



# 2020 ANNUAL REPORT

26 February, 2021

The Honourable Grace Grace MP  
Minister for Education, Minister for Industrial Relations  
and Minister for Racing  
Department of Education  
PO Box 15033  
CITY EAST QLD 4002

Dear Minister


I am pleased to submit for presentation to the Parliament the 2020 Annual Report and financial statements for Central Queensland University.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be found at page 114 and 115 of this annual report.

Yours sincerely



Mr John Abbott AM  
Chancellor

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## OBJECTIVES OF CQUNIVERSITY'S ANNUAL REPORT

This report describes the University's performance, achievements, outlook and financial position for the calendar year 2020. The report is also of interest to Members of Parliament, CQUniversity employees, students, prospective students, key stakeholders, other universities, researchers and members of the community.

CQUniversity contributes to the Queensland Government's objectives for the community through academic excellence, skills training, career pathways/development, community relationships, fiscal responsibility and new infrastructure.

## ACKNOWLEDGEMENT OF COUNTRY

CQUniversity recognises that its campuses are situated on Country for which Aboriginal people have been custodians for many centuries. In acknowledging this, the University pays its respects to the Elders, past, present and future, for they hold the memories, the traditions, the cultures and hopes of Indigenous Australia.

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## INTERPRETER

CQUniversity is committed to providing accessible services to people from culturally and linguistically diverse backgrounds. If you have difficulty in understanding the Annual Report, contact CQUniversity on +61 7 4930 9777 and arrangements will be made for an interpreter to effectively communicate the report to you.



## CONTACT DETAILS

Details on how to access this annual report or contact the University are published on the back cover.

# FROM THE CHANCELLOR

## **Mr John Abbott AM**

Chancellor, CQUniversity Australia

On behalf of the Central Queensland University Council, I am pleased to present the 2020 Annual Report for CQUniversity Australia.

The year 2020 will forever be remembered as a year that the world changed. Without warning, people across the globe had to quickly adjust to a new environment that was unfamiliar and uncertain. It became clear very early on that this emerging health crisis was going to significantly disrupt the way we live and the way we work. Within weeks, organisations had to pivot their operations to align with a new normal that involved widespread restrictions, lockdowns and closed borders.

The spread of COVID-19 meant that CQUniversity had to make rapid and significant changes to our operations, not just to respond to emerging restrictions, but to ensure we were equipped to operate and compete in a post-pandemic world. Despite the nature and urgency of the changes that needed to be made, I was proud to witness the capability of CQUniversity's people, students and systems in adapting to the challenges that faced us all. This was done with positivity, determination and resilience, despite the personal and professional uncertainty felt.

CQUniversity had to enact change because of the crisis and it became clear that the way we operated in the past would be permanently altered. The work and study environment changed and for much of 2020 our staff and students operated in a virtual landscape. This was a major change which also became an opportunity to develop and experience new ways of doing things.

For staff, this meant managing and engaging teams remotely, developing new learning and teaching resources to facilitate online delivery, delivering support and academic services remotely, and reworking traditional activities like orientation and graduation in a digital setting. For students, it meant a switch from face-to-face interactions with teachers and peers to attending class at a distance. While this concept was not new for many of our students who already completed some or all their study online, for others, especially those in disciplines that have a strong hands-on, practical approach to delivery, this was a new way of learning.

The impact of COVID-19 on our university and the communities we serve will continue to be felt. However, I am confident that CQUniversity will play an important role in our regions as our communities and industries recover from this crisis. We will do this through the provision of high-quality education and training and solutions-focused research. We will also continue to deliver on our strategic plan by delivering projects that will help to transform the student experience and enhance our reputation as an innovative, future-focused university.

I hope that in time, our university, and the higher education and training sector more generally, can overcome the challenges faced in 2020, and that institutions can emerge as stronger more agile organisations. I am sure that as we move forward and a sense of normality returns, we will be able to reflect on our ability to adapt to unexpected changes and disruption and that we can leverage the lessons learnt in 2020 to drive innovation and enhance our preparedness for the challenges that will undoubtedly arise in the future. CQUniversity has developed a recovery plan to do just this, and I am certain our people will be able to drive the University forward in a world that will be forever changed.

# VICE-CHANCELLOR'S REPORT

## Professor Nick Klomp

Vice-Chancellor and President, CQUniversity Australia

Since the publication of our last Annual Report, the world has changed rapidly, affecting the way we live, work and study. As with many industries, the tertiary education sector has had to adopt strategies to pivot its delivery model and meet the challenges of a "new normal".

In response to the COVID-19 challenge, CQUniversity, like most other organisations, has had to make some difficult but important decisions about its future and how it needs to operate in a post-pandemic environment. This has included the need to reduce staffing levels and a decision to close three delivery sites including the Biloela and Yeppoon study centres and the Sunshine Coast campus in Noosa.

These were not easy decisions to make, but they were actions that needed to be taken to secure the future success of the University and ensure that it doesn't just survive but thrives in a post-COVID world. The decisions made will ensure CQUniversity is able to cement its place as an innovative, engaged, student-centred university that continues to change lives well into the future.

CQUniversity is now focused on what lies ahead and on meeting the demands of a world that is forever changed as a result of COVID-19. We remain committed to our strategic direction and implementing new systems and processes – including enhanced digital capacity – that will give us a competitive advantage and allow us to continue delivering important outcomes within the communities we serve.

### ADAPTING TO A NEW NORMAL

In 2020, CQUniversity needed to adapt rapidly to the challenges brought on by COVID-19. The rapid developments of the pandemic in the early weeks of 2020 required the University to activate its critical incident planning processes and implement a range of business continuity plans – particularly when it became clear that operations would be significantly impacted by various restrictions and border closures.

The University had in place a range of mechanisms to respond appropriately to the unfolding crisis, including sound continuity plans across different business units, and technology and systems to address emerging work and study needs. The University also activated a stakeholder focused, whole-of-organisation approach to communicating the requirements of the rapidly evolving situation.

This response was primarily focused on providing information and resources that would help to protect the health and wellbeing of staff and students. This included the provision of information, resources and support services, whilst managing a seamless transition to online

study for almost all student cohorts. While campuses remained opened, the majority of staff worked from home during the peak of the COVID-19 crisis and subsequent restrictions. The flexibility of university systems and past investment in online infrastructure meant that staff and students were empowered and supported to adapt to a remote learning and working model with minimal impact.

As restrictions eased across the country, the University began to welcome staff, students and visitors back to campus in the latter months of 2020, in a COVID-safe way. CQUniversity will continue to monitor the health situation moving into 2021 and will implement flexible approaches as required.

### FINANCIAL IMPACTS OF COVID-19

The onset of the COVID-19 pandemic in Australia coincided with the commencement of Term 1, usually the largest intake of domestic and international students. While CQUniversity continued to experience strong domestic student growth, the international student intake was affected by the pandemic and resulting border closures. The closure of national borders significantly reduced the number of international students who were able to arrive in Australia, impacting the University's recruitment of new international students. While some international students chose to commence their studies with the University online (while still offshore), most international students were keen to delay their enrolment until such time that they could travel to Australia and commence study on campus.

The reduced number of international students significantly affected the University's finances. The loss of international income resulted in a projected loss in 2020 of more than \$100 million, and with Australian borders expected to remain closed for an extended period of time, losses of a similar magnitude could continue into subsequent years. For this reason, decisive action was taken to immediately reset operations and find immediate, ongoing cost savings of up to \$50 million annually. CQUniversity was one of the first universities in the sector to take such action, thereby reducing uncertainty among staff and producing cost-savings sooner.

As part of this process, CQUniversity froze pay increases for executive and senior management staff and reduced executive salaries by 20 per cent for the 2020/21 financial year. Along with this, the process of restructuring the organisation included the realignment of operational divisions from seven down to four, and the rationalisation of regional management structures. This involved the decision to permanently close the Sunshine Coast campus (located at Noosa) and the Biloela and Yeppoon study centres.

As part of the formal change management process, 209 staff applied for and were offered voluntary separation packages. A further 79 roles were disestablished as part of the new organisational structure.

Despite the organisational restructure and cost-savings, the COVID-19 impacts are likely to continue well into 2021, so the University must continue to act in a fiscally responsible way and find new opportunities to grow the business, especially in the areas of vocational education, short courses, postgraduate study and hyperflexible online course offerings.

## OUR STUDENTS

CQUniversity strives to develop students and graduates who will be known for their understanding of the issues affecting their communities and industries, their commitment to personal and professional growth, and their discipline and broader society.

In 2020, CQUniversity's students showed remarkable resilience and flexibility in the face of the pandemic crisis. This was particularly evident in their ability to quickly transition to online study early in Term 1. While CQUniversity was in a good position to deliver online learning given its extensive experience in distance learning, students (especially new students) displayed an extraordinary capacity to adapt to the required changes.

Online classes continued to be delivered throughout 2020 in Terms 2 and 3, with the exception of some courses that had strong practical requirements, for example in the vocational training space and in engineering and health-related disciplines.

Despite delivering course content online, CQUniversity continued to offer students authentic work-integrated learning opportunities through our employer and industry partners. Completing work placements during a pandemic provided students with some unique learning experiences. Many students have completed placements in less traditional settings, such as work-from-home placements and conducting telehealth appointments.

CQUniversity continued to provide all student support and academic learning services during the pandemic. While most services were delivered online, some were offered face-to-face and campuses mostly remained opened so that students could access support and learning resources. In fact, during a time of heightened uncertainty and change, demand for these services increased. Along with traditional service delivery, CQUniversity established complimentary services to help students during the crisis, including an online COVID-19 information hub, a distance learning engagement portal to connect students

with support services and their peers, and food banks specifically designed for international students who were facing significant financial hardship as a result of the crisis. Additional financial assistance and care packages were also offered to domestic and international students.

## OUR RESEARCH

CQUniversity aims to ensure that its research is recognised for delivering high-quality, innovative solutions to the complex challenges facing our communities and industries, locally and abroad.

In 2020, CQUniversity increased its research income to a record level of \$24 million in contracted research funding. The university has continued to invest in the professional development of research staff, research higher degree (RHD) students and emerging research talent. The effects of the pandemic, in particular travel restrictions and border closures, caused significant disruption to some programs, but the Research Division responded by working with researchers to adapt their projects where possible. RHD students were also provided with support to pivot their research projects to minimise disruption caused by the pandemic.

The official opening of the Coastal Marine Ecosystems Research Centre (CMERC) in Gladstone and the launch of the Hinkler AgTech Initiative and associated AgTech Hub in Bundaberg were significant developments in the University's research capacity. Both developments were heavily informed by the needs of community and industry and will support research that delivers strong end-user impact.

Another important outcome from the past year has been increasing engagement with First Nations Peoples with several projects being delivered that place a focus on Indigenous health, education and communities. Along with this, CQUniversity also launched an Australian-first First Nations Research Higher Degree Academy that will increase the representation of First Nations Peoples in postgraduate training programs. The Academy will assist CQUniversity in increasing Indigenous participation in research and, more importantly, provide candidates with strong cultural, pastoral and academic support.

## OUR PEOPLE

CQUniversity's people are central to the delivery of its vision and purpose. It is widely recognised that the University's impact reflects the efforts, talent and passion of its staff. CQUniversity's staff practice the values of Engagement, Can-do Attitude, Openness, Leadership and Inclusion, and use their knowledge, skills and talents to continually improve relationships with students, alumni,

partners and communities. This has never been more relevant than in the past year, as all staff had to adapt to new ways of working and engaging.

The COVID-19 crisis and resulting national restrictions resulted in our staff having to suddenly and dramatically change their approaches to work, not least because teaching and service provision was moved to online delivery. Most staff also made the transition to either full-time or part-time work from home arrangements, an approach that was maintained throughout most of 2020, especially for staff based at our Sydney and Melbourne campuses. Staff exhibited an extraordinary level of resilience and flexibility during this crisis and were able to adapt quickly and seamlessly to their new working arrangements. CQUniversity was in a strong position to facilitate this shift in work given its online delivery experience and previous investments in technical resources, equipment, and systems. This allowed the University's workforce to be mobile and agile, and empowered staff to support students and colleagues remotely. During the pandemic, staff health and wellbeing was prioritised by increasing internal engagement and ensuring staff had accurate information and resources to help them adapt to a new operating environment. As restrictions across Australia relaxed, staff began returning to campus from November 2020.

Despite needing to navigate their own personal and professional challenges during the pandemic, CQUniversity's people have continued to recognise the unique needs of their students and have gone above and beyond to implement new services, processes and activities to enhance the student experience and deliver support. This has included the development of new online information resources; health promotion activities; academic learning support workshops tailored to online learning; additional student support services and workshops; care packages; the delivery of financial support; and the establishment of food bank services. In addition to supporting students, staff supported their communities in many ways during the pandemic, including the 3D printing of prototype parts for ventilators, and of face shields for first responders. Many staff were also involved in voluntary roles and used both their engaged service leave and other leave entitlements to serve in organisations such as the Army Reserve and Rural Fire Services. CQUniversity's commitment to supporting staff to engage in such activity led to it being announced as the 2020 Defence Reserve Employer Support Award winner under the not-for-profit organisation category. The awards recognise organisations for their continued support of Australian Defence Force Reservists and the communities they serve across Australia.

The University's people have continued to deliver on strategic projects throughout 2020 despite the new ways of working and financial restraints. The University's biggest strategic project, CQURenew, has progressed rapidly in 2020 and will continue to be rolled out throughout 2021. CQURenew will deliver transformational curricula, systems and services. The delivery of such a revolutionary, whole-of-organisation project has been challenging during such a difficult year, but the culmination of this project will give CQUniversity a significant competitive advantage when it comes to tailored student service delivery, learning innovation and intuitive systems.

Professional development continued to be an important focus for the University but is yet another area that has been disrupted owing to the cancellation of events and global and national travel restrictions. This has led to CQUniversity developing and acquiring additional professional development packages for staff to complete online via the professional development hub. CQUniversity has further encouraged staff to engage in study opportunities through the CQUniversity Centre for Professional Development, TAFE and BeDifferent hyperflexible delivery platform. In 2020, CQUniversity was also proud to deliver a professional training package on First Nations Cultural Competency. The delivery of the package will help staff to better engage with First Nations peoples and create more inclusive and culturally safe working and learning environments.

In collaboration with the Australian Higher Education Industrial Association (AHEIA) and their partner Coach Communications, CQUniversity also delivered the Class Act Conduct program for fixed term and continuing staff. Through this training program, and subsequent consultation, the University developed an Australian university-first communications charter, a result that will provide CQUniversity with a '5-Star Culture of Excellence' Accreditation from AHEIA.

CQUniversity Australia performed well in an annual report on gender equity that measures the percentage of women in professional and academic roles at Australian universities. The 2020 report from Universities Australia (UA), using data from the Commonwealth Department of Education, Skills and Employment, showed that 72.5 per cent of professional roles and 55.1 per cent of academic roles at CQUniversity were filled by women. Both figures are significantly higher than the Australian sector average of 66.4 per cent for professional staff and 47.7 per cent for academic staff.

## **OUR COMMUNITIES**

CQUniversity's power of place continues to deliver a unique advantage in proactively engaging with communities in regional Australia and will continue to inform future plans and operations.



During the pandemic, campuses have remained open (except in Victoria, where restrictions forced a temporary suspension of on-campus operations during the height of the State's second wave). As restrictions have eased, staff, students, visitors, community and industry representatives, and school groups have started to return to campuses. The University's campuses, especially the regional campuses, act as hubs for communities to meet, learn and interact and this will continue to help in community recovery post-COVID-19.

Throughout 2020, the University has continued to engage with Indigenous communities, and was one of the first universities in Australia to endorse the Uluru Statement from the Heart. Through this endorsement CQUniversity acknowledges that as an organisation we can – and must – accept our social responsibility as educators and researchers to enrich our communities by participating in the national dialogue for constitutional reform. CQUniversity recognises the need to engage creatively, generously and continually. Through an innovative approach and responsive understanding, CQUniversity can play a part in transforming current societal norms to fully express an inclusive Australian national culture. The University's greatest contribution to Indigenous Australians is access to world-class education, training, research and employment in a way that honours the aspirations of the Uluru Statement from the Heart.

Another significant achievement for CQUniversity in 2020 was the formalisation of the Regional Medical Pathway (RMP) with The University of Queensland (UQ), and the Central Queensland and Wide Bay Hospital and Health Services (CQHHS and WBHHS). The RMP will help to address the critical issue of ensuring regional health workforces are equipped to meet future need. The Pathway will see students complete a three-year Bachelor of Medical Science (Pathway to Medicine) course with CQUniversity, before moving into UQ's four-year MD program that will be offered in full in Bundaberg and Rockhampton. The Hospital and Health Services will then provide student placements, internship opportunities and postgraduate training places within their regional footprints. This will include major hospitals in Rockhampton, Gladstone and Emerald (CQHHS) and Bundaberg, Hervey Bay and Maryborough (WBHHS) as well as rural hospitals and multipurpose health services. The RMP will ensure that more doctors are trained regionally and, importantly, stay regionally once they enter the profession.

## OUR REPUTATION

CQUniversity's reputation is inherently linked to its ability to engage with students, alumni and other partners to create long-lasting and mutually beneficial relationships. This is a reflection of institutional quality and provides a point of differentiation from other universities.

Even in a year that has presented so many challenges, CQUniversity was able to differentiate itself by showing leadership in responding to the pandemic and the financial impacts of COVID-19. In being arguably the first university to take decisive action and reset operations following the onset of the crisis, the University is now in a stronger position to meet the needs and challenges of a post-pandemic world. Indeed, CQUniversity's reputation as a leader in agile and engaging online teaching has resulted in record numbers of domestic higher education and VET applications and enrolments in 2020 – 21.

The University's ability to create tangible change within the communities it serves has been recognised by being ranked in the top 25 per cent of universities worldwide in the 2020 *Times Higher Education (THE) Impact Rankings*, highlighting the institution's commitment to sustainability and the United Nations' Sustainable Development Goals (SDGs). As a result, CQUniversity maintained its inaugural ranking of 101-200 in the world. The rankings surveyed 766 universities from 85 countries. While CQUniversity's overall ranking within the *THE World University Rankings* fell from the previous year, it was maintained within the top 600 universities in the Quacquarelli Symonds (QS) World University Rankings. Both rankings systems play an important role in highlighting the University's reputation and helping it to recruit international students and establish new global collaborations.

CQUniversity also continues to perform well in the Australian Good Universities Guide, receiving five-star ratings in 2020 for undergraduate and postgraduate social equity, student/teacher ratio, first generation, graduate salary and full-time employment outcomes. CQUniversity's ability to develop work-ready graduates is recognised among industry stakeholders, and according to the national data on the ComparED website, 77.7 per cent of CQUniversity graduates have found full-time employment within four months of graduating (national average 71.3 per cent), based on pooled results of the 2018, 2019 and 2020 Graduate Outcomes Survey.

In 2020, CQUniversity continued to lead in the area of social innovation by delivering programs and activities to engage students, communities and industry in changemaking activity. Initiatives included student participation in the Big Idea social enterprise design competition (in which a CQUniversity postgraduate team won for their social enterprise idea), the development of the self-paced and ultra-flexible iActivate course that guides aspiring and early-career social entrepreneurs from idea to impact, the delivery of the annual Festival of Change (delivered entirely online this year), and the national workshop series *Social Innovation through an Indigenous Lens*. This continued focus on driving and inspiring change has also led CQUniversity to be re-accredited as Australia's only Ashoka U Changemaker

Campus. Ashoka U, an exclusive international network of universities committed to social innovation, enterprise and impact, has recognised only 45 members worldwide.

## OUR SUSTAINABILITY

CQUniversity strives to be agile and responsive in an ever-changing and complex global environment by being a progressive organisation that is socially, culturally, environmentally and financially sustainable.

CQUniversity is committed to embedding sustainable practice within its operations, interactions and relationships, underpinned by the United Nations SDGs. To do this, the University works with communities and industry to deliver education, training and research outcomes to support the development of a more sustainable society.

In 2020, CQUniversity made strong progress in reducing its environmental footprint across campuses by implementing eco-bins to improve the management of waste and increase recycling. CQUniversity also established Containers for Change collection bins across Queensland campuses with proceeds collected from this activity going towards the CQUniCares fund.

CQUniversity delivered a whole-of-university sustainability awareness campaign across its national footprint. The Ditch the Disposables campaign aimed to reduce the number of single-use plastics used by staff and students. As part of the campaign, staff and students were encouraged to submit simple sustainability tips that could be shared across the University community to encourage more sustainable daily practices, both on and off campus. The campaign was recognised as a finalist in the 2020 Australian Campuses Towards Sustainability (ACTS) Awards.

CQUniversity signed a deal in 2020 that will see 50 per cent of the energy used by its Queensland campuses sourced from renewable solar, providing for a reduction of 9000 tonnes of CO<sub>2</sub> annually. The solar energy agreement is with Columboola Solar Farm between Chinchilla and Miles. The solar farm will supply clean and affordable energy to most of CQUniversity's Queensland locations and will allow it to operate more sustainably.

In 2020, CQUniversity also signed a unique partnership agreement with Great Keppel Island Hideaway tourism resort to create an island base for staff and students. The "island classroom" agreement will see students and researchers work on real-world projects that contribute to the environmental sustainability of a busy tourist drawcard on the World Heritage-listed Great Barrier Reef.

## LOOKING AHEAD

In 2020, the world witnessed a global health crisis and unprecedented economic and social disruptions. For universities, it has required fast adaptation to a changing education landscape. Moving forward, CQUniversity will need to invest in deeper digital capabilities, identify and develop new markets, and further build contingencies and continuity plans to prepare for future global disruptions and new challenges.

Universities have a unique responsibility to help the world recover from the COVID-19 crisis, whether it is in the development of vaccines or treatments, researching new viruses, training future health workforces, or building stronger, more resilient communities. CQUniversity stands ready to meet its responsibilities to its staff, students, partners and communities in the coming years.



# COVID-19 RESPONSE

The financial situation of universities across the Australian Higher Education sector has been negatively impacted due to the ongoing impacts of COVID-19. At the start of the pandemic and the resulting international border closures, the sector's peak industry body – Universities Australia (UA) – forecasted the collective revenue decline across the sector, as a result of COVID-19, to be between \$3.1 billion and \$4.8 billion, resulting in more than 21 000 jobs being placed at risk. The downturn in international student arrivals in Term 1, 2020, the complete cessation of new international student arrivals in Term 2, 2020, and the anticipated further decline of international student enrolments into 2021 and beyond, are the primary causes of the financial crisis faced by the sector.

The early effects of COVID-19 resulted in CQUniversity suffering a significant loss of revenue in 2020. Immediate action was required to ensure sustainability moving forward. Several financial scenarios were modelled to consider the depth and duration of this unprecedented event and the potential financial downturn for CQUniversity. Initial forecasts for 2020 indicated a downturn of more than 3485 international Equivalent Full Time Student Load (EFTSL) from 2019 numbers, and an overall projected income loss of \$110 million. Forecasting for 2021 showed the severity of the financial impact would extend into that year (and the outer years), and that the new market baseline in international education could be 30 per cent below 2019 levels.

While Australia has seen mostly positive outcomes in its response to the pandemic, it remains unclear as to how long international borders will be closed and when universities will be able to welcome back onshore international students. Even when international students start to return, it may take years for the market to return to pre-COVID-19 levels, if at all. To date, the income CQUniversity receives from domestic students, VET and research has remained largely unaffected by COVID-19, although there is likely to be renewed competition for domestic students from public and private providers post-COVID-19, as other institutions attempt to recover losses. These unprecedented financial challenges resulted in CQUniversity taking decisive and immediate action in 2020, to ensure the ongoing financial viability and sustainability of the University.

The initial actions implemented by the University Executive as an immediate response to the crisis (and designed to limit financial losses in the short-term) included:

- » CQUniversity Council reducing their payments for the 2020-2021 financial year
- » the Vice-Chancellor and Vice-Presidents reducing their salaries by 20 per cent for the 2020-2021 financial year, with the Vice-Chancellor declining a bonus for 2020
- » senior managers forgoing their scheduled two per cent pay increase in 2020

- » a pause on all non-essential staff recruitment
- » a pause on all non-essential staff travel
- » a cancellation of all non-essential capital works.

Longer-term response measures implemented as part of a formal change management and consultation process included:

- » a new, leaner Executive Management Structure (reducing Executive positions from seven to four)
- » a reconfiguration of the regional leadership model (reducing Associate Vice-Chancellors from 13 to nine)
- » a permanent reduction in the campus network, with CQUniversity's Biloela and Yeppoon sites closed on 30 June 2020 and the Sunshine Coast (Noosa) campus closed on 18 December 2020
- » an approved round of 209 Voluntary Separations
- » the disestablishment of a further 79 positions from the organisational structure via a formal change management process
- » a commitment to review processes and work practices to ensure a more efficient use of resources and human capital.

The initial suite of cost-saving measures, including those outlined above, represented a reduction in expenses of \$28.7 million per annum post-2020.

As part of the University's response to the financial impact of COVID-19, and in line with *Unite and Recover – Queensland's Economic Recovery Plan*, a clear strategy for the future was developed. This strategy outlined the need for CQUniversity to be the exemplar of a contemporary university, characterised by innovation, agility, resilience, and a sector-leading student focus. The CQUniversity 2019-23 Strategic Plan: *Our Future Is You*, will become more important than ever in realising this ambition in the months and years ahead. The six strategic pillars: Our Students, Our Research, Our People, Our Communities, Our Reputation and Our Sustainability will provide the foundation on which recovery from the COVID-19 crisis will be implemented and will provide focus for decision-making, strategic intent and investment into the future.

CQUniversity enjoys an enduring culture of 'getting things done' and this has been driven by the commitment of staff working together, even during a time that marked a period of uncertainty and challenge for all. The University's people represent it by exhibiting integrity and living by its values, and because of this, they remain central to the delivery of the vision and mission. To emerge from this crisis as a strong and sustainable institution, CQUniversity recognised that its people must be at the heart of the recovery. The economic impact on the sector and the regions served by the University has been significant and will likely extend into future years. For that reason,

the University had to quickly pivot to meet the needs of existing and new markets under what will be 'a new normal'. To do this, the University made the decision to redesign its organisational structure to enable a sharper focus on core activities: delivering world-class training, education and research. By adopting this approach, CQUniversity will:

- » emerge from the COVID-19 crisis as a strong, viable university leading the paradigm shift of tertiary education in Australia, enhancing the student experience for all students – through contemporary, sophisticated delivery solutions
- » structurally change its cost base to be more financially sustainable, and better positioned to absorb disruptions in its markets
- » implement efficiencies and continual improvement strategies that enhance the productivity of its processes and staff, while continuing to work closely with its staff to ensure that workloads are monitored and managed
- » implement, through the use of sophisticated technology, and contemporary product design, new ways to provide student support and an exceptional learning experience for students
- » use the principles of social innovation and its role as Australia's only Changemaker Campus to enhance the educational experience, drive new collaborations and product development, and lead communities through recovery after disruption
- » develop, leverage and maintain stronger political connections to ensure long-term financial support
- » remain a crucial provider of education and research in its communities
- » be a best-practice example of how universities responded to the disruptions of COVID-19.

Going forward the University must ensure that its people, investments and resources remain firmly focused on the quality of its learning and teaching, the impact of its research and the excellence of the student experience.

# 2020 TIMELINE

## JANUARY

- » In response to the Australian Bushfire crisis, CQUniversity hosted the Disaster Arts Education Summit at the Sydney campus. The purpose of the initiative was to support primary and secondary school teachers in bushfire-affected communities by sharing classroom resilience strategies.

## FEBRUARY

- » Professor Kate Ames was recognised with an Australian Award for University Teaching for Teaching Excellence.
- » CQUniversity opened a new \$12.5 million trades training facility at the Gladstone Marina campus.
- » CQUniversity staff and students were deployed to bushfire recovery efforts as part of The Army Reserve.
- » CQUniversity delivered the staff and student workshop series *Social Innovation through an Indigenous Lens*.

## MARCH

- » Professor Adrian Miller was appointed to the Australian Partnership for Preparedness Research on Infectious Disease Emergencies (APPRISE) COVID-19 research team, to look at the impact of COVID-19 on Indigenous populations.
- » CQUniversity announced that it would transition all courses and units to full online delivery in response to COVID restrictions.
- » CQUniversity education experts delivered a range of online resources to support teachers, as schools across Australia prepared to move to online class delivery due to COVID-19 lockdowns.
- » CQUniversity opened its first Australian university centre in Indonesia, in partnership with Bakrie University in Jakarta.
- » CQUniversity announced its annual Alumni Award winners including Sean O'Donnell (Outstanding Alumnus of the Year), Tanya O'Shea (Alumnus of the Year – Industry Excellence), Leslie Lowe (Alumnus of the Year – Social Impact) and Do Van Huong (Alumnus of the Year – Early Career Achievement).
- » CQUniversity hosted a graduation ceremony in Woorabinda for 18 graduates who completed the Certificate I in Conservation and Land Management.

## APRIL

- » CQUniversity's Centre for Professional Development (CPD) enrolments jumped by 300 per cent during COVID restrictions and lockdowns.
- » CQUniversity ranked in the top 25 per cent of universities worldwide in the *Times Higher Education* Impact Rankings.
- » CQUniversity delivered urgent financial relief to 468 domestic students identified as being from lower socioeconomic backgrounds.
- » CQUniversity health clinics pivoted to deliver telehealth services and clinical placement experiences.
- » Performing Arts students delivered online, live-streamed performances as part of their assessment.
- » CQUniversity announced a decision to reset its business operations as a result of the impact of COVID-19. This included an organisational restructure and the closure of three delivery sites (the Sunshine Coast campus and the Biloela and Yeppoon study centres).

## MAY

- » CQUniversity endorsed the Uluru Statement from the Heart as part of Reconciliation Week.
- » Free foodbank services were established on campuses to support international students who were financially impacted by the pandemic.
- » CQUniversity researchers released the Birth Charter for Women in Prisons in Australia.
- » CQUniversity's 10,000 Steps program and Health and Wellbeing Queensland joined forces to encourage Queenslanders to take on 'The Billion Steps Challenge' to boost physical activity during the COVID-19 pandemic.

## JUNE

- » BHP Mitsubishi Alliance announced \$2.3 million in funding towards CQUniversity research, training and innovation.
- » CQUniversity was ranked in the top 600 universities in the world by QS world rankings.
- » The Biloela and Yeppoon study centres permanently closed.

## **JULY**

- » An independently commissioned study revealed CQUniversity contributes \$1.8 billion into the Northern Australia Economy.
- » CQUniversity and Arrow Energy partnered to deliver a tailor-made training program for Queensland's Indigenous entrepreneurs – Whanu Binal.
- » A CQUniversity-led project to create a wearable robotic glove to help people with spinal injuries was named as a finalist in the 2020 Bionics Queensland Challenge.
- » Domestic mid-year enrolments rose by 52 per cent compared to the same time last year.
- » The Corporate Events and Graduation team launched OTV to deliver orientation to students who could not attend physical events due to COVID-19 restrictions. The initiative won an Australian Tertiary Education Management (ATEM) Best Practice award in November 2020.

## **AUGUST**

- » A Universities Australia report showed that CQUniversity is a leader in gender equality when it comes to senior academic and professional roles.
- » Professor Janya McCalman was awarded a \$150 000 Advance Queensland fellowship to investigate Indigenous adolescent mental health harm from COVID-19.
- » Dr Alex Russell and Dr Grace Vincent were recognised with Young Tall Poppy Awards.
- » CQUniversity achieved five-star ratings for social equity, first generation, undergraduate full-time employment, graduate starting salary, postgraduate starting salary and postgraduate skills development in the annual Good Universities Guide.

## **SEPTEMBER**

- » A contract was awarded to FDC Construction to construct the School of Mining at the North Rockhampton campus and the School of Manufacturing at the Gladstone Marina campus.
- » CQUniversity launched an Australian-first First Nations Research Higher Degree Academy.
- » CQUniversity established a partnership with QANTAS to provide career training pathways for CQUniversity aviation students.
- » CQUniversity hosted its first full virtual Festival of Change event to allow staff, students and the public to participate in activities and learning opportunities related to social innovation.
- » The Advanced Technology and Innovation Centre (ATIC) was officially opened at the Rockhampton North campus.
- » CQUniversity hosted its first-ever online graduation ceremony for students unable to attend a face-to-face ceremony due to the cancellation of events during the pandemic.
- » Helena Kidd was announced as the Equity VET student of the year at the Queensland Training Awards (QTA).
- » CQUniversity and Impact Boom partnered to deliver the iActivate program to guide aspiring and early-career social entrepreneurs from idea to impact.
- » CQUniversity committed to increasing its sustainability through a new solar energy deal that will see 50 per cent of energy for its Queensland campuses sourced from renewable solar sources.
- » The biggest-ever CQU Creates art exhibition was held online for the first time.

## **OCTOBER**

- » CQUniversity welcomed Queensland election funding commitments from both major parties for the Mackay Heavy Automotive and the Central Queensland TAFE Centre of Excellence projects.
- » The Coastal Marine Ecosystems Research Centre was officially opened in Gladstone.
- » The Hinkler AgTech Initiative and AgTech hub were launched in the Bundaberg region.
- » CQUniversity partnered with Central Highlands Community Services to establish the Central Highlands Social Enterprise project.
- » CQUniversity established an 'island classroom' on Great Keppel Island in partnership with GKI Hideaway.
- » CQUniversity held its first face-to-face COVIDSafe graduation ceremonies since the beginning of the pandemic.

## **NOVEMBER**

- » The CQUniversity Melbourne campus published a cookbook of staff and student recipes to raise funds for SecondBite, the organisation that supported foodbank services for international students during the pandemic.
- » 22 CQUniversity learning and teaching experts were recognised as AdvanceHE Fellows.
- » The Regional Medical Pathway was launched with The University of Queensland, Central Queensland Hospital and Health Service (CQHHS) and Wide Bay Hospital and Health Service (WBHHS).
- » Dr Qing Wu received a \$407 000 Australian Research Council (ARC) Discovery Early Career Researcher Award to help understand issues around track buckling, train derailments and train-track interactions.
- » A postgraduate CQUniversity team from Brisbane won the national Big Idea social enterprise competition with an idea centred on new high-tech safety interventions for motorcyclists in India.
- » CQUniversity was recognised as the winner of the 2020 Defence Reserves Employer Support award under the not-for-profit organisation category.

## **DECEMBER**

- » CQUniversity's Annual Appeal for CQUniCares raised more than \$80 000.
- » CQUniversity's Sunshine Coast campus in Noosa was permanently closed.

# ABOUT CQUNIVERSITY

Founded in Rockhampton in 1967 as the Queensland Institute of Technology Capricornia, CQUniversity Australia was granted full university status in 1992 and now has more than 35 000 students studying online and on-campus across Australia.

CQUniversity is proud to be recognised as Australia's most inclusive university with some of the highest ratios of students from disadvantaged, mature age, Aboriginal and Torres Strait Islander, and first-in-family backgrounds. This inclusive approach and commitment to access and participation means the University defines itself by who it embraces, rather than who it excludes.

This strong focus on participation and accessibility has seen CQUniversity firmly establish itself as one of the largest universities based in regional Australia, and the only university with a campus in every mainland state of Australia. The University operates campuses in Adelaide, Brisbane, Bundaberg, Cairns, Emerald, Gladstone, Mackay, Melbourne, Perth, Rockhampton, Sydney and Townsville, and also has a strong track record of working in partnership with regional university centres across the country. In 2020, CQUniversity also established an international presence with a delivery site in Jakarta, Indonesia.

CQUniversity is Queensland's only dual sector university and delivers more than 300 education and training offerings, from short courses and certificates, through to undergraduate, postgraduate and research degrees. Study areas include apprenticeships, trades and training, business, accounting and law, creative, performing and visual arts, education and humanities, engineering and built environment, health, information technology and digital media, psychology, social work and community services, science and environment, and work and study preparation.

As a pioneer in distance education delivery, CQUniversity continues to be a leader in online study with around one third of the current student cohort studying off-campus, many of those in rural and remote areas. CQUniversity's flexible approach to learning and teaching, and continued innovation in this space, has provided opportunities for thousands of students to complete qualifications, regardless of their geographical location or personal circumstances.

After more than half a century working with stakeholders in regional Australia, CQUniversity is now a renowned research institution in several key disciplines and the benchmark leader for how universities should engage and collaborate with communities and industry. The University's applied research focus is oriented towards impact and real-world outcomes, with the purpose of providing solutions to challenges and identifying new opportunities for advancement in its regions and beyond.

This focus has seen CQUniversity achieve Excellence in Research Australia (ERA) results of 'at', 'above' or 'well above' world standard in 22 categories of research<sup>(1)</sup> including Mathematical Sciences, Applied Mathematics, Horticultural Production, Engineering, Psychological and Cognitive Sciences, Psychology, Agriculture and Vet Sciences, Agricultural, Land and Farm Management, Public Health and Health Services and Nursing.

CQUniversity has a strong alumni community with more than 115 000 alumni across the globe. CQUniversity graduates also have some of the best employment outcomes in Australia, with recent national data indicating that 77 per cent of CQUniversity graduates have found full-time employment within four months of graduating (national average 71.3 per cent)<sup>(2)</sup>. Data released by the Quality Indicators for Learning and Teaching (QILT) also shows that CQUniversity outperforms most Australian universities when it comes to the overall student experience and graduate salary outcomes.

CQUniversity places a strong emphasis on social innovation and global outreach and fosters several key partnerships with communities, industry and government, both in Australia and overseas. This commitment to engagement and social advancement has led to CQUniversity being recognised as Australia's first and only Changemaker Campus by Ashoka U, an exclusive global social innovation group of only 45 education institutions across the world.

CQUniversity's unique vision for diversity, outreach, engagement, research, learning and teaching, and inclusiveness, combined with its growth aspirations and continued expansion of student success, research excellence, social innovation and community engagement, has led to it being recognised within several world university rankings, and among the world's best 'young universities' by both the *Times Higher Education* and *QS World University Rankings*.

(1) State of Australian University Research 2018-19: ERA National Report

(2) ComparED website with percentages derived from 2018, 2019 and 2020 Graduate Outcomes Survey data.



## 2020 AT A GLANCE

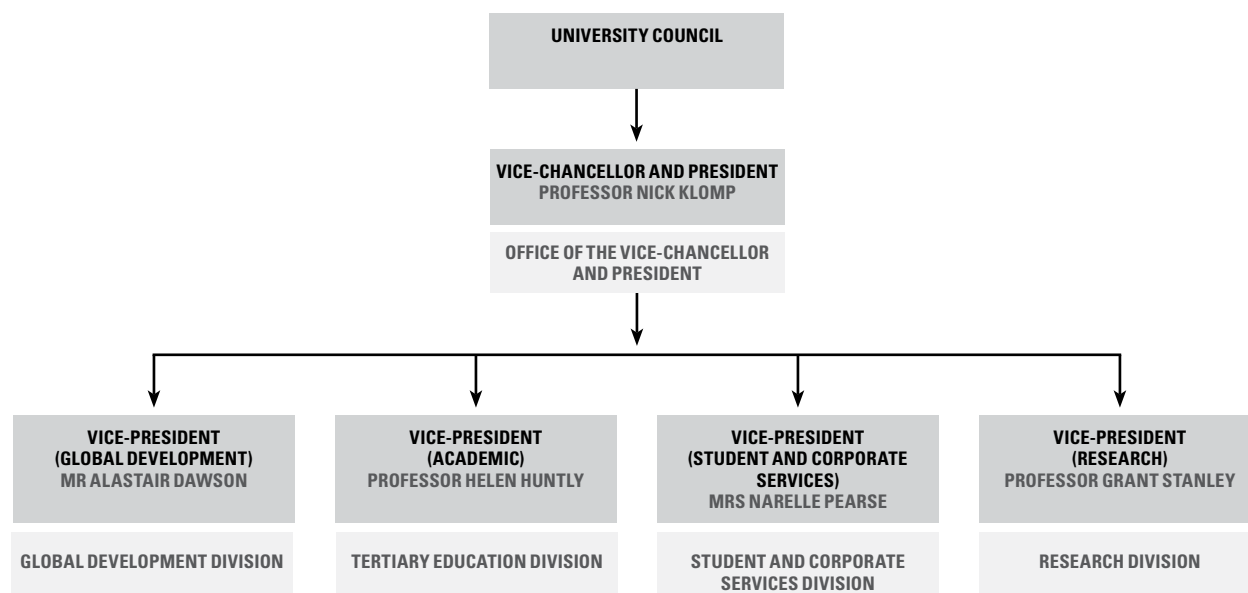
VET and higher education courses offered	<b>339</b>
Short courses and microcredentials offered	<b>More than 160</b>
Total employees (FTE fixed term and continuing)	<b>1667<sup>^</sup></b>
Total students	<b>35 226</b>
VET students	<b>9854</b>
New students in 2020	<b>12 567</b>
On-campus students	<b>17 877</b>
Online/distance/mixed mode students	<b>17 765</b>
Students enrolled in a pathway or enabling course	<b>2253</b>
Indigenous students	<b>1659</b>
International students	<b>5985</b>
Students from regional/remote backgrounds	<b>21 658</b>
Alumni	<b>115 621</b>
International Alumni	<b>46 822</b>
Graduating students (excluding enabling, non-award and other non-AQF courses)	<b>7450</b>
Students awarded scholarships or financial support	<b>2300</b>
Financial support and scholarships offered	<b>\$4.4 million</b>
2020 competitive research grant funding	<b>\$21.94 million*</b>
Invested in facilities and infrastructure	<b>\$14.2 million</b>
2020 technology and digital investment	<b>\$15.7 million</b>

<sup>^</sup>FTE continuing and fixed-term appointments (excludes casual appointments)

\*Final research income figure not audited until May 2021.

