



Annual Report 2018

Report of the Council of the University of the Sunshine Coast

For the period 1 January 2018 to 31 December 2018

March 2019

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

I am pleased to present the 2018 Annual Report and financial statements for the University of the Sunshine Coast.

I certify that this Annual Report complies with:

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

A checklist outlining the annual reporting requirements can be accessed at usc.edu.au/reports

Yours sincerely

Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd)
Chancellor, University of the Sunshine Coast

Acknowledgment of country

The University of the Sunshine Coast acknowledges the Traditional Owners and Custodians of the land on which its campuses stand, and recognises their continuing connection to land, water and community.

The University has a Reconciliation Action Plan to guide its relationships, opportunities and progress reporting with regard to Aboriginal and Torres Strait Islander peoples.

Communication objectives

The University of the Sunshine Coast's 2018 Annual Report provides a record of the University's performance in 2018, its plans for the future, and audited financial statements. All achievements for 2018 are documented against the goals and corresponding key performance indicators of the University's Strategic Plan 2016–2020.

The report, including publication of consultancy spending and overseas travel, is available online at usc.edu.au/reports. Open data information is also available via the Queensland Government's Open Data website at data.qld.gov.au

Potential readers of the Annual Report include federal, state and local government representatives and officers, the University community (including staff and students), business and media, potential benefactors, international visitors and members of the public.

To provide your feedback or request copies of this Annual Report, please contact USC's Office of Marketing and External Engagement by telephoning +61 7 5459 4558 or by emailing marketing@usc.edu.au



USC is committed to providing accessible services to people from culturally and linguistically diverse backgrounds. If you have difficulty understanding the Annual Report, contact the Office of Marketing and External Engagement on +61 7 5459 4558 to arrange an interpreter to communicate the report to you.

Contents

Standing, vision and values	1
Highlights	1
Key five-year figures	2
Vice-Chancellor and President's review	5
Organisation	6
Strategic framework	7
Strategic Imperative One: The University will increase student enrolments and improve student success	8
Strategic Imperative Two: The University will increase research productivity and impact	15
Strategic Imperative Three: The University will expand campuses and study nodes	18
Strategic Imperative Four: The University will improve institutional effectiveness	21
Strategic Imperative Five: The University will strengthen leadership in sustainability for the region and beyond	24
Strategic Imperative Six: The University will strengthen engagement with its communities	27
Summary of key performance indicators	31
University Council	34
Organisational structure	38
University leadership	38
University committees	41
Innovate Reconciliation Action Plan 2017–2019	45
Building regional and community capacity	46
Statutory obligations and compliance	47
Information systems and record keeping	50
Annual financial statements	52
Innovation Centre annual financial statements	103
Glossary	116
Index	118

© (University of the Sunshine Coast) 2018

ISSN 1837-7521 (print) | ISSN 1837-753X (online)

Published by the University of the Sunshine Coast, March 2019.

Information contained in this publication was correct at the time of publishing. For the most up-to-date information about the University, visit usc.edu.au. All amounts are in Australian dollars. University of the Sunshine Coast is registered on the Commonwealth Register of Institutions and Courses for Overseas Students. CRICOS Provider Number: 01595D.

University of the Sunshine Coast

90 Sippy Downs Drive, SIPPY DOWNS QLD 4556 AUSTRALIA

Tel: +61 7 5430 1234 | Fax: +61 7 5430 1111

Email: information@usc.edu.au | Web: usc.edu.au

Standing

USC is a unique and successful regional institution, established in 1994 to support the development aspirations of the Sunshine Coast community. From this beginning, USC has grown to more than 17,500 students and more than 120 degree programs, focused on the catchment between Brisbane and the Fraser Coast.

The growth has been in a planned manner, with new programs, infrastructure and study locations introduced to meet the needs of local industry and community, and to support initiatives such as the establishment of the Sunshine Coast University Hospital at Kawana.

From the beginning, USC has focused on providing excellent educational experiences to students within its regions. USC is one of Australia's highest rated universities for overall student experience, and in 2018 again received a five-star rating for teaching quality in the annual Good Universities Guide – a rating it has held for 13 years.

The University's ambition for its communities is to have 20,000 USC students in 2020. Higher education participation rates in the Sunshine Coast region have more than doubled, and USC continues to perform strongly in all its catchment areas. The University is also working towards the 2020 opening of its next campus at Petrie in Moreton Bay. While USC's ability to achieve these and other strategic goals will be influenced by the broader policy and funding environment, results so far indicate a positive trajectory.

As the University has matured, it has increased its research activities and postgraduate student numbers to become a comprehensive (teaching and research) university. In 2018, USC maintained its inclusion in the Times Higher Education's Young University Rankings of the top 150 universities under 50-years-old for the second year in a row.

In signs of further progress in fields of research, USC appeared in the prestigious Academic Ranking of World Universities (ARWU) in 2018.

As one of Australia's fastest growing regional universities, USC remains committed to unlocking the innovation, productivity and full human potential of its regions, and to working with government, industry and community to encourage prosperity in a knowledge-driven world.

Vision

USC will be a university of international standing, a driver of capacity building in the Sunshine Coast and broader region, and an unsurpassed community asset.

Values in action

In pursuing its vision and conducting daily operations, the University is committed to:

SCHOLARSHIP

Academic study and achievement underpin tertiary education at USC, enabled by the provision of the highest quality tertiary education experience and environment to students and staff.

DISCOVERY

Research, particularly in areas of community challenges, is fundamental to the University's impact.

SUSTAINABILITY

Supporting sustainability across social, economic, cultural and environmental domains is a core responsibility of the University.

ENGAGEMENT

The University is committed to working with and for its diverse communities.

SOCIAL JUSTICE

The University is committed to advancing human rights within a free, tolerant and inclusive society and contributing to better outcomes for all Australians. The University respects and acknowledges Aboriginal and Torres Strait Islander peoples, land, culture and history and will work collaboratively to advance Indigenous outcomes.

INTEGRITY

The University has an overarching commitment to freedom of enquiry and expression, ethical behaviour and integrity in its governance and management.

