

TAFE QUEENSLAND

Annual Report 2022-23



LETTER OF COMPLIANCE

11 September 2023

The Honourable Di Farmer MP
Minister for Employment and Small Business
Minister for Training and Skills Development and
Minister for Youth Justice

PO Box 15483
CITY EAST QLD 4002

Dear Minister

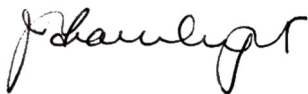
I am pleased to submit for presentation to the Parliament the Annual Report 2022-23 and financial statements for TAFE Queensland.

I certify that this report complies with the:

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

A checklist outlining the annual reporting requirements is provided at page 26 of this Annual Report.

Yours sincerely



Jane Seawright
Chairperson
TAFE Queensland

ABOUT OUR ANNUAL REPORT

The TAFE Queensland Annual Report 2022-23 is an integral part of our corporate governance framework. It aligns with the TAFE Queensland Strategic Plan 2020-24, summarising our key achievements, performance and financial position for 2022-23.

The annual report plays an important role in fulfilling TAFE Queensland's commitment to accountability, transparency and continuous improvement.

It also provides information on our future direction, people management and corporate governance.

View our report online

TAFE Queensland's annual reports (including information on TAFE Queensland's government body) are available online at tafeqld.edu.au

For enquiries about this annual report, please contact TAFE Queensland by telephone on +61 7 3514 3600 or via email at tafe.queensland@tafeqld.edu.au

More information – open data

Several annual reporting requirements for this year are addressed through publishing information on the Queensland Government Open Data Portal. These are:

- Overseas Travel
- Queensland Language Services Policy; and
- Queensland Government Bodies.

TAFE Queensland reported no consultancies expenditure in 2022-23.

For further information, please visit data.qld.gov.au

Interpreter services

TAFE Queensland is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds.



If you have any difficulty in understanding the annual report, please call TAFE Queensland on +61 7 3514 3600 and we will arrange an interpreter to effectively communicate the report to you.

Providing feedback

We continually strive to meet best practice reporting standards and value the views of our readers. We invite you to provide feedback on this report by completing a survey on the Get Involved website. The feedback survey is available by searching for 'annual report' on the Get Involved website at <https://www.getinvolved.qld.gov.au/gi/>

Copies of this publication can be obtained at tafeqld.edu.au or by telephoning TAFE Queensland on +61 7 3514 3600 or emailing tafe.queensland@tafeqld.edu.au

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INTRODUCTION

Message from the Chairperson and Chief Executive Officer

As the most experienced and largest training provider in the state, we deliver innovative training solutions for current, emerging and future industries. Our training gives people the skills they need to enrich their communities, support their industries and strengthen their local economies.

For 140 years, TAFE Queensland has been delivering practical and industry-relevant training to provide students with the skills and experience they need to build lifelong careers.

TAFE Queensland also continued to support the Government's objectives for the community:

- Good jobs: Good, secure jobs in our traditional and emerging industries
- Better services: Deliver even better services right across Queensland; and
- Great lifestyle: Protect and enhance our Queensland lifestyle as we grow.

From entry-level certificates and apprenticeships to bachelor's degrees, we deliver hands on, practical training to over 126,000 students annually, across more than 400 programs.

Training is offered to students at more than 60 campus locations throughout Queensland, from Thursday Island in the North to Coolangatta in the South East, and as far west as Mount Isa.

At TAFE Queensland we are committed to providing quality outcomes for students and industry through the implementation of a quality framework, a comprehensive and systemic approach to monitoring quality and driving continuous improvement.

We have more than 4,000 full-time equivalent employees who are capable, empowered and passionate.

Our highly experienced workforce is dedicated to delivering best practice and innovative training that provides real outcomes for our students and employers.

We attract and maintain the best people by investing in targeted employment and professional development programs.

Our teachers regularly return to industry to keep their skills and knowledge up-to-date. They contribute to developing training packages in consultation with industry to ensure our courses continue to meet contemporary workforce requirements.

At TAFE Queensland we work proactively with our industries and communities to identify the skills required now and for future work.

For instance, TAFE Queensland offers specialised maritime facilities ranging from basic fibreglassing through to marine mechanics at our purpose built Coomera Marine campus. Our courses are developed in partnership with industry professionals, ensuring our students graduate with the skills they need to work with large industry employers.

We also offer a comprehensive range of Australian Maritime Safety Authority approved training in world-class facilities at the Great Barrier Reef International Marine College. Training complies with the requirements of the International Maritime Organisation Standards of Training, Certification and Watchkeeping for Seafarers. Staff at the Marine College have extensive industry experience, hold relevant and current maritime qualifications and are experts in their field.

We are connecting with our students, communities, industries and government agencies to build our corporate social responsibility through our Social and Environmental Sustainability Action Plan.

We officially opened the Robina campus in July 2022. Robina is proud to be Australia's first sustainable vocational education and training campus and ensures that sustainability is embedded into every aspect of campus operations.

Our training is accessible to students from all walks of life. We are committed to creating a positive, respectful learning environment for our students that promotes equality, is free from discrimination and harassment, and is supportive of the specific needs of all individuals.

We provide practical assistance, support and advice through our AccessAbility Support team to assist students to develop an individual support plan.

Our Reconciliation Action Plan (RAP) 2021-2023 demonstrates our commitment to closing the gap to ensure our first Australians are afforded the same opportunities for learning and prosperity that everyone enjoys in Australia.

We are a highly recognised and trusted brand with long established, deep industry connections. With a 92.1% employer satisfaction rate, TAFE Queensland offers employers confidence in the skills, knowledge and quality of our students.

We are also proud to highlight that TAFE Queensland was awarded the Large Training Provider of the Year at the Queensland Training Awards, two years in a row.

International Training

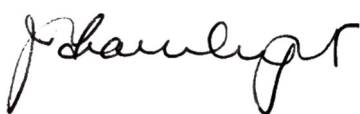
We maintain an international presence at TAFE Queensland to increase on and off-shore international business, contributing to the international education and training industry through the export of products and services.

Our international resources are dedicated to developing business with governments and enterprises worldwide, with the aim of enhancing and sustaining vocational education and training globally.

We recruit international students from over 90 countries to support a diverse student population providing significant social, cultural and financial benefits for Queensland.

Additionally, TAFE Queensland has managed the Australia Pacific Training Coalition (APTC) since its inception. The APTC is a centre of training excellence assisting Pacific Island citizens to gain Australian-standard skills and qualifications.

The APTC, funded by the Department of Foreign Affairs and Trade, is the Australian Government's major investment in Technical and Vocational Education and Training in the Pacific region. Over 30,200 students have completed APTC training in accredited and non-accredited qualifications since 2007.



Jane Seawright
Chairperson
TAFE Queensland

Aviation Australia

Aviation Australia Pty Ltd is a wholly owned subsidiary of TAFE Queensland that provides aviation related training across four key aviation and aerospace areas – aircraft maintenance engineering, flight safety training, remotely piloted aircraft systems and advanced pilot training.

In 2022-23, Aviation Australia worked closely with the aviation industry to support their training needs as they rebuild their workforces post pandemic. The number of aircraft maintenance engineer apprentices and trainees under management has increased by 20% from the previous year, and is expected to continue to grow in 2023-24.

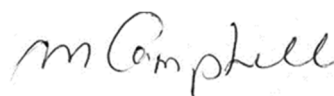
On 30 June 2023, TAFE Queensland farewelled Mary Campbell from her role as TAFE Queensland's Chief Executive Officer. Starting as a teacher in 1987, Mary worked in numerous positions with TAFE Queensland including undertaking senior roles as Institute Director and General Manager at TAFE Queensland SkillsTech, and Chief Executive Officer since 2017. Mary leaves a proud legacy and we thank her for her work, dedication and passion for TAFE Queensland.

John Tucker was appointed as Interim Chief Executive Officer from 1 July 2023 and permanently appointed to the role on 3 August 2023.

Our TAFE Queensland Annual Report 2022-23 highlights our achievements against TAFE Queensland's key strategic pillars:

- Industry, employer and student focus
- Our people make great happen
- Exceptional student experiences; and
- A sustainable and socially responsible TAFE Queensland.

Throughout 2023-24, we will continue to work with our communities, industry and Government to ensure that everyone, everywhere has the opportunity to transform their lives.



Mary Campbell
Chief Executive Officer
TAFE Queensland

OUR ORGANISATION

Operating Environment

On 1 July 2014 TAFE Queensland was established by the *TAFE Queensland Act 2013* (TQ Act) as a statutory body under the *Financial Accountability Act 2009* (FAA) and the *Statutory Bodies Financial Arrangements Act 1982*. This legislation prescribes our objectives and functions – noting our primary role is to provide vocational education and training services in a way that is efficient, effective and responsive to the needs of industry, students and the general community.

TAFE Queensland is the state's largest and most experienced further education and training provider delivering practical, industry-relevant programs. This year we provided training for over 126,000 students (including over 8,000 international students from over 90 countries), across more than 400 programs that range from foundation skills to degree level, along with a series of micro-credentials, skill sets and short courses.

Vision, Purpose and Values

Though our form has changed many times throughout our proud 140-year history, our vision has stayed the same: **to be the leading provider of vocational education and training that is at the heart of community success.**

At TAFE Queensland we deliver quality education and training that enables the careers of our students and the development of the industries and communities we serve by holding true to our values: **safety first, working together, focusing on our customer, taking responsibility and showing initiative.**

Operating as one network of over 60 campuses across Queensland, as well as online, at employer workplaces and in markets offshore, we provide individuals with training options at every stage of their career and employers with skilling solutions that respond to complex and ever-changing workforce needs.

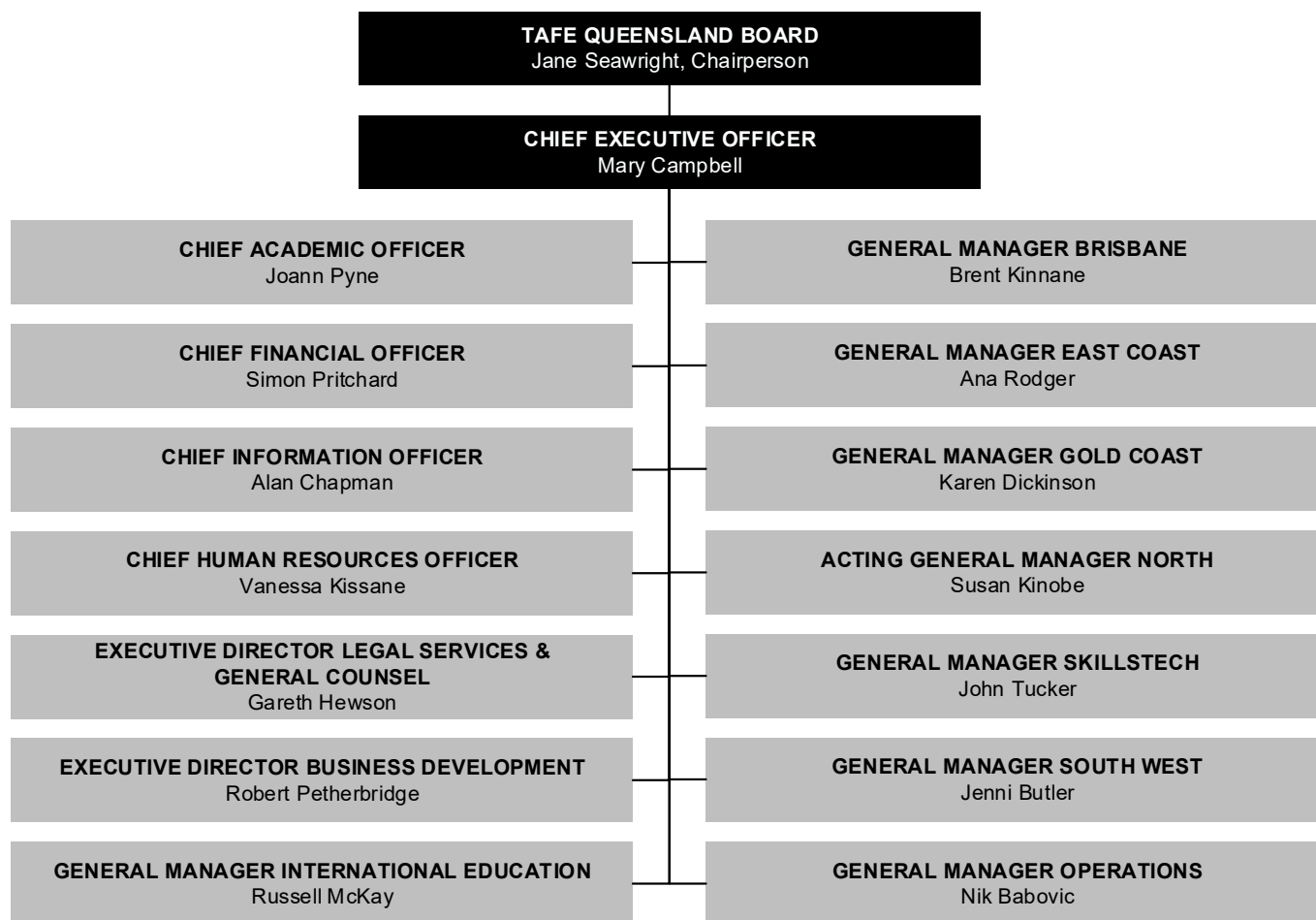
Our state-wide delivery model supports our commitment to working with students from a wide range of socio-economic and cultural backgrounds, in regional and remote locations and with diverse needs. Our responsive approach allows us to adapt our offerings to meet the needs of local industries and strengthens local communities. Our training results in contemporary skills, that prepare graduates for the jobs of today and the required upskilling and reskilling for the jobs of tomorrow.

In doing so, we continue to strengthen our reputation as a leading provider of high quality education and training. TAFE Queensland's values support the Queensland Government's public service values.

On 1 July 2023, TAFE Queensland will publish the TAFE Queensland Strategic Plan 2023-2027, following an extensive review conducted in March 2023.

Executive Management

TAFE Queensland's Executive team functions under the authority of the TAFE Queensland Board and reports to the Board through the Chief Executive Officer (CEO). The Executive team, led by the CEO, provides the leadership and direction to achieve the strategic goals and draws on the expertise of other staff when required.



Profiles of the TAFE Queensland Executive team are located on the TAFE Queensland website at <https://tafeqld.edu.au/about-us/who-we-are/executive.html>

Notes:

- Susan Kinobe commenced as Acting General Manager for TAFE Queensland North region in November 2022.
- Denise O'Brien retired from the position as the General Manager, TAFE Queensland International Education, with Russell McKay being appointed to the role in March 2023.
- Mary Campbell officially retired in her role as Chief Executive Officer, TAFE Queensland on 30 June 2023.
- John Tucker was appointed as Interim Chief Executive Officer from 1 July 2023 and permanently appointed to the role on 3 August 2023.

FINANCIAL PERFORMANCE

TAFE Queensland is reporting a consolidated operating deficit of \$52.3 million for 2022-23. Snapshots from the 2022-23 year are provided below. Further details are provided in the financial statements.

Operating Performance (financial highlights)	2021-22 \$'000	2022-23 \$'000
Income	712,485	737,146
Expenses	716,695	789,493
Operating deficit	(4,210)	(52,347)
Cash and cash equivalents	98,183	136,235
Total assets	429,148	501,347
Total equity	259,253	208,491

Overall revenues rose by \$24.7 million or 3.5% with strong demand in User Choice (apprentices and trainees), VET in Schools and international students, as well as an increase in the State Contribution Grant received from the Department of Youth Justice, Employment, Small Business and Training.

Overall expenses, however, rose by \$72.8 million or 10.2% including \$56.1 million increase in employee expenses arising from:

- salary increases in accordance with Enterprise Bargaining agreements, including provision for a cost of living adjustment for TAFE Services employees
- additional staffing to support training demand and meet delivery requirements, with 4,332 full-time equivalent staff engaged at 30 June 2023 compared to 4,248 full-time equivalent staff at 30 June 2022; and
- additional costs associated with changes to superannuation entitlements for staff and the introduction of a new mental health levy in Queensland.

TAFE Queensland's cash and cash equivalents increased by \$38.1 million or 38.8% during 2022-23, driven mainly by the receipt of funding in advance under a 2023 Fee Free TAFE agreement with the Department of Youth Justice, Employment, Small Business and Training. Provision of training services under this agreement will continue to be provided post 30 June 2023.

The deficit for 2022-23 also includes a \$4.8 million loss recognised by TAFE Queensland's subsidiary Aviation Australia relating to the Aviation Australia Riyadh College of Excellence LLC (AARCOE) joint venture.

AARCOE has been operating the International Aviation Training Centre (IATC) training facilities under a contract with Colleges of Excellence (COE) since 2014. This contract expired on 30 August 2022, however AARCOE continued to deliver training during the 2022-23 financial year in accordance with the terms of the expired contract based on assurances from the COE that a contract extension will be granted once the relevant approvals have been granted by the appropriate authorities.

As the contract had expired and no formal extension has yet been granted, AARCOE has not recognised any revenue for the IATC training despite delivering these services over the 2022-23 financial year, and therefore has reflected a loss for the year. Further details are provided in note 15 of the financial statements.

Our Performance

The following service standards, as published in the Queensland Budget 2023-24 Service Delivery Statements, are used by government to assess the overall performance of TAFE Queensland.

Performance measures	2022-23 Target/Est.	2022-23 Est. Actual
<i>Effectiveness measures</i>		
Proportion of attempted competencies successfully completed	91%	90.0%
Student post-training outcome (employed or in further study after training)	83%	85.2%
Proportion of graduates satisfied with the overall quality of their training	89%	89.5%
Proportion of employers satisfied with the overall quality of training	89%	92.1%
<i>Efficiency measure</i>		
Average cost per competency ¹	\$835	\$829

¹ The increase between the 2022–23 Target/Estimate and the 2023–24 Target/Estimate is attributed mainly to increased staffing costs associated with enterprise bargaining.

YEAR IN REVIEW 2022-23

This section summarises TAFE Queensland's performance across the four pillars of the TAFE Queensland Strategic Plan 2020-24. The TAFE Queensland Strategic Plan can be viewed on the TAFE Queensland website at <https://tafeqld.edu.au/about/who-we-are>

Industry, Employer and Student Focus

TAFE Queensland is the trusted brand with an industry reputation that gives employers a level of assurance around the skills, knowledge and quality of our students.