# ORGANISATION

## EXECUTIVE MANAGEMENT STRUCTURE



## EXECUTIVE MANAGEMENT TEAM

The Executive Management team is led by Vice-Chancellor and President, Professor Nick Klomp, who works in close consultation with the University's Council, of which he is also a member. As Vice-Chancellor and President, Professor Klomp sets the strategic direction and vision for the University and works closely with a wide range of internal and external stakeholders to promote engagement and collaboration with the University.

The Vice-Chancellor and President is supported by an Executive Management team of Vice-Presidents who are responsible for four key university portfolios across the University's national footprint. These portfolios include the Global Development Division, Tertiary Education Division, Students and Corporate Services Division, and the Research Division. Each division is responsible for the operational delivery of the University's strategic plan and Vice-Presidents are supported by Deputy Vice-Presidents, Deans and Directors who manage various operational areas within each portfolio.

### VICE-CHANCELLOR AND PRESIDENT

Professor Nick Klomp  
BAppSc(Biol) *Curtin*, BSc(Hons) *Murdoch*, AdvMgtProg *Harvard*,  
PhD *Glasgow*, GAICD

### OFFICE OF THE VICE-CHANCELLOR AND PRESIDENT

- » Strategic Planning and Development
- » People and Culture
- » Internal Audit
- » Legal
- » Government Relations
- » Strategic Engagement

- » Corporate Communications
- » Alumni and Development
- » Corporate Sponsorships
- » University Art Collection
- » Student Ombudsman

### VICE-PRESIDENT (GLOBAL DEVELOPMENT)

Mr Alastair Dawson  
BA *DDIAE*, MBA *CQU*, MAICD, FIML

### GLOBAL DEVELOPMENT DIVISION

- » Regional management, development and engagement
- » Facilities Management
- » Marketing and domestic student recruitment
- » International student recruitment and admissions
- » International partnerships, business development, projects, compliance and government relations
- » CQUEnglish
- » Social Innovation
- » Digital Services
- » Library Services
- » Commercial and Retail operations
- » Residential Colleges and Services

### VICE-PRESIDENT (ACADEMIC)

Professor Helen Huntly OAM  
DipT(HlthPhysEd) *KGCAE*, BEd *BCAE*, MEdSt, EdD *CQU*

### TERTIARY EDUCATION DIVISION

- » School of Access Education
- » School of Business and Law

- » School of Education and the Arts
- » School of Engineering and Technology
- » School of Health, Medical and Applied Sciences
- » School of Nursing, Midwifery and Social Sciences
- » Education Strategy and Innovation (comprising Educational Quality and Integrity and Learning Design and Innovation)
- » VET Operations and Growth

## VICE-PRESIDENT (STUDENTS AND CORPORATE SERVICES)

Ms Narelle Pearse  
 BComm *JCU*, GradDipPsych *CQU*, EMBA, MComm *QUT*,  
 GradCertEcDev, GAICD, FCA

### STUDENTS AND CORPORATE SERVICES DIVISION

- » Student Engagement
- » Student Counselling and Wellbeing
- » Student Accessibility and Equity
- » Student Communications
- » Student Central
- » Corporate Governance, including the University Council
- » Strategic planning
- » Risk management and insurance
- » Business intelligence and analytics
- » Commercialisation of research and innovations
- » Financial accounting and operations
- » Corporate budgeting

## VICE-PRESIDENT (RESEARCH)

Professor Grant Stanley  
 BEng(Chem), PhD *Melb*

### RESEARCH DIVISION

- » Management of university research organisations
- » Research Development
- » Research Grants
- » Graduate Research
- » Indigenous Engagement
- » Research Partnerships and Engagement
- » Ethics

## REGIONS

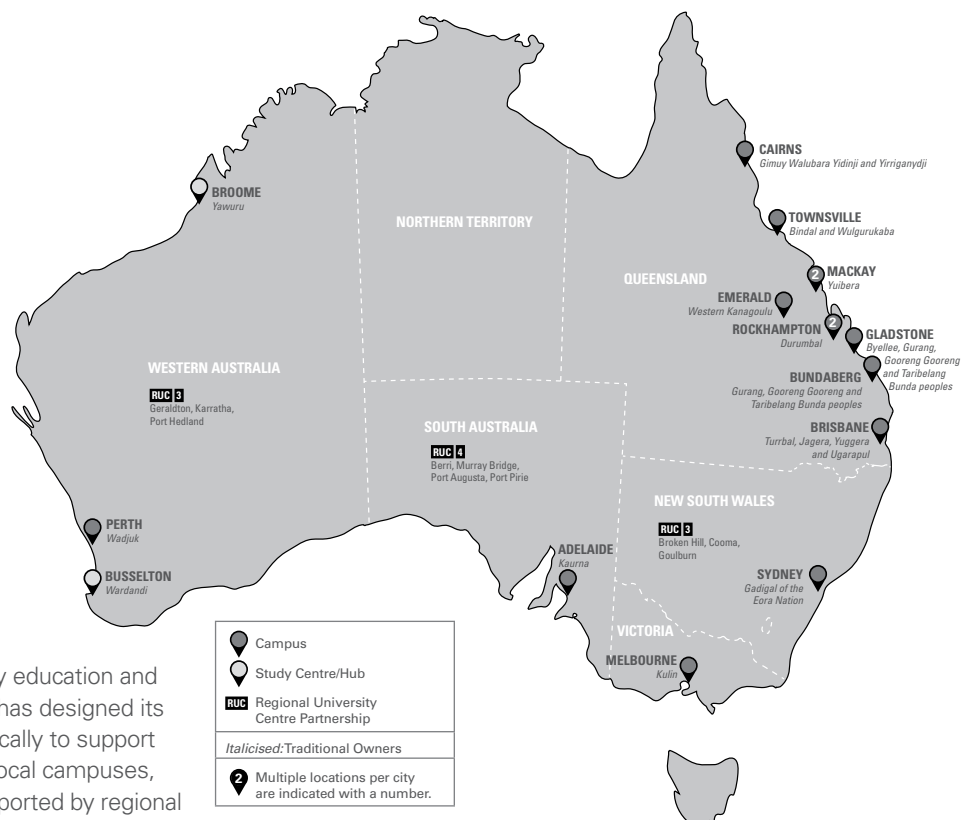
As a leader in regional and online education, CQUniversity understands the complexities of accessing high-quality education and research across Australia. The University has designed its geographically dispersed footprint specifically to support the needs of its local communities with local campuses, study centres and hubs. Regions are supported by regional leadership teams comprising Associate Vice-Presidents and support staff.

The University's regions play a vital role in contributing to its national and international success. CQUniversity is the only Australian university with a physical presence in every mainland state of Australia. In March 2020, CQUniversity officially opened a delivery site in Jakarta, Indonesia.

The University's geographic footprint is divided into the following regions:

- » Cairns and Far North Queensland
- » Gladstone and Wide Bay Burnett
- » North Queensland and Hinterland
- » New South Wales
- » Rockhampton
- » South Australia
- » South East Queensland
- » Sunshine Coast\*
- » Victoria
- » Western Australia

\*As a result of the financial impact of COVID-19 on the Higher Education sector, CQUniversity implemented several measures to improve long-term financial sustainability outcomes. One of these measures included the closure of the Sunshine Coast campus in Noosa. The campus had been operational for a decade and officially ceased operation on 18 December 2020. CQUniversity will continue to deliver online courses to students in the region and will also continue to engage in research activity with community and industry partners based on the Sunshine Coast. As part of this process CQUniversity also closed the Biloela and Yeppoon study centres on 30 June 2020.



# GOVERNANCE

## CQUNIVERSITY COUNCIL

CQUniversity's Council is the University's governing body. Council's functions, powers and membership are prescribed in the Central Queensland University Act 1998. Council members are duty-bound to act honestly and with integrity; exercise due care, skill and diligence in their duties; make appropriately informed decisions; and to act always in CQUniversity's interests. The Council Charter governs Council operations and requires members to comply with CQUniversity's employee Code of Conduct.

### COUNCIL MEMBERSHIP

Council meetings were held on 19 February, 18 March (special), 14 April (special), 30 April, 26 May (special), 23 June, 20 August, 29 October, and 30 November 2020. Details of Council membership and meeting attendance are provided below.

#### CHANCELLOR (CHAIR)

Mr John Abbott AM  
BEng(Mech) *QIT*, LLB *QUT*, CPEng, RPEQ, FIEAust, MAICD  
(Attended 9 of 9 meetings)

#### VICE-CHANCELLOR AND PRESIDENT

Professor Nick Klomp  
BAppSc(Biol) *Curtin*, BSc(Hons) *Murdoch*, AdvMgtProg *Harvard*, PhD *Glasgow*, GAICD  
(Attended 9 of 9 meetings)

#### PRESIDENT, ACADEMIC BOARD

Associate Professor Celeste Lawson  
BA(Journ) *USQ*, GradCertTertEd *CQU*,  
GradDipProfComm(AppComm), MProfComm *USQ*, PhD *CQU*,  
MPRIA  
(Attended 9 of 9 meetings)

#### MEMBERS APPOINTED BY THE GOVERNOR-IN-COUNCIL

Dr Robyn Minchinton (Deputy Chancellor)  
BAppSc(MLS) *RMIT*, GradDipScsComm *CQU*, PhD *London*  
(Attended 9 of 9 meetings)

Dr Rochelle Macdonald  
BSc(Hons) *Tas*, MEngMgt *UTS*, ProgLeadDev *Harvard*, PhD *Curtin*,  
GAICD  
(Attended 7 of 9 meetings)

Mr Ian McPhee AO PSM  
BBus(Acct) *CIAE*, BA(CompSt) *Canberra*, HonDUni *CQU*, FCPA,  
FCAANZ, FIPAA, GAICD  
(Attended 9 of 9 meetings)

Emeritus Professor Robert Castle  
MEc Sydney, DLett(hon causa) *UOW*, Fellow *UOWD*  
(Attended 9 of 9 meetings)

Mr Peter Corones AM  
Companion *CQU*, MAICD  
(Attended 9 of 9 meetings)

#### ADDITIONAL MEMBERS APPOINTED BY COUNCIL

Ms Patrice Brown  
CertSugarTech *TAFE*, CertMaritimeEnvMgt *Lloyds*, DipBus AICD,  
BAppSc(Chem) *UCCQ*, MEng(Civil) *UNSW*, MEIANZ  
(Attended 7 of 9 meetings)

Mr Joel Buchholz  
BEd(Sec)(Hons) *CQU*, GradCertCS *PNUE*, FRSA, MACEL, MACE  
(Attended 8 of 9 meetings)

Mr Mark Peters  
BA Macq, LLB *Sydney*, MSc *Oxf*, FAICD, CMgr FIML, FAHRI  
(Attended 9 of 9 meetings)

Ms Shelia Houston  
BGenBus *Wichita*, GAICD  
(Attended 9 of 9 meetings)

#### ELECTED STUDENT MEMBER

Mr Vindhya Raj Pokharel (ceased 23/03/2020)  
BEng(MechEng) *KU*  
(Attended 2 of 2 meetings)

Ms Rhianna Wood (commenced 27/05/2020, ceased  
28/10/2020)  
(Attended 1 of 2 meetings)

#### ELECTED STAFF MEMBERS

Mr Bruce Young (Professional)  
BAppSc(Math&Comp) *UCQ*, APESMA, ITPA  
(Attended 9 of 9 meetings)

Dr Gerard Illott (Academic)  
BBus(IS) *UCQ*, MBIT *USQ*, PhD *CQU*, FCPA, CA, MACS  
(Attended 9 of 9 meetings)

Council is managed and supported by the following employees, respectively:

#### UNIVERSITY SECRETARY

Deputy Vice-President (Students)  
Mrs Joanne Perry  
AssDipBus(HospMgt) *CQTAFE*, MTertEdMgt *Melb*, GAICD

#### COUNCIL SECRETARY

Director Governance  
Ms Kylie White  
CertGovPrac *CSA*, BMmSt *CQU*, GradCertQA, MTertEd(Mgt)  
*Melb*, GAICD

#### COUNCIL REMUNERATION

Council members may elect to be remunerated, in accordance with CQUniversity's Council Remuneration Policy. Remuneration is in recognition of activities and functions related to Council membership. The University also covers out-of-pocket expenses for Council meeting attendance. Full details of remuneration and expenses paid to members are available on CQUniversity's website ([www.cqu.edu.au/about-us/structure/governance/annual-report](http://www.cqu.edu.au/about-us/structure/governance/annual-report)).

## COUNCIL COMMITTEES

Council has five subcommittees, each with a specialist function that supports Council to oversee CQUniversity's operations:

- » Academic Board
- » Audit, Risk and Finance Committee
- » Ceremonial and Honorary Awards Committee
- » Chancellor's Committee
- » Strategic Planning and Projects Committee.

## COUNCIL HIGHLIGHTS

Council's 2020 highlights include:

- » responding to the COVID-19 pandemic and approving the CQUniversity Recovery Plan
- » monitoring budget forecasts, approving revised 2020 budgets, and approving the 2021 Budget
- » approving the revised 2020-2022 University Plan, *Our Future, Now* and approving revised Key Performance Indicators (KPIs) for the 2019-2023 Strategic Plan: *Our Future Is You*, due to the impacts of COVID-19
- » monitoring the University's performance through KPIs
- » the annual review and approval of the University's Risk Appetite Statement
- » continued monitoring of occupational health and safety reports and the annual assurance report
- » discussing the University's *Mind Waves* mental health strategy
- » reviewing the University's response to the French Review's Model Code for the Freedom of Speech and Academic Freedom, and endorsing the University's definition of academic freedom for inclusion in the Academic Board Position Statement – Academic Freedom
- » monitoring CQUniversity's finances and the impact of major projects, including the CQURenew Program
- » appointing the Deputy President of Academic Board for a three-year term of office.

Council's annual planning and strategy session formed part of the June 2020 meeting and considered the impacts of COVID-19. Council approved the new two-year 2020-2022 University Plan, *Our Future, Now* which comprised elements of the Recovery Plan and the previous University Plan with a tightened focus on recovery and preparing for a 'new normal'. The Plan spanned all six pillars of the University's Strategic Plan. Council also approved revised and refined KPIs to measure the achievement of the University Plan.

## EVALUATION AND PROFESSIONAL DEVELOPMENT

In line with best-practice corporate governance, CQUniversity conducts coordinated committee performance evaluations. In addition, a Council member evaluates each meeting with a view to continuous

improvement opportunities. For over a decade, annual online self-evaluation surveys have been conducted, and following the continued success of Council's operations, online surveys are now alternated with round table 'temperature check' discussions. These also continue to indicate that Council's operations are successful.

Council members undertake professional development as a continuous improvement measure, supported by an annual professional development plan and budget. In 2020, professional development comprised pre-meeting briefings and focus item discussions at Council meetings; conference attendance was restricted by COVID-19.

Council members were briefed in 2020 on a range of significant issues, including the introduction of strategy execution software, the *Mind Waves* University Mental Health Strategy, the proposed Higher Education funding reforms, the University's Enterprise Risk Management Framework and its operation, and the 2020 achievements of the CQURenew Program.

## CORPORATE GOVERNANCE

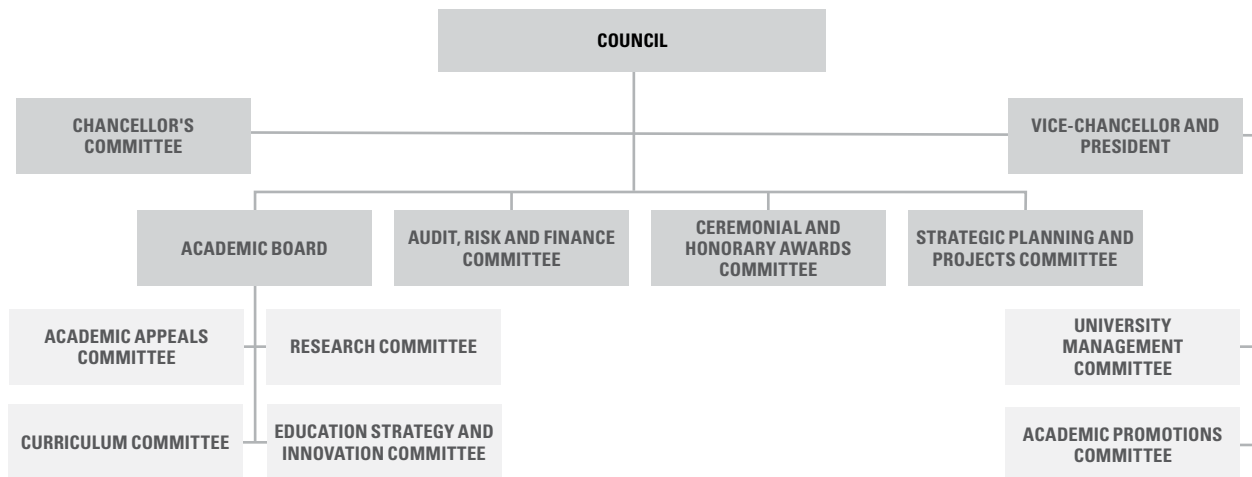
### UNIVERSITY ESTABLISHMENT AND FUNCTIONS

The University was established by and derives its functions and powers from the Central Queensland University Act 1998 (the Act). The Act established CQUniversity as a body corporate with a seal that may sue and be sued in its corporate name. Under the Act, CQUniversity's functions are:

- » to provide education at university standard
- » to provide facilities for, and encourage, study and research
- » to encourage the advancement and development of knowledge, and its application to government, industry, commerce and the community
- » to provide courses of study or instruction (at the levels of achievement the Council considers appropriate) to meet the needs of the community
- » to confer higher education awards
- » to disseminate knowledge and promote scholarship
- » to provide facilities and resources for the wellbeing of the university's staff, students and other persons undertaking courses at the university
- » to exploit commercially, for the university's benefit, a facility or resource of the university, including, for example, study, research or knowledge, or the practical application of study, research or knowledge, belonging to the University, whether alone or with someone else
- » to perform other functions given to the University under this or another Act.

In conjunction with amendments to the Central Queensland University Act, the TAFE Queensland Act 2013 established CQUniversity as a dual sector university.

## UNIVERSITY COMMITTEE STRUCTURE



### UNIVERSITY GOVERNANCE CODE OF PRACTICE

CQUniversity reviews its compliance with the Voluntary Code of Best Practice for the Governance of Australian Public Universities annually. The Code promotes good governance practices to ensure Council members understand their roles and duties, foster transparency and accountability, and strengthen Council performance. CQUniversity maintained its compliance with the Voluntary Code throughout 2020.

### GOVERNANCE HIGHLIGHTS

CQUniversity promotes good governance practices through its University committee structure, policy framework, and continuous improvement processes. These practices are adopted and enacted by Council and CQUniversity's decision-making and advisory committees to achieve enhanced business efficiencies, accountability and transparency.

CQUniversity has internal employee and student services feedback and evaluation measures, and complaint resolution policies and processes that support effective governance and continuous improvement. Student services include Student Advocacy Officers and the Student Ombudsman. External scrutiny by the Queensland Ombudsman, and various independent agencies, ensure CQUniversity's governance is accountable and transparent, and is responsive to recommendations for improvement as needed.

Continuous improvement to CQUniversity's governance in 2020 included:

- » completing the continuous improvement-focussed recommendations from the internal audit of the University's complaints management processes, including development of intranet pages, training materials, and a revised Complaints Policy and Procedure
- » completing the continuous improvement-focussed recommendations from the internal audit of information privacy, including development of intranet pages, collection notices, and the drafting of a revised policy
- » populating a comprehensive Authorities and Delegations Register which collates into one register all the authorities and delegations set out in policy documents
- » developing a new Policy Document Framework which takes a proactive approach to policy documents, ensuring compliance, organisational consistency, and ease of readability and understanding for all staff and students
- » continuing to fine tune the register of legislative compliance obligations and its annual certification process
- » continuing to refine and test processes and templates to support the introduction of an electronic committee documentation management system.



## **STATUTORY OBLIGATIONS**

### **WORKING WITH CHILDREN**

CQUniversity complies with the Working with Children (Risk Management and Screening) Act 2000 to promote and protect the rights, interests and wellbeing of children and young people. The Act requires all employees and volunteers working with children and young people to have a current positive notice (known as a Blue Card). CQUniversity requires all employees in certain categories (such as student counsellors) to hold Blue Cards as a condition of their employment.

### **OVERSEAS STUDENTS STUDYING IN AUSTRALIA ON A STUDENT VISA**

CQUniversity complies with the Education Services for Overseas Students (ESOS) Act 2000 and the National Code of Practice for Registration Authorities and Providers of Education and Training to Overseas Students 2018 (National Code) to protect the rights and interests of overseas (international) students studying in Australia on a student visa. CQUniversity applies the nationally consistent standards to its education and training of international students and registration of its courses. CQUniversity maintains relevant policies and procedures to support its compliance with the National Code.

### **FINANCIAL ACCOUNTABILITY**

CQUniversity continued to monitor its compliance with the Financial Accountability Act 2009 and the Financial and Performance Management Standard 2019. The Internal Audit team performs financial compliance reviews yearly as part of its annual Internal Audit Plan. These reviews assure Council's Audit, Risk and Finance Committee that CQUniversity is compliant with the legislation and standard.

### **MANAGING PUBLIC INTEREST DISCLOSURES**

CQUniversity complies with the Public Interest Disclosure Act 2010 to encourage the disclosure of information about suspected wrongdoing in the University so it can be properly evaluated and, if necessary, investigated and appropriate action taken to address the issue. CQUniversity's Public Interest Disclosure Management Policy and Procedure sets out the process of disclosures, which are first made to the University and then reported to the Queensland Ombudsman. The University completed the Public Interest Disclosure compliance self-assessment in 2020 and identified continuous improvement actions to strengthen its compliance, which will be completed in 2021.

## **EMPLOYEE CODE OF CONDUCT**

CQUniversity reaffirms its commitment to the ethical principles prescribed in Queensland's Public Sector Ethics Act 1994 through the Code of Conduct. The Code goes beyond the Act's emphasis on good public administration to demonstrate how ethical principles are fundamental to CQUniversity's operations; these principles are also reflected in CQUniversity's values.

The Code provides guidance on appropriate conduct for employees, Council members and all individuals affiliated with CQUniversity; it embodies the ethical values of integrity and impartiality, accountability and transparency, commitment to the system of government, participation as a community of scholars, and promotion of the public good. The Code prescribes "the standards we live by" and is to be read in conjunction with CQUniversity's policies and procedures.

The requirement to comply with the Code, and the rights and obligations of individuals to whom the Code applies, are prescribed in CQUniversity's Enterprise Agreement and relevant policies, including the Council Charter. CQUniversity's Corporate Induction, Corporate Refresher and Zero Tolerance programs inform and reiterate the Code's requirements and employee obligations under the Act. All new employees must attend a Zero Tolerance training session when starting employment; existing employees must attend refresher training every two years.

## **PROTECTING HUMAN RIGHTS**

CQUniversity's compliance with the Human Rights Act 2019 is supported through the University's value of inclusiveness which is demonstrated through embracing and celebrating diversity, efforts to improve access and participation, and promotion of respect and unity with safe and inclusive environments. The University has enacted its requirement under the Human Rights Act to respect and promote human rights through its Code of Conduct and Values. Decisions made and actions taken within the University are in accord with the Code of Conduct and Values. Complaints received are assessed for any potential breach of human rights. CQUniversity did not receive any human rights complaints in 2020. The University's Code of Conduct was reviewed in 2019 to require staff and Council members to abide by the Human Rights Act 2019.

## **DUAL SECTOR ENTITY OBLIGATIONS**

As a dual sector entity, CQUniversity complies with the TAFE Queensland Act 2013 by providing the relevant Minister with annual draft operational plans for agreement, complying with agreed plans, and reporting on the University's VET operations. CQUniversity was established as a dual sector university following its merger with Central Queensland TAFE on 1 July 2014.

## **INFORMATION SYSTEMS AND RECORDKEEPING**

CQUniversity must make and retain full and accurate records of its activities and have regard to any relevant policy, standards and guidelines made by the State Archivist regarding public records to comply with Queensland's Public Records Act 2002. Accordingly, CQUniversity retains records for periods consistent with approved retention and disposal schedules. CQUniversity's records are managed by appropriately skilled employees.

CQUniversity applies whole-of-government information policies and standards, including the Records Governance Policy, to ensure its records are accountable, reliable and secure. CQUniversity's systems are also supported by internal guidelines, procedures and policies for managing information and records, and employees are informed of their roles and responsibilities as they relate to CQUniversity's records management activities. When records management system licences are assigned, employees are trained in their records management obligations. CQUniversity's central and decentralised archive facilities manage archived records disposal in line with the approved retention and disposal schedules.

## **POLICIES AND PROCEDURES**

CQUniversity's policy documents (including policies, procedures, committee terms of reference, plans and codes) are publicly accessible online. The Policy Document Framework and associated templates prescribe the requirements for developing, reviewing and approving University policy documents, which undergo a three-yearly review cycle. CQUniversity's template for committee terms of reference is designed to promote good governance practices. Committee terms of reference are also on a three-yearly review cycle, with reviews informed by annual committee self-evaluations and strategic requirements.

## **DELEGATIONS OF AUTHORITY**

The Delegations of Authority Policy specifies the decisions and actions Council and designated CQUniversity employees have authority to carry out and for which they are accountable. Delegated authorities and powers are accompanied by appropriate internal control structures and systems to enable efficient, controlled business operations. The policy is updated as required and is supported by the Authorities and Delegations Register which sets out authorities and approved delegations. The Register currently comprises the schedules of the former policy, and is being updated to collate into one register all the authorities and delegations set out in policy documents.

## **RISK MANAGEMENT AND ACCOUNTABILITY**

### **RISK MANAGEMENT**

CQUniversity is committed to robust risk management practices and recognises risk management as a key aspect of university good governance and a vital component of effective decision-making. The University's approach to risk management is based on the Risk Management Standard (ISO 31000:2018). Risk management is integrated with the University's strategic planning cycle to support a positive risk culture that creates and protects value, and occurs at all levels – institutional, divisional, local and project. The Council, Audit, Risk and Finance Committee and the Vice-Chancellor oversee the University's risk management framework. This framework aims to maximise opportunities and minimise adverse risks as CQUniversity realises its 2019–2023 Strategic Plan: *Our Future Is You*.

Throughout 2020, the focus continued to be on maturing the risk management culture across the University. Key to this was a full review of the risk policies that informed the risk management framework. The outcome of the review produced a new Risk Management Policy, articulating CQUniversity's commitment to risk management, an Enterprise Risk Management Framework, and a refreshed risk appetite guidance statement. The new risk policies were endorsed by Council and the Audit, Risk and Finance Committee during the period, with Council members participating in an enterprise risk management professional development session in November 2020.

With the introduction of the Enterprise Risk Management Framework, the University's reportable risk register was reviewed and redeveloped in line with the Framework. The new University Risk Register (2019-2023) is a fundamental supporting document to the Strategic Plan and is a repository for all risks identified that could impact the University's ability to achieve its strategic and corporate goals. Effective management of these risks requires ongoing monitoring to ascertain the validity of the risk, its planned response and, if necessary, to plan new mitigation strategies, and is subsequently reported quarterly through to Council as part of the University's regular review process.

CQUniversity's risk appetite is the amount and type of risk it is willing to take to meet its strategic and corporate goals. It establishes the benchmark for monitoring risks and sets the boundaries of acceptable business conduct. The 2020 annual review of the University's Risk Appetite Statement was undertaken to reach an alignment between the risk drivers contained and the risk categories and sub-categories, along with the risk consequence statements, outlined in the Enterprise Risk Management Framework. The review established a mutual

understanding between Council and management to ensure the University is prepared for future opportunities and to identify emerging risks.

In early 2020, the University became aware of the Novel Coronavirus (COVID-19). In response, the University activated its Pandemic Diseases Business Continuity Plan and initiated a Coronavirus Management Control Group, which convened throughout the year. A COVID-19 Risk Register was established, identifying 36 key risks that had the potential to cause significant disruption to CQUniversity's operations during the height of the pandemic event and the immediate financial challenges. This unprecedented event meant that CQUniversity needed to make decisive and immediate decisions to ensure the financial viability and ongoing sustainability of the University.

By June 2020 and informed through an extensive consultation and engagement process with the University community, Council approved the Beyond COVID-19 Recovery Plan – a new business model designed to move CQUniversity beyond the pandemic. Included in the recovery, was the need to reset the University's tactical focus within its new capacity. This resulted in a new University Plan and subsequent Divisional Plans, whereby divisional risks were identified, discussed, and analysed as part of the business planning process and were considered in the review of the University Risk Register (2019-2023).

Although there is a high degree of uncertainty and risk that exists around the Australian tertiary education sector, CQUniversity has experienced strong domestic demand in higher education, which is expected to continue for the foreseeable future. However, the impact of the Federal Government's funding caps limits student enrolment numbers, constraining the University to mitigate through student load management options. Additionally, the VET operations continue to exist in an uncertain policy environment regarding the functional role and funding of the TAFE system into the future. The uncertainty and lack of a sustainable model is an issue the University is addressing.

In terms of international delivery, it is not possible to predict with any certainty when Australia will re-open its international borders to allow higher education providers to recruit a sustainable cohort of new onshore international students. The University is currently mitigating this risk by implementing several innovative, but relatively untried strategies, including the recruitment of international students to study offshore via online delivery.

While CQUniversity has relatively limited exposure to the Chinese market, many other providers have historically been highly reliant on this market. Given the trade and political tensions that have developed between Australia

and China during 2020, it can reasonably be expected that an increasing number of Australia's previously China-centric education providers will prioritise alternate markets. This is likely to lead to increasing competition in CQUniversity's traditionally held international markets.

Despite the major risks relating to government funding, reliance on international student revenue and changes in economic conditions, CQUniversity will continue to meet these challenges through building stronger links with industry and its communities, providing a student-centred curriculum that personalises the learning journey; and investing in strategic initiatives that will contribute to delivering on CQUniversity's strategic plan.

## AUDIT COMMITTEE

CQUniversity's Audit, Risk and Finance Committee assists Council to discharge its responsibilities prescribed in the Financial Accountability Act 2009, the Financial and Performance Management Standard 2019, and other relevant legislation and prescribed requirements.

The Committee assists Council to fulfil its governing responsibilities regarding:

- » frameworks for performance management, risk management and internal control
- » performance of the internal audit and external audit functions
- » the integrity of CQUniversity's financial and budget information, systems, and reporting, including those of CQUniversity's subsidiary companies
- » ensuring a healthy and safe workplace
- » applying good corporate governance principles
- » ensuring strong compliance with legislative requirements.

The Committee meets six times a year and is responsible for reviewing, discussing and promptly reporting to Council in relation to the abovementioned responsibilities. In 2020, the Committee met on 18 February, 7 April, 9 June, 4 August, 8 October, 26 October (special), and 10 November.

The Committee includes five Council members and two external members. Member details and meeting attendance for 2020 are provided below:

Mr Ian McPhee AO PSM (Chair)  
*(Attended 7 of 7 meetings)*

Mr John Abbott AM  
*(Attended 5 of 7 meetings)*

Dr Robyn Minchinton  
*(Attended 7 of 7 meetings)*

Mr Mark Peters  
*(Attended 7 of 7 meetings)*

Dr Gerard Illott  
(Attended 7 of 7 meetings)

Mr Peter Maundrell (external member)  
(Attended 6 of 7 meetings)

Mr Blake Harvey (external member)  
(Attended 7 of 7 meetings).

University management representatives regularly attend committee meetings to provide necessary reports and briefings. Representatives include the Vice-Chancellor and President, executive management members and the Manager, Internal Audit. The University's external auditors also have a standing invitation and routinely attend to discuss any matters regarding its client strategy and audit of CQUniversity's financial statements with the Committee. External committee members may elect to be remunerated in accordance with CQUniversity's Council Remuneration Policy. Full details are available on CQUniversity's website ([www.cqu.edu.au/about-us/structure/governance/](http://www.cqu.edu.au/about-us/structure/governance/)).

The Committee operated within the framework established by its terms of reference with due regard to the Audit Committee Guidelines issued by Queensland Treasury and continued to sustain strong committee practice. The Committee also undertook its annual self-evaluation with findings reported to Council. The evaluation referred to the Committee's terms of reference and was informed by better practice guidance published by the Queensland Audit Office.

The Committee continued to focus on high priority areas with considerable success, receiving information on key risks, considering all Queensland Audit Office audit recommendations and resolving any outstanding external and internal audit recommendations, and undertaking private sessions with the external and internal audit functions as required.

Audit, Risk and Finance Committee 2020 highlights include:

- » as delegated by Council, the Committee's approval of CQUniversity's Consolidated Financial Statements: Statutory Accounts of CQUniversity and Controlled Entities as at 31 December 2019
- » monitoring CQUniversity's financial performance against the 2020 Budget and recommending budget revisions to Council
- » monitoring occupational health and safety reports
- » regular review of the University's risk register and monitoring the COVID-19 Risk Register
- » undertaking the annual review of the University's risk appetite statement and recommending Council approval

- » reviewing, and recommending to Council for approval, the revised Controlled and Non-Controlled Entities Policy and Procedure, Insurance Policy, Business Continuity Planning and Incident Management Policy and Procedure, and Internal Audit Charter, and approving a range of revised policies within the Committee's delegated authority
- » monitoring CQUniversity's internal audit work plan and annual report
- » receiving the annual certification of CQUniversity's register of legislative compliance obligations and providing guidance on further improvements to the compliance management system
- » reviewing the performance of contracts over \$100 000.

### INTERNAL AUDIT

Council established the internal audit function as a key component of CQUniversity's governance framework. The function's responsibilities are defined in a Council-approved charter, which requires the function to govern itself by adhering to mandatory professional guidance published by the Institute of Internal Auditors: Core Principles, Definition of Internal Auditing, Code of Ethics and International Standards. Adherence to CQUniversity's policies and procedures, employee Code of Conduct, and defined values is also mandated.

The Audit and Advisory team operate independently of University management, structures, and systems to assist the Council and the Audit, Risk and Finance Committee to effectively discharge their oversight responsibilities.

The Audit and Advisory team report administratively to the Vice-Chancellor and President (through the Director of the Office of the Vice-Chancellor and President), and reports functionally to the Audit, Risk and Finance Committee. The team provides an independent and objective review and advisory service to provide assurance that the University's financial and operational systems and controls, reporting processes and activities, designed to manage the University's risks and achieve the University's objectives, are operating in a compliant, efficient, effective, economical and ethical manner. In turn, the internal audit function assists management to continuously improve business performance.

Audit and Advisory's work is guided by an approved multi-year strategy, which defines the vision, purpose, values, priorities, and challenges for the internal audit function over the next three years. Operationally, a risk-based annual plan guides the scope of audit coverage and is used to deploy resources in the most effective and efficient manner. The plan strives to achieve the dual objectives of alignment with the 2019-2023 Strategic Plan: *Our Future Is You*, assuring audit coverage of the areas identified as representing the greatest areas of risk,

while at the same time assuring broad coverage of the business operations, governance, risk management and controls of the University over time.

Audit and Advisory employees apply their combined experience and judgment, consideration of the University's documented or identified risks, and extensive consultation with CQUniversity's executive management, other stakeholders, and external auditors to assess the overall level of risk for each area within the audit scope of responsibility. Strategic and annual plans are submitted for review to the Audit, Risk and Finance Committee, and recommended to Council for approval. The audit scope and annual plan are reviewed on a biannual basis to ensure currency and effective coverage of escalating or emerging risks.

In 2020, planning, monitoring, reporting, and review processes were undertaken to ensure Audit and Advisory operated effectively, efficiently and economically. The Audit, Risk and Finance Committee, which provides guidance, ongoing monitoring, and regular reviews of audit operations, received regular reports from Audit and Advisory on performance to plan and any additional special audit requests completed during the year. The Audit and Advisory team also supported the Committee, to liaise with CQUniversity's external auditors to ensure a properly coordinated overall assurance framework. An annual report is also submitted to the Committee on Audit and Advisory's performance. In supporting the Committee's operations, the Audit and Advisory team gives due regard to Queensland Treasury Audit Committee Guidelines.

#### **EXTERNAL SCRUTINY**

In May 2020, the Queensland Audit Office (QAO) tabled its report, *Education: 2018–19 results of financial audits (Report 15: 2019–20)* in the Queensland Legislative Assembly. This report summarised the results of the QAO's financial audits of the seven Queensland public universities and their controlled entities with a financial year end of 31 December 2019 as well as the Department of Education, Queensland's eight grammar schools, the Department of Employment, Small Business and Training, and TAFE Queensland. The report provided an end-of-year overview of the universities' finances and any financial accounting issues identified during audits. Universities were found to have mature financial statement preparation processes. There were no significant findings or issues relating to Central Queensland University.

In September 2020, the QAO tabled its report, *Effectiveness of audit committees in state government entities (Report 2: 2020-21)* in the Queensland Legislative Assembly. This report summarised the results of the QAO's evaluation of the current profile and practices of audit committees in the Queensland public sector

and actions identified to help lift their performance and effectiveness. There were no significant findings or issues relating to Central Queensland University.

These reports are available on the QAO's website ([www.qao.qld.gov.au](http://www.qao.qld.gov.au)).

#### **UNIVERSITY-CONTROLLED ENTITIES**

CQUniversity has a number of entities that further its functions in accord with the Central Queensland University Act 1998. Council monitors the entities' performance through its Audit, Risk and Finance Committee. The controlled-entities' financial information is combined with that of the University to produce a consolidated financial position. Details of these entities and their financial position are in this report's financial statements.

##### **CQU TRAVEL CENTRE PTY LTD**

###### **Board members**

Professor Nick Klomp (Chair)  
Mr Alastair Dawson  
Ms Narelle Pearse  
Mrs Joanne Perry (Member and Company Secretary)

##### **AUSTRALIAN INTERNATIONAL CAMPUSES TRUST AND AUSTRALIAN INTERNATIONAL CAMPUSES PTY LTD**

###### **Board members**

Mr Ian McPhee AO PSM (Chair)  
Mrs Joanne Perry (Company Secretary)

##### **PT CQU EXECUTIVE BUSINESS TRAINING CENTRE**

###### **Board members**

Professor Nick Klomp (Chair)  
Ms Narelle Pearse  
Mr Ian McPhee AO PSM  
Mr Alastair Dawson (Member and Company Secretary)

##### **C MANAGEMENT SERVICES PTY LTD**

###### **Board members**

Professor Nick Klomp (Chair)  
Mr Alastair Dawson (Company Secretary)

##### **MASK-ED INTERNATIONAL PTY LTD (DORMANT)**

###### **Board members**

Professor Helen Huntly OAM (Chair)  
Ms Narelle Pearse  
Professor Kerry Reid-Searl  
Mrs Joanne Perry (Company Secretary)

##### **DATAMUSTER PTY LTD**

###### **Board members**

Ms Narelle Pearse (Chair and Company Secretary)  
Mr John Driscoll  
Mr Alastair Dawson



## OTHER BODIES (NON-CONTROLLED ENTITIES)

### HORTICAL PTY LTD

HortiCal was initiated as a joint venture between CQUniversity and Colour Vision Systems (CVS) to commercialise their interests in non-invasive fruit-sorting technology. CQUniversity and CVS granted HortiCal a licence on intellectual property for its use of near infrared spectroscopy. HortiCal supports research and development and commercialises the intellectual property it holds.

## ACADEMIC GOVERNANCE

### ACADEMIC BOARD

Academic Board is CQUniversity's overarching academic governance body, with primary responsibility for academic quality assurance and resolving all academic matters relating to and impacting the University's education, training and research activities. Academic Board provides advice and recommendations to Council and the Vice-Chancellor and President on key academic matters, particularly those regarding University strategic plans, priorities and policies, setting and maintaining academic standards, and issues of strategic academic importance.

Academic Board members are primarily academics and TAFE teachers, representative of CQUniversity's academic and teaching diversity; it includes students and professional staff as recognised colleagues in the academic enterprise and in academic decision-making. The Board is independent of but shares membership with executives, senior managers, and Council members.

Academic Board is supported in its operations by three subcommittees, which have delegated decision-making authority and a specialist function to advise the Board and lead policy formulation and strategy development within their terms of reference. The Academic Appeals Committee also reports to Academic Board regarding its decisions and identified policy and process improvement opportunities.

### ACADEMIC BOARD HIGHLIGHTS

Academic Board 2020 highlights include:

- » undertaking a review and refreshment of its sub-committees for improved and better aligned academic governance
- » updating its position statement on Academic Freedom to strengthen its alignment to the Model Code on Freedom of Speech and Academic Freedom

- » reviewing the Academic Appeals Policy and Procedure, Academic Appeals Committee Terms of Reference, and administrative processes, and developing new templates to improve processes, enhance decision making, and provide an additional opportunity to hear the student voice
- » assisting with the third online conference focussing on teaching scholarship – the 2020 Scholarship of Tertiary Teaching Virtual Conference had over 350 unique registrations and included international panellists from Beirut and Malaysia
- » Curriculum Committee accrediting 34 new course offerings and approving nine new VET course offerings, in addition to accrediting over 100 course updates to support the CQURenew Program, under delegated authority from the Board
- » receiving regular reports on the University's Risk Register, and considering the academic risks of the organisation
- » considering a range of focus items and hot topics relevant to issues in the sector, including COVID-19, higher education funding reforms, and contract cheating.

