology

Report on the Financial Report

I have audited the accompanying financial report of the Queensland University of Technology, which comprises the statements of financial position as at 31 December 2014, the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Chancellor, Vice Chancellor and Director, Corporate Finance and Chief Financial Officer of the entity and the consolidated entity comprising the University and the entities it controlled at the year's end or from time to time during the financial year.

The Council's Responsibility for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Council, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can be removed only by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

In accordance with s.40 of the *Auditor-General Act 2009*:

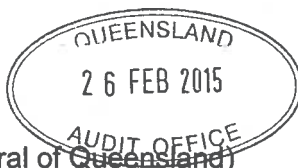
- (a) I have received all the information and explanations which I have required
- (b) in my opinion:
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Queensland University of Technology and the consolidated entity for the financial year 1 January 2014 to 31 December 2014 and of the financial position as at the end of that year.

Other Matters - Electronic Presentation of the Audited Financial Report

Those viewing an electronic presentation of these financial statements should note that audit does not provide assurance on the integrity of the information presented electronically and does not provide an opinion on any information which may be hyperlinked to or from the financial statements. If users of the financial statements are concerned with the inherent risks arising from electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.



J WELSH FCPA
as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Glossary

AAUT Australian Awards for University Teaching

AC Companion of the Order of Australia

AM Member of the Order of Australia

ARMC Audit and Risk Management Committee

AO Officer of the Order of Australia

APCRC-Q Australian Prostate Cancer Research Centre – Queensland

ARC Australian Research Council

ASA Academic Skills Adviser

ATN Australian Technology Network

AusHSI Australian Centre for Health Services Innovation

Cab Caboolture

CEO Chief executive officer

CEQ Course Experience Questionnaire

CRC Co-operative Research Centre

CVO Commander of the Royal Victorian Order

DVC Deputy Vice-Chancellor

ECARD Early Career Academic Recruitment And Development

ERA Excellence in Research for Australia

FTE Full-time equivalent

GCC Global Corporate Challenge

GDS Graduate Destination Survey

GFA Gross floor area

Go8 Group Of Eight

GP Gardens Point

HDR Higher Degree Research

HEPPP Higher Education Participation and Partnerships Program

HERDC Higher Education Research Data Collection

HPC High Performance Computer

HR Human Resources

HSAs Health and Safety Advisers

IAP Introductory Academic Program

IELTS International English Language Testing System

IFE Institute for Future Environments

IHBI Institute of Health and Biomedical Innovation

ISB International Student Barometer

ITAS-TT Indigenous Tutorial Assistance Scheme–Tertiary Tuition

KG Kelvin Grove

KPI Key performance indicator

MBA Master of Business Administration

MBT Mentoring Beginning Teachers

MCAD Mid-Career Academic Development

MERF Medical Engineering Research Facility

MOPP Manual of Policies and Procedures

NCP New Colombo Plan

NHMRC National Health and Medical Research Council

OLT Office of Learning and Teaching

PPR Performance Planning and Review

POP Pre-Orientation Program

QAO Queensland Audit Office

QEH QUT Enterprise Holdings

QTAC Queensland Tertiary Admissions Centre

QUT Queensland University of Technology

SCAD Sessional Career Advancement Development

SEC Science and Engineering Centre

SEF Science and Engineering Faculty

SES socioeconomic status

SSAF Student Services and Amenities Fee

SSP Student Success Program

STEM Science, Technology, Engineering and Mathematics

TEQSA Tertiary Education Quality and Standards Agency

TESOL Teachers of English to Speakers of other Languages

THE Times Higher Education

VC Vice-Chancellor

WIL Work Integrated Learning

Campuses and facilities

Brisbane inner city

Gardens Point campus

2 George Street, Brisbane

- Institute for Future Environments
- QUT Business School
- Faculty of Law
- Science and Engineering Faculty
- Science and Engineering Centre
 - ARC Centre of Excellence in Robotic Vision
 - ARC Centre of Excellence for Mathematical and Statistical Frontiers of Big Data, Big Models and New Insights (partner)
 - Central Analytical Facility
 - The Cube
- Gardens Point Precinct
 - Old Government House
 - William Robinson Gallery
 - QUT Art Museum
 - QUT Gardens Theatre

Kelvin Grove campus

Victoria Park Road, Kelvin Grove

- Institute of Health and Biomedical Innovation
- Faculty of Health
- Centre for Accident Research and Road Safety–Queensland
- Faculty of Education
- Creative Industries Faculty
 - Gasworks Music Studio, Fortitude Valley
- Creative Industries Precinct
 - ARC Centre of Excellence for Creative Industries and Innovation
 - QUT Creative Enterprise Australia

Brisbane north

Caboolture campus

- Tallon Street, Caboolture

Canberra

- QUT Business School

Major research facilities

- QUT Medical Engineering and Research Facility, Prince Charles Hospital
- Australian Research Centre for Aerospace Automation, Brisbane Airport (partner)
- Pilot Plant and Engineering Workshops, Banyo
- Ecological Research Facility, Samford
- Australian Prostate Cancer Research Centre–Qld, Princess Alexandra Hospital (partner), Translational Research Institute
- Renewable Biocommodities Pilot Plant, Mackay
- QUT/Paediatric Spine Research Group, Mater Hospital
- QUT Carseldine Research Facility
- A number of field monitoring sites and glasshouse facilities



ATN member

QUT is a member of the Australian Technology Network (ATN) of universities. Other members are the University of Technology Sydney, RMIT University, the University of South Australia and Curtin University of Technology.



CRC participation

In addition to the Wound Management Innovation Cooperative Research Centre based at QUT, the university is a participant in another 11 CRCs: Autism; Automotive Australia 2020; Bushfire and Natural Hazards; Cell Therapy Manufacture; Optimising Resource Extraction; Plant Biosecurity; Polymers; Railway Innovation; Spatial Information; Smart Services; and Young and Well. QUT is also involved in the Defence Materials Technology Centre.



Queensland University of Technology
Brisbane Australia

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