HIGHLIGHTS

- Launched the Queensland-first Electric Vehicle (EV) training allowing any automotive apprentice to elect to include four EV training units in their apprenticeship training at no extra cost
- Launched the Employer Portal to assist employers with access to information about their apprentice or trainee
- Recognised at the 2022 Queensland Training Awards by winning the Premier's Industry Collaboration Award for the work being done in partnership with BHP Mitsubishi Alliance and CQUniversity Australia
- Developed a range of products as part of the VET Emerging Industries initiative

MEETING OUR OBJECTIVES

Partnering with industry to drive innovation and meet the changing business needs of communities

- Partnered with Ark Energy for TAFE Queensland to deliver training to upskill and reskill Ark Energy's workforce in ensuring the safe production, handling and use of hydrogen across various applications to reduce CO2 emissions.
- Commenced development of a range of products across the Energy / Renewables, Manufacturing and Screen and Digital Media sectors, as part of the VET Emerging Industries initiative.
- Developed industry-leading training in the service and repair of e-mobility vehicles in Australia through a partnership with Beam Mobility, Australia's largest e-mobility provider.
- Entered into a partnership with NRG Services to deliver a forward-thinking, school-based training program to address a trade skills shortage in the booming refrigeration industry.
- Partnered with the Brisbane Broncos to give students a pathway into a career in elite sport with the creation of the league's first Sport Business Institute.
- Partnered with PeopleIN to promote labour mobility in Australia to in-demand sectors, deliver placement services to TAFE Queensland's 126,000 students, and to provide upskilling opportunities to PeopleIN's 55,000 strong on-hire workforce.
- Joined with Football Queensland and Queensland Rugby Union to provide bespoke vocational training to enable high school students to specialise in coaching as their chosen career path as part of TAFE Queensland's Academy of Sport program.

Working proactively within our communities to identify the skills required now and for future work

- Reached the milestone of 100 active students in the Recreational Vehicle courses provided at TAFE Queensland. These courses were introduced in August 2021 to meet the huge demand in caravanning and the use of recreational vehicles in Australia since 2020 and have been readily embraced by industry.

- Successfully delivered the virtual International Skills Training (IST) Trainer and Assessor Combined Course in Panama with Minera Panama, the first IST program delivered and assessed in Spanish.
- Celebrated the first APTC graduation in Timor-Leste in October 2022, celebrating the achievements of 25 Timorese graduates who successfully completed the IST course.
- Hosted industry experts from the agriculture sector at the Mooloolaba campus for the Virtual Agriculture Forum, learning about current and upcoming workforce requirements as well as the transformation of resources and processes to increase productivity and to remain innovative.
- Hosted a number of graduations by APTC to celebrate the achievements of students in Samoa, Solomon Islands, Papua New Guinea, Nauru, Fiji, Kiribati and Vanuatu.
- Developed Aviation Australia's specialty trade assistant program in Far North Queensland for aircraft maintenance engineering. The program was designed by Aviation Australia after discussions with the aviation industry about the effects of COVID-19 on the aircraft engineering workforce and was fully funded through the Australian Government's Local Jobs Program.

Providing innovative training solutions that meet industry and employer needs in skilling

- Recognised at the 2022 Queensland Training Awards for the work being done in partnership with BHP Mitsubishi Alliance and CQUniversity Australia in the Queensland Future Skills Partnership, winning the Premier's Industry Collaboration Award.
- Chosen by Qantas, Aviation Australia will be the training partner for the Qantas Group Engineering Academy in Brisbane and Melbourne, training up to 300 engineers per year from 2025.
- Launched the Queensland-first EV training by TAFE Queensland in November 2022, whereby any automotive apprentice can elect to include four nationally recognised EV training units in their apprenticeship training plan at no extra cost to their employer. More than 100 industry representatives attended the launch to learn about the future of Queensland's automotive industry training.
- Featured on Channel 7's Sunrise, Weekender and Creek to Coast showcasing TAFE Queensland's sustainable Robina campus, Recreational Vehicle manufacturing and servicing programs at the purpose-built facility at the Acacia Ridge campus, and the Great Barrier Reef International Marine College.
- Partnered with the Royal Flying Doctor Service to upskill their Registered Nurses in the application of fluoride varnish to rural and remote children's teeth.

Building service excellence across the business

- Launched the Employer Portal which provides employers with all the information they need about their apprentice's training in one convenient location.
- Delivered work on a series of key initiatives as part of the Customer Experience Program, including the Direct Applications project, the Business to Customer (B2C) Customer Relationship Management (CRM) automated communications and data cleansing, and the Contact Centre Technology Refresh project.
- Finalised the Business to Employer (B2E) CRM Phase 4 project to support the Supervising Registered Training Organisation (SRTO) Notification requirements for TAFE Queensland.
- Progressed development of a new Educational Planning System with the aim of improved efficiency in educational planning processes through automation and systems integration.

Our People Make Great Happen

TAFE Queensland staff are at the centre of delivering our vision and purpose.

HIGHLIGHTS

- Awarded 2022 Large Training Provider of the Year at the Queensland Training Awards
- Received accreditation as a White Ribbon Australia Accredited Workplace
- Continued to pledge our accountability through the important actions of the second Innovate RAP 2021-2023
- Commenced work to be recognised as a 'Bully Zero Culture of Excellence' branded organisation
- Launched SAFE at TAFE, a critical management framework used to manage the health, safety and wellbeing of TAFE Queensland's people

TAFE Queensland Workforce 2022-23*

- Engaged a workforce of 4,331.76 full-time equivalent staff
- Permanent 3,281.80 (75.76%)| Temporary 782.01 18.05%| Casual 175.88 (4.06%)| Contract 92.07 (2.13%)

* MOHRI Active and Paid FTE data for fortnight ending 30 June 2023

MEETING OUR OBJECTIVES

Building a diverse workforce whose culture embodies the communities we serve

- Approved the First Nations Employment Strategy which seeks to support the aspirations and futures of Aboriginal and Torres Strait Islander peoples through recruitment, professional development activities, building career pathways and a culturally safe workplace for all employees. The implementation of this strategy is being undertaken in partnership with TAFE Queensland First Nations employees, the First Nations Employment sub-committee and Human Resources teams.
- Continued to strengthen our commitment to, and visibility of, diversity and inclusion through the Pride Network and commencing development of a draft Diversity, Inclusion and Equality Framework and Strategy.
- Continued the Connected Leaders program, which provides a forum to develop leadership skills, collaborate with other leaders, drive momentum and improve the organisation.
- Held the initial First Nations Employee Network meeting in July 2022, a new network that offers a forum for First Nations employees across all regions to connect and collaborate in a shared and safe environment. The network provides opportunity to lead discussions and share ideas on how to create and enact inclusive practices at TAFE Queensland as well as to learn more about TAFE Queensland's Reconciliation Action Plan and the work being done in this space.
- Recognised staff through the TAFE Queensland Years of Service Recognition Program which acknowledges the services of TAFE Queensland employees and the contribution they have made to the organisation.
- Provided staff with the opportunity to confidentially update their diversity information which allows TAFE Queensland to better understand the workforce and tailor programs that suit the needs of its' people, including key diversity groups.
- Continued to pledge our accountability through the important actions of the second Innovate RAP 2021-2023.

Building our safety culture and leadership to deliver improved safety performance

- Launched SAFE at TAFE, a critical management framework used to manage the health, safety and wellbeing of TAFE Queensland's people, including Mindarma, Class Act Conduct, Mental Health First Aid and a new specialised Work Health, Safety and Environment Incident Management System.
- Successfully received accreditation as a White Ribbon Australia Accredited Workplace. TAFE Queensland successfully met 15 criteria under three standards to create a safer and more respectful workplace.
- Continued work to be recognised as a 'Bully Zero Culture of Excellence' branded organisation, committing to fostering a culture free from bullying in the workplace where everyone feels safe, valued and respected.
- Deployed the 2023 Annual Refresher Training Program to all staff to assist in keeping each other safe and healthy at work. The program is also an important reminder about not only TAFE Queensland's obligations as an employer, but also the responsibilities all staff have to the organisation, colleagues, students and visitors.
- Recognised National Safe Work Month in October 2022, a time to focus on the right to be safe and healthy at work. TAFE Queensland promoted the newly launched SAFE at TAFE framework, alongside a series of broadcasts and activities focusing on common health and safety risks as well as reminders about the initiatives in place at TAFE Queensland.

Enabling all of our people to reach their potential and be partners in our success

- Celebrated International Women's Day, a time to celebrate the achievements of all women. This year's theme was Cracking the Code: Innovation for a gender-equal future. In recognition of the day, there were various events held at campuses across the state including a live, virtual event in the form of an interview with Mary Campbell, Chief Executive Officer and Denise O'Brien, General Manager, International Education.
- Joined the Public Sector Commission's Aboriginal and Torres Strait Islander Career Pathways Service, available to employees at AO5 level and above, which provides broad opportunities for career development.
- Held a face-to-face TAFE Queensland Connected Leaders forum at the South Bank campus in September 2022, the first opportunity for colleagues in the program to gather together in three years. More than 130 attendees from across Queensland engaged in the day-long event with topics including Having Difficult Conversations, Positive Performance Management and Reasonable Management Action, Managing Hybrid Teams, Mental Health and Wellbeing for Leaders, and Identifying and Responding to Domestic and Family Violence (DFV) at TAFE Queensland.

Building the capability and capacity of our educator workforce, enabling the delivery of innovative education and training that supports industry and future work

- Delivered the TAFE Queensland Virtual Summit for Educators in January 2023, with the theme of 'Good to Great'. The Summit was a one-day professional learning event repeated over two days to cater for the number of educators.
- Attended the TAFE Directors Australia (TDA) National Convention from 15-17 November 2022 in Adelaide under the theme Courage, Change and Challenge – The Future of TAFE. TAFE Queensland staff joined industry leaders, international speakers, TDA members and partners to shape the future of TAFE.
- Held the TAFE Queensland International Education two-day planning and development conference focusing on 'Good, Better, BEST! How can we do things we currently do well, better?'

- Hosted the inaugural Scholarship of Teaching and Learning conference on 31 March 2023 at the South Bank campus. The conference welcomed around 80 participants and focused on enabling and encouraging a research culture along with showcasing and sharing scholarship activities happening at TAFE Queensland.

Attracting and retaining the best people by investing in targeted employment and development practices

- Celebrated World Teacher's Day on 5 October 2022 to formally acknowledge the important role of teachers across the state in helping their students to achieve greatness and to say thank you for their on-going commitment to excellence as well as their critical role in underpinning growth and development in the communities we serve across Queensland.
- Reviewed the Professional Development Framework 12 months post-implementation and endorsed its continuation. This includes the free accredited and non-accredited training offered to TAFE Queensland staff across a variety of disciplines including workplace skills, business, finance, project management, leadership, workplace health and safety, and event management, from Certificate I through to Advanced Diploma level.
- Developed an 'Identified and Targeted Recruitment Information Guide' to support hiring managers and human resources teams to achieve diversity targets. This was an action identified in the TAFE Queensland First Nations Employment Strategy 2022-2023 and is supported with a catalogue of First Nations media channels and organisations for the advertising of vacancies.

Rewarding and recognising values-based behaviours

- Awarded 2022 Large Training Provider of the Year at the Queensland Training Awards with some of TAFE Queensland's teachers and students also winning individual award categories.
- Celebrated the TAFE Queensland State Staff Awards on 9 September 2022, highlighting the stars of the business and providing an opportunity to acknowledge the many teams and individuals who make great happen at TAFE Queensland.
- Selected as an ABA100 Winner for Training Excellence in the 2022 Australian Business Awards for our Volunteers and Events Training program. This award recognises organisations that have successfully implemented initiatives that demonstrate leadership and commitment to education and training.
- Named a Queensland finalist in the 2022 Australian Marketing Institute Awards for Marketing Excellence in the Brand Revitalisation category for the new brand campaign, 'You Define Your Greatness.' The awards recognise excellence and innovative practice from trail-blazing marketers.
- Acknowledged at the 2022 AUSTAFE Queensland Awards with multiple TAFE Queensland staff recognised for Educational Leadership, Exemplary Achievement and as Emerging Leaders and Legends across the categories of Education and Training and Support Services.

Staff Excellence

- TAFE Queensland Senior Lecturer, Brad Hosking, was awarded the Studio Producer of the Year at the 2022 Gold Coast Music Awards. Brad is a Lecturer and Course Convener in the Bachelor of Contemporary Music, a session musician and record producer. Brad has written hundreds of jingles for well-known brands all over the world and recently produced Amy Shark's 2021 Cry Forever album.
- TAFE Queensland English Language Intensive Courses for Overseas Students (ELICOS) teachers, Snezhana Chernova and Revy Naidu, were selected as winners of the 2022 English Australia Award for Innovation. Amongst a highly competitive field, their winning "Vidtionary" initiative shone for its originality and creativity.

- TAFE Queensland engineering teacher Tasvir Singh was awarded the prestigious Training and Education – Individual Teacher Award at the Weld Australia Awards in November 2022. The award recognises an educator with demonstrated experience in the delivery of quality education, their dedication to relevant industry, innovation in delivery and academic achievement, a category and award fitting for Tasvir’s work with Weld Australia.
- The UK & Ireland signage industry came together to recognise and celebrate the best of the industry at a brand new event, The Sign Awards, held on 22 March 2023. After working through more than 100 submissions, three judges were selected as the 2023 panel, which included TAFE Queensland teacher, Cameron Garrett. Cameron has been in the sign industry for over 20 years and is now a teacher of Certificate III in Signs and Graphics at TAFE Queensland.

Exceptional Student Experiences

TAFE Queensland delivers contemporary skills and training to prepare students for the jobs of today and the required upskilling and reskilling for future work.

HIGHLIGHTS

- Launched the TAFE Queensland Scholarship Foundation
- Continued to tackle the issue of period poverty by providing free period care products to staff and students as part of the Period Positivity Program
- Approved the First Nations Education Strategy
- Welcomed funding from the Queensland Government to support up to 300 Queensland veterans into different careers as they transition from the Australian Defence Force

MEETING OUR OBJECTIVES

Providing access and equity to training for students from diverse backgrounds

- Launched the TAFE Queensland Scholarship Foundation on 14 March 2023 with a breakfast held at the South Bank campus.
- Approved the First Nations Education Strategy which aims to ensure TAFE Queensland education strategies and policies reflect our focus on the importance of reconciliation and Aboriginal and Torres Strait Islander knowledge, cultures and values. The strategy will assist in the creation of new vocational pathway programs to attract Aboriginal and Torres Strait Islander people, increase participation in higher education qualifications and improve employment outcomes.
- Celebrated the 75th year of the Adult Migrant English Program (AMEP) with events held across the state to showcase the incredible student outcomes and dedicated team of educators.
- Continued the delivery of Aviation Australia's unique FAME (Female Aircraft Maintenance Engineer) program, embedded within the Certificate IV in Aeroskills, with direct engagement from industry partners. The theme for 2023 is 'This is your time to Shine!' The campaign invites industry partners to be part of this initiative designed to support and nurture future female aircraft maintenance engineers as they build their careers in a traditionally male-dominated field.

Building learning environments that enable community-centric training delivery

- Formed an ongoing working relationship with Gunggandji-Mandingalbay Yidinji Peoples Prescribed Body Corporate (GMYPPBC) Aboriginal Corporation rangers in Yarrabah and recently supported their new Skilling Queenslanders for Work application to host another round of trainees. This program provides an opportunity for jobseekers and young people in Yarrabah to gain an entry level qualification and explore career pathways through a 26-week training program incorporating a Certificate I in Conservation and Ecosystem Management (AHC10120).
- Partnered with the Persistent Pain Clinic on the Gold Coast to enhance fitness students' awareness of pain and the challenges people in the community face with chronic pain. Experts from the clinic spoke to the fitness students and were able to provide greater understanding of chronic pain and rehabilitation, the role exercise physiology can play and the importance of exercise.
- Developed two road safety campaign commercials in partnership with Glass Media Group, You Choose Road Safety and Pimpama State Secondary College. TAFE Queensland Diploma of Screen and Media (CUA51020) students at the Coomera Creative Campus were given complete control to develop the messaging and the look of the Public Screening announcement targeting young people and road safety.

- Participated in the Postcard Project, a pen-pal service to provide much-needed communication and connection to aged care residents while they were unable to receive visitors due to COVID-19 restrictions. AMEP students were invited to participate in this practical and rewarding way to continue their development of English reading and writing skills.
- Awarded first place in The Chronicle Garden Competition's commercial premises category for the beautiful spring garden within TAFE Queensland's Toowoomba Horticulture Pavilion planted by Leading Vocational Horticulture Teacher, Matthew Simmonds, together with his students.

Delivering applied learning that enables a seamless transition from learning to the workplace

- Launched the new degrees, diplomas and pathways campaign in market with a "Do what feels right for right now" message. This new campaign is an extension on "You define your greatness" and intends to provide reassurance to school leaver audiences (and their parents) that instead of worrying about what you want to do for the rest of your life, it is fine to focus on what's right for right now.
- Attended the Mass Trial Event at the new Gold Coast Airport terminal, with Diploma of Building Design (CPP50921) students and their educators receiving scripts to simulate a real passenger journey. Participants then provided feedback on the functionality of the new facility with the experience providing students with insight to commercial building design, way finder information, finishes and flow.
- Delivered the Short Screen Onboarding Program, a non-accredited course, in partnership with City of Gold Coast and screen industry professionals and funded through the Department of Youth Justice, Employment, Small Business and Training (DYJESBT) Workforce Transition Support Program. The program provides real-life details of what to expect on set and has been developed to address the workforce skills shortages of the local screen industry, with participants being a mix of TAFE Queensland students and members of the public looking for employment pathways into the industry.

Delivering future-focused training that builds, upskills and reskills the workforce throughout their career

- Celebrated the success of the delivery of a bespoke and workplace focused Certificate IV in Cyber Security program, a partnership between TAFE Queensland and the Queensland Government. Now in its fourth year, with very high participation and completion rates, the program welcomed two new cohorts in 2023.
- Welcomed funding from the Queensland Government of \$900,000 to support up to 300 Queensland veterans into different careers as they transition from the Australian Defence Force under the new Defence to Civilian Success Training Program. This program will enhance the support that is currently available to veterans by matching their skills with more educational opportunities, helping to lead them to another rewarding career.
- Partnered with the Navuso Agriculture Technical Institute through the APTC to help strengthen the quality of agriculture training for Fijians, including opportunities for more women to become qualified farmers and to develop and expand their agriculture business.

Providing support and positive experiences across the entire student journey

- Showcased TAFE Queensland's Fashion graduates' incredible designs at the Protégé Student Fashion Show held at TAFE Queensland's Fashion Centre of Excellence on 7 December 2022.
- Expanded the capability of the TAFE Queensland owned and developed system, ConnTools, with new 'at risk' data being made available to support educators and support teams to identify students who may require extra support or if there is a possibility of them not completing their studies within the recommended timeframes.
- Conducted the Early Experience Survey Semester 1, 2023 with a total of 6,286 students responding, a TAFE Queensland Response Rate of 23.8%. The results show that 92.9% of TAFE Queensland's newly commencing students were 'overall, satisfied with their TAFE Experience so far' which is a strong result and above the 90% target.