### ACADEMIC BOARD EVALUATION

To ensure Academic Board is functioning effectively, members participate in annual self-evaluations of the Board's performance against its terms of reference. These reviews aim to identify performance gaps and strategies for improvement.

### TERTIARY EDUCATION GOVERNANCE

As a dual sector university, CQUniversity delivers higher education and vocational education and training, which are regulated by the Tertiary Education Quality and Standards Agency (TEQSA) and the Australian Skills Quality Authority (ASQA). CQUniversity maintains registration as a self-accrediting higher education provider and a registered training provider through ongoing compliance with national legislation and standards, including the Higher Education Standards Framework (Threshold Standards) 2015, the Standards for Registered Training Organisations (RTOs) 2015, and the Australian Qualifications Framework. To ensure CQUniversity's qualifications are of the highest possible standard, they are accredited and systematically reviewed through robust academic governance processes.



# OUR VISION, PURPOSE AND VALUES

## OUR VISION

To be Australia's most accessible, supportive and engaged university, recognised globally for innovative teaching and research excellence.

## OUR PURPOSE

To provide world-class, transformative education and research for our students, partners and communities across Australia and internationally.

## OUR VALUES

### ENGAGEMENT

We strive to be Australia's most engaged university by connecting and collaborating with students, stakeholders, industry and communities. We value strong, productive and mutually beneficial partnerships that influence positive outcomes for those we seek to serve.

### CAN DO

We exceed expectations and work together to identify opportunities and apply sustainable solutions to challenges. We support each other to be our best, with an ethos that is underpinned by evidence-based continual improvement. We aspire to greatness in everything we do and take decisive action to ensure we are meeting the needs of those we seek to serve.

### OPENNESS

We empower everyone to be a problem solver and decision maker. We operate with integrity at all times and build trust through a commitment to consistency, fairness, quality, probity and transparency in everything we do.

### LEADERSHIP

We exhibit courage in our leadership by daring to be different, being bold and responding to the needs of our students, staff, alumni and communities. In doing so, we demonstrate excellence and innovation in learning, teaching, research, engagement and governance. We accept our responsibility to be leaders both inside and outside the University and sector.

### INCLUSIVENESS

We embrace and celebrate diversity and strive to improve access and participation. We promote respect, honesty and unity with safe and inclusive environments. We work together to create positive and tangible change with our communities.

# 2019 – 2023 STRATEGIC PLAN: OUR FUTURE IS YOU

CQUniversity's 2019–2023 Strategic Plan: *Our Future Is You*, was launched in July 2019. The new strategic plan is based around six strategic pillars and sets out the goals and priorities to provide direction and drive performance to meet the challenges ahead. It will position CQUniversity as a leader in providing seamless, full-spectrum education pathways and an unrivalled reputation for engagement and inclusivity.

## STRATEGIC PILLARS AND PRIORITIES

### OUR STUDENTS

- » Delivering a new student-centred curriculum
- » Improving student completion rates
- » Improving student retention rates
- » Increasing student satisfaction ratings
- » Maintaining and increasing access and participation rates
- » Increasing short course and professional development offerings
- » Increasing student numbers
- » Embedding social innovation into the curriculum

### OUR RESEARCH

- » Increasing our Research Higher Degree Student numbers
- » Increasing our external research income
- » Receiving acknowledgement in an increased number of Fields of Research recognised as 'at, above and well above' world standard in the Excellence in Research for Australia (ERA) rankings
- » Increasing the number of international research partnerships
- » Increasing the annual delivery of researcher training programs
- » Increasing the commercialisation of our research

### OUR PEOPLE

- » Increasing our overall staff satisfaction rating
- » Increasing Indigenous employment opportunities
- » Increasing the number of staff who hold, or are studying, a VET or tertiary qualification
- » Maintaining an appropriate level of staff participation in professional development opportunities

### OUR COMMUNITIES

- » Increasing our engagement with Indigenous communities in partnership with community Elders
- » Being recognised by Reconciliation Australia for the CQUniversity Reconciliation Action Plan
- » Expanding our presence by partnering with and supporting new study hubs in under-serviced Australian communities
- » Increasing social and Indigenous procurement activities of CQUniversity
- » Establishing new, significant corporate partnerships

### OUR REPUTATION

- » Improving our standing in the *Times Higher Education* Reputation Index
- » Achieving and maintaining renewed accreditation as a Changemaker University with Ashoka U
- » Achieving and maintaining accreditation into the Carnegie Community Engagement Classification Framework
- » Increasing philanthropic income
- » Increasing other externally sourced income

### OUR SUSTAINABILITY

- » Maintaining and increasing our giving back commitment to our communities
- » Improving the overall financial position of the University
- » Reducing energy usage across CQUniversity
- » Reducing waste across our campus footprint

## KEY PERFORMANCE INDICATORS

CQUniversity's primary oversight key performance indicators (KPIs) focus on the following eight factors that indicate achievement, and areas of opportunity or need for improvement. The KPIs below indicate performance across the strategic pillars overall, rather than specific priorities.

INDICATORS	TARGET	ACTUAL
Student numbers	16 131.70 EFTSL	18 780.20 EFTSL
External research income	\$16m	\$21.94m
RHD load	275 EFTSL	279.4 EFTSL
Philanthropic income	\$2.5m	\$4.646m
EBITDA target	10%	5.13%
Current ratio (liquidity)	>1.0	1.38
Energy usage reduction target	9.5%	11.36% <sup>(1)</sup>

#### KPI Notes:

(1) 2019 result provided (2020 result not yet available)

## UNITE AND RECOVER

The Queensland Government's objectives for the community are built around Unite and Recover – Queensland's Economic Recovery Plan. The objectives are long-term and can only be achieved by everyone involved working together. CQUniversity contributes directly to eight of the nine objectives including supporting jobs, backing small business, supporting Making it for Queensland and Building Queensland, growing our regions, investing in skills, backing our frontline services, and protecting the environment.

# PERFORMANCE

## OUR STUDENTS

CQUniversity is committed to ensuring its students and graduates will be known for their understanding of the issues affecting their communities and industries, their personal and professional growth and their dedication to making a valuable contribution to their disciplines and the world around them. The University is focused on enhancing learning and teaching practices to ensure the delivery of courses that meet constantly evolving workforce needs. The University is also committed to enhancing the student experience and its support for students.

2020 presented unique and challenging circumstances for our students as they navigated the impacts of a worldwide pandemic. As a direct result of the challenges and health directives associated with COVID-19, CQUniversity quickly and successfully transitioned face-to-face teaching to online delivery for all course offerings including our Vocational Education and Training (VET) courses and StartTAFE Now programs. As industry leaders in online education, the University was well-placed to provide an excellent online service to students during this time, and was able to implement the Academic Business Continuity Plan, which provided the framework to guide all related planning and decision-making to ensure integrity of academic learning; fairness to students; and maintenance of quality course delivery and learner engagement.

Where possible and in line with State Government health advice, campuses remained open for students to access student and academic learning services, libraries and resources and facilities. Some exceptions for face-to-face delivery were arranged for practical and/or technical units and unit activities in the second half of the year, with an appropriate COVID-Safe plan in place.

A range of support mechanisms were implemented or extended for students during this period, including payment plans; international support case management and welfare checks; learning support through the Academic Learning Centre; Library Online and Studiosity; student support services including wellbeing, accessibility and advocacy; CQUniCares emergency grants; and the establishment of a "Not So Distant Hub" on the Student Portal to facilitate Mentor Coffee Catchups, wellbeing workshops, resource sharing and academic support. The actions helped to reduce the disruptive impact of the pandemic on students.

## COLLEGE MODEL

The Tertiary Education Division (TED) introduced a new education and training delivery structure in 2020 to deliver on the need to maximise the University's educational capacity and efficiencies, whilst enhancing the quality

of courses. The College Model groups courses and staff into broad cognate discipline areas and facilitates staff collaboration to provide an exceptional student experience and learning outcomes. There are "Six C's" underpinning the College Model – we Change lives, Curriculum, Collaboration, Culture, Communication and Compliance.

The principles under which the College Model operates include:

- » encouragement for educators to focus on their discipline horizontally (unit level) and vertically (course level)
- » focus on student outcomes/experience whilst maintaining accountability for attrition, progression and pass rates
- » educators working with Course Advisors, Deputy Dean (Learning and Teaching) and Heads of College (and with colleagues outside of the Division) to develop and implement plans to reduce attrition and provide a quality educational experience
- » VET pathways and/or synergies embedded in undergraduate courses by including teaching and academic staff in the same groupings
- » scholarship of Learning and Teaching and VET currency improved through alignment of staffing, and provision of targeted professional development
- » school Deputy Deans (Research) work within and outside of TED to support the research agenda of the University.

## DELIVERING A NEW STUDENT-CENTRED CURRICULUM

The CQURenew project is the overarching initiative that spearheads CQUniversity's renewal agenda to enhance, expand and improve the student experience. It delivers a holistic university experience with a focus on quality curricula, exceptional learning and teaching design and practices, and a range of personalised student services that place student success at the core of the University's operations. A summary of each of the projects that sit under CQURenew is provided here.

### CURRICULUM REFRESH

CQUniversity has continued to refresh its curriculum to ensure its courses are current, relevant, enabling, informed by the latest research and scholarship, and innovative by design and technology application to support learning. The principles of sustainability, innovation, internationalisation, work integrated learning (WIL), and the inclusion of Indigenous knowledges have been embedded as curriculum renewal foundations. The focus has been on curriculum structure and design, regulatory compliance, learning analytics, transformative pedagogy, and building the capacity of educators. This has involved a review of higher education curricula, however in doing this the University has identified opportunities for

streamlining VET course delivery and improving pathways between VET and higher education, and has offered degree students a range of relevant complementary VET qualifications.

Initiatives throughout the year included:

- » approval of the Curriculum Blueprint, which sets out a clear and actionable course blueprint for bachelor degrees, with initial focus on those degrees without external/professional accreditation
- » enhancing course and unit quality
- » course structure to provide greater certainty for students by providing clear information about the units required in a sequential manner, which means most students will be able to enrol for the duration of their study
- » streamlining of timetabling and room booking systems to maximise space utilisation
- » improved management of teaching and staffing requirements for both continuing and sessional staff across multiple terms
- » development of two Professional Core units that consist of five modules and provide the opportunity for students to consolidate their knowledge about their chosen profession through an authentic learning experience, developed as a collaboration between multiple service and academic teams across the University
- » six courses will offer these units from Term 1, 2021
- » fourteen undergraduate courses have been refreshed and will be available for delivery for Term 1, 2021.

### LEARNING ENVIRONMENT EXPERIENCE

Significant enhancement to the Digital Learning Environment occurred in 2020, whereby all major systems were upgraded to enhance navigation and overall user experience. Several pilot activities were held late in the year, including social network analytics to understand how students are using Microsoft Teams to connect and collaborate.

### TEACHING ENVIRONMENT EXPERIENCE

Four learning space designs were finalised during 2020 to support the University's future teaching delivery models – Huddle Spaces, Video Pods, Collaborate Spaces and Static Content Delivery Spaces. Conceptual designs were endorsed by the CQURenew Steering Committee in late 2020 and installation of these spaces will progress over 2021 and beyond.

### STUDENT ADMINISTRATION EXPERIENCE

The MyCQU Assistant app was launched in October 2020 for all CQUniversity students. The initiative includes a new platform and support for the *Getting Started* and *Getting Organised* phases of the student journey, guiding students through the onboarding process and helping them to

stay organised throughout their studies. The initial release provided a personalised experience with a seamless transition across our systems and will continue to be evolved and developed. Personalised Enrolments was successfully released as part of MyCQU Assistant and showed a significant increase in self-enrolment numbers for Term 3, 2020, compared to previous years. A pilot of the VET Cluster Enrolment also delivered 80 per cent saving in manual enrolment amendments on previous periods. It included an opt-in credit transfer process for Direct Admissions. A cohort of 196 students utilised this functionality which saves significant time for each student application.

### STUDENT eCQUIP

The new Student Support Model was developed in 2020 after significant consultation and co-design with staff and students from across the University. The model provides a unified vision to facilitate a whole-of-University approach to supporting our students. A new Student Services Guide for staff was released in November 2020 which provides a collection of services available to students and assists staff on how and where to refer a student.

### SUPPORTING STAFF

Support for educators in 2020 was focussed not only on supporting the curriculum refresh work but also on guiding and assisting the staff transition to online delivery to ensure continuity of education delivery during COVID-19. Activities included the conversion of VET units to online delivery, with more than 80 units moved to online.

The 2020 Scholarship of Tertiary Teaching Virtual Conference, hosted by the Learning Design and Innovation Directorate, attracted 366 participants, including 217 non-CQUniversity staff. A total of 69 abstracts were accepted for the conference with the most popular themes being 'The Virus Crisis' and 'Educational Technology'. The Conference Committee recognised the best presentation in each theme with a digital badge for achievement and the scholarly activity of reviewers, facilitators and presenters were also acknowledged with digital badges.

### IMPROVING STUDENT COMPLETION RATES

CQUniversity has focused on streamlining student services and implemented collaborative projects to provide a student-centred approach to support students in their academic journey through to completion.

CQUniversity continued to provide professional development opportunities for staff to apply learning analytics and feedback to increase student satisfaction and student success.

My Experience and CQUni Success bring together knowledge and expertise from across the University to engage and support students in their academic experience.

- » My Experience – offers students a mechanism to provide real-time feedback on their experience at CQUniversity (currently implemented for higher education students).
- » CQUni Success – provides key demographic, academic and unit engagement data about students to academic and student advice staff. It enables a single view of all communication from academic and student advice staff. Data from this system will allow users across VET and higher education to facilitate personalised success strategies for students from 2021.

Digital badging and micro-credentialling have been broadly implemented and have become a key part of achieving the CQUniversity vision to be Australia's most accessible, supportive and engaged university. Twenty-one micro-credentials have been offered to students and the community in the areas of business and health. Digital Badges provide a digital visual recognition of learning achievement and have been used to recognise student success through the CQUniversity Cares Awards program and iChange. Staff achievement is recognised through the CQUniversity Learning and Teaching Awards program and the Scholarship of Tertiary Teaching Conference. CQUniversity issued over 1400 badges since commencement in 2019.

The VET Participation project commenced in early 2020 to review the processes and systems used to record vocational student participation and completions. The system enhancements and development improved the way the University tracks and manages student subsidy payments. In tandem to this project, Vocational Industry Officers focussed on improving liaison with clients to support students in obtaining sign-off on completion of their study units.

There were 1252 CQUniversity graduates (inclusive of vocational and higher education) conferred over nine ceremonies in 2020. The University also hosted two virtual ceremonies, celebrating 147 graduates.

### IMPROVING STUDENT RETENTION RATES

At its core, the CQURenew project aims to improve the engagement, retention and success of CQUniversity students. As such, all of the work under this project in 2020 contributed to improving the retention rates of students. It also ensured a University-wide approach was in place and recognised that responsibility for student retention is shared across the organisation.

The University's *Student Participation, Retention and Success: Guiding Principles and Strategic Directions 2019 – 2023* is being embedded into student engagement and retention plans in each College to ensure strategies are tailored to benefit students in particular disciplines as well as at the individual level.

The Higher Education Participation and Partnerships Program (HEPPP) aims to ensure that Australians from low socioeconomic (SES) backgrounds who have the ability to study at university have the opportunity to do so. It provides funding to assist universities to undertake activities and implement strategies that improve access to undergraduate courses for people from low SES backgrounds, as well as improving the retention and completion rates of those students. In 2020, CQUniversity was funded \$5 219 652 under this program, and used this funding to deliver 13 undergraduate and outreach programs across Australia, including:

- » BIG HEPPP Analytics – consultation and facilitation of effective data management, analysis and reporting for CQUni HEPPP programs/initiatives, as well as for HEPPP program management, research and evaluation
- » Mindwaves – a proactive and tailored program built upon a Mental Health Framework to prevent, address and reduce risk factors that may impact students from low socio-economic backgrounds
- » Smoothing Assessment Transitions for VET Students (SATVS) – addressing the needs of low SES students transitioning from VET to Higher Education and how to address the challenges they experience with respect to curriculum, pedagogy and assessment
- » Indigenous Pathways – an outreach program aimed at Aboriginal and Torres Strait Islander peoples from low socio-economic backgrounds who are employed through the public service, working in industries which may lead to aspirations to further studies and develop careers, as well as prospective students who are transitioning out of their final year of schooling into employment and training.

### INCREASING STUDENT SATISFACTION RATINGS

According to the national 2020 Graduate Outcomes Survey and national Quality Indicators for Learning and Teaching (QILT) reports, CQUniversity had one of the nation's best graduate employment outcomes for domestic undergraduate students, despite the impacts of the COVID-19 pandemic, which resulted in a more precarious labour market for recent graduates. The national full-time undergraduate employment rate fell to 68.7 per cent. In comparison, 73 per cent of CQUniversity undergraduates secured full-time employment within four months of graduating, well above the national average. Again, despite the impacts of COVID-19, graduate starting salaries at CQUniversity increased to \$69 700 in 2020, maintaining one of the nation's best graduate employment outcomes.

Longitudinal data also suggested strong employment outcomes in the medium term for CQUniversity graduates, with 88.1 per cent of undergraduates and 95.9 per cent of postgraduates securing full-time employment within three months after completing their studies.



CQUniversity also achieved five-star rankings in the Good University Guide 2021 in:

- » Social Equity (Number 1 in Australia)
- » First Generation (Number 4 in Australia)
- » Undergraduate Full Time Employment
- » Undergraduate Starting Salary
- » Postgraduate Starting Salary
- » Postgraduate Skills development.

### **MAINTAINING AND INCREASING ACCESS AND PARTICIPATION RATES**

Now in its tenth year, the CQUni Connect project delivered aspiration-raising activities to 6626 students across 41 secondary schools throughout Central Queensland, Wide Bay Burnett and Far North Queensland regions, despite the challenges of COVID-19 including school closures and home learning. CQUni Connect builds awareness and interest in post-secondary education and training at schools whose student populations are traditionally underrepresented in the tertiary sector. Partner schools were also supported to encourage university applications through provision of Queensland Tertiary Admission Centre (QTAC) vouchers to support students where a financial barrier may have otherwise prevented an application.

CQUniversity continued to offer Start Uni Now (SUN) higher education units to senior secondary school students both in Australia and offshore. In 2020, 426 students across 131 high schools in six Australian states and two international locations were enrolled in SUN units, allowing them to access a guaranteed pathway to undergraduate enrolment upon successful completion. New and innovative partnerships were trialled with schools, including SUN cohorts as a distinct subject offering of the senior high school curriculum.

In 2020, the VET in Schools (VETiS) program underwent a rebrand to Start TAFE Now (STN) to further align it with the SUN program. This year saw 1331 students across 116 Queensland schools participate in STN programs to achieve a variety of short course, certificate and diploma level qualifications.

CQUniversity's Principal's Recommendation Scheme (PRS), encourages students from Australian secondary schools to consider non-ATAR alternatives in accessing tertiary education through endorsement from their school principal. Forty-two students enrolled in undergraduate courses under this scheme for study in 2020.

As a Queensland vocational education and training public provider, CQUniversity received the State Government Contribution Grant for the 2019-2020 financial year. The grant recognised the additional costs borne by public providers and supported their ongoing presence in the contestable training market. The payment was used in 2020 to support and enhance VET operations.

As a result of COVID-19, the Australian Government and the Queensland State Government increased the range of funded opportunities for students, aimed at creating significant job outcomes in the Central Queensland region. The TAFE Priority Training Program (TPTP) continued into mid-2020 and allowed CQUniversity to offer reduced student contribution fees for study of specific priority training across Certificate III, Certificate IV and Diploma courses in disciplines such as Business, Community Service, Educational Support, Early Childhood Education and Care, Aboriginal and/or Torres Strait Islander Primary Health Care, Fitness, Beauty Services and Hospitality Management. As well as priority training, the TPTP enabled Second Chance opportunities for students who had already completed a qualification and would otherwise be ineligible for the Certificate III Guarantee or a Higher-Level Skills subsidy.

CQUniversity reached its government funding target for the Skills for Tertiary Education Preparatory Studies (STEPS) and Tertiary Entry Program (TEP) in 2020, ending the year slightly over cap through careful monitoring of the demand for available funded places across all locations and online. The target for EFTSL enrolments in enabling courses for 2020 was 843 with the actual enrolments reaching 846.

CQUniversity is committed to embedding work integrated learning not only into its courses, but also into scholarships and academic prizes to increase student participation and success. Industry partners and donors were offered work opportunities as part of some scholarships, giving students valuable experience, skills development and networking opportunities. A total of 342 scholarships valued between \$1000 and \$3000 were awarded in 2020 that included a WIL component, totalling over \$677 000, with an additional 42 bursaries for students on placements valued between \$250 and \$1500 (total value of \$30 000). Over 145 academic prizes were awarded to high-achieving students and while only some of these prizes included a work opportunity, the prize recipients received industry and academic recognition.

### **INDIGENOUS RESEARCH HIGHER DEGREE (RHD) ACADEMY**

In an Australia first, CQUniversity launched the Indigenous Research Higher Degree (RHD) Academy in late 2020. The Academy will assist the University to increase Indigenous participation in research and, more importantly, assist candidates to achieve strong levels of cultural, pastoral and academic support that is critical for success. The Academy will focus on capacity-building through attracting more Indigenous students to participate in research higher degrees, for which Indigenous peoples are underrepresented, as well as upskilling the University's research community to be aware of the importance and



sensitivities of undertaking meaningful and respectful research with Indigenous students and their communities.

### **INCREASING SHORT COURSE AND PROFESSIONAL DEVELOPMENT OFFERINGS**

CQUniversity's Centre for Professional Development (CPD) saw a 300 per cent increase in course enrolments in the first half of 2020. The CPD offers more than 160 short courses and micro-credentials, in the form of short courses, workshops, webinars and open online resources. Both entry-level job seekers and experienced professionals are catered for, with specialist courses across health, community services, business, education, fitness, psychology, science and safety, to support those who are looking to grow their expertise.

As part of the Queensland Government's COVID-19 Worker Assistance Package, CQUniversity was provided with additional funding aimed at the skill development and retraining of workers and job seekers who had been displaced. Queensland's Department of Employment, Small Business and Training (DESBT) approved the delivery of a suite of five free skill sets to be available online in 2020 through CQUniversity, in conjunction with the launch of the Jobs Finder Queensland Portal. There were also four Federally-funded, State-administered Infection Control Skill Sets:

- » Food Service Skill Set (delivered under Certificate II in Hospitality)
- » Mentoring and Supervision Skill Set (accredited Skill Set)
- » Health Support Skill Set (delivered under Certificate II in Health Support Services)
- » Medication Assistance Skill Set (accredited skill set)
- » Community Care Skill Set (delivered under Certificate II in Community Services)
- » Infection Control
- » Infection Control (Retail)
- » Infection Control (Transport and Logistics)
- » Infection Control (Food Handling).

### **INCREASING STUDENT NUMBERS**

Overall student numbers declined in 2020 due to the decline in international students as a result of the pandemic, with 25 756 higher education students enrolled in 2020 (5.7 per cent decrease on the previous year) and 9854 vocational students enrolled in 2020 (4.5 per cent increase on the previous year). International student enrolments in both higher education and VET declined to 5992 students (32.6% per cent decrease on the previous year). The most popular undergraduate course for new students in 2020 was the Bachelor of Nursing, with 1227 students enrolled in 2020.

CQUniversity experienced strong domestic demand in

Term 2, 2020, for both its short course offerings and its mainstream courses.

CQUniversity also grew its range of courses in 2020:

- » three double degrees
- » two undergraduate courses
- » five postgraduate courses
- » three diplomas
- » one associate degree
- » six certificates.

CQUniversity continued to develop its BeDifferent online open learning platform in 2020, which now hosts eight postgraduate qualifications and accounts for over 50 per cent of postgraduate student admissions. This hyperflexible model of delivery is hosted entirely online, designed to be self-paced and accessible anytime and anywhere.

### **EMBEDDING SOCIAL INNOVATION INTO THE CURRICULUM**

CQUniversity's commitment to social innovation education means that its graduates have the capabilities and mindset to positively shape their world. It also means that they are equipped with 'future of work' skills, such as creativity, innovation and collaborative leadership. More than 35 per cent of courses have social innovation components and initiatives embedded into the curriculum.

CQUniversity has continuously expanded the activities and opportunities available, to develop this social innovation mindset. For example, many courses include iChange as an introduction to social innovation during the first year of study (such as the Bachelor of Psychology and the Bachelor of Criminology). Students across many courses also have opportunities to think about entrenched social issues, explore the United Nations Sustainable Development Goals, and learn how to creatively and effectively problem-solve with their peers.

The Office of Social Innovation (OSI) supported the development of extra-curricular activities such as the Festival of Change (FoC), a virtual event held over three days, to engage staff and students in social innovation-related activities. Other work undertaken in 2020 included:

- » a dedicated page of Social Innovation resources on the University's StaffNet site
- » a Human Centred Design session at the Student Leadership Conference
- » a Social Innovation Education Community of Practice
- » changemaker campus collaborations with staff from Ashoka U Change Campuses in Singapore and South Korea
- » the iActivate short course, launched through the Centre for Professional Development.

## INTERNAL LEARNING AND TEACHING AWARDS

Eight Learning and Teaching Research and Development Grants were approved in 2020, with grants of up to \$12 000 each. These awards provided staff with funding to undertake research activities related to learning and teaching processes and practice at CQUniversity.

The Student Voice Awards and Commendations program took place in 2020, with three Student Voice Awards and 117 Commendations awarded.

## OUR RESEARCH

CQUniversity researchers are undertaking research within mutually beneficial partnerships with stakeholders and end-users, resulting in high-quality and innovative solutions to complex challenges. CQUniversity researchers are creating knowledge for the benefit of communities and this research is being embedded in the University's learning and teaching. CQUniversity continues to focus on research informed by the challenges affecting regional communities and industries, while providing outcomes that are globally applicable and relevant.

## INCREASING RESEARCH HIGHER DEGREE STUDENT NUMBERS

CQUniversity has achieved ongoing growth in research student load during 2020, with more than 250 new candidates commencing their studies in research higher degrees and the unique preparatory program, the Graduate Certificate in Research. CQUniversity supported domestic and international students through an allocation of \$594 000 in direct funding to support the costs of research and research dissemination activities. The University also created special funding initiatives to support research higher degree candidates to manage the challenging circumstances related to COVID-19. The Staying Connected Scheme was established to help meet costs of transitioning to home-based research studies with \$15 000 so far allocated. The University also allocated \$220 000 to the Research Higher Degree (RHD) Pivot Pool designed to support candidates to reconfigure their research in response to social distancing requirements. Special provisions for COVID-19 leave were also offered to assist candidates in managing competing family, employment, and study commitments during periods of disruption caused by COVID-19.

The School of Graduate Research offered three RHD Intensive Training Programs, with a comprehensive schedule of more than 155 workshop sessions made available online, enabling accessibility within a COVID-19 constrained environment. A 'COVID-19 Intensive' was also delivered focusing on candidate wellbeing and response strategies to the research impacts of the pandemic. The School of Graduate Research also continued to deliver professional development programs

to research supervisors, including the RHD Accelerate program to build capacity in principal supervision roles, and respectful supervisory relationship sessions.

The RHD Elevate Scholarship program established in 2020 is a \$2 million investment by the University in stipend support for RHD projects, conducted in collaboration with industry partners. Despite the challenging economic circumstances, 38 scholarships were awarded, attracting more than \$1.6 million in partnered funds to support research that is relevant and impactful to communities and industries within the CQUniversity regional footprint.

CQUniversity established two additional RHD academies in 2020, the Health Workforce Academy and the First Nations RHD Academy. Both are focused on growth in research higher degree enrolments and development opportunities for existing candidates and their supervisors, with the First Nations RHD Academy having specific emphasis on addressing the under-representation of Aboriginal and Torres Strait Islander peoples in research training.

## INCREASING EXTERNAL RESEARCH INCOME

CQUniversity continued to deliver solutions for real world problems to industry and the community through applied research. The reported grant income for 2019 was just over \$14.2 million. The number of industry grants increased by three per cent, with a total of \$4.4 million in income. National Competitive Grants received in 2019 included two from the Australian Centre for International Agricultural Research for specialist agricultural research-for-development agencies, within the Australian aid program, totalling just over \$1 million. Funding for 12 National Health and Medical Research Centre (NHMRC) grants to a value of just under \$900 000 was also received. The total income for Australian Competitive Grants was \$2.4 million.

Research activity also continued to have a positive impact in the community through partnering with 53 unique Public Sector agencies with \$6.3 million received in funding. Key funding was received from the Department of Communities, Disability Services and Seniors to undertake a gambling survey and Queensland Health continued to significantly invest in research. Collaborative Research Centres (CRCs) are an Australian Federal Government program established in 1990 to enhance Australia's industrial, commercial and economic growth through the development of sustained, user-driven, cooperative public-private research centres. CQUniversity continued to participate in five unique CRCs with \$955 712 in funding in 2019.

## **INCREASED RECOGNITION 'AT, ABOVE, AND WELL ABOVE' WORLD STANDARD IN THE EXCELLENCE FOR RESEARCH FOR AUSTRALIA (ERA) RANKINGS**

In 2018, CQUniversity submitted to the Excellence in Research for Australia (ERA), the national research assessment exercise, receiving a rating of “at world standard or above” in 22 Fields of Research. In 2020, the Research Division continued to implement strategies to maintain research excellence of “at world standard and above” in the areas of Mathematical Sciences; Applied Mathematics; Environmental Sciences; Agricultural and Veterinary Sciences; Agriculture, Land and Farm Management; Horticultural Production; Artificial Intelligence and Image Processing; Engineering; Electrical Engineering; Mechanical Engineering; Medical and Health Sciences; Nursing; Public Health and Health Services; Psychology and Cognitive Sciences; Psychology; Other Psychology and Cognitive Sciences. New research areas now classified by the ERA ratings as “at world standard” continued to be supported. The emerging disciplines of excellence include Biological Sciences; Zoological Sciences; Information and Computing Sciences; Human Movement and Sports Science; and Specialist Studies in Education. In 2020, development commenced on an ERA dashboard to support visibility and inform research strategic planning. A new publication repository was also implemented and will provide greater visibility of research publications and assist with the dissemination of CQUniversity research worldwide.

In 2019, the University also excelled in the inaugural round of the Engagement and Impact (EI) Assessment, a companion assessment to the ERA submission in 2018, with 11 out of 13 research areas receiving a high or medium rating. The Research Engagement and Impact Assessment reviewed how universities have translated their research into economic, social, and other benefits for industry and the Australian community. CQUniversity has demonstrated highly relevant research that makes a difference and achieved the highest rating for research impact for case studies submitted in the research fields of: Agricultural and Veterinary Sciences; Medical and Health Sciences (Public and Allied Health); Education; Economics; Psychology and Cognitive Sciences; and Law and Legal Studies. The University also received the second highest rating in impact for case studies in the research fields of: Biological Sciences; Engineering; Commerce; Management; Tourism and Services; Studies in Human Society; and Studies in Creative Arts and Writing.

The Australian Research Council (ARC) undertook a national review of the ERA and EI processes via a Consultation Paper of more than 100 questions. CQUniversity has contributed to the review and the results are due to be released in 2021.

## **INCREASING THE NUMBER OF INTERNATIONAL RESEARCH PARTNERSHIPS**

The Institute for Future Farming Systems (IFFS) continued to grow international research partnerships between the Precision Livestock Management team and US research teams. Dr Ryan Reuter from Oklahoma State University was awarded a Fulbright Fellowship Senior Scholar award to visit CQUniversity in 2020; a Meat & Livestock Australia (MLA) supported research project with New Mexico State University is funding a cotutelle RHD project; and new Memorandums of Understanding (MOUs) were signed with Kansas State and New Mexico State Universities. The impact of the Institute's agricultural research in Fiji also continued to expand, with their Australian Centre for International Agricultural Research (ACIAR) funded protected cropping research being showcased in a National Agriculture Field Day in Fiji, with additional funding subsequently awarded by the Fiji Government to extend the project across the country.

Through the Global Innovation Linkages program CQUniversity continued its partnership with Argentina's National Agricultural Technology Institute (INTA) to implement the innovative DataMuster® automated livestock management system into Latin America's beef production systems. Licencing discussions for DataMuster® are continuing with prospective international commercialisation partners.

With the world's focus on COVID-19, CQUniversity's Appleton Institute established a new research partnership with US human performance company WHOOP, and the Cleveland Clinic in Ohio, to investigate the use of wrist-worn activity trackers to flag COVID-19 symptoms.

Researchers from CQUniversity and the Australian College of Kuwait (ACK) collaborated on six research projects in the engineering discipline, and three research grants funded by the Kuwait Foundation for the Advancement of Sciences (KFAS).

## **INCREASING THE ANNUAL DELIVERY OF RESEARCHER TRAINING PROGRAMS**

CQUniversity aims to increase its research excellence, focus, and impact through professional development programs that encourage and support researchers, such as the Early-Career and Mid-Career Researcher Programs. Early career researchers are mentored and supported to develop their skills in research career planning, writing for publication, preparing external grant applications, and developing collaborative research opportunities. Since 2012, the alumni from these innovative and award-winning programs have produced more than 2200 publications and have been named chief investigators on research projects attracting more than \$38 million in external funding.

Since 2017, CQUniversity has successfully conducted a professional development program for mid-career researchers in collaboration with Southern Cross University (SCU) and the University of the Sunshine Coast (USC). In 2020, the University also delivered a new mid-career Researcher Program exclusively for CQUniversity academic staff. The program provides academic staff with professional development in research leadership and building and managing teams, and with further focus on industry engagement, collaboration, and grant writing.

### **INCREASING THE NUMBER OF RESEARCH INSTITUTES AND CENTRES**

In 2020, two research centres undertook internal reviews, each emerging with a new name and renewed research focus. Led by Associate Professor Delwar Akbar, the Centre for Regional Economies and Supply Chains (CRESC) has three research themes: regional and rural economies; tourism development; and supply and value chains. The Centre for Research in Equity and Advancement of Teaching and Education (CREATE), led by Professor Bobby Harreveld, has three research priorities: assessment, transitions, and innovations in learning; science, technology, engineering, and maths education research; and transforming practices and professions.

CQUniversity also officially opened the Coastal Marine Ecosystems Research Centre (CMERC). Based in Gladstone, CMERC was established to work with coastal industries and communities to develop practical and sustainable solutions for unique coastal and marine environments. The Centre's goal is to undertake research that works with nature to build an economically and environmentally sustainable future to enrich coastal communities. To achieve this, CMERC is taking a holistic approach that recognises the place of the communities and industries that live and work along coastlines. CMERC is undertaking proactive applied research from coastal catchments to sea to develop practical solutions to the challenges facing coastal and marine ecosystems.

CQUniversity now has two research institutes and seven research centres.

### **INCREASING THE COMMERCIALISATION OF OUR RESEARCH**

CQUniversity has further advanced its focus on a University commercialisation and innovation program with the aim of taking innovative research and ideas from initial concept to market and industry impact. The University developed a Commercialisation Framework, and in 2021 this project will move to implementation phase. The University also progressed opportunities for commercialisation of internal innovations in rail engineering and infrastructure, AgTech, horticulture technology, and health education. The Centre for Railway Engineering (CRE) has three innovations at

Patent Cooperation Treaty (PCT) stage in the areas of condition monitoring and big data, and commercial opportunities are being explored. Negotiations with an industry partner for the commercialisation of elements of the DataMuster® innovation progressed with draft collaboration agreements currently being explored.

An innovation patent was filed for a mango auto-harvester and discussions are continuing with Horticulture Innovation Australia to develop a commercial plan for the auto-harvester to have real-world commercial impact in harvesting Australian mangoes. In the field of health awareness and education, The Poop it Kit™ innovation was introduced in 2020. Intended to raise awareness of healthy bowel function, this innovation is a fun and interactive resource that helps educate children for prevention of future bowel problems and associated health concerns. The Poop it Kit™ trademark was registered by CQUniversity in Australia and New Zealand, and market research is underway with a view to develop a targeted commercialisation plan for execution in 2021.

## **OUR PEOPLE**

CQUniversity's people have been central to the delivery of the University's vision and purpose. The University has recognised that its impact as a university is reflected in the efforts, talent and passion of its staff. Staff have continued to use their knowledge, skills and talents to improve relationships with students, alumni, partners and communities. The University has also supported its staff and empowered them to engage in innovative practice.

### **EMPLOYEE PROFILE**

In 2020, CQUniversity employed 3971 staff, including full-time, part-time and casual employees, across its campus network. The permanent retention rate was 77 per cent. There were no offers of voluntary early retirement, and 209 offers of voluntary separation. This equated to \$26 614 554.23 in payments. There were also 85 employees who received redundancy packages at a cost of \$10 602 387.90.

A full dissection of CQUniversity's profile as at 31 December is available in the Statistics section of this report.

### **ORGANISATIONAL CHANGE**

CQUniversity undertook an organisation-wide restructure as a direct result of the fiscal impact of COVID-19. The resulting recovery plan outlined the following staff related actions to limit future financial losses and support the long-term financial sustainability of the University:

- » CQUniversity Council members agreed to a reduction in their payments for the 2020–2021 financial year
- » the Vice-Chancellor and Vice-Presidents reduced their salaries by 20 per cent for the 2020-2021 financial year, with the Vice-Chancellor not accepting a bonus for 2020



- » senior managers forewent their scheduled two per cent pay increase in 2020
- » a pause on all non-essential staff recruitment
- » a new, leaner Executive Management Structure (reducing executive positions from seven to four)
- » a reconfiguration of the University's regional leadership model (reducing Associate Vice-Chancellors from 13 to nine)
- » approved voluntary separations for 209 roles (as at 8 June 2020)
- » a further 79 positions disestablished which resulted in redundancies.

The restructure and change management process was handled as carefully as possible, however the impact on staff, combined with the pressures of living through a global pandemic, was significant.

### **INCREASING OUR OVERALL STAFF SATISFACTION RATING**

Employee wellbeing, performance and satisfaction are pivotal to CQUniversity's success, and as such, emphasis on these factors informs the strategy by which the People and Culture Directorate operates.

2020 was very difficult for employees, both personally and professionally, and in response People and Culture instigated formal and informal programs to assist in alleviating employee concerns where possible. Webinars run by the employee assistance provider as well as drop-in sessions with vice-presidents were facilitated to provide employees with an opportunity to learn new skills, ask questions or to connect with others in a similar situation. A temperature check survey was conducted which demonstrated high employee engagement, however satisfaction levels of respondents suffered due to the year's events.

The University has incorporated the goals of the 2019 - 2023 Strategic Plan: *Our Future Is You* into operational activities, and People and Culture continues to work with each Division to achieve performance targets. The strategy incorporates effective onboarding for new staff; refresher inductions for existing employees; personal, professional and leadership development opportunities (including staff study support for VET and higher education qualifications); appropriate and continuous performance management; employee recognition and talent management activities.

Flexible work options and employee health and wellbeing activities remained a key strategic priority area for the University. It was very evident during the COVID-19 restrictions and lockdowns that the University is well placed to effectively manage employees working remotely. To this end, the University has strengthened its flexible working guidelines and as a result will provide more

opportunities for flexibility in the future. Access for staff to support mechanisms regarding health and wellbeing was paramount for the University with many staff participating in offerings and positive feedback being received.

In 2020, the University's Employee Value Proposition *My job changes lives* campaign became a pivotal message in all employee related communications and highlighted the benefits of working at CQUniversity.

### **INCREASING INDIGENOUS EMPLOYMENT OPPORTUNITIES**

People and Culture continued to work closely with unions and the University's Office of Indigenous Engagement (OIE) on engaging with Indigenous staff to solidify support networks for current staff as well as providing more employment opportunities for Aboriginal and Torres Strait Islander peoples to join the University. Consultation on the Indigenous Leadership and Engagement Strategy (ILES), cultural competency program development and launch, and commencement of a new and innovative First Nations Workforce Strategy (FNWS) were all features of the University's progress in 2020.

The FNWS aims to take a strategic approach in maintaining and further growing its First Nations workforce. The intention is to reach the national parity rate of a minimum of three per cent employment. This will be achieved through targeted recruitment, professional development and retention in all employment categories and levels. The FNWS strives for significant outcomes of social and economic benefits for First Nations trainees, staff, alumni, and communities. In turn, the University will be positioned as an employer of choice for Aboriginal and Torres Strait Islander peoples. A First Nations Employment Coordinator was appointed to oversee the implementation of the actions.

CQUniversity is committed to creating culturally safe workplaces, to better engage with and retain First Nations employees and students and equip non-Indigenous team members with the knowledge and skills to engage with their peers and Indigenous communities. An online course was made available to all staff. It offers an introduction to the history and culture of First Nations People in Australia and explores the diversity of knowledge of Indigenous cultures and language groups.

### **INCREASING THE NUMBER OF STAFF WHO HOLD, OR ARE STUDYING, A VET OR TERTIARY QUALIFICATION**

A major organisation-wide KPI for the University is to encourage continuous learning and skills development among staff, by providing support and flexibility, so that they can participate in further education and gain qualifications in vocational or tertiary education. All employees have been encouraged to participate in the abundance of online training material offered by the University with a significant increase in interest and participation in 2020.