Highlights

- Growth in student numbers continued, with 17,810 students (+7.3 percent on the previous year) enrolled during 2018 (11,962 equivalent full-time student load (EFTSL)). International student enrolments grew to 4,097 students (+21 percent on the previous year).
- USC welcomed its first students to the Caboolture campus after it was transferred from QUT in January 2018.
- The number of USC graduates surpassed 20,000.
- During the September graduation ceremonies, 37 higher degree by research students graduated – the highest proportion for any graduation season at USC.
- Two USC researchers were awarded Advance Queensland Industry Research Fellowships.
- USC announced a partnership with energy provider Veolia to solar power the USC Sunshine Coast campus with 5,800 solar panels – a major step towards the University becoming carbon neutral by 2025.
- USC started construction of the Moreton Bay campus, to open in 2020.
- USC received an Aa3 credit rating in an updated credit opinion from Moody's Investors Service. USC is the first regional university in Australia – and the first public university in Queensland – to receive a credit rating from the service.
- For 13 years in a row, USC has received a five-star rating for teaching quality in the Good Universities Guide.
- The High Performance Student Athlete program, which helps students combine high performance sport with higher education, supported USC students who competed in the 2018 Commonwealth Games, taking home a total of 12 medals.
- The Sunshine Coast Lightning netball team – co-owned by USC and based at USC Stadium – won the Suncorp Super Netball Series for the second year in a row.
- As part of our commitment to community engagement, USC hosted an at-capacity guest lecture by science commentator Dr Karl Kruszelnicki as part of National Science Week activities.

Key five-year figures

CATEGORY	2014	2015	2016	2017	2018	TREND
STUDENTS						
Total students ¹	11,697	12,594	14,604	16,594	17,810	↑
Student load (EFTSL) ²	7,988.1	8,674.8	9,821.6	11,307.4	11,961.5	↑
International students ¹	1,576	1,632	2,467	3,389	4,097	↑
Female ^{3,4}	63.8%	63.6%	63.6%	62.7%	63.8%	↑
Male ^{3,4}	36.2%	36.4%	36.4%	37.3%	36.2%	↓
Undergraduate ⁴	79.7%	81.6%	81.6%	78.4%	77.9%	↓
Postgraduate coursework ⁴	8.8%	8.3%	7.0%	10.7%	12.2%	↑
Higher degree by research ⁴	2.7%	2.6%	2.7%	2.6%	2.5%	↓
Non-award ⁴	8.8%	7.6%	8.7%	8.4%	7.3%	↓
STUDENTS BY STUDY SITE^{1,5}						
Campus						
USC Caboolture	<i>Campus opened in 2018</i>				943	
USC Fraser Coast	<i>Campus opened in 2016</i>		533	740	794	↑
USC Gympie	214	293	347	320	346	↑
USC Sunshine Coast	11,459	12,171	13,067	13,904	13,764	↓
USC SouthBank	65	261	421	483	705	↑
USC Melbourne	<i>Campus opened in 2016</i>		395	660	833	↑
USC Sydney	<i>Campus opened in 2016</i>		157	660	926	↑
Study nodes						
Caboolture Hub ⁶	69	17	22	15		
North Lakes ⁶	48	65	92	101	36	
Noosa	214	203	171	156	74	↓
Sunshine Coast Health Institute	<i>Site opened in 2017</i>			644	542	↓
Sunshine Coast Mind and Neuroscience – Thompson Institute	<i>Site opened in 2017</i>			28	33	↑



CATEGORY	2014	2015	2016	2017	2018	TREND
DEGREES CONFERRED						
Degrees conferred by year	1,718	1,748	1,974	2,197	2,825	↑
Degrees conferred since 1999	15,669	17,417	19,391	21,588	24,413	↑
Graduates since 1997	14,162	15,725	17,518	19,478	22,061	↑
EQUITY						
Disability ⁷	6.3%	6.5%	6.5%	6.3%	6.7%	↑
Aboriginal and Torres Strait Islander ⁷	2.2%	2.3%	2.7%	3.0%	3.0%	↑
First in family to attend university ⁸	50.5%	49.6%	49.1%	50%	49.6%	↓
STAFF (FULL-TIME EQUIVALENT, EXCLUDING CASUALS)						
Academic staff ⁹	299	324	359	389	427	↑
Non-academic staff ¹⁰	522	546	547	572	650	↑
Total number of staff ¹¹	821	870	906	961	1077	↑
Proportion of academic staff with higher degree qualifications ¹²	87%	87%	88%	89%	90%	↑
Operating revenue (parent entity)	\$215.4m	\$215.8m	\$249.7m ¹³	\$273.5m	\$302.5m	↑
Operating expenditure (parent entity)	\$176.8m	\$200.6m	\$219.0m	\$255.1m	\$287.1m	↑
Property, plant and equipment	\$255.4m	\$297.4m	\$342.7m ¹⁴	\$364.7m	\$390.6m	↑
Research income ¹⁵	\$8.73m	\$14.68m	\$15.20m	\$21.79m	\$23.96m ¹⁶	↑

1. Number of students enrolled across the year. Data for 2018 is preliminary at 9 January 2019. Final full-year data available following the Australian Government submission on 31 March 2019.

2. EFTSL means Equivalent Full-Time Student Load. Data represents full-year 2018 EFTSL and is preliminary at 9 January 2019. Final full-year data available following the Australian Government submission on 31 March 2019. Reported value includes inbound exchange students.

3. The proportion of students who identify as other than male or female is not displayed as these figures are fewer than 0.1%.

4. Values based on enrolments at Census 1 each year.

5. A unique count of students enrolled in at least one course at a particular study site. A student may be enrolled in courses across multiple study sites meaning that the total of enrolments by study site will add to more than the Total students.

6. Due to USC Caboolture campus opening in 2018, Caboolture Hub not offered from 2018 and North Lakes not offered from mid-2018.

7. Disability and Aboriginal and Torres Strait Islander percentages are a proportion of all domestic students at Census 1 each year.

8. First in family percentages are a proportion of undergraduate award (excluding one-year honours and graduate entry programs) students only at Census 1 each year.

9. Academic (Senior Academic Staff); Teaching and Research (Level A-E) staff.

10. Non-academic (Senior Professional Staff; Professional (Level 1-10) staff).

11. Data is based on figures supplied to the Australian Government's Department of Education (DE) as at 31 March 2018.

12. Includes those academic staff whose highest qualification is a master's or doctoral degree.

13. Restated 2016 figure. For more information, see 2017 financial statements.

14. Restated 2016 figure. For more information, see 2017 financial statements.

15. Figures include research income reported to the Australian Government's Department of Industry, Innovation and Science (DIIS) through the Higher Education Research Data Collection (HERDC), as well as research funding received from DIIS.

16. Data is based on year-to-date figures and is current as at time of publishing. Figures for the year are unaudited. Final figures available June 2019.





USC

Rise, and shine.

Vice-Chancellor and President's review

For USC, 2018 was a year of continued growth and development despite significant challenges facing the tertiary education sector.