- Deployed the Student Satisfaction Survey in November 2022 and May 2023. The Semester 2, 2022 survey showed that 89.4% of the semester's students were 'overall, satisfied with the training', followed by 89.6% in Semester 1, 2023.
- Developed a new training model aimed at supporting and encouraging women to pursue careers in male-dominated industries, reflecting recommendations from the Queensland Training Ombudsman's 2022 report on the support that is provided to female Queensland Apprentices and Trainees.
- Committed to tackling the issue of period poverty by providing free period care products to staff and students as part of the Period Positivity Program, a partnership between TAFE Queensland, the Queensland University of Technology (QUT) and Essity Australasia (parent company of Libra Period Products). From the start of 2023, TAFE Queensland now provides free period care products at 25 campuses across the state.

Student Excellence

- Celebrated the achievement of Jennah Halley, winning Apprentice of the Year at the Australian Training Awards in November 2022. Jennah is a Cairns-based, refrigeration technician and a TAFE Queensland Women in Trades ambassador who encourages and empowers more girls and women to consider pursuing a trade pathway.
- Held the 2022 TAFE Queensland SkillsTech Apprentice Awards on 10 November 2022, an event to celebrate the achievements of SkillsTech students, with over 350 guests attending including apprentices, employers, industry representatives, sponsors and TAFE Queensland staff.
- Hosted the TAFE Queensland 2022 Mount Isa Trade Excellence Awards, celebrating the achievements of some of TAFE Queensland's most outstanding apprentices.
- Celebrated TAFE Queensland students excelling in the Travel, Tourism and Events industry with two students being named finalists at the Queensland Tourism Industry Council's 'Salute to Excellence Awards' and one of those students winning the Secondary Student of the Year Award in Tourism.
- Congratulated one of the Destination Australia Program scholarship recipients in Cairns, Leidy Carolina Maldonado Ramirez from Colombia, who was selected as one of 11 finalists from Australia and New Zealand to take part at the S.Pellegrino Young Chef Academy Competition 2022-23 held in Sydney in October 2022. Leidy won the Fine Dining Lovers Food for Thought Award for her Colombia-inspired Ensalada de Payaso (clown salad) and will now battle it out for a global title.

A Sustainable and Socially Responsible TAFE Queensland

TAFE Queensland works collaboratively with governments, industry and our communities to deliver training to support economic growth and community prosperity.

HIGHLIGHTS

- Opened the award-winning, sustainable Robina campus
- Delivered Fee Free TAFE places under the Fee Free TAFE initiative
- Connected jobseekers with training and skills development under the Queensland Government's Back to Work Employment programs
- Celebrated TAFE Queensland's 140th Birthday
- Awarded over \$450,000 in TAFE Queensland scholarships to assist students
- Developed TAFE Queensland's first Cultural Capability Framework

MEETING OUR OBJECTIVES

Leveraging our scale and scope to enhance access to training across our state and target markets

- Celebrated TAFE Queensland 140th birthday in September 2022, with commemorative events held across the state.
- Delivering Fee Free TAFE for over 30,000 Queenslanders as part of the Australian and Queensland Government commitment to delivering fee free training in 2023.
- Connected jobseekers with training and skills development linked to real jobs in the region under the Queensland Government's Back to Work Employment program. To date, the program supports a 90% employment outcome at 26 weeks post application from respondents within the program.
- Offered free priority apprenticeships and traineeships to under 25s as part of the Queensland Government's Free Apprenticeships for Under 25's initiative.

Using market insights and data to influence the policy agenda

- Invited by the Civil Aviation Safety Authority (CASA) to be an active member of their aircraft maintenance engineer licensing technical working group. This group is looking at improving the licensing system for the whole of the aviation sector and Aviation Australia is proud to be a member.
- Hosted the Framing Future Student and Community Experiences Ipswich Greater Region Roundtable Discussion, in collaboration with the Department of Education. Approximately 30 local school Principals and Senior Leader representatives attended to gain a shared understanding of the community, industry and young people connections through data-informed discovery and discussion.
- Developed the TAFE Queensland Market Insights Information Repository on TAFE Queensland's intranet site to share research outcomes such as Market Demand Reports for new qualifications, Competitor Analysis Reports, Industry Snapshots and Market Insights for specific industries or market segments.

Investing in digital solutions that engage learners and support contemporary work environments

- Successfully delivered student access to the Microsoft Office 365 suite with all TAFE Queensland students now fully enabled with a student email address and licensed for Microsoft 365 applications.
- Rolled out a new ID card solution for staff and students with the new online system simplifying and streamlining the process of requesting ID cards, and for the first time also giving the option to receive a digital copy of your card.

Providing contemporary and flexible training infrastructure that best supports current and emerging community training needs

- Opened the award-winning Robina campus to students for the start of Semester 2, 2022. The campus aims to ensure that sustainability is embedded into every aspect of campus operations including campus design, fit out, course curriculum, campus culture and student life.
- Completed works on the Toowoomba Rural Centre of Excellence (Stage 2 Scientific Lab), Bowen Agricultural Centre of Excellence, Cyber Security Operation Centres at the Mooloolaba and South Bank campuses, Cannonvale Aquaculture Facility and the Hervey Bay campus Nursing Facilities, through the Equipping TAFE for our Future project in conjunction with DYESBT through the Queensland Government's \$100 million investment.
- Continued works for the Eagle Farm Robotics and Advanced Manufacturing Centre, Cairns Cyber Security Operations Centre and Advanced Manufacturing Skills Lab, Bohle Hydrogen and Renewable Energy Training Facility and Advanced Manufacturing Skills Lab.
- Completed works on the Ashmore Plumbing Tower, Bundaberg Trade Modernisation and Coomera Marine Facilities with work continuing on the Mt Isa Engineering Modernisation through the Australian Government's Revitalising TAFE Campuses Across Australia program jointly with the DYJESBT.

Promoting the distinct benefits of the TAFE Queensland community

- Partnered with the DYJESBT to offer the Higher Level Skills program to assist individuals to gain the higher-level skills required to secure employment or career advancement in a priority industry, or to transition to university to further their studies.
- Supported cross border collaboration and sharing of resources with various organisations that will provide efficiencies and drive the ongoing management and development of high-quality product across the TAFE sector.
- Awarded Silver in the Sustainable Goals Category for the World Federation of Colleges and Polytechnics World Congress Awards for the Robina campus.
- Organised multiple beach clean ups across the Sunshine Coast after Diploma of Early Childhood Education and Care (CHC50121) students were inspired by the Innovative Sustainability cluster of units in their course, supported by students from other programs as well as TAFE Queensland staff.
- Celebrated Harmony Week in March 2023, an important time for TAFE Queensland to celebrate and embrace cultural diversity by bringing together Australians from different backgrounds, which coincided with celebrating the 75th year of the AMEP. TAFE Queensland held celebrations across the state including a parade of traditional costumes, cultural performances, artwork and a delicious array of food from all over the world.

Supporting the social and economic priorities of communities

- Developed the draft Disability Access and Inclusion Plan to advance and strengthen TAFE Queensland's strategic goal to respect, protect and promote human rights and meet good practice guidelines to promote respect and embed accessibility.
- Continued the important work of the TAFE Queensland Social and Environmental Sustainability Action Plan commitments, with working groups set up to implement and monitor progress of actions.
- Developed TAFE Queensland's first Cultural Capability Framework that will identify skills and practices that support good outcomes for Aboriginal and Torres Strait Islander peoples.

- Collaborated with Stralis Aircraft in the development of next generation aircraft using clean, green, renewable energy. Stralis Aircraft is an Australian start-up founded in 2021 with the aim to enable a future where anyone can fly sustainably without compromise. Aviation Australia aims to be the leading training provider for the new aircraft.
- Approved TAFE Queensland's Indigenous Procurement Strategy in March 2023, requiring an Indigenous quote for every Request for Quote and in some situations only a First Nations supplier quote is necessary.
- Continued the important work of the TAFE Queensland Foundation to oversee all fundraising activities and to develop industry partnerships and a strong philanthropic network to enable equitable training access across Queensland communities. In 2022-23, TAFE Queensland awarded over \$450,000 in TAFE Queensland scholarships to assist students achieve their study and career goals.

OUR FUTURE DIRECTION

In 2019, TAFE Queensland developed a four-year strategic plan which provided a greater focus on working with stakeholders to determine the future of work, investing in our people and focusing on innovative solutions to the ways in which we operate and deliver education and training.

In alignment with Queensland Government planning requirements, the TAFE Queensland Board and Executive team conducted a comprehensive review of the internal and external environment and strategic priorities for TAFE Queensland.

On 1 July 2023, TAFE Queensland will publish its revised TAFE Queensland Strategic Plan for 2023-2027, with a vision to be the leading provider of vocational training and targeted higher education programs, critical to strengthening the Queensland economy and supporting local communities. TAFE Queensland will continue to deliver contemporary, globally relevant skills, needed now and into the future, along with the opportunity for everyone, everywhere to transform their lives.

The TAFE Queensland Strategic Plan for 2023-2027 can be viewed in full on the TAFE Queensland website at <https://tafeqld.edu.au/about/who-we-are>

GOVERNANCE

Management and Structure

Our Governing body

TAFE Queensland's governing body is the TAFE Queensland Board. The Board was established in August 2013 under section 12 of the TQ Act.

The Board's mandate is to ensure it operates in accordance with TAFE Queensland's Operational Plan and, as far as possible, achieves the performance targets and objectives stated in the Plan. The Board is also accountable to the Minister for its performance (as required under the TQ Act) and to ensure it otherwise performs its functions in a proper and efficient way.

Through the TQ Act, the Minister provides the Board with a Statement of Expectations outlining the Queensland Government's expectations and priorities for TAFE Queensland.

The Board currently has eight members who have varied professional backgrounds and experience. They are eligible for appointment under the TQ Act if they have direct industry experience and/or experience in the employment, education, or training sector, and/or possess skills, experience or expertise in commerce, corporate governance, economics, finance, law or management. At least one member of the board must be an Aboriginal and/or Torres Strait Islander person.

Two committees assist the Board in meeting its responsibilities - the Audit, Finance and Risk Management Committee (AFRC) and the People, Culture and Safety Committee (PCSC). The membership of each committee comprises a minimum of three members of the Board.

TAFE Queensland Board

Name	Role	Appointment Term
Jane Seawright	Chairperson	27 May 2021 - 26 May 2025
Trina Hockley AM	Member	1 December 2018 - 30 November 2022
Kay Giles	Member	1 December 2018 - 30 November 2022
Andrew Dettmer	Member	1 December 2022 – 30 November 2026 ¹
Bron Davies	Member	27 May 2021 - 26 May 2025
Peter Price	Member	27 May 2021 - 26 May 2025
Jody Currie	Indigenous Member	3 November 2022 – 2 November 2026
Adam Sarota	Member	3 November 2022 – 2 November 2026
Nicole Brigg	Member	9 February 2023 – 8 February 2027
Prof Lee-Anne Perry AM	Member	9 February 2023 – 8 February 2027

Profiles of TAFE Queensland Board members are located on the TAFE Queensland website [at https://tafeqld.edu.au/about/who-we-are/board](https://tafeqld.edu.au/about/who-we-are/board)

¹ Andrew Dettmer has been a member of the Board since 1 December 2018 and had his appointment renewed for a further four years on 1 December 2022.

Due to changes in board membership during 2022-23, Committee meetings were conducted where a quorum was present.

Board business 2022-23

The Board is committed to the highest standards of governance ensuring that it performs its functions in a proper, effective and efficient way. During 2022-23, the Board met their legislated requirements through the TAFE Queensland Strategic Plan 2020–24 and submission of the TAFE Queensland Operational Plan 2022-23 to the Minister.

Through these plans, the Board reinforced its commitment to delivering the Queensland Government's objectives for the community, including the delivery of sustainable and responsive training services for Queenslanders.

In March 2023, the Board conducted a comprehensive review of the TAFE Queensland Strategic Plan, updating the organisation's key strategic priorities and activities and submitting the TAFE Queensland Strategic Plan 2023 – 2027 to the Department of the Premier and Cabinet.

This year, the Board held 11 meetings and five committee meetings. More information on the Board can be found online at tafeqld.edu.au

Financial reporting arrangements

TAFE Queensland is audited by the Auditor-General and transactions are accounted for in the financial statements approved by the Board each year. TAFE Queensland's financial statements for 2022-23 can be found at page 29 of this Annual Report.

Risk Management and Accountability

Audit, Finance and Risk Management Committee

The AFRC advises the Board in relation to the operation of financial control, the implementation of systems and processes to identify and manage risks, the maintenance of regulatory and other compliance requirements and the integrity of the financial statements and reports.

The AFRC has engaged Ernst & Young (EY) to administer the internal audit program with TAFE Queensland subject to an annual external audit conducted by the Queensland Audit Office (QAO).

The AFRC maintains oversight of these audits and the Chief Financial Officer coordinates the audits. Both internal and external auditors are invited to participate in every AFRC meeting. Their attendance supports the effectiveness of the audit function and provides opportunities for continual improvement regarding the management of risks.

TAFE Queensland has an established risk management framework based on the international standard for risk management.

The Board maintains Risk Appetite Statements that guide the decision-making frameworks across the organisation and manages quarterly reviews of known and emerging risks via the TAFE Queensland Executive, this committee and the Board, including the establishment and monitoring of mitigation strategies.

The members of the AFRC for 2022-23 were Bron Davies (Chair), Jane Seawright, Peter Price and Trina Hockley.

Internal audit

TAFE Queensland's compliance obligations remained a key focus for the AFRC, aided by the involvement of EY, in conjunction with the QAO, to deliver a program of audit work for 2022-23.

The specific scope of work is set by the annual audit plan which in 2022-23 included assessment of:

- processes to monitor and assess quality and compliance with requirements for products and course delivery, including the framework and governance supporting assurance and oversight activities.
- contract management processes for training revenue contracts, including performance management of contractors.

- the design and effectiveness of key controls in the management of student loans, taking into account recent changes and how they've impacted the operating landscape.
- the design and operating effectiveness of controls to address key privacy risks, including the management of sensitive data and personally identifiable information.
- processes and approaches to manage and report on work health and safety (WHS) risks, including the awareness of roles and responsibilities and the effectiveness of monitoring and reporting of WHS incidents.
- controls implemented as part of the operations of the TAFE Queensland Foundation, including how they have been embedded for consistent application.

TAFE Queensland's risk management and internal audit activities are cognisant of key legislative requirements such as those stipulated under the TQ Act and the FAA. The activities were also undertaken with due regard to the Queensland Treasury Audit Committee Guidelines.

External scrutiny

TAFE Queensland is subject to external review. The following enquiries were tabled in Queensland Parliament during 2022-23:

- Inquiry into the Cairns TAFE Upgrade Project
- Inquiry into the delivery of VET in regional, rural and remote Queensland
- Improving grants management (Report 2: 2022-23)
- 2022 status of Auditor-General's recommendations (Report 4: 2022/23)
- Major projects 2022 (Report 7: 2022-23)
- State entities 2022 (Report 11: 2022-23)

Further details can be found here:

- Queensland Parliament's website (Education, Employment and Training Committee) <https://www.parliament.qld.gov.au/Work-of-Committees/Committees>
- QAO website <https://www.qao.qld.gov.au/>

For information about reviews conducted by the Queensland Training Ombudsman (QTO) during 2022-23 involving TAFE Queensland, refer to the QTO website at <https://trainingombudsman.qld.gov.au>

Information systems and record keeping

TAFE Queensland, as a public authority under the *Public Records Act 2002 (Qld)*, must make and keep full and accurate records of its activities and have regard to any relevant policy, standards and guidelines made by the State Archivist about the making and keeping of public records.

In 2022–23, TAFE Queensland continued to take a proactive approach to meeting its regulatory obligations and demonstrating its commitment to compliant recordkeeping practices.

TAFE Queensland continued to improve and mature its recordkeeping practices with the use of Technology One's Enterprise Content Management system (ECM) as TAFE Queensland's official recordkeeping system.

ECM provides staff with a central recordkeeping system to use for managing records across the organisation with access available to all staff upon request.

The ECM solution provides TAFE Queensland with broader access for all TAFE Queensland staff at a lower cost and new functionality. ECM stores in excess of 500,000 business related records across a range of disciplines.

TAFE Queensland maintains a central recordkeeping team to support the organisation's management of records and ECM including level one helpdesk support, user account management, user training in recordkeeping practices and ECM usage. The recordkeeping team continue to enhance organisation-wide recordkeeping maturity and discipline by promoting good recordkeeping practices to all staff and encouraging uptake of ECM for managing TAFE Queensland records.

All records created or received by TAFE Queensland are retained in accordance with Queensland State Archives General Retention and Disposal Schedule which administers non-training records and the TAFE Queensland Retention and Disposal Implementation Version which administers education and training records.

Human rights

The *Human Rights Act 2019* includes reporting obligations on public entities that are required to prepare an annual report under section 63 of the FAA Act, including the details of actions taken to further the objects of the Act; details of reviews of policies, programs, procedures, practices or services undertaken for compatibility with human rights; and details of human rights complaints received by the entity.

In 2022-23, TAFE Queensland continued to review and undertake amendments to policies and procedures, and the business practices underpinning these, to further the objectives of the *Human Rights Act 2019*.

In 2022-23, TAFE Queensland did not receive any complaints under the *Human Rights Act 2019*.

Human Resources

People, Culture and Safety Committee

The PCSC advises the Board on matters involving WHS, human resources, Board performance and executive management, including CEO performance and succession.

During the year, the PCSC continued their oversight of safe systems of work for TAFE Queensland, including the health safety and environmental management plan, Safe at TAFE, which provides a high level guide on how TAFE Queensland systemically manages Work Health, Safety and Environment (WHSE) across its business, including meeting its WHSE obligations.

The members of the PCSC for 2022-23 were Andrew Dettmer (Chair), Jane Seawright and Kay Giles.

Strategic Workforce Planning and Performance

TAFE Queensland continues to focus on the strategies contained in the TAFE Queensland Workforce Plan 2020-24 (the Workforce Plan), driving operational activities and people initiatives that support the TAFE Queensland Strategic Plan 2020-24.

People safety and wellbeing remains a key priority in addition to TAFE Queensland's pursuit of a workforce reflecting increased cultural diversity and inclusivity. The Workforce Plan outlines the key initiatives proposed for the four year period that will enable our people to make great happen.