Where staff already held certificate level or undergraduate qualifications, they were encouraged to pursue further studies and all staff were given the opportunity to participate in the many online and short course offerings made available by the University. There was significant staff engagement in these courses during the COVID-19 lockdown periods. The total percentage of staff currently holding a qualification at vocational level or above sits at 81 per cent.

### **MAINTAINING AN APPROPRIATE LEVEL OF STAFF PARTICIPATION IN PROFESSIONAL DEVELOPMENT OPPORTUNITIES**

The lockdowns and increase in employees working from home saw a massive increase in participation in online professional development. All research and learning and teaching related material were uploaded into the system to ensure anytime, anywhere access and availability.

Staff were also surveyed as to what type of activities they would like to take advantage of in the future and this will form the plan for offerings and package developments in future years.

### **OUR COMMUNITIES**

Proactive and meaningful engagement with communities, both in Australia and overseas, has continued to inform CQUniversity's actions and offerings. The University understands that it will only meet its full potential when its communities and industries have reached theirs; the University has committed to supporting them to do so.

### **INCREASING OUR ENGAGEMENT WITH INDIGENOUS COMMUNITIES IN PARTNERSHIP WITH COMMUNITY ELDERS**

Collaboration with Australia's First Nations people is imperative at CQUniversity. This commitment was demonstrated throughout 2020 by many engagement activities and initiatives involving CQUniversity staff, students, partners, and Indigenous community representatives.

Professor Adrian Miller, Deputy Vice President, Indigenous Engagement and BHP Chair in Indigenous Engagement has led the development of several University-wide strategies focused on increasing First Nations people's, access to education, employment, community engagement and enterprise across the CQUniversity footprint. The strategies have also enabled the establishment of governing bodies and programs that have an objective to provide continued access to relevant education, research, and employment opportunities. Celebrating National Reconciliation Week 2020, CQUniversity endorsed the Uluru Statement from the Heart. In doing so, the University released a statement that reinforced its commitment to embedding Aboriginal and Torres Strait Islander leadership and engagement through a whole-of-university approach.

The Indigenous Engagement and Leadership Strategy (ILES) is a socially innovative, whole-of-university approach to education, training, and research, focused on Indigenous Australians. The ILES concentrates on engaging with Aboriginal and Torres Strait Islander communities in relation to education, research and employment, while striving to take the University forward in recognition of the contribution made by Indigenous Australians to the organisation's knowledge and culture. The strategy offers processes and possibilities for undertaking changemaker research; expanding the University's presence and reach in communities; driving sustainable and responsive changes in training; leading excellence in higher education and driving change as a positive disruption to currently held sector ideology.

The First Nations Council of Elders and Leaders (FNCEL) is an innovative way for the University to engage with First Nations people in the communities CQUniversity serves. The FNCEL met regularly throughout the year to provide First Nations people's cultural, social, and regional input into university processes and programs. The group has provided advise on several strategies developed by senior management. A research project evaluating the FNCEL and examining ways to introduce this model into other regions within the CQUniversity footprint is underway.

In 2020, The Office of Indigenous Engagement (OIE) engaged Balarinji, a design company specialising in Indigenous design, to develop OIE brand motifs to reflect the unique identity of the University's OIE. The artwork titled Billabong Camp depicts time-worn tracks that lead to a shady place of water with Clans gathering under paperbark trees after a long, hot journey. The design places people at its centre – referencing students, researchers, people and community. The design has been made available for use in learning materials, reports or presentations that relate to Indigenous matters. The OIE, Events and Creative Arts teams also collaborated to create a digital Acknowledgment of Country video, to be used for events across the University's national footprint.

The Office of Social Innovation (OSI) partnered with Mr Leslie Lowe, a proud member of the Bundjalung Nation from the northern rivers of New South Wales, co-founder of the Indigenous corporation TECKnology, and CQUniversity alumnus, to deliver a series of workshops titled *Social Innovation through an Indigenous Lens*. These workshops, funded by a grant from Ashoka U, were designed to celebrate Australia's pre-colonial history of creative communities and innovative solutions. Participants were guided through the innovations and systems that Indigenous people used to look after the land and were invited to discuss how these types of



solutions could be applied to modern problems through a traditional yarning session. Each workshop began with a Welcome to Country from local Elders, who were invited to remain and offer their insights throughout the yarning session. The workshops were conducted in Brisbane and Townsville, with workshops planned for Mackay, Melbourne and Rockhampton delayed due to COVID-19.

The Townsville campus hosted the First Nations Research Higher Degree (RHD) Academy Writing Workshop for three days in November, to support and mentor Aboriginal and Torres Strait Islander students in research. Six Indigenous RHD students from across Queensland attended. This workshop provided opportunities for participants to share their experiences and learn in a supportive environment alongside their peers and academy mentors.

Within the Mackay region, CQUniversity partnered with Kutta Mulla Gorrina Inc to formally establish the Independent Non-State Special Assistance School for disadvantaged young people including Aboriginal and Torres Strait Islander youth. This partnership also provided secondary schooling opportunities to young people who were disengaged and alienated from the conventional school system. There were 54 students in the 2020 cohort and the students regularly accessed the University campus for extra-curricular activities. Many of the students also enrolled in pathway and vocational programs offered by CQUniversity.

The Woorabinda Art Exhibition at CQUniversity Emerald was held in February 2020 and showcased Aboriginal and Torres Strait Islander artists in collaboration with Central Queensland Regional Art Services (CQ RASN). The exhibition continued until November 2020. The Emerald region also planned the first-ever graduation ceremony held in Woorabinda so that the 18 First Nations graduates from the Certificate I in Conservation and Land Management could receive their qualifications. This was the first CQUniversity graduation in a remote Indigenous community. This group of students also constructed the culturally significant Taroom-Woorabinda Memorial Walkway for the practical component of their course. It has been reported that over 85 per cent of the participants have since gained employment.

### **BEING RECOGNISED BY RECONCILIATION AUSTRALIA FOR THE CQUNIVERSITY RECONCILIATION ACTION PLAN (RAP)**

In 2020, the University's Reconciliation Action Plan (RAP) Working Group was established to engage with stakeholders and develop the next CQUniversity RAP. Co-chaired by the Deputy Vice-President (Indigenous Engagement) and the Deputy Vice-President (Strategy and Innovation), the group will liaise with Reconciliation Australia to gain endorsement and hand responsibility for the management of the RAP to the University's RAP Coordinating Committee by the end of 2021.

### **EXPANDING OUR PRESENCE BY PARTNERING WITH AND SUPPORTING NEW STUDY HUBS IN UNDER SERVICED AUSTRALIAN COMMUNITIES**

CQUniversity has a history of working with communities through partnerships with stakeholders in its campus footprint to improve access to tertiary education and training opportunities in regional Australia. This includes engagement through local study hubs, as well as partnerships with community-owned Regional University Centres (RUCs). These partner centres are community driven and provide CQUniversity with an opportunity to serve a region directly, based on community needs and aspirations, using local facilities and resources.

CQUniversity continued its partnership development with RUCs during 2020 and grew overall student numbers within partner locations. This partnership expansion included a new agreement with the Taree Universities Campus, while existing partner institutions added additional locations, for example the Country University Centre (six new locations) and Uni Hub Upper Spencer Gulf (one new location). CQUniversity also consulted and engaged with communities keen to make bids for future Commonwealth rounds of funding for new RUCs.

Engagement and meetings with numerous stakeholders in Woorabinda continued throughout the year, culminating in the signing of a two-year Memorandum of Understanding (MOU) with the Woorabinda Aboriginal Shire Council, Yoonthalla Services and CQUniversity. The MOU outlined the partnership that spans across a range of initiatives such as:

- » collaboration on activities that strengthen or support the development of sustainable communities
- » collaborative learning and economic opportunities through education and training pathways including VET, Higher Education and non-award courses
- » collaborative applications for grants, funding, higher education scholarships and traineeship opportunities with community and government agencies to support initiatives
- » collaboration on social innovation/enterprise focused initiatives
- » the potential shared use of training/office facilities and resources.

An Indigenous Community Hubs Engagement Officer was appointed to facilitate community engagement. CQUniversity will be represented in Woorabinda with an office space located above the Indigenous Knowledge Centre. This will provide an area for CQUniversity staff and Woorabinda community members to engage in training and develop a higher education pathway. The OIE led further consultations to develop the *Woorabinda Research Strategy* document with the Woorabinda Traditional Owners, the Chief Executive Officer of the Woorabinda Aboriginal Shire Council and the CQUniversity research team.

The Central Queensland Regional Arts Services Network (CQ RASN) also worked with Woorabinda artists and stakeholders to successfully gain BHP funding for the establishment of the Woorabinda Arts and Cultural Centre at the Woorabinda Aboriginal Shire Council owned Duaringa Hall.

Woorabinda Elder, Uncle Steve Kemp, has also worked with CQUniversity's Central Queensland Innovation and Research Precinct (CQIRP) scientists to develop research on the medicinal properties of native plants, based on his extensive knowledge of the plants and their healing properties. The team gained legal advice to protect Uncle Steve's intellectual property and explored funding options for this work. A Woorabinda Traditional Owner connected with Enterprise Hub member Many Rivers Microfinance, to develop a business plan for hand creams and other items made from traditional plants.

### **INCREASING STAFF ENGAGEMENT IN EXTERNAL COMMUNITY INITIATIVES**

Committed to being Australia's most engaged university, CQUniversity staff were encouraged to collaborate with students, stakeholders, industry, and communities in productive and mutually beneficial partnerships that influence positive outcomes for those the University seeks to serve. Although COVID-19 disrupted the way CQUniversity would traditionally engage with communities, operational areas from across the University led innovative approaches to engage with stakeholders by virtual means during the pandemic's lockdown restrictions.

In 2020, the Office of Social Innovation (OSI) continued to work with many existing community partners while also looking for new opportunities to expand the engagement agenda with other community groups. The OSI Director, Ms Lara Carton continued to serve on the Network Advisory Committee (NAC) for Ashoka U, providing strategic advice and representing Australia's interests and needs in the global Changemaker Campus network. The OSI team also provided submissions to the Queensland Minister's Department of Employment, Small Business and Training (DESBT) round table on social enterprise and worked with both the Minister and Queensland Social Enterprise Council (QSEC) to support the social enterprise ecosystem across regional Queensland.

CQUniversity also received a grant from the Foundation for Rural and Regional Renewal (FRRR) to deliver a series of social enterprise workshops in Queensland's Central Highlands region commencing in late 2020 and continuing into 2021. These workshops were delivered in collaboration with Central Highlands Community Services and are designed to provide fresh support and skill for social entrepreneurs and supporters across the region.

Throughout the year, the OSI invited many organisations to interact with CQUniversity through the annual

Festival of Change (FoC). The 2020 Festival comprised nine events over the course of three weeks and invited guest panellists and speakers from 15 community organisations to present to festival participants on their ongoing work in the social innovation and enterprise sector. In addition, CQUniversity staff and students were invited to join with members of the community in co-design workshops investigating options for creating bright youth futures, sustainable regional development and healthy and connected communities. Traditionally held both on-campus and online, the FoC was transitioned to an entirely online event in 2020 due to COVID restrictions.

The OSI continued to engage students in changemaking activity by recruiting students to participate in the Big Idea social enterprise competition. OSI team members mentored students throughout the process and two Brisbane-based students won for their high-tech motorbike safety idea. This was the fourth time in seven years that a CQUniversity team had won the competition.

CQUniversity was announced as the winner of the 2020 Defence Reserves Employer Support Award under the not-for-profit organisation category. The awards recognised organisations for their continued support of Australian Defence Force (ADF) Reservists and the communities they serve across Australia. In the past year, several CQUniversity employees were deployed with the ADF Reserves in response to the national bushfire crisis and the COVID-19 pandemic.

In 2020, CQUniversity was awarded two Citizen Science Grants by the Queensland Government to increase public participation in scientific research. Led by Associate Professor Emma Jackson, the first supported project will engage local residents, volunteer organisations, and apprenticeship schemes in the non-destructive collection of seagrass flowers from intertidal seagrass banks in the Gladstone, Bundaberg, and Sunshine Coast areas. The second project led by Mr Saba Sinai-Mameghany will engage primary school-aged children through the Central Highlands Science Centre's After School Science Club Program and members of the broader community in the collection and identification of ticks in the Central Highlands Region.

Under the auspices of the Western Australia Region Engagement Committee, CQUniversity's Perth Campus instituted the first Bangalanga, from a Nyoongar word meaning 'exchange'. CQUniversity organised a WA-wide virtual meeting of local community members from Perth, Busselton, Broome, Geraldton and Karratha to discuss the role that regional universities can play in increasing regional aspiration and achievement. Arising from the discussion, the University is pursuing the common theme of investigating the implementation of a 'Children's University' model that could link different communities across regional WA, and potentially beyond.

Despite COVID-19, the University engaged communities in Far North Queensland through activities such as the recovery hub for the Women's National Basketball League (WNBL), partnering with Education Queensland to deliver training to teacher mentors in the region, engaging with the Young Entrepreneurs Program (YEP) to deliver entrepreneur facilitation activities in the region and delivering additional Start Uni Now (SUN) services at Mossman State High School. CQUniversity also partnered with Engineers Australia in the Cairns region to deliver professional development activities and opportunities for students.

CQUniversity's International Directorate was a platinum sponsor of the Federation of Indian Communities of Queensland (FICQ) and participated in several events including Diwali celebrations and a welcome to the new High Commissioner for India to Australia. As part of this relationship, the University was invited to present two students from India at Parliament House where they met with the Premier and the Minister for Multicultural Affairs as part of a wider community event.

CQUniversity also partnered with the Future Female Forum event in Melbourne, an event organised by the Council of International Students Australia to encourage female participation in STEM careers with the aim of equipping future females with knowledge and inspiration to bridge the gap between local and international communities as we work towards a fairer world. CQUniversity also provided mentors to students as part of this conference event which was held entirely online due to COVID-19.

### **INCREASING SOCIAL AND INDIGENOUS PROCUREMENT ACTIVITIES OF CQUNIVERSITY**

CQUniversity has continued its membership and strong working relationship with Social Traders into 2020. Continuing on from 2019, the University took further steps to develop clearer mechanisms to support social and Indigenous procurement by updating internal procurement documentation to include useful guides about procuring goods and services from social and Indigenous enterprises. The Accounts Payable and Procurement teams worked extensively to make the reporting functions more thorough, robust and user friendly, with the inclusion of social or Indigenous enterprise tags for recognised and certified suppliers. Not only did this enable the University to report on spend with these suppliers, but it also allowed staff to search suppliers within the University's finance system. The University's procurement team also commenced the development of a supplier register that identifies suppliers that may not be registered with Social Traders, Supply Nation, or other similar bodies.

The mechanisms put in place have had an impact on social and Indigenous procurement activities with CQUniversity spending more than \$500 000 annually with social and Indigenous enterprises in both 2019 and 2020.

In 2020, the University renewed its membership to Social Traders as part of an ongoing commitment to procurement from social innovation and Indigenous businesses. Through this membership, the University receives support in identifying best-practice social procurement opportunities and measuring the social impact of its procurement. The OSI innovation also continued to incorporate social procurement initiatives into event planning activities across the University.

### **ESTABLISHING NEW, SIGNIFICANT CORPORATE AND INTERNATIONAL PARTNERSHIPS**

CQUniversity's partnership agreements provide a formal mechanism for connecting the University with stakeholders in mutually beneficial relationships across education, research and service. Partnership agreements are an important tool in engaging with communities, accessing target markets, and raising the profile of CQUniversity.

In 2020, CQUniversity recorded 25 formal international partnerships, which is an increase on the international agreements held in 2019. These 25 partnerships are made up of:

- » 13 Student Mobility Agreements
- » two Memorandums of Understanding (MoU)
- » two Education Partnership Agreements
- » four Articulation Agreements
- » one Contract, Partnership Head Agreement, Cotutelle and Dual Degree.

During 2020, MOUs were established with New Mexico State University (in the United States of America (USA)) to deepen and broaden the existing relationship to include development of a joint PhD and student exchange opportunities. An existing MOU with Ohio State University (also in the USA) has seen the development of research activity in the cropping and livestock area and will allow PhD students to conduct research at each institution as part of their projects. The agricultural research area continued to explore global opportunities, including in Latin America, and was showcased as part of the Trade and Investment Queensland (TIQ) mission to India in early 2020 where CQUniversity participated in the signing of State-based MOUs to build relationships and opportunities for future research.

Existing relationships have continued to evolve, with additional collaborative programs developed with Bakrie University in Indonesia, for undergraduate studies in addition to the existing postgraduate business program. The establishment of research activities in a dedicated Indonesian centre continued throughout 2020 and

CQUniversity was pleased to have contributed to research that will benefit both Indonesia and Australia through improvements in agriculture and animal husbandry techniques. CQUniversity continued to collaborate closely with the Australian College of Kuwait (ACK) and has deepened ties and academic links with ACK during 2020.

During 2020, CQUniversity also strengthened its partnership with BHP to leverage further engagement and collaboration opportunities. Partnership meetings have resulted in the drafting of a 'First Nations Community Engagement Industry Guide'. This framework will be a practical resource, providing information to those who engage with First Nations communities in ways that benefit both communities and organisations.

CQUniversity is also proud to have partnered with more than 140 companies who share the University's belief in the power of education and research. Those organisations have made a transformative impact on the University's students, communities and programs through philanthropic donations, funding scholarships, academic prizes, equipment, facilities, research, and outreach programs. Support from these partners continued throughout 2020.

## OUR REPUTATION

CQUniversity's reputation is inherently linked with its ability to engage with students, alumni and other partners to create long-lasting and mutually beneficial relationships. The University has continued to boost its reputation to enhance its growth trajectory and to attract further engagement with partners and students across the world. CQUniversity has invested in technology systems, products and people and has worked on establishing itself as a leader in addressing key issues that affect individuals and communities across the world.

### IMPROVING OUR STANDING IN THE *TIMES* HIGHER EDUCATION REPUTATION INDEX

CQUniversity continues to hold a place within the world's top 800 universities, according to the 2020 *Times Higher Education (THE)* World Rankings. With more than 28 000 universities across the globe, this result places CQUniversity amongst some of the highest-achieving institutions in the world. Despite this, the University has not increased its position in the rankings since the 2019 results were announced. Prior to 2019, CQUniversity had been increasing its position within these rankings and had appeared in the top 600. Ultimately, CQUniversity wants to not just regain this position, but increase its ranking even further to be positioned in the top 500 by 2022.

The *THE* ranking and the other major ranking that CQUniversity concentrates on, the Quacquarelli Symonds (QS) World University Ranking, measure the University's performance across areas including teaching, research, citations, international outlook and industry income. In 2020, CQUniversity was ranked within the top 600 according to the QS World Rankings. CQUniversity also ranked as a leading 'young university' by both *THE* (top 200) and QS (top 100), placing it as one of the best universities in the world under 50 years of age.

CQUniversity has participated in the *THE* Impact Rankings for the last two years and has achieved a spot in the top 200 universities globally. *THE*'s newest ranking on social and economic impact also ranked CQUniversity among the top 200 institutions in the world when it came to meeting the objectives set out in the United Nations (UN) sustainable development goals. The ranking has a focus on a subset of 11 sustainable development goals, including global partnerships as a mandatory field. The other goals include good health and well-being; quality education; gender equality; decent work and economic growth; industry, innovation and infrastructure; reduced inequalities; sustainable cities and communities; responsible consumption and production; climate action; and peace, justice and strong institutions. CQUniversity was ranked within the top 100 for four of the fields, including quality education, decent work and economic growth, peace, justice and strong institutions, and partnerships for the goals.



CQUniversity received a four-star overall rating as part of the QS Stars Rating System. CQUniversity achieved four and five-star ratings in several QS Star categories, including:

- » 4 Stars for inclusiveness
- » 4 Stars for facilities
- » 5 Stars for employability
- » 5 Stars for internationalisation
- » 5 Stars for teaching.

CQUniversity also received five-star ratings in the Good Universities Guide for:

- » Social Equity
- » Student/Teacher Ratio
- » First Generation
- » Graduate Salary (undergraduate and postgraduate)
- » Full-time Employment (undergraduate)
- » Skills Development (postgraduate).

In 2020, as a result of the University restructure, the rankings portfolio transferred to the Research Division from the Global Development Division (previously the International and Services Division). The University will continue to develop an understanding of the metrics informing the rankings, translating the requirements into business processes to ensure rankings goals are achieved and the University meets the success criteria. To improve rankings performance, a project team has developed a strategy around rankings, including regular communication with key industry and research academics, strategic profiling and promotional campaigns.

### **ACHIEVING AND MAINTAINING RENEWED ACCREDITATION AS A CHANGEMAKER UNIVERSITY WITH ASHOKA U**

In 2016, CQUniversity was the first Australian university to be accredited as an Ashoka U Changemaker campus. In 2020, CQUniversity was officially re-accredited with Ashoka U Changemaker campus status and continues to be the only Australian Changemaker Campus.

Ashoka U is an initiative of Ashoka, the world's largest network of social entrepreneurs, and builds on Ashoka's vision for a world where everyone is a Changemaker. The Ashoka U Changemaker Campus program is made up of only 45 education institutions across the world, with members collaborating to break down barriers to institutional change and foster a campus-wide culture of social innovation.

CQUniversity's re-accreditation as a Changemaker campus recognised three years of diverse program development where CQUniversity influenced students and communities to contribute to genuine social change. Examples include:

- » Transformational learning opportunities to embed an understanding of social change and innovation into every degree program by 2023. This will result in thousands of CQUniversity graduates being equipped to understand how to contribute to positive social outcomes through the lens of their chosen discipline.
- » Australia's first whole-of-institution social innovation orientation program, iChange being freely available to all CQUniversity students and staff.
- » Social Innovation workshops held across regional Queensland, that have supported diverse student cohorts to design solutions for community partners that target key regional economic and social issues.

Since first becoming an Ashoka U Changemaker campus, CQUniversity has supported students, staff and community members to develop social innovation mindsets through programs embedded in curriculum, community partnerships initiatives, and extra-curricular opportunities.

### **ACHIEVING AND MAINTAINING ACCREDITATION INTO THE CARNEGIE COMMUNITY ENGAGEMENT CLASSIFICATION FRAMEWORK**

Officially launched in November 2018, CQUniversity is participating in an Australian pilot of the Carnegie Foundation Community Engagement Classification, which allows universities to demonstrate their commitment to the communities they serve. The Swearer Center at Brown University in the United States of America (USA) is the administrative and research host institution for the elective classification, which represents best practice in the field and encourages continuous improvement through periodic re-classification.

CQUniversity is working alongside other Australian universities, as well as Engagement Australia, to review and adapt the existing USA framework for the Australian tertiary education context. CQUniversity's participation is led by the Global Development Division. The accreditation model was in the development stage in 2020 and still subject to evaluation by the USA based Carnegie group. An accreditation model is expected to be finalised in early 2021.

### **INCREASING PHILANTHROPIC INCOME**

Philanthropic plans and activities were impacted by COVID-19 in 2020, bringing about an increased focus to raise funds to support students through emergency grants and other types of immediate financial relief. What has not changed though is the loyalty and commitment of CQUniversity's regular partners and donors. Despite the economic challenges, most donors renewed their support over the past year. The University was also fortunate to welcome 11 new partners, including three new scholarship donors. Relationships with key industry partners such as BHP, Arrow Energy, Australia Pacific LNG and Whoop were strengthened through multi-faceted engagement and conversations.

Throughout 2020, 160 staff supported the CQUniCares fund through regular workplace giving contributions. Further to this, the 2020 CQUniCares Appeal raised more than \$80 000, with a 27 per cent increase in the number of donations compared to 2019. CQUniversity was also honoured to be named as the beneficiary of two bequeathed estates in 2020, which will, as per the donors' wishes, create fantastic new opportunities for students in 2021 and beyond.

### **INCREASING OTHER EXTERNALLY SOURCED INCOME**

CQUniversity secured \$18 982 500 in externally sourced income throughout 2020. This included Queensland election funding commitments from the Labor Government of \$7.5 million for the development of the Mackay Heavy Auto facility at the Mackay Trades Training Centre, and \$8.4 million for Stage 1 of the Central Queensland TAFE Centre of Excellence to be constructed at the Rockhampton North campus.

CQUniversity also attracted additional funding income for the delivery of vocational education and training programs, capital maintenance and student scholarships, including State Government funded international student support scholarships in Queensland and Victoria. CQUniversity was also awarded \$907 500 for domestic and international student scholarships, for students who choose to study in regional Australia as part of the Commonwealth's Destination Australia program. New domestic and international students studying undergraduate or postgraduate courses in Cairns, Mackay or Rockhampton from 2021 may be eligible to receive a scholarship as part of this program.

CQUniversity also gained approval to receive a Northern Australia Infrastructure Facility (NAIF) loan of up to \$76 million to fund a package of capital expenditure programs over two years (2021-22). This loan will help to ensure several key capital projects in Northern Australia continue, despite the projected financial shortfall due to the impact of COVID-19 and loss of international student revenue. The continuation of these projects, including a digital infrastructure program, revitalisation of learning and teaching spaces and new facilities, will help to ensure the quality of university facilities and services. It will also support broader regional recovery post-COVID-19.

### **COMMUNICATIONS AND MARKETING**

Stakeholder communication efforts throughout 2020 have been heavily focused on responding to the pandemic and ensuring all stakeholders, especially staff and students, had access to important work, study and health information. Throughout this process, the key priority was to deliver timely, relevant and accurate information, in order to help protect the health, safety and wellbeing of staff and students. CQUniversity also ensured staff and

students had access to the information and resources they needed to make appropriate decisions about their ongoing work and study, as this was largely transitioned to online and work-from-home for most of the year.

Throughout 2020, external media placed a strong focus on COVID-19-related coverage. Several CQUniversity research experts have been featured in this coverage which helped further enhance the University's research reputation, especially in relation to public health, sleep, domestic violence and human behaviour.

The delivery of the University's marketing and student recruitment program in 2020 was impacted due to the disruption caused by COVID-19. While Term 1, 2020, applications were well underway and almost finalised prior to national lockdowns and other response measures, the student recruitment strategy for the year had to quickly evolve to a largely virtual approach. CQUniversity's website and digital marketing approach were already mature, as the markets served by the institution have always either been largely distant to a campus or requiring a more flexible approach owing to work and other commitments. Virtual open day, online chat sessions, automated messenger chat, webinars and nurture campaigns via email were just some of the features of the new strategy which covered vocational, preparatory, undergraduate, postgraduate and research courses and reputation and brand marketing efforts.

Despite the disruption of COVID-19, domestic application results were not negatively impacted. Term 1 2020 delivered a 12 per cent\* increase on the 2019 result and Term 2 and 3 delivered 44 per cent\* and 31 per cent\* respective increases (undergraduate and postgraduate course applications). Interest in postgraduate research was also positive with 250 students being accepted into a Graduate Certificate of Research or PhD course. Vocational training and education delivered results (year to date October) commensurate with the 2019 intake overall, but with notable increases in Certificate IV and Diploma intakes. There was also healthy interest in articulations to degree courses for this group for 2021 admissions.

\*Statistics relate to applications only, not EFTSL or converted student numbers.



## OUR SUSTAINABILITY

CQUniversity has embodied a culture of sustainability underpinned by a targeted commitment to being a socially, culturally and environmentally responsible organisation, producing students who are equipped with the knowledge, skills and underlying drive to create a more sustainable society. CQUniversity has continued to act in a way that is financially and environmentally responsible and sustainable. In 2020, the global environment changed rapidly and CQUniversity has remained agile and responsive to these significant changes. Sustainability is embedded in all decision-making processes, strategic planning and day-to-day operations. As part of this sustainability agenda, the University and its people aim to uphold the principles of the United Nations Sustainable Development Goals (SDGs).

### MAINTAINING AND INCREASING OUR GIVING BACK COMMITMENT TO OUR COMMUNITIES

CQUniversity has recognised the importance of its regions and its engagement agenda is premised on building a committed and engaged university community with the knowledge, skills and drive to contribute to a more sustainable future, positively influencing the lives of others. CQUniversity has given back to the regions it serves through direct financial support and sponsorship, donations of campus resources, collaborating with communities to deliver workshops and initiatives, and through the contribution of staff time and expertise toward problem solving and volunteering roles.

Through appointed social innovation ambassadors called “Change Champs”, the University’s Office of Social Innovation has shown a commitment to engaging with communities to address entrenched social issues. To do this, the University partnered with a wide range of organisations, businesses and individuals across the CQUniversity footprint to deliver socially innovative activities and programs, including:

- » the Festival of Change (FoC) – a free virtual learning festival held in September 2020 that focused on opportunities to transform communities, grow resilience and drive positive change in a world weighing heavily with the impacts of the COVID-19 pandemic
- » working with *The Big Issue*, a not-for-profit social enterprise that helps homeless, marginalised and disadvantaged people positively change their lives
- » participation in *The Big Issue’s* social enterprise competition, The Big Idea
- » project collaboration and global study experiences with Nepal-based social enterprise Seven Women
- » long-running partnerships with India’s Salaam Baalak Trust (SBT) charity and sponsorship of the city walk
- » the development and delivery of the iActivate short course in collaboration with Impact Boom that aims to highlight sustainable solutions for community issues.

In 2020, CQUniversity maintained its engaged service leave initiative for staff, in which University staff are encouraged to spend one working day volunteering in their local communities. Despite the challenges posed for engagement activity by COVID-19-related restrictions, staff dedicated their leave day to a host of activities including the Colour Frenzy Fun Run (raising money for animal rescues), volunteering at the joint initiative between CQUniversity and SecondBite to provide students experiencing financial hardship with access to free food, Clean Up Australia Day, tree planting initiatives on Great Keppel Island, Share the Dignity collections, the Special Children’s Christmas Party and more.

CQUniversity also maintained the CQUni CareerHub which is an online database that allows employers to advertise job opportunities. This online database has a dedicated volunteering section and anyone in the community is welcome to sign up and advertise volunteering and paid job opportunities to University staff, students and alumni free of charge.

Integral to the University’s engagement and giving back agenda is a commitment to sustainable, social and Indigenous-focused procurement, together with an emphasis on sourcing from local suppliers and small businesses within the University’s regional footprint. As part of this permanent policy initiative, the University is committed to creating greater social value with its purchasing spend, through partnerships with Indigenous social enterprises, sustainable local production, and social impact and enterprise ventures. In 2020, CQUniversity spent more than \$520 000 with social enterprises and Indigenous organisations, which delivered direct financial and social benefits to the communities in which it operates. In addition to this, there were indirect flow-on benefits associated with doing business with suppliers who donate cash and services to social enterprises.

### IMPROVING THE OVERALL FINANCIAL POSITION OF THE UNIVERSITY

The financial situation across the Australian Higher Education Sector has deteriorated due to the ongoing impacts of the COVID-19 pandemic. Like most institutions, the impacts for CQUniversity have been a downturn in international student arrivals in Term 1, 2020, and the complete cessation of new international student arrivals in Term 2, 2020 (and into the foreseeable future). Adding to these challenges was the passing of the Government’s Job Ready Graduates Bill in October. While the impacts of this legislative reform were not directly felt in 2020, the Bill changed the mix of government funding and student contributions for certain courses in 2021 and beyond, meaning that some courses with low government contribution may become unviable to deliver beyond the funding cap.

With the impacts of the COVID-19 pandemic weighing heavily on the sector, CQUniversity has been proactive in its financial strategy with a focus on data-driven decision making to mitigate losses and ensure a sustainable financial future. With access to cloud-based dashboards offering real-time data on student pipelines from application to enrolment, converting these student numbers to revenue and comparing these projections to detailed budget and reforecast positions, CQUniversity has been able to leverage these real-time data sources to make informed and proactive financial decisions. Using this real-time data to model various financial scenarios, CQUniversity identified the potential revenue impacts early and recognised the need for decisive and immediate action to ensure the ongoing financial viability and sustainability of the University.

This detailed financial remodelling and scenario analysis informed the following key financial decisions during 2020:

- » structural changes to the University's cost base in the form of a new, leaner executive management and divisional structure
- » a new University structure to consolidate functions, realign salary costs against reduced income streams and streamline services and processes
- » a reconfiguration of the University's regional leadership model
- » a reduction in senior executive and management salaries for the 2020-2021 financial year
- » the forgoing bonus entitlements for 2020
- » a pause on all non-essential staff recruitment
- » a pause on all non-essential staff travel
- » the cancellation of non-essential capital works
- » a reduction in the campus network with the permanent closure of the Biloela and Yeppoon study centres, and Sunshine Coast Campus
- » the outsourcing of essential services at a reduced cost
- » a voluntary separation round involving the approval of 211 positions
- » the disestablishment of 85 positions from the organisational structure
- » the development of strong cost reduction strategies to be executed during the 2021 budget process including heavy reductions in all non-essential operating expenditure
- » engaging with the Northern Australia Infrastructure Fund (NAIF) to leverage a loan for a two-year capital expenditure program to fund critical projects that are essential for the University's future success as an education institution.

These actions formed the basis of CQUniversity's Beyond COVID-19 Recovery Plan. The University acted proactively to restructure and reshape its business model to ensure its financial viability and ongoing sustainability and meet existing and new markets under what will be 'a new normal'.

## **REDUCING ENERGY USAGE ACROSS CQUNIVERSITY**

CQUniversity's strategic focus on sustainability is evidenced by the Sustainability pillar in the Strategic Plan and underpinned by the operational goals and targets designated in the University's Sustainability Framework and Sustainability Policy. Sustainability at CQUniversity has been integrated across all elements of the University's operations, teaching and research activities. A focus has been placed on how individual and collective actions are connected to and contribute to the larger sustainability agenda. The principles of the framework are as follows:

- » engage and empower stakeholders with modern sustainability initiatives
- » establish University-wide environmental impact reduction targets
- » fulfil a commitment to sustainable building designs and facilities
- » develop sustainable campuses
- » incorporate sustainability topics for teaching and research as interrelated components.

These principles are linked to nine elements which are aligned to the United Nations Sustainable Development Goals (SDGs), one of which is energy, with an emphasis on reduced energy consumption, energy efficiency and conservation in its facilities and operations. The energy element of the framework identifies guiding principles:

- » to reduce energy usage incrementally over the years by utilising alternative methods of energy conservation
- » to encourage energy-saving behaviour on campus through technical assistance, awareness campaigns and studies.

## REDUCING WASTE ACROSS OUR CAMPUS FOOTPRINT

With a large nationwide footprint, CQUniversity has acknowledged the importance of waste reduction initiatives across our campuses. As part of the Sustainability Framework, the University has adopted the following guidelines which are based on the Commonwealth's National Waste Policy.

- » Reduce overall waste production
- » Seek to increase the use of recycled and renewable materials
- » Contribute to the reduction in greenhouse gas emissions, energy conservation and production, water efficiency and the productivity of the land.

Following is a summary of the Framework targets for energy and measure performance levels (Table 1) and waste and measured performance levels (Table 2):

Table 1: Sustainability Framework energy targets and measured performance (2019-2020)

FRAMEWORK TARGET	PERFORMANCE
Introduce energy monitoring equipment to allow for measurement and targeted saving areas.	Energy meters installed in buildings on the Rockhampton North campus and the ongoing monitoring and identifying target areas for energy savings is assigned to key personnel. Plans are underway to extend this initiative to other campuses once refurbishments and major projects are scheduled and are subject to budget constraints.
Continue to introduce energy efficient equipment.	Street lighting upgrades to LED lighting are underway on the Rockhampton North campus and more energy efficient chillers are being installed.
Reduce energy use by 20 per cent by the end of 2023 (2015 baseline).	In 2019 (the latest data available), an energy reduction of 9.6 per cent from 2018 levels was achieved.
Introduce electric cars to the University vehicle fleet.	Electric transportation devices (e-bikes and e-trikes) have been trialled.
Reduce the cost of energy through identifying new opportunities.	In a joint initiative with QUT and Griffith University, CQUniversity has committed to the long-term purchase of electricity for its Queensland campuses where 50 per cent of the energy is sourced from renewable solar energy sources.

Table 2: Sustainability Framework waste targets and measured performance (2019-2020)

FRAMEWORK TARGET	PERFORMANCE
Partner with local Councils to develop recycling programs for each campus	<ul style="list-style-type: none"> <li>» Recycling programs have been implemented across various campuses, some without involvement from local Councils.</li> <li>» Some Councils participated in on-campus education sessions for staff and students.</li> </ul>
Reduce landfill waste by 10 per cent and divert landfill waste to other streams such as waste to energy	<ul style="list-style-type: none"> <li>» In recent years, landfill waste has reduced by an average 27 per cent.</li> </ul>
Initiate a robust waste reduction, reuse and recycling awareness program. Implement a program specific to stopping the use of single-use plastics.	<ul style="list-style-type: none"> <li>» The nationwide <i>Ditch the Disposables</i> campaign was delivered to staff in 2020. The campaign aimed to educate stakeholders about disposable waste while also providing opportunities for knowledge sharing related to waste reduction.</li> <li>» The People and Culture Directorate initiated various clothing and stationery reuse initiatives.</li> <li>» University-run commercial services are engaging in waste sustainability practices with eco-friendly consumables.</li> </ul>
Reduce overall waste production by five per cent	<ul style="list-style-type: none"> <li>» A targeted Waste Management Plan was executed at 11 campuses resulting in a redirection of 150 tonnes of waste away from landfill.</li> </ul>

# FINANCIAL SUMMARY

## RESULTS FOR 2020

CQUniversity is reporting a consolidated operating deficit of \$34.401 million at the conclusion of 2020. International student income was significantly impacted by COVID-19, resulting in a reduction of \$53.803 million in income from 2019.

## REVENUE PERFORMANCE: DOMESTIC LOAD (HIGHER EDUCATION)

Australian funded load income increased by 5.94 per cent to \$204.469 million.

Australian funded load student numbers increased by 574.1 EFTSL from 2019, representing growth of 5.90 per cent. The result was an additional \$11.462 million in revenue (see Table 3).

The main contributor to the increase in domestic funding is the student contribution component of the student fee, as the University has been over its funding cap for both 2019 and 2020 and therefore only receives the student contribution for any enrolments over cap. The University has only received a small increase of 2.23 per cent on the Commonwealth Government subsidised component.

Table 3: Comparison of actual Australian funded load EFTSL and dollars (excluding research students)

FUNDING	2019 ACTUAL	2020 ACTUAL	VARIANCE	PERCENTAGE VARIANCE
Australia funded load EFTSL	9732.4	10306.5	574.1	5.90
Australia funded load revenue (\$m)	\$193 006 868	\$204 469 212	\$11 462 343	5.94

## REVENUE PERFORMANCE: FEE-PAYING STUDENTS AUSTRALIAN AND INTERNATIONAL (HIGHER EDUCATION)

Revenue from full fee-paying students decreased by \$49.101 million to a total of \$141.152 million, representing a decrease of 27.07 per cent (see Table 4). The main component of the decrease was in full fee-paying international students resulting in a loss of revenue amounting to \$53.803 million. However, domestic full fee-paying student numbers increased by 324.75 EFTSL and an additional \$4.702 million to revenue.

Table 4: Comparison of actual fee-paying student load EFTSL and dollars (excluding research students and including Flexible Delivery courses with census date in calendar year)

FUNDING	2019 ACTUAL	2020 ACTUAL	VARIANCE	PERCENTAGE VARIANCE
Fee-paying student load EFTSL	6945.7	4977.3	(1968.4)	(28.34)
Fee-paying load revenue (\$m)	\$190 252 536	\$141 151 934	(\$49 100 602)	(27.07)

## **VET REVENUE**

Total VET revenue for 2020 was \$44.655 million which is a decrease compared to 2019. However, 2019 VET revenue included a \$10.000 million Community Development Grant for the Gladstone campus. Adjusting the 2019 and 2020 results to exclude capital grant funding, the 2020 VET operating result shows an increase in VET revenue for the year of 5.35 per cent or \$2.191 million. This can be attributed to an increase in VET apprentices and trainees subsidised under the User Choice funding from the State Government.

## **EXPENDITURE PERFORMANCE**

In response to the COVID-19 pandemic the University had to make rapid and significant changes to its operations to ensure it can compete in a constantly changing world. As part of the recovery plan to curtail expenditure into the future, a full organisational restructure was initiated in May 2020 which resulted in a reduction of 296 staff. This resulted in salary expenditure being \$17.084 million higher than in 2019, however this figure included one-off redundancy payments. Significant savings of \$23.697 million were realised on other operational spending including a reduction in agents commission and international scholarships due to the fall in international student enrolments, a reduction in consumables and other supplies, and major savings on travel related expenditure.

## **BALANCE SHEET**

To ensure future liquidity and sustainability given the uncertain environment, the University has entered into an agreement for an unsecured loan facility with the Northern Australia Infrastructure Facility fund to support the capital expenditure program for 2021 and 2022. The first cash draw down of \$35.000 million was received in December 2020. This is included in the overall cash position at year-end of \$140.069 million resulting in a current ratio of 1.38.

## **OTHER MATTERS**

The Federal Government announced the Job-Ready Graduates Package of reforms to higher education which was passed in parliament in October 2020 to take effect from 1 January 2021. Under the new funding regime, the mix of government funding and student contributions for certain courses in 2021 and beyond has changed. The impact of these changes may mean that some courses with low student contribution may become financially unviable to deliver once the University exceeds its funding cap. CQU has exceeded its funding cap for the last two years, with strong demand forecast to continue into the future. Management is constantly modelling various scenarios to ensure forecasted expenditure aligns with budgeted revenue taking into consideration the change in government funding and the protracted COVID-19 situation.