A major milestone was reached this year with the start of construction on USC's Moreton Bay campus – the first greenfield university campus to be built in the greater Brisbane area in almost 15 years. After gaining a \$121 million Federal Government concessional loan, USC appointed construction company Hansen Yuncken to begin work on the foundation building. When USC Moreton Bay opens in 2020, it will offer almost 50 undergraduate programs, including business, computer science and mechatronics.

In January, USC's Caboolture campus welcomed its first students, expanding the University's presence in the region ahead of the Moreton Bay campus opening. After reaching an agreement with QUT, the Caboolture campus was transferred to USC in time for Semester 1, 2018. The Caboolture and Moreton Bay campuses will be a significant driver of capacity building in our communities – one of USC's strategic goals.

Student numbers at USC have continued strong growth, experiencing a 52.3 percent increase in full-year student enrolments since 2014. All indications suggest we remain on track to achieve our strategic goal of having 20,000 students by 2020.

At the September graduation ceremonies, our ongoing efforts to increase research productivity and impact were rewarded when 37 of the 1,116 graduates were awarded higher degrees by research – the highest proportion for any graduation season at USC.

In August, as part of our ongoing commitment to strengthen engagement with our communities, USC hosted an at-capacity guest lecture by science commentator Dr Karl Kruszelnicki at our Sunshine Coast campus. Attracting about 2,000 people, the special presentation formed part of National Science Week activities. Dr Karl became an Honorary Doctor of USC in 2017.

This year USC also took a major step towards achieving our goal of becoming carbon neutral by 2025 with the announcement of our partnership with energy provider Veolia to install almost 6,000 solar panels on our Sunshine Coast campus. The project is expected to save more than 92,000 tonnes of carbon dioxide emissions over 25 years.

USC's High Performance Student Athlete Program, which helps students combine high performance sport with higher education, continued its great success this year. By late 2018, the program had grown by 50 percent compared to when it started in 2017. The cohort included athletes competing in the 2018 Commonwealth Games, where USC students won 12 medals. Sunshine Coast Lightning (co-owned by USC), also won back-to-back Suncorp Super Netball premierships in 2017 and 2018.

The Federal Government's two-year funding freeze for undergraduate programs – announced during the December 2017 Mid-Year Economic and Fiscal Outlook – has been challenging for regional universities. However, the announcement in November 2018 of an additional \$30.2 million in Commonwealth funding for student places at our Fraser Coast and Caboolture campuses was a welcome relief. The funding addresses the disproportionate impact the funding freeze had on USC, with no funding previously received for hundreds of students we were already teaching.

In December, our community received with sadness news of the passing of former USC Chancellor John M Dobson OAM. John was Chancellor from 2007 to 2017.

USC staff and students have shown great resilience in the face of challenges this year, and we look forward to working together to continue our strong momentum in 2019.

Professor Greg Hill
Vice-Chancellor and President



Forward planning 2019

- Preparing for delivery of teaching at the Moreton Bay campus
- Introducing competitive new postgraduate programs and courses
- Consolidating and assessing viability of programs and courses
- Improving digital literacy for staff
- Integrating quality health education and research
- Embedding work-integrated learning (WIL) in all programs
- Focussing USC's research profile and performance
- Improving awareness of Indigenous culture
- Implementing changes to Executive taking into account the 'Your Voice' staff opinion survey
- Introducing first fellowship awards for the Higher Education Academy
- Increasing the quantity of research student completions
- Increasing diversity in course offerings, especially short courses
- Embedding the transition to a fully multi-campus institution
- Strengthening presence at the Sunshine Coast Health Institute
- Integrating High Performance Sport with academic activity
- Building teaching and research capacity for the National Disability Insurance Scheme
- Strengthening collaboration with local governments across the region

Organisation

Basis of authority

The institution was established under the *Sunshine Coast University College Act 1994* and took its first students in 1996. Full university powers were granted under the *University of the Sunshine Coast Act 1998*^{*}.

Functions and powers

The University's functions are to:

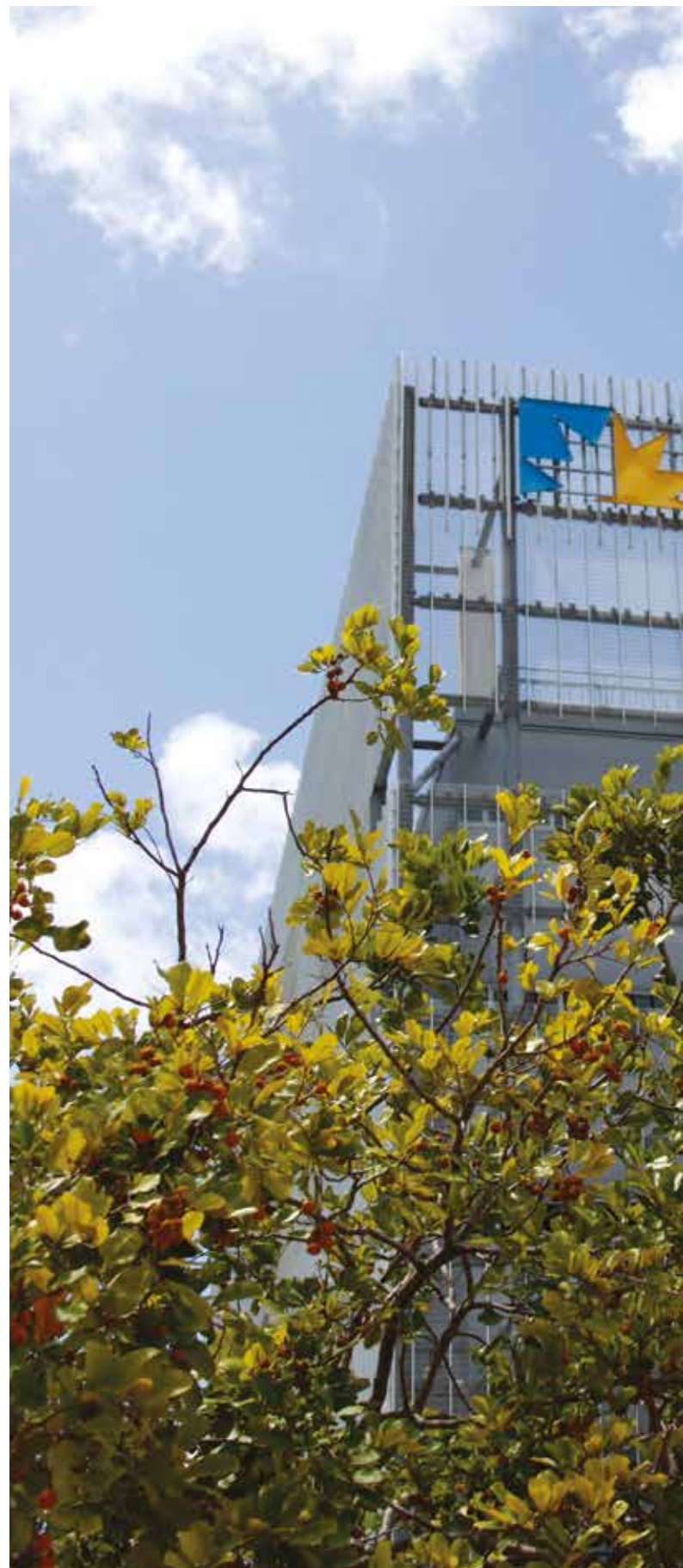
- provide education at university standard;
- provide facilities for, and encourage, study and research;
- encourage the advancement and development of knowledge, and its application to government, industry, commerce and the community;
- provide courses of study or instruction, at levels of achievement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