TAFE Queensland retains a motivated workforce and engages new talent, with access to contemporary and flexible work options, vast opportunities for professional development and the practice of rewarding and recognising values-based behaviours. Career pathways are scaffolded with opportunities for skills and capability development, ensuring the preparedness of the workforce for jobs of the future. Innovation is encouraged and employees are supported to be their 'authentic self' in the workplace.

Workforce initiatives reflect the dynamic and progressive environment in which TAFE Queensland operates, with an annual review of the Workforce Plan to ensure continued alignment to the TAFE Queensland Strategic Plan.

A review of the professional development policy identified opportunities for both TAFE services and educational employees to encourage upskilling and capability development. All employees are encouraged to reach their potential and can access a broad range of professional development and study assistance programs.

With recent membership of the Public Sector Commission's Aboriginal and Torres Strait Islander Career Pathways Service, TAFE Queensland can now provide targeted career development opportunities for eligible Aboriginal and Torres Strait Islander employees to progress into leadership roles.

TAFE Queensland attracts exceptional talent by leveraging the employee value proposition and investing in targeted practices that enhance the candidate experience. An upgrade to the Human Resources Information System, AURION, now comprises recruitment and on-boarding modules that streamline processes for hiring managers and applicants alike.

Employee satisfaction remains consistently high with employee sentiment measured on an annual basis. Ongoing engagement occurs throughout the employee lifecycle as TAFE Queensland deploys early experience surveys, exit surveys and wellbeing surveys, in addition to the annual employee engagement survey. All surveys are deployed using the same contemporary online platform which provides real time access to data that informs action planning.

The TAFE Queensland Staff Awards program is a key component of the reward and recognition strategy and comprises award categories which align to TAFE Queensland values. Awards are first contested at the region/corporate level with the winners from each category progressing to the TAFE Queensland State Staff Awards.

The Carol Webb Award for the Advancement of Vocational Education Excellence is a unique award that helps fund the further accredited study or post-graduate qualification of a deserving TAFE Queensland educator. The Carol Webb Award, now in its fourth year of existence, memorialises its sponsor, the late Carol Webb, a passionate advocate for TAFE Queensland educators and their educational excellence.

Equity, Diversity and Inclusion

TAFE Queensland remains committed to developing and maintaining an inclusive and safe environment for all employees and students that is free from discrimination, harassment and bullying.

Workforce diversity is embraced as we strive for a culture that embodies the communities we serve. One mechanism supporting this is the Pride Network which enables LGBTQIA+ employees and allies to connect and collaborate in a shared environment. The Pride Network leads discussions and generates ideas on how to create and enact inclusive workplace programs. Two days of significance are observed each year, IDAHOBIT (International Day Against Homophobia, Biphobia, Interphobia and Transphobia) in May and Wear it Purple Day in August, celebrated with various events across the state.

Established in July 2022, the First Nations Employee Network is a forum for TAFE Queensland's Aboriginal and Torres Strait Islander employees to connect and share experiences. This network contributes to workforce initiatives including TAFE Queensland's First Nations Employment Strategy 2022-23, which seeks to enhance recruitment, development and retention of First Nations employees.

TAFE Queensland acknowledges the serious impacts of DFV on the communities we serve and in October 2022 attained White Ribbon Australia (WRA) Workplace Accreditation. Having successfully demonstrated achievement of WRA's comprehensive criteria and standards to create a safer and more respectful workplace, TAFE Queensland continues supporting charities including DV Safe Phone and the Darkness to Daylight Challenge. A DFV policy and procedure, with linkage to support services, and ongoing training are available to all employees and seek to assist our workforce to recognise, respond and refer DFV matters.

TAFE Queensland observes both DFV Prevention Month in May and White Ribbon Day in November, highlighting the prevalence and seriousness of the issue and how everyone can play a part in the elimination of DFV.

TAFE Queensland supports gender equality and celebrated International Women's Day with a state-wide livestream panel discussion that included the Chief Executive Officer and General Manager, International Education.

These senior executives openly shared their views and career highlights, providing insight and advice for the career development of women within TAFE Queensland.

Safety First

TAFE Queensland continues to invest in work health, safety and wellbeing and to visibly demonstrate our Safety-First value at workplaces across the state.

TAFE Queensland remains steadfast in its commitment to cultivating a safe working environment for all individuals. *Managing the risk of psychosocial hazards at work Code of Practice* came into effect on 1 April 2023 and introduced changes to the WHS regulations and the impact to organisations and their psychosocial risk management.

TAFE Queensland has responded to the recent changes in the way our staff work and have created a workplace culture that is inclusive, fosters the health and wellbeing of our staff, and harnesses technology to work flexibly.

TAFE Queensland's Mindarma program continues to support psychological resilience and wellbeing. More than 1,600 people are registered with the program and are achieving an average increase of 7.7% in their self-reported adaptive resilience. 1,128 people attended additional live webinars in 2022 that supported mental health, exercise, mindfulness and nutrition.

Working directly with Mental Health First Aid (MHFA) Australia, TAFE Queensland has trained key staff in each region across Queensland to become licensed MHFA Instructors. This enables a significant increase in the availability of this highly sought-after, evidence-based training, to be delivered and contextualised by our own staff for their colleagues and peers.

In response to national and community-based mental health concerns, TAFE Queensland leverages the very latest mental health and wellbeing research to disseminate information and train our people across educational and administrative roles that supports a responsible and informed workplace. Furthermore, by actively utilising research from organisations such as Mission Australia and the Black Dog Institute, we not only strive to meet our new student needs but also support the progression and transition of our graduates into confident, informed and skilled self-advocates.

Our work, activities and programs under the TAFE Queensland Mental Health and Wellbeing Strategy that commenced in 2019 continues to proactively address the needs of our educators, students and community.

We have demonstrated our commitment and progress by presenting and sharing our mental health and wellbeing successes nationally at conferences such as TDA, the Australian and New Zealand Mental Health Association's 2022 - Workplace Mental Health Symposium and tertiary education forums such as The Australian Disability Clearinghouse on Education and Training.

Employee relations framework

TAFE Queensland is committed to providing fair and transparent consultation processes with employees and unions. This commitment is supported through regional Local Consultative Committees and the TAFE Queensland Consultative Committee, joint forums comprised of employee and employer representatives who meet on a quarterly basis to encourage and promote cooperative partnerships through effective communication and consultation.

The *TAFE Queensland (TAFE Services Employees) Certified Agreement 2022* was certified in the Queensland Industrial Relations Commission (QIRC) in May 2023. Negotiations are currently occurring between TAFE Queensland and relevant unions for a replacement agreement of the *TAFE Queensland Educators Certified Agreement 2019*.

Effective 1 March 2023, TAFE Queensland came under coverage of the *Public Sector Act 2022* as a public sector entity. TAFE Queensland is actively engaged in the amendment, implementation and application of policies, procedures and practices, in accordance with the legislative reforms, to support enhanced employment security and positive performance management.

Public sector ethics

TAFE Queensland is defined as a Queensland public service agency for the purposes of the *Public Sector Ethics Act 1994* and as such, must comply with the *Code of Conduct for the Queensland Public Service* (the Code of Conduct).

TAFE Queensland's Working with TAFE: Conduct, Ethics and Performance Policy supplements and sets out in further detail the expectations of workplace behaviours of TAFE Queensland employees including in the areas of conflicts of interest, fitness for duty and protecting students from harm.

TAFE Queensland's policy and procedures cover all aspects of compliance with the public service ethics principles and incorporates the Code of Conduct in its workforce management policy and procedure framework.

In 2022-23, TAFE Queensland continued to demonstrate its commitment to integrity through the upskilling of Human Resources practitioners in case management and refresher training to all employees on their responsibilities concerning reporting corrupt conduct, declaring secondary employment and the Code of Conduct.

APPENDIX A: COMPLIANCE CHECKLIST

Summary of requirement		Basis for requirement	Annual report reference
Letter of compliance	<ul style="list-style-type: none"> A letter of compliance from the accountable officer or statutory body to the relevant Minister/s 	ARRs – section 7	Letter of compliance
Accessibility	<ul style="list-style-type: none"> Table of contents Glossary 	ARRs – section 9.1	Contents Glossary of terms
	<ul style="list-style-type: none"> Public availability 	ARRs – section 9.2	About our Annual Report
	<ul style="list-style-type: none"> Interpreter service statement 	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	About our Annual Report
	<ul style="list-style-type: none"> Copyright notice 	<i>Copyright Act 1968</i> ARRs – section 9.4	About our Annual Report
	<ul style="list-style-type: none"> Information Licensing 	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
General information	<ul style="list-style-type: none"> Introductory Information 	ARRs – section 10	Message from the Chairperson and Chief Executive Officer
Non-financial performance	<ul style="list-style-type: none"> Government's objectives for the community and whole-of-government plans/specific initiatives 	ARRs – section 11.1	Message from the Chairperson and Chief Executive Officer Year in review
	<ul style="list-style-type: none"> Agency objectives and performance indicators 	ARRs – section 11.2	Our performance Year in review
	<ul style="list-style-type: none"> Agency service areas and service standards 	ARRs – section 11.3	Our performance
Financial performance	<ul style="list-style-type: none"> Summary of financial performance 	ARRs – section 12.1	Financial performance
Governance – management and structure	<ul style="list-style-type: none"> Organisational structure 	ARRs – section 13.1	Our organisation - Executive Management
	<ul style="list-style-type: none"> Executive management 	ARRs – section 13.2	Our organisation - Executive Management
	<ul style="list-style-type: none"> Government bodies (statutory bodies and other entities) 	ARRs – section 13.3	Governance - Our governing body
	<ul style="list-style-type: none"> Public Sector Ethics 	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Governance - Public sector ethics
	<ul style="list-style-type: none"> Human Rights 	<i>Human Rights Act 2019</i> ARRs – section 13.5	Governance - Human rights

Summary of requirement	Basis for requirement	Annual report reference
	<ul style="list-style-type: none"> Queensland public service values 	ARRs – section 13.6 Message from the Chairperson and Chief Executive Officer Our organisation Governance - Public sector ethics
Governance – risk management and accountability	<ul style="list-style-type: none"> Risk management 	ARRs – section 14.1 Governance - Audit, Finance and Risk Management Committee
	<ul style="list-style-type: none"> Audit committee 	ARRs – section 14.2 Governance - Audit, Finance and Risk Management Committee
	<ul style="list-style-type: none"> Internal audit 	ARRs – section 14.3 Governance - Internal audit
	<ul style="list-style-type: none"> External scrutiny 	ARRs – section 14.4 Governance - External scrutiny
	<ul style="list-style-type: none"> Information systems and recordkeeping 	ARRs – section 14.5 Governance - Information systems and recordkeeping
	<ul style="list-style-type: none"> Information Security attestation 	ARRs – section 14.6 N/A
Governance – human resources	<ul style="list-style-type: none"> Strategic workforce planning and performance 	ARRs – section 15.1 Governance - Strategic workforce planning and performance Governance - Employee relations framework
	<ul style="list-style-type: none"> Early retirement, redundancy and retrenchment 	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> ARRs – section 15.2 N/A
Open Data	<ul style="list-style-type: none"> Statement advising publication of information 	ARRs – section 16 About our Annual Report
	<ul style="list-style-type: none"> Consultancies 	ARRs – section 31.1 https://data.qld.gov.au/
	<ul style="list-style-type: none"> Overseas travel 	ARRs – section 31.2 https://data.qld.gov.au/
	<ul style="list-style-type: none"> Queensland Language Services Policy 	ARRs – section 31.3 https://data.qld.gov.au/
Financial statements	<ul style="list-style-type: none"> Certification of financial statements 	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1 Management Certificate
	<ul style="list-style-type: none"> Independent Auditor's Report 	FAA – section 62 FPMS – section 46 ARRs – section 17.2 Independent Auditor's report

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*

APPENDIX B: GLOSSARY OF TERMS

Apprenticeship

A system of training, regulated by law or custom, which combines on-the-job training and work experience with formal off-the-job training, while in paid employment.

Australia Pacific Training Coalition (APTC),

The Australia Pacific Training Coalition is a centre of training excellence assisting Pacific Island citizens to gain Australian-standard skills and qualifications, since its inception.

Aviation Australia (AA)

Aviation Australia Pty Ltd was formed in October 2001 to support the development and growth of aviation and aerospace industries both in Australian and international markets. Aviation Australia became a subsidiary of TAFE Queensland effective from 1 October 2017.

Back to Work

The Back to Work program is a Queensland Government initiative designed to give businesses confidence to employ jobseekers who have experienced a period of unemployment.

COVID-19

The novel coronavirus - referred to as COVID-19 by the World Health Organisation - is a part of a family of coronaviruses that cause illness ranging from a cold, to more severe diseases.

Equipping TAFE for our Future

A comprehensive Queensland Government strategy aimed at modernising TAFE facilities across Queensland.

Fee Free TAFE

The Fee Free TAFE program will support Queenslanders to skill up to meet the state's current and future workforce needs.

Free Apprenticeships for under 25s

Queenslanders up to the age of 25 may be eligible to undertake a high priority apprenticeship and traineeship qualification for free.

Higher Level Skills

The Higher Level Skills program aims to assist individuals to gain the higher-level skills required to secure employment or career advancement in a priority industry, or to transition to university to further their studies.

JobTrainer Fund

To help Queensland's economy to recover from the impacts of COVID-19, the JobTrainer Fund aimed to deliver additional training places in short courses, certificate and diploma qualifications to Queensland job seekers, school leavers and young people. JobTrainer closed to new students from 1 January 2023.

Key Performance Indicator (KPI)

Tracking indicator used to measure the achievement of outputs against goals.

National Centre for Vocational Education Research (NCVER)

Australia's principal provider of VET research and statistics.

Queensland Audit Office (QAO)

The Queensland Audit Office is the independent auditor of the Queensland public sector.

Reconciliation Action Plan (RAP)

TAFE Queensland's Reconciliation Action Plan (RAP) demonstrates our commitment to closing the gap to ensure our First Australians are afforded the same opportunities for learning and prosperity that everyone enjoys in Australia.

Service Delivery Statement (SDS)

Budget papers prepared on a portfolio basis by agencies reporting to each minister and the Speaker. The document comprises a section for each departmental portfolio and one for the Legislative Assembly of Queensland. It is produced annually and provides budgeted financial and non-financial information for the budget year. The SDS sets out the priorities, plans and financial statements of agencies.

Social and Environmental Sustainability Action Plan

The TAFE Queensland Social and Environmental Sustainability Action Plan 2020-24 outlines TAFE Queensland's goals, strategies and actions towards achieving our commitment to sustainability.

Strategic Plan

The document which provides TAFE Queensland's purpose and direction. It outlines overall objectives (including contributions to whole-of-government objectives, ambitions and targets) and how it will know if it has achieved those agency objectives (performance indicators).

Vocational education and training (VET)

Post-compulsory education and training which provides people with occupational or work-related knowledge and skills.

TAFE Queensland

ABN 72 898 805 093

Financial Statements

For the year ended 30 June 2023

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TAFE Queensland
Statement of Comprehensive Income
For the year ended 30 June 2023

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Income					
Sale of goods and services	4	232,069	237,762	222,606	229,739
Grants and contributions	5	497,628	464,701	485,366	454,775
Share of profits of joint ventures accounted for using the equity method		-	1,378	-	-
Interest		254	39	99	34
Other income		7,195	8,605	2,900	5,057
Total income		737,146	712,485	710,971	689,605
Expenses					
Employee expenses	6	543,382	487,287	528,636	475,073
Supplies and services	7	205,347	202,145	197,355	195,532
Depreciation and amortisation		25,539	17,479	21,503	14,076
Finance/borrowing costs		3,952	2,003	2,058	179
Share of losses of joint ventures accounted for using the equity method		4,761	-	-	-
Other expenses	8	6,512	7,781	4,704	7,483
Total expenses		789,493	716,695	754,256	692,343
Operating result for the year		(52,347)	(4,210)	(43,285)	(2,738)
Other comprehensive income					
<i>Items that will not be reclassified to operating result</i>					
Increase/(decrease) in asset revaluation surplus	12	1,584	7,800	(191)	254
Total other comprehensive income		1,584	7,800	(191)	254
Total comprehensive income/(loss)		(50,763)	3,590	(43,476)	(2,484)

The accompanying notes form part of these statements.

**TAFE Queensland
Statement of Financial Position
As at 30 June 2023**

		Consolidated		Parent	
	Note	2023	2022	2023	2022
		\$'000	Restated*	\$'000	Restated*
			\$'000		\$'000
Current assets					
Cash and cash equivalents	9	136,235	98,183	126,681	87,556
Receivables and Contract Assets	10	121,473	134,503	117,958	130,766
Inventories		710	627	585	516
Other current assets	11	12,240	14,823	11,626	14,121
Total current assets		270,658	248,136	256,850	232,959
Non-current assets					
Property, plant and equipment	12	86,416	85,322	70,435	70,090
Right-of-use assets	13	109,830	57,059	62,301	9,515
Intangible assets	14	32,321	32,302	30,901	30,622
Investments accounted for using the equity method	15	-	4,761	-	-
Other non-current assets	11	2,122	1,568	983	429
Total non-current assets		230,689	181,012	164,620	110,656
Total assets		501,347	429,148	421,470	343,615
Current liabilities					
Payables	16	39,747	46,057	38,752	44,744
Accrued employee benefits	17	27,050	14,995	25,288	13,568
Lease liabilities	18	2,458	2,602	1,510	1,754
Other current liabilities	19	99,363	37,683	97,033	35,497
Total current liabilities		168,618	101,337	162,583	95,563
Non-current liabilities					
Accrued employee benefits	17	235	259	-	-
Lease liabilities	18	124,003	67,944	63,623	8,958
Other non-current liabilities	19	-	355	-	355
Total non-current liabilities		124,238	68,558	63,623	9,313
Total liabilities		292,856	169,895	226,206	104,876
Net assets		208,491	259,253	195,264	238,740
Equity					
Contributed equity		181,445	181,445	170,096	170,096
Revaluation surplus		12,033	10,449	2,712	2,903
Retained earnings		15,013	67,359	22,456	65,741
Total equity		208,491	259,253	195,264	238,740

* See note 12 and 14 for details regarding restatement of work in progress from Property, plant and equipment to Intangible assets.

The accompanying notes form part of these statements.