# STATISTICS

## Notes:

1. Data in the following tables are drawn from CQUniversity's data warehouse as at 11 January 2020.
2. Totals do not always match precisely the sum of the columns due to students studying in multiple categories/locations in a calendar year (e.g. both in higher education and vet sectors).
3. Unless otherwise stated, vocation education and training (VET) student/enrolment figures are based on the year students commenced in their unit. Figures for the same period published in previous years may differ, for example, as a result of student enrolments across multiple years and students later withdrawing from their course.
4. References to equivalent full-time student load is expressed as EFTSL.
5. Excludes English Language Intensive Courses for Overseas Students (ELICOS)

Table 5: Number of students by education sector, liability category and year

EDUCATION SECTOR	LIABILITY CATEGORY	YEAR		
		2018	2019	2020
Higher Education	Commonwealth Supported	13 899	14 002	14 789
	Domestic Full Fee	1 612	2 197	2 704
	Enabling	2 100	2 339	2 253
	International	7 479	8 594	5 752
	Research	452	500	609
	<b>Total</b>	<b>25 288</b>	<b>27 299</b>	<b>25 756</b>
VET	Certificate 3 Guarantee	1 387	1 465	1 786
	Fee for Service	3 600	3 870	3 410
	High Level Subsidy	570	806	1 160
	International	188	291	240
	Other	271	236	2
	User Choice	2 112	2 439	2 840
	VET in Schools	702	733	916
	<b>Total</b>	<b>8 479</b>	<b>9 433</b>	<b>9 854</b>
<b>Grand total</b>	<b>33 231</b>	<b>36 220</b>	<b>35 226</b>	

Table 6: Student load (EFTSL) by education sector, liability category and year

EDUCATION SECTOR	LIABILITY CATEGORY	YEAR		
		2018	2019	2020
Higher Education	Commonwealth Supported	8 825.9	8 826.3	9 463.5
	Domestic Full Fee	575.5	918.4	798.3
	Enabling	814.8	908.1	862.5
	International	5 580.5	6 236.1	3 961.5
	Research	213.3	230.0	275.3
	<b>Total</b>	<b>16 009.9</b>	<b>17 118.9</b>	<b>15 361.1</b>
VET	Certificate 3 Guarantee	422.7	425.7	552.0
	Fee for Service	757.2	782.2	724.6
	High Level Subsidy	314.5	464.6	638.1
	International	70.1	108.1	97.2
	Other	53.0	28.0	1.1
	User Choice	742.3	936.1	1 130.2
	VET in Schools	216.5	242.5	275.9
	<b>Total</b>	<b>2 576.3</b>	<b>2 987.3</b>	<b>3 419.1</b>
<b>Grand total</b>	<b>18 586.2</b>	<b>20 106.1</b>	<b>18 780.2</b>	



Table 7: Number of students by location, education sector and year

LOCATION	TOTAL			HIGHER EDUCATION			VET		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Adelaide	131	146	241	131	146	196			45
Brisbane	3 722	3 944	3 853	3 353	3 578	3 557	500	451	377
Bundaberg	1 979	2 035	2 058	1 922	1 969	1 990	81	95	84
Cairns	1 419	1 780	2 132	1 310	1 640	1 922	137	153	223
Distance (Non-Locality)	2 337	2 533	2 993	2 337	2 533	2 993			
Emerald	820	987	1 195	316	332	351	507	657	848
Geraldton	223	250	233	223	250	233			
Gladstone*	2 223	2 469	2 723	842	902	948	1 410	1 586	1 786
Mackay*	4 593	4 833	4 593	2 182	2 182	2 157	2 479	2 721	2 483
Melbourne	4 050	4 974	3 625	4 042	4 960	3 587	8	17	39
Noosa	978	1 035	931	917	930	899	62	134	32
Perth	351	424	518	351	410	518		14	
Rockhampton*	6 514	6 888	7 199	3 224	3 231	3 138	3 439	3 771	4 130
Sydney	3 588	3 618	2 538	3 588	3 617	2 536		27	2
Townsville	1 314	1 390	1 632	1 197	1 322	1 538	121	77	100
<b>Grand total</b>	<b>33 231</b>	<b>36 220</b>	<b>35 226</b>	<b>25 288</b>	<b>27 299</b>	<b>25 756</b>	<b>8 479</b>	<b>9 433</b>	<b>9 854</b>

Notes: \* Multiple locations grouped together.

Table 8: Student load (EFTSL) by location, education sector and year

LOCATION	TOTAL			HIGHER EDUCATION			VET		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Adelaide	62.1	78.9	105.5	62.1	78.9	94.8			10.7
Brisbane	2 146.0	2 277.3	2 099.0	2 019.1	2 162.1	2 025.4	126.9	115.3	73.6
Bundaberg	1 226.4	1 226.5	1 248.5	1 190.5	1 176.2	1 197.7	35.8	50.3	50.8
Cairns	790.0	992.1	1 257.5	742.3	925.7	1 097.5	47.6	66.5	160.0
Distance (Non-Locality)	1 077.3	1 185.6	1 327.3	1 077.3	1 185.6	1 327.3			
Emerald	332.6	407.6	458.6	145.3	148.5	158.6	187.3	259.1	300.0
Geraldton	138.0	162.4	149.1	138.0	162.4	149.1			
Gladstone*	825.8	834.6	918.7	426.9	447.8	472.2	398.9	386.7	446.5
Mackay*	2 096.1	2 122.1	2 165.2	1 373.6	1 296.3	1 280.6	722.5	825.8	884.6
Melbourne	2 955.3	3 545.7	2 414.4	2 951.4	3 539.7	2 391.5	3.8	6.0	22.9
Noosa	513.6	539.1	524.5	468.4	478.4	499.6	45.3	60.7	24.9
Perth	199.7	239.9	286.6	199.7	239.3	286.6		0.5	
Rockhampton*	3 006.1	3 192.6	3 341.8	2 042.7	2 032.9	1 956.2	963.4	1 159.7	1 385.6
Sydney	2 526.4	2 538.4	1 589.4	2 526.4	2 537.3	1 589.3		1.2	0.1
Townsville	690.9	763.3	894.2	646.2	707.8	834.7	44.7	55.4	59.5
<b>Grand total</b>	<b>18 586.2</b>	<b>20 106.1</b>	<b>18 780.2</b>	<b>16 009.9</b>	<b>17 118.9</b>	<b>15 361.1</b>	<b>2 576.3</b>	<b>2 987.3</b>	<b>3 419.1</b>

Notes: \* Multiple locations grouped together. (Notes style)

Table 9: Number of students by gender education sector and year

GENDER	TOTAL			HIGHER EDUCATION			VET		
	2018	2019	2020	2018	2019	2020	2018	2019	2020
Female	18 286	19 598	20 535	14 002	15 063	15 400	4 700	4 895	5 427
Male	14 917	16 574	14 649	11 272	12 204	10 329	3 765	4 522	4 412
Unspecified	28	48	42	14	32	27	14	16	15
<b>Grand total</b>	<b>33 231</b>	<b>36 220</b>	<b>35 226</b>	<b>25 288</b>	<b>27 299</b>	<b>25 756</b>	<b>8 479</b>	<b>9 433</b>	<b>9 854</b>

Table 10: Number of students by course category and year

COURSE CATEGORY	2018	YEAR 2019	2020
Non Award	2 522	2 802	2 731
Postgraduate (Coursework)	8 179	9 753	7 821
Postgraduate (Research)	452	500	609
Undergraduate	14 398	14 577	14 935
VET	8 479	9 433	9 854
<b>Grand total</b>	<b>33 231</b>	<b>36 220</b>	<b>35 226</b>

Table 11: Student load (EFTSL) by course category and year

COURSE CATEGORY	2018	YEAR 2019	2020
Non Award	2 522	2 802	2 731
Postgraduate (Coursework)	8 179	9 753	7 821
Postgraduate (Research)	452	500	609
Undergraduate	14 398	14 577	14 935
VET	8 479	9 433	9 854
<b>Grand total</b>	<b>33 231</b>	<b>36 220</b>	<b>35 226</b>

Table 12: Number of student completions by course category, course level and year (excludes non-award courses)

COURSE CATEGORY	COURSE LEVEL	YEAR		
		2018	2019	2020
Postgraduate (Coursework)	Graduate Diploma/Postgraduate Diploma Extend	70	78	202
	Graduate Diploma/Postgraduate Diploma New area	124	89	85
	Graduate Certificate	316	588	845
	Masters	1 547	2 276	2 537
	Masters – Online	-	-	3
	<b>Total</b>	<b>2 057</b>	<b>3 031</b>	<b>3 672</b>
Postgraduate (Research)	Doctorate	34	30	38
	Masters	13	10	9
	<b>Total</b>	<b>47</b>	<b>40</b>	<b>47</b>
Undergraduate	Associate Degree	101	108	116
	Bachelors Honours	242	251	254
	Bachelors Graduate Entry	12	33	24
	Bachelors Pass	1 707	1 792	1 818
	Diploma (Undergraduate)	48	37	94
	Advanced Diploma	51	51	101
	<b>Total</b>	<b>2 161</b>	<b>2 272</b>	<b>2 407</b>
VET	Certificate I	133	100	136
	Certificate II	652	488	477
	Certificate III	869	841	767
	Certificate IV	84	288	103
	Diploma	333	410	359
	Advanced Diploma	-	-	1
	Education not elsewhere classified	886	1 339	1 005
	Skill Set	358	297	233
	Statement of attainment not identifiable by level	1	-	-
	<b>Total</b>	<b>3 316</b>	<b>3 763</b>	<b>3 081</b>
<b>Grand total</b>		<b>7 581</b>	<b>9 106</b>	<b>9 207</b>

Table 13: 2020 Employee profile

EMPLOYEE	EMPLOYMENT	FEMALE		MALE		TOTAL FTE
		FTE	PER CENT	FTE	PER CENT	
Academic	Continuing	267.4	54.7%	221.5	45.3%	488.9
	Fixed-term	34.2	49.7%	34.7	50.3%	68.9
	<b>Academic total</b>	<b>301.6</b>	<b>54.1%</b>	<b>256.2</b>	<b>45.9%</b>	<b>557.8</b>
Research	Continuing	0.7	41.2%	1	58.8%	1.7
	Fixed-term	33.3	50.6%	32.5	49.4%	65.7
	<b>Research total</b>	<b>34</b>	<b>50.4%</b>	<b>33.5</b>	<b>49.6%</b>	<b>67.4</b>
VET Educator	Continuing	58	45.3%	70	54.7%	128
	Fixed-term	5	62.5%	3	37.5%	8
	<b>VET Educator total</b>	<b>63</b>	<b>46.3%</b>	<b>73</b>	<b>53.7%</b>	<b>136</b>
Professional	Continuing	530	73.3%	193	26.7%	723.8
	Fixed-term	112.8	61.9%	69.5	38.1%	182.3
	<b>Professional total</b>	<b>643.6</b>	<b>71%</b>	<b>262.5</b>	<b>29%</b>	<b>906.1</b>
<b>Report total</b>		<b>1042.1</b>	<b>62.5%</b>	<b>625.1</b>	<b>37.5%</b>	<b>1667.2</b>

Notes: FTE means full-time equivalent. Data does not include casual staff. Data as at 31 December 2020.

# COUNCIL MEMBERS' REPORT

The members of the Council of Central Queensland University present their report on the consolidated entity consisting of Central Queensland University and the entities it controlled at the end of, or during, the year ended 31 December 2020.

## GOVERNING BODY MEMBERS

The following persons were members of the Council of Central Queensland University during 2020 and up to the date of this report:

### Chancellor

Mr John Abbott AM, BEng(Mech) *QIT*, LLB *QUT*, CPEng, RPEQ, FIEAust, MAICD

### Vice-Chancellor and President

Professor Nicholas Klomp, BAppSc(Biol) *Curtin*, BSc(Hons) *Murdoch*, AdvMgtProg *Harvard*, PhD *Glasgow*, GAICD

### President, Academic Board

Associate Professor Celeste Lawson, BA(Journ) *USQ*, GradCertTertEd *CQU*, GradDipProfComm(AppComm), MProfComm *USQ*, PhD *CQU*, MPRIA

### Members appointed by the Governor-in-Council

Emeritus Professor Robert Castle, MEd *Sydney*, DLett(hon causa) *UOW*, Fellow *UOWD*

Mr Peter Coronas AM, Companion *CQU*, MAICD

Dr Rochelle Macdonald, BSc(Hons) *Tas*, MEngMgt *UTS*, ProgLeadDev *Harvard*, PhD *Curtin*, GAICD

Mr Ian McPhee AO PSM, BBus(Acct) *CIAE*, BA(CompSt) *Canberra*, HonDUni *CQU*, FCPA, FCAANZ, FIPAA, GAICD

Dr Robyn Minchinton, BAppSc(MLS) *RMIT*, GradDipScsComm *CQU*, PhD *London*

### Additional members appointed by Council

Ms Patrice Brown, CertSugarTech *TAFE*, CertMaritimeEnvMgt *Lloyds*, DipBus *AICD*, BAppSc(Chem) *UCCQ*, MEng(Civil) *UNSW*, MEIANZ

Mr Joel Buchholz, BEd(Sec)(Hons) *CQU*, GradCertCS *PNUE*, FRSA, MACEL, MACE

Ms Shelia Houston, BGenBus *Wichita*, GAICD

Mr Mark Peters, BA *Macq*, LLB *Sydney*, MSc *Oxf*, FAICD, CMgr FIML, CAHRI

### Elected members

Dr Gerard Illott, BBus(IS) *UCQ*, MBIT *USQ*, PhD *CQU*, FCPA, CA, MACS

Mr Bruce Young, BAppSc(Math&Comp) *UCQ*, APESMA, ITPA

Mr Vindhya Raj Pokharel, BEng(MechEng) *KU* (concluded 23 March 2020)

Ms Rhianna Wood (commenced 27 May 2020, resigned 28 October 2020)

## MEETINGS OF MEMBERS

The number of meetings of the Central Queensland University Council and each Council sub-committee held during the year ended 31 December 2020, and the number of meetings attended by each Council member are provided below.

**A** = number of meetings attended

**B** = number of meetings held (including special meetings) during the time the member held office or was a member of the committee

COMMITTEE MEMBER	COUNCIL		SPPC		ARFC		AB		CHAC		CC	
	A	B	A	B	A	B	A	B	A	B	A	B
John Abbott AM	9	9	6	7	5	7			2	2	2	2
Nicholas Klomp	9	9	7	7			4	5	1	2	2	2
Celeste Lawson	9	9	7	7			5	5	2	2		
Robert Castle	9	9					5	5				
Peter Coronas AM	9	9	7	7							2	2
Rochelle Macdonald	7	9										
Ian McPhee AO PSM	9	9	7	7	7	7					2	2
Robyn Minchinton	9	9	7	7	7	7					2	2
Patrice Brown	7	9							0	2		
Joel Buchholz	8	9										
Shelia Houston	9	9	7	7								
Mark Peters	9	9	7	7	7	7					2	2
Gerard Illott	9	9										
Bruce Young	9	9										
Vindhya Raj Pokharel	2	2										
Rhianna Wood	1	2										

### COMMITTEE ABBREVIATIONS

<b>Council</b>	Council (Governing Body)
<b>SPPC</b>	Strategic Planning and Projects Committee
<b>ARFC</b>	Audit, Risk and Finance Committee
<b>AB</b>	Academic Board
<b>CHAC</b>	Ceremonial and Honorary Awards Committee
<b>CC</b>	Chancellor's Committee

## REVIEW OF OPERATIONS

The 2020 year ended with a reportable operating deficit of \$34.401 million for the consolidated entity compared to a \$3.256 million surplus in 2019. The COVID-19 pandemic severely affected revenue inflows from international students due to border closures and restrictions on travel. Decisive action was taken to reset operations and find immediate cost savings. An organisational restructure was initiated which resulted in operational divisions being realigned from seven down to four, the rationalisation of regional management structures and 296 staff separations. A decision was also made to permanently close the Sunshine Coast campus (located at Noosa) and the Biloela and Yeppoon study centres.

COVID-19 impacts are likely to continue well into 2021, and the University will continue to act in a fiscally responsible way to ensure it is equipped to operate and compete in a post-pandemic environment. Seeking new opportunities to grow the business in the areas of vocational education, short courses, postgraduate study and hyperflexible online course offerings.

The University is committed to providing world-class education and research and will continue to deliver on the strategic plan by delivering projects to help transform the student experience and enhance its reputation as an innovative, future-focused university.

## MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

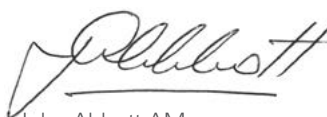
There are no matters which have arisen subsequent to year end that significantly impact upon the operations of the University as disclosed at 31 December 2020.

## INSURANCE OF OFFICERS

Central Queensland University indemnifies to the extent permitted by law, each councillor, secretary, executive officer or individuals who formerly held one of those positions, against liability incurred in, or arising out of, the conduct of the business of the University or the discharge of the duties of the councillor, secretary or executive officer. The University as a general rule will support and hold harmless an employee who, while acting in good faith, incurs personal liability to others as a result of working for the University.

Central Queensland University has paid premiums for a "Directors and Officers liability Insurance, Employment Practices Liability Insurance and Crime Protection Policy", with AIG Australia Limited covering the insured person which by definition under the policy shall mean any chancellor, deputy chancellor, vice-chancellor, pro chancellors, university secretary, committee or council member, a university title holder and any other person for whose acts the institution is legally responsible.

This report is made in accordance with a resolution of the members of the Council of Central Queensland University.



John Abbott AM  
Chancellor  
Rockhampton  
Date: 23 February 2021





# FINANCIAL STATEMENTS

## CENTRAL QUEENSLAND UNIVERSITY AND CONTROLLED ENTITIES

ABN 39 181 103 288

General Purpose Financial Report for  
the year ended 31 December 2020

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## STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>REVENUE AND INCOME FROM CONTINUING OPERATIONS</b>					
Australian Government financial assistance					
Australian Government grants	3.1	143,383	144,198	143,186	144,198
HELP - Australian Government payments	3.1	89,986	82,387	89,986	82,387
HECS-HELP - Student payments		5,209	4,662	5,209	4,662
State Government financial assistance	3.2	22,519	18,334	22,514	18,334
Fees and charges	3.3	159,386	210,704	159,343	210,710
Consultancy and contracts	3.4	15,345	13,661	15,345	13,661
Other income from customers	3.5	5,905	5,255	5,836	4,886
Investment income	4	7,463	6,598	7,446	6,550
Other revenue		1,169	1,761	1,098	1,783
Share of profit / (loss) on equity accounted investments (net of tax)		10	(3)	-	-
<b>Total revenue and income from continuing operations</b>		<b>450,375</b>	<b>487,557</b>	<b>449,963</b>	<b>487,171</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>					
Employee related expenses	5	292,730	275,645	292,011	274,556
Depreciation and amortisation	14/15	49,662	48,415	48,813	48,412
Repairs and maintenance		14,850	13,865	14,800	13,865
Borrowing costs		9,175	8,854	8,913	8,854
Impairment of assets	6	5,863	1,005	5,857	1,002
Management and other fees	7	38,589	44,667	38,643	45,350
Loss on disposal of assets		349	499	349	499
Other expenses	8	73,919	91,389	73,749	91,221
<b>Total expenses from continuing operations</b>		<b>485,137</b>	<b>484,339</b>	<b>483,135</b>	<b>483,758</b>
<b>Net result from continuing operations before income tax</b>		<b>(34,762)</b>	<b>3,218</b>	<b>(33,172)</b>	<b>3,413</b>
Income tax benefit / (expense)		361	38	-	-
<b>Net result after income tax for the period</b>		<b>(34,401)</b>	<b>3,256</b>	<b>(33,172)</b>	<b>3,413</b>
<b>Net result attributable to members of Central Queensland University from continuing operations</b>		<b>(34,401)</b>	<b>3,256</b>	<b>(33,172)</b>	<b>3,413</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will not be reclassified to profit or loss (net of tax)					
Gain / (loss) on revaluation of equity instruments at FVOCI*	20(A)	6,683	16,787	6,671	16,663
Gain / (loss) on revaluation of land and buildings	20(A)	(282)	(16,259)	(282)	(16,259)
Gain / (loss) on revaluation of infrastructure	20(A)	-	(2,772)	-	(2,772)
Gain / (loss) on revaluation of artwork and collections	20(A)	-	348	-	348
Gain / (loss) on currency translation reserve		(432)	(63)	-	-
<b>Total other comprehensive income</b>		<b>5,969</b>	<b>(1,959)</b>	<b>6,389</b>	<b>(2,019)</b>
<b>Total comprehensive income attributable to members of Central Queensland University</b>		<b>(28,432)</b>	<b>1,297</b>	<b>(26,783)</b>	<b>1,394</b>

\*Fair Value through Other Comprehensive Income

THE ABOVE STATEMENTS OF COMPREHENSIVE INCOME SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

## STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	9	140,069	127,913	138,089	123,775
Receivables and contract assets	10	18,466	16,522	18,455	16,439
Inventories		885	860	886	860
Other financial assets	12	752	-	-	-
Other non-financial assets	11	16,738	16,468	16,711	15,817
<b>Total current assets</b>		<b>176,910</b>	<b>161,763</b>	<b>174,141</b>	<b>156,891</b>
<b>NON-CURRENT ASSETS</b>					
Other financial assets	12	69,744	62,779	75,990	68,061
Other non-financial assets	11	963	96	857	-
Investment properties	13	2,550	2,285	2,550	2,285
Property, plant and equipment	14	800,550	822,872	794,815	821,611
Intangible assets	15	28,415	22,212	28,415	22,212
Deferred tax assets		468	129	-	-
<b>Total non-current assets</b>		<b>902,690</b>	<b>910,373</b>	<b>902,627</b>	<b>914,169</b>
<b>TOTAL ASSETS</b>		<b>1,079,600</b>	<b>1,072,136</b>	<b>1,076,768</b>	<b>1,071,060</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables	16	21,888	21,809	21,854	21,634
Provisions	17	46,120	47,330	46,058	47,278
Borrowings	18	13,805	12,993	13,219	12,993
Current tax liabilities		62	18	-	-
Contract and other liabilities	19	50,026	48,524	49,966	48,488
<b>Total current liabilities</b>		<b>131,900</b>	<b>130,674</b>	<b>131,098</b>	<b>130,392</b>
<b>NON-CURRENT LIABILITIES</b>					
Provisions	17	16,090	17,252	16,090	17,245
Borrowings	18	299,174	263,515	296,284	263,515
Contract and other liabilities	19	2,020	1,847	2,020	1,847
<b>Total non-current liabilities</b>		<b>317,283</b>	<b>282,614</b>	<b>314,393</b>	<b>282,607</b>
<b>TOTAL LIABILITIES</b>		<b>449,184</b>	<b>413,288</b>	<b>445,491</b>	<b>413,000</b>
<b>NET ASSETS</b>		<b>630,416</b>	<b>658,848</b>	<b>631,277</b>	<b>658,060</b>
<b>EQUITY</b>					
Reserves	20(A)	247,551	241,582	248,961	242,572
Retained earnings	20(B)	382,865	417,266	382,316	415,488
<b>TOTAL EQUITY</b>		<b>630,416</b>	<b>658,848</b>	<b>631,277</b>	<b>658,060</b>

THE ABOVE STATEMENTS OF FINANCIAL POSITION SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

## STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED			PARENT			
	NOTES	RESERVES	RETAINED EARNINGS	TOTAL	RESERVES	RETAINED EARNINGS	TOTAL
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2019</b>		243,541	408,913	652,454	244,591	406,978	651,569
Effect of adoption of new accounting standards (AASB 15 and AASB 1058)		-	(12,912)	(12,912)	-	(12,912)	(12,912)
Effect of adoption of new accounting standards (AASB 16)		-	18,009	18,009	-	18,009	18,009
<b>Balance as restated</b>		<b>243,541</b>	<b>414,010</b>	<b>657,551</b>	<b>244,591</b>	<b>412,075</b>	<b>656,666</b>
Net result after income tax		-	3,256	3,256	-	3,413	3,413
Gain / (loss) on revaluation of equity instruments at FVOCI	20(A)	16,787	-	16,787	16,663	-	16,663
Gain / (loss) on revaluation of land and buildings	20(A)	(16,259)	-	(16,259)	(16,259)	-	(16,259)
Gain / (loss) on revaluation of infrastructure	20(A)	(2,772)	-	(2,772)	(2,772)	-	(2,772)
Gain / (loss) on revaluation of artwork and collections	20(A)	348	-	348	348	-	348
Gain / (loss) on foreign exchange	20(A)	(63)	-	(63)	-	-	-
<b>Balance at 31 December 2019</b>		<b>241,582</b>	<b>417,266</b>	<b>658,848</b>	<b>242,572</b>	<b>415,488</b>	<b>658,060</b>
<b>Balance at 1 January 2020</b>		<b>241,582</b>	<b>417,266</b>	<b>658,848</b>	<b>242,572</b>	<b>415,488</b>	<b>658,060</b>
Net result after income tax		-	(34,401)	(34,401)	-	(33,172)	(33,172)
Gain / (loss) on revaluation of equity instruments at FVOCI	20(A)	6,683	-	6,683	6,671	-	6,671
Gain / (loss) on revaluation of land and buildings	20(A)	(282)	-	(282)	(282)	-	(282)
Gain / (loss) on foreign exchange	20(A)	(432)	-	(432)	-	-	-
<b>Balance at 31 December 2020</b>		<b>247,551</b>	<b>382,865</b>	<b>630,416</b>	<b>248,961</b>	<b>382,316</b>	<b>631,277</b>

THE ABOVE STATEMENTS OF CHANGES IN EQUITY SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.

**STATEMENTS OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>					
Australian Government grants		228,763	230,760	228,566	230,760
State Government grants		22,468	17,885	22,463	17,885
HECS-HELP - Student payments		5,323	4,664	5,323	4,664
OS-HELP (net)	31.7	2,958	1,466	2,958	1,466
Receipts from student fees and other customers		156,777	202,400	156,846	201,973
Dividends and trust distributions received		4,138	2,159	4,138	2,159
Interest received		1,560	3,524	1,543	3,475
Payments to suppliers and employees (inclusive of GST)		(409,276)	(418,450)	(409,215)	(417,220)
Interest and other costs of finance		(9,158)	(8,854)	(8,896)	(8,854)
GST recovered / (paid)		9,174	11,080	9,166	11,089
Income taxes paid		67	(6)	-	-
Short-term lease payments		(134)	(188)	(134)	(145)
Lease payments for leases of low-value assets		(73)	(62)	(73)	(45)
<b>Net cash provided by / (used in) operating activities</b>	<b>28</b>	<b>12,589</b>	<b>46,378</b>	<b>12,684</b>	<b>47,207</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Proceeds from sale of property, plant and equipment		190	362	190	362
Proceeds from sale of financial assets		4	30	4	30
Payments for property, plant and equipment		(11,916)	(25,035)	(11,027)	(23,783)
Payments for investment property		(45)	-	(45)	-
Payments for financial assets		(955)	(622)	(1,179)	(4,926)
Payments for intangibles		(9,854)	(6,777)	(9,854)	(6,777)
<b>Net cash provided by / (used in) investing activities</b>		<b>(22,577)</b>	<b>(32,042)</b>	<b>(21,911)</b>	<b>(35,094)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Proceeds from borrowings		35,785	-	35,785	-
Repayment of lease liabilities		(13,233)	(15,867)	(12,276)	(15,867)
<b>Net cash provided by / (used in) financing activities</b>		<b>22,552</b>	<b>(15,867)</b>	<b>23,509</b>	<b>(15,867)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>12,563</b>	<b>(1,531)</b>	<b>14,282</b>	<b>(3,754)</b>
Cash and cash equivalents at the beginning of the financial year		127,913	129,496	123,775	127,497
Effects of exchange rate changes on cash and cash equivalents		(407)	(52)	32	32
<b>Cash and cash equivalents at the end of the period</b>	<b>9</b>	<b>140,069</b>	<b>127,913</b>	<b>138,089</b>	<b>123,775</b>

THE ABOVE STATEMENTS OF CASH FLOWS SHOULD BE READ IN CONJUNCTION WITH THE ACCOMPANYING NOTES.



# NOTES TO THE FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 DECEMBER 2020

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## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### OBJECTIVES AND PRINCIPAL ACTIVITIES

The principal activities of the Group are listed in the Council Members' Report.

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied for all years reported unless otherwise stated. The financial statements include separate statements for Central Queensland University as the parent entity and the consolidated entity consisting of Central Queensland University and its subsidiaries ('the Group').

The principal address of Central Queensland University is Bruce Highway, North Rockhampton, Queensland.

##### (A) Basis of preparation

Central Queensland University is a statutory body established under the Central Queensland University Act 1998 and domiciled in Australia. The annual financial statements represent the audited general-purpose financial statements of Central Queensland University. They have been prepared on an accrual basis (except for Statement of Cash Flows, which is prepared on a cash basis) and comply with the Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

Central Queensland University applies Tier 1 reporting requirements.

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

- *Higher Education Support Act 2003* (Financial Statement Guidelines) (CwIth)
- *Central Queensland University Act 1998* (Qld)
- *Financial and Performance Management Standard 2019* made under the *Financial Accountability Act 2009* (QLD)
- *Australian Charities and Not-for-profits Commission Act 2012*

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

##### Date of authorisation for issue

The financial statements were authorised for issue by the Council members of Central Queensland University on 23 February 2021.

##### Historical cost convention

These financial statements have been prepared under the historical cost convention, except for debt and equity financial assets that have been measured at fair value either through other comprehensive income or profit and loss, certain classes of property, plant and equipment and investment properties.

##### Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis and take into consideration the potential economic effects of the COVID-19 pandemic (where applicable). These note disclosures listed below involve a higher degree of judgement or complexity and are areas where assumptions and estimates are significant to the financial statements:

- Note 10: Receivables and contract assets
- Note 11: Other non-financial assets
- Note 12: Other financial assets
- Note 14: Property, plant and equipment
- Note 17: Provisions
- Note 23: Contingencies

##### Effects of COVID-19

The financial statements have been prepared on a going concern basis. A range of scenarios for the period of at least, but not limited to 12 months from the end of the reporting period have been reviewed as part of Council's consideration of adopting the going concern basis. Assumptions modelled are based on the estimated potential impact of COVID-19 restrictions and regulations informed by data known at that point in time together with proposed responses over the course of the next 12-18 months. Given the evolving nature of COVID-19 and the recent experience of the economic and financial impacts of such a pandemic, changes to estimates have been made in the measurement of the Group's assets and liabilities in the future. Additional COVID-19 disclosures are contained within the relevant notes to the financial statements.

The travel restrictions and border closures enforced due to the COVID-19 pandemic has seen a significant decrease in international student tuition fee revenue. Mitigating actions taken by the University included a full organisational restructure resulting in a reduction of 296 staff, a freeze on recruitment, senior managers forgoing a two percent Enterprise Agreement increase due 30 July 2020 and a reduction in discretionary and capital expenditure in line with the revised revenue estimates for the 2020 year. This has resulted in a \$30 million improvement to the original approved Council budget. To ensure future liquidity and sustainability given the uncertain environment, the University has entered into an agreement for an unsecured loan facility to support the capital expenditure program for 2021 and 2022. An overdraft facility has also been put in place to support short-term cashflow requirements should it be necessary, however under current modelling there is no indication the overdraft funds will need to be accessed.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

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#### (B) Foreign currency translation

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

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

##### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

If gains or losses on non-monetary items are recognised in other comprehensive income, translation gains or losses are also recognised in other comprehensive income. Similarly, if gains or losses on non-monetary items are recognised in profit or loss, translation gains or losses are also recognised in profit or loss.

##### (iii) Group companies

The results and financial position of all the Group's entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the end of the reporting period,
- income and expenses for each income statement are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised as separate components of equity.

#### (C) Acquisition of assets

The acquisition method of accounting is used for all acquisitions of assets regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given or liabilities incurred or assumed at the date of exchange plus incidental costs directly attributable to the acquisition.

Costs incurred on assets subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the consolidated entity in future years, otherwise, the costs are expensed as incurred.

Acquisition of assets with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings	\$10,000	Land	\$1
Infrastructure	\$10,000	Shares	\$1
Plant and equipment	\$5,000	Other (including artworks and heritage)	\$1
Computer software	\$100,000		

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

#### (D) Taxation

Central Queensland University is exempt from income tax under Division 50 of the *Income Tax Assessment Act 1997* (ITAA).

Central Queensland University's controlled entities, CQU Travel Centre Pty Ltd, Australian International Campuses Pty Ltd, C Management Services Pty Ltd, and DataMuster Pty Ltd are subject to income tax and these companies apply AASB 112 *Income Taxes*.

CQU Development Pte Ltd, a controlled entity of Central Queensland University, based in Singapore is subject to income tax under Singapore tax law.

PT CQU Executive Business Training Centre, a controlled entity of Central Queensland University, based in Indonesia is subject to taxes under Indonesian tax law.

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont.)

**(D) Taxation (cont.)**

The income tax expense or income for the period is the tax payable/receivable on the current period's taxable income. This is based on the national income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The University and controlled entities are subject to Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST) or equivalent.

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO). In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of the item of expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flows.

**(E) Rounding of amounts**

Amounts in the financial statements have been rounded off to the nearest thousand dollars.

**(F) Comparative amounts**

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

**(G) New accounting standards and interpretations**

The following standards have been issued but are not mandatory for 31 December 2020 reporting periods. The Group has elected not to early adopt any of these standards. The University's assessment of the impact of these new standards and interpretations is set out below:

Standard	Title	Application date	Implications
AASB 2020-1 and AASB 2020-6	Amendments to Australian Accounting Standards - Classification of Liabilities as current or non-current and Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date	1 Jan 2023	None identified
AASB 2020-3	Amendments to Australian Accounting Standards – Annual Improvements	1 Jan 2022	None identified
AASB2020-4	Amendments to Australian Accounting Standards – COVID-19-Related Rent Concessions	1 Jan 2021	None identified
AASB 2020-8	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	1 Jan 2022	None identified
AASB 2017-5	Amendments to Australian Accounting Standards – Effective Date of Amendments to AASB 10 and AASB 128	1 Jan 2022	None identified

All other Australian Accounting Standards and interpretations with future effective dates are either not applicable to the Group's activities or have no material impact.

**(H) Initial application of Australian Accounting Standards**

The following interpretations and amending standards have been adopted:

Reference	Name	Effect
AASB1059	Service Concession Arrangements: Grantors	No impact
AASB2018-6	Amendments to Australian Accounting Standards – Definition of a Business	No impact
AASB2019-3	Amendments to Australian Accounting Standards – Interest Rate Benchmark Reform	No impact
AASB2018-7	Amendments to Australian Accounting Standards – Definition of Material	No impact
AASB2019-6	Amendments to Australian Accounting Standards – Research Grants and Not-for-Profit Entities	No impact

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 2. DISAGGREGATED INFORMATION (dual sector and operations outside Australia)

#### (A) INDUSTRY - PARENT ENTITY

##### STATEMENT OF COMPREHENSIVE INCOME

NOTES	HIGHER ED- UCATION	VET	TOTAL PARENT	HIGHER ED- UCATION	VET	TOTAL PARENT		
	2020 \$'000	2020 \$'000	2020 \$'000	2019 \$'000	2019 \$'000	2019 \$'000		
<b>REVENUE AND INCOME FROM CONTINUING OPERATIONS</b>								
Australian Government financial assistance								
	Australian Government grants	3.1	141,686	1,500	143,186	134,198	10,000	144,198
	HELP - Australian Government payments	3.1	87,093	2,893	89,986	79,711	2,675	82,387
	HECS-HELP - Student payments		5,209	-	5,209	4,662	-	4,662
	State Government financial assistance	3.2	4,643	17,871	22,514	479	17,855	18,334
	Fees and charges	3.3	137,776	21,567	159,343	191,105	19,605	210,710
	Consultancy and contracts	3.4	15,282	63	15,345	13,661	-	13,661
	Other income from customers	3.5	5,441	395	5,836	4,317	569	4,886
	Investment income	4	7,445	1	7,446	6,550	-	6,550
	Other revenue		733	365	1,098	1,523	260	1,783
<b>Total revenue and income from continuing operations</b>			<b>405,308</b>	<b>44,655</b>	<b>449,963</b>	<b>436,207</b>	<b>50,964</b>	<b>487,171</b>
<b>EXPENSES FROM CONTINUING OPERATIONS</b>								
	Employee related expenses	5	258,199	33,812	292,011	241,277	33,278	274,556
	Depreciation and amortisation	14/15	44,832	3,981	48,813	44,648	3,764	48,412
	Repairs and maintenance		11,524	3,276	14,800	10,648	3,217	13,865
	Borrowing costs		8,913	-	8,913	8,854	-	8,854
	Impairment of assets	6	5,695	162	5,857	948	53	1,002
	Management and other fees	7	37,163	1,480	38,643	43,832	1,518	45,350
	Loss on disposal of assets		349	-	349	491	8	499
	Other expenses	8	68,146	5,603	73,749	84,569	6,652	91,221
<b>Total expenses from continuing operations</b>			<b>434,821</b>	<b>48,314</b>	<b>483,135</b>	<b>435,267</b>	<b>48,491</b>	<b>483,758</b>
<b>Net result from continuing operations</b>			<b>(29,513)</b>	<b>(3,659)</b>	<b>(33,172)</b>	<b>940</b>	<b>2,473</b>	<b>3,413</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>								
Items that will not be reclassified to profit or loss (net of tax)								
	Gain / (loss) on revaluation of equity instruments at FVOCI	20(A)	6,671	-	6,671	16,663	-	16,663
	Gain / (loss) on revaluation of land and buildings	20(A)	(282)	-	(282)	4,672	(20,931)	(16,259)
	Gain / (loss) on revaluation of infrastructure	20(A)	-	-	-	(185)	(2,588)	(2,772)
	Gain / (loss) on revaluation of artwork and collections	20(A)	-	-	-	348	-	348
<b>Total other comprehensive income</b>			<b>6,389</b>	<b>-</b>	<b>6,389</b>	<b>21,500</b>	<b>(23,519)</b>	<b>(2,019)</b>
<b>Total comprehensive income</b>			<b>(23,124)</b>	<b>(3,659)</b>	<b>(26,783)</b>	<b>22,439</b>	<b>(21,045)</b>	<b>1,394</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 2. DISAGGREGATED INFORMATION (dual sector and operations outside Australia) (cont.)

#### (A) INDUSTRY - PARENT ENTITY (cont.)

##### STATEMENT OF FINANCIAL POSITION

	NOTES	HIGHER ED- UCATION	VET	TOTAL PARENT	HIGHER ED- UCATION	VET	TOTAL PARENT
		2020	2020	2020	2019	2019	2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CURRENT ASSETS</b>							
Cash and cash equivalents	9	166,591	(28,502)	138,089	146,411	(22,636)	123,775
Receivables and contract assets	10	14,759	3,696	18,455	13,683	2,756	16,439
Inventories		883	2	886	856	3	860
Other non-financial assets	11	15,574	1,137	16,711	15,264	553	15,817
<b>Total current assets</b>		<b>197,807</b>	<b>(23,666)</b>	<b>174,141</b>	<b>176,215</b>	<b>(19,323)</b>	<b>156,891</b>
<b>NON-CURRENT ASSETS</b>							
Other financial assets	12	75,990	-	75,990	68,061	-	68,061
Other non-financial assets	11	830	27	857	-	-	-
Investment properties	13	-	2,550	2,550	-	2,285	2,285
Property, plant and equipment	14	639,017	155,798	794,815	665,501	156,110	821,611
Intangible assets	15	28,242	173	28,415	22,017	195	22,212
<b>Total non-current assets</b>		<b>744,079</b>	<b>158,548</b>	<b>902,627</b>	<b>755,578</b>	<b>158,590</b>	<b>914,169</b>
<b>TOTAL ASSETS</b>		<b>941,886</b>	<b>134,882</b>	<b>1,076,768</b>	<b>931,793</b>	<b>139,267</b>	<b>1,071,060</b>
<b>CURRENT LIABILITIES</b>							
Trade and other payables	16	21,390	464	21,854	20,988	646	21,634
Provisions	17	40,996	5,062	46,058	41,344	5,934	47,278
Borrowings	18	13,219	-	13,219	12,993	-	12,993
Contract and other liabilities	19	47,246	2,721	49,966	46,179	2,309	48,488
<b>Total current liabilities</b>		<b>122,851</b>	<b>8,246</b>	<b>131,098</b>	<b>121,504</b>	<b>8,888</b>	<b>130,392</b>
<b>NON-CURRENT LIABILITIES</b>							
Provisions	17	15,263	827	16,090	16,354	892	17,245
Borrowings	18	296,283	-	296,284	263,515	-	263,515
Contract and other liabilities	19	2,020	-	2,020	1,828	19	1,847
<b>Total non-current liabilities</b>		<b>313,566</b>	<b>827</b>	<b>314,394</b>	<b>281,696</b>	<b>911</b>	<b>282,607</b>
<b>TOTAL LIABILITIES</b>		<b>436,417</b>	<b>9,074</b>	<b>445,491</b>	<b>403,200</b>	<b>9,799</b>	<b>413,000</b>
<b>NET ASSETS</b>		<b>505,469</b>	<b>125,808</b>	<b>631,277</b>	<b>528,593</b>	<b>129,468</b>	<b>658,060</b>
<b>EQUITY</b>							
Reserves	20(A)	207,162	41,798	248,961	200,773	41,798	242,572
Retained earnings	20(B)	298,306	84,010	382,316	327,819	87,669	415,488
<b>TOTAL EQUITY</b>		<b>505,469</b>	<b>125,808</b>	<b>631,277</b>	<b>528,593</b>	<b>129,468</b>	<b>658,060</b>

The allocation of assets and liabilities to the Higher Education or VET division is made on the following basis:

**Cash and cash equivalents:** All bank account balances are allocated on a proportional basis.

**Receivables:** Receivables directly attributable to either Higher Education or VET division have been applied on that basis.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 2. DISAGGREGATED INFORMATION (dual sector and operations outside Australia) (cont.)

#### (A) INDUSTRY - PARENT ENTITY (cont.)

##### STATEMENT OF FINANCIAL POSITION (cont.)

**Investment properties:** The allocation of investment properties is based on whether these assets are used solely for the VET division only.

**Other financial assets:** These are allocated between Higher Education or VET Division based on their direct relationship to the Division established at the time of acquisition of the asset.

**Other assets:** These are allocated between Higher Education or VET Division based on the nature of the asset and its relevance to the Division.

**Trade and other payables:** Trade payables directly attributable to either Higher Education or VET Division have been applied on that basis.

**Provisions:** Provisions have been directly attributed to either the Higher Education or the VET Division as appropriate in relation to the teaching and administrative staff operating within each Division.

**Other liabilities:** Revenue in advance included in other liabilities is directly attributable to either Higher Education or VET Division.

#### STATEMENT OF CHANGES IN EQUITY

	HIGHER EDUCATION			VET			TOTAL PARENT
	RESERVES	RETAINED EARNINGS	TOTAL HIGHER EDUCATION	RESERVES	RETAINED EARNINGS	TOTAL VET	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Balance at 1 January 2019</b>	<b>179,273</b>	<b>321,783</b>	<b>501,056</b>	<b>65,317</b>	<b>85,196</b>	<b>150,513</b>	<b>651,569</b>
Effect of adoption of new accounting standards (AASB 15 and AASB 1058)	-	(12,912)	(12,912)	-	-	-	(12,912)
Effect of adoption of new accounting standards (AASB 16)	-	18,009	18,009	-	-	-	18,009
<b>Balance as restated</b>	<b>179,273</b>	<b>326,880</b>	<b>506,153</b>	<b>65,317</b>	<b>85,196</b>	<b>150,513</b>	<b>656,666</b>
Net result after income tax	-	940	940	-	2,473	2,473	3,413
Gain / (loss) on revaluation of equity instruments at FVOCI	16,664	-	16,664	-	-	-	16,664
Gain / (loss) on revaluation of land and buildings	4,672	-	4,672	(20,931)	-	(20,931)	(16,259)
Gain / (loss) on revaluation of infrastructure	(184)	-	(184)	(2,588)	-	(2,588)	(2,772)
Gain / (loss) on revaluation of artwork and collections	348	-	348	-	-	-	348
<b>Balance at 31 December 2019</b>	<b>200,773</b>	<b>327,820</b>	<b>528,594</b>	<b>41,797</b>	<b>87,668</b>	<b>129,466</b>	<b>658,060</b>
<b>Balance at 1 January 2020</b>	<b>200,773</b>	<b>327,820</b>	<b>528,594</b>	<b>41,797</b>	<b>87,668</b>	<b>129,466</b>	<b>658,060</b>
Net result after income tax	-	(29,513)	(29,513)	-	(3,659)	(3,659)	(33,172)
Gain / (loss) on revaluation of equity instruments at FVOCI	6,671	-	6,671	-	-	-	6,671
Gain / (loss) on revaluation of land and buildings	(282)	-	(282)	-	-	-	(282)
<b>Balance at 31 December 2020</b>	<b>207,162</b>	<b>298,307</b>	<b>505,470</b>	<b>41,797</b>	<b>84,008</b>	<b>125,807</b>	<b>631,277</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 2. DISAGGREGATED INFORMATION (dual sector and operations outside Australia) (cont.)

#### (A) INDUSTRY - PARENT ENTITY (cont.)

##### STATEMENT OF CASH FLOWS

	NOTES	HIGHER ED- UCATION	VET	TOTAL PARENT	HIGHER ED- UCATION	VET	TOTAL PARENT
		2020	2020	2020	2019	2019	2019
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Australian Government grants		224,208	4,358	228,566	218,050	12,710	230,760
State Government grants received		4,591	17,871	22,463	30	17,855	17,885
HECS-HELP - Student payments		5,323	-	5,323	4,664	-	4,664
OS-HELP (net)	31.7	2,958	-	2,958	1,466	-	1,466
Receipts from student fees and other customers		135,249	21,596	156,846	181,842	20,131	201,973
Dividends and trust distributions received		4,138	-	4,138	2,159	-	2,159
Interest received		1,542	1	1,543	3,475	-	3,475
Payments to suppliers and employees (inclusive of GST)		(362,218)	(46,997)	(409,215)	(370,858)	(46,362)	(417,220)
Interest and other costs of finance		(8,896)	-	(8,896)	(8,854)	-	(8,854)
GST recovered / (paid)		8,101	1,064	9,166	10,151	938	11,089
Short-term lease payments		(134)	-	(134)	(145)	-	(145)
Lease payments for leases of low-value assets		(73)	-	(73)	(45)	-	(45)
<b>Net cash provided by / (used in) operating activities</b>	<b>28</b>	<b>14,790</b>	<b>(2,106)</b>	<b>12,684</b>	<b>41,935</b>	<b>5,272</b>	<b>47,207</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>							
Proceeds from sale of property, plant and equipment		190	-	190	362	-	362
Proceeds from sale of financial assets		4	-	4	30	-	30
Payments for property, plant and equipment		(7,313)	(3,714)	(11,027)	(11,989)	(11,794)	(23,783)
Payments for investment property		-	(45)	(45)	-	-	-
Payments for financial assets		(1,179)	-	(1,179)	(4,926)	-	(4,926)
Payments for intangibles		(9,854)	-	(9,854)	(6,777)	-	(6,777)
<b>Net cash provided by / (used in) investing activities</b>		<b>(18,152)</b>	<b>(3,759)</b>	<b>(21,911)</b>	<b>(23,300)</b>	<b>(11,794)</b>	<b>(35,094)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Proceeds from borrowings		35,785	-	35,785	-	-	-
Repayment of lease liabilities		(12,276)	-	(12,276)	(15,867)	-	(15,867)
<b>Net cash provided by / (used in) financing activities</b>		<b>23,509</b>	<b>-</b>	<b>23,509</b>	<b>(15,867)</b>	<b>-</b>	<b>(15,867)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>20,148</b>	<b>(5,865)</b>	<b>14,282</b>	<b>2,767</b>	<b>(6,521)</b>	<b>(3,754)</b>
Cash and cash equivalents at the beginning of the financial year		146,411	(22,636)	123,775	143,612	(16,115)	127,497
Effects of exchange rate changes on cash and cash equivalents		32	-	32	32	-	32
<b>Cash and cash equivalents at the end of the period</b>	<b>9</b>	<b>166,591</b>	<b>(28,502)</b>	<b>138,089</b>	<b>146,411</b>	<b>(22,636)</b>	<b>123,775</b>

#### (B) GEOGRAPHICAL - CONSOLIDATED ENTITY

University courses are delivered in Indonesia through a partnering arrangement. The Group had operations in Singapore to recruit students from South-East Asia to study at the University's Australian campuses and has operations in Indonesia.

	REVENUE AND INCOME FROM TRANSACTIONS		RESULTS		ASSETS	
	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australia	449,414	486,751	(33,428)	3,225	1,072,359	1,067,741
Overseas	961	806	(973)	31	7,241	4,395
<b>Total</b>	<b>450,375</b>	<b>487,557</b>	<b>(34,401)</b>	<b>3,256</b>	<b>1,079,600</b>	<b>1,072,136</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 3.1. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)</b>					
<b>(A) COMMONWEALTH GRANTS SCHEME AND OTHER GRANTS</b>	31.1				
Commonwealth Grant Scheme #1		126,697	119,756	126,697	119,756
Access and Participation Fund		5,220	5,294	5,220	5,294
Disability Performance Funding #2		83	60	83	60
Indigenous Student Success Program #3		2,221	2,060	2,221	2,060
<b>Total Commonwealth Grants Scheme and Other Grants</b>		<b>134,221</b>	<b>127,170</b>	<b>134,221</b>	<b>127,170</b>
<b>(B) HIGHER EDUCATION LOAN PROGRAMS (HELP)</b>	31.2				
HECS-HELP		72,563	68,590	72,563	68,590
FEE-HELP		12,137	8,882	12,137	8,882
VET FEE-HELP		-	3	-	3
VET Student Loan Program		2,893	2,673	2,893	2,673
SA-HELP		2,393	2,239	2,393	2,239
<b>Total Higher Education Loan Programs</b>		<b>89,986</b>	<b>82,387</b>	<b>89,986</b>	<b>82,387</b>
<b>(C) EDUCATION RESEARCH</b>	31.3				
Research Training Program		3,670	3,601	3,670	3,601
Research Support Program		2,638	2,448	2,638	2,448
<b>Total Education Research Grants</b>		<b>6,308</b>	<b>6,049</b>	<b>6,308</b>	<b>6,049</b>
<b>(D) AUSTRALIAN RESEARCH COUNCIL</b>	31.6				
Discovery		239	180	239	180
Linkages		109	84	109	84
<b>Total Australian Research Council</b>		<b>348</b>	<b>264</b>	<b>348</b>	<b>264</b>
<b>(E) OTHER CAPITAL FUNDING</b>					
School of Mines and Manufacturing	31.5	1,500	-	1,500	-
Community Development Grants Fund		-	10,000	-	10,000
<b>Total Other Capital Funding</b>		<b>1,500</b>	<b>10,000</b>	<b>1,500</b>	<b>10,000</b>
<b>(F) OTHER AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE</b>					
<b>Non-Capital</b>					
Other non-capital		1,005	715	809	715
<b>Total non-capital</b>		<b>1,005</b>	<b>715</b>	<b>809</b>	<b>715</b>
<b>Total Other Australian Government financial assistance</b>		<b>1,005</b>	<b>715</b>	<b>809</b>	<b>715</b>
<b>TOTAL AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE</b>		<b>233,369</b>	<b>226,585</b>	<b>233,172</b>	<b>226,585</b>

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

#2 Disability Performance Funding includes Additional Support for Students with Disabilities and Australian Disability Clearinghouse on Education and Training.

#3 Indigenous Student Success Program replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

### (A) Australian Government grants

Where there is an enforceable contract by the provisions of the Higher Education Support Act (HESA) and the Commonwealth Grant Scheme (CGS) funding agreements with sufficiently specific performance obligations in the promise to provide tuition services over a specified period of time covered by the CGS funding agreement. This revenue falls under AASB 15 and is recognised over time as the University provides the tuition services to the student.

Funding received for the Indigenous Student Success Program falls under AASB 1058 as there are no sufficiently specific performance obligations. Therefore the revenue is recognised immediately when the University has the contractual right to receive the grant.

Where there is a contractual obligation to deliver cash to a post-graduate student or a collaboration partner, a financial liability exists under AASB 9 and is disclosed under Contract and other liabilities (note 19).

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000

### NOTE 3.1. AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE INCLUDING AUSTRALIAN GOVERNMENT LOAN PROGRAMS (HELP)(cont.)

#### (B) HELP - Australian Government payments

There is an enforceable contract by the provisions of the Higher Education Support Act (HESA) with sufficiently specific performance obligations in the promise of tuition services over a specified period of time. This revenue falls under AASB 15 and is recognised over time as the University provides the tuition services to the student.

There is an enforceable contract by the provisions in the Student Services and Amenities Act and by the agreement between the university and student to provide services and amenities which form part of the University experience. Sufficiently specific performance obligations to provide services and amenities results in revenue recognised over time as the services and amenities are provided to students.

#### (C), (D) and (F) Research and Other Australian Government Grants (non-capital)

Revenue recognition for research funding is dependent upon the source of the funding and the nature of the transaction. Management have judged that performance obligations are satisfied as performed and access to research findings are available to granting bodies, consistent with expenses incurred. The following specific research revenue recognition criteria have been applied:

- Australian Research Council (ARC) and National Health and Medical Research Council (NHMRC) funding: there is an enforceable contract by the provisions of the ARC or NHMRC funding agreement with sufficiently specific performance obligations in the promise to undertake research activities as outlined in the grant proposal. This falls under AASB 15. Where there is a contractual obligation to deliver cash to a postgraduate student, a financial liability exists under AASB 9.
- Department of Education - Research Block Grant (RBG) funding: the University receives funding in relation to the Research Training Program (RTP) and Research Support Program (RSP), this funding falls under AASB 1058 as there are no sufficiently specific performance obligations. Therefore the revenue is recognised immediately when the University has the contractual right to receive the grant.
- Funding received from other government entities: where there is an enforceable contract by the provisions of the funding agreement with sufficiently specific performance obligations in the promise to undertake activities as outlined in the grant proposal, this falls under AASB 15. Revenue is recognised:
  - Over time as the research activity is being performed over the contract period under AASB 15, or
  - At a point in time when the service or milestone is measurable delivered under AASB 15, otherwise
  - Revenue will fall under AASB 1058 and be recognised immediately.

Depending on whether the contract stipulates sufficiently specific performance obligations (milestones) and includes sufficient legal grounds to allow the funding body unrestricted access to the research findings throughout the contract, the Group recognises revenue at a point in time when the milestone has been achieved or recognises revenue over time as the service is performed.

#### (E) Other capital funding

Funding received from the Australian Government to enable the Group to acquire or construct a recognisable non-financial asset to be controlled by the Group falls within AASB 1058. Under these circumstances, the funding requires the Group to construct a recognisable non-financial asset to identified specifications; does not require the Group to transfer the non-financial asset to another party; and occurs under an enforceable contract.

On initial receipt of the grant, a liability is recognised which represents the Group's obligation to construct the non-financial asset. The liability is initially measured at the carrying amount of the financial asset received from the granting body. As the Group satisfies its obligations under the grant by constructing the non-financial asset, the liability is extinguished and income is recognised in the Statement of Comprehensive Income.

### NOTE 3.2. STATE GOVERNMENT FINANCIAL ASSISTANCE

NON-CAPITAL					
<b>Higher Education</b>					
Other		1,777	2	1,777	2
<b>VET</b>					
VET purchaser's grant and corporate operating grant		17,419	16,616	17,419	16,616
Other		452	1,059	452	1,059
<b>Total non-capital</b>		<b>19,648</b>	<b>17,677</b>	<b>19,648</b>	<b>17,677</b>
CAPITAL					
<b>Higher Education</b>					
Advanced Technology and Innovation Centre		2,780	-	2,780	-
Other capital grants		91	477	85	477
<b>VET</b>					
Capital grant		-	180	-	180
<b>Total capital</b>		<b>2,871</b>	<b>657</b>	<b>2,865</b>	<b>657</b>
<b>TOTAL STATE GOVERNMENT FINANCIAL ASSISTANCE</b>		<b>22,519</b>	<b>18,334</b>	<b>22,514</b>	<b>18,334</b>

Revenue recognition for State Government funding is dependant on the nature of the transaction. Non-capital funding is recognised in accordance with AASB 15. Where funding has been received in advance, a contract liability is recognised until the services are delivered. Capital funding is recognised under AASB 1058 as the asset is constructed.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 3.2. STATE GOVERNMENT FINANCIAL ASSISTANCE (cont.)</b>					
<b>Impact of COVID-19</b>					
Included in non-capital other state government financial assistance is \$1.989m relating to a refund of the January and February 2020 periodic payroll tax returns.					
<b>NOTE 3.3. FEES AND CHARGES</b>					
<b>COURSE FEES AND CHARGES</b>					
Fee-paying onshore overseas students		121,919	175,639	121,919	175,639
Fee-paying offshore overseas students		380	322	335	322
Continuing education		459	539	459	539
Fee-paying domestic postgraduate students		4,880	3,844	4,880	3,844
Fee-paying domestic undergraduate students		1,594	1,110	1,594	1,110
Fee-paying domestic non-award students		12	4	12	4
Other domestic course fees and charges		3,089	2,940	3,089	2,940
Student subsidies		15,889	13,786	15,889	13,786
Training services		2,127	2,673	2,127	2,673
<b>Total course fees and charges</b>		<b>150,349</b>	<b>200,857</b>	<b>150,305</b>	<b>200,857</b>
<b>NON-COURSE FEES AND CHARGES</b>					
Student service and amenities fees from students	31.8	2,238	2,558	2,238	2,558
Lease fees and charges		966	427	975	436
Student accommodation		2,228	2,741	2,228	2,741
Other fees and charges		3,605	4,121	3,597	4,118
<b>Total non-course fees and charges</b>		<b>9,037</b>	<b>9,847</b>	<b>9,039</b>	<b>9,853</b>
<b>TOTAL FEES AND CHARGES</b>		<b>159,386</b>	<b>210,704</b>	<b>159,343</b>	<b>210,710</b>

### Course fees and charges

Course fees and charges revenue relates to undergraduate, postgraduate, continuing education, vocational education and training programs. Sufficiently specific performance obligations exist in the promise of tuition services for a distinct course over a specific period of time. As such, revenue is recognised under AASB 15 over time when the course is delivered to students or at a point in time when the obligation is satisfied on receipt (e.g. where the fee is non-refundable and is not offset against any future tuition fee).

When training or courses have been paid in advance or the Group has received the government funding in advance (e.g. before starting the academic period) the Group recognises a contract liability (note 19) until the services are delivered.

The Group has obligations to return or refund obligations or other similar obligations. This is mainly applicable for international tuition fees received in advance of census date where the student has not met visa or similar entry requirements into Australia.

There is no significant financing component, as the period from when the student pays and the service is provided, is less than 12 months and the consideration is not variable.

### Non-course fees and charges

Non-course fees and charges revenue relates to student services and amenities fees, rental charges, student accommodation and other miscellaneous fee revenue is recognised under AASB 15. Revenue relating to Student Services and Amenities Fees from students and student accommodation and is recognised over time as and when the services are provided. Revenue which relates to all other non-course fees and charges is recognised at the point in time when the service or sale is delivered.

The Group may have obligations to return, refund obligations or other similar obligations (note 19). This is mainly applicable prior to the delivery of the services or if the Group does not expect to meet all performance obligations.

### NOTE 3.4. CONSULTANCY AND CONTRACT FEES

Contract research		13,946	13,351	13,946	13,351
Consultancy - other		1,397	310	1,397	310
<b>TOTAL CONSULTANCY AND CONTRACT FEES</b>		<b>15,345</b>	<b>13,661</b>	<b>15,345</b>	<b>13,661</b>

There is an enforceable contract by the provisions of the funding body with sufficiently specific performance obligations in the promise of delivering research activities over a specific period of time. All revenue under note 3.4 is recognised under AASB 15 over time as the Group performs the research activities, or at a point in time when the milestone has been achieved. Management have judged that performance obligations are satisfied as performed and access to research findings are available to granting bodies, consistent with expenses incurred.

Where the Group has received funding in advance (e.g. before starting the contract) a contract liability is recognised. Contract liabilities are recognised as revenue when the Group performs under the contract.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

NOTES	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 3.5. OTHER INCOME FROM CUSTOMERS</b>				
Donations and bequests	1,460	620	1,460	620
Scholarships and prizes	1,072	110	1,072	110
Non-government grants	70	180	70	180
Retail sales	2,534	2,700	2,535	2,701
Royalty income	12	15	12	15
Other	756	1,630	686	1,260
<b>TOTAL OTHER INCOME FROM CUSTOMERS</b>	<b>5,905</b>	<b>5,255</b>	<b>5,836</b>	<b>4,886</b>

Donations and bequests are recognised as revenue when the Group receives the funds when there are no specific performance obligations attached to the donation or bequest under AASB 1058. Where the Group has completed the specific performance obligations under AASB 15, revenue is recognised over time as and when the services are provided.

Scholarships and prizes are recognised as revenue under AASB 1058 when there are no specific conditions requiring the Group to make payments to a third party.

All other income that is within the scope of AASB 15 is recognised at a point in time or over time as and when the services are provided.

### NOTE 3.6. UNSATISFIED PERFORMANCE OBLIGATIONS

Remaining performance obligations represent services the Group has promised to provide to customers under various agreements which are satisfied as the goods or services are provided over the contract term. In determining the transaction price allocated to the remaining performance obligations in the Group's contracts with customers, the Group assesses the performance obligations specified in each contract (or group of contracts). For customer contracts with terms of one year or less, or where revenue is recognised using the 'right to invoice' method, as permitted under AASB 15, disclosures are not required in relation to the transaction price allocated to these unsatisfied performance obligations. Remaining performance obligations are associated with i) Australian Government grants, ii) State Government financial assistance, iii) Consultancy and contracts and iv) Other income from customers.

All unsatisfied performance obligations will be recognised in the income statement under AASB 15, when the performance obligations have been satisfied.

	CONSOLIDATED		
	WITHIN 1 YEAR	1 TO 5 YEARS	TOTAL
Australian Government grants	10,276	-	10,276
Consultancy and contracts	5,918	6,795	12,714
Other income from customers	18,700	-	18,700
<b>Total unsatisfied performance obligations</b>	<b>34,894</b>	<b>6,795</b>	<b>41,689</b>

	PARENT		
	WITHIN 1 YEAR	1 TO 5 YEARS	TOTAL
Australian Government grants	10,276	-	10,276
Consultancy and contracts	5,918	6,795	12,714
Other income from customers	18,670	-	18,670
<b>Total unsatisfied performance obligations</b>	<b>34,865</b>	<b>6,795</b>	<b>41,660</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 4. INVESTMENT INCOME</b>				
Interest				
Financial instruments at amortised cost	1,482	3,434	1,466	3,387
Total interest	1,482	3,434	1,466	3,387
Dividends and trust distributions				
Debt instruments designated at FVTPL	261	678	261	678
Equity instruments designated at FVOCI - other	5,585	899	5,584	898
Total dividends and trust distributions	5,846	1,577	5,846	1,576
Net fair value gains				
Debt instruments designated at FVTPL	131	1,587	131	1,587
Total net fair value gains	131	1,587	131	1,587
Gain on sale of equity instruments at FVOCI	4	-	4	-
<b>TOTAL NET INVESTMENT INCOME</b>	<b>7,463</b>	<b>6,598</b>	<b>7,446</b>	<b>6,550</b>

### Interest

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate at the date interest income is earned.

### Dividends and trust distributions

Revenue is recognised when (a) the Group's right to receive the payment is established, which is generally when the shareholders/trustee approve the dividend, (b) it is probable that the economic benefits associated with the dividend/trust distribution will flow to the entity; and (c) the amount of the dividend/trust distribution can be measured reliably.

## NOTE 5. EMPLOYEE RELATED EXPENSES

<b>ACADEMIC</b>				
Salaries	128,319	117,697	128,319	117,697
Contribution to funded superannuation and pension schemes	18,215	18,866	18,206	18,866
Payroll tax	7,755	7,356	7,755	7,356
Worker's compensation	390	366	390	366
Long service leave expense	2,931	2,551	2,931	2,551
Annual leave	12,535	11,822	12,535	11,822
FBT expense	81	161	81	161
<b>Total academic</b>	<b>170,226</b>	<b>158,819</b>	<b>170,217</b>	<b>158,819</b>
<b>NON-ACADEMIC</b>				
Salaries	89,387	84,501	88,755	83,549
Contribution to funded superannuation and pension schemes	14,293	14,380	14,265	14,288
Payroll tax	5,424	5,308	5,414	5,275
Worker's compensation	288	250	274	247
Long service leave expense	2,525	2,242	2,527	2,250
Annual leave	10,529	10,027	10,501	10,010
FBT expense	58	118	58	118
<b>Total non-academic</b>	<b>122,505</b>	<b>116,826</b>	<b>121,794</b>	<b>115,737</b>
<b>TOTAL EMPLOYEE RELATED EXPENSES</b>	<b>292,730</b>	<b>275,645</b>	<b>292,011</b>	<b>274,556</b>

Contributions to the defined contribution section of Unisuper and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Past service costs are recognised in profit or loss immediately.

### Impact of COVID-19

Included in salaries are redundancy payments in the amount of \$15.292m (Consolidated entity) and \$15.272m (Parent entity) from the initial change proposal as a measure to reduce on-going salary costs.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 6. IMPAIRMENT OF ASSETS</b>				
Impairment of receivables (note 10)	4,981	1,005	4,975	1,002
Property, plant and equipment	882	-	882	-
<b>TOTAL IMPAIRMENT OF ASSETS</b>	<b>5,863</b>	<b>1,005</b>	<b>5,857</b>	<b>1,002</b>

### Impact of COVID-19

Impairment of property, plant and equipment relates to design works undertaken for a building refurbishment that will not proceed for the foreseeable future. This refurbishment has been cancelled due to a reduction in capital funding as part of the mitigation strategies to deal with the reduction in revenue caused by the COVID-19 pandemic.

### NOTE 7. MANAGEMENT AND OTHER FEES

Management and consultant fees	1,940	1,464	2,148	2,193
Commission	8,575	17,699	8,575	17,699
Copyright, royalties and patents	400	389	400	389
Membership fees and subscriptions	3,378	2,866	3,371	2,854
Labour services fees	12,082	11,503	11,985	11,484
Other fees	12,215	10,746	12,165	10,731
<b>TOTAL MANAGEMENT AND OTHER FEES</b>	<b>38,589</b>	<b>44,667</b>	<b>38,643</b>	<b>45,350</b>

### Impact of COVID-19

Commission paid to international agents for the recruitment of fee-paying onshore overseas students was significantly reduced (when compared to 2019) due to international border closures which restricted students commencing or continuing study with the University.

### NOTE 8. OTHER EXPENSES

Scholarships, grants and prizes	27,999	31,418	27,999	31,418
Non-capitalised equipment	5,591	8,942	5,592	8,921
Advertising, marketing and promotional expenses	6,840	6,845	6,941	6,807
Audit fees, bank charges, legal costs, insurance and taxes	3,075	3,336	3,019	3,248
Telecommunications	2,975	3,342	2,971	3,338
Staff development, training and related travel	3,701	13,338	3,674	13,396
Inventories	1,979	2,222	1,979	2,222
Printing, stationery, postages and freight	1,096	1,700	1,078	1,690
Books and subscriptions	5,479	4,301	5,479	4,301
Recovery of grants	579	1,121	579	1,121
Services and utility costs	8,609	8,416	8,481	8,416
Waivers	1,675	1,824	1,675	1,824
Special payments (ex gratia)	79	355	79	355
Other expenses	4,242	4,229	4,203	4,164
<b>TOTAL OTHER EXPENSES</b>	<b>73,919</b>	<b>91,389</b>	<b>73,749</b>	<b>91,221</b>

### Impact of COVID-19

Scholarships, grants and prizes have significantly reduced due to the reduction of fee-paying onshore overseas students not able to enter Australia to study (and therefore receive) scholarships provided by the University.

Staff development, training and related travel has reduced significantly due to the domestic and international border closures due to the COVID-19 pandemic preventing travel.

### NOTE 9. CASH AND CASH EQUIVALENTS

Cash at bank and on hand	2,775	5,878	922	1,923
Deposits at call	137,167	121,852	137,167	121,852
Other - trust fund	126	183	-	-
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>140,069</b>	<b>127,913</b>	<b>138,089</b>	<b>123,775</b>

### (A) CASH AT BANK AND ON HAND

Cash on hand is non-interest bearing. Cash at bank amounts are bearing a weighted average interest rate of 0.60% (2019: 1.25%) for AUD bank accounts and a weighted average interest rate of 2.56% (2019: 1.89%) for IDR bank accounts.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED		PARENT	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000

### NOTE 9. CASH AND CASH EQUIVALENTS (cont.)

#### (B) DEPOSITS AT CALL

The deposits (in AUD) are bearing floating interest rates between 0.01% and 0.67% (2019: 0.75% and 1.64%). These deposits are held in "on-call" accounts and available daily.

#### (C) CASH AND CASH EQUIVALENTS DEFINITION

For statement of cash flows presentation purposes, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

#### (D) CREDIT RISK

Credit risk from balances with banks and financial institutions is managed by the Group in accordance with Central Queensland University's investment policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Audit, Risk and Finance Committee on an annual basis, and may be updated throughout the year subject to committee approval. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

### NOTE 10. RECEIVABLES AND CONTRACT ASSETS

CURRENT				
<b>TRADE AND STUDENT RECEIVABLES</b>				
Trade receivables	6,040	7,614	6,036	7,550
Student fees receivable	9,054	5,683	9,054	5,683
<b>Total trade and student receivables</b>	<b>15,094</b>	<b>13,297</b>	<b>15,090</b>	<b>13,233</b>
<b>LESS: ALLOWANCE FOR EXPECTED CREDIT LOSSES</b>				
Trade receivables	(191)	(122)	(191)	(122)
Student fees receivable	(4,777)	(892)	(4,777)	(892)
<b>Total allowance for expected credit losses</b>	<b>(4,968)</b>	<b>(1,014)</b>	<b>(4,968)</b>	<b>(1,014)</b>
<b>Total trade and student fees receivable less allowance for expected credit losses</b>	<b>10,126</b>	<b>12,283</b>	<b>10,122</b>	<b>12,219</b>
<b>OTHER RECEIVABLES</b>				
Other receivables	1,908	2,499	1,911	2,506
<b>CONTRACT ASSETS</b>				
Contract assets	6,432	1,740	6,422	1,714
<b>TOTAL RECEIVABLES AND CONTRACT ASSETS</b>	<b>18,466</b>	<b>16,522</b>	<b>18,455</b>	<b>16,439</b>

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

At 1 January	1,014	519	1,014	519
Provision for expected credit losses	4,975	1,001	4,975	1,001
Write-off	(1,021)	(506)	(1,021)	(506)
At 31 December	4,968	1,014	4,968	1,014

#### Classification and measurement

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. At initial recognition, trade receivables are measured at their transaction price and subsequently these are classified and measured as debt instruments at amortised cost. Trade receivables are due for settlement no more than 30 days from the date of recognition. Student fees receivable are due for settlement no more than 14 days from date of recognition. Receivables are non-interest bearing.

#### Other receivables

Other receivables includes accrued interest income and Goods and Services Tax receivable.

#### Contract assets

In 2020, the Group recognised the opening contract assets balance of \$1.740m as revenue during the year.

#### Impairment

For trade, student fee receivables and contract assets, the Group applies a simplified approach in calculating expected credit losses (ECLs). Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

In 2020, due to the COVID-19 pandemic, the expected credit loss rates for student fees receivable has been increased given the unprecedented circumstances surrounding the pandemic. To assist students to continue studying, the Group extended payment terms and approved over 2,000 payment plans. This has contributed to the increase in the anticipated ECL for the Group.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 10. RECEIVABLES AND CONTRACT ASSETS (cont.)

#### Credit risk

Credit risk arises from the potential failure of students, other customers and other contractual counterparties to meet their obligations under the respective contracts. The Group has a collections policy in place to manage the collection of accounts receivable. A provision for impaired receivables has been established.

A receivables analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of customers with similar loss patterns (i.e. trade and student fees receivable). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off when recovery procedures have proven unsuccessful and further action is either not cost effective or highly unlikely to succeed. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial asset.

The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Set out below is the information about the credit risk exposure on the Group's receivables and contract assets using a provision matrix:

31 December 2020	RECEIVABLES					Total
	DAYS PAST DUE					
Trade receivables	Current	<30 days	31-60 days	61-74 days	>75 days	
Expected credit loss rate	0.2%	2%	5%	8%	24%	
Estimated total gross carrying amount at default (\$'000)	4,519	263	581	71	605	6,040
Expected credit loss (\$'000)	7	4	27	5	147	191
Student fees receivable	Current	<30 days	31-60 days	61-74 days	>75 days	Total
Expected credit loss rate (\$'000)	0.5%	7.8%	5.0%	7.5%	82%	
Estimated total gross carrying amount at default (\$'000)	1,674	1,486	105	119	5,670	9,054
Expected credit loss (\$'000)	8	115	5	9	4,639	4,777
<b>Total expected credit loss (\$'000)</b>	<b>16</b>	<b>120</b>	<b>32</b>	<b>14</b>	<b>4,786</b>	<b>4,968</b>
31 December 2019	RECEIVABLES					Total
Trade receivables	DAYS PAST DUE					
Trade receivables	Current	<30 days	31-60 days	61-74 days	>75 days	
Expected credit loss rate	0.5%	2.0%	5.0%	7.5%	20%	
Estimated total gross carrying amount at default (\$'000)	1,804	529	110	49	467	2,959
Expected credit loss (\$'000)	9	11	5	4	93	122
Student fees receivable	Current	<30 days	31-60 days	61-74 days	>75 days	Total
Expected credit loss rate (\$'000)	0.5%	2.0%	5.0%	7.5%	20%	
Estimated total gross carrying amount at default (\$'000)	586	569	66	9	4,430	5,660
Expected credit loss (\$'000)	3	11	3	1	874	892
<b>Total expected credit loss (\$'000)</b>	<b>12</b>	<b>22</b>	<b>8</b>	<b>5</b>	<b>967</b>	<b>1,014</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 11. OTHER NON-FINANCIAL ASSETS</b>				
<b>CURRENT</b>				
Prepayments	13,907	15,582	13,881	14,932
Other	2,831	886	2,830	885
<b>Total current other non-financial assets</b>	<b>16,738</b>	<b>16,468</b>	<b>16,711</b>	<b>15,817</b>
<b>NON-CURRENT</b>				
Prepayments	857	-	857	-
Investments in associates (ownership interest: 50%, 2019: 50%)	107	96	-	-
<b>Total non-current other non-financial assets</b>	<b>963</b>	<b>96</b>	<b>857</b>	<b>-</b>
<b>TOTAL OTHER NON-FINANCIAL ASSETS</b>	<b>17,701</b>	<b>16,564</b>	<b>17,567</b>	<b>15,817</b>

**Prepayments**

The Group recognises prepayments as other non-financial assets when payments for goods and services have been made in advance of the Group obtaining a right to access those goods or services.

**Investments in associates**

The Group recognises investments in associates when the Group does not have control of the associate. The investments in associates are accounted for under the equity method. On initial recognition, the investment is recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the profit or loss of the associate after the date of acquisition.

**NOTE 12. OTHER FINANCIAL ASSETS**

<b>CURRENT</b>				
Other financial assets at amortised cost is represented by:				
Term deposit	752	-	-	-
<b>Total current other financial assets</b>	<b>752</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NON-CURRENT</b>				
Investments in debt instruments designated at FVTPL is represented by:				
Investment funds	15,956	15,674	15,956	15,674
Investments in equity instruments designated at FVOCI is represented by:				
Shares in subsidiaries	-	-	6,651	5,692
Shares in listed companies	1,094	1,177	1,089	1,167
Shares in unlisted companies	52,294	45,528	52,294	45,528
<b>Subtotal equity instruments designated at FVOCI</b>	<b>53,388</b>	<b>46,705</b>	<b>60,034</b>	<b>52,387</b>
Other financial assets at amortised cost is represented by:				
Term deposit	400	400	-	-
<b>Total non-current other financial assets</b>	<b>69,744</b>	<b>62,779</b>	<b>75,990</b>	<b>68,061</b>
<b>TOTAL OTHER FINANCIAL ASSETS</b>	<b>70,496</b>	<b>62,779</b>	<b>75,990</b>	<b>68,061</b>

Changes in fair values of other financial assets at FVTPL are recorded in investment income in the income statement (note 4).

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**Classification**

Financial assets are classified, at initial recognition, and subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them.

**Financial assets at amortised cost**

The Group holds four fixed-interest term deposits in Indonesia with durations of less than 12 months and a fixed-interest term deposit within Australia with a duration of 12 months or greater.

These assets are classified as financial assets at amortised cost as they provide cash flows that are solely payments of principal and interest. One asset is classified as non-current as it is expected that this asset will be renewed for a further fixed-period.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Group's financial assets at amortised cost are term deposits.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

CONSOLIDATED		PARENT	
2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000

### NOTE 12. OTHER FINANCIAL ASSETS (cont.)

#### **Investments in equity instruments designated at fair value through other comprehensive income**

The Groups' investments in equity instruments include shares in subsidiaries (Parent only; valued using the net asset method, see note 26 for further details), listed securities (Australian listed companies and public unit trusts; valued at market value on the last day of trade for the year), and unlisted securities (namely Education Australia Ltd and AARNet Pty Ltd; valued at market value or net assets methods by Management (2019: valued by ShineWing Australia Pty Ltd). A discount has been applied to the market value of Education Australia Ltd investment).

These assets are classified as investments in equity instruments designated at fair value through other comprehensive income as they provide cash flows that are not solely payments of principal and interest, and they are not primarily held for trading.

These assets are measured at fair value. Distributions/dividends received are recognised in the Income Statement but the annual movement in fair value is not. The fair value movement is recorded as part of other comprehensive income in the Statements of Comprehensive Income.

The Group elected to classify irrevocably its equity instruments under this category.

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

The investment funds in the unit trust with Queensland Investment Corporation (QIC) were established to provide the University with short term funding capabilities.

The Group's financial assets at fair value through profit or loss (FVTPL) are investments in debt instruments and are therefore mandatorily required to be measured at fair value. Financial assets at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

#### **Derecognition**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

### NOTE 13. INVESTMENT PROPERTIES

At fair value				
Opening balance at 1 January	2,285	2,156	2,285	2,156
Change in fair value	220	129	220	129
Improvements	45	-	45	-
<b>Closing balance at 31 December</b>	<b>2,550</b>	<b>2,285</b>	<b>2,550</b>	<b>2,285</b>

#### **(A) AMOUNTS RECOGNISED IN PROFIT OR LOSS FOR INVESTMENT PROPERTIES**

Rental income	77	60	77	60
Direct operating expenses (rent generating properties)	(95)	(88)	(95)	(88)
<b>Total recognised in profit and loss</b>	<b>(18)</b>	<b>(28)</b>	<b>(18)</b>	<b>(28)</b>

#### **(B) VALUATION BASIS**

Investment properties at Emerald were (desktop) valued at fair value as at 11 September 2020 (2019: comprehensive valuation) by A Smith from Acumentis Group Limited, Emerald. These valuations were based on publicly available data on recent rentals and sales of similar buildings in nearby localities. Such valuations were also influenced by details supplied by the University in respect of the age, internal features/design and physical condition of each building.

Investment properties are initially recognised at cost. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to the Group. Where an investment property is acquired at no cost or for nominal consideration, its cost shall be deemed to be its fair value as at the date of acquisition.

Subsequent to initial recognition at cost, investment property is carried at fair value, which is based on active market prices of similar properties, adjusted if necessary for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices in less active markets or discounted cash flow projections. These valuations are reviewed annually by a registered valuer. Changes in fair values are recorded in the income statement as part of other income.

#### **(C) LEASING ARRANGEMENTS**

Investment properties consist of properties that are leased to third parties under individually negotiated lease terms.

Investment properties exclude properties held to meet service delivery objectives of Central Queensland University and are held to earn rental income and/or for capital appreciation.