The University's powers are:

Under the *University of the Sunshine Coast Act 1998*^{*} the University has all the powers of an individual. It may, for example:

1. Enter into contracts:
 - a. acquire, hold, dispose of, and deal with property;
 - b. appoint agents and attorneys;
 - c. engage consultants;
 - d. fix charges, and other terms, for services and other facilities it supplies; and
 - e. do anything else necessary or convenient to be done for its functions.
2. Without limiting subsection (1), the University has the powers given to it under its Act or another Act.
3. The University may exercise its powers inside and outside Queensland.
4. Without limiting subsection (3), the University may exercise its powers outside Australia.

^{*} The *University of the Sunshine Coast Act 1998* has been subject to amendment since its original adoption, the most recent arising from the passing of the *University Legislation Amendment Act 2017*. These most recent changes came into effect over two stages on 13 October 2017 and on 1 June 2018, respectively.





Strategic framework

Strategic Plan 2016–2020

The Strategic Plan 2016–2020 (usc.edu.au/strategicplan-2016-2020) is the University's highest-level planning document, along with the Campus Master Plan. The role of the Strategic Plan is to articulate the broad goals and aims of the University over five years.

Developed in consultation with the University community, the Strategic Plan has guided USC over the previous three years. The University's vision for its continued maturation, growth and development and its commitment to the region is explicit in the strategic plan.

This vision is reflected in the three goals articulated in the plan, and the six imperatives provide a focus for how these goals will be achieved. The three goals articulated in the plan are that the University will be:

1. a comprehensive university of 20,000 students by 2020;
2. positioned in the global tertiary education community as a top-100 university under 50 years of age; and
3. a primary engine of capacity building in the broader Sunshine Coast region, from Brisbane to the Fraser Coast.

Each imperative includes a description of the future state USC is seeking, the priorities that tell us where to direct effort and the measures by which success can be determined.

Specific strategies complementing the strategic plan are set out in the Academic Plan (2016–2020) and the Resources Plan (2016–2020), which apply University wide and drive resource allocations through the budget process. Supporting strategies guide the University's involvement in international activities and regional engagement.

Operational Plans for individual cost centres support initiatives outlined in both the strategic and top-level plans. All plans are reviewed and updated during the budget and planning process in September each year.

In December, the USC Council endorsed the new USC Strategic Plan 2019–2022 to reflect the University's expanding footprint and commitment to regional communities. Future USC annual reports will be assessed against the new plan.

Annual review of operations

As a review of its operations each year, USC measures its progress according to the goals and key performance indicators of the six imperatives outlined in the University's Strategic Plan 2016–2020:

1. The University will increase student enrolments and improve student success
2. The University will increase research productivity and impact
3. The University will expand campuses and study nodes
4. The University will improve institutional effectiveness
5. The University will strengthen leadership in sustainability for the region and beyond
6. The University will strengthen engagement with its communities

The following pages provide detailed reporting on each of the six imperatives and relevant key performance indicators. In addition, pages 31–33 provide a high-level summary of key performance indicators.

The University will increase student enrolments and improve student success

PRIORITIES:

1. Develop and support strategic, innovative and distinctive curricula.
2. Expand access pathways for students.
3. Focus on initiatives and support to enhance student engagement and maximise student success.
4. Expand and diversify international student enrolments.

Overview

Forecast student numbers indicated growth, with 17,568 students (+5.9 percent on the previous year) enrolled during 2018 (12,007 EFTSL). Student enrolments were well above the Strategic Plan's 2018 growth targets of 16,869 students and 11,808 EFTSL.

Forecast international student enrolments also showed growth to 2,795 EFTSL (+17.3 percent on the previous year) in 2018. This was the largest number of international EFTSL in USC's history.

Focus remained on the participation of groups underrepresented in higher education, with latest data showing that 20.2 percent of commencing USC undergraduate students are from low socio-economic backgrounds compared to 18.1 percent of undergraduate students nationally, and 3.4 percent of commencing USC students are Indigenous compared to 2.2 percent nationally.

USC again achieved a five-star rating for five of the six Student Experience measures reported in the 2019 Good Universities Guide, and another five-star rating for supporting students from disadvantaged backgrounds in the social equity category, meaning USC ranked within the top 20 percent of all universities in these areas. USC maintained its five-star rating for teaching quality for the thirteenth year running, and its five-star rating for overall satisfaction for the seventh consecutive year.

In the latest Graduate Outcomes Survey, the proportion of USC's domestic, undergraduates in employment or in full-time employment was higher than the national average in six out of 15 study areas.

2018 SAW GROWTH IN...

Students

There were 17,568 students (12,007 EFTSL) enrolled during 2018, an increase of 5.9 percent compared to 2017, according to the September reforecast. Since 2014, USC has experienced a 50.2 percent increase in full-year enrolments, growing by a total of 5,872 (4,019 EFTSL) students during the four-year period. USC remains on track to meet its 2020 target of having 20,000 full-year student enrolments.

Internationalisation

International students accounted for 2,795 EFTSL during 2018, according to the September reforecast, growing by 17.3 percent from 2017. International students from 71 countries accounted for 23 percent of all USC enrolments.

Programs

The Bachelor of Nursing Science continues to be the most popular undergraduate program for new students, with 622 students enrolled at Census 1 2018. The top 10 undergraduate programs based on all enrolments at Census 1 2018 were:

- 1 Bachelor of Nursing Science
- 2 Bachelor of Primary Education
- 3 Bachelor of Information and Communications Technology
- 4 Bachelor of Business
- 5 Bachelor of Paramedic Science
- 6 Bachelor of Commerce (Accounting)
- 7 Bachelor of Biomedical Science
- 8 Bachelor of Creative Industries
- 9 Bachelor of Sport and Exercise Science
- 10 Bachelor of Occupational Therapy (Hons)

USC reached several milestones during its graduation ceremonies. In April, USC's 20,000th graduate had their degree conferred, with USC having now fostered more than 22,000 graduates. Of those, more than 2,500 graduated in 2018.