TAFE Queensland
Statement of Changes in Equity
For the year ended 30 June 2023

	Retained Earnings		Revaluation Surplus		Contributed Equity		Total	
	Consolidated \$'000	Parent \$'000	Consolidated \$'000	Parent \$'000	Consolidated \$'000	Parent \$'000	Consolidated \$'000	Parent \$'000
Restated balance at 1 July 2021	71,569	68,478	2,649	2,649	181,445	170,096	255,663	241,223
Operating result	(4,210)	(2,738)	-	-	-	-	(4,210)	(2,738)
Increase in revaluation surplus	-	-	7,800	254	-	-	7,800	254
Balance at 30 June 2022	67,359	65,741	10,449	2,903	181,445	170,096	259,253	238,740
Operating result	(52,347)	(43,285)	-	-	-	-	(52,347)	(43,285)
Increase in revaluation surplus	-	-	2,256	481	-	-	2,256	481
Impairment loss adjusted against revaluation surplus	-	-	(672)	(672)	-	-	(672)	(672)
Balance at 30 June 2023	15,013	22,456	12,033	2,712	181,445	170,096	208,491	195,264

Increase in revaluation surplus

The accompanying notes form part of these statements.

**TAFE Queensland
Statement of Cash Flows
For the year ended 30 June 2023**

	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash flows from operating activities					
Sales of goods and services		265,061	224,691	256,563	218,320
Grants and contributions		545,930	444,841	533,873	434,432
GST input tax credits from ATO		19,757	20,364	19,776	20,364
Interest received		248	37	93	32
Other receipts		7,144	8,591	2,849	5,057
Employee expenses		(533,297)	(487,692)	(518,867)	(475,534)
Supplies and services		(229,476)	(218,146)	(221,200)	(211,325)
GST remitted to ATO		(7,244)	(7,653)	(7,244)	(7,653)
Finance / borrowing costs		(3,952)	(2,003)	(2,058)	(178)
Other payments		(4,568)	(7,962)	(4,349)	(7,671)
Net cash (outflow) inflow from operating activities	(i)	59,603	(24,932)	59,436	(24,156)
Cash flows from investing activities					
Dividends received		-	2,772	-	-
Sales of property, plant and equipment		88	14	88	-
Payments for property, plant and equipment		(14,005)	(28,009)	(13,757)	(27,814)
Payments for intangible assets		(5,363)	(7,360)	(5,316)	(6,900)
Net cash (outflow) from investing activities		(19,280)	(32,583)	(18,985)	(34,714)
Cash flows from financing activities					
Borrowing redemptions		-	-	-	-
Lease payments		(2,271)	(2,504)	(1,326)	(1,578)
Net cash (outflow) from financing activities	(ii)	(2,271)	(2,504)	(1,326)	(1,578)
Net increase/(decrease) in cash and cash equivalents		38,052	(60,019)	39,125	(60,448)
Cash and cash equivalents at the beginning of the financial year		98,183	158,202	87,556	148,005
Cash and cash equivalents at end of financial year		136,235	98,183	126,681	87,556

The accompanying notes form part of these statements.

TAFE Queensland
Statement of Cash Flows
For the year ended 30 June 2023

Notes to the Statement of Cash Flows

(i) *Reconciliation of Operating Result to Net Cash Provided by Operating Activities*

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Reconciliation of cash flows from operating activities				
Operating result	(52,347)	(4,210)	(43,285)	(2,738)
Non-cash items included in operating result				
Depreciation and amortisation	25,539	17,479	21,503	14,077
Impairment losses	982	207	(607)	207
Net (gain) loss on sale of non-current assets	70	33	70	47
Net exchange differences	(93)	(79)	(93)	(79)
Share of (profits)/losses of joint ventures - equity method	4,761	(1,378)	-	-
Change in operating assets and liabilities:				
(Increase) in receivables	13,783	(33,750)	15,142	(31,986)
(Increase)/decrease in GST input tax credits receivable	(66)	(427)	(13)	(465)
Increase/(decrease) in GST payable	(2,015)	792	(2,064)	741
(Increase) in inventories	(83)	(32)	(69)	(16)
(Increase)/decrease in other current assets	2,025	52	1,940	38
(Decrease)/increase in accounts payable	(6,310)	5,481	(5,992)	5,677
(Decrease)/increase in accrued employee benefits	12,032	1,435	11,723	1,421
(Decrease)/increase in other liabilities	61,325	(10,535)	61,181	(11,080)
Net cash (outflow) inflow from operating activities	59,603	(24,932)	59,436	(24,156)

(ii) *Changes in Liabilities arising from Financing Activities*

2023 - Consolidated		Non-cash changes			Cash flows		
Notes	Opening Balance \$'000	New Leases Acquired \$'000	Other \$'000	Cash Received \$'000	Cash Repayments \$'000	Closing Balance \$'000	
Lease liabilities	18	70,546	58,869	(683)	-	(2,271)	126,461
Total		70,546	58,869	(683)	-	(2,271)	126,461

2022 - Consolidated		Non-cash changes			Cash flows		
Notes	Opening Balance \$'000	New Leases Acquired \$'000	Other \$'000	Cash Received \$'000	Cash Repayments \$'000	Closing Balance \$'000	
Lease liabilities	18	72,753	42	255	-	(2,504)	70,546
Total		72,753	42	255	-	(2,504)	70,546

TAFE Queensland
Statement of Cash Flows
For the year ended 30 June 2023

(ii) *Changes in Liabilities arising from Financing Activities (continued)*

		Non-cash changes			Cash flows		
		Opening Balance	New Leases Acquired	Other	Cash Received	Cash Repayments	Closing Balance
Notes		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	18	10,712	56,430	(683)	-	(1,326)	65,133
Total		10,712	56,430	(683)	-	(1,326)	65,133

		Non-cash changes			Cash flows		
		Opening Balance	New Leases Acquired	Other	Cash Received	Cash Repayments	Closing Balance
Notes		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Lease liabilities	18	11,993	42	255	-	(1,578)	10,712
Total		11,993	42	255	-	(1,578)	10,712

**TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023**

1 Basis of Financial Statement Preparation

(a) General Information

TAFE Queensland is a statutory body established under the *TAFE Queensland Act 2013* and governed by an independent board.

TAFE Queensland is the largest and most experienced provider of vocational education and training in the state, with a history of serving Queensland's communities for over 140 years. Each year TAFE Queensland enrolls over 100,000 students across a network of over 50 campuses in Queensland, in employers' workplaces, online and in markets offshore. Our offering spans foundation skills and entry level qualifications to higher education degrees across more than 500 programs.

The corporate office and principal place of business is 1030 Cavendish Road, Mount Gravatt QLD 4122.

(b) Compliance with Prescribed Requirements

TAFE Queensland has prepared these financial statements in compliance with section 39 of the *Financial and Performance Management Standard 2019*. The financial statements comply with Queensland Treasury's Minimum Reporting Requirements for reporting periods beginning on or after 1 July 2022.

TAFE Queensland is a not-for-profit entity and these general purpose financial statements are prepared on an accrual basis (except for the Statement of Cash Flows which is prepared on a cash basis) in accordance with Australian Accounting Standards and Interpretations applicable to not-for-profit entities.

(c) Currency and Rounding

Amounts included in the financial statements are presented in Australian dollars, which is the Group's functional currency and rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Foreign currency income and expenses are translated to the functional currency using the average exchange rates prevailing each month in which the transactions occur, assets and liabilities are translated at the closing rate at the end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in the foreign currencies at year end are generally recognised in the profit or loss.

(d) Comparatives

Comparative information reflects the audited 2021-22 financial statements which have been restated where necessary to be consistent with disclosures in the current reporting period, changes in accounting policies or correction of prior period error.

(e) Current / Non-Current Classification

Assets and liabilities are classified as either 'current' or 'non-current' in the Statement of Financial Position and associated notes.

Assets are classified as 'current' where their carrying amount is expected to be realised within 12 months after the reporting date. Liabilities are classified as 'current' when they are due to be settled within 12 months after the reporting date, or TAFE Queensland does not have an unconditional right to defer settlement to beyond 12 months after the reporting date.

All other assets and liabilities are classified as non-current.

(f) Authorisation of Financial Statements for Issue

The financial statements are authorised for issue by the Chairperson, TAFE Queensland Board, the Chief Executive Officer, and the Chief Financial Officer at the date of signing the Management Certificate.

1 Basis of Financial Statement Preparation (continued)

(g) Basis of Measurement

Historical cost is used as the measurement basis in this financial report except for the following:

- Debt and equity financial assets that have been measured at fair value;
- Inventories which are measured at the lower of cost and net realisable value;
- Buildings which are measured at fair value;
- Right-of-use assets which are measured at an amount equal to the minimum expected liabilities arising from leases discounted by TAFE Queensland's incremental borrowing rate; and
- Provisions expected to be settled 12 or more months after reporting date which are measured at their present value.

Historical Cost

Under historical cost, assets are recorded at the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition. Liabilities are recorded at the amount of proceeds received in exchange for the obligation or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

Fair Value

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

- The market approach uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets, liabilities or a group of assets and liabilities, such as a business.
- The cost approach reflects the amount that would be required currently to replace the service capacity of an asset. This method includes the current replacement cost methodology.
- The income approach converts multiple future cash flows amounts to a single current (i.e. discounted) amount. When the income approach is used, the fair value measurement reflects current market expectations about those future amounts.

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

- Level 1: quoted prices in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, directly or indirectly
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Where fair value is used, the fair value approach is disclosed.

Present Value

Present value represents the present discounted value of the future net cash inflows that the item is expected to generate (in respect of assets) or the present discounted value of the future net cash outflows expected to settle (in respect of liabilities) in the normal course of business.

Net Realisable Value

Net realisable value represents the amount of cash or cash equivalents that could currently be obtained by selling an asset in an orderly disposal.

(h) The Reporting Entity

The consolidated financial statements include all income, expenses, assets, liabilities and equity of the 'economic entity' comprising TAFE Queensland and the entities it controls where these entities are material (refer to Note 2). All transactions and balances internal to the economic entity have been eliminated in full.

**TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023**

1 Basis of Financial Statement Preparation (continued)

(h) The Reporting Entity (continued)

The parent entity financial statements include all income, expenses, assets, liabilities and equity of the parent only.

2 Controlled Entities

The following entities are controlled by TAFE Queensland:

Directly Controlled

Name	Purpose and Principal Activities	% Interest in Entity & Basis for Control	Total Assets \$'000		Total Liabilities \$'000		Total Revenue \$'000		Operating Result \$'000	
			2023	2022	2023	2022	2023	2022	2023	2022
TAFE Queensland International Education Pty Ltd	Delivery training services and international development assistance	100% interest in ordinary share capital enabling control of majority voting rights	2,338	2,393	284	1,191	4,730	6,426	852	36
TAFE Queensland Scholarship Foundation	Registered charity providing financial support to students	100% interest in units of the trust and shares of the trustee company	456	483	84	119	539	452	8	22
Aviation Australia Pty Ltd	Support the development and growth of the aviation and aerospace industries both in Australian and international markets	100% interest in ordinary share capital enabling control of majority of votes	71,055	85,615	66,650	65,101	26,179	21,508	(8,563)	(1,472)

Disclosure about Wholly-Owned Controlled Entities

TAFE Queensland International Education Pty Ltd

TAFE Queensland International Education Pty Ltd (TQIE) was established in July 2016 as a company limited by shares. TQIE's registered office is in Brisbane, Queensland, and its purpose is delivering training services and providing international development assistance and support to the Commonwealth Department of Foreign Affairs and Trade (DFAT) and to any other entity engaged in the provision of such services from time to time.

The predominant source of revenue for TQIE is earned through sub-contracting from TAFE Queensland for the delivery of services under the Australia Pacific Training Coalition (APTC) (formerly known as Australia-Pacific Technical College) contract with DFAT. In 2022-23 TQIE recognised revenues totalling \$4.730 million (2022: \$6.426 million) in relation to services provided to TAFE Queensland.

TAFE Queensland controls 100% of the share capital and voting rights in the company. The transactions and balances of TQIE are immaterial to TAFE Queensland and the economic entity and therefore have not been consolidated in financial statements.

TAFE Queensland Scholarship Foundation

TAFE Queensland Scholarship Foundation (the Foundation) was acquired on 25 September 2020. The Foundation is a charitable trust which was previously known as TAFE Directors Australia National Scholarships Foundation. TAFE Queensland Scholarships Foundation Limited acts as the trustee company of the trust.

The Foundation's principal purpose is the provision of money for scholarships, bursaries prizes to be provided to promote recipients' vocational education and training and higher education in approved Australian courses and/or overseas study.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

2 Controlled Entities (continued)

The transactions and balances of the Foundation are immaterial to TAFE Queensland and the economic entity and therefore have not been consolidated in financial statements.

Aviation Australia Pty Ltd

Aviation Australia Pty Ltd was formed in October 2001 to provide aviation training. Aviation Australia Pty Ltd prepares and publishes separated financial statements, which are audited by the Auditor-General of Queensland. All shares in Aviation Australia were transferred to TAFE Queensland effective from 1 October 2017.

Given the activities of the company, no dividends or other financial returns are received by TAFE Queensland. Apart from the restricted cash balance of \$1.14 million classified as other non-current assets, there are no significant restrictions on TAFE Queensland's ability to access the company's assets or settle its liabilities.

The assets, liabilities, revenues and expenses of Aviation Australia have been consolidated in these financial statements. Refer to note 15 for further information.

Aviation Australia Pty Ltd (AA) has a 51% shareholding in Aviation Australia Riyadh College of Excellence LLC (AARCOE), with Shamal Commercial Investment LLC (SCI), a Saudi Arabian limited liability company holding the remaining 49% of the shares.

In accordance with an agreement between the shareholders, Aviation Australia is entitled to a 20% share of the profits or liable for 20% of the losses in that company.

AARCOE has an outstanding taxation dispute with the General Authority of Zakat and Tax which is progressing through an appeals process. A provision for Aviation Australia's share of the income tax in dispute has not been recognised in the consolidated accounts.

3 Joint Arrangements

Joint arrangements exist when two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Since 2016-17 TAFE Queensland has partnered with Sunshine Coast Hospital and Health Service, University of the Sunshine Coast and Griffith University for the operation of the Sunshine Coast Health Institute (SCHI). SCHI operates as a joint operation under an unincorporated joint venture agreement, based at the new Sunshine Coast University Hospital. The primary aims of SCHI are to advance the education of trainee medical officers, nurses, midwives, and other health care professionals, while providing outstanding patient care and extending research knowledge. Each partner has rights and obligations to the assets, liabilities, revenue and expenses of SCHI.

TAFE Queensland has accounted for its interest in the joint arrangement, including recognising its share of assets, liabilities and expenses jointly held/incurred, in accordance with AASB 11 *Joint Arrangements*.

TAFE Queensland's share of the joint operation is 23.7% (2022: 23.7%).

4 Sales of Goods and Services

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Student fees and charges	106,841	112,312	99,286	106,448
Fees for training services	116,645	120,952	114,738	118,793
Sales of goods and ancillary services	8,583	4,498	8,582	4,498
Total	232,069	237,762	222,606	229,739

4 Sales of Goods and Services (continued)

Revenue arising from agreements that are 'enforceable' and contain 'sufficiently specific performance obligations' are recognised as revenue when TAFE Queensland has satisfied the performance obligations. Where funding is received in advance, a contract liability is recognised until the services are delivered. The following table provides information about the nature and timing of the satisfaction of performance obligations and revenue recognition:

Type of good or service	Nature and timing of satisfaction of performance obligation	Revenue recognition policies
Student fees and charges	Student fees and charges relating to the provision of course tuition. Performance obligations are fulfilled progressively as tuition services are provided.	Revenue is recognised over time as students receive the tuition services.
Fees for training services	Fees received directly from organisations in relation to training services provided. Performance obligations predominantly relate to the delivery of training and are fulfilled progressively as delivery occurs.	For standard training contracts, revenue is recognised over time as training delivery occurs. Non-standard contracts are recognised in accordance with the delivery of contractual performance obligations.
Sales of goods and ancillary services	Other non-course fees and charges include sales of student products produced / service provided during training, restaurant/bistro sales, sales of merchandise/consumables and student fees for services provided.	Revenue is recognised as at the time the goods are transferred/services are provided to the purchaser.

Refer notes 10 and 19 for disclosures about contract assets and liabilities outstanding at year end.

5 Grants and Contributions

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Queensland Government grants and contributions				
- Queensland Government subsidised training	246,793	240,459	242,344	235,645
- State Contribution grant	215,273	178,073	209,480	173,257
- Other grants and contributions	22,383	36,676	22,096	36,421
Australian government grants and contributions	10,493	8,743	10,472	8,712
Other donations, sponsorships and contributions	2,686	750	974	740
Total	497,628	464,701	485,366	454,775

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

5 Grants and Contributions (continued)

Grant or funding agreements that are 'enforceable' and contain 'sufficiently specific performance obligations' are recognised as revenue when the group has satisfied the performance obligations. Where funding is received in advance, a contract liability is recognised until the services are delivered. The following table provides information about the nature and timing of the satisfaction of performance obligations and revenue recognition:

Type of good or service	Nature and timing of satisfaction of performance obligation	Revenue recognition policies
Queensland Government subsidised training	Queensland Government subsidised training relates to the component of course fees that is received for eligible students from the Queensland Government. Performance obligations relate to the delivery of tuition services and are fulfilled progressively as tuition services are provided.	Revenue is recognised over time as students receive the tuition services.
State Contribution Grant	The State Contribution grant is aimed at supporting quality training and skills delivery by subsidising public providers in areas of competitive disadvantage in comparison to private providers. Performance obligations relate to being a premium provider of Vocational Education and Training (VET), demonstrated by exceptional compliance with the Queensland VET Quality Framework, more specifically quality of training products and outcomes, sound corporate governance structures and operating models that support Queenslanders accessing quality training in priority skill areas. All of these performance obligations are continuing obligations.	Revenue is recognised over time on a straight-line basis.
Donations	TAFE Queensland receives donations of cash and equipment. Performance obligations may or may not exist depending on the individual transaction.	Revenue is recognised on receipt if there are no specific performance obligations attached to the donation (in accordance with AASB 1058), or, where a performance obligation exists, as TAFE Queensland satisfies performance obligations (in accordance with AASB 15).
All other grants and contributions	TAFE Queensland enters into a range of agreements for various purposes. Performance obligations may or may not exist depending on the individual agreements.	Each agreement is reviewed individually with regard to the enforceability and sufficiently specific performance obligations criteria to determine whether AASB 15 or AASB 1058 applies.

Refer notes 10 and 19 for disclosures about contract assets and liabilities outstanding at year end.

During the financial period, TAFE Queensland utilised facilities under the control of the Department of Youth Justice, Employment, Small Business and Training to deliver vocational education and training services. Access to the facilities is provided without charge or for a cost that may not be fair value. AASB 1004 *Contributions* requires that contributions of goods and services be recognised where they would have been purchased if they had not been donated, and the fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and expense. TAFE Queensland would not in all cases otherwise purchase the goods and services, and costs relating to the sites due to location, condition and caveats pertaining to them. The sites are not able to be reliably measured due to the aforementioned caveats. Therefore no notional value has been estimated.

**TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023**

6 Employee Expenses

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Salaries and wages	392,517	343,056	380,388	332,563
Annual leave levy/expense	39,294	35,189	39,165	35,091
Long service leave levy/payable	11,009	9,420	10,912	9,499
Employer superannuation contributions	54,494	47,123	53,269	46,122
Other employee benefits	14,030	25,518	14,009	25,507
Payroll tax and fringe benefits tax	25,874	21,773	25,203	21,231
Other employee related expenses	6,164	5,208	5,690	5,060
	543,382	487,287	528,636	475,073

The number of employees as at 30 June 2023, including both full-time employees and part-time employees measured on a full-time equivalent basis (reflecting Minimum Obligatory Human Resource Information (MOHRI)) is 4,332 (2022: 4,248).

Salaries, wages and sick leave

Salaries and wages due but unpaid at reporting date are recognised as a liability at current salary and wage rates. Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that the existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised. As sick leave is non-vesting, an expense is recognised for this leave when taken.

Annual leave and long service leave

TAFE Queensland employs people in Australia under state-based awards and it also employs people overseas in connection with APTC in accordance with the laws of the local jurisdictions in which APTC operates - Fiji, Samoa, Vanuatu, Papua New Guinea, and Solomon Islands.

For employees of the parent engaged on Queensland-based conditions of employment, TAFE Queensland is a member of the Queensland Government's Annual Leave Central and Long Service Leave Central Schemes. A levy is payable to these schemes to cover the cost of employees' annual leave (including leave loading and part of the on-costs) and long service leave. These levies are expensed in the period in which they are payable. Amounts paid to employees for annual leave and long service leave are claimed back from the schemes quarterly in arrears. TAFE Queensland does not recognise a provision for annual leave or long service leave in the financial statements as these liabilities are held, and reported, on a whole-of-government basis.

For employees employed by subsidiaries or employed under foreign conditions of employment, a liability for annual leave accrued up to the end of the reporting period is recognised based on current salary and wage rates, and includes employer related on-costs. The liability for long service leave is recognised in the provision for long service leave and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to the expected future wage and salary levels, experience of employee departures, and periods of service.

Expected future payments are discounted using marked yields at the reporting date on government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

6 Employee Expenses (continued)

Superannuation schemes

Post-employment benefits for superannuation are provided through defined contribution (accumulation) plans or the Queensland Government's defined benefit plan (the former QSuper defined benefit categories now administered by the Government Division of the Australian Retirement Trust) as determined by the employee's conditions of employment.

Defined Contribution Plans - Contributions are made to eligible complying superannuation funds based on the rates specified in the relevant Enterprise Bargaining Agreement or other conditions of employment. Contributions are expensed when they are paid or become payable following completion of the employee's service each pay period.

Defined Benefit Plan - The liability for defined benefits is held on a whole-of-government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. The amount of contributions for defined benefit plan obligations is based upon the rates determined on the advice of the State Actuary. Contributions are paid by TAFE Queensland at the specified rate following completion of the employee's service each pay period. TAFE Queensland's obligations are limited to those contributions paid.

Workers compensation

TAFE Queensland pays premiums to WorkCover Queensland, and relevant other state and territory WorkCover insurers, in respect of its obligation for employee compensation. Workers' compensation insurance is a consequence of employing employees, but is not counted in an employee's total remuneration package. It is not employment benefits and is recognised separately as employee related expenses.

Key management personnel and disclosures are detailed in note 27.

7 Supplies and Services

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Contractors	37,426	38,646	34,023	35,641
Property rental	18,936	17,542	18,473	17,593
Employee housing	222	227	222	227
Lease expenses	519	881	519	647
Property, information technology support services, and transport	68,888	67,753	66,867	65,998
Travel and accommodation	9,482	5,970	9,048	5,685
Agents commissions	5,778	4,219	5,650	4,070
Advertising and promotions	10,073	11,201	9,573	10,774
Training materials	10,642	9,424	10,514	9,352
Printing and stationary	4,396	4,653	4,343	4,616
Minor equipment purchases	11,140	15,990	10,885	15,678
Subscriptions, books and publications	5,454	5,089	5,160	4,875
Finance, human resources, and support services	744	717	744	717
Other supplies and services	21,647	19,833	21,334	19,659
	205,347	202,145	197,355	195,532

Lease expenses

Lease expenses include lease rentals for short-term leases, leases of low value and variable lease payments. Refer to Note 18 for a breakdown of lease expenses and other lease disclosures.

**TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023**

8 Other Expenses

Audit fees

Other expenses includes remuneration to auditors. Total audit fees quoted by the Queensland Audit Office relating to the 2023 financial statements are \$220,600 (2022: \$215,250).

Special payments

Special payments represent ex gratia expenditure and other expenditure that TAFE Queensland is not contractually or legally obligated to make to other parties. Ex gratia payments totalling \$8,750.78 were made during 2023 (2022: \$3,916.32).

9 Cash and Cash Equivalents

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Cash at bank and in hand	136,235	98,183	126,681	87,556
Total	136,235	98,183	126,681	87,556

Cash and cash equivalents comprise cash on hand, cheques receipted but not yet banked, and other short term highly liquid investments.

10 Receivables and Contract Assets

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Trade debtors	15,176	18,090	12,249	15,429
Loss allowance	(3,133)	(1,805)	(1,494)	(1,752)
	12,043	16,285	10,755	13,677
GST receivable	3,691	1,610	3,677	1,600
Accrued revenue	5,469	2,806	5,469	2,806
Contract assets	89,658	104,993	87,445	103,874
Other receivables	10,612	8,809	10,612	8,809
Total	121,473	134,503	117,958	130,766

Receivables are measured at amortised cost which approximates their fair value at reporting date.

Trade debtors are recognised at amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Trade debtors are generally due for settlement 30 days from invoice date or, for student course fees, 30 days from start of study. Other receivables are due in accordance with their contractual terms.

The loss allowance for trade debtors reflect the lifetime expected credit losses and incorporates reasonable and supportable forward-looking information, including forecast economic changes expected to impact TAFE Queensland debtors. TAFE Queensland has established a provision to measure the expected credit losses on trade debtors according to debtor type. The calculations reflect historical observed default rates based on past sales transactions for each of the groups.

The loss allowance for the consolidated entity includes an allowance of \$1.5 million which is equivalent to the full amount of receivables due to Aviation Australia from AARCOE. This provision has been recognised in the event that AARCOE is unable to make repayment. Refer to note 15 for further information.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

10 Receivables and Contract Assets (continued)

Receivables and payables are stated with GST included. The net amount of GST recoverable from the Australian Taxation Office is included as a current asset.

Accrued revenue relates to revenue that does not arise from contracts with customers.

Contract assets are recognised over the performance obligations that have been met whereby the invoice is not yet raised or the funds have not been received. Significant changes in contract asset balances during the year include:

- Reduction in VET Student loan receivable by \$24 million following payments received from the Department of Education.
- Increase of \$5 million relating to Government training subsidies due to the volume of training activity in progress, but not complete, at 30 June 2023.

Impairment group - receivables from sales of goods and services

Consolidated	2023			2022		
	Gross Receivable \$'000	Loss Rate ¹ \$'000	Expected Credit Losses \$'000	Gross Receivable \$'000	Loss Rate ¹ \$'000	Expected Credit Losses \$'000
Aging						
Current	7,596	4%	(293)	11,662	-%	(33)
1 to 30 days overdue	1,724	7%	(120)	2,058	3%	(62)
31 to 60 days overdue	1,040	11%	(115)	537	8%	(43)
61 to 90 days overdue	928	7%	(64)	473	12%	(56)
> 90 days overdue	3,888	65%	(2,541)	3,360	48%	(1,612)
Total	15,176		(3,133)	18,090		(1,805)
Parent						
	Gross Receivable \$'000	Loss Rate ¹ \$'000	Expected Credit Losses \$'000	Gross Receivable \$'000	Loss Rate ¹ \$'000	Expected Credit Losses \$'000
Aging						
Current	6,618	1%	(44)	11,070	-%	(33)
1 to 30 days overdue	976	5%	(51)	1,270	5%	(62)
31 to 60 days overdue	801	6%	(46)	241	18%	(43)
61 to 90 days overdue	824	8%	(64)	260	22%	(56)
> 90 days overdue	3,030	43%	(1,289)	2,588	60%	(1,558)
Total	12,249		(1,494)	15,429		(1,752)

¹ Loss rate is not applied to amounts expected from the Queensland State Government. Loss rate quoted for consolidated receivables is weighted average of parent and controlled entities.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

10 Receivables and Contract Assets (continued)

Commentary on financial risk disclosures are included in Note 23.

Movement in loss allowance for trade debtors

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Loss allowance as at 1 July	(1,805)	(2,411)	(1,752)	(2,358)
Increase / decrease in allowance recognised in operating result	(2,092)	(430)	(503)	(421)
Amounts written-off during the year	764	1,036	761	1,027
Closing loss allowance at 30 June	(3,133)	(1,805)	(1,494)	(1,752)

11 Other Assets

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments	12,048	14,630	11,457	13,942
Other current assets	192	193	169	179
Total	12,240	14,823	11,626	14,121
Non-current				
Prepayments	983	429	983	429
Restricted term deposit	1,139	1,139	-	-
Total	2,122	1,568	983	429

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

12 Property, Plant and Equipment

Closing balances and reconciliation of carrying amount

	Buildings at Cost 2023 \$'000	Buildings at Valuation 2023 \$'000	Plant & Equipment 2023 \$'000	Work in Progress 2023 \$'000	Total 2023 \$'000
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Consolidated

Cost or fair value	-	27,815	170,576	3,484	201,875
Less: Accumulated depreciation	-	(13,333)	(102,126)	-	(115,459)
Carrying amount at 30 June 2023	-	14,482	68,450	3,484	86,416

Represented by movements in carrying amount:

Carrying amount at 1 July (restated)*	-	13,649	35,525	36,148	85,322
Revaluation surplus	-	2,256	-	-	2,256
Impairments	-	(672)	-	-	(672)
Additions	-	6	595	13,283	13,884
Disposals	-	-	(158)	-	(158)
Transfers	-	-	45,947	(45,947)	-
Depreciation expense	-	(757)	(13,459)	-	(14,216)
Carrying amount at 30 June 2023	-	14,482	68,450	3,484	86,416

	Buildings at Cost 2022 \$'000	Buildings at Valuation 2022 \$'000	Plant & Equipment 2022 \$'000	Work in Progress 2022 \$'000	Total 2022 \$'000
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Consolidated

Cost or fair value	-	23,757	132,972	36,148	192,877
Less: Accumulated depreciation	-	(10,108)	(97,447)	-	(107,555)
Carrying amount at 30 June 2022	-	13,649	35,525	36,148	85,322

Represented by movements in carrying amount:

Carrying amount at 1 July (restated)*	2,294	3,345	38,719	14,385	58,743
Revaluation surplus	-	7,800	-	-	7,800
Additions	-	-	2,410	25,599	28,009
Disposals	-	-	(46)	-	(46)
Transfers	(2,201)	2,661	3,376	(3,836)	-
Depreciation expense	(93)	(157)	(8,934)	-	(9,184)
Carrying amount at 30 June 2022	-	13,649	35,525	36,148	85,322

* Work in progress as at 30 June 2021 was restated for a prior period error to exclude WIP relating to Intangible assets previously categorised as Property, Plant and Equipment. The effect of this reclassification resulted in decreases to opening net book value of \$1,179k.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

12 Property, Plant and Equipment (continued)

	Buildings at Cost 2023 \$'000	Buildings at Valuation 2023 \$'000	Plant & Equipment 2023 \$'000	Work in Progress 2023 \$'000	Total 2023 \$'000
Parent					
Cost or fair value	-	8,695	157,530	3,381	169,606
Less: Accumulated depreciation	-	(5,614)	(93,557)	-	(99,171)
Carrying amount at 30 June 2023	-	3,081	63,973	3,381	70,435

Represented by movements in carrying amount:

Carrying amount at 1 July (restated)*	-	3,442	30,688	35,960	70,090
Revaluation surplus	-	481	-	-	481
Impairment	-	(672)	-	-	(672)
Additions	-	-	455	13,181	13,636
Disposals	-	-	(158)	-	(158)
Transfers	-	-	45,760	(45,760)	-
Depreciation expense	-	(170)	(12,772)	-	(12,942)
Carrying amount at 30 June 2023	-	3,081	63,973	3,381	70,435

	Buildings at Cost 2022 \$'000	Buildings at Valuation 2022 \$'000	Plant & Equipment 2022 \$'000	Work in Progress 2022 \$'000	Total 2022 \$'000
Parent					
Cost or fair value	-	7,628	120,239	35,960	163,827
Less: Accumulated depreciation	-	(4,186)	(89,551)	-	(93,737)
Carrying amount at 30 June 2022	-	3,442	30,688	35,960	70,090

Represented by movements in carrying amount:

Carrying amount at 1 July (restated)*	-	3,345	32,812	14,250	50,407
Revaluation surplus	-	254	-	-	254
Additions	-	-	2,335	25,479	27,814
Disposals	-	-	(46)	-	(46)
Transfers	-	-	3,769	(3,769)	-
Depreciation expense	-	(157)	(8,182)	-	(8,339)
Carrying amount at 30 June 2022	-	3,442	30,688	35,960	70,090

* Work in progress as at 30 June 2021 was restated for a prior period error to exclude WIP relating to Intangible assets previously categorised as Property, Plant and Equipment. The effect of this reclassification resulted in decreases to opening net book value of \$1,179k.

Basis of capitalisation and recognition thresholds

Items of property, plant and equipment with a historical cost or other value equal to or exceeding the following thresholds in the year of acquisition are reported as property, plant and equipment in the following classes:

Buildings	\$10,000
Plant and equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Expenditure on property, plant and equipment is capitalised where it is probable that the expenditure will produce future service potential for TAFE Queensland. Subsequent expenditure is only added to an asset's carrying amount if it increases the service potential or useful life of that asset. Maintenance expenditure that merely restores original service potential (lost through ordinary wear and tear) is expensed.

12 Property, Plant and Equipment (continued)

Acquisition of property, plant and equipment

Acquisitions of property, plant and equipment are initially recorded at historical cost. Historical cost is determined as the fair value of consideration given to acquire the asset plus costs incidental to the acquisition, including design fees and all other establishment costs.

Measurement

Plant and equipment is measured at historical cost in accordance with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector. Buildings are measured at fair value and reported at the revalued amounts, being the fair value at the date of valuation less any subsequent accumulated depreciation.

Buildings measured at fair value are revalued on an annual basis either by appraisals undertaken by an independent professional valuer, or by the use of appropriate and relevant indices.

Revaluations using independent professional value appraisals are undertaken at least once every five years. However, if a particular asset class experiences significant and volatile changes in fair value, that class is subject to specific appraisal in the reporting period, where practicable, regardless of the timing of the last specific appraisal.

Where assets have not been specifically appraised in the reporting period their previous valuations are materially kept up-to-date via the application of relevant indices. TAFE Queensland ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. Indices used are tested for reasonableness by applying sensitivities and analysing the trend of changes in values over time. Through this process management assesses and confirms the relevance and suitability of indices provided based on TAFE Queensland's own particular circumstances.

The fair values reported are based on appropriate valuation techniques that maximise the use of available and relevant observable inputs and minimise the use of unobservable inputs. Materiality is considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

The effective date of the last specific appraisal for the parent entity and Aviation Australia was 30 June 2019 and 30 June 2022 respectively, conducted by Gray Robinson & Cottrell (GRC) Quantity Surveyors. The replacement cost estimates were prepared from plans and elevations together with available schedules and specifications. Where this standard of supplied information was not available, GRC determined appropriate information from site surveys that were conducted. GRC applied a combination of pricing methodologies all of which were adjusted to reflect the anticipated construction market as at the effective reporting date. Detailed estimates were also used to determine the cost of replacing the existing assets with a modern equivalent asset.

The building asset class for the parent entity was not specifically appraised in the reporting period, however previous valuations have been materially kept up-to-date via the application of relevant indices. TAFE Queensland ensures that the application of such indices results in a valid estimation of the assets' fair values at reporting date. In 2023 TAFE Queensland applied an index rate of 18.50% incorporating the cumulative change in index rates prepared by quantity surveyor firm GRC.

GRC employs market driven indexation factors, such as Locality and Building Price Index, as mechanisms to ensure that estimates are reflective of the construction market at any point in time. In addition, the index rate for 2023 includes an increase of approximately 6.0% relating changes in costs arising from behavioural shifts in the way projects are delivered.

The fair value measurement is categorised as a Level 3 in the fair value hierarchy (refer to Note 1(g)).

12 Property, Plant and Equipment (continued)

Accounting for Changes in Fair Value

Any revaluation increment arising on the revaluation of an asset is credited to the revaluation surplus of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation surplus relating to that asset class.

For assets revalued using a cost valuation approach (e.g. current replacement cost) accumulated depreciation is adjusted to equal the difference between the gross amount and carrying amount, after taking into account accumulated impairment losses. This is generally referred to as the 'gross method'.

Depreciation Expense

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset progressively over its estimated useful life to TAFE Queensland.

Straight line depreciation is used as that is consistent with the consumption of service potential of these assets over their useful life to TAFE Queensland.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the life of the asset.

Assets under construction (work-in-progress) are not depreciated until construction is complete and the asset is put to use or is ready for its intended use, whichever is earlier. These assets are then reclassified to the relevant class within property, plant, and equipment.

For TAFE Queensland's depreciable assets, the estimated amount to be received on disposal at the end of their useful life (residual value) is determined to be zero.

Depreciation methods, estimated useful lives and residual values of property, plant and equipment are reviewed annually and adjusted if appropriate. The estimated useful lives for each class of depreciable assets are:

Buildings	15 - 83 years
Plant and equipment	2 - 63 years

Impairment

All property, plant and equipment assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, TAFE Queensland determines the asset's recoverable amount under AASB 136 *Impairment of Assets*. Recoverable amount is equal to the higher of the fair value less costs of disposal and the asset's value in use.

For assets measured at fair value, the impairment loss is treated as a revaluation decrease and offset against the revaluation surplus of the relevant class to the extent available. Where no revaluation surplus is available in respect of the class of asset, the loss is expensed in the statement of comprehensive income as a revaluation decrement.

For assets measured at cost, an impairment loss is recognised immediately in the statement of comprehensive income.