Rental revenue from the leasing of investment properties is recognised in the income statement in the periods in which it is receivable, as this represents the pattern of service rendered through the provision of the properties.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTE 14. PROPERTY, PLANT AND EQUIPMENT						CONSOLIDATED ENTITY		
	CONSTRUCTION IN PROGRESS	LAND	BUILDINGS	INFRA- STRUCTURE	PLANT AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	ARTWORK & COLLECTIONS	RIGHT-OF-USE ASSETS (BUILDINGS)	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 January 2019</b>									
Cost	11,520	-	-	-	69,568	44,165	-	125,253	
Valuation	-	30,410	534,861	41,233	-	-	4,303	610,807	
Less: Accumulated depreciation	-	-	(103,483)	(10,409)	(40,783)	(18,118)	-	(172,793)	
<b>Net book amount</b>	<b>11,520</b>	<b>30,410</b>	<b>431,378</b>	<b>30,824</b>	<b>28,785</b>	<b>26,047</b>	<b>4,303</b>	<b>563,267</b>	
<b>Year ended 31 December 2019</b>									
Opening net book amount	11,520	30,410	431,378	30,824	28,785	26,047	4,303	563,267	
Adoption of AASB 16	-	-	-	-	-	-	-	290,599	
Adjustments	-	-	-	-	(6)	-	-	(6)	
Revaluation surplus / (deficit)	-	-	(16,259)	(2,772)	-	-	351	(18,680)	
Additions	28,047	-	-	-	1,688	-	23	35,984	
Disposals	-	-	(27)	(63)	(823)	(2,753)	-	(3,666)	
Depreciation charge	-	-	(8,239)	(728)	(4,704)	(4,704)	-	(22,681)	
Capitalisation	(30,746)	-	18,017	1,056	5,924	5,749	-	-	
<b>Closing net book amount</b>	<b>8,821</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,295</b>	<b>24,339</b>	<b>4,677</b>	<b>822,872</b>	
<b>At 31 December 2019</b>									
Cost	8,821	-	-	-	74,866	45,728	-	426,241	
Valuation	-	30,410	558,046	42,546	-	-	4,677	635,679	
Less: Accumulated depreciation	-	-	(133,176)	(14,230)	(47,571)	(21,390)	-	(239,048)	
<b>Net book amount</b>	<b>8,821</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,295</b>	<b>24,339</b>	<b>4,677</b>	<b>822,872</b>	
<b>As at 1 January 2020</b>									
Cost	8,821	-	-	-	74,866	45,728	-	426,241	
Valuation	-	30,410	558,046	42,546	-	-	4,677	635,679	
Less: Accumulated depreciation	-	-	(133,176)	(14,230)	(47,571)	(21,390)	-	(239,048)	
<b>Net book amount</b>	<b>8,821</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,295</b>	<b>24,339</b>	<b>4,677</b>	<b>822,872</b>	
<b>Year ended 31 December 2020</b>									
Opening net book amount	8,821	30,410	424,869	28,316	27,295	24,339	4,677	822,871	
Adjustments	31	-	(282)	-	12	-	-	2,337	
Impairment	(882)	-	-	-	-	-	-	(882)	
Additions	10,133	-	-	-	955	-	320	25,863	
Disposals	-	-	(355)	(184)	-	-	(1)	(3,683)	
Depreciation charge	1	-	(8,976)	(697)	(4,691)	(4,691)	-	(23,149)	
Capitalisation	(12,138)	-	3,000	288	6,554	1,898	398	-	
Foreign currency conversion	-	-	-	-	21	4	-	31	
<b>Closing net book amount</b>	<b>5,966</b>	<b>30,410</b>	<b>418,256</b>	<b>27,907</b>	<b>26,153</b>	<b>21,550</b>	<b>5,394</b>	<b>800,550</b>	
<b>At 31 December 2020</b>									
Cost	5,966	-	-	-	80,823	47,626	-	444,791	
Valuation	-	30,410	560,539	42,834	-	-	5,394	639,177	
Less: Accumulated depreciation	-	-	(142,283)	(14,927)	(54,669)	(26,077)	-	(283,418)	
<b>Net book amount</b>	<b>5,966</b>	<b>30,410</b>	<b>418,256</b>	<b>27,907</b>	<b>26,153</b>	<b>21,550</b>	<b>5,394</b>	<b>800,550</b>	

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSTRUCTION IN PROGRESS	LAND	BUILDINGS	INFRA- STRUCTURE	PLANT AND EQUIPMENT	LEASEHOLD IMPROVEMENTS	ARTWORK & COLLECTIONS	RIGHT-OF-USE ASSETS (BUILDINGS)	PARENT ENTITY TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>As at 1 January 2019</b>									
Cost	11,520	-	-	-	69,560	44,153	-	-	125,233
Valuation	-	30,410	534,861	41,233	-	-	4,303	-	610,807
Less: Accumulated depreciation	-	-	(103,483)	(10,409)	(40,775)	(18,117)	-	-	(172,784)
<b>Net book amount</b>	<b>11,520</b>	<b>30,410</b>	<b>431,378</b>	<b>30,824</b>	<b>28,785</b>	<b>26,036</b>	<b>4,303</b>	<b>-</b>	<b>563,256</b>
<b>Year ended 31 December 2019</b>									
Opening net book amount	11,520	30,410	431,378	30,824	28,785	26,036	4,303	-	563,256
Adoption of AASB 16	-	-	-	-	-	-	-	290,599	290,599
Adjustments	-	-	-	-	(6)	-	-	-	(6)
Revaluation surplus / (deficit)	-	-	(16,259)	(2,772)	-	-	351	-	(18,680)
Additions	26,868	-	-	-	1,615	-	23	6,226	34,732
Disposals	-	-	(27)	(63)	(823)	(2,753)	-	-	(3,666)
Depreciation charge	-	-	(8,239)	(728)	(8,272)	(4,703)	-	-	(44,624)
Capitalisation	(30,746)	-	18,017	1,056	5,924	5,749	-	(22,681)	(44,624)
<b>Closing net book amount</b>	<b>7,643</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,223</b>	<b>24,328</b>	<b>4,677</b>	<b>274,144</b>	<b>821,611</b>
<b>At 31 December 2019</b>									
Cost	7,643	-	-	-	74,792	45,716	-	-	424,977
Valuation	-	30,410	558,046	42,546	-	-	4,677	-	635,679
Less: Accumulated depreciation	-	-	(133,176)	(14,230)	(47,569)	(21,388)	-	(22,681)	(239,045)
<b>Net book amount</b>	<b>7,643</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,223</b>	<b>24,328</b>	<b>4,677</b>	<b>274,144</b>	<b>821,611</b>
<b>As at 1 January 2020</b>									
Cost	7,643	-	-	-	74,792	45,716	-	-	424,977
Valuation	-	30,410	558,046	42,546	-	-	4,677	-	635,679
Less: Accumulated depreciation	-	-	(133,176)	(14,230)	(47,569)	(21,388)	-	(22,681)	(239,045)
<b>Net book amount</b>	<b>7,643</b>	<b>30,410</b>	<b>424,869</b>	<b>28,316</b>	<b>27,223</b>	<b>24,328</b>	<b>4,677</b>	<b>274,144</b>	<b>821,611</b>
<b>Year ended 31 December 2020</b>									
Opening net book amount	7,643	30,410	424,869	28,316	27,223	24,328	4,677	274,144	821,611
Adjustments	31	-	(282)	-	11	-	-	2,577	2,337
Impairment	(882)	-	-	-	-	-	-	-	(882)
Additions	9,269	-	-	-	955	-	320	10,052	20,596
Disposals	-	-	(355)	-	(184)	-	(1)	(3,143)	(3,683)
Depreciation charge	-	-	(8,976)	(697)	(8,187)	(4,624)	-	(22,678)	(45,161)
Capitalisation	(10,095)	-	3,000	288	5,247	1,162	398	-	-
<b>Closing net book amount</b>	<b>5,966</b>	<b>30,410</b>	<b>418,256</b>	<b>27,907</b>	<b>25,065</b>	<b>20,866</b>	<b>5,394</b>	<b>260,952</b>	<b>794,818</b>
<b>At 31 December 2020</b>									
Cost	5,966	-	-	-	79,442	46,878	-	305,974	438,260
Valuation	-	30,410	560,539	42,834	-	-	5,394	-	639,178
Less: Accumulated depreciation	-	-	(142,283)	(14,927)	(54,377)	(26,013)	-	(45,022)	(282,621)
<b>Net book amount</b>	<b>5,966</b>	<b>30,410</b>	<b>418,256</b>	<b>27,907</b>	<b>25,065</b>	<b>20,866</b>	<b>5,394</b>	<b>260,952</b>	<b>794,818</b>

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 DECEMBER 2020

#### NOTE 14. PROPERTY, PLANT AND EQUIPMENT (cont.)

Adjustments to right-of-use assets (buildings) include management's re-estimates of a number to provisions to make good, adjustments for CPI increases, inclusion of renewal options.

Land and buildings (except for investment properties, note 13), infrastructure, artwork and collections are shown at fair value, based on periodic, but at least triennial, valuations by external independent valuers less subsequent depreciation for buildings and infrastructure. During intervening years a management assessment of fair value using indices supplied by external valuers is undertaken. This is a specifically tailored assessment of market trends occurring at the time.

The valuation of existing land, buildings and infrastructure was independently (desktop using indices) revalued as at 31 October 2020 (the last comprehensive valuation was as at 31 October 2018) by APV Valuers and Asset Management. Artworks and collections valuation assessment was provided as at 31 October 2020 by J Harbeck, an Australian Government Cultural Gifts Program valuer. Both valuations indicated an immaterial movement in fair value (less than 5%), therefore no valuation adjustment has been realised.

Any accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset so that the carrying amount of the asset after valuation equals its revalued amount. All other property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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

Increases in the carrying amounts arising on revaluation of land, buildings, infrastructure, library heritage and art collections are credited to reserves in equity. To the extent that the increase reverses a decrease for that class previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset class are first charged against revaluation reserves directly in equity of the remaining reserve attributable to the asset class; all other decreases are charged to the income statement.

Asset classes land and artwork and collections are not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their remaining useful lives as follows:

Depreciable assets	2020 WEIGHTED AVERAGE USEFUL LIFE	2019 WEIGHTED AVERAGE USEFUL LIFE
Freehold buildings	5 to 125 years	5 to 125 years
Infrastructure	2 to 200 years	2 to 200 years
	<b>USEFUL LIFE</b>	<b>USEFUL LIFE</b>
Plant and equipment (inc. motor vehicles)	1 to 25 years	1 to 25 years
Leasehold improvements	2 to 24 years	3 to 16 years

The Group currently does not have any assets (other than land, artwork and heritage collection assets) with an indefinite useful life.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the income statement. Where revalued assets are sold, it is Group policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

#### NOTE 14.1. RIGHT-OF-USE ASSETS

##### Assessment of where a contract is, or contains, a lease

At inception of a contract, the Group assesses whether a contract is, or contains a lease. A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether:

- a. The contract involves the use of an identified asset - the asset may be explicitly or implicitly specified in the contract. A capacity portion of larger assets is considered an identified asset if the portion is physically distinct or if the portion represents substantially all of the capacity of the asset. The asset is not considered an identified asset, if the supplier has the substantive right to substitute the asset throughout the period of use.
- b. The customer has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use.
- c. The customer has the right to direct the use of the asset throughout the period of use - the customer is considered to have the right to direct the use of the asset only if either:
  - i. The customer has the right to direct how and for what purpose the identified asset is used throughout the period of use, or
  - ii. The relevant decisions about how and for what purposes the asset is used is predetermined and the customer has the right to operate the asset, or the customer designed the asset in a way that predetermines how and for what purpose the asset will be used throughout the period of use.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 14. PROPERTY, PLANT AND EQUIPMENT (cont.)

#### NOTE 14.1. RIGHT-OF-USE ASSETS (cont.)

##### Accounting for leases - the Group as lessee

In contracts where the Group is a lessee, the Group recognises a right-of-use asset and a lease liability at the commencement date of the lease, unless the short-term or low-value exemption is applied.

##### Right-of-use asset

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

A right-of-use asset associated with land and buildings is subsequently measured at fair value.

##### Concessionary (peppercorn) leases

The Group has elected to measure the right-of-use assets (buildings) for concessionary (peppercorn) leases at cost, in accordance with AASB 16 paragraphs 23-25. As at 31 December 2020, the Group had one concessionary lease. The Group does not rely on this concessionary lease to further its objectives.

### NOTE 15. INTANGIBLE ASSETS

	CONSOLIDATED ENTITY			
	SOFTWARE \$'000	OTHER INTANGIBLES \$'000	WORK IN PROGRESS \$'000	TOTAL \$'000
<b>As at 1 January 2019</b>				
Cost	42,615	1,699	1,119	45,433
Less: Accumulated amortisation	(26,110)	(99)	-	(26,209)
<b>Net book amount</b>	<b>16,505</b>	<b>1,600</b>	<b>1,119</b>	<b>19,224</b>
<b>Year ended 31 December 2019</b>				
Opening net book amount	16,505	1,600	1,119	19,224
Additions	-	-	6,791	6,791
Disposals	(14)	-	-	(14)
Amortisation charge	(3,481)	(308)	-	(3,789)
Capitalisation	6,852	-	(6,852)	-
<b>Closing net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>At 31 December 2019</b>				
Cost	37,014	1,699	1,058	39,771
Less: Accumulated amortisation	(17,152)	(407)	-	(17,559)
<b>Net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>As at 1 January 2020</b>				
Cost	37,014	1,699	1,058	39,771
Less: Accumulated amortisation	(17,152)	(407)	-	(17,559)
<b>Net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>Year ended 31 December 2020</b>				
Opening net book amount	19,862	1,292	1,058	22,212
Adjustments	-	-	(41)	(41)
Additions	-	-	10,145	10,145
Disposals	(250)	-	-	(250)
Amortisation charge	(3,342)	(309)	-	(3,651)
Capitalisation	10,644	-	(10,644)	-
<b>Closing net book amount</b>	<b>26,914</b>	<b>983</b>	<b>518</b>	<b>28,415</b>
<b>At 31 December 2020</b>				
Cost	47,408	1,699	518	49,625
Less: Accumulated amortisation	(20,494)	(715)	-	(21,209)
<b>Net book amount</b>	<b>26,914</b>	<b>983</b>	<b>518</b>	<b>28,415</b>

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**NOTE 15. INTANGIBLE ASSETS (cont.)**

	PARENT ENTITY			
	SOFTWARE	OTHER INTANGIBLES	WORK IN PROGRESS	TOTAL
	\$'000	\$'000	\$'000	\$'000
<b>As at 1 January 2019</b>				
Cost	42,615	1,699	1,119	45,433
Less: Accumulated amortisation	(26,110)	(99)	-	(26,209)
<b>Net book amount</b>	<b>16,505</b>	<b>1,600</b>	<b>1,119</b>	<b>19,224</b>
<b>Year ended 31 December 2019</b>				
Opening net book amount	16,505	1,600	1,119	19,224
Additions	-	-	6,791	6,791
Disposals	(14)	-	-	(14)
Amortisation charge	(3,481)	(308)	-	(3,788)
Capitalisation	6,852	-	(6,852)	-
<b>Closing net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>At 31 December 2019</b>				
Cost	37,014	1,699	1,058	39,771
Less: Accumulated amortisation	(17,152)	(407)	-	(17,559)
<b>Net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>As at 1 January 2020</b>				
Cost	37,014	1,699	1,058	39,771
Less: Accumulated amortisation	(17,152)	(407)	-	(17,559)
<b>Net book amount</b>	<b>19,862</b>	<b>1,292</b>	<b>1,058</b>	<b>22,212</b>
<b>Year ended 31 December 2020</b>				
Opening net book amount	19,862	1,292	1,058	22,212
Adjustments	-	-	(41)	(41)
Additions	-	-	10,145	10,145
Disposals	(250)	-	-	(250)
Amortisation charge	(3,342)	(309)	-	(3,651)
Capitalisation	10,644	-	(10,644)	-
<b>Closing net book amount</b>	<b>26,914</b>	<b>983</b>	<b>518</b>	<b>28,415</b>
<b>At 31 December 2020</b>				
Cost	47,408	1,699	518	49,625
Less: Accumulated amortisation	(20,494)	(715)	-	(21,209)
<b>Net book amount</b>	<b>26,914</b>	<b>983</b>	<b>518</b>	<b>28,415</b>

Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised in the financial statements; items with a lesser value are expensed. Each intangible asset is amortised over its estimated useful life to the Group. The residual value is zero for all the Group's intangible assets. It has been determined that there is no active market for any of the Group's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses. No intangible assets have been classified as held for sale or form part of the disposal group held for sale. The Group does not have any intangible assets with an infinite useful life.

Software development costs in excess of \$100,000 are recognised as assets on acquisition only when the Group controls future economic benefits as a result of the costs incurred that are probable and can be measured reliably. Costs attributable to feasibility assessments are expensed as incurred. The costs capitalised include the cost of purchased software and any materials, direct labour, directly attributable overheads and other incidental costs incurred. The purchase cost of this software is amortised on a straight-line basis over the period of the expected benefit to the University, namely two to ten years.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>NOTE 16. TRADE AND OTHER PAYABLES</b>					
<b>CURRENT</b>					
OS-HELP liability to Australian Government		5,145	2,187	5,145	2,187
Trade creditors		12,642	15,321	12,609	15,146
Accruals		4,100	4,301	4,100	4,301
<b>Total trade and other payables</b>		<b>21,888</b>	<b>21,809</b>	<b>21,854</b>	<b>21,634</b>
Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the financial year, which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.					
<b>NOTE 17. PROVISIONS</b>					
<b>CURRENT PROVISIONS</b>					
<b>Current provisions expected to be settled within 12 months</b>					
Make good		1,580	-	1,580	-
Employee benefits					
<i>Annual leave</i>		19,785	20,220	19,765	20,206
<i>Long service leave</i>		2,549	3,045	2,507	3,007
<i>Staff redundancies</i>		199	44	199	44
<b>Total current provisions expected to be settled within 12 months</b>		<b>24,113</b>	<b>23,309</b>	<b>24,051</b>	<b>23,257</b>
<b>Current provisions expected to be settled after 12 months</b>					
Employee benefits					
<i>Annual leave</i>		4,258	4,205	4,258	4,205
<i>Long service leave</i>		17,748	19,816	17,748	19,816
<b>Total current provisions expected to be settled after 12 months</b>		<b>22,007</b>	<b>24,021</b>	<b>22,007</b>	<b>24,021</b>
<b>Total current provisions</b>		<b>46,120</b>	<b>47,330</b>	<b>46,058</b>	<b>47,278</b>
<b>NON-CURRENT PROVISIONS</b>					
Make good		7,595	9,275	7,595	9,275
Employee benefits					
<i>Long service leave</i>		8,495	7,977	8,495	7,970
<b>Total non-current provisions</b>		<b>16,090</b>	<b>17,252</b>	<b>16,090</b>	<b>17,245</b>
<b>Total provisions</b>		<b>62,210</b>	<b>64,582</b>	<b>62,148</b>	<b>64,523</b>

Provision for lease make good is recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as a finance cost.

### Employee benefits

#### (i) Short-term obligations

Liabilities for short-term employee benefits including wages, salaries and non-monetary benefits are measured at the amount expected to be paid when the liabilities are settled, if they are expected to be settled wholly before 12 months after the end of the reporting period, and are recognised in other payables.

#### (ii) Other long-term obligations

The liability for other long-term employee benefits are those that are not expected to be settled wholly before 12 months after the end of the reporting period. Other long-term employee benefits include annual leave and long service leave liabilities.

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

Regardless of the expected timing of settlements, provisions made in respect of employee benefits are classified as a current liability, unless there is an unconditional right to defer the settlement of the liability for at least 12 months after the reporting date, in which case it would be classified as a non-current liability.

#### (iii) Sick leave

No provision has been made for sick leave as all sick leave is non-vesting and the average sick leave taken in future years by employees is estimated to be less than the annual entitlement of sick leave.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 17. PROVISIONS (cont.)

#### Employee benefits (cont.)

##### (iv) Time off in lieu

Time off in lieu accrued is not recorded as a liability as it is considered immaterial, and any payment of time in lieu is recognised as an expense.

##### (v) Termination benefits

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. The Group recognises termination benefits either when it can no longer withdraw the offer of those benefits or when it has recognised costs for restructuring within the scope of AASB 137 that involves the payment of termination benefits. Benefits falling due more than 12 months after the balance date are discounted to present value.

#### (A) Movements in provisions

Movements in each class of provision during the financial year, other than employee benefits, are set out below:

##### MAKE GOOD

Provision is made for estimated make good expenses in accordance with the terms of each individual lease agreement. The leases have termination dates between 2021 to 2041 when it is expected that these obligations will be realised.

	CONSOLIDATED	
	2020	2019
	\$'000	\$'000
Carrying amount at start of year	9,275	5,471
Additional provisions required	1,760	80
Change in estimated cashflows	(2,067)	3,488
Increase / (decrease) in discounted amount	207	236
<b>Carrying amount at end of year</b>	<b>9,175</b>	<b>9,275</b>

	NOTES	CONSOLIDATED		PARENT	
		2020	2019	2020	2019
		\$'000	\$'000	\$'000	\$'000
<b>NOTE 18. BORROWINGS</b>					
<b>CURRENT</b>					
Lease liabilities		13,805	12,993	13,219	12,993
<b>Total current borrowings</b>		<b>13,805</b>	<b>12,993</b>	<b>13,219</b>	<b>12,993</b>
<b>NON-CURRENT</b>					
Lease liabilities		263,373	263,515	260,482	263,515
Unsecured credit facility		35,801	-	35,801	-
<b>Total non-current borrowings</b>		<b>299,174</b>	<b>263,515</b>	<b>296,284</b>	<b>263,515</b>
<b>TOTAL BORROWINGS</b>		<b>312,979</b>	<b>276,508</b>	<b>309,503</b>	<b>276,508</b>

The interest rate for each lease is based on the lease term (including options where the Group expects the options to be exercised).

#### (a) Assets pledged as security

The right-of-use assets (note 14) are pledged as security for the lease liabilities. There are no assets pledged as security for the unsecured credit facility.

#### (b) Impact of COVID-19

The following financing arrangements have been established by the Group to assist in meeting strategic and capital expenditure requirements. The use of financing arrangements was deemed necessary due to the impact of COVID-19 on the Group.

#### (c) Financing arrangements

The following loan / overdraft facilities have been taken out with the State of Queensland (facilitated by the Northern Australia Infrastructure Facility (NAIF)) and Queensland Treasury Corporation (QTC):

- \$76m NAIF unsecured credit facility. The loan term is 20 years and is repayable in equal quarterly instalments commencing 31 December 2025. As at the reporting date, only \$35m had been drawdown.
- \$20m QTC overdraft facility. As at the reporting date, no overdraft exists as the Group has had sufficient funds available.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 18. BORROWINGS (cont.)

#### (d) Risk exposures

The exposure of the Group's borrowings is considered minimal as all major borrowings are held with State Government entities in variable and fixed interest rate arrangements. The carrying amounts of the Group's borrowings are in Australian Dollars.

#### (e) Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowing using the effective interest rate method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as prepayments and amortised on a straight-line basis over the term of the facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in other income or other expenses.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period and does not expect to settle the liability for at least 12 months after the end of the reporting period.

#### (f) Reconciliation of liabilities arising from financing activities

	2019	Cash flows	Non-cash changes	2020
	\$'000	\$'000	\$'000	\$'000
Borrowings	-	35,785	16	35,801
Lease liabilities	276,508	(13,233)	13,903	277,178
<b>Total liabilities from financing activities</b>	<b>276,508</b>	<b>22,552</b>	<b>13,918</b>	<b>312,979</b>

### NOTE 18.1 THE GROUP AS LESSEE

#### Amounts recognised in the income statement

	2019	2020	2019	2020
<b>Income</b>				
Income from sub-leasing right-of-use assets	40	49	40	49
<b>Expenses</b>				
Interest on lease liabilities	8,952	8,618	8,690	8,618
Expenses relating to short-term leases	158	188	134	145
Expenses relating to leases of low value assets, excluding short-term leases of low value assets	82	62	73	45
Total expenses	9,192	8,868	8,897	8,808
<b>Net expenses recognised in the income statement</b>	<b>9,151</b>	<b>8,819</b>	<b>8,857</b>	<b>8,759</b>

#### Maturity analysis - undiscounted contractual cash flows

	2019	2020	2019	2020
Less than one year	22,107	21,298	21,522	21,298
One to five years	110,637	99,281	107,710	99,281
More than five years	233,799	244,345	232,628	244,345
<b>Total undiscounted contractual cash flows</b>	<b>366,543</b>	<b>364,924</b>	<b>361,859</b>	<b>364,924</b>

#### Lease liabilities recognised in the statement of financial position:

	2019	2020	2019	2020
Current	13,805	12,993	13,219	12,993
Non-current	263,373	263,515	260,482	263,515
<b>Total lease liabilities recognised in the statement of financial position</b>	<b>277,178</b>	<b>276,508</b>	<b>273,701</b>	<b>276,508</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000

### NOTE 18. BORROWINGS (cont.)

#### NOTE 18.1 THE GROUP AS LESSEE (cont.)

The Group's lease liabilities are comprised of property leases. These properties have been leased to undertake teaching, research or operational activities. Leases have termination dates ranging between 2021 to 2052.

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

- Fixed payments, including in-substance fixed payments,
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date (e.g. payments varying on account of changes in CPI),
- Amounts expected to be payable by the lessee under residual value guarantees,
- The exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- Payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

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

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

Right-of-use assets are presented within property, plant and equipment in note 14 and the lease liabilities are presented in note 18.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low-value assets (i.e. where the value of the leased asset when new is \$5,000 or less).

Refer to note 14.1 for the accounting policy relating to concessionary leases.

### NOTE 19. CONTRACT AND OTHER LIABILITIES

	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>CURRENT</b>				
Australian Government unspent financial assistance	10,276	10,538	10,276	10,538
Contract liabilities	10,694	4,248	10,694	4,248
Refund liabilities	24	701	-	701
Other liabilities	10,332	2,626	10,326	2,608
Revenue received in advance	18,700	30,411	18,670	30,393
<b>Total current contract and other liabilities</b>	<b>50,026</b>	<b>48,524</b>	<b>49,966</b>	<b>48,488</b>
<b>NON-CURRENT</b>				
Contract liabilities	2,020	1,847	2,020	1,847
<b>Total non-current contract and other liabilities</b>	<b>2,020</b>	<b>1,847</b>	<b>2,020</b>	<b>1,847</b>
<b>TOTAL CONTRACT AND OTHER LIABILITIES</b>	<b>52,046</b>	<b>50,371</b>	<b>51,986</b>	<b>50,335</b>

**Australian Government unspent financial assistance** are monies received, but at reporting date have not yet met the criteria to be recognised as revenue. All Australian Government unspent financial assistance have been classified as current as they are expected to be settled within 12 months from the reporting date.

**Contract liabilities** are the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is first). Contract liabilities are recognised as revenue when the Group performs under the contract. Contract liabilities are classified as current if the consideration received is expected to be recognised as revenue within 12 months from the reporting date, otherwise the contract liabilities are recognised as non-current.

In 2020, the Group recognised \$14.125m from the opening balance of contract liabilities as revenue during the year.

**Refund liabilities** are the obligations to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. All refund liabilities have been classified as current as they are expected to be settled within 12 months from the reporting date.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	NOTES	CONSOLIDATED		PARENT	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 20. RESERVES AND RETAINED EARNINGS</b>					
<b>(A) RESERVES</b>					
Property, plant and equipment revaluation surplus		196,083	196,365	196,083	196,365
Investments in equity instruments designated at FVOCI		51,946	45,263	52,878	46,207
Foreign currency translation surplus		(478)	(46)	-	-
<b>TOTAL RESERVES</b>		<b>247,551</b>	<b>241,582</b>	<b>248,961</b>	<b>242,572</b>
<b>MOVEMENTS</b>					
<b>Property, plant and equipment revaluation surplus</b>					
Balance 1 January		196,365	215,048	196,365	215,048
Revaluation increment / (decrement)					
<i>Land and buildings</i>		(282)	(16,259)	(282)	(16,259)
<i>Infrastructure</i>		-	(2,772)	-	(2,772)
<i>Artwork and collections</i>		-	348	-	348
<b>Balance 31 December</b>		<b>196,083</b>	<b>196,365</b>	<b>196,083</b>	<b>196,365</b>
<b>Investments in equity instruments designated at FVOCI</b>					
Balance 1 January		45,263	28,476	46,207	29,543
Fair value increment / (decrement)		6,683	16,787	6,671	16,664
<b>Balance 31 December</b>		<b>51,946</b>	<b>45,263</b>	<b>52,878</b>	<b>46,207</b>
<b>Foreign currency translation surplus</b>					
Balance 1 January		(46)	17	-	-
Currency transaction differences arising during the year		(432)	(63)	-	-
<b>Balance 31 December</b>		<b>(478)</b>	<b>(46)</b>	<b>-</b>	<b>-</b>
<b>(B) RETAINED EARNINGS</b>					
<b>Movements in retained earnings were as follows</b>					
Retained earnings at 1 January		417,266	408,913	415,488	406,978
Effect of adoption of new accounting standards (AASB 15 and 1058)		-	(12,912)	-	(12,912)
Effect of adoption of new accounting standards (AASB 16)		-	18,009	-	18,009
Net operating result for the period end		(34,401)	3,256	(33,172)	3,413
<b>RETAINED EARNINGS AT 31 DECEMBER</b>		<b>382,865</b>	<b>417,266</b>	<b>382,316</b>	<b>415,488</b>

### (C) NATURE AND PURPOSE OF RESERVES

The property, plant and equipment revaluation surplus includes the net revaluation increments and decrements arising from the revaluation.

Investments in equity instruments designated at FVOCI reserve represents fair value movements in financial assets.

The foreign currency revaluation reserve relates to the translation of the results and position of CQU Development Pte Ltd whose functional and presentation currency is Singapore dollars and PT CQU Executive Business Training Centre whose functional presentation currency is Indonesian Rupiah into the group accounts which are presented in Australian dollars.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 21. KEY MANAGEMENT PERSONNEL DISCLOSURES

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the University during 2020. Further information on these positions can be found in the body of the annual report.

#### (A) Names of responsible persons and executive officers

Appointed / (Ceased)

##### Chancellor

Mr John ABBOTT AM

##### Deputy Chancellor

Dr Robyn MINCHINTON

##### Vice-Chancellor and President

Professor Nicholas KLOMP

##### President of Academic Board

Associate Professor Celeste LAWSON

##### Members appointed by the Governor-in-Council

Emeritus Professor Robert CASTLE

Mr Peter CORONES AM

Dr Rochelle MACDONALD

Dr Robyn MINCHINTON

Mr Ian MCPHEE AO PSM

##### Additional members appointed by Council

Ms Patrice BROWN

Mr Joel BUCHHOLZ

Ms Shelia HOUSTON

Mr Mark PETERS

##### Elected member - academic staff

Dr Gerard ILOTT

##### Elected member - professional staff

Mr Bruce YOUNG

##### Elected member - student

Mr Vindhya Raj POKHAREL (23 March 2020)

Ms Rhianna WOOD 8 June 2020 / (28 October 2020)

#### Key Executive Management Personnel (Executive Officers)

Appointed / (Ceased)

##### Vice-Chancellor and President

Professor Nicholas KLOMP

##### Vice President (Global Development Division)

Mr Alastair DAWSON

##### Vice President (Academic)

Professor Helen HUNTLY OAM

##### Vice President (Student & Corporate Services)

Ms Narelle PEARSE

##### Vice-President (Research)

Professor Grant STANLEY

##### Deputy Vice-Chancellor (Strategic Development & Growth)

Professor Fiona COULSON (25 May 2020)

##### Deputy Vice-Chancellor (Student Experience & Governance)

Ms Joanne PERRY (25 May 2020)

##### Deputy Vice-President (Engagement & Campuses)

Professor Pierre VILJOEN (25 May 2020)

#### (B) Remuneration of council members, executives and key management personnel

Council members of Central Queensland University receive remuneration in accordance with the University's Council Remuneration Policy. For council members who are also staff, remuneration payments for their substantive positions have been excluded.

Remuneration policies for key executive management personnel are set by the University Council. The remuneration and other terms of employment for the key executive management personnel are specified in individual employment contracts. The contracts provide for the provision of other benefits where applicable. Remuneration packages for key executive management personnel comprise:

##### - Short term employee benefits which include:

Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.

Non-monetary benefits - includes occupation of a residence owned by the University and the of provision of motor vehicles together with fringe benefits tax applicable to the benefits. The estimated market value of the housing benefit has been included in the remuneration calculations.

Performance payments are made on achievement of pre-determined individual performance targets as agreed and approved by Council.

##### - Long term employee benefits include long service leave accrued.

##### - Post-employment benefits include superannuation.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED		PARENT	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>NOTE 21. KEY MANAGEMENT PERSONNEL DISCLOSURES (cont.)</b>				
<b>(B) Remuneration of council members, executives and key management personnel (cont.)</b>				
Short term employee benefits	2,934	3,625	2,934	3,625
Long term employee benefits	95	73	95	73
Post employment benefits	442	562	442	562
<b>Total remuneration</b>	<b>3,471</b>	<b>4,260</b>	<b>3,471</b>	<b>4,260</b>

### Remuneration of council members

	No.	No.	No.	No.
nil to \$14,999	5	4	5	4
\$30,000 - \$44,999	6	6	6	6
\$45,000 - \$59,999	3	3	3	3
\$75,000 - \$89,999	1	1	1	1

### Remuneration of executives and key management personnel

\$135,000 - \$149,999	1	-	1	-
\$165,000 - \$179,999	2	-	2	-
\$300,000 - \$314,999	-	1	-	1
\$345,000 - \$359,999	-	1	-	1
\$360,000 - \$374,999	-	1	-	1
\$375,000 - \$389,999	-	2	-	2
\$390,000 - \$404,999	1	-	1	-
\$405,000 - \$419,999	1	2	1	2
\$435,000 - \$449,999	1	-	1	-
\$450,000 - \$464,999	-	1	-	1
\$495,000 - \$509,999	1	-	1	-
\$675,000 - \$689,999	-	1	-	1
\$765,000 - \$779,999	1	-	1	-

### (C) Performance payments

No performance payment is payable in respect of the 2020 year (2019: \$0.025m).

### (D) Loans to key management personnel

No loans were made to any key management personnel during the period (2019: nil).

	\$'000	\$'000	\$'000	\$'000
<b>NOTE 22. REMUNERATION OF AUDITORS</b>				
During the year the following fees were paid for services provided by the auditor of the parent entity and its controlled entities.				
<b>Assurance services</b>				
<b>1. Audit services</b>				
Fees paid to the Auditor General of Queensland:				
Audit and review of financial reports under the <i>Financial Accountability Act 2009</i>	237	239	217	217
Fees paid to TKNP International	3	4	-	-
Fees paid to KAP Herman Dody Tanumihardja & Rekan (Indonesia)	2	2	-	-
<b>TOTAL REMUNERATION FOR AUDIT SERVICES</b>	<b>242</b>	<b>245</b>	<b>217</b>	<b>217</b>

Audit fees reported for the 2019 audit of PT CQU Executive Business Training Centre have been restated in 2020 from AUD \$0.009m (KAP Tanubrata Sutanto Fahmi Bambang & Rekan (BDO Indonesia)) to AUD \$0.002m (KAP Herman Dody Tanumihardja & Rekan).

### NOTE 23. CONTINGENCIES

#### Contingent liabilities

Consultation with the University's staff and insurers has indicated five pending issues which may result in a claim against the University. It is difficult to quantify the financial impact of these potential claims, as the amount payable for these claims, if any, would be reduced by any payout received from the University's insurers. No material amounts are expected to be paid in relation to these matters as at 31 December 2020.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

	CONSOLIDATED		PARENT	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>NOTE 24. COMMITMENTS</b>				
<b>(A) CAPITAL COMMITMENTS</b>				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
<b>Property, plant and equipment</b>				
Payable:				
Within one year	27,061	492	27,061	492
	<b>27,061</b>	<b>492</b>	<b>27,061</b>	<b>492</b>
<b>Intangibles</b>				
Payable:				
Within one year	299	56	299	56
	<b>299</b>	<b>56</b>	<b>299</b>	<b>56</b>
<b>TOTAL CAPITAL COMMITMENTS</b>	<b>27,360</b>	<b>548</b>	<b>27,360</b>	<b>548</b>
<b>(B) OTHER EXPENDITURE COMMITMENTS</b>				
Payable:				
Within one year	18,150	11,655	18,132	11,652
Between one and five years	15,512	917	15,491	912
<b>TOTAL OTHER EXPENDITURE COMMITMENTS</b>	<b>33,662</b>	<b>12,572</b>	<b>33,622</b>	<b>12,564</b>

### NOTE 25. RELATED PARTIES

#### (A) PARENT ENTITY

The parent entity is Central Queensland University which at 31 December 2020 owns 100% of Australian International Campuses Pty Ltd, Australian International Campuses Trust, C Management Services Pty Ltd, CQU Travel Centre Pty Ltd, DataMuster Pty Ltd, Mask-Ed International Pty Ltd and CQU Development Pte Ltd. As at 31 December 2019 Central Queensland University owned 100% of the same related parties mentioned above. During 2019, C Management Services Pty Ltd established PT CQU Executive Business Training Centre in Jakarta, Indonesia. C Management Services Pty Ltd owns 100% of the ordinary issued shares and nil of the special issued shares.

#### (B) SUBSIDIARIES

Interest in subsidiaries are set out in note 26.

#### (C) KEY MANAGEMENT PERSONNEL

Disclosures relating to council members and specified executives are set out in note 21.

#### (D) TRANSACTIONS WITH RELATED PARTIES

The following transactions occurred with related parties:

<b>Revenue received from controlled entities</b>				
General	-	-	25	65
<b>Revenue received from other related parties</b>				
Contract research	433	527	433	527
Training revenue	37	108	37	108
Scholarship funding (AASB 9)	4	-	4	-
General	32	58	32	58
<b>Expenses paid to controlled entities</b>				
Commission and booking fees on travel	-	-	208	500
General	-	-	312	409
<b>Expenses paid to other related parties</b>				
Operating lease expense	109	116	109	116
Grants expense	29	151	29	151
General	452	93	452	93

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

	CONSOLIDATED		PARENT	
	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000

**NOTE 25. RELATED PARTIES (cont.)**

**(E) OUTSTANDING BALANCES**

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000
<b>Current receivables</b>				
Controlled entities (Trade receivables)	-	-	-	5
<b>Non-current receivables</b>				
Associates	85	85	-	-
<b>Current payables</b>				
Controlled entities	-	-	5	88

**(F) LOANS AND GUARANTEES**

No loans or guarantees have been granted in relation to any party.

**(G) TERMS AND CONDITIONS**

Transactions were made on normal commercial terms and conditions and at market rates.

**NOTE 26. SUBSIDIARIES**

**Basis of consolidation - subsidiaries**

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

NAME OF ENTITY AND PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	CLASS OF SHARES	EQUITY HOLDING	
			2020 %	2019 %
<b>AUSTRALIAN INTERNATIONAL CAMPUSES PTY LTD</b> The principal activity of the company is to act as "Trustee" for the Australian International Campuses Trust.	Australia	Ord	100	100
<b>AUSTRALIAN INTERNATIONAL CAMPUSES TRUST</b> The trust was established for the benefit of the Unitholder being, Central Queensland University, to hold in trust the shareholdings in the companies that ran the Central Queensland University Australian International Campuses.	Australia	Ord	100	100
<b>C MANAGEMENT SERVICES PTY LTD</b> The principal activity of the Company from 2019 is to act as the shareholder of PT CQU Executive Business Training Centre, Indonesia. Prior to this, the company sat dormant.	Australia	Ord	100	100
<b>CQU TRAVEL CENTRE PTY LTD</b> The principal activity of the company during the financial year was a licenced international travel agency and provider of education travel in Australia.	Australia	Ord	100	100
<b>DATAMUSTER PTY LTD</b> This company was established for the purpose of commercialising Intellectual Property developed by a member of staff. The company was incorporated in 2018 and is in the early stages of preparing for commercialisation.	Australia	Ord	100	100
<b>MASK-ED INTERNATIONAL PTY LTD</b> The company was established for the purpose of commercialising Intellectual Property developed by a member of staff. The company was incorporated during 2011. It has not yet commenced commercial operations.	Australia	Ord	100	100
<b>CQU DEVELOPMENT PTE LTD</b> The company ceased operations in November 2019. The company is domiciled in Singapore. The principle activity was the recruitment of international students from the South East Asia region to study at Central Queensland University in Australia.	Singapore	Ord	100	100
<b>PT CQU EXECUTIVE BUSINESS TRAINING CENTRE</b> The company was established in July 2019 and is domiciled in Indonesia. The principle activity is the delivery of a range of professional development courses, postgraduate degrees and research degrees in Indonesia. The University owns 100% of the ordinary issued capital and nil of the special issued capital. The special issued capital has a face value of \$1,000 AUD.	Indonesia	Ord Special	100 -	100 -

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

CONSOLIDATED		PARENT	
2020	2019	2020	2019
\$'000	\$'000	\$'000	\$'000

### NOTE 26. SUBSIDIARIES (cont.)

#### Basis of consolidation - subsidiaries (cont.)

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Central Queensland University ('parent entity') as at 31 December 2020 and all the results of all subsidiaries for the year then ended. Central Queensland University and its subsidiaries together are referred to in these financial statements as the Group or the consolidated entity.

Subsidiaries are those entities (including structured entities) over which the Group has control. The Group has control over an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Power over the investee exists when the Group has existing rights that give it current ability to direct the relevant activities of the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Returns are not necessarily monetary and can be only positive, only negative or both positive and negative.

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

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

### NOTE 27. EVENTS OCCURRING AFTER THE END OF THE REPORTING PERIOD

There are no material matters which have arisen subsequent to year end that significantly impact upon the operations of the University.

### NOTE 28. RECONCILIATION OF NET RESULT AFTER INCOME TAX TO NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES

<b>Net result for the year</b>	(34,401)	3,256	(33,172)	3,413
Depreciation and amortisation expense	49,662	48,415	48,813	48,412
Investment management expenses	52	52	52	52
Revaluation increment	(220)	(129)	(220)	(129)
Fair value (gains) / losses on other financial assets at FVTPL	(131)	(1,587)	(131)	(1,587)
Impairment of assets	882	-	882	-
Net gain / (loss) on sale of non-current assets	346	499	346	499
Fair value of assets acquired at less than fair value	-	(28)	-	(28)
Net exchange differences	(14)	(11)	(32)	(31)
Share of profits of associates not received as dividends or distributions	(10)	3	-	-
Change in operating assets and liabilities:				
(Increase) / decrease in receivables	(1,930)	(2,921)	(2,002)	(2,930)
(Increase) / decrease in inventories	(26)	165	(26)	165
(Increase) / decrease in other operating assets	(1,126)	(4,326)	(1,750)	(3,680)
Increase / (decrease) in trade creditors	420	(2,742)	561	(2,768)
Increase / (decrease) in other operating liabilities	1,660	3,770	1,637	3,793
Increase / (decrease) in other provisions	(2,271)	2,006	(2,274)	2,026
Increase / (decrease) in provision for income tax payable	(304)	(44)	-	-
<b>Net cash inflow / (outflow) from operating activities</b>	<b>12,589</b>	<b>46,378</b>	<b>12,684</b>	<b>47,207</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 29. FINANCIAL RISK MANAGEMENT

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The Group's activities expose it to a variety of financial risks, as follows:

#### (A) MARKET RISK

##### (i) Foreign exchange risk

Foreign currency risk arises when commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The consolidated entity operates internationally and is exposed to foreign exchange risk arising from currency exposure to the Singapore dollar and Indonesian Rupiah.

Fees charged to overseas students are denominated in Australian dollars. Fees charged to students studying in Indonesia (through PT CQU Executive Business Training Centre) are denominated in Indonesian Rupiah.

##### (ii) Price risk

Price risk arises when the value of a financial instrument fluctuates as a result of changes in market prices. The Group prices goods and services based on a combination of cost recovery, or market forces depending on the type of item supplied. The Group's two biggest exposures to competitive market movements in price levels are for (a) its market based investment with QIC where funds are invested in the QIC Long Term Diversified Fund and (b) its shareholdings in Education Australia Ltd and AARNet Pty Ltd. The Group monitors its investments and provides regular reports to management and University Council for high level review and action as required.

##### (iii) Cash flow and fair value interest rate risk.

Interest rate risk is the risk (variability in value) borne by an interest-bearing asset due to the variability of interest rates. The Group minimises its exposure to fluctuating market interest rates by diversifying its investments in both cash and short term funding with Queensland Treasury Corporation (QTC). It regularly reviews its investments and markets to obtain best interest rates. The Group does not have any borrowings which are subject to interest rate risk.

##### (iv) Summarised sensitivity analysis

The following tables summarise the sensitivity of the Group's financial assets and financial liabilities to interest rate risk and other price risk. The consolidated entity is operating in Singapore and Indonesia which may result in a minimal increase in risk. As the Group is subject to negligible foreign exchange risk, sensitivity analysis of this risk has been excluded.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 29. FINANCIAL RISK MANAGEMENT (cont.)

CONSOLIDATED	CARRYING AMOUNT	INTEREST RATE RISK			FOREIGN EXCHANGE RISK			OTHER PRICE RISK					
		RESULT	EQUITY	\$'000	RESULT	EQUITY	\$'000	RESULT	EQUITY	\$'000	RESULT	EQUITY	\$'000
<b>31 DECEMBER 2020</b>	<b>\$'000</b>	<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-10%</b>	<b>10%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>FINANCIAL ASSETS</b>													
Cash and cash equivalents	140,069	(1,401)	1,401	(3)	3	-	-	-	-	-	-	-	-
Receivables	18,466	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	70,496	-	-	(8)	8	(6,974)	(6,974)	6,974	6,974	6,974	6,974	6,974	6,974
<b>TOTAL FINANCIAL ASSETS</b>	<b>229,030</b>	<b>(1,401)</b>	<b>1,401</b>	<b>(11)</b>	<b>11</b>	<b>(6,974)</b>	<b>(6,974)</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>
<b>FINANCIAL LIABILITIES</b>													
Payables	21,888	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	312,979	(3,130)	3,130	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>334,867</b>	<b>(3,130)</b>	<b>3,130</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase / (decrease)</b>	<b>(105,836)</b>	<b>1,729</b>	<b>1,729</b>	<b>(11)</b>	<b>11</b>	<b>(6,974)</b>	<b>(6,974)</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>	<b>6,974</b>
<b>CONSOLIDATED</b>													
		<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-10%</b>	<b>10%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>31 DECEMBER 2019</b>	<b>\$'000</b>	<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-1%</b>	<b>1%</b>	<b>-10%</b>	<b>10%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>FINANCIAL ASSETS</b>													
Cash and cash equivalents	127,913	(1,279)	1,279	(25)	25	-	-	-	-	-	-	-	-
Receivables	16,522	-	-	-	-	-	-	-	-	-	-	-	-
Other financial assets	62,779	-	-	-	-	-	-	(6,278)	6,278	6,278	6,278	6,278	6,278
<b>TOTAL FINANCIAL ASSETS</b>	<b>207,214</b>	<b>(1,279)</b>	<b>1,279</b>	<b>(25)</b>	<b>25</b>	<b>(6,278)</b>	<b>(6,278)</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>
<b>FINANCIAL LIABILITIES</b>													
Payables	21,809	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings	276,508	(2,765)	2,765	-	-	-	-	-	-	-	-	-	-
<b>TOTAL FINANCIAL LIABILITIES</b>	<b>298,317</b>	<b>(2,765)</b>	<b>2,765</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase / (decrease)</b>	<b>(91,103)</b>	<b>1,486</b>	<b>1,486</b>	<b>(25)</b>	<b>25</b>	<b>(6,278)</b>	<b>(6,278)</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>	<b>6,278</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 29. FINANCIAL RISK MANAGEMENT (cont.)

#### (B) LIQUIDITY RISK

The following tables summarise the maturity of the Group's financial assets and financial liabilities.

CONSOLIDATED	AVERAGE INTEREST RATE	FLOATING INTEREST RATE	FIXED INTEREST MATURING IN:			NON- INTEREST BEARING	TOTAL
			1 YEAR OR LESS	1 TO 5 YEARS	OVER 5 YEARS		
<b>31 DECEMBER 2020</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>FINANCIAL ASSETS</b>							
Cash and cash equivalents (AUD)	1.02%	139,713	-	-	-	-	139,713
Cash and cash equivalents (IDR)	2.56%	171	-	-	-	-	171
Cash and cash equivalents (SGD)		-	-	-	-	184	184
Receivables and contract assets		-	-	-	-	18,466	18,466
Other financial assets	4.16%	-	752	400	-	69,344	70,496
<b>TOTAL FINANCIAL ASSETS</b>		<b>139,884</b>	<b>752</b>	<b>400</b>	<b>-</b>	<b>87,994</b>	<b>229,030</b>
<b>FINANCIAL LIABILITIES</b>							
Payables		-	-	-	-	21,888	21,888
Borrowings	1.34%	-	-	-	35,801	-	35,801
Lease liabilities	2.71%	-	13,805	71,748	191,626	-	277,178
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>13,805</b>	<b>71,748</b>	<b>227,427</b>	<b>21,888</b>	<b>334,867</b>
<b>Net financial assets / (liabilities)</b>		<b>139,884</b>	<b>(13,053)</b>	<b>(71,348)</b>	<b>(227,427)</b>	<b>66,106</b>	<b>(105,836)</b>

CONSOLIDATED	AVERAGE INTEREST RATE	FLOATING INTEREST RATE	FIXED INTEREST MATURING IN:			NON- INTEREST BEARING	TOTAL
			1 YEAR OR LESS	1 TO 5 YEARS	OVER 5 YEARS		
<b>31 DECEMBER 2019</b>	<b>%</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>FINANCIAL ASSETS</b>							
Cash and cash equivalents (AUD and SGD)	1.25%	125,392	-	-	-	253	125,645
Cash and cash equivalents (IDR)	1.89%	2,268	-	-	-	-	2,268
Receivables and contract assets		-	-	-	-	16,522	16,522
Other financial assets	2.68%	-	400	-	-	62,379	62,779
<b>TOTAL FINANCIAL ASSETS</b>		<b>127,660</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>79,154</b>	<b>207,214</b>
<b>FINANCIAL LIABILITIES</b>							
Payables		-	-	-	-	21,809	21,809
Lease liabilities	2.72%	-	12,993	68,872	194,643	-	276,508
<b>TOTAL FINANCIAL LIABILITIES</b>		<b>-</b>	<b>12,993</b>	<b>68,872</b>	<b>194,643</b>	<b>21,809</b>	<b>298,317</b>
<b>Net financial assets / (liabilities)</b>		<b>127,660</b>	<b>(12,593)</b>	<b>(68,872)</b>	<b>(194,643)</b>	<b>57,345</b>	<b>(91,103)</b>



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 30. FAIR VALUE MEASUREMENTS

#### (A) FAIR VALUE MEASUREMENTS

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the cash and cash equivalents and current receivables, their carrying value approximates their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

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

CONSOLIDATED	NOTES	CARRYING AMOUNT		FAIR VALUE	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
<b>FINANCIAL ASSETS</b>					
Investments in debt instruments designated at FVTPL	12	15,956	15,674	15,956	15,674
Investments in equity instruments designated at FVOCI	12	53,388	46,705	53,388	46,705
Other financial assets at amortised cost	12	1,152	400	1,152	400
<b>Total financial assets</b>		<b>70,496</b>	<b>62,779</b>	<b>70,496</b>	<b>62,779</b>
<b>FINANCIAL LIABILITIES</b>					
Payables	16	21,888	21,809	21,888	21,809
Borrowings	18	312,978	276,508	312,978	276,508
<b>Total financial liabilities</b>		<b>334,866</b>	<b>298,317</b>	<b>334,866</b>	<b>298,317</b>

The Group measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Financial assets at FVTPL
- Financial assets at FVOCI
- Other non-financial assets
- Land, buildings and infrastructure
- Artwork and collections
- Investment properties

#### Disclosed fair values

The Group has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of assets traded in active markets (such as listed equity instruments) is based on quoted market prices for identical assets or liabilities at the end of the reporting period (level 1). This is the most representative of fair value in the circumstances. In the absence of quoted market prices, the fair value of assets (such as unlisted equity instruments) is determined by management valuation (level 3).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rates that is available to the Group for similar financial instruments (level 3).

#### (B) FAIR VALUE HIERARCHY

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

LEVEL 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities

LEVEL 2 - inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly

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

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 30. FAIR VALUE MEASUREMENTS (cont.)

#### (B) FAIR VALUE HIERARCHY (cont.)

##### (i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2020.

Fair value measurement at 31 December 2020		CONSOLIDATED			
Recurring fair value measurements					
	NOTES	2020 \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
<b>FINANCIAL ASSETS</b>					
Other financial assets at FVTPL	12	15,956	15,956	-	-
Other financial assets at FVOCI	12	53,388	1,094	-	52,294
<b>Total financial assets</b>		<b>69,344</b>	<b>17,050</b>	<b>-</b>	<b>52,294</b>
<b>NON-FINANCIAL ASSETS</b>					
Land, buildings and infrastructure	14	476,573	-	-	476,573
Artwork and collections	14	5,394	-	-	5,394
Investment properties	13	2,550	-	2,550	-
<b>Total non-financial assets</b>		<b>484,517</b>	<b>-</b>	<b>2,550</b>	<b>481,967</b>
Fair value measurement at 31 December 2019		CONSOLIDATED			
Recurring fair value measurements					
	NOTES	2019 \$'000	LEVEL 1 \$'000	LEVEL 2 \$'000	LEVEL 3 \$'000
<b>FINANCIAL ASSETS</b>					
Other financial assets at FVTPL	12	15,674	15,674	-	-
Other financial assets at FVOCI	12	46,705	1,177	-	45,528
<b>Total financial assets</b>		<b>62,379</b>	<b>16,851</b>	<b>-</b>	<b>45,528</b>
<b>NON-FINANCIAL ASSETS</b>					
Land, buildings and infrastructure	14	483,595	-	-	483,595
Artwork and collections	14	4,677	-	-	4,677
Investment properties	13	2,285	-	2,285	-
<b>Total non-financial assets</b>		<b>490,557</b>	<b>-</b>	<b>2,285</b>	<b>488,272</b>

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. For transfers in and out of level 3 measurements see (D) below.

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

#### (C) VALUATION TECHNIQUES USED TO DERIVE LEVEL 2 AND LEVEL 3 FAIR VALUES

##### (i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Land, buildings and infrastructure are valued independently at least every three years (comprehensive) and every year (desktop) in between comprehensive valuations. Investment properties are valued independently each year. At the end of each reporting period, the Group updates its assessment of the fair value of each property, taking into account the most recent independent valuations. The Group determines the property's value within a range of reasonable fair value estimates.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 30. FAIR VALUE MEASUREMENTS (cont.)

#### (C) VALUATION TECHNIQUES USED TO DERIVE LEVEL 2 AND LEVEL 3 FAIR VALUES (cont.)

##### (i) Recurring fair value measurements (cont.)

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the Group considers information from a variety of sources, including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.
- Discounted cash flow projections based on reliable estimates of future cash flows.
- Capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

All resulting fair value estimates for land, buildings and infrastructure are included in Level 3.

Valuations of the residential investment properties in Emerald included sales data comparisons and adjustments to reflect each property's condition and location. Inputs for these properties have been assigned as Level 2.

Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers. The approach estimated replacement cost for each building, componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (Level 2) other inputs (such as useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using Level 3 valuation inputs.

The Group's major infrastructure assets are unique in design or there was insufficient observable market evidence to support the valuation. As a result the valuation was performed using the cost approach. The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on similar capacity could be supported from market evidence (Level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using Level 3 valuation inputs.

##### (ii) Non-recurring fair value measurements

The Group did not measure any financial assets at fair value on a non-recurring basis as at the end of the reporting period.

#### (D) FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

The following table is a reconciliation of level 3 items for the periods ended 31 December 2020 and 2019:

	LAND BUILDINGS AND INFRA- STRUCTURE	SHARES IN EDUCATION AUSTRALIA LTD	SHARES IN AARNET PTY LTD	OTHER LEVEL 3 ASSETS	TOTAL
		\$'000	\$'000	\$'000	\$'000
<b>LEVEL 3 FAIR VALUE MEASUREMENTS 2020</b>					
Opening balance	483,595	39,724	5,749	6,917	535,983
Acquisitions	3,287	-	-	718	4,005
Sales / Disposals	(355)	-	-	(1)	(356)
Recognised in profit or loss	(9,673)	-	-	-	(9,673)
Recognised in other comprehensive income	(282)	6,819	(53)	-	6,484
<b>Closing balance</b>	<b>476,573</b>	<b>46,543</b>	<b>5,696</b>	<b>7,634</b>	<b>536,444</b>
<b>LEVEL 3 FAIR VALUE MEASUREMENTS 2019</b>					
Opening balance	492,612	22,934	5,923	6,516	527,984
Acquisitions	19,072	-	-	26	19,098
Sales / Disposals	(90)	-	-	-	(91)
Recognised in profit or loss	(8,967)	-	-	-	(8,967)
Recognised in other comprehensive income	(19,032)	16,790	(174)	375	(2,041)
<b>Closing balance</b>	<b>483,595</b>	<b>39,724</b>	<b>5,749</b>	<b>6,917</b>	<b>535,983</b>

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 30. FAIR VALUE MEASUREMENTS (cont.)

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#### (D) FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) (cont.)

##### Valuation processes

The valuation process is managed by a team in the Group's Student and Corporate Services Division which engages external valuers to perform the valuations of assets required for reporting purposes. The team reports to the Vice-President (Student and Corporate Services). Discussion on valuation processes are held every 12 months including changes in level 2 and 3 fair values.

The Group engages external, independent and qualified valuers to determine the fair value of university land, buildings, infrastructure and investment properties on a regular basis (minimum three years). An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying interim revaluation using appropriate indicies.

The three main level 3 inputs used are derived and evaluated as follows:

Relationship between asset consumption rating scale and the level of consumed service potential - under the cost approach, the estimated cost to replace the asset is calculated and then adjusted to take account of accumulated depreciation. In order to achieve this, the valuer determines an asset consumption rating scale for each asset type based on the inter-relationship between a range of factors. These factors and their relationship to the fair value require professional judgement and include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as useful life and pattern of consumption of the future economic benefit.

The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of the Group's own asset management and finance staff. The results of the valuation were further evaluated by confirmation against the Group's own understanding of the assets and the level of remaining service potential.

Asset condition - the nature of infrastructure assets is that there are a very large number of assets which comprise the network and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planning inspections and updates to the system following maintenance activities and renewal treatments.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 31. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE

#### 31.1 Education - CGS and Other Education Grants

NOTES	COMMONWEALTH GRANT SCHEME #1		ACCESS AND PARTICIPATION FUND		PROMOTION OF EXCELLENCE IN LEARNING AND TEACHING		DISABILITY PERFORMANCE FUNDING #2		INDIGENOUS STUDENT SUCCESS PROGRAM #3		PARENT ENTITY TOTAL	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	125,146	121,680	5,220	5,294	-	-	83	60	2,405	2,060	132,854	129,094
Net adjustments	1,551	(1,924)	-	-	-	-	-	-	(184)	-	1,367	(1,924)
<b>Revenue and income for the period</b>	<b>126,697</b>	<b>119,756</b>	<b>5,220</b>	<b>5,294</b>	<b>-</b>	<b>-</b>	<b>83</b>	<b>60</b>	<b>2,221</b>	<b>2,060</b>	<b>134,221</b>	<b>127,170</b>
Surplus / (deficit) from the previous year	-	-	(56)	182	45	81	-	-	1,989	761	1,978	1,024
<b>Total revenue and income including accrued revenue</b>	<b>126,697</b>	<b>119,756</b>	<b>5,164</b>	<b>5,476</b>	<b>45</b>	<b>81</b>	<b>83</b>	<b>60</b>	<b>4,210</b>	<b>2,821</b>	<b>136,199</b>	<b>128,194</b>
Less: expenses including accrued expenses	(126,697)	(119,756)	(5,425)	(5,532)	(9)	(36)	(83)	(60)	(2,642)	(832)	(134,856)	(126,216)
<b>Surplus / (deficit) for reporting period</b>	<b>-</b>	<b>-</b>	<b>(261)</b>	<b>(56)</b>	<b>36</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>1,568</b>	<b>1,989</b>	<b>1,343</b>	<b>1,978</b>

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

#2 Disability Performance Funding includes Additional Support for Students with Disabilities.

#3 Indigenous Student Success Program has replaced the Indigenous Commonwealth Scholarships Program and the Indigenous Support Program as of 1 January 2017.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

**NOTE 31. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont.)**  
**31.2 Higher Education Loan Programs (excl OS-HELP)**

	PARENT ENTITY										
	NOTES	HECS-HELP (Australian Government payments only)		FEE-HELP		VET FEE-HELP #4		SA-HELP		TOTAL	
		2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Cash payable / (receivable) at beginning of year	673	(383)	-	-	-	-	-	5	678	(395)	
Financial assistance received in cash during the reporting period	68,340	69,484	10,462	9,386	-	3	2,376	2,271	81,178	81,144	
<b>Cash available for period</b>	<b>69,013</b>	<b>69,101</b>	<b>10,462</b>	<b>9,386</b>	<b>-</b>	<b>3</b>	<b>2,381</b>	<b>2,259</b>	<b>81,856</b>	<b>80,749</b>	
Net Adjustments	303	(162)	(1,351)	504	-	-	22	15	(1,026)	357	
Revenue and income earned	72,563	68,590	12,137	8,882	-	3	2,393	2,239	87,093	79,714	
<b>Cash payable / (receivable) at the end of year</b>	<b>(3,853)</b>	<b>673</b>	<b>(324)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34)</b>	<b>5</b>	<b>(4,211)</b>	<b>678</b>	

#4 VET Student Loan Program is not required to be acquitted here.



## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 31. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont.)<sup>#5</sup> 31.3 Department of Education and Research

PARENT ENTITY

NOTES	RESEARCH TRAINING PROGRAM		RESEARCH SUPPORT PROGRAM		TOTAL	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	3,670	3,601	2,638	2,448	6,308	6,049
Net adjustments	-	-	-	-	-	-
<b>Revenue for the period</b>	<b>3,670</b>	<b>3,601</b>	<b>2,638</b>	<b>2,448</b>	<b>6,308</b>	<b>6,049</b>
Surplus / (deficit) from the previous year	2,236	1,780	-	-	2,236	1,780
<b>Total revenue including accrued revenue</b>	<b>5,906</b>	<b>5,381</b>	<b>2,638</b>	<b>2,448</b>	<b>8,544</b>	<b>7,829</b>
Less: expenses including accrued expenses	(3,113)	(3,145)	(2,638)	(2,448)	(5,751)	(5,593)
<b>Surplus / (deficit) for reporting period</b>	<b>2,793</b>	<b>2,236</b>	<b>-</b>	<b>-</b>	<b>2,793</b>	<b>2,236</b>

<sup>#5</sup> The reported surpluses for Research Training Program of \$2.793 million for 2020 (2019: \$2.236 million) is considered a request to the Secretary of the Australian Government Department of Education to be rolled over for future expenditure.

### 31.4 Total Higher Education Provider Research Training Program expenditure<sup>#6</sup>

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	2,001	
Research Training Program Stipends	690	244
Research training Program Allowances	134	43
<b>Total for all types of support<sup>#7</sup></b>	<b>2,825</b>	<b>287</b>

<sup>#6</sup> Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program.

<sup>#7</sup> The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses, as disclosed in Note 31.3 in respect to the 2020 year.

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 31. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont.)

#### 31.5 Other Capital Funding

PARENT ENTITY

NOTES	Other Capital Funding		TOTAL	
	2020 \$'000	2019 \$'000	2020 \$'000	2019 \$'000
Financial assistance received in cash during the reporting period (total cash received from the Australian Government for the program)	1,500	-	1,500	-
Net accrual adjustments	-	-	-	-
<b>Revenue for the period</b>	<b>1,500</b>	-	<b>1,500</b>	-
3.1(E)	-	-	-	-
Surplus / (deficit) from the previous year	-	-	-	-
<b>Total revenue including accrued revenue</b>	<b>1,500</b>	-	<b>1,500</b>	-
Less: expenses including accrued expenses	(1,357)	-	(1,357)	-
<b>Surplus / (deficit) for reporting period</b>	<b>143</b>	-	<b>143</b>	-

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 31. ACQUISITION OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont.) 31.6 Australian Research Council Grants

	NOTES	DISCOVERY		LINKAGES		TOTAL		PARENT ENTITY
		2020	2019	2020	2019	2020	2019	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		862	180	63	84	925	264	
Net adjustments		(623)	-	46	-	(577)	-	
<b>Revenue for the period</b>	3.1(D)	<b>239</b>	<b>180</b>	<b>109</b>	<b>84</b>	<b>348</b>	<b>264</b>	
Surplus / (deficit) from the previous year		300	470	52	106	352	576	
<b>Total revenue including accrued revenue</b>		<b>539</b>	<b>650</b>	<b>161</b>	<b>190</b>	<b>700</b>	<b>840</b>	
Less: expenses including accrued expenses		(262)	(350)	(132)	(138)	(394)	(488)	
<b>Surplus / (deficit) for reporting period</b>		<b>277</b>	<b>300</b>	<b>29</b>	<b>52</b>	<b>306</b>	<b>352</b>	

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

### NOTE 31. ACQUITTAL OF AUSTRALIAN GOVERNMENT FINANCIAL ASSISTANCE (cont.)

	NOTES	PARENT ENTITY	
		2020 \$'000	2019 \$'000
<b>31.7 OS-HELP</b>			
Cash received during the reporting period		3,102	2,326
Cash spent during the reporting period		(143)	(860)
<b>Net cash received</b>		<b>2,958</b>	<b>1,466</b>
Cash surplus / (deficit) from the previous period		2,187	721
<b>Cash surplus / (deficit) for the reporting period</b>	16	<b>5,145</b>	<b>2,187</b>
<b>31.8 Student Services and Amenities Fee</b>			
Unspent / (overspent) revenue from previous period		4,698	5,724
SA-HELP revenue earned	3.1(B)	2,393	2,239
Student Services and Amenities Fees direct from students	3.3	2,238	2,558
<b>Total revenue expendable in period</b>		<b>9,329</b>	<b>10,521</b>
Student services expenses during the period		(3,376)	(5,823)
<b>Unspent / (overspent) student services revenue</b>		<b>5,953</b>	<b>4,698</b>

# CENTRAL QUEENSLAND UNIVERSITY

## MANAGEMENT CERTIFICATE

We have prepared the annual financial statements pursuant to the provisions of the *Financial Accountability Act 2009*, the *Financial Performance Management Standard 2019*, the *Australian Charities and Not-for-profits Commission Act 2012*, and other prescribed requirements and we certify that –

- (a) The financial statements are in agreement with the accounts and records of the Central Queensland University; and
- (b) In our opinion –
- i. The prescribed requirements in respect of the establishment and keeping of accounts have been compiled with in all material respects;
  - ii. The financial statements have been drawn up to present a true and fair value of the transactions of Central Queensland University for the period 1 January 2020 to 31 December 2020, and the financial position as at 31 December 2020 in accordance with prescribed accounting standards and conform with the Financial Statement Guidelines for Australian Higher Education Providers issued by the Department of Education, Skills and Employment;
  - iii. At the time of this Certificate there are reasonable grounds to believe that the University will be able to pay its debts as and when they fall due;
  - iv. The amount of Australian government financial assistance expended during the reporting period was for the purposes for which it was intended and Central Queensland University has complied with applicable legislation, contract, agreements and program Guidelines in making expenditure.
  - v. Central Queensland University charged Student Services and Amenities Fees in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.



Mr. J. Abbott AM  
Chancellor  
Date: 23 February 2021



Professor N. Klomp  
Vice-Chancellor and President  
Date: 23 February 2021



Ms N. Pearse  
Vice President (Student and Corporate Services)  
Date: 23 February 2021

## INDEPENDENT AUDITOR'S REPORT

To the Council of Central Queensland University

### Report on the audit of the financial report

#### Opinion

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

In my opinion, the financial report:

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

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

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

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

#### Key audit matters

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

**Valuation of buildings (\$418.3 million) – Note 14**

Key audit matter	How my audit addressed the key audit matter
<p>Buildings were material to Central Queensland University at balance date and were measured at fair value using the current replacement cost method. The University performs comprehensive revaluation of all of its buildings every three years, or whenever a material variation is expected to have occurred, with desktop valuations conducted in the intervening period. A comprehensive valuation was conducted in 2018 with indexation applied for 2019 and 2020 balances.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> <li>• gross replacement cost, less</li> <li>• accumulated depreciation.</li> </ul> <p>The University derived the gross replacement cost of its buildings at balance date through using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> <li>• identifying the components of buildings with separately identifiable replacement costs</li> <li>• developing a unit rate for each of these components, including: <ul style="list-style-type: none"> <li>– estimating the current cost for a modern substitute (including locality factors and on-costs), expressed as a rate per unit (e.g. \$/square metre).</li> <li>– identifying whether the existing building contains obsolescence or less utility compared to the modern substitute, and if so, estimating the adjustment to the unit rate required to reflect this difference.</li> </ul> </li> </ul> <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My procedures included, but were not limited to:</p> <p>In a previous year when a comprehensive valuation was conducted:</p> <ul style="list-style-type: none"> <li>• assessing the competence, capability and objectivity of the valuation specialist.</li> <li>• assessing the adequacy of management’s review of the valuation process.</li> <li>• obtaining an understanding of the methodology used and assessing its design, integrity and appropriateness using common industry practices.</li> <li>• on a sample basis, evaluating the relevance, completeness, and accuracy of source data used to derive unit rates including: <ul style="list-style-type: none"> <li>– modern substitute</li> <li>– adjustment for excess quality or obsolescence.</li> </ul> </li> </ul> <p>In the current year when indexation was applied:</p> <ul style="list-style-type: none"> <li>• evaluating the reasonableness of the indices used against other publicly available information about movements in values for replacement costs of similar assets</li> <li>• assessing the ongoing reasonableness of the buildings’ useful lives by – <ul style="list-style-type: none"> <li>– reviewing management’s annual assessment of useful lives.</li> <li>– assessing the appropriateness of useful lives where assets were disposed of prior to the end of their useful lives.</li> <li>– reviewing assets with an inconsistent relationship between condition and remaining life.</li> </ul> </li> <li>• performing reasonableness tests to confirm depreciation is calculated in accordance with the University’s accounting policies and industry standards.</li> </ul>

**Other information**

Other information comprises the information included in Central Queensland University’s annual report for the year ended 31 December 2020 but does not include the financial report and my auditor’s report thereon.

Those charged with governance are responsible for the other information.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.



In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

### **Responsibilities of the entity for the financial report**

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

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

### **Auditor's responsibilities for the audit of the financial report**

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. 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 Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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

## **Report on other legal and regulatory requirements**

### **Statement**

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

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

### **Prescribed requirements scope**

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



24 February 2021

Bhavik Deoji  
as delegate of the Auditor-General

Queensland Audit Office  
Brisbane



# CQUNIVERSITY LOCATIONS

## **CAIRNS AND FAR NORTH QUEENSLAND REGION**

**CQUniversity Cairns**  
Cnr Abbott and Shields Street,  
Cairns QLD 4870  
Phone: +61 7 4037 4777

## **CENTRAL HIGHLANDS REGION**

**CQUniversity Emerald**  
Capricorn Highway,  
Emerald QLD 4720  
Phone: +61 7 4980 4111

## **GLADSTONE REGION**

**CQUniversity Gladstone Marina**  
613 Bryan Jordan Drive,  
Gladstone QLD 4680  
Phone: +61 7 4970 7277

## **MACKAY–WHITSUNDAY REGION**

**CQUniversity Mackay City**  
90–92 Sydney Street,  
Mackay QLD 4740  
Phone: +61 7 4940 7577

## **CQUniversity Mackay Ooralea**

151–171 Boundary Road,  
Mackay QLD 4740  
Phone: +61 7 4940 7577

## **NEW SOUTH WALES REGION**

**CQUniversity Sydney**  
400 Kent Street,  
Sydney NSW 2000  
Phone: +61 2 9324 5000

## **ROCKHAMPTON REGION**

**CQUniversity Rockhampton City**  
114–190 Canning Street,  
Rockhampton QLD 4700  
Phone: +61 7 4930 9000

## **CQUniversity Rockhampton North**

554–700 Yaamba Road,  
Norman Gardens QLD 4701  
Phone: +61 7 4930 9000

## **SOUTH AUSTRALIA REGION**

**CQUniversity Adelaide**  
44 Greenhill Road,  
Wayville SA 5034  
Phone: +61 8 8378 4523

## **SOUTH EAST QUEENSLAND REGION**

**CQUniversity Brisbane**  
160 Ann Street,  
Brisbane QLD 4000  
Phone: +61 7 3295 1188

## **TOWNSVILLE AND NORTH WEST QUEENSLAND REGION**

**CQUniversity Townsville**  
538 Flinders Street,  
Townsville QLD 4810  
Phone: +61 7 4726 5300

## **VICTORIA REGION**

**CQUniversity Melbourne**  
120 Spencer Street,  
Melbourne VIC 3000  
Phone: +61 3 9616 0555

## **WESTERN AUSTRALIA REGION**

**CQUniversity Perth**  
10 William Street,  
Perth WA 6000  
Phone: +61 8 9260 4000

## **CQUniversity Broome Study Hub**

Room 4, North Regional TAFE  
68 Cable Beach Road,  
Broome WA 6725  
Phone: +61 408 974 911

## **CQUniversity Busselton Study Centre**

38 Peel Terrace,  
Busselton WA 6280  
Phone: +61 8 9260 4075

## **WIDE BAY BURNETT REGION**

**CQUniversity Bundaberg**  
University Drive (off Isis Highway),  
Bundaberg QLD 4670  
Phone: +61 7 4150 7177

## **REGIONAL STUDY HUBS AND CENTRES**

CQUniversity has partnered with Regional University Centres around Australia, where it provides online courses with local support by partner community organisations under a Commonwealth Government program. The University has partnerships in New South Wales with the Country Universities Centre (8 locations); in South Australia with Uni Hub Spencer Gulf (2 locations) and the Murray River Study Hub (2 locations); and in Western Australia with the Geraldton Universities Centre and the Pilbara Universities Centre (2 locations).

# GLOSSARY

<b>AAUT</b>	Australian Awards for University Teaching	<b>LDI</b>	Learning Design and Innovation
<b>ACIAR</b>	Australian Centre for International Agricultural Research	<b>LNG</b>	Liquefied Natural Gas (Australia Pacific LNG)
<b>ACK</b>	Australian College of Kuwait	<b>LOW SES</b>	Low socioeconomic
<b>ACTS</b>	Australian Campuses Towards Sustainability Awards	<b>MKW</b>	Melbourne Knowledge Week
<b>ADF</b>	Australian Defence Force	<b>MLA</b>	Meat & Livestock Australia
<b>AHEIA</b>	Australian Higher Education Industrial Association	<b>MOU</b>	Memorandum of Understanding
<b>APPRISE</b>	Australian Partnership for Preparedness Research on Infectious Disease Emergencies	<b>NAC</b>	Network Advisory Committee
<b>ARC</b>	Australian Research Council	<b>NAIF</b>	Northern Australia Infrastructure Fund
<b>ASQA</b>	Australian Skills Quality Authority	<b>NHMRC</b>	National Health and Medical Research Council
<b>ATEM</b>	Australian Tertiary Education Management	<b>OIE</b>	Office of Indigenous Engagement
<b>ATIC</b>	Advanced Technology and Innovation Centre	<b>OSI</b>	Office of Social Innovation
<b>CMERC</b>	Coastal Marine Ecosystems Research Centre	<b>QILT</b>	Quality Indicators for Learning and Teaching
<b>CPD</b>	Centre for Professional Development	<b>QIT</b>	Queensland Institute of Technology
<b>CQHHS</b>	Central Queensland Hospital and Health Service	<b>QSEC</b>	Queensland Social Enterprise Council
<b>CQIRP</b>	Central Queensland Innovation Research Precinct	<b>QTAC</b>	Queensland Tertiary Admissions Centre
<b>CQ RASN</b>	Central Queensland Regional Arts Services Network	<b>QTA</b>	Queensland Training Awards
<b>CQUNI</b>	CQUniversity Australia/Central Queensland University	<b>QUT</b>	Queensland University of Technology
<b>CQU</b>	CQUniversity Australia/Central Queensland University	<b>QS</b>	Quacquarelli Symonds
<b>CRCS</b>	Collaborative Research Centres	<b>PCT</b>	Patent Cooperation Treaty
<b>CREATE</b>	Centre for Research in Equity and Advancement of Teaching and Education	<b>RAP</b>	Reconciliation Action Plan
<b>CRESC</b>	Centre for Regional Economies and Supply Chains	<b>RHD</b>	Research Higher Degree
<b>CRE</b>	Centre for Railway Engineering	<b>RMP</b>	Regional Medical Pathway
<b>CVS</b>	Colour Vision Systems	<b>RUCS</b>	Regional Universities Centres
<b>DESBT</b>	Department of Employment, Small Business and Training	<b>SAVTS</b>	Smoothing Assessment Transitions for VET Students
<b>EFTSL</b>	Equivalent Fulltime Teaching Student Load	<b>SBT</b>	Salaam Baalak Trust
<b>E&amp;I</b>	Engagement and Impact	<b>SDG</b>	Sustainable Development Goals (United Nations)
<b>EQI</b>	Education Quality and Integrity	<b>SEWF</b>	Social Enterprise World Forum
<b>ERA</b>	Excellence in Research Australia	<b>STEM</b>	Science, Technology, Engineering and Maths
<b>FICQ</b>	Federation of Indian Communities in Queensland	<b>STEPS</b>	Skills for Tertiary Education Preparatory Studies
<b>FNCEL</b>	First Nations Council of Elders and Leaders	<b>SUN</b>	Start Uni Now
<b>FOC</b>	Festival of Change	<b>TED</b>	Tertiary Education Division
<b>FNWS</b>	First Nations Workforce Strategy	<b>TEP</b>	Tertiary Education Program
<b>FRRR</b>	Foundation for Rural & Regional Renewal	<b>TEQSA</b>	Tertiary Education Quality and Standards Agency
<b>GKI</b>	Great Keppel Island	<b>THE</b>	Times Higher Education
<b>GOS</b>	Graduate Outcomes Survey	<b>TIQ</b>	Trade and Investment Queensland
<b>GST</b>	Goods and Services Tax	<b>TPTP</b>	TAFE Priority Training Program
<b>HEPPP</b>	Higher Education Participation and Partnerships Program	<b>UA</b>	Universities Australia
<b>HORTICAL</b>	Hortical Pty Ltd	<b>UQ</b>	The University of Queensland
<b>IFFS</b>	Institute for Future Farming Systems	<b>USA</b>	United States of America
<b>ILES</b>	Indigenous Engagement and Leadership Strategy	<b>VET</b>	Vocational Education and Training
<b>INTA</b>	National Agricultural Technology Institute	<b>WA</b>	Western Australia
<b>KFAS</b>	Kuwait Foundation for the Advancement of Sciences	<b>WBHHS</b>	Wide Bay Hospital and Health Service
<b>KPI</b>	Key Performance Indicator	<b>WIL</b>	Work Integrated Learning
		<b>WNBL</b>	Women's National Basketball League
		<b>YEP</b>	Young Entrepreneurs Program

# COMPLIANCE CHECKLIST

	SUMMARY OF REQUIREMENTS	BASIS FOR REQUIREMENT	ANNUAL REPORT REFERENCE
<b>Letter of compliance</b>	» A letter of compliance from the accountable officer or statutory body to the relevant Minister/s	ARRs – section 7	Inside front cover
<b>Accessibility</b>	» Table of contents	ARRs – section 9.1	Inside front cover
	» Glossary		Glossary
	» Public availability	ARRs – section 9.2	Back cover
	» Interpreter service statement	<i>Queensland Government Language Services Policy</i> ARRs – section 9.3	Inside front cover
	» Copyright notice	<i>Copyright Act 1968</i> ARRs – section 9.4	Inside front cover
	» Information Licensing	<i>QGEA – Information Licensing</i> ARRs – section 9.5	N/A
<b>General information</b>			Objectives of CQUniversity’s annual report – Inside front cover From the Chancellor – page 01 Vice-Chancellor’s Report – pages 2 to 6 About CQUniversity – pages 12 Statistics – pages 48 to 51
	» Introductory Information	ARRs – section 10.1	
	» Agency role and main functions	ARRs – section 10.2	About CQUniversity – pages 12 Organisation – pages 14 to 15 Governance – pages 16 to 24 Vision, purpose and values – page 25 2019–2023 Strategic Plan – page 26 Performance – pages 27 to 45
	» Machinery of Government changes	ARRs – section 10.2, 31 and 32	Not applicable
	» Operating environment	ARRs – section 10.3	About CQUniversity – pages 12 Organisation – pages 14 to 15 Governance – pages 16 to 24 Performance – pages 27 to 45
<b>Non-financial performance</b>	» Government’s objectives for the community	ARRs – section 11.1	Inside front cover
	» Other whole-of-government plans / specific initiatives	ARRs – section 11.2	Not applicable
	» Agency objectives and performance indicators	ARRs – section 11.3	2019–2023 Strategic Plan – page 26 Performance – pages 27 to 45
	» Agency service areas and service standards	ARRs – section 11.4	2019–2023 Strategic Plan – page 26
<b>Financial performance</b>	» Summary of financial performance	ARRs – section 12.1	Financial summary – pages 46 to 47
<b>Governance – management and structure</b>	» Organisational structure	ARRs – section 13.1	Organisation – pages 14 to 15
	» Executive management	ARRs – section 13.2	Organisation – pages 14 to 15
	» Government bodies (statutory bodies and other entities)	ARRs – section 13.3	Governance – pages 16 to 24 University-controlled entities – page 23 Other bodies (Non-controlled entities) – page 24
	» <i>Public Sector Ethics Act 1994</i>	<i>Public Sector Ethics Act 1994</i> ARRs – section 13.4	Governance – pages 16 to 24 – refer to page 19
	» Queensland public service values	ARRs – section 13.5	Not applicable
	» Human Rights		Governance – pages 16 to 24 – refer to page 19

	SUMMARY OF REQUIREMENTS	BASIS FOR REQUIREMENT	ANNUAL REPORT REFERENCE
<b>Governance – risk management and accountability</b>	» Risk management	ARRs – section 14.1	Governance – pages 16 to 24 – refer to page 20
	» Audit committee	ARRs – section 14.2	Governance – pages 16 to 24 – refer to page 21
	» Internal audit	ARRs – section 14.3	Governance – pages 16 to 24 – refer to page 22
	» External scrutiny	ARRs – section 14.4	Governance – pages 16 to 24 – refer to page 23
	» Information systems and recordkeeping	ARRs – section 14.5	Governance – pages 16 to 24 – refer to page 20
<b>Governance – human resources</b>	» Strategic workforce planning and performance	ARRs – section 15.1	Our People – pages 34 to 36
	» Early retirement, redundancy and retrenchment	Directive No.04/18 <i>Early Retirement, Redundancy and Retrenchment</i> Directive No.16/16 <i>Early Retirement, Redundancy and Retrenchment</i> (from 20 May 2016) ARRs – section 15.2	Our People – pages 34 to 36 – refer to page 34
<b>Open Data</b>	» Statement advising publication of information	ARRs – section 16	Back cover
	» Consultancies	ARRs – section 33.1	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	» Overseas travel	ARRs – section 33.2	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
	» Queensland Language Services Policy	ARRs – section 33.3	<a href="https://data.qld.gov.au">https://data.qld.gov.au</a>
<b>Financial statements</b>	» Certification of financial statements	FAA – section 62 FPMS – sections 38, 39 and 46 ARRs – section 17.1	Council members’ report – pages 52 to 53 Financial Statements – From page 55 Management certificate – page 106
	» Independent Auditor’s Report	FAA – section 62 FPMS – section 46 ARRs – section 17.2	Financial Statements – From page 55 Independent Auditor’s Report – pages 108

FAA *Financial Accountability Act 2009*

FPMS *Financial and Performance Management Standard 2019*

ARRs *Annual report requirements for Queensland Government agencies*





### **PUBLIC AVAILABILITY**

CQUniversity's Annual Report 2020 is available for download from the CQUniversity website.

CQUniversity website: [www.cqu.edu.au](http://www.cqu.edu.au)

Annual Report website:

[www.cqu.edu.au/about-us/governance/annual-report](http://www.cqu.edu.au/about-us/governance/annual-report)

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### **OPEN DATA**

Open data information on CQUniversity's consultancies and overseas travel (employees and students) is accessible from the Queensland Government Open Data website <https://data.qld.gov.au/> or CQUniversity's Annual Report website: [www.cqu.edu.au/about-us/structure/governance/annual-report](http://www.cqu.edu.au/about-us/structure/governance/annual-report).