In 2018, USC has continued to implement a range of initiatives designed to foster a campus culture that encourages student engagement and wellbeing and enhances the quality of the student experience for all students. This included the continued promotion of the 'Respect now Always' campaign, the development of sexual-harassment prevention policy and procedures, staff and student training, and the establishment of a safer community unit. Detailed information is available at usc.edu.au/respect.

In Semester 1, 2018 USC welcomed its first Bachelor of Medical Science students, providing a direct pathway for them to study medicine on the Sunshine Coast, with graduates receiving provisional direct entry into Griffith University's Doctor of Medicine program at the Sunshine Coast University Hospital.

USC's High Performance Student Athlete Program—launched last year to help students combine high performance sport with higher education to achieve overall life success—had 138 enrolled student athletes across 29 sports, studying more than 41 programs in late 2018—a 50 percent increase compared to last year.

The 2019 edition of The Good Universities Guide again awarded USC five out of five stars for the overall quality of educational experience, teaching quality, skills development, student support and learner resources. USC was awarded a further five-star rating for supporting students from disadvantaged backgrounds in the social equity category. Agriculture and Environment Studies, and Engineering at USC were ranked the highest in Queensland for overall quality of educational experience, and Computing and Information Systems, and Creative Arts were ranked the highest for teaching quality.

USC students were again recognised as among the nation's best in 2018. In August, Michael Jefferies was named Law Student of the Year at the annual Australian Law Awards. And in September, Journalism student Tayla Larsen was named the Most Outstanding Journalism Student in Queensland at the 2018 Queensland Clarion Awards.

The University will increase student enrolments and improve student success

KPI 1.1: 20,000 STUDENTS (14,000 EFTSL) BY 2020

MEASURE	TARGET	2018 PERFORMANCE
Total equivalent full time student load (EFTSL)	14,000 EFTSL by 2020 (all students), including 3,650 EFTSL international students (20,000 full-year student enrolments)	12,007 EFTSL (all students), including 2,795 EFTSL international students ¹

COMMENT

Forecast full-year data indicates USC will meet growth targets for 2018, with current estimates of 12,007.1 EFTSL above the initial target of 11,808 EFTSL.

International load is on track to meet the 2018 target, with 2,795.1 EFTSL sitting above the initial target of 2,794 EFTSL. The forecast figures indicate international load is expected to account for 23 percent of overall load in 2018.

STUDENTS AND EFTSL (2014–2018)

	2014	2015	2016	2017	2018 ¹
Students (full year)	11,696	12,596	14,604	16,594	17,568
EFTSL	7,988	8,675	9,822	11,307	12,007
INTERNATIONAL EFTSL	1,017	1,079	1,552	2,383	2,795

KPI 1.2: STUDENT RETENTION

MEASURE	TARGET	PERFORMANCE
New undergraduate student attrition rate (based on internal data at Census 1 each year, assessing trend over time)	Minimum 1.5 percentage point improvement each year	2017 attrition rate ² worsened by 2 percentage points
Commencing domestic undergraduate student attrition rate (based on external full year data, benchmarking USC's performance nationally)	Achieve national average by 2020 for commencing domestic undergraduate students (based on 2018 attrition rate)	2016 crude attrition rate ³ +5.2 percent compared to national average, improving by 2.6 percentage points on the prior year

1. Data for 2018 is based on the September 2018 reforecast. Final full-year data available following the Australian Government submission on 31 March 2018.

2. 2018 rates available in April 2019, following availability of Census 1 2019 data.

3. The latest available rates are the 2016 attrition rates, which are based on full-year comparisons.

Internal measure: New undergraduate student attrition rate (domestic and international students)

The internal attrition rate is calculated based on enrolment data at Census 1 of each year. It is the proportion of students enrolled at Census 1 2017 who did not re-enrol at USC in Census 1 2018 (and did not graduate). Note: third-party managed campuses are excluded from all attrition calculations at this time to maintain a consistent baseline for the assessment of this performance measure.

The 2017 internal attrition rate for new undergraduate students worsened by 2 percentage points to 31.4 percent, which did not meet the minimum target of a 1.5 percentage point improvement each year.



External measure: Commencing domestic undergraduate student attrition rate

The external measure is based on the Australian Government's national crude attrition rate, which in this instance reflects the proportion of students who commenced a bachelor's program at a specific higher education provider in 2016 and who neither completed (in 2016 or 2017) nor returned to study at that provider in 2017.

The crude attrition rate for USC domestic commencing bachelor's students improved by 2.6 percentage points from 27.9 percent in 2015 to 25.3 percent in 2016, coming in at 5.2 percentage points under the national average. USC was ranked 28 out of 37 institutions nationally, improving by two places from 2015, and came in as the top tertiary institution in the Regional Universities Network (RUN) cohort, moving up a ranking from second place in 2015. Nationally, the domestic crude attrition rate improved by 0.7 percentage points, from 20.8 percent in 2015 to 20.1 percent in 2016.

CRUDE ATTRITION RATE⁴ FOR DOMESTIC COMMENCING BACHELOR'S STUDENTS, 2012–2016⁵ (AUSTRALIAN GOVERNMENT DATA)

MEASURE	2012	2013	2014	2015	2016	DIFFERENCE 2015 TO 2016
USC attrition rate (crude)	29.0%	27.7%	26.4%	27.9%	25.3%	-2.6%
National attrition rate (crude)	19.3%	20.7%	20.9%	20.8%	20.1%	-0.7%
<i>Difference</i>	9.7	6.9	5.5	7.2	5.2	-2.0
USC national ranking	33	28	29	30	28	
<i>Number of institutions</i>	37	37	37	37	37	
USC RUN ranking	3	2	2	2	1	

4. Attrition rate for year (x) is the proportion of students who commenced a bachelor's program in year (x) who neither completed in year (x) or year (x + 1) nor returned in year (x + 1).

5. Figures are based on full-year data.

Additional commentary

The Pro Vice-Chancellor (Students) provides strategic leadership in student engagement and academic success at USC. A broad range of student engagement activities designed to strengthen student-learning outcomes and to accelerate efforts leading to the increased retention and success of all USC students are in place. The Student Engagement and Retention Blueprint (2017-2020) is aligned with USC's Strategic and Academic Plans and provides whole-of-University guidance and focus. The Blueprint has four key strategies, first identified in 2015, which reflect new evidence and contemporary best practice.