TAFE Queensland
Notes to the Financial Statements
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13 Right-of-use Assets

Closing balances and reconciliation of carrying amount

	Consolidated		Parent	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Buildings				
Cost or fair value	125,605	68,332	69,321	14,487
Less: Accumulated depreciation	(15,775)	(11,273)	(7,020)	(4,972)
Carrying amount at 30 June	109,830	57,059	62,301	9,515
<i>Represented by movements in carrying amount:</i>				
Carrying amount at 1 July	57,059	61,076	9,515	11,164
Additions	58,991	42	56,551	42
Depreciation expense	(5,979)	(4,393)	(3,524)	(2,025)
Disposals / derecognition	(526)	-	(526)	-
Other adjustments	285	334	285	334
Closing balance at 30 June	109,830	57,059	62,301	9,515

The value of right-of-use assets has been determined based on the expected costs arising out of the lease (this includes lease payments net of incentives, initial set-up costs and any other known costs). Right-of-use assets are subsequently depreciated over the lease term and be subject to impairment testing on an annual basis. The carrying amount of right-of-use assets are adjusted for any remeasurement of the lease liability in the financial year following a change in discount rate, a reduction in lease payments payable, changes in variable lease payments that depend upon variable indexes/rates of a change in lease term.

Lease liabilities are disclosed in Note 18.

The Group has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases of low value assets. The lease payments are recognised as expenses on a straight-line basis over the lease term. An asset is considered low value where it is expected to cost less than \$10,000 when new.

TAFE Queensland
Notes to the Financial Statements
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14 Intangible Assets

Closing balances and reconciliation of carrying amount

	Intellectual Property	Software Purchased	Software Internally Generated	Other Intangible Assets	Work in Progress	Total
	2023	2023	2023	2023	2023	2023
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	26,010	31,647	5,704	821	7,756	71,938
Less: Accumulated amortisation	(20,270)	(16,049)	(2,814)	(484)	-	(39,617)
Carrying amount at 30 June 2023	5,740	15,598	2,890	337	7,756	32,321
Represented by movements in carrying amount:						
Carrying amount at 1 July (restated)*	1,031	18,781	4,056	337	8,097	32,302
Acquisitions (including upgrades)	-	19	-	-	5,344	5,363
Transfers between asset classes	5,685	-	-	-	(5,685)	-
Amortisation expense	(976)	(3,202)	(1,166)	-	-	(5,344)
Carrying amount at 30 June 2023	5,740	15,598	2,890	337	7,756	32,321

	Intellectual Property	Software Purchased	Software Internally Generated	Other Intangible Assets	Work in Progress	Total
	2022	2022	2022	2022	2022	2022
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	20,325	31,628	5,703	821	8,097	66,574
Less: Accumulated amortisation	(19,294)	(12,847)	(1,647)	(484)	-	(34,272)
Carrying amount at 30 June 2022	1,031	18,781	4,056	337	8,097	32,302
Represented by movements in carrying amount:						
Carrying amount at 1 July (restated)*	467	19,736	3,214	337	5,297	29,051
Acquisitions (including upgrades)	425	34	-	-	6,901	7,360
Transfers between asset classes	345	1,968	1,581	-	(3,894)	-
Amortisation expense	(206)	(2,957)	(739)	-	-	(3,902)
Impairment losses recognised in operating result	-	-	-	-	(207)	(207)
Carrying amount at 30 June 2022	1,031	18,781	4,056	337	8,097	32,302

* Work in progress as at 30 June 2021 was restated for a prior period error to exclude WIP relating to Intangible assets previously categorised as Property, Plant and Equipment. The effect of this reclassification resulted in increases to opening net book value of \$1,179k.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

14 Intangible Assets (continued)

	Intellectual Property 2023	Software Purchased 2023	Software Internally Generated 2023	Other Intangible Assets 2023	Work in Progress 2023	Total 2023
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	24,579	30,937	5,703	484	7,728	69,431
Less: Accumulated amortisation	(19,654)	(15,578)	(2,814)	(484)	-	(38,530)
Carrying amount at 30 June 2023	4,925	15,359	2,889	-	7,728	30,901
Represented by movements in carrying amount:						
Carrying amount at 1 July (restated)*	-	18,469	4,056	-	8,097	30,622
Acquisitions (including upgrades)	-	-	-	-	5,316	5,316
Transfers between asset classes	5,685	-	-	-	(5,685)	-
Amortisation expense	(760)	(3,110)	(1,167)	-	-	(5,037)
Carrying amount at 30 June 2023	4,925	15,359	2,889	-	7,728	30,901

	Intellectual Property 2022	Software Purchased 2022	Software Internally Generated 2022	Other Intangible Assets 2022	Work in Progress 2022	Total 2022
Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross	18,894	30,937	5,703	-	8,097	63,631
Less: Accumulated amortisation	(18,894)	(12,468)	(1,647)	-	-	(33,009)
Carrying amount at 30 June 2022	-	18,469	4,056	-	8,097	30,622
Represented by movements in carrying amount:						
Carrying amount at 1 July (restated)*	110	19,365	3,214	-	4,952	27,641
Acquisitions (including upgrades)	-	-	-	-	6,901	6,901
Transfers between asset classes	-	1,968	1,581	-	(3,549)	-
Amortisation expense	(110)	(2,864)	(739)	-	-	(3,713)
Impairment losses recognised in operating result	-	-	-	-	(207)	(207)
Carrying amount at 30 June 2022	-	18,469	4,056	-	8,097	30,622

* Work in progress as at 30 June 2021 was restated for a prior period error to exclude WIP relating to Intangible assets previously categorised as Property, Plant and Equipment. The effect of this reclassification resulted in increases to opening net book value of \$1,179k

14 Intangible Assets (continued)

Intangible assets with a cost greater than \$100,000 are capitalised. Intangible assets are recognised and carried at historical cost less accumulated amortisation and accumulated impairment losses.

Costs associated with the development of intangible assets are capitalised and amortised on a straight-line basis over its estimated useful life. The cost of intangible assets includes the cost of all materials, direct labour, other directly attributable costs, and an appropriate proportion of overheads attributable during development.

Amortisation

Amortisation is recognised on a straight-line basis over the estimated useful lives of intangible assets from the date that they were available for use. The useful lives of intangible assets are reviewed annually and adjusted if appropriate.

The estimated useful lives of intangible assets are:

Intellectual property	3 years
Software purchased	3 - 10 years
Software internally generated	5 - 7 years
Other intangibles	5 years

Impairment

All intangible assets are reviewed annually for indicators of impairment. An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount.

Intangible assets are principally assessed for impairment by reference to the actual and expected continuing use of the asset by TAFE Queensland. Recoverable amount is determined as the higher of the asset's fair value less costs to sell and amortised replacement cost.

15 Investments Accounted for using the Equity Method

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Interest in joint venture partnership	-	4,761	-	-
Total	-	4,761	-	-

TAFE Queensland through its subsidiary, Aviation Australia holds a 51% interest in the shares of Aviation Australia Riyadh College of Excellence LLC (AARCOE). The shareholders have agreed that Aviation Australia Pty Ltd is entitled to 20% of the profits or is liable for 20% of the liabilities.

Since 2014, AARCOE has been operating the International Aviation Training Centre (IATC) training facilities under a contract with Colleges of Excellence (COE). This contract expired on 30 August 2022. AARCOE continued to deliver training during financial year 2023 in accordance with the terms of the expired contract based on assurances from COE that a contract extension will be granted once the relevant approvals have been granted by the relevant authorities.

As the contract had expired and no formal extension granted, AARCOE has not recognised any revenue for the IATC training despite delivering these services over the 2022-23 financial year on the basis that the recognition of revenue does not meet the requirements of AASB15. As a result of this inability to recognise revenue AARCOE has reflected a loss for the year.

Aviation Australia has recognised its share of the loss of AARCOE to a maximum of \$4,760,632 at 30 June 2023 to reduce the value of the equity accounted investment to nil. No additional share of losses has been recognised as there is no legal or constructive obligation for Aviation Australia to contribute to these losses.

TAFE Queensland

Notes to the Financial Statements for the year ended 30 June 2023

16 Payables

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Trade creditors	37,174	43,326	36,266	42,093
Other creditors	2,573	2,731	2,486	2,651
Total	39,747	46,057	38,752	44,744

Trade and other payables represent the value of goods and services provided to TAFE Queensland prior to the end of the financial year that remain unpaid. Trade and other payables are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase price less any applicable discounts. Amounts owing are unsecured.

17 Employee Benefits

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Accrued salaries and wages	1,394	1,037	1,036	773
Annual leave levy / provision	13,707	10,545	12,864	9,822
Long service leave levy / provision	3,846	3,413	3,285	2,973
Provision for Cost of Living Adjustment	5,733	-	5,733	-
Provision for Superannuation	2,370	-	2,370	-
Total	27,050	14,995	25,288	13,568
Non-Current				
Long service leave levy / provision	235	259	-	-
Total	235	259	-	-

No provision for annual leave or long service leave is recognised in the parent's financial statements for staff employed in Australia on state-based awards as the liability is held on a whole of government basis and reported in those financial statements pursuant to AASB 1049 *Whole-of-government and General Government Sector Financial Reporting*. A provision is recognised for annual leave and long service leave relating to non-Australian based employees and subsidiary employees (refer also to Note 6).

Employee provisions are recorded when TAFE Queensland has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period.

Provision for Cost of Living Adjustment

The *TAFE Queensland (TAFE Services Employees) Certified Agreement 2022* includes the provision for the payment of a cost of living adjustment (COLA) where the CPI exceeds the wage increase under the agreement. The COLA has been triggered, and will be payable to eligible employees who have worked for TAFE Queensland between 1 September 2022 and 31 August 2023. An estimate has been calculated for the COLA relating to the period from 1 September 2022 to the 30 June 2023. Payment of the COLA will occur within two months of 31 August 2023.

Provision for Superannuation

The Queensland Government changed its superannuation arrangements for employees from 1 July 2023. Consistent with Government policy, in March 2023 TAFE Queensland made an administrative decision to retrospectively apply the superannuation changes to 1 July 2022. A provision has been calculated for the back-payment of superannuation, which is expected to be occur during August 2023.

TAFE Queensland
Notes to the Financial Statements
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18 Lease Liabilities

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Lease liabilities	2,458	2,602	1,510	1,754
Total	2,458	2,602	1,510	1,754
Non-Current				
Lease liabilities	124,003	67,944	63,623	8,958
Total	124,003	67,944	63,623	8,958

Lease liabilities are initially recognised at the present value of lease payments over the lease term (including extension or renewal options that the Group is reasonably certain to exercise).

When measuring lease liabilities, TAFE Queensland uses its incremental borrowing rate as the discount rate where the interest rate implicit in the lease cannot be readily determined, which is the case for all of TAFE Queensland's leases. To determine the incremental borrowing rate, TAFE Queensland uses load rates provided by Queensland Treasury Corporation that correspond to the commencement date and term of the lease.

Subsequent to initial recognition, the lease liabilities are increased by the interest charge and reduced by the amount of lease payments. Lease liabilities are also remeasured in certain situations such as a change in variable lease payments that depend on an index or rate (e.g. a market rent review), or a change in the lease term.

The lease liabilities of TAFE Queensland and its subsidiaries mainly relate to premises used for training. Lease terms vary from 1 year to 31 years. In accordance with AASB 16 *Leases*, the value of the liability is inclusive of option periods where we believe the options are likely to be exercised.

The Department of Energy and Public Works (DEPW) provides TAFE Queensland with access to employee housing and motor vehicles under government-wide frameworks. These arrangements are categories as procurement of services rather than as leases because DEPW has substantive substitution rights over the assets. The related service expenses are included in Note 7.

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Amounts recognised in profit or loss				
Finance Costs - Right of Use Assets	3,952	2,003	2,058	179
Breakdown of 'lease expenses' included in note 7				
- Expense relating to short-term leases	519	881	519	647
Total cash outflow for leases	4,471	2,884	2,577	826

19 Other Liabilities

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Current				
Contract liabilities	82,214	29,745	82,154	29,650
Other unearned revenue	14,676	6,517	12,406	4,426
Other current liabilities	2,473	1,421	2,473	1,421
Total	99,363	37,683	97,033	35,497
Non-Current				
Contract Liabilities	-	355	-	355
Total	-	355	-	355

TAFE Queensland
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19 Other Liabilities (continued)

Contract liabilities arise from contracts with customers while other unearned revenue arise from transactions that are not contracts with customers.

Of the amount included in the contract liability balance at 1 July 2022, \$24.0 million has been recognised as revenue in 2022-23.

Significant changes in contract liabilities during the year:

- Increase in contract liabilities relating to provision of training services under the Fee Free TAFE agreement with Department of Youth Justice, Employment, Small Business and Training (\$58 million).
- Decrease in contract liabilities as a result of services performed under the Workforce Transition Programme and VET Emerging Industries (\$3 million).

20 Commitments

Commitments for capital expenditure at reporting date (inclusive of non-recoverable GST input tax credits) are payable:

	Consolidated		Parent	
	2023	2022	2023	2022
	\$'000	\$'000	\$'000	\$'000
Property, Plant & Equipment				
Within one year	1,610	9,545	1,610	9,545
Later than one year, less than five years	-	-	-	-
Later than five years	-	-	-	-
Total	1,610	9,545	1,610	9,545
Intangible Assets				
Within one year	20	515	20	515
Later than one year, less than five years	-	-	-	-
Later than five years	-	-	-	-
Total	20	515	20	515
Total Commitments	1,630	10,060	1,630	10,060

21 Contingencies

At 30 June 2023 TAFE Queensland has 62 active claims with WorkCover Queensland and 14 claims with the Queensland Government Insurance Fund (2022: 55 claims with WorkCover Queensland and 8 claims with the Queensland Government Insurance Fund). These claims are not considered to be material in value.

22 Climate Change

The Group considers climate-related risks when assessing material accounting adjustments and estimates used in preparing its financial report. Key estimates and judgement identified include the potential for changes in asset useful lives, changes in the fair value of assets, impairment of assets, the recognition of provision or the possibility of contingent liabilities.

No adjustments to the carrying value of assets were recognised during the financial year as a result of climate-related risks impacting current accounting estimates and judgements. No transactions have been recognised during the financial year specifically due to climate-related risks impacting the group. The group continues to monitor the emergence of material climate-related risks that may impact the financial statements of the group, including those arising under the Queensland Government Climate Action Plan 2020-2030 and other Government publications or directives.

23 Financial Risk Disclosures

Categorisation of financial instruments

Financial instruments are recognised in the Statement of Financial Position when TAFE Queensland becomes party to the contractual provisions of the financial instrument. TAFE Queensland has the following categories of financial assets and liabilities:

Category	Note	Consolidated		Parent	
		2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Financial Assets					
Cash and cash equivalents	9	136,235	98,183	126,681	87,556
Receivables and Contract Assets	10	121,473	134,503	117,958	130,766
Total Financial Assets		257,708	232,686	244,639	218,322
Financial Liabilities					
Financial liabilities measured at amortised cost - comprising:					
Payables	16	39,747	46,057	38,752	44,744
Lease Liabilities	18	126,461	70,546	65,133	10,712
Total Financial Liabilities at amortised cost		166,208	116,603	103,885	55,456

No financial assets and liabilities have been offset and presented in the Statement of Financial Position.

Financial Risk Management

The TAFE Queensland Board has the overall responsibility for the establishment and oversight of the risk management framework. The Board established the Audit, Finance and Risk Management Committee, which is responsible for developing and monitoring risk management policies. The Committee reports regularly to the Board on its activities.

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Notes to the Financial Statements
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23 Financial Risk Disclosures (continued)

TAFE Queensland's activities expose it to a variety of financial risks as set out in the following table:

Risk	Definition	Exposure	Measurement Method	Risk Management Strategy
Credit risk	Credit Risk exposure refers to the situation where TAFE Queensland may incur a financial loss as a result of another party to a financial instrument failing to discharge their obligation.	TAFE Queensland is exposed to credit risk in respect of its receivables (Note 10). The maximum exposure at balance date is the gross carrying amount of receivables inclusive of any allowance for impairment.	Ageing analysis, earnings at risk.	TAFE Queensland manages credit risk through its credit and debt management policies. These policies aim to reduce the exposure to credit default by ensuring that the TAFE Queensland invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.
Liquidity risk	Liquidity risk refers to the situation where TAFE Queensland may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or other financial asset.	TAFE Queensland is exposed to credit risk in respect of its payables (Notes 16 and 18).	Sensitivity analysis	TAFE Queensland ensures that minimal, but sufficient, levels of cash are held within various bank accounts so as to match the expected duration of the various employee and supplier liabilities.
Market risk	The risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. Interest rate risk is the risk that the fair value of future cash flows will fluctuate because of changes in market interest rates.	TAFE Queensland has limited exposure to currency, interest rate and other price risk.	Interest rate sensitivity analysis	TAFE Queensland ensures that minimal, but sufficient, levels of cash are held within various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

Contract maturity of financial liabilities

The following tables sets out the liquidity risk of financial liabilities held by TAFE Queensland. They represent the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date. The undiscounted cash flows in these tables differ from the amounts included in the statement of financial position that are based on discounted cash flows.

Consolidated	2023				2022			
	Total	Contractual maturity			Total	Contractual maturity		
Financial liabilities	\$'000	< 1 Year	1 - 5 Years	> 5 Years	\$'000	< 1 Year	1 - 5 Years	> 5 Years
Payables	39,747	39,747	-	-	46,057	46,057	-	-
Lease liabilities	126,461	2,458	8,562	115,441	70,546	2,602	11,821	56,123
Total	166,208	42,205	8,562	115,441	116,603	48,659	11,821	56,123

TAFE Queensland
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23 Financial Risk Disclosures (continued)

Parent	2023	Contractual maturity			2022	Contractual maturity		
	Total	< 1 Year	1-5 Years	> 5 Years	Total	< 1 Year	1-5 Years	> 5 Years
Financial Liabilities	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Payables	38,752	38,752	-	-	44,744	44,744	-	-
Lease liabilities	65,133	1,510	4,433	59,190	10,712	1,754	7,989	969
Total	103,885	40,262	4,433	59,190	55,456	46,498	7,989	969

24 Events After the Balance Date

Mr John Tucker was appointed to the role of Chief Executive Officer, TAFE Queensland on 3 August 2023. Apart from this, there were no events or transactions that arose between the end of the financial year and the date of this report that were of a material or unusual nature that would significantly affect the operations of TAFE Queensland.

25 Future Impacts of Accounting Standards Not Yet Effective

At the date of authorisation of the financial report, there are no expected impacts of new or amended Australian Accounting Standards.

**TAFE Queensland
Notes to the Financial Statements
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26 Budget vs Actual Comparison

Statement of Comprehensive Income	Budget 2023 \$'000	Actual 2023 \$'000	Variance 2023 \$'000
Income			
Sale of goods and services	269,075	232,069	(37,006)
Grants and contributions	449,579	497,628	48,049
Shares of profits of joint ventures accounted for using the equity method	3,387	-	(3,387)
Interest	59	254	195
Other income	5,773	7,195	1,422
Total income	727,873	737,146	9,273
Expenses			
Employee expenses	507,637	543,382	35,745
Supplies and services	226,477	205,347	(21,130)
Depreciation and amortisation	26,616	25,539	(1,077)
Finance/borrowing costs	3,977	3,952	(25)
Shares of losses of joint ventures accounted for using the equity method	-	4,761	4,761
Other expenses	4,659	6,512	1,853
Total expenses	769,366	789,493	20,127
Operating result for the year	(41,493)	(52,347)	(10,854)

Explanation of major variances - Statement of Comprehensive Income:

<i>Sales of goods and services</i>	This variance mainly relates to the introduction of the Fee Free TAFE program. During the preparation of its budget, TAFE Queensland estimates the proportion of course fees that will be paid by domestic students (or a related party) and the proportion of course fees that will be received via Government training subsidies for eligible students. The implementation of the new Fee Free TAFE program part way through 2022-23 resulted in lower fees being paid by students and a greater level of subsidies received from the Queensland Government.
<i>Grants and contributions</i>	This variance mainly relates to additional training subsidies recognised under the Fee Free TAFE program, as well as an additional \$10.1m relating to student support services and ancillary activities associated with administration of the Fee Free TAFE program and its implementation.
<i>Employee expenses</i>	This variance mainly relates to: <ul style="list-style-type: none"> • higher wage increases for TAFE Services Employees following finalisation of the <i>TAFE Queensland (TAFE Services Employees) Certified Agreement 2022</i> in line with revised Government wage policy, resulting in an approximate 6.1% increase on average compared to the budgeted 2.5% increase; • additional costs associated with an increase in FTE to support training delivery and operational requirements; • provision for cost of living adjustment under the <i>TAFE Queensland (TAFE Services Employees) Certified Agreement 2022</i> (\$5.6 million); • additional superannuation following an administrative decision to retrospectively apply Queensland Government superannuation changes to 1 July 2022 in line with Government policy (\$2.4 million); and • Introduction of the Queensland Mental Health Levy, attached to payroll tax (\$1.6 million).

26 Budget vs Actual Comparison (continued)

<i>Supplies and services</i>	The variance in supplies and services relates to savings across a number of expenditure categories including contractors (including third party training providers, contracted labour hire and project related contractors), computer/IT expenses, marketing and promotions, and low value equipment (below capitalisation threshold).
<i>Share of profits / losses of joint ventures accounted for using the equity method</i>	A delay in approval of a contract between AARCOE and COE resulted in a loss being recognised by AARCOE in 2022-23. Aviation Australia recognised their share losses from the joint venture to reduce the value of the equity accounted investment to nil. Refer to note 15 for further information.

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26 Budget vs Actual Comparison (continued)

Statement of Financial Position	Budget 2023 \$'000	Actual 2023 \$'000	Variance 2023 \$'000
Current assets			
Cash and cash equivalents	81,210	136,235	55,025
Receivables and Contract Assets	94,675	121,473	26,798
Inventories	595	710	115
Other current assets	9,922	12,240	2,318
Total current assets	186,402	270,658	84,256
Non-current assets			
Property, plant and equipment	75,850	86,416	10,566
Right-of-use assets	115,238	109,830	(5,408)
Intangible assets	47,937	32,321	(15,616)
Investments accounted for using the equity method	6,809	-	(6,809)
Other non-current assets	1,139	2,122	983
Total non-current assets	246,973	230,689	(16,284)
Total assets	433,375	501,347	67,972
Current liabilities			
Payables	41,342	39,747	(1,595)
Accrued employee benefits	15,030	27,050	12,020
Lease liabilities	2,174	2,458	284
Other current liabilities	32,961	99,363	66,402
Total current liabilities	91,507	168,618	77,111
Non-current liabilities			
Accrued employee benefits	345	235	(110)
Lease liabilities	131,231	124,003	(7,228)
Other non-current liabilities	580	-	(580)
Total non-current liabilities	132,156	124,238	(7,918)
Total liabilities	223,663	292,856	69,193
Net assets	209,712	208,491	(1,221)

26 Budget vs Actual Comparison (continued)

Explanation of major variances - Statement of Financial Position:

<i>Cash and cash equivalents</i>	This variance mainly relates to the full receipt of \$81.4 million of funding under the Fee Free TAFE agreement, of which \$58.1 million was recognised as a contract liability relating to provision of training services that will continue to be provided post 30 June 2023.
<i>Receivables and contract assets</i>	This variance mainly relates to increases in the level of contract assets including Government training subsidies based on stages of training completed, plus a \$4.0 million increase in claims outstanding from the Annual Leave Central Scheme and LSL Central Scheme.
<i>Other current assets</i>	The variance in other current assets mainly relates to a higher level of prepaid expenses at 30 June, particularly in relation to annual ICT licences and subscriptions including licenses for Cyber Security Training Operation Centres.
<i>Property, plant and equipment</i>	This variance mainly relate to a \$7.5 million increase relating to the 2022 valuation of Aviation Australia buildings to align to TAFE Queensland's accounting policies (finalised after the preparation of the 2023 Budget), plus a \$1.8 million increase relating to the 2023 indexation on the revaluated buildings.
<i>Intangible assets</i>	This variance mainly relates to impacts of the International Financial Reporting Standards Interpretations Committee agenda decision relating to the accounting for configuration and customisation costs to a Software-as-a-Service arrangements (resulting in expensing of projects originally captured, or budgeted, as intangible assets), correction of work in progress balances incorrectly classified as intangible in prior years (identified in the 2022 financial statements), and lower capital spend in 2023 due to delays in projects and projects not proceeding.
<i>Investments accounted for using the equity method</i>	A delay in approval of a contract between AARCOE and COE resulted in a loss being recognised by AARCOE in 2022-23. Aviation Australia recognised their share losses from the joint venture to reduce the value of the equity accounted investment to nil. Refer to note 15 for further information.
<i>Accrued employee benefits</i>	This variance mainly relates to provisions for cost of living adjustment under the <i>TAFE Queensland (TAFE Services Employees) Certified Agreement 2022</i> (\$5.6 million), back payment of additional superannuation following an administrative decision to retrospectively apply Queensland Government superannuation changes to 1 July 2022 in line with Government policy (\$2.4 million), and increase in annual leave levy payable (\$3.2 million) due to timing of leave and application of wage increases under the <i>TAFE Queensland (TAFE Services Employees) Certified Agreement 2022</i> .
<i>Other current liabilities</i>	This variance mainly relates to contract liabilities relating to provision of training services under the Fee Free TAFE agreement with Department of Youth Justice, Employment, Small Business and Training (\$58.1 million).
<i>Lease liabilities</i>	This variance mainly relates to the final valuation of the Robina campus lease commencing August 2022.

TAFE Queensland
Notes to the Financial Statements
for the year ended 30 June 2023

26 Budget vs Actual Comparison (continued)

Statement of Cash Flows	Budget 2023 \$'000	Actual 2023 \$'000	Variance 2023 \$'000
Cash flows from operating activities			
Sales of goods and services	274,408	265,061	(9,347)
Grants and contributions	449,579	545,930	96,351
GST input tax credits from ATO	17,649	19,757	2,108
Interest received	59	248	189
Other receipts	5,773	7,144	1,371
Employee expenses	(507,093)	(533,297)	(26,204)
Supplies and services	(241,769)	(229,476)	12,293
GST remitted to ATO	(6,211)	(7,244)	(1,033)
Finance / borrowing costs	(3,977)	(3,952)	25
Other payments	(2,863)	(4,568)	(1,705)
Net cash inflow from operating activities	(14,445)	59,603	74,048
Cash flows from investing activities			
Investments redeemed	2,000	-	(2,000)
Sales of property, plant and equipment	-	88	88
Payments for property, plant and equipment	(17,879)	(14,005)	3,874
Payments for non-financial assets	(9,229)	(5,363)	3,866
Net cash (outflow) from investing activities	(25,108)	(19,280)	5,828
Cash flows from financing activities			
Finance lease payments	(1,887)	(2,271)	(384)
Net cash (outflow) from financing activities	(1,887)	(2,271)	(384)
Net (decrease) in cash and cash equivalents	(41,440)	38,052	79,492
Cash and cash equivalents at the beginning of the financial year	122,650	98,183	(24,467)
Cash and cash equivalents at end of financial year	81,210	136,235	55,025

Explanation of major variances - Statement of Cash Flows:

<i>Sales of goods and services</i>	This variance mainly relates to the introduction of the Fee Free TAFE program, resulting in a reduction in payments received from domestic student fees.
<i>Grants and contributions</i>	This variance mainly relates to additional training grants and subsidies received in relation to the Fee Free TAFE program, including \$58 million relating to the provision of training that will be delivered post 30 June 2023, offset by an increase in contract assets relating to Government training subsidies.
<i>Employee expenses</i>	This variance mainly relates to: <ul style="list-style-type: none"> • higher wage increases for TAFE Services Employees following finalisation of the <i>TAFE Queensland (TAFE Services Employees) Certified Agreement 2022</i> in line with revised Government wage policy, resulting in an approximate 6.1% increase on average compared to the budgeted 2.5% increase; • additional costs associated with an increase in FTE to support training delivery and operational requirements; and • introduction of the Queensland Mental Health Levy, attached to payroll tax (\$1.6 million).
<i>Supplies and services</i>	The variance in supplies and services relates to savings across a number of expenditure categories offset by increases in prepaid expenses.

27 Key Management Personnel Disclosures

(a) Ministerial Remuneration

TAFE Queensland's responsible Minister is identified as part of TAFE Queensland's key management personnel, consistent with additional guidance included in the revised version of AASB 124 *Related Party Disclosures*. That Minister is the Honourable Dianne Farmer Minister for Employment and Small Business, Minister for Training and Skills Development and Minister for Youth Justice.

Ministerial remuneration entitlements are outlined in the Legislative Assembly of Queensland's Member's Remuneration Handbook. TAFE Queensland does not bear any cost of remuneration of Ministers. The majority of Ministerial entitlements are paid by the Legislative Assembly, with the remaining entitlements being provided by Ministerial Services Branch within the Department of Premier and Cabinet. As all Ministers are reported as KMP of the Queensland Government, aggregate remuneration expenses for all Ministers is disclosed in the Queensland General Government and Whole of Government Consolidated Financial Statements, which are published as part of Queensland Treasury's Report on State Finances.

(b) Board Members

TAFE Queensland is governed by an independent board.

Board Members' fees include fees paid for membership of TAFE Queensland's Board and relevant Board committees. Details of the appointment and remuneration for each Board Member are:

	2023	2022
Remuneration	\$'000	\$'000
Jane Seawright	61	61
Andrew Dettmer	39	39
Bronwyn Davies	39	39
Peter Price ¹	-	-
Adam Sarota ²	26	-
Jody Currie ²	26	-
Professor Lee Anne Perry ³	15	-
Nicole Brigg ³	15	-
Kay Giles ⁴	16	39
Trina Hockley ⁴	16	39
Dr Valerie Cooms ⁵	-	28
Total	253	245

¹ Mr Price is employed in the Queensland Public Sector and does not receive remuneration from TAFE Queensland for his role as Director.

² Appointed 7 November 2022

³ Appointed 9 February 2023

⁴ Ceased 30 November 2022

⁵ Ceased 9 March 2022

27 Key Management Personnel Disclosures (continued)

(c) Key Executive Management Personnel

The following details for key management personnel reflect those positions that had authority and responsibility for planning, directing and controlling the activities of TAFE Queensland during 2023 and 2022.

Position	Position Responsibility
Chief Executive Officer	Strategic and operational management of TAFE Queensland.
Chief Financial Officer	Financial strategy and planning, financial systems and reporting functions, financial policies and procedures, procurement functions, and the evaluation of investment decisions. Operational performance and the translation of organisational strategy into operational plans.
Chief Information Officer	Information and communications technology (ICT) strategy development, ICT contract management and procurement functions and ICT operational services.
Chief Academic Officer	Academic strategy, teaching governance, learning and quality, and digital product services.
Chief Human Resources Officer	Strategic Human Resources direction and delivery of Human Resources services.
Director, Legal Services and General Counsel	Legal advice to the Board, Executive and operating regions on contract, risk, compliance, right to information and governance matters.
Executive Director Business Development	Lead the development of innovative and sustainable business development strategies.
Regional General Managers	Directing the activities at TAFE Queensland campuses in each region in alignment with TAFE Queensland's commercial and strategic direction.
General Manager Operations	Operational planning and reporting, business intelligence (BI), contract and data management, TAFE Queensland Scholarship Foundation and government funded initiatives
General Manager International Education	Directing the activities of TAFE Queensland International operations in alignment with TAFE Queensland's commercial and strategic direction.

Remuneration for key executive management personnel

Key executive management personnel of TAFE Queensland are appointed under the *TAFE Queensland Act 2013*. Remuneration and other terms of employment are formalised in individual contracts of employment. These contracts of employment make a provision for an appropriate combination of competitive fixed and variable remuneration components. Remuneration expenses for key management personnel comprise the following components:

- Short term employee expenses which include:
 - Salaries, allowances and leave entitlements earned for the year or for that part of the year during which the employee occupied the specified position
 - Performance payments recognised as an expense during the year.
 - Non-monetary benefits including fringe benefits tax applicable to that benefit.
- Long term employee expenses include amounts expensed in respect of long service leave entitlements earned
- Post-employment expenses include amounts expensed in respect of employer superannuation obligations.
- Termination benefits include payments in lieu of notice on termination and other lump sum entitlements (excluding annual and long service leave entitlements) payable on termination of employment or acceptance of an offer of termination of employment.

27 Key Management Personnel Disclosures (continued)

(c) Key Executive Management Personnel (continued)

Performance payments

Key management personnel remuneration packages allow for a variable component of remuneration to be provided to executive managers through an annual incentive performance scheme subject to the discretionary approval by the TAFE Queensland Board.

Remuneration expenses

The following disclosure focus on the expenses incurred by TAFE Queensland attributable to KMP during the respective reporting periods. The amounts disclosed below are determined on the same basis as expenses recognised in the Statement of Comprehensive Income.

2023

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post - Employment Expenses	Termination Expenses	Total Expenses
	Monetary \$'000	Non-Monetary \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	391	-	10	47	-	448
Chief Financial Officer	307	-	8	25	-	340
Chief Information Officer	280	-	8	37	-	325
Chief Academic Officer	285	-	8	36	-	328
Chief Human Resources Officer	250	-	7	25	-	282
Executive Director, Legal Services and General Counsel	228	-	6	23	-	257
Executive Director Business Development	222	-	6	28	-	256
General Managers						
Operations	279	-	7	37	-	323
International Education (to 31/03/2023)	196	-	7	27	-	229
International Education (from 1/04/2023)	87	-	2	10	-	100
Brisbane	291	-	8	31	-	288
East Coast	250	-	7	31	-	288
Gold Coast	246	-	7	29	-	282
North (to 8 November 2023)	192	-	7	28	-	226
North (from 9 November 2023)	172	-	4	20	-	197
SkillsTech	245	-	7	28	-	280
South West	233	-	6	28	-	265

27 Key Management Personnel Disclosures (continued)

(c) Key Executive Management Personnel (continued)

2022

Position	Short Term Employee Expenses		Long Term Employee Expenses	Post - Employment Expenses	Termination Expenses	Total Expenses
	Monetary \$'000	Non-Monetary \$'000	\$'000	\$'000	\$'000	\$'000
Chief Executive Officer	381	-	10	49	-	440
Chief Financial Officer	286	-	7	26	-	319
Chief Information Officer	288	-	7	35	-	330
Chief Academic Officer	261	-	7	34	-	302
Chief Human Resources Officer	235	-	6	23	-	264
Executive Director, Legal Services and General Counsel	220	-	5	21	-	246
Executive Director Business Development	207	-	5	27	-	239
General Managers						
Operations	267	-	7	35	-	309
International Education	256	-	6	33	-	295
Brisbane (to 3/01/2022)	155	-	3	17	-	175
Brisbane (from 4/01/2022)	153	-	4	14	-	171
East Coast	226	-	6	30	-	262
Gold Coast	247	-	6	25	-	278
North	223	-	6	29	-	258
SkillsTech	257	-	6	31	-	294
South West (to 3/01/2022)	120	-	3	11	-	134
South West (from 4/01/2022)	147	-	3	13	-	163

28 Related party transactions

Transactions with people / entities related to KMP

Related Party Declarations have been received from KMP with no material amounts required to be reported.

Transactions with other Queensland Government - controlled entities

TAFE Queensland's primary ongoing sources of funding from Queensland Government for its services are grants and contributions via the Department of Youth Justice, Employment, Small Business and Training as disclosed in Note 5.

Subsidiaries and joint arrangements


Transactions with TQIE (controlled entity) and SCHI (joint arrangement) are disclosed in Notes 2 and 3 respectively.

**TAFE Queensland
Management Certificate
for the year ended 30 June 2023**

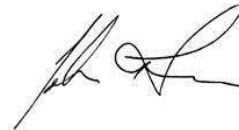
These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), section 39 of the *Financial and Performance Management Standard 2019* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the financial statements have been drawn up to present a true and fair view, in accordance with the prescribed accounting standards, of the transactions of TAFE Queensland for the financial year ended 30 June 2023, and of the financial position of TAFE Queensland at the end of that year; and

We acknowledge responsibility under s.7 and s.11 of the *Financial and Performance Management Standard 2019* for the establishment and maintenance, in all material respects, of an appropriate and effective system of internal controls and risk management processes with respect to financial reporting throughout the reporting period.



Jane Seawright
Chairperson
TAFE Queensland
Date: 31 August 2023



John Tucker
Chief Executive Officer
TAFE Queensland
Date: 31 August 2023



Simon Pritchard
Chief Financial Officer
Date: 31 August 2023

INDEPENDENT AUDITOR'S REPORT

To the Board of TAFE Queensland

Report on the audit of the financial report

Opinion

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

In my opinion, the financial report:

- a) gives a true and fair view of the parent's and group's financial position as at 30 June 2023, and their financial performance and cash flows for the year then ended
- b) complies with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 30 June 2023, the statements of comprehensive income, statements of changes in equity and statement of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the management certificate.

Basis for opinion

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

I am independent of the parent and group in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code and the *Auditor-General Auditing Standards*.

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

Responsibilities of the entity for the financial report

The Board is responsible for the preparation of the financial report that gives a true and fair view in accordance with the *Financial Accountability Act 2009*, the Financial and Performance Management Standard 2019 and Australian Accounting Standards, and for such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

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

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

Report on other legal and regulatory requirements

Statement

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 30 June 2023:

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

Prescribed requirements scope

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



Bhavik Deoji
as delegate of the Auditor-General

31 August 2023

Queensland Audit Office
Brisbane