

PART 16

Department of Education and Training

Summary of departmental portfolio Budgets

Page	Agency	2009–10 Estimate \$'000
3-99	Department of Education and Training - controlled	7,217,329
	Department of Education and Training - administered	2,437,480
3-130	Corporate and Professional Services	112,100
3-136	Queensland Studies Authority	41,111
3-144	Southbank Institute of Technology	118,824
3-150	Gold Coast Institute of TAFE	63,870

Departmental Overview

Ministerial Responsibility

The Department of Education and Training and the Office for Early Childhood Education and Care report to the Minister for Education and Training.

Recent Machinery of Government changes established the Office for Early Childhood Education and Care from 1 January 2009, and transferred Arts Queensland and related statutory authorities to the Department of the Premier and Cabinet on 26 March 2009.

Strategic Issues

The Department of Education and Training pursues three strategic objectives:

- **Laying strong educational foundations:** The preparatory and compulsory years of schooling are critical in establishing the essentials of literacy and numeracy and supporting children's holistic development. We will work to ensure that every young person is well prepared for life success through education and learning.
- **Developing skills for the economy:** A seamless education, training and higher education system will maximise learning and employment opportunities. The department will work closely with industry to ensure that our education and training services continue to respond to a changing economic environment.
- **Giving children a flying start:** Research shows that quality education early in life gives children the best start and a solid foundation for future development. We will work to ensure all Queensland children and families have access to quality early childhood education and care.

Under the Queensland Government's *Toward Q2: Tomorrow's Queensland* agenda, the department will lead the achievement of the Q2 ambition of Smart – delivering world class education and training.

- **All children will have access to a quality early childhood education program so they are ready for school.** The establishment of 240 new or extended kindergarten services across the State by 2014, combined with initiatives to support the delivery of an approved kindergarten program across all early childhood education and care settings, will lead the achievement of this Q2 target.
- **Three out of four Queenslanders will hold trade, training or tertiary qualifications.** Strategies aimed at increasing demand for higher level qualifications, improving the attainment of foundational skills and supporting increased participation and completion rates for qualifications at Certificate III and above will lead the Government's contribution towards this Q2 target.

A record level of capital investment during 2009-10, including ongoing works under the \$1 billion Tomorrow's Schools program, construction and modernisation of training facilities and the delivery of projects under the Australian Government's Building the Education Revolution, will generate significant employment opportunities and ensure the continued provision of high quality teaching and learning environments.

2009–10 Highlights

In 2009-10 the department will invest \$7.838 billion in recurrent funding and a further \$1.748 billion in infrastructure.

Laying strong educational foundations

Literacy, numeracy and science

- As part of the Literacy and Numeracy Action Plan, funding of \$72.3 million over three years, including \$20.3 million in 2009-10, will provide for:
 - additional full-time teachers to provide between 10 and 20 hours of intensive teaching each year for year 3 and 5 students not meeting national standards in literacy and numeracy;
 - up to 80 literacy and numeracy coaches in schools that are not achieving national standards; and
 - the establishment of 72 summer schools to assist some 9,000 year 5 to 7 students and to provide professional development to teachers.
- The Science Spark program comprising \$43.5 million over three years, including \$11.1 million in 2009-10, aims to reignite student interest in science across years 4 to 7 through:
 - employment of 100 new science teachers in primary schools to work with students in years 4 to 7;
 - roll out of a professional development program for primary teachers; and
 - expanding the number of Earth Smart Science Schools from 60 to 1,000 over the next three years; and
 - declaring 2010 as the Year of Environmental Sustainability in Schools.
- The Government will provide its response to Professor Geoff Masters' report *A Shared Challenge: Improving Literacy, Numeracy and Science Learning in Queensland Primary Schools* following a process of consultation with stakeholders and consideration of submissions from the community.

Infrastructure

- As part of a major investment in education infrastructure, the 2009-10 Budget provides:
 - \$301 million, as part of the five-year \$850 million State Schools of Tomorrow program, to deliver new and renewed facilities that support modern teaching methods to some of the older schools in the State;
 - \$149 million to construct a replacement school for Amberley State School, undertake staged work at five schools, make land acquisitions and to provide additional classrooms at existing schools in growth areas throughout the State;
 - \$100 million to replace and enhance facilities at existing schools;
 - \$43.7 million to continue the solar and energy efficiency program in schools; and
 - \$11 million to acquire new employee housing and refurbish existing housing stock.
- Funding of \$126.1 million is provided for school maintenance during 2009-10, which includes the redirection of \$45 million from the State Schools of Tomorrow program.
- Funding of \$22.4 million in 2009-10, including the redirection of \$15 million from the State Schools of Tomorrow program, is provided for maintenance of employee housing.

- The Public Private Partnership Schools Project will build, operate and maintain seven new state schools in high growth areas. Primary schools will be located in Thornlands South, Peregrine Springs, Bellbird Park and Collingwood Park in Ipswich, East Coomera and Bundilla on the Sunshine Coast. A new high school will be built at Murrumba Downs. Peregrine Springs and Thornlands South will be completed for the start of the 2010 school year. The remaining schools will open in 2011 and 2012.
- The department will deliver projects totalling some \$1.168 billion in 2009-10, as part of the National School Pride and the Secondary and Primary Schools for the 21st Century components of the Australian Government's Building the Education Revolution initiative.

Teaching and Learning

- A provision for an additional 350 full-time equivalent (FTE) teachers and teacher aides will meet enrolment growth in Queensland state schools.
- Funding of \$4.5 million in 2009-10 will also provide an additional 5,000 teacher aide hours per week, as part of the Government's \$43 million three-year commitment to allocate an additional 15,000 hours of teacher aide time each week to support primary students from Prep to Year 7.
- In partnership with universities, the Catholic and Independent sectors and principals' associations, the department will progress the establishment of a Queensland Education Leadership Institute (QELI) which will have a virtual and physical presence across the State with headquarters in a central Brisbane location. QELI will develop the skills, knowledge and behaviour of current and aspiring leaders, middle managers and specialist teachers across the Queensland schooling sectors and provide these staff with ongoing school leadership support to bring about significant school improvement and reform based on:
 - building a school culture of high expectations;
 - setting targets for improvement;
 - analysing and monitoring school performances;
 - recruiting and retaining outstanding teachers;
 - building existing staff and leadership capacity;
 - managing multiple demands on leaders' time; and
 - effectively allocating physical and human resources to improve learning.
- The department, through a range of initiatives, will invest over \$48 million in professional development in 2009-10 to enhance the capability of staff, including TAFE and school teachers.
- Funding of \$7.5 million in 2009-10, and \$15 million per annum from 2010-11, will provide an additional \$10,000 in grant funding for each school from the 2010 school year, with an extra \$3,000 per school for schools in disadvantaged areas.
- Funding of \$3 million in 2009-10, as part of a \$12 million four year commitment, will continue implementation of the Queensland Curriculum Assessment and Reporting Framework for school years 1 to 9.
- Funding of \$8.7 million over three years, commencing with \$2.8 million in 2009-10, is provided for Every Child Counts, a pilot program which will trial new and innovative approaches to improving the educational outcomes of students in the Logan area.

- Funding of \$3 million over three years, including \$1.2 million in 2009-10, is provided for the Edmund Rice Bridge Program. This program, administered in conjunction with the Department of Communities, will provide an innovative model of support for young people aged between 12 and 15 years who are returning from the juvenile justice system and are at risk of disengaging from education and other social connections.
- Investing \$8.3 million in 2009-10, in the third year of the \$30 million four-year commitment, will continue the implementation of Australian Sign Language (Auslan) as the language of instruction for deaf/hearing impaired students using signed communication.
- Providing \$2.5 million in 2009-10, in the third year of the \$10 million four-year commitment, for the Indigenous Education Support Structures pilot operating across five clusters of state schools and a number of non-state schools to improve the attendance, achievement and school completion of Indigenous students.
- Investment of over \$100 million in Smart Classrooms initiatives will improve student, teacher and parent access to digital learning materials, while \$20 million under the Computers for Teachers program will continue the provision of a dedicated classroom computer and associated professional development to every permanent state school and TAFE institute teacher working two days or more a week.
- Funding of \$113 million for additional computers is provided in 2009-10 under the Australian Government's Digital Education Revolution to improve access to Information and Communication Technology for Queensland state school students in Years 9 to 12.
- The department will work in partnership with the Australian Government in the development and implementation of strategies agreed under National Partnership Agreements for Literacy and Numeracy, Low Socio-Economic Status School Communities and Improving Teacher Quality.
- The Trade Training Centres in Schools Program in Queensland will continue, rolling out the Commonwealth's investment of up to \$61.1 million in 2009-10 to upgrade or build new training facilities for schools.

Developing skills for the economy

- The department will provide a major boost to skilling through the investment of \$124.3 million over four years from 1 January 2009 to 30 June 2012 (\$27.3 million in 2009-10) to create around 102,000 additional training places for existing Queensland workers, together with around 46,000 additional training places for job seekers, including new entrants to the labour market, in priority qualifications. The Queensland Government's investment will leverage additional contributions from the Australian Government, and individuals and enterprises, as part of the National Partnership Agreement on Productivity Places Program to provide a combined investment of \$414.5 million over four years.
- The department will continue to implement key elements of the Queensland Skills Plan 2008 in 2009-10 including:
 - \$10.3 million to tailor the services provided by Skilling Solutions Queensland to better meet the needs of particular industries and client groups;
 - \$4.8 million to support a range of industry engagement models that promote industry leadership of skills formation and skilling solutions; and
 - continued reform of the Queensland TAFE system to meet the needs of industry, employers, workers and learners.

- Funding of \$343 million in 2009-10 will provide priority training through the public provider network of TAFE institutes, statutory TAFE institutes and the Australian Agricultural College Corporation.
- The Department will allocate \$203 million in 2009-10 to develop the skills of apprentices and trainees.
- The training and education needs of Indigenous Queenslanders will continue to receive specific support through:
 - \$2.7 million of State funding under the third year of a four-year Training Initiatives for Indigenous Adults in Regional and Remote Communities program, a joint dollar for dollar State-Commonwealth initiative; and
 - \$1.6 million under the final year of a four-year, \$5.5 million commitment to support students from the Torres Strait, Cape York and Palm Island and their families, while they study away from home at rural and urban secondary schools.

Infrastructure

- Significant investment in training infrastructure during 2009-10 includes:
 - \$28.9 million to develop the new Coomera Education Precinct of the Gold Coast Institute of TAFE;
 - \$22.7 million to continue the development of the Skills Tech Australia major trade and technician skills campus at Acacia Ridge;
 - \$22.2 million to develop a major trade and technician skills campus at Townsville;
 - \$9.1 million to redevelop the Nambour campus of the Sunshine Coast Institute of TAFE and \$6.2 million to continue the redevelopment of the Cairns campus of the Tropical North Institute of TAFE.

Giving children a flying start

- The Government will invest over \$300 million to establish 240 new or extra kindergarten services by 2014. For 2009-10, \$15.4 million is committed for kindergarten infrastructure on state school sites including the construction of six additional services to open in 2010 and a further nine to open in 2011.
- The government's strong investment in community kindergartens will continue with the provision of more than \$40 million for community kindergartens as well as gradually implementing a kindergarten program in other settings, including long day care.
- A comprehensive early years strategy will be implemented to provide a whole-of-government and community plan to deliver high quality integrated early childhood services and to support the sector in attracting and retaining a diverse and highly skilled workforce.
- An Early Years Centre at Browns Plains will be completed, while construction of a further Early Years Centre at Cairns will commence. Once completed, these centres will finalise a \$32 million commitment to establish four Early Years Centres that provide integrated early childhood education and care, family support and child and family health services.
- Funding of \$8.4 million is provided in 2009-10 to establish early childhood education and care services at Nanango, Beenleigh, Toowoomba North, Ayr, The Gap, Beaudesert and Acacia Ridge.
- Nine integrated Indigenous Child and Family Centres will be rolled out over five years, in partnership with the Australian Government, to provide early childhood education and care, health, parenting and family support services for Indigenous children aged 0-8 years and their families.

- Funding of \$3.6 million will be provided in 2009-10 to expand child care capacity in the Bowen Basin communities of Moura, Clermont, Moranbah, Theodore, Blackwater and Middlesbrough.
- Pre-prep early learning programs will be provided across 35 Indigenous communities, with 2009-10 capital expenditure of \$16.7 million and recurrent expenditure of \$3.3 million representing the final phase of a four year commitment.
- The *Child Care Act 2002* will be reviewed to create a contemporary legislative framework to implement national quality standards and streamline and improve regulatory and quality assurance processes.
- The early childhood sector will be supported in implementing quality reforms including the national Early Years Learning Framework.

2008–09 Achievements

Laying strong educational foundations

Literacy and Numeracy

- Student literacy and numeracy outcomes have been supported through:
 - continued implementation of the Literacy – the Key to Learning: Framework for Action in state schools through the provision of \$18 million;
 - provision of up to 15 hours of intensive literacy support to upper primary students at a cost of \$10 million, as part of a \$35.6 million four year program;
 - \$2 million to support implementation of the Numeracy: Lifelong Confidence with Mathematics - Framework for Action 2007-2010 in state schools; and
 - the commencement of national literacy and numeracy assessment programs and phase two of the Queensland Curriculum Assessment and Reporting Framework.

Infrastructure

- Substantial investment in schooling infrastructure included:
 - new and upgraded school facilities at a cost of \$127 million, as part of the \$850 million, five year State Schools of Tomorrow program;
 - school maintenance totalling \$125.3 million, including an injection of \$45 million through the State Schools of Tomorrow program;
 - construction of four new schools which opened at the beginning of the 2009 school year - Bounty Boulevard State School, Ormeau Woods State High School, Highland Reserve State School and Norfolk Village State School;
 - \$31.3 million in acquisition, refurbishment and maintenance of staff accommodation, including \$10 million provided under the State Schools of Tomorrow program; and
 - completing covered walkways in state Prep facilities across South East Queensland.
- Solar panels, energy efficient lighting and an energy information management system were installed in 100 state schools under the Solar and Energy Efficiency Program.

Teaching and Learning

- The department continued to fund a range of programs and services to support positive schooling outcomes for all students. This included:
 - transitioning to Australian Sign Language (Auslan) as the language of instruction for deaf/hearing impaired students using signed communication, at a cost of \$6.4 million in 2008-09;
 - implementing the Believe Achieve Succeed strategy to improve the educational and life outcomes of the State's most disadvantaged students; and

- piloting Indigenous Education Support Structures to improve the attendance, achievement and school completion of Indigenous students in selected Queensland state and non-state schools at a cost of \$2.5 million.
- As part of a continuing commitment to digital learning, more than \$100 million was provided for the Smart Classrooms initiative with a further \$20 million invested under the second year of the four-year, \$70 million Computers for Teachers program.

Developing skills for the economy

- The Queensland Skills Plan 2008, which builds on the substantial progress achieved under the original \$1 billion Queensland Skills Plan, was launched on 29 August 2008. Achievements under the Queensland Skills Plan 2008 include:
 - creation of additional training places at Certificate IV or higher in 2008-09 to raise the qualification profile of Queensland's labour force, with a target of 14,000 additional places available by 2010;
 - development of a range of industry engagement models that promote industry leadership of skills formation and skilling solutions; and
 - creation of additional trade training places in 2008-09 to bring total extra places to more than 10,500, with a target of 17,000 extra places available by 2010.
- A range of initiatives employed to develop the skills of apprentices and trainees, and to maximise their contribution to the Queensland economy, including:
 - \$186.5 million to develop the skills of over 53,000 apprentices and trainees;
 - approval of \$4 million in early completion bonuses for over 4,000 apprentices;
 - \$1.3 million (under the second year of a three-year, \$6.2 million commitment) to increase the number of school-based apprenticeship and traineeship (SATs) commencements to 12,400 by December 2009; and
 - establishment of a Trade Training Taskforce to develop strategies aimed at maintaining commencements, upskilling and assisting apprentices and trainees who have lost employment.
- Recognition of Prior Learning (RPL) was promoted through measures totalling \$5.7 million, including professional development for approximately 2,000 Queensland participants, Skills First RPL assessment resources in key trade and non-trade areas, and consultation with industry to support the promotion and uptake of RPL.
- Initiatives to support the learning and training needs of Indigenous Queenslanders included:
 - \$2 million, with a matching Australian Government contribution, as part of the joint State-Commonwealth program Training Initiatives for Indigenous Adults in Regional and Remote Communities; and
 - \$1.5 million, under the third year of a four-year \$5.5 million commitment, to support students from the Torres Strait, Cape York and Palm Island, and their families, while they studied away from home at regional and metropolitan secondary schools.
- The Gold Coast Institute of TAFE was established as the second Statutory TAFE Institute on 1 July 2008.

Infrastructure

- The construction and modernisation of training infrastructure continued during 2008-09, including \$29.3 million towards further construction work at the Skills Tech Australia Acacia Ridge Campus and \$9.6 million to continue the redevelopment of the Mount Gravatt and Loganlea campuses of the Metropolitan South Institute of TAFE.

Giving children a flying start

- Integrated early childhood education and care, family support and child and family health services were provided at Early Years Centres at Caboolture and Nerang.
- Continuity of care was facilitated for parents and children in ABC Learning Centres across Queensland through seamless transfers of licences to new service providers and providing support to parents and children in finding alternative care providers where centres closed.
- A mobile pre-Prep kindergarten program in five rural, remote and disadvantaged communities was piloted at a cost of \$1.8 million.
- The former preschool site at Mackay (Victoria Park) was refurbished for use as an early childhood education and care service.
- The implementation of pre-Prep early learning programs (similar to kindergarten) continued across 35 Indigenous communities.
- A range of consultation and advisory mechanisms were established to engage with the early childhood sector, including the Early Childhood Education and Care Forum.

Departmental Outputs

Early Childhood Education and Care – providing every child access to quality early childhood education and care through funding for community kindergartens, the gradual implementation of universal access to a kindergarten program, regulation and licensing of early childhood services, and development of integrated early childhood programs and services.

State Schooling:

- **Early Phase of Learning** - Preparatory to Year 3 - providing the best possible start for young Queenslanders by establishing the foundations for lifelong learning and personal well being.
- **Middle Phase of Learning** - Years 4 to 9 - developing the knowledge, skills, values and creative thinking of students to prepare them for their senior years.
- **Senior Phase of Learning** - Years 10 to 12 - providing students with flexible learning opportunities that equip them for seamless transitions into further education, training and/or work.
- **Students with Disabilities** - supporting students with disabilities in state schools and special schools and providing them with the opportunities to achieve quality educational outcomes.

Vocational Education and Training - supporting the skilling needs of all Queenslanders through the development, delivery and regulation of high quality vocational educational training programs and services.

Non-State Education - providing support services for the regulation of non-state schools, courses for overseas students and home education, administering State funding programs for non-state schools and organisations providing services for students with special needs and managing the Queensland office of the Australian Music Examinations Board.

Higher Education – supporting the delivery of quality and accessible higher education for Queensland and international students through policy development funding and regulation.

Staffing¹

Education and Training	Notes	2008–09 Adjusted Budget ¹	2008–09 Est. Actual	2009–10 Estimate
OUTPUTS				
Early Childhood Education and Care		172	159	173
Early Phase of Learning	2,3	13,876	13,884	14,063
Middle Phase of Learning	2,3	23,252	23,262	23,518
Senior Phase of Learning	2,3	11,093	11,096	11,204
Students with Disabilities	2,3	6,922	6,896	7,005
Vocational Education and Training Services		7,200	7,155	7,261
Higher Education		12	12	12
Non-State Education		24	24	24
Total outputs		62,551	62,488	63,260
SHARED SERVICE INITIATIVE				
Corporate and Professional Services	4	1,211	1,244	1,090
Total shared service initiative		1,211	1,244	1,090
Total		63,762	63,732	64,350

Notes:

1. The 2008-09 Budget column is adjusted, as the Full time equivalents (FTEs) for Arts Queensland and the Corporate and Administration Agency have been removed and FTEs for Early Childhood Education and Care have been included.
2. The FTEs in the Phase of Learning outputs include all program funded, Australian Government funded, school funded employees and long service leave numbers, as an estimated actual as at 30 June 2009 and as an estimate for 30 June 2010.
3. Non school based Agency numbers are allocated across the outputs to which they relate.
4. Decrease in FTEs from 2008-09 to 2009-10 reflects a reduction in the level of project work being managed directly by Corporate and Professional Services.

2009–10 Output Summary¹

Output	Total cost \$'000	Sources of revenue			
		State Contribution \$'000	User charges \$'000	C'wealth revenue \$'000	Other revenue \$'000
Office for Early Childhood Education and Care	100,759	62,456	..	38,303	..
Early Phase of Learning	1,572,648	1,240,450	3,783	254,174	74,241
Middle Phase of Learning	2,532,993	1,947,171	18,847	454,623	112,352
Senior Phase of Learning	1,224,666	902,911	18,269	260,562	42,924
Students with Disabilities	608,061	455,164	645	144,722	7,530
Vocational Education and Training Services	1,168,227	655,186	124,967	270,074	118,000
Higher Education	5,971	5,630	..	..	341
Non-State Education	4,004	2,616	1,338	..	50
Total	7,217,329	5,271,584	167,849	1,422,458	355,438

Note:

1. Explanations of variances are provided in the financial statements section.

Administered Items

The department maintains a strong and active relationship with the portfolio's statutory authorities, government-supported entities and community organisations to deliver education and training programs that support whole-of-Government priorities and build effective working relationships.

Description

The Queensland Government provides financial assistance to non-state schools for both capital and recurrent purposes. In 2009-10 a total of \$493.7 million in State-funded recurrent and capital grants will be directed to non-state schools. The department also administers Australian Government funds received for non-state schools in Queensland.

Administered items for 2009-10 also include:

- \$0.36 million in financial support to student hostels
- approximately \$3.4 million to community organisations for the provision of specialist support for students with special needs. Funding agreements exist with non-government organisations including:
 - Autism Queensland;
 - Centre Education program;
 - Childhood Language and Related Disorders;
 - Hear and Say;
 - Noah's Ark Resource Centre;
 - Royal Queensland Bush Children's Health Scheme;
 - Down Syndrome Association of Queensland;
 - Specific Education Learning Disabilities (SPELD); and
 - Spina Bifida Hydrocephalus Queensland.

Financial statements in relation to Administered Items on behalf of the whole-of-Government appear in the financial statements section.

Administered Items Statement

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
EDUCATION				
STATE FUNDING				
Assistance to non-state sector				
Assistance to non-state schools				
Recurrent funding for non-state schools				
General recurrent grants	6	408,299	408,185	435,721
Grammar school endowments		164	164	164
School Transport		4,384	4,491	4,649
Total recurrent funding for non-state schools		412,847	412,840	440,534
Capital assistance for non-state schools				
Capital assistance	1,7	45,123	45,982	47,591
External Infrastructure		5,299	5,393	5,567
Total capital assistance for non-state schools		50,422	51,375	53,158
Total assistance for non-state schools		463,269	464,215	493,692
Assistance to other non-state sector				
Community kindergarten assistance scheme				
Recurrent	2,8	38,747	39,488	41,097
Capital		199	225	204
Total Community kindergarten assistance scheme		38,946	39,713	41,301
Student Hostels				
Recurrent		283	250	261
Capital		100	100	100
Total Student Hostels		383	350	361
Living away from home allowances	3,9	6,408	6,451	6,524
Textbook and resource allowances		14,651	15,113	16,058
Weekend and vacation travel		44	44	44
Community Organisations		3,206	3,284	3,399
Non-state Accreditation Board		54	54	54
Total Assistance to other non-state sector		63,692	65,009	67,741
Total Assistance to non-state sector		526,961	529,224	561,433
Other				
Textbook and resource allowance - state	3,9	25,449	26,655	27,879
Queensland Studies Authority		30,211	30,211	31,217
Other		923	100	100
TOTAL STATE FUNDING		583,544	586,190	620,629

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
COMMONWEALTH ASSISTANCE TO NON-STATE EDUCATION				
Recurrent	4,10	1,273,889	1,361,730	1,816,851
Capital	5,11	24,565	14,957	..
TOTAL COMMONWEALTH ASSISTANCE TO NON-STATE EDUCATION		1,298,454	1,376,687	1,816,851
TOTAL ADMINISTERED ITEMS (EDUCATION)		1,881,998	1,962,877	2,437,480
ARTS				
ADMINISTERED PAYMENTS				
State Library of Queensland		38,437	38,437	..
Queensland Museum		14,463	14,463	..
Queensland Art Gallery		21,239	21,239	..
Queensland Performing Arts Trust		6,856	6,856	..
Pacific Film and Television Commission		6,024	6,024	..
Queensland Theatre Company		1,950	1,950	..
TOTAL PAYMENTS TO STATUTORY AUTHORITIES		88,969	88,969	..
TOTAL ADMINISTERED ITEMS (ARTS)		88,969	88,969	..
TOTAL ADMINISTERED ITEMS		1,970,967	2,051,846	2,437,480

The administered items table reflects adjustments for Machinery of Government changes which took effect during 2008-09. The 2008-09 Adjusted Budget column in the table has been recast for the transfer of Arts Queensland to the Department of Premier and Cabinet from 1 April 2009. The 2008-09 Estimated Actual and 2009-10 Estimate columns have also been adjusted for these changes. The 2008-09 Adjusted Budget and 2008-09 Estimated Actual columns in the table reflect 9 months of Arts Queensland activities.

Notes:

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

1. Increase due to indexation.
2. Increase due to indexation and changes in the number of crèche and kindergarten units and centres in receipt of benefits.
3. Increase due to indexation and movements in student enrolments.
4. Increase due to new Commonwealth initiatives including Building the Education Revolution and the reclassification of capital grants to recurrent grants.
5. Decrease due to reclassification of capital grants to recurrent grants.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

6. Increase due to flow on impact of increased expenditure for state schools.
7. Increase due to indexation.
8. Increase due to indexation and changes in the number of crèche and kindergarten units and centres in receipt of benefits.
9. Increase due to indexation and movement in student enrolments.
10. Increase due to new Commonwealth initiatives including Building the Education Revolution and the reclassification of capital grants to recurrent grants.
11. Decrease due to reclassification of capital grants to recurrent grants.

Departmental Statements

Performance Statement

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
Output: Early Childhood Education and Care	1			
Number of child care licensing transactions undertaken	2	2,000	1,681	1,700
Percentage of licensed child care services receiving at least one visit per annum from the Office		98%	100%	98%
Number of compliance notices issued to licensed and stand alone child care services	2	50	77	70
Percentage of complaints relating to serious safety breaches in licensed child care services that are responded to by the Office within two working days.		100%	100%	100%
State Contribution (\$'000)		39,781	21,782	62,456
Other Revenue (\$'000)		..	4,622	38,303
Total Cost (\$'000)		39,781	26,404	100,759
Output: Early Phase of Learning				
Number of students in the Early Phase of Learning	3	143,080	145,130	145,890
Number of Preparatory Year students:				
• Total		38,650	40,100	40,600
• Indigenous	4	3,450	3,320	3,360
Proportion of Queensland Preparatory students enrolled in state Preparatory Year classes		70%	71%	71%
Proportion of Queensland Preparatory to Year 3 students attending state schools		70%	70%	70%
<u>Year 2 Diagnostic Net</u> – Percentage of Year 2 students mapped who did not require intervention in relation to their literacy and numeracy development:	5			
• all:	6			
– reading		76%	74.5%	76%
– writing		86%	84.0%	86%
– number		82%	81.0%	82%
• Indigenous:	4,7			
– reading		56%	49.8%	56%
– writing		66%	61.3%	66%
– number		61%	56.5%	61%

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
<u>Year 3 Test</u> – Percentage of students at or above the National Minimum Standard:				
• all:	7,8			
– reading	New Measure		85.3%	89%
– writing	New Measure		89.3%	92%
– numeracy	New Measure		88.9%	91%
• Indigenous:	4,7			
– reading	New Measure		68.0%	69%
– writing	New Measure		73.4%	74%
– numeracy	New Measure		71.8%	73%
Satisfaction of parents with their child's school	9	90%	88.6%	90%
Average cost of service per student (\$)		9,557	9,740	10,780
State Contribution (\$'000)		1,186,575	1,196,084	1,240,450
Other Revenue (\$'000)		180,836	217,412	332,198
Total Cost (\$'000)		1,367,411	1,413,496	1,572,648
Output: Middle Phase of Learning				
Number of students in the Middle Phase of Learning	3	240,260	239,760	239,890
Proportion of Queensland Year 4 to 9 students attending state schools		68%	68%	68%
<u>Year 5 Test</u> – Percentage of students at or above the National Minimum Standard:				
• all:	7,8			
– reading	New Measure		81.9%	86%
– writing	New Measure		86.2%	89%
– numeracy	New Measure		87.6%	90%
• Indigenous:	4,7			
– reading	New Measure		58.6%	60%
– writing	New Measure		68.9%	70%
– numeracy	New Measure		69.0%	70%
<u>Year 7 Test</u> – Percentage of students at or above the National Minimum Standard:				
• all:	7,8			
– reading	New Measure		91.4%	93%
– writing	New Measure		87.5%	89%
– numeracy	New Measure		94.3%	95%
• Indigenous:	4,7			
– reading	New Measure		75.2%	76%
– writing	New Measure		71.1%	72%
– numeracy	New Measure		83.8%	85%

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
<u>Year 9 Test</u> – Percentage of students at or above the National Minimum Standard:				
• all:	7,8			
– reading	New Measure		87.9%	90%
– writing	New Measure		81.2%	84%
– numeracy	New Measure		90.0%	92%
• Indigenous:	4,7			
– reading	New Measure		71.2%	72%
– writing	New Measure		62.5%	63%
– numeracy	New Measure		74.3%	75%
Satisfaction of parents with their child's school	9	85%	83.6%	85%
Satisfaction of students with their school		79%	78.9%	79%
Percentage of students continuing schooling across the key juncture – Year 7 to Year 8:	10			
• all		91%	91%	91%
• Indigenous	4	94%	94%	94%
Average cost of service per student (\$)		9,297	9,518	10,559
State Contribution (\$'000)		1,898,692	1,893,279	1,947,171
Other Revenue (\$'000)		334,966	388,755	585,822
Total Cost (\$'000)		2,233,658	2,282,034	2,532,993
Output: Senior Phase of Learning				
Number of students in the Senior Phase of Learning	3	96,730	97,940	99,130
Proportion of Queensland Year 10 to 12 students attending state schools		61%	61%	61%
Apparent retention rate from Year 10 to Year 12:				
• total		72%	73%	74%
• male		68%	69%	70%
• female		76%	77%	77%
• Indigenous		59%	59%	60%
Satisfaction of parents with their child's school	9	81%	78.6%	81%
Satisfaction of students with their school		66%	65.9%	67%
Percentage of students who completed Year 12 and who are in full-time education or training, in full-time employment, or both part-time work and part-time education or training	11	92%	90.5%	92%
Percentage of students awarded a Queensland Certificate of Education (QCE) by the end of Year 12	12	New Measure	67.7%	69%

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
Percentage of Overall Position (OP) eligible students with an OP 1-15	13	64%	65.6%	Discontinued
Percentage of (OP)/ International Baccalaureate Diploma (IBD), eligible students with an OP 1-15 or IBD		New Measure	65.9%	67%
Percentage of students with VET qualifications (who completed Year 12)	14	50%	62.2%	63%
Percentage of students who are OP eligible and/or have VET qualifications	15	85%	87.8%	Discontinued
Percentage of Year 12 students who are completing or completed a SAT or were awarded one or more of the following: QCE, IBD, VET qualification.		New Measure	89%	90%
Average cost of service per student (\$)		10,944	11,232	12,354
State Contribution (\$'000)		866,976	878,030	902,911
Other Revenue (\$'000)		191,602	222,039	321,755
Total Cost (\$'000)		1,058,578	1,100,069	1,224,666
Output: Students with Disabilities				
Number of state special schools	16	47	47	43
Number of students in special schools		3,130	3,300	3,325
Number of state schools providing:				
• special education programs	17	505	573	583
Number of students with disabilities identified as needing specialist support who are enrolled in state schools	18	17,500	17,846	19,090
Number of students with disabilities who have:				
• achieved a Queensland Certificate of Individual Achievement	19	New Measure	545	540
• completed 12 years of schooling		850	931	1,030
Satisfaction of parents with their child's:	9,20			
• special school		92%	92.4%	93%
• state school		84%	80.1%	84%
Average cost of service per student (\$)		25,437	26,070	27,127
State Contribution (\$'000)		425,870	432,930	455,164
Other Revenue (\$'000)		98,896	118,349	152,897
Total Cost (\$'000)		524,766	551,279	608,061

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
Output name: Vocational Education and Training Services				
Commencements for apprentices and trainees:				
• Total	21,22	70,000-72,000	58,000	58,000
• 15-17 year olds	21,23	20,000-22,000	16,000	16,000
Percentage of traineeships completed	21,24	58-63%	58%	58%
Percentage of apprenticeships completed	21,25	67-72%	67%	67%
Number of apprentices and trainees in training	21,26	93,000-96,000	93,000	93,000
Total number of VET students:				
• VET (All)	21,27	291,000-297,000	280,300	300,000
• Total TAFE	21,28	200,000-203,000	194,800	206,000
• Cert III and above	29	New Measure	189,200	202,000
• Higher-level training (Cert IV & above)	21	66,500-68,500	61,600	66,500
• Mature age	21	54,000-56,000	49,800	54,000
• 15-17 year olds	21,30	47,000-49,000	49,000	49,000
Total qualifications completed:				
• VET (All)	21	96,000-100,000	96,800	98,000
• Strategic Intervention Industries	21,31	56,000-58,000	59,600	Discontinued
• Cert III and above	29	New Measure	57,400	61,000
Total competencies successfully completed:				
• VET (All)	21,32	1.55M-1.75M	1,668,700	1.75M
• Total TAFE	21,28	1.0M-1.2M	1,088,800	1.1M
• Higher-level training (Cert IV & above)	21	370,000-380,000	367,600	370,000
• Strategic Intervention Industries	21	1.0M-1.1M	1,141,700	Discontinued
Employment/further study outcome:				
• TAFE and VET providers		89%	89%	89%
TAFE – non-government revenue (\$)		112M	125M	137M
Queensland's VET participation rate (to achieve the national average VET participation rate in the medium to long-term)		9.9%	9.6%	10%
Level of stakeholder satisfaction with VET training services and products:				
• Student Outcomes Survey	33	89%	88%	89%
• Survey of Employer Views				
– nationally recognised training	34	81%	81%	81%
– apprentices and trainees	34	84%	84%	84%

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
Compliance of training organisations with the Australian Quality Training Framework (AQTF):				
• Total number of registered training organisations in Queensland	35,36	1,299	1,356	1,400
• Number of organisations approved for registration as a registered training organisation	35,37	291	387	217
• Number of qualifications approved for organisations upon achieving registration/renewal of registration	35,38	2,690	2,420	2,651
• Number of qualifications approved to be added to the scope of existing registered training organisations	35,39	2,311	3,933	2,687
Compliance with the provisions of departmental training contracts:				
• Number of training contracts audited	40	80	80	67
Proportion of VET activity delivered in regional Queensland	41	34%	35%	34%
Average cost per competency successfully completed				
• VET (All)		663	673	668
• Total TAFE		534	515	534
Total Government funding (\$'000)				
• TAFE (All)		587,513	561,221	587,554
State Contribution (\$'000)		616,073	644,713	655,186
Other Revenue (\$'000)		428,859	477,996	513,041
Total Cost (\$'000)		1,044,051	1,122,709	1,168,227
Output: Higher Education				
Number of:				
• Queensland universities		9	9	9
• other approved higher education providers	42	35	32	38
Number of students enrolled at Queensland universities:				
• total		190,000	195,000	195,000
• international		50,000	48,400	48,400
Stakeholders' rating of departmental management of approval process:				
• percentage of applicants rating satisfactory or better	43	75%	92%	75%
• percentage of assessment panel members rating satisfactory or better	44	100%	99%	100%
Number of applications for higher education courses:				
• new	45	20	14	40
• reaccredited/re-approval	45	27	12	25

Department of Education and Training	Notes	2008-09 Target/Est.	2008-09 Est.Actual	2009-10 Target/Est.
Percentage of students at Queensland universities located in:				
• Brisbane		60%	60%	60%
• other parts of Queensland		40%	40%	40%
State Contribution (\$'000)		5,352	5,290	5,630
Other Revenue (\$'000)		320	326	341
Total Cost (\$'000)		5,672	5,616	5,971
Output: Non-State Education				
Number of operating non-state schools in Queensland		474	466	472
Number of non-state students in the:				
• Early Phase of Learning (Preparatory – Year 3)		62,360	61,620	63,500
• Middle Phase of Learning (Years 4 – 9)		111,900	111,840	114,970
• Senior Phase of Learning (Years 10 – 12)		62,840	61,460	63,200
Number of applications received by the Non-State Schools Accreditation Board for:	46			
• establishing new non-state schools		6	6	6
• existing non-state schools to add type of education	47	5	3	5
• existing non-state schools to change accreditation attribute	48	20	18	20
Number of applications for government funding of non-state schools received by the Non-State Schools Eligibility for Government Funding Committee	49	20	16	15
Number of applications received for registration as a provider of courses for overseas students	50	35	29	35
Non-state schools involved in the cyclical review process:				
• percentage reviewed	51	86%	96.2%	96%
• of those reviewed, percentage complying with the legislated criteria		100%	100%	100%
Number of notices issued by the Non-State Schools Accreditation Board	52,53	NA	41	NA
Percentage of applicants for re-registration as course providers to overseas students approved	53	NA	100%	NA
State Contribution (\$'000)		2,486	2,545	2,616
Other Revenue (\$'000)		1,326	1,349	1,388
Total Cost (\$'000)	28	3,812	3,894	4,004

Notes:

1. The Office is currently developing additional performance measures to report progress against priority early childhood education and care outcomes for Queensland children. These measures will be included in the 2010-11 Service Delivery Statement.
During 2009-10, the Office will collaborate with the Australian Government and other States and Territories to improve data collection, and to undertake research and evaluation on early childhood interventions for performance monitoring and accountability purposes. This will include the collection and analysis of data against the outcomes, outputs and performance indicators identified in the National Partnership Agreement on Early Childhood Education. An initial baseline data study will provide a basis for monitoring and evaluating progress over time.
2. Figures reflect trends in marketplace activity and are not subject to direct control by the Office for Early Childhood Education and Care.
3. Student enrolments in state schools of Distance Education are distributed across the Early, Middle and Senior Phase of learning outputs according to year level.
4. This is based on self-identified Aboriginal and Torres Strait Islander students.
5. In 2008, 38,680 students participated in the Year 2 Diagnostic test.
6. Though some results decreased slightly from previous years, overall results for both student cohorts have been stable.
7. The 95% confidence intervals for these estimates are not included in this table.
8. The first national tests for literacy and numeracy were conducted in May 2008.
9. This measure is based on information provided by parents/caregivers in the School Opinion Survey, administered in all state schools each year in August.
10. This measure relates to the key juncture from Year 7 to Year 8 and shows proportion of students transitioning from state primary schooling to state secondary schooling within Queensland.
11. This percentage is based on voluntary responses to the *Next Step* survey.
12. This measure was introduced into the Queensland Year 12 Outcomes Report for the first time in 2009.
13. This measure has been discontinued due to the adoption of a revised Year 12 Outcomes Report. The new measure cannot accurately be compared with the previous measure.
14. Vocational Education and Training (VET) qualifications are awarded through the Australian Qualification Framework (Certificate I to IV).
15. This measure has been discontinued due to the adoption of a revised Year 12 Outcomes Report. The new measure cannot accurately be compared with the previous measure.
16. Since the implementation of the *Education General Provisions Act 2006*, the definition of a special school is 'a state school only providing special education'. Currently 4 of the 47 recognised special schools do not meet this criteria.
17. Increased number reflects regions being encouraged to establish special education programs in schools where the enrolment was greater than 450, to facilitate broader access to these programs.
18. This measure excludes students enrolled in special schools.
19. The Queensland Certificate of Individual Achievement was introduced in 2009, replacing the previous Certificate of Post-Compulsory School Education.
20. This measure relates to parents who have children with disabilities.
21. The utilisation of ranges has been discontinued consistent with general SDS practice. Estimates remain subject to time-lags in reporting and market conditions.
22. This measure records the estimated number of individuals who commenced / are expected to commence an apprenticeship or traineeship during the reporting period. The reduction in performance against this measure is a reflection of the current economic downturn.
23. This measure records the estimated number of individuals aged 15 to 17 who commenced / are expected to commence an apprenticeship or traineeship during the reporting period. The reduction in performance against this measure is a reflection of the current economic downturn.
24. This measure records the percentage rate of trainees who complete their training contract.
25. This measure records the percentage rate of apprentices who complete their training contract.
26. In-Training numbers include continuing students from qualifications begun in previous years. High commencements of contracts of training in the last few years will continue to hold the volume of students in-training higher while commencements are projected to decline. It is also expected that a decrease in apprenticeship commencements due to the economic downturn will be offset by traineeship activity.
27. Levels of institutional training activity tend to be counter-cyclical with economic activity. The student numbers reflect this trend.
28. Southbank Institute of Technology (SBIT) and Gold Coast Institute of TAFE (GCIT) became statutory authorities in 2008. TAFE measures no longer include SBIT and GCIT activity.
29. This is a new measure in 2009-10 added to track activity related to the Q2 Smart target of three out of four Queenslanders will hold trade, training or tertiary qualifications by 2020.
30. The success of Education and Training Reforms for the Future (ETRF) initiatives including young people in apprenticeships and traineeships (incorporating School-Based Apprentices and Trainees) has contributed to the strong performance in the number of 15-17 year old students in 2008-09.
31. The Strategic Intervention Industries measures were discontinued in favour of new broader measures that reflect the Q2 target of 75% of Queenslanders to achieve Certificate III or above by 2020.
32. The number of successfully completed competencies is expected to grow through increased enrolments in State and Commonwealth initiatives, especially in the Certificate III and above levels consistent with Q2 targets. Students undertaking these courses complete more units of competency than those studying lower level courses. The student success rate has improved over the last few years and is expected to continue.
33. Student satisfaction is obtained from the 2008 *NCVER Student Outcomes Survey* using the measure for the percentage of VET graduates satisfied with the overall quality of their training.
34. Employer satisfaction regarding VET is obtained from the biennial NCVER survey, *Employers' Use and Views of the VET System 2007*.
35. Includes information provided by the Queensland Studies Authority, but excludes those registered training organisations from other States / Territories operating in Queensland under national registration
36. This measure records the estimated number of registered training organisations registered in Queensland at 30 June of the reporting period.

37. Approved for registration includes organisations registered for the first time and those organisations where registration is renewed. The 2009-10 target has been calculated based on historical data and expected trends (particularly related to an expected reduction in renewals attributable to the 5 year renewal cycle), however actual performance is market driven.
38. The performance for 2008-09 is slightly below expectations - targets are calculated based on historical data and expected trends, however actual performance is market driven.
39. Targets are calculated based on historical data and expected trends, with the timing of the endorsement of national training packages having a significant impact on this measure. The actual performance is market driven.
40. This measure records the number of departmentally funded training contracts audited. The 2009-10 target has been reduced due to changing TAFE governance arrangements, with TAFE Business Improvement Program audits (total of 13 - one for each institute) excluded from the 2009-10 target.
41. The department aims to ensure the percentage of VET activity delivered to regional Queensland is commensurate with the proportion of the 15-64 year olds.
42. This measure includes interstate universities operating in Queensland, non-university providers, and overseas institutions.
43. This is based on a 67% response rate.
44. This is based on a 53% response rate.
45. Estimates are based on courses due for reaccreditation in the reporting period and are subject to strategic decisions by providers.
46. The number of applications is subject to strategic decisions of school governing bodies.
47. A type of education is defined in s.12 of the *Education (Accreditation of Non-State Schools) Act 2001* to mean primary education, secondary education, or special education.
48. Attributes are defined in s.16(3) of the *Education (Accreditation of Non-State Schools) Act 2001* and include items such as: governing body, the curriculum model the school is to follow, boarding facilities, etc.
49. The number of applications is subject to strategic decisions of school governing bodies.
50. The number of applications is subject to strategic decisions of providers.
51. This measure indicates the percentage of non-state schools that have completed a cyclic review in the previous five years.
52. Represents compliance notices, show cause notices, and notices to cancel accreditation.
53. It is not appropriate to set a target, as this will be determined solely by due process and reported as Estimated Actual for 2009-10.

Income Statement

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
Output revenue	1,12,24	5,111,873	5,515,939	6,666,656
User charges	2,13,25	154,115	181,775	167,849
Grants and other contributions	3,14,26	983,440	758,962	266,839
Other revenue	4,15,27	98,533	123,720	115,985
Gains on sale/revaluation of property, plant and equipment and investments	5,16	9,310	..	..
Total income		6,357,271	6,580,396	7,217,329
Expenses				
Employee expenses	6,17,28	4,508,015	4,579,353	4,782,232
Supplies and services	7,18,29	1,091,468	1,348,770	1,774,083
Grants and subsidies	8,19	384,550	238,641	239,776
Depreciation and amortisation	9,20,30	316,740	333,143	337,347
Finance/borrowing costs	10,21	4,003	27,086	30,284
Other expenses		51,614	53,403	53,607
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		6,356,390	6,580,396	7,217,329
OPERATING SURPLUS/(DEFICIT)		881	..	..

Statement of Changes in Equity

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve	20,30	288,158	288,158	296,484
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		288,158	288,158	296,484
Surplus/(deficit) for the period		881	..	..
Total recognised income and expense for the period		289,039	288,158	296,484
Equity injection/(withdrawal)	11,22,31	287,193	281,144	1,259,691
Equity adjustments (MoG transfers)	23,32	(887,999)	(908,350)	..
Total movement in equity for period		(311,767)	(339,048)	1,556,175

Balance Sheet

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	33,41,50	453,007	278,237	390,020
Receivables		97,415	78,416	78,928
Other financial assets		..	..	..
Inventories		2,266	2,560	2,560
Other	34,42,51	10,958	64,256	97,654
Non-financial assets held for sale		8,305	40,315	40,315
Total current assets		571,951	463,784	609,477
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	35,43,52	14,981,945	15,847,733	17,544,024
Intangibles		37,969	30,986	12,908
Other		..	..	..
Total non-current assets		15,019,914	15,878,719	17,556,932
TOTAL ASSETS		15,591,865	16,342,503	18,166,409
CURRENT LIABILITIES				
Payables	36,44,53	285,855	252,356	502,356
Employee benefits obligations	37,45,54	270,755	125,490	11,915
Interest-bearing liabilities and derivatives		47,484	15,725	80,596
Provisions		(41)	745	745
Other	38,46	34,030	109,910	109,910
Total current liabilities		638,083	504,226	705,522
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives	39,47,55	77,054	251,910	318,345
Provisions		..	304	304
Other		..	..	..
Total non-current liabilities		77,054	252,214	318,649
TOTAL LIABILITIES		715,137	756,440	1,024,171
NET ASSETS/ LIABILITIES)		14,876,728	15,586,063	17,142,238
EQUITY				
Capital/contributed equity	48,56	2,594,412	2,577,724	3,837,415
Retained surplus/(accumulated deficit)		38,359	37,112	37,112
Reserves:				
- Asset revaluation reserve	40,49,57	12,243,957	12,971,227	13,267,711
- Other (specify)		..	..	..
TOTAL EQUITY		14,876,728	15,586,063	17,142,238

Cash Flow Statement

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Output receipts	58,69,79	5,103,854	5,507,920	6,666,656
User charges	59,80	158,202	187,375	173,449
Grants and other contributions	60,70,81	991,459	758,962	266,839
Other	61,82	169,391	197,895	187,473
Outflows:				
Employee costs	62,71,83	(4,470,969)	(4,578,867)	(4,929,205)
Supplies and services	63,72,84	(1,192,697)	(1,452,770)	(1,878,083)
Grants and subsidies	64,73	(384,550)	(237,652)	(239,776)
Borrowing costs	65,74	(4,003)	(27,086)	(30,284)
Other	66,85	(27,214)	(153,797)	(27,207)
Net cash provided by/(used in) operating activities		343,473	201,980	189,862
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		25,211	16,533	28,920
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	67,75,86	(667,565)	(688,294)	(1,497,996)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(642,354)	(671,761)	(1,469,076)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings	68,76,87	22,000	..	145,139
Equity injections	77,88	315,698	309,649	1,259,691
Outflows:				
Borrowing redemptions		(12,915)	(12,915)	(13,704)
Finance lease payments		859	(129)	(129)
Equity withdrawals	78,89	(28,505)	(28,505)	..
Net cash provided by/(used in) financing activities		297,137	268,100	1,390,997
Net increase/(decrease) in cash held		(1,744)	(201,681)	111,783
Cash at the beginning of financial year		470,185	502,925	278,237
Cash transfers from restructure	78,89	(15,434)	(23,007)	..
Cash at the end of financial year		453,007	278,237	390,020

Administered Income Statement

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Revenues				
Commonwealth grants	1,4,7	1,391,278	1,458,435	1,816,851
Taxes, fees and fines		270	270	374
Royalties, property income and other territorial revenue		..	..	..
Interest		370	370	..
Administered revenue	2,5,8	1,970,966	2,051,846	2,437,480
Other		..	3,000	12,000
Total revenues		3,362,884	3,513,921	4,266,705
Expenses				
Supplies and services		23	23	23
Depreciation and amortisation		..	..	..
Grants and subsidies	3,6,9	1,969,996	2,050,881	2,436,712
Benefit payments		947	942	745
Borrowing costs		370	370	..
Other		..	..	..
Total expenses		1,971,336	2,052,216	2,437,480
Net surplus or deficit before transfers to Government		1,391,548	1,461,705	1,829,225
Transfers of administered revenue to Government		1,391,548	1,461,705	1,829,225
OPERATING SURPLUS/(DEFICIT)		..	..	..

Administered Balance Sheet

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets		240	429	429
Receivables		47	82	82
Inventories	
Other	
Non-financial assets held for sale	
Total current assets		287	511	511
NON-CURRENT ASSETS				
Receivables	
Other financial assets	
Property, plant and equipment	
Intangibles	
Other	
Total non-current assets	
TOTAL ADMINISTERED ASSETS		287	511	511
CURRENT LIABILITIES				
Payables		2	226	226
Transfers to Government payable	
Interest-bearing liabilities	
Other	
Total current liabilities		2	226	226
NON-CURRENT LIABILITIES				
Payables	
Interest-bearing liabilities	
Other	
Total non-current liabilities	
TOTAL ADMINISTERED LIABILITIES		2	226	226
ADMINISTERED NET ASSETS/(LIABILITIES)		285	285	285
EQUITY				
Capital/Contributed equity	
Retained surplus/(Accumulated deficit)		285	285	285
Reserves:				
- Asset revaluation reserve	
- Other (specify)	
TOTAL ADMINISTERED EQUITY		285	285	285

Administered Cash Flow Statement

Department of Education and Training	Notes	2008-09 Adjusted Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
Administered item receipts	10,13,16	1,941,175	2,022,626	2,437,480
Grants and other contributions	11,14,17	1,391,278	1,480,230	1,828,851
Taxes, fees and fines		270	270	374
Royalties, property income and other territorial revenues		..	..	..
Other		55	55	..
Outflows:				
Transfers to Government	12,15,18	(1,391,548)	(1,480,500)	(1,829,225)
Grants and subsidies		(1,941,152)	(2,022,032)	(2,437,457)
Supplies and services		(23)	(23)	(23)
Borrowing costs		(55)	(55)	..
Other		..	..	..
Net cash provided by/(used in) operating activities		..	571	..
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		..	..	..
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		..	..	..
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		..	571	..
Administered cash at beginning of financial year		240	(142)	429
Cash transfers from restructure		..	..	..
Administered cash at end of financial year		240	429	429

Explanation of Variances in the Financial Statements

Department of Education and Training

The financial statements reflect adjustments for Machinery of Government changes which took effect during 2008-09. The 2008-09 Adjusted Budget column in the financial statements has been recast for the Gold Coast Institute of Technical and Further Education becoming a Statutory Authority from 1 July 2008, the transfer, effective from 1 April 2009, of Arts Queensland to the Department of Premier and Cabinet and the transfer of functions from Department of Communities in relation to the Office for Early Childhood Education and Care from 1 January 2009. The 2008-09 Estimated Actual and 2009-10 Estimate columns have also been adjusted for these changes. The 2008-09 Adjusted Budget and 2008-09 Estimated Actual columns in the financials statements reflect nine months of Arts Queensland activities and six months of transferred functions in relation to the Office for Early Childhood Education and Care.

Income Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

1. Increase due to increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution; and grant expenditure deferrals to 2009-10.
2. Increase due to a higher level of international education projects and TAFE student fees.
3. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
4. Increase due to building finance lease expenditure recoveries from the Southbank Institute of Technology; and general expenditure recoveries from the Gold Coast Institute of Technical and Further Education.
5. Anticipated sale of assets did not eventuate.
6. Increase due to the provision of enterprise bargaining outcomes, student enrolment growth, expenditure in relation to the enhancement of parental leave; and increased expenditure under Commonwealth programs.
7. Increase due to expenditure deferrals from 2008-09 in relation to Skilling Solutions Queensland; and increased expenditure under Commonwealth programs including Building the Education Revolution.
8. Decrease resulting from the re-classification of grant expenditure as fee for service.
9. Increase due to asset revaluation.
10. Planned transfer of a building finance lease to the Southbank Institute of Technology did not eventuate.
11. Decrease due to capital deferrals to 2009-10.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

12. Increase due to student enrolment growth, increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution, provision for enterprise bargaining outcomes and grant deferrals from 2008-09.
13. Increase in TAFE student fees revenue, offset by a lower level of international education projects.
14. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
15. Increase due to building finance lease expenditure recoveries from the Southbank Institute of Technology; and general expenditure recoveries from the Gold Coast Institute of Technical and Further Education.
16. Decrease due to a reduction in asset sales.
17. Increase due to provision for enterprise bargaining outcomes, student enrolment growth, expenditure in relation to the enhancement of parental leave and increased expenditure under Commonwealth programs.
18. Increase due to increased expenditure under Commonwealth programs including Building the Education Revolution; and re-classification of grant expenditure as fee for service.
19. Decrease due to the re-classification of grant expenditure as fee for service.
20. Increase due to asset revaluation.
21. Increase in interest expenditure due to the non-transfer of a building finance lease to the Southbank Institute of Technology.
22. Increase due to additional funding for Commonwealth programs including Building the Education Revolution.
23. Net effect of Machinery of Government changes in relation to the Gold Coast Institute of Technical and Further Education, Arts Queensland and the Office for Early Childhood Education and Care.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

24. Increase due to student enrolment growth, increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution, provision for enterprise bargaining outcomes and grant deferrals from 2008-09.
25. Decrease due to a lower level of international education projects.
26. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
27. Decrease in estimated Queensland Government Insurance Fund recoveries.
28. Increase due to provision for enterprise bargaining outcomes and student enrolment growth, offset by a lower level of expenditure under Commonwealth programs.
29. Increase in expenditure under Commonwealth programs including Building the Education Revolution; and re-classification of grant expenditure as fee for service.
30. Increase due to asset revaluation.
31. Increase due to additional funding for Commonwealth programs including Building the Education Revolution.
32. Net effect of Machinery of Government changes in relation to the Gold Coast Institute of Technical and Further Education, Arts Queensland and the Office for Early Childhood Education and Care.

Balance Sheet

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

33. Decrease due to the introduction of the Annual Leave Central Scheme during 2008-09; and previously deferred capital works program spending impacting on 2008-09.
34. Reflects increased values based on 2007-08 audited actual balances.
35. Increase due to new Commonwealth programs including Building the Education Revolution.
36. Reflects decreased values based on 2007-08 audited actual balances.
37. Reflects movement in the level of employee liabilities based on accrual accounting treatments at end-of-year.
38. Reflects increased values based on 2007-08 audited actual balances.
39. Planned building finance lease transfer to Southbank Institute of Technology did not eventuate.
40. Increase due to asset revaluation.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

41. Decrease due to the introduction of the Annual Leave Central Scheme during 2008-09; and a reduction in other employee liabilities, offset by higher cash balances due to the anticipated increase in capital works payable under the new Commonwealth program Building the Education Revolution.
42. Increase due to changes in the level of prepayments; and increased values based on 2007-08 audited actual balances.
43. Increase due to new Commonwealth programs including Building the Education Revolution; and increased values based on 2007-08 audited actual balances.
44. Reflects the anticipated increase in capital works payable under the new Commonwealth program Building the Education Revolution.
45. Reflects movement in the level of employee liabilities based on accrual accounting treatments at end-of-year.
46. Reflects increased values based on 2007-08 audited actual balances.
47. Planned building finance lease transfer to Southbank Institute of Technology did not eventuate; and recognition of borrowings to fund the South East Queensland Schools Public Private Partnership project.
48. Increase due to new Commonwealth programs including Building the Education Revolution.
49. Increase due to asset revaluation.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

50. Reflects higher cash balances due to the anticipated increase in capital works payable under the new Commonwealth program Building the Education Revolution.
51. Reflects movement in the level of employee prepayments based on accrual accounting treatments at end-of-year.
52. Increase due to new Commonwealth programs including Building the Education Revolution.
53. Reflects the anticipated increase in capital works payable under the new Commonwealth program Building the Education Revolution.
54. Reflects movement in the level of employee liabilities based on accrual accounting treatments at end-of-year.
55. Reflects borrowings to fund the South East Queensland Schools Public Private Partnership project.
56. Increase due to new Commonwealth programs including Building the Education Revolution.
57. Increase due to asset revaluation movements.

Cash Flow Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

58. Increase due to increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution; and grant expenditure deferrals to 2009-10.
59. Increase due to a higher level of international education projects and higher TAFE student fees revenue.
60. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
61. Increase due to building finance lease expenditure recoveries from the Southbank Institute of Technology; and general expenditure recoveries from the Gold Coast Institute of Technical and Further Education.
62. Increase due to provision for enterprise bargaining outcomes, student enrolment growth, expenditure in relation to the enhancement of parental leave; and increased expenditure under Commonwealth programs.
63. Increase due to expenditure deferrals from 2008-09 in relation to Skilling Solutions Queensland, increased expenditure under Commonwealth programs including Building the Education Revolution, re-classification of grant expenditure as fee for service; and decrease in shared service provider expenditure.
64. Decrease following the re-classification of grant expenditure as fee for service.
65. Increase in interest expenditure due to the non-transfer of a building finance lease to the Southbank Institute of Technology.
66. Increase due to introduction of the Annual Leave Central Scheme during 2008-09.
67. Increase due to new Commonwealth programs including *Building the Education Revolution*.
68. Decrease due to the deferral of borrowings drawn down.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

69. Increase due to student enrolment growth, increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution, provision for enterprise bargaining outcomes and grant deferrals from 2008-09.
70. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
71. Increase due to the provision for enterprise bargaining outcomes, student enrolment growth, expenditure in relation to the enhancement of parental leave and increased expenditure under Commonwealth programs.
72. Increase due to increased expenditure under Commonwealth programs including Building the Education Revolution, and the re-classification of grant expenditure as fee for service.
73. Decrease following the re-classification of grant expenditure as fee for service.
74. Increase in interest expenditure due to the non-transfer of a building finance lease to the Southbank Institute of Technology.
75. Increase due to increased expenditure under Commonwealth programs including Building the Education Revolution.

76. Increase due to borrowings drawn down from prior year deferrals; and new borrowings to fund the South East Queensland Schools Public Private Partnership project.
77. Increase due to new Commonwealth programs including Building the Education Revolution.
78. Decrease due to the impact of Machinery of Government changes in relation to Arts Queensland.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

79. Increase due to student enrolment growth, increased depreciation expenditure resulting from asset revaluation and general movement in the asset base, new appropriation arrangements and additional funding for Commonwealth programs including Building the Education Revolution, the provision for enterprise bargaining outcomes and grant deferrals from 2008-09.
80. Decrease due to a lower level of international education projects.
81. Decrease due to the change in funding arrangements between the Australian Government and Queensland Treasury, whereby grant funding is now mainly appropriated to departments.
82. Decrease in estimated Queensland Government Insurance Fund recoveries.
83. Increase due to provision for enterprise bargaining outcomes and student enrolment growth, offset by a lower level of expenditure under Commonwealth programs.
84. Increase due to increased expenditure under Commonwealth programs including Building the Education Revolution; and the re-classification of grant expenditure as fee for service.
85. Decrease due to an anticipated lower level of liability settlement.
86. Increase due to increased expenditure under Commonwealth programs including Building the Education Revolution.
87. Increase due to borrowings drawn down from prior year deferrals and new borrowings to fund the South East Queensland Schools Public Private Partnership project.
88. Increase due to new Commonwealth programs including Building the Education Revolution.
89. Decrease due to the impact of Machinery of Government changes in relation to Arts Queensland.

Administered Income Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

1. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
2. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.
3. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

4. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
5. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.
6. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

7. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
8. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.
9. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Administered Cash Flow Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

10. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
11. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
12. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

13. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
14. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
15. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

16. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
17. Increased Commonwealth grants assistance to non-state schools including Building the Education Revolution.
18. Increased administered revenue in relation to Commonwealth grants assistance to non-state schools including Building the Education Revolution.

Shared Service Initiative

Corporate and Professional Services

Overview

Corporate and Professional Services (CAPS) has operated as a Shared Service Provider within the department and employs over one thousand full-time equivalent staff.

CAPS delivers professional and innovative corporate support services to state schools, TAFE institutes and corporate business areas. These services include finance, human resources, ICT support, property and facilities management, and legal services.

Review of Performance

Recent achievements

CAPS managed the following on behalf of the department:

- A feasibility assessment for a new departmental Human Resource Management Information System.
- Revised service management strategies to improve support services to schools, including processes for ICT incident, change and problem management.
- Platform integration across corporate and regional business areas to ensure Training systems and applications are accessible from departmental networks.
- Coordinated the delivery of a range of sustainability measures including installation of water efficient devices in schools and school swimming pools in south-east Queensland, school water usage audits in drought affected areas of south-east Queensland, monitoring savings under Water Efficiency Management Plans and expansion of the whole-of-Government electronic environmental system (Built Environment Materials Information Register) to include energy and water components.
- Coordinated the delivery of four new schools, six additional school building stages, 58 modular buildings, 10 prep year buildings and 13 permanent classroom blocks for the start of 2009 school year.

Future developments

Implementation of service standardisation and process improvement strategies across finance and human resource services will continue in 2009-10.

Statements

Performance Statement

Corporate and Professional Services	Notes	2008-09 Adjusted Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Financial performance measures				
\$SSP operating surplus/(deficit)		..	..	..
% Labour costs as % of total expenses		63.8%	64.5%	65.5%
Non-financial performance measures				
Number of FTEs in SSP	1,2,4	1,211	1,244	1,090
% of OLAs signed		100%	100%	100%
Customer satisfaction index	3	≥ 70	Discontinued	Discontinued
Client satisfaction index	3	≥ 85	Discontinued	Discontinued
Client and Customer satisfaction percentage	3	≥ 90%	90%	≥ 90%

Notes:

1. The 2008-09 numbers include the final transfer of FTEs from the Shared Service Agency to Corporate and Professional Services.
2. The increase in FTEs in 2008-09 results from increased project work associated with the management of departmental projects.
3. The customer satisfaction index and client satisfaction index, which were whole-of-Government Shared Service Initiative measures have been discontinued and replaced by a single client and customer satisfaction percentage against a target percent.
4. Decrease in FTEs from 2008-09 to 2009-10 results from anticipated project work being managed directly by the department rather than through Corporate and Professional Services.

Income Statement

Corporate and Professional Services	Notes	2008-09 Adj. Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges	1,5,9	131,630	138,332	109,685
Grants and other contributions		..	..	..
Other revenue		2,327	2,415	2,415
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		133,957	140,747	112,100
Expenses				
Employee expenses	2,6,10	85,519	90,717	73,413
Supplies and services	3,7,11	43,406	49,475	38,121
Grants and subsidies		..	..	..
Depreciation and amortisation		239	239	239
Finance/borrowing costs		..	..	..
Other expenses	4,8	4,789	312	323
Losses on sale/revaluation of property, plant and equipment and investments		4	4	4
Total expenses		133,957	140,747	112,100
OPERATING SURPLUS/(DEFICIT)		..	..	..

Statement of Changes in Equity

Corporate and Professional Services	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period	
Total recognised income and expense for the period	
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period	

Balance Sheet

Corporate and Professional Services	Notes	2008-09 Adj. Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets		11,099	10,191	10,823
Receivables	12,15	2,863	4,456	4,456
Other financial assets		..	..	..
Inventories		..	..	..
Other		9	51	51
Non-financial assets held for sale		..	..	..
Total current assets		13,971	14,698	15,330
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment		380	350	373
Intangibles		131	115	115
Other		..	..	..
Total non-current assets		511	465	488
TOTAL ASSETS		14,482	15,163	15,818
CURRENT LIABILITIES				
Payables	13,16	3,465	7,519	7,519
Employee benefits obligations	14,17	7,447	2,209	2,864
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		421	2,501	2,501
Total current liabilities		11,333	12,229	12,884
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		11,333	12,229	12,884
NET ASSET/(LIABILITIES)		3,149	2,934	2,934
EQUITY				
Capital/contributed equity		(173)	(401)	(401)
Retained surplus/(accumulated deficit)		3,322	3,335	3,335
Reserves:				
– Asset revaluation reserve		..	..	..
– Other (specify)		..	..	..
TOTAL EQUITY		3,149	2,934	2,934

Cash Flow Statement

Corporate and Professional Services	Notes	2008-09 Adj. Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	18,22,26	131,626	138,328	109,681
Grants and other contributions		..	..	..
Other		2,328	2,415	2,415
Outflows:				
Employee costs	19,23,27	(84,865)	(90,062)	(72,758)
Supplies and services	20,24,28	(43,406)	(49,475)	(38,121)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other	21,25,29	(4,789)	(6,397)	(323)
Net cash provided by/(used in) operating activities		894	(5,191)	894
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles		(262)	(262)	(262)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(262)	(262)	(262)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		..	..	..
Net increase/(decrease) in cash held		632	(5,453)	632
Cash at the beginning of financial year		10,467	15,644	10,191
Cash transfers from restructure		..	..	..
Cash at the end of financial year		11,099	10,191	10,823

Explanation of Variances in the Financial Statements

Corporate and Professional Services

The financial statements reflect adjustments for the transfer of functions which took effect during 2008-09. The 2008-09 Adjusted Budget column has been recast for the final transfer of the staff from the Shared Services Agency to Corporate and Professional Services which was effective 1 July 2008.

Income Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

1. Increased revenue due to increased project work undertaken by CAPS for the department.
2. Increased employee expenses due to increased projects undertaken by CAPS.
3. Increased supplies and services due to increased projects undertaken by CAPS.
4. Changes due to the replacement of the performance return payment by an alternative departmental performance dividend.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

5. Decreased revenue due to project work being managed directly by the department rather than through CAPS.
6. Decreased employee expenses associated with anticipated reduction in project work.
7. Decreased supplies and services associated with anticipated reduction in project work.
8. Changes due to the replacement of the performance return payment by an alternative departmental performance dividend.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

9. Decreased revenue due to project work being managed directly by the department rather than through CAPS.
10. Decreased employee expenses associated with anticipated reduction in project work.
11. Decreased supplies and services associated with anticipated reduction in project work.

Balance Sheet

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

12. Anticipated increase in receivables based on current trends.
13. Anticipated increase in payables based on current trends.
14. Decreased employee benefits obligations resulting from the transfer out of leave liability as part of the Whole-of-Government Annual Leave Central Scheme.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

15. Anticipated increase in receivables based on current trends.
16. Anticipated increase in payables based on current trends.
17. Decreased employee benefits obligations resulting from the transfer out of leave liability as part of the Whole-of-Government Annual Leave Central Scheme.

Cash Flow Statement

Major variations between 2008-09 Adjusted Budget and 2008-09 Estimated Actual include:

18. Increased revenue due to increased project work undertaken by CAPS for the department.
19. Increased employee expenses due to increased projects undertaken by CAPS.
20. Increased supplies and services due to increased projects undertaken by CAPS.
21. Changes due to the replacement of the performance return payment by an alternative departmental performance dividend, offset by the transfer of cash associated with the Whole-of-Government Annual Leave Central Scheme.

Major variations between 2008-09 Adjusted Budget and 2009-10 Estimate include:

22. Decreased revenue due to project work being managed directly by the department rather than through CAPS.
23. Decreased employee expenses associated with anticipated reduction in project work.
24. Decreased supplies and services associated with anticipated reduction in project work.
25. Changes due to the replacement of the performance return payment by an alternative departmental performance dividend.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

26. Decreased revenue due to project work being managed directly by the department rather than through CAPS.
27. Decreased employee expenses associated with anticipated reduction in project work.
28. Decreased supplies and services associated with anticipated reduction in project work.
29. Changes resulting from the transfer of cash associated with the Whole-of-Government Annual Leave Central Scheme.

Statutory Bodies

Queensland Studies Authority

Overview

The Queensland Studies Authority (QSA) provides support to Queensland schools through syllabus development, assessment, reporting, testing and certification services. It also provides information on requirements for tertiary entrance. The Authority's vision is to provide quality, innovative and future-focused products and services to assist all Queensland education communities. It continues to work towards high quality and high equity educational outcomes for all Queensland students through the implementation of curriculum and assessment reforms and initiatives such as the Queensland Certificate of Education (QCE).

The QSA contributes to the *Toward Q2: Tomorrow's Queensland* ambition of *delivering world-class education and training* through the development of products and services that set the foundation for success in the early years, strengthen learning in the middle years, and in the senior years of schooling, open a range of opportunities that encourage young people to complete Year 12. The majority of QSA's 228.9 full-time equivalent staff are based at its Brisbane office. Staff are also located in 13 QSA district offices across Queensland.

Review of Performance

Recent achievements

- Issued the first QCE to 31,908 Year 12 students in 2008.
- Issued 42,381 Senior Statements, 25,709 Tertiary Entrance Statements and 594 Queensland Certificates of Individual Achievement to Year 12 students in 2008.
- Further implementation of the Queensland Curriculum, Assessment and Reporting (QCAR) Framework, which included the release of an online Assessment Bank containing over 800 items, trialling the Queensland Comparable Assessment Tasks and the publication of the Guidelines for Reporting. The QCAR Framework supports teachers by aligning curriculum, assessment and reporting in Years 1 to 9 to improve student learning.
- Administered the 2009 National Assessment Program - Literacy and Numeracy (NAPLAN) to 230,641 Years 3, 5, 7 and 9 students in Queensland.
- Developed an integrated Prep to Year 12 approach to curriculum and assessment which included the development of Year 10 Guidelines and a Prep to Year 3 Framework.

Future developments

- Work with the schooling community to enable more students to achieve a QCE, especially with regards to increasing Year 12 completion rates and ensuring that all students have quality learning outcomes.
- Contribute to the development of a national curriculum through the Australian Curriculum, Assessment and Reporting Authority and align QSA's products so they assist schools in making a seamless transition to the national curriculum.
- Work in collaboration with the school sectors to improve Queensland students' performance in NAPLAN.

- Work with the school sectors to improve teachers' assessment capacity through the continued implementation of the QCAR Framework, including the general implementation of Queensland Comparable Assessment Tasks (QCATs) and maintenance of the Assessment Bank.

Statements

Performance Statement

Queensland Studies Authority	Notes	2008-09 Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Number of syllabuses and support material for the P-12 years of schooling developed or revised		23	23	20
Number of audits of school compliance with the Australian Quality Training Framework Standards	1	75	120	85
Number of subject groups moderated and verified for senior certification	2	9,300	9,155	9,200
Number of students receiving reports on the National Assessment Program – Literacy and Numeracy		220,000	230,641	230,000
Number of students receiving Senior Education Profiles		42,700	42,381	46,176
The percentage of stakeholders surveyed who consider the syllabuses and support materials developed by the QSA to be satisfactory	3	80%	82%	83%
External Audit of the QSA VET management processes demonstrates compliance with the Australian Quality Training Framework Standards and national benchmarks		Compliance Achieved	Compliance Achieved	Compliance Achieved
Quality of certification processes: the percentage of all OP eligible Year 12 students whose OP changed following request for verification of the Tertiary Entrance Statement		0.0%	0.0%	0.0%
Syllabuses and support materials for the P-12 years of schooling made available to schools within the agreed government timeframes		Timelines met	Timelines met	Timelines met
Testing and the distribution of reports for Senior Education Profiles are delivered within timeframes agreed with stakeholders	4	Timelines met	Timelines met	Timelines met
Testing and the distribution of reports for the National Assessment Program – Literacy and Numeracy are delivered within timeframes agreed with stakeholders	4	Timelines met	Timelines met	Timelines met
Average cost per school of external audit as a Registered Training Organisation (\$)	5	11,066	7,467	10,995

Queensland Studies Authority	Notes	2008-09 Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Average cost per syllabus revision (\$)	6	69,027	69,700	83,602
Average cost per student of developing and issuing Senior Education Profiles (\$)	7	256	256	245
Average cost per student of developing and issuing the student literacy and numeracy reports (\$)		33	31	32
Average cost per student of tertiary entrance and pathways information programs (\$)		9	9	8
State Contribution (\$'000)		33,211	37,425	38,163
Other Revenue (\$'000)		2,792	3,550	3,198
Total Cost (\$'000)		35,459	39,925	41,111

Notes:

1. These figures are for on-site audits only and exclude desktop audits. The *Australian Quality Training Framework Standards for State and Territory Registering/Course Accrediting Bodies* (AQTF) is used to determine when on-site audits have to be conducted. The frequencies of audits are determined on a risk management approach based on the current status of compliance and the degree of risk incurred. The increased number of audits in 2008-09 is part of the normal cycle. Registrations by schools as Registered Training Organisations (RTOs) are valid for five years, resulting in an increase of audits every fifth year.
2. The 2008-09 actual figure includes approximately 800 single student subject groups, where students have transferred to another school that does not offer the subject and are unable to continue their studies.
3. Results from two surveys distributed to all Queensland schools (one focusing on Years 1-9 and the other on Years 10-12). The surveys were directed to school principals.
4. These were previously combined into one measure.
5. Decreased cost of audit in 2008-09 is due to an increase in the number of audits. When applied to relatively fixed costs, this results in a decrease to the average cost.
6. Increased cost of syllabus revision in 2009-10 is due to a decrease in the number of revisions, applied to relatively fixed costs.
7. Decreased cost of developing and issuing the Student Education Profile in 2009-10 is due to an increase in the number of students receiving a Student Education Profile. When applied to relative fixed costs, this results in a decrease to the average cost.

Income Statement

Queensland Studies Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges		2,192	2,590	2,298
Grants and other contributions	1,5,8	33,211	37,425	38,163
Other revenue		600	960	900
Gains on sale/revaluation of property, plant and equipment and investments				
Total income		36,003	40,975	41,361
Expenses				
Employee expenses	2,6,9	22,446	24,777	26,710
Supplies and services	3,7,10	11,006	12,945	12,299
Grants and subsidies		..	..	..
Depreciation and amortisation		1,849	2,027	2,010
Finance/borrowing costs		113	44	20
Other expenses		45	75	72
Losses on sale/revaluation of property, plant and equipment and investments		..	57	..
Total expenses		35,459	39,925	41,111
OPERATING SURPLUS/(DEFICIT)	4,11	544	1,050	250

Statement of Changes in Equity

Queensland Studies Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period		544	1,050	250
Total recognised income and expense for the period		544	1,050	250
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		544	1,050	250

Balance Sheet

Queensland Studies Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	12,17	4,758	7,746	8,192
Receivables		501	385	399
Other financial assets		..	..	..
Inventories		120	105	105
Other		266	333	300
Non-financial assets held for sale		..	..	..
Total current assets		5,645	8,569	8,996
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	18,22	1,729	1,742	1,242
Intangibles	13,19	6,222	7,818	7,538
Other		..	..	..
Total non-current assets		7,951	9,560	8,780
TOTAL ASSETS		13,596	18,129	17,776
CURRENT LIABILITIES				
Payables	14,20	609	3,570	3,525
Employee benefits obligations		1,573	1,658	1,652
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		64	54	55
Total current liabilities		2,246	5,282	5,232
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives	15,23	235	716	163
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		235	716	163
TOTAL LIABILITIES		2,481	5,998	5,395
NET ASSETS/(LIABILITIES)		11,115	12,131	12,381
EQUITY				
Capital/contributed equity		4,841	4,832	4,832
Retained surplus/(accumulated deficit)	16,21	6,274	7,299	7,549
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		11,115	12,131	12,381

Cash Flow Statement

Queensland Studies Authority	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges		2,218	2,627	2,290
Grants and other contributions	24,29,34	33,211	37,395	38,163
Other		834	1,202	1,081
Outflows:				
Employee costs	25,30,35	(22,571)	(24,782)	(26,716)
Supplies and services	26,31,36	(11,260)	(14,044)	(12,312)
Grants and subsidies		..	..	..
Borrowing costs		(113)	(44)	(20)
Other		(236)	(297)	(259)
Net cash provided by/(used in) operating activities		2,083	2,057	2,227
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	41	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	27,32,37	(200)	(2,505)	(1,228)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(200)	(2,464)	(1,228)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions	28,33	(1,036)	(531)	(553)
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		(1,036)	(531)	(553)
Net increase/(decrease) in cash held		847	(938)	446
Cash at the beginning of financial year		3,911	8,684	7,746
Cash transfers from restructure		..	..	..
Cash at the end of financial year		4,758	7,746	8,192

Explanation of Variances in the Financial Statements

Queensland Studies Authority

Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

1. Variation relates to funding provided for the National Assessment Program in Literacy and Numeracy (NAPLAN).
2. Increase in expenditure relates to additional casual and permanent staff required for NAPLAN.
3. Increase in expenditure relates to additional supplies and services expenditure for NAPLAN.
4. Variation relates to higher than anticipated revenue in user charges and interest combined with savings in salary-related expenses resulting from part-year occupancy of some positions

Major variations between 2008-09 Budget and 2009-10 Estimate include:

5. Variation relates to funding provided for NAPLAN combined with Enterprise Bargaining (EB) increase.
6. Increase in expenditure relates to additional casual and permanent staff required for NAPLAN combined with EB increase.
7. Increase in expenditure relates to NAPLAN activities.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

8. Variation relates to EB funding.
9. Variation due to EB funding combined with full year occupancy of newly funded positions.
10. Relates to savings from reduced costs for events combined with savings in publication printing costs.
11. Variation due to reduction in revenue from user charges combined with effect of full-year occupancy of some positions.

Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

12. Variation relates to funding provided for NAPLAN combined with higher than anticipated operating surplus.
13. Increase relates to Senior Learning Information Management System (SLIMS) application development expenditure.
14. Increase relates to significant NAPLAN contract milestones occurring on 30 June 2009.
15. Result of planned supplementary loan repayment not being made in 2008-09. Funds diverted to fund SLIMS application development instead.
16. Variation relates to higher than anticipated operating surplus.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

17. Variation relates to funding provided for NAPLAN and EB as well as from the operating surplus.
18. Variation relates to reduction in capital expenditure combined with impact of full year's depreciation on 2008-09 acquisitions.
19. Increase relates to SLIMS application development.
20. Increase relates to significant NAPLAN contract milestones occurring on 30 June 2009.
21. Variation relates to higher than anticipated operating surplus.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

22. Variation relates to reduction in capital expenditure combined with impact of full year's depreciation on 2008-09 acquisitions.
23. Impact of scheduled loan repayments.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

24. Variation relates to funding provided for NAPLAN.
25. Increase in expenditure relates to additional casual and permanent staff required for NAPLAN.
26. Increase in expenditure relates to additional supplies and services expenditure for NAPLAN.
27. Increase relates to SLIMS application development expenditure.
28. Result of planned supplementary loan repayment not being made in 2008-09. Funds diverted to fund SLIMS application development instead.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

29. Variation relates to funding provided for NAPLAN combined with Enterprise Bargaining (EB) increase.
30. Increase in expenditure relates to additional casual and permanent staff required for NAPLAN combined with EB increase.
31. Increase in expenditure relates to NAPLAN activities.
32. Increase relates to SLIMS application development expenditure.
33. Impact of scheduled loan repayments.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

34. Variation relates to EB funding.
35. Variation due to EB funding combined with full year occupancy of newly funded positions.
36. Relates to savings from reduced costs of events combined with savings in publication printing costs.
37. Reduction due to decrease in SLIMS application expenditure.

Southbank Institute of Technology

Overview

Southbank Institute of Technology (SBIT) was established as a statutory TAFE institute under the *Vocational Education, Training and Employment Act 2000* on 1 April 2008. The Institute's mission is to 'empower people for rewarding careers in the global community' as Queensland's lead vocational education and training provider of high-level skills training.

SBIT offers a range of high-level vocational qualifications, associate degrees, university pathways and articulation arrangements in key industries. At the end of 2008-09, it is estimated that the Institute will utilise over 700 full-time equivalent departmental staff and eight full-time equivalent staff directly engaged by the statutory institute.

SBIT also manages delivery across TAFE Queensland Institutes of two Commonwealth programs jointly valued at over \$20 million annually - the Adult Migrant English Program and Language, Literacy and Numeracy Program.

Review of Performance

Recent achievements

- Continued to embed and leverage the new statutory governance arrangements to improve responsiveness to industry and business needs and increase commercial revenue.
- Project managed finalisation of the \$550 million, Southbank Education and Training Precinct Redevelopment project ahead of schedule.
- Further expanded delivery of customised corporate sector training and education solutions to Queensland and Australian enterprises.
- Continued to grow international business through both delivery to international students onshore and delivery of programs offshore.
- Launched a new suite of programs targeted at senior school students to fast track attainment of vocational and higher education qualifications.
- Invested in the development and renewal of education products to ensure key skills shortages in the Queensland economy are bridged.

Future developments

- Further expanding program offerings for senior high school student to participate in Southbank Diploma programs.
- Implement FEE-HELP in both higher education and vocational full fee-for-service programs.
- Partner with Urbanest organisation to complete student accommodation for up to 720 students on the South Brisbane Campus.
- Continue the expansion of international business through delivery of vocational programs to students onshore and offshore.
- Develop additional educational pathways for students moving between University and Southbank Institute of Technology.

Statements

Performance Statement

Southbank Institute of Technology	Notes	2008-09 Target/Est.	2008-09 Est. Actual	2009-10 Target/Est.
Total number of students:				
• Southbank Institute of Technology		25,000-26,000	30,291	32,000
• Higher-level training (Cert IV and above)		9,000-10,000	9,195	9,500
• Mature age		4,500-5,000	5,458	5,500
• 15-17 year olds		2,000-2,500	2,051	2,200
Total qualifications completed:				
• Southbank Institute of Technology		6,500-7,500	7,243	7,500
Total competencies successfully completed:				
• Southbank Institute of Technology		135,000-145,000	155,005	160,000
• Higher-level training (Cert IV and above)	1	70,000-75,000	62,033	70,000
Employment/further study outcome		92%	92%	92%
Number of full fee paying international students		2,600	3,495	3,700
Non-government revenue (\$'000)		43,525	38,827	41,814
Level of stakeholder satisfaction with services and products:				
• Student Satisfaction Survey	2	89%	87.5%	89%
• Employer Satisfaction Survey	3	81%	N/A	85%
Percentage of successful competencies as a proportion of all attempted competencies		80%	82%	84%
Average cost per competency successfully completed (\$)		950	750	760
Southbank Institute of Technology (All) funding (\$'000)		118,909	116,674	118,824
State Contribution (\$'000)		75,384	77,847	77,010
Other Revenue (\$'000)		43,525	38,827	41,814
Total Cost (\$'000)		117,913	116,674	118,824

Notes:

1. Result lower than expected as Certificate III competencies required as pre-requisites to enter into higher level programs. Percentage of students participation at Certificate III level and above is 80% or an expected 124,000 competencies for 2008-2009.
2. Student satisfaction survey conducted by Southbank Institute of Technology Semester 2, 2008.
3. Employer satisfaction survey is currently underway, results pending.

Income Statement

Southbank Institute of Technology	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges	1,8	43,141	38,390	41,618
Grants and other contributions		75,384	77,847	77,010
Other revenue		384	437	196
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		118,909	116,674	118,824
Expenses				
Employee expenses		2,550	2,859	3,184
Supplies and services	2,4,5	83,623	111,477	113,236
Grants and subsidies		..	..	..
Depreciation and amortisation	3,6	3,572	1,896	1,995
Finance/borrowing costs	2,5	24,046	..	..
Other expenses	4,7	4,122	442	409
Losses on sale/revaluation of property, plant and equipment and investments		..	..	..
Total expenses		117,913	116,674	118,824
OPERATING SURPLUS/(DEFICIT)		996	..	..

Statement of Changes in Equity

Southbank Institute of Technology	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments	
Increase/(decrease) in asset revaluation reserve	
Net amount of all revenue and expense adjustments direct to equity not disclosed above	
Net income recognised directly in equity	
Surplus/(deficit) for the period		996	..	..
Total recognised income and expense for the period		996	..	..
Equity injection/(withdrawal)	
Equity adjustments (MoG transfers)	
Total movement in equity for period		996	..	..

Balance Sheet

Southbank Institute of Technology	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	9,12	20,787	6,491	3,327
Receivables		4,304	3,435	2,164
Other financial assets		..	..	..
Inventories		25	32	32
Other		374	167	167
Non-financial assets held for sale		..	16,194	16,194
Total current assets		25,490	26,319	21,884
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	10,13	265,585	33,589	32,876
Intangibles		688	381	219
Other		..	..	..
Total non-current assets		266,273	33,970	33,095
TOTAL ASSETS		291,763	60,289	54,979
CURRENT LIABILITIES				
Payables	11	3,624	10,901	5,591
Employee benefits obligations		229	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		10,829	2,447	2,447
Total current liabilities		14,682	13,348	8,038
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives	10,13	229,712	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		229,712	..	..
TOTAL LIABILITIES		244,394	13,348	8,038
NET ASSETS/(LIABILITIES)		47,369	46,941	46,941
EQUITY				
Capital/contributed equity		44,779	43,199	43,199
Retained surplus/(accumulated deficit)		2,590	1,060	1,060
Reserves:				
- Asset revaluation reserve		..	2,682	2,682
- Other (specify)		..	..	..
TOTAL EQUITY		47,369	46,941	46,941

Cash Flow Statement

Southbank Institute of Technology	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	14,20	44,654	36,469	42,889
Grants and other contributions		75,384	75,491	77,010
Other		384	462	196
Outflows:				
Employee costs		(2,321)	(2,859)	(3,184)
Supplies and services	15,18	(84,394)	(104,251)	(118,546)
Grants and subsidies		..	..	..
Borrowing costs	15,18	(24,046)	..	..
Other		(4,122)	(442)	(409)
Net cash provided by/(used in) operating activities		5,539	4,870	(2,044)
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment	16,19	15,770	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	17	(6,357)	(387)	(1,120)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		9,413	(387)	(1,120)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		(988)	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities		(988)	..	..
Net increase/(decrease) in cash held		13,964	4,483	(3,164)
Cash at the beginning of financial year		6,823	2,008	6,491
Cash transfers from restructure		..	..	..
Cash at the end of financial year		20,787	6,491	3,327

Explanation of Variances in the Financial Statements

Southbank Institute of Technology

Income Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

1. Reduced demand from corporate clients for training services due to economic climate.
2. Interest expense on finance lease for the Southbank Education Training Precinct Public Private Partnership (PPP) arrangement. The associated asset and finance lease liability has been retained by Department of Education and Training. Southbank Institute of Technology pays rent to the Department of Education and Training of an amount equivalent to the interest expense.
3. Amortisation expense relating to the Southbank Education Training Precinct assets not incurred due to the assets being retained by Department of Education and Training.
4. Expenditure on childcare for TAFE English Language and Literacy Services incorrectly classified in budget. Offset in Supplies and Services.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

5. Interest expense on finance lease for the Southbank Education Training Precinct PPP arrangement. The associated asset and finance lease liability has been retained by Department of Education and Training. Southbank Institute of Technology pays rent to the Department of Education and Training of an amount equivalent to the interest expense.
6. Amortisation expense relating the Southbank Education Training Precinct assets not incurred due to the assets being retained by Department of Education and Training.
7. Expenditure on childcare for TAFE English Language and Literacy Services incorrectly classified in budget. Offset in Supplies and Services.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

8. Increased demand for training by fee paying domestic and international students.

Balance Sheet

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

9. Cash from sale of surplus property not realised.
10. The finance lease for the Southbank Education Training Precinct PPP arrangement was retained by Department of Education and Training.
11. Amounts payable to Department of Education and Training relating to payroll and the Southbank Education Training Precinct rental payments.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

12. Cash from sale of surplus property not realised.
13. The finance lease for the Southbank Education Training Precinct PPP arrangement has been retained by the Department of Education and Training.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

14. Reduced demand from corporate clients for training services due to economic climate.
15. Interest expense on finance lease for the Southbank Education Training Precinct PPP arrangement. The associated asset and finance lease liability has been retained by the Department of Education and Training. Southbank Institute of Technology pays rent to Department of Education and Training of an amount equivalent to the interest expense.
16. Cash from sale of surplus property not realised.
17. Investment in Southbank Education Training Precinct PPP arrangement not incurred. The associated asset has been retained by Department of Education & Training.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

18. Interest expense on finance lease for the Southbank Education Training Precinct PPP arrangement. The associated asset and finance lease liability has been retained by the Department of Education and Training. Southbank Institute of Technology pays rent to Department of Education and Training of an amount equivalent to the interest expense.
19. Cash from sale of surplus property not realised.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

20. Increase in demand for training by fee paying domestic and international students.

Gold Coast Institute of TAFE

Overview

The Gold Coast Institute of TAFE (GCIT) was established as a statutory TAFE institute under the *Vocational Education, Training and Employment Act 2000* on 1 July 2008. GCIT's vision is to be an internationally renowned provider of outstanding vocational services. GCIT will achieve this vision by bringing together exceptional people to produce highly sought after graduates.

GCIT offers a broad range of vocational qualifications from Certificate to advanced diplomas, school and university pathways and articulation arrangements in many key industry specific areas. By the end of 2008-09, it is estimated that the Institute will utilise 553 full-time equivalent departmental staff and three full-time equivalent staff directly engaged by the statutory institute.

Review of Performance

Recent achievements

- Expanded the Nursing Partnership Program to address the current shortage of qualified nursing practitioners. GCIT has been delivering an innovative and best practice health care nursing program with public and private sector hospitals on the Gold Coast for more than five years and this has been expanded beyond the region through a recent partnership with Ramsay Health Care.
- Entered an arrangement with Queensland Accommodation Corporation to redevelop the Institute's Ridgeway Ave Campus, including the construction of a 600-bed student accommodation facility.
- Finalised the Institute's 20-year Infrastructure Plan.
- Developed a compelling customer experience pathway using "user based" design principles.
- Established a strategic alliance with National Service Provider resulting in the signing of agreements to deliver training programs for a number of key national retail brands who are members of the alliance.
- Increased recognised academic pathways from the VET sector to the university sector.

Future developments

- Expand delivery of training programs to national corporate clients in partnership with National Training Provider via online delivery.
- Continue to embed and leverage the new statutory governance arrangements to improve responsiveness to industry and business needs and increase commercial success.
- Implementation of a new organisational structure from 1 July 2009 which will support the newly designed customer experience pathway.
- Continue to grow international business through on-shore and off-shore delivery of programs to international students and partner institutions.
- Work towards offering VET FEE-HELP under the *Higher Education Support Amendment (VET FEE-HELP Assistance) Act 2008*.
- Further expand the nursing program to Queensland hospitals outside the Gold Coast and Brisbane Region as well as to hospitals in other states.
- Redevelop GCIT's Ridgeway Avenue and Southport Campuses.

Statements

Performance Statement

Gold Coast Institute of TAFE	Notes	Adjusted 2008-09 Target/Est.	Adjusted 2008-09 Est. Actual	2009-10 Target/Est.
Total number of students:				
• Gold Coast Institute of TAFE	1,2	16,500	15,700	16,700
• Higher-level training (Cert IV and above)	1,2	5,200	4,900	5,200
• Mature age	1,2	2,700	2,000	2,100
• 15-17 year olds	1	2,100	2,250	2,400
Total qualifications completed:				
• Gold Coast Institute of TAFE		5,000	4,500	4,700
Total competencies successfully completed:				
• Gold Coast Institute of TAFE	1	115,000	116,000	124,000
• Higher-level training (Cert IV and above)	1	n/a	37,500	39,900
Number of full fee paying international students	1	1,410	1,410	1,650
Non-government revenue (\$'000)	1	21,504	21,493	24,205
Level of stakeholder satisfaction with services and products:				
• Student Satisfaction Survey		85%	78%	80%
• Employer Satisfaction Survey		78%	83%	85%
Percentage of successful competencies as a proportion of all attempted competencies		91%	91%	91%
Average cost per competency successfully completed (\$)	1,3	516	502	515
Gold Coast Institute of TAFE (All) funding (\$'000)		59,375	60,214	67,148
State Contribution (\$'000)	1	37,871	38,721	42,943
Other Revenue (\$'000)	1	21,504	21,493	24,205
Total Cost (\$'000)	1	59,375	58,223	63,870

Notes:

1. Gold Coast Institute of TAFE (GCIT) became a Statutory Authority on 1 July 2008 and as such was included as part of TAFE measures reported under the Department of Education and Training Vocational Education and Training Services Performance Statement in the 2008-09 Agency Service Delivery Statement. For comparability of reporting, 2008-09 Target / Estimate amounts relating to GCIT have been reported separately in the 2009-10 Service Delivery Statement.
2. Levels of institutional training activity tend to be counter-cyclical with economic activity. Student numbers reflect this trend.
3. This measure includes full cost of facilities and infrastructure.

Income Statement

Gold Coast Institute of TAFE	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Income				
User charges	1,5	20,898	20,569	23,048
Grants and other contributions	2,6	37,871	38,721	42,943
Other revenue		606	924	1,157
Gains on sale/revaluation of property, plant and equipment and investments		..	..	..
Total income		59,375	60,214	67,148
Expenses				
Employee expenses	3,7	..	175	4,281
Supplies and services		56,208	54,289	55,873
Grants and subsidies		..	..	..
Depreciation and amortisation		2,867	3,339	3,339
Finance/borrowing costs		..	..	..
Other expenses		300	320	315
Losses on sale/revaluation of property, plant and equipment and investments		..	100	62
Total expenses		59,375	58,223	63,870
Operating Surplus/(Deficit)		0	1,991	3,278

Statement of Changes in Equity

Gold Coast Institute of TAFE	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
Net effect of the changes in accounting policies and prior year adjustments		..	..	..
Increase/(decrease) in asset revaluation reserve		..	..	..
Net amount of all revenue and expense adjustments direct to equity not disclosed above		..	..	..
Net income recognised directly in equity		..	..	..
Surplus/(deficit) for the period		0	1,991	3,278
Total recognised income and expense for the period		0	1,991	3,278
Equity injection/(withdrawal)		..	..	..
Equity adjustments (MoG transfers)	4,8	141,052	141,052	..
Total movement in equity for period		141,052	143,043	3,278

Balance Sheet

Gold Coast Institute of TAFE	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CURRENT ASSETS				
Cash assets	9,13	7,000	10,905	15,773
Receivables	10,14	1,598	2,597	2,849
Other financial assets		..	..	..
Inventories		60	115	126
Other		134	141	137
Non-financial assets held for sale		..	..	..
Total current assets		8,792	13,758	18,885
NON-CURRENT ASSETS				
Receivables		..	..	..
Other financial assets		..	..	..
Property, plant and equipment	11	138,859	136,220	135,445
Intangibles		16	..	..
Other		..	..	..
Total non-current assets		138,875	136,220	135,445
TOTAL ASSETS		147,667	149,978	154,330
CURRENT LIABILITIES				
Payables		1,032	1,429	1,534
Employee benefits obligations		95	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		41	..	..
Other	12,15	5,447	5,506	6,475
Total current liabilities		6,615	6,935	8,009
NON-CURRENT LIABILITIES				
Payables		..	..	..
Employee benefits obligations		..	..	..
Interest-bearing liabilities and derivatives		..	..	..
Provisions		..	..	..
Other		..	..	..
Total non-current liabilities		..	..	..
TOTAL LIABILITIES		6,615	6,935	8,009
NET ASSETS/(LIABILITIES)		141,052	143,043	146,321
EQUITY				
Capital/contributed equity		141,052	141,052	141,052
Retained surplus/(accumulated deficit)		0	1,991	5,269
Reserves:				
- Asset revaluation reserve		..	..	..
- Other (specify)		..	..	..
TOTAL EQUITY		141,052	143,043	146,321

Cash Flow Statement

Gold Coast Institute of TAFE	Notes	2008-09 Budget \$'000	2008-09 Est. Act. \$'000	2009-10 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES				
Inflows:				
User charges	17,21	20,898	20,473	24,235
Grants and other contributions	18,22	37,871	38,721	42,943
Other		606	1,882	2,077
Outflows:				
Employee costs	19,23	..	(80)	(4,281)
Supplies and services		(57,404)	(55,653)	(56,732)
Grants and subsidies		..	..	..
Borrowing costs		..	..	..
Other		(300)	(754)	(810)
Net cash provided by/(used in) operating activities		1,671	4,589	7,432
CASH FLOWS FROM INVESTING ACTIVITIES				
Inflows:				
Sales of property, plant and equipment		..	..	..
Investments redeemed		..	..	..
Loans and advances redeemed		..	..	..
Outflows:				
Payments for property, plant and equipment and intangibles	16,20,24	(1,671)	(684)	(2,564)
Payments for investments		..	..	..
Loans and advances made		..	..	..
Net cash provided by/(used in) investing activities		(1,671)	(684)	(2,564)
CASH FLOWS FROM FINANCING ACTIVITIES				
Inflows:				
Borrowings		..	..	..
Equity injections		..	..	..
Outflows:				
Borrowing redemptions		..	..	..
Finance lease payments		..	..	..
Equity withdrawals		..	..	..
Net cash provided by/(used in) financing activities				
Net Increase/(decrease) in cash held		0	3,905	4,868
Cash at the beginning of financial year		..	..	10,905
Cash transfers from restructure		7,000	7,000	..
Cash at the end of financial year		7,000	10,905	15,773

Explanation of Variances in the Financial Statements

Gold Coast Institute of TAFE

Income Statement

Major variations between 2008-09 Budget and 2009-10 Estimate include:

1. Increase due to growth in international and full fee-for-service revenues .
2. Increase due to higher quantum of delivery combined with increased price per competency paid plus an additional \$3.8m grant received from the Australian Government under the Better TAFE Facilities (BTF) Fund (comprising \$2m for capital items and \$1.8m for operating items).
3. Increase due to a small number of staff becoming directly engaged by the Statutory TAFE Institute.
4. Difference due to Gold Coast Institute of TAFE being established as a Statutory Body on 1 July, 2008. This represents the contributed equity from the Department of Education and Training.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

5. Increase due to growth in international and full fee-for-service revenues.
6. Increase due to higher quantum of delivery combined with increased price per competency paid plus an additional \$3.8m grant received from the Australian Government under the Better TAFE Facilities (BTF) Fund (comprising \$2.0m for capital items and \$1.8m for operating items).
7. Increase due to staff becoming directly engaged by the Statutory TAFE Institute.
8. Difference due to Gold Coast Institute of TAFE being established as a Statutory Body on 1 July, 2008. This represents the contributed equity from the Department of Education and Training.

Balance Sheet

Major variations between 2008-09 Budget and 2009-10 Estimate include:

9. Increase due to higher revenues, close control over associated cost impacts and management of working capital
10. Increase due to level of international and full fee-for-service revenues
11. Gold Coast Institute of TAFE has postponed its budgeted preparatory expenditure on the Southport redevelopment project pending the outcome of its application to the Federal Government for \$93.0m of Enterprise Investment Funding.
12. Increase due to level of international and full fee-for-service revenues. Other liabilities consists of deferred income relating to the 'future' portion of these revenues.

Major variations between 2008-09 Estimated Actual and 2009-10 Estimate include:

13. Increase due to higher revenues and close control over associated cost impacts and management of working capital
14. Increase due to level of international and full fee-for-service revenues
15. Increase due to level of international and full fee-for-service revenues. Other liabilities consist of deferred income relating to the 'future' portion of these revenues.

Cash Flow Statement

Major variations between 2008-09 Budget and 2008-09 Estimated Actual include:

16. Decrease reflects changes in the timing of capital projects pending the outcome of Commonwealth grant funding applications.

Major variations between 2008-09 Budget and 2009-10 Estimate include:

17. Increase due to growth in international and full fee-for-service revenues .
18. Increase due to higher quantum of delivery combined with increased price per competency paid.
19. Increase due to a small number of staff becoming directly engaged by the Statutory TAFE Institute.
20. Increase reflects capital expenditure projects to be funded by the \$2m capital component of the BTF Fund grant.

Major variations between 2008-09 Estimated Actual and the 2009-10 Estimate include:

21. Increase due to growth in international and full fee-for-service revenues .
22. Increase due to higher quantum of delivery combined with increased price per competency paid.
23. Increase due to a number of staff becoming directly engaged by the Statutory TAFE Institute.
24. Increase reflects capital expenditure projects to be funded by the \$2m capital component of the BTF Fund grant.