1. Strengthen first year (FY) experiences. First year is the focus for later year success and requires attention to FY students, FY experience, FY and foundation courses.
2. Design and enact high-quality curricula (programs and courses are designed to actively engage students in learning).
3. Promote access, equity and diversity (establish a USC-wide coordinated approach to increasing and widening participation).
4. Enable and support student learning (provide proactive, timely access to life and learning support).

Work is underway in each of the strategies to increase the scale and reach of activities. For example, in 2017 a student advising team with personnel on all campuses was set up to augment early transition activities with face-to-face student advising. This activity works in conjunction with the Student Success Program, which is a milestone and data-driven systematic approach to monitoring student engagement and early intervention. The First Year Enabling Project is now in the second of its three years of activity and is focused on first year transition within curriculum, first year pedagogies and staff capacity building and is active across all schools and campuses through FY leaders, small FY grant funded projects, a FY learning leaders development program and communities of practice.

Whole-of-University mechanisms, such as the Student Engagement Leadership Team (SELT), the First Year Experience Reference Group (FYERG) and the Curriculum Advisory Group (CAG) are in place to coordinate and oversee the activities outlined in the Blueprint.

A series of national reports focused on attrition were released in 2017⁶ and 2018⁷, providing context for the USC data, showing a slight decline in the national six-year completion rates. Against this background, USC was one of 12 institutions that increased the six-year completion rates for the 2010 commencing cohort (first cohort impacted by demand driven system) compared with the 2009 cohort. USC was one of 13 institutions that recorded a higher completion rate for the 2010 cohort compared with the 2005 cohort and, with Deakin University, recorded the highest increase of 6.7 percentage points in six-year completions between 2010 and 2015.

The National Centre for Student Equity in Higher Education (NCSEHE) and the University of Newcastle Centre of Excellence for Equity in Higher Education produce a range of research and practice reports focused on attrition, retention and student success. These reports acknowledge that student attrition, retention and completion are influenced by a complex suite of socio-cultural, geographic and financial issues – all factors relevant to USC – as well as by demographic and institutional characteristics.

6. The Higher Education Standards Panel (HESP) *Improving retention, completion and success in higher education Higher Education: TEQSA Characteristics of Australian higher education providers and their relation to first-year student attrition*; Australian Government, Department of Education *Completion Rates of Higher Education Students – Cohort Analysis, 2005-2015*.

7. HESP *Improving retention, completion and success in higher education*.

KPI 1.3: STUDENT SATISFACTION

MEASURE	TARGET	PERFORMANCE
Annual national comparative assessment in the Student Experience Survey	Achieve national ranking in the Top 5 each year for Student Experience Survey results: – Quality of the entire educational experience – Quality of teaching	Respective rankings of no. 2 and no. 2 in 2017 ⁸

COMMENT

The national Student Experience Survey (SES) measures student satisfaction through responses to the *Quality of the entire educational experience* (single survey item)⁹ and the *Quality of teaching* (teaching quality scale score)¹⁰.

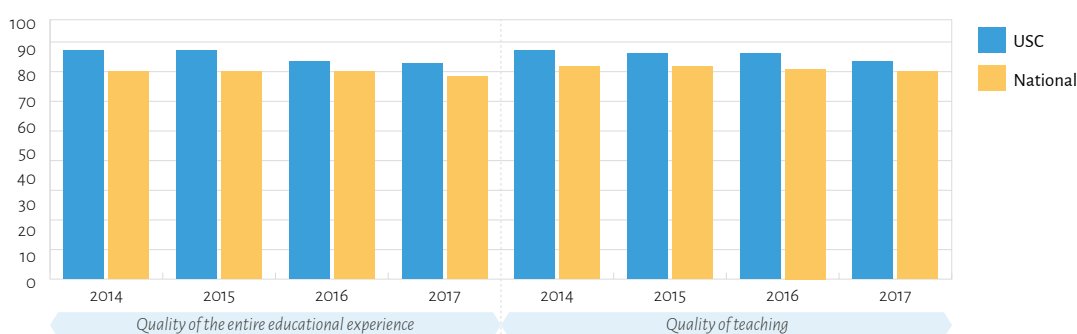
Quality of the entire educational experience

USC placed second among all Australian public universities in *Quality of the entire educational experience* in 2017, improving from fourth place in 2016. USC continued to produce above the national average (Table A Providers) in 2017; the differential between USC and national results improved slightly between 2016 and 2017.

Quality of teaching

USC ranked second among all Australian Table A universities in *Quality of teaching* for the third consecutive year in 2017. The University has been above the national average (Table A Providers) for 2013 to 2017. USC's percentage satisfaction for *Quality of teaching* was 84 percent in 2017, compared to 87 percent in 2016.

STUDENT EXPERIENCE SURVEY, PERCENTAGE SATISFIED RELATIVE TO NATIONAL¹¹ VALUES, 2014–2017



KPI 1.4: GRADUATE OUTCOMES

MEASURE	TARGET	PERFORMANCE
Annual national comparative assessment of full-time graduate employment	Achieve national graduate full-time employment average for domestic undergraduates by 2020	-8.0 percentage points below national average in 2017 ¹²
Annual national comparative assessment of overall graduate employment	Achieve national graduate overall employment average for domestic undergraduates annually	-2.0 percentage points below national average in 2017 ¹²

8. 2018 data unavailable until March 2019.

9. The University reports on performance for student satisfaction of the *Quality of the entire educational experience* (single survey item) as the percentage of all respondents that answer Good or Excellent to the question: "Thinking about your program, overall how would you rate the quality of your entire educational experience this year?".

10. The University reports on performance for student satisfaction of the *Quality of teaching* (Teaching quality scale score) as the percentage of all respondents that are satisfied with the scale (ie have a scale score of 55 or above). This teaching quality indicator is based on the average of student's responses to 11 composite questions available on the QILT website: [qilt.edu.au/about-this-site/student-experience-survey-\(ses\)](http://qilt.edu.au/about-this-site/student-experience-survey-(ses))

11. National aggregates include USC values.

12. 2018 data unavailable until March 2019.

COMMENT

Graduate outcomes is measured by the proportion of domestic undergraduates in *Full-time employment* and in *Overall employment* as reported through survey responses to the 2016 and 2017 Graduate Outcomes Survey (GOS) and the 2013 to 2015 Australian Graduate Survey (AGS).

Full-time employment

The proportion of USC respondents in *Full-time employment* over the period 2013 to 2017 has been lower than the comparable national figures. The differential between USC and the national figure decreased notably between 2013 and 2014, from 12 percentage points to 3 percentage points and this differential continued into 2015. In 2016 and 2017, the differential was higher at 9 percent and 8 percent respectively. USC's *Full-time employment* figure increased from 62 percent in 2016 to 64 percent in 2017, ranking 34 from 37 institutions in 2017.

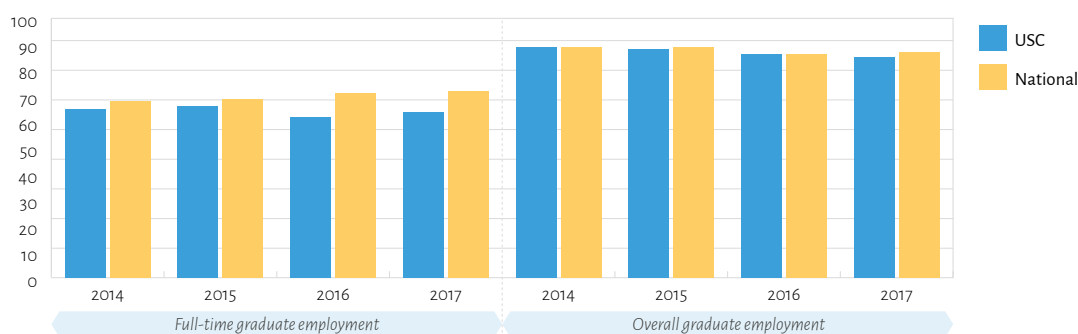
In 2017, six of the 15 study areas for which USC had more than 10 respondents had a *Full-time employment* rate higher than the national average.

Overall employment

The *Overall employment* rate experienced a steady decline between 2014 and 2017. USC's *Overall employment* rate was 2 percentage points lower in 2017 than the national average. USC's ranking fell from 23 in 2016 to 27 in 2017.

In 2017, six of the 15 study areas for which USC had more than 10 respondents had an overall employment rate higher than the national average.

USC AND NATIONAL FULL-TIME AND OVERALL GRADUATE EMPLOYMENT RESULTS¹³, 2014–2017¹⁴



13. Results are reported for domestic undergraduates. Undergraduate level includes Bachelor Pass, Bachelor Honours, Bachelor Graduate Entry, Associate Degree, Associate Diploma and Advanced Diploma.

14. Data reflects outcomes of students who completed their qualification in the year prior to the survey year: ie data for 2017 reflects outcomes of students who completed their qualification in 2016. The survey is administered to graduates approximately four months after completion of their qualification.

15. For more information visit the QILT website: qilt.edu.au

Additional Commentary

Graduate outcomes published on the QILT website¹⁵ are based on the aggregated 2014, 2015, 2016 and 2017 results. QILT national results include all Australian higher education institutions, including university and non-university providers. USC's aggregated *Full-time employment graduate outcomes* result is below the national average – 64.1 percent compared to 70.6 percent, and USC ranks 30 from 37 public universities for this indicator.

The aggregated USC *Overall employment* rate is close to the national average – 86.5 percent compared to 87.5 percent, and USC ranks 25 from 37 public universities for this indicator.

The QILT website publishes two other graduate outcome measures: full-time study and median salary. For both measures USC also performs below the national average (rank 28 and 34 from 37 public universities respectively).

The 2017 Employer Satisfaction Survey (ESS) results reflect high levels of employer satisfaction with USC graduates, 88.8 percent, compared to the national average of 83.6 percent.

The USC Student Employability Strategy is currently under further development. The strategy draws together a range of existing initiatives such as work-integrated learning, work experience scheme, leadership development activities and the development of employability skills within discipline programs, in a comprehensive way for communication with students, professional bodies, employers and industry.

KPI 1.5: ACCESS FOR GROUPS UNDERREPRESENTED IN HIGHER EDUCATION

MEASURE	TARGET	PERFORMANCE
Number of new Aboriginal and Torres Strait Islander students (measure based on internal full-year data)	Annual increase in number of new Aboriginal and Torres Strait Islander students	21 percent increase (236 students) in 2018 ¹⁶
Access rates for Aboriginal and Torres Strait Islander students, students with a disability and students from low-SES backgrounds (measure based on external full-year data, benchmarking USC's performance nationally)	Access rates at or above national average for Aboriginal and Torres Strait Islander students, students with a disability and students from low-SES backgrounds	2017 access rates ¹⁷ above national average: +1.2 percentage points for Aboriginal and Torres Strait Islander students, +0.2 percentage points for students with a disability, and +2.1 percentage points for students from low-SES backgrounds

16. Data for 2018 is preliminary at 9 January 2019. Final full-year data available following the Australian Government submission on 31 March 2019.

17. 2018 national data not available until October 2019.

Number of new Aboriginal and Torres Strait Islander students

Preliminary full-year figures for 2018 indicate there were 236 new Aboriginal and Torres Strait Islander students enrolled, compared to 195 at the same time last year. Some of this growth can be attributed to the opening of USC's Caboolture campus, with 32 new Aboriginal and Torres Strait Islander students enrolled to study there in 2018. The 2018 result includes 170 new students enrolled at USC Sunshine Coast, 26 new students at Fraser Coast, six new students at USC Gympie, and three new students enrolled across USC SouthBank and the Caboolture, Noosa and North Lakes study hubs.

NEW¹⁸ ABORIGINAL AND TORRES STRAIT ISLANDER STUDENT¹⁹ ENROLMENTS BY YEAR²⁰ (INTERNAL DATA): (2013–2018)

PROGRAM TYPE	2013	2014	2015	2016	2017	2018 ¹⁶
Tertiary Preparation Pathway	43	35	36	80	76	72
Undergraduate ²¹	70	66	100	119	105	152
Postgraduate coursework	5	3	1	6	10	8
Research	–	1	1	1	1	2
Other non-award ²²	3	3	6	4	7	10
TOTAL ²³	117	106	141	197	195	236

Access rates for Aboriginal and Torres Strait Islander students, students with a disability and students from low-SES backgrounds

The latest national data (2017) shows that USC was above the national average for access rates for the three identified underrepresented groups. Access rates at USC for Aboriginal and Torres Strait Islander students were 3.4 percent compared to 2.2 percent nationally (+1.2 percentage points). Access rates for students with a disability were 6.4 percent compared to 6.1 percent nationally (+0.2 percentage points); and for students from low-SES backgrounds 20.2 percent compared to 18.1 percent nationally (+2.1 percentage points).

ACCESS RATES (%) FOR GROUPS UNDERREPRESENTED IN HIGHER EDUCATION, FULL YEAR 2014–2017 (AUSTRALIAN GOVERNMENT DATA)

	2014	2015	2016	2017 ¹⁷
ABORIGINAL AND TORRES STRAIT ISLANDER²⁴				
USC	2.2%	3.1%	3.6%	3.4%
National	1.8%	1.9%	2.1%	2.2%
Difference (USC to national)	0.4	1.2	1.6	1.2
DISABILITY²⁴				
USC	6.2%	6.7%	6.4%	6.4%
National	5.0%	5.3%	5.6%	6.1%
Difference (USC to national)	1.2	1.4	0.7	0.2
LOW SES²⁵				
USC	19.5%	20.0%	22.7%	20.2%
National	16.8%	17.2%	17.1%	18.1%
Difference (USC to national)	2.7	2.8	5.6	2.1

18. A student is defined as a new student if they have been admitted to the University for the first time; re-admitted into a new program following completion of a program, withdrawal, abandonment or exclusion; or when admitted to a new career (eg from non-award to undergraduate).

19. Domestic students with a permanent home residence in Australia only.

20. Includes all new enrolments within a full calendar year.

21. Undergraduate includes Associate Degree, Bachelors Graduate Entry, Bachelors Pass and Bachelors Honours.

22. Other non-award includes those programs that do not lead to an award at this institution (excluding TPP reported separately) including: cross-institutional enrolment, Headstart, Integrated Learning Pathway, visiting (non-award).

23. Students enrolled in more than one program type in a year are reported in each program type where they had a new enrolment; in the total student count, they are counted only once.

24. Commencing domestic students with a permanent home residence in Australia.

25. Commencing domestic undergraduate students, based on SA1 region (Statistical Area 1 2016).

Additional Commentary

USC prioritises increasing access to higher education for Aboriginal and Torres Strait Islander people and people from low-SES backgrounds. Associated strategies are designed to improve retention and success for all equity groups, in particular low-SES students, Aboriginal and Torres Strait Islander students and students with disabilities.

Aboriginal and Torres Strait Islander-specific strategies

Indigenous Services manages and provides school-based programs focused on improving the school retention and completion rates of Aboriginal and Torres Strait Islander students. These include the USC Belonging program, Murri Futures and homework groups at Fraser Coast, Gympie and on the Sunshine Coast. In addition, USC supports the Australian Indigenous Mentoring Experience (AIME) and other community-based initiatives to enhance participation and achievement in school-aged cohorts. The Indigenous Direct Entry and Access Scheme (IDEAS) has been extended and now includes a new suite of promotional material as well as an online expression-of-interest form to connect potential applicants with Indigenous Services staff. Improved student work spaces at the Burunga Centre at USC Sunshine Coast and the Buallum Jarl-Bah Centre at USC Fraser Coast offer safe spaces and are attractive to prospective students. A USC student leadership camp was held in April 2018 for prospective students.

Low-SES specific strategies

The USC Pathways and Access Strategy was implemented in 2015 and is focussed on a coordinated and sustained approach to the pre-enrolment component of the domestic undergraduate student journey, including widening participation (WP), marketing and recruitment, and the various pathways to enrolment. USC offers several WP activities aimed at people underrepresented in higher education and who have suffered educational and/or socio-economic disadvantage. These activities have the key objectives of broadening understanding about the benefits of a tertiary education, building belief in people about their capacity to succeed in a university environment, and supporting the development of academic skills and capabilities to enable students to be successful. USC maintains schools-based and community-based aspiration building and academic preparation programs targeting low-SES and Aboriginal and Torres Strait Islander students – particularly those in the science, technology, engineering and mathematics (STEM) areas – providing a range of activities, including on-campus experiences and the Tertiary Preparation Pathway program.

Disability-specific strategies

The Disability Action Plan (DAP) continues to be a focus for USC with a whole-of-University framework, where all departments and faculties have a Designated Officer who is responsible for implementing the action statements. The action plan is key to ensuring that staff and students with disabilities are able to fully participate in the life of the University and to reach their full potential as staff or students. More than 30 undergraduate programs now have a statement of their Inherent Academic Requirements (IAR) developed. To support access and participation of all equity groups, the Equity and Diversity Committee meets at least twice per year with its responsibilities including monitoring the University's performance in addressing identified equity and diversity priorities related to students.

The University will increase research productivity and impact

PRIORITIES:

1. Target resources and research programs to increase the number of HDR students.
2. Expand the focused research capacity of USC.
3. Intensify applied and translational research through partnerships and collaborative projects – locally, nationally and internationally.

Overview

USC received a \$5 million Australian Government grant for the Sunshine Coast Mind and Neuroscience – Thompson Institute (SCMN – TI) to improve youth mental health and support suicide prevention.

Two USC researchers were awarded Advance Queensland Industry Research Fellowships for work in areas of biomedical science and forestry.

Professor Jeremy Davey started the USC Road Safety Research Collaboration with a \$4.4 million grant from the Queensland Government's Motor Accident Insurance Commission. His work will focus on changing dangerous driving behaviour.

USC's health research reached a major milestone when Professor Robert Harvey was awarded USC's first National Health and Medical Research Council Project grant. The \$600,000 funding will be used to investigate new treatments for severe epileptic seizures that affect children.

Three USC researchers were selected to work on a collaborative report on climate change called the Intergovernmental Panel on Climate Change's Sixth Assessment Report. Dr David Schoeman, Professor Patrick Nunn and Professor Tim Smith were among 721 experts selected as part of Working Group II.

USC maintained its inclusion in the Times Higher Education's Young University Rankings of the top 150 universities under 50 years old for the second year in a row. USC's ranking in the 101-150 category maintains a strong foundation to realise one of the strategic goals for 2020 – to be included in the world's top 100 young universities.

Additionally, in 2018 USC appeared in the Academic Ranking of World Universities for the first time.

Achievement highlights

In 2018, the Sunshine Coast Mind and Neuroscience – Thompson Institute (SCMN – TI) received \$5 million from the Australian Government to create clinical treatment programs to improve youth mental health and support suicide prevention.

Part of the funding – allocated in the Federal Government's 2017 Budget – was used to launch the Longitudinal Adolescent Brain Study (LABS) at the SCMN – TI. Led by Youth Mental Health and Neurobiology Professor Daniel Hermens, LABS aims to track 500 adolescents over a five-year period. As the most ambitious long-term study of its kind, LABS will determine and track changes in the brain during adolescence to gain a deeper understanding of the factors that impact adolescent mental health.

Senior research fellows Dr Erin Price and Dr Helen Nahrung were each awarded an Advance Queensland Industry Research Fellowship. Valued at \$300,000 over three years, Dr Price received her fellowship for research into next-generation diagnostics of chronic lung disease infections, while Dr Nahrung received her fellowship for research into biological invasions in forestry and how to mitigate them.

USC reached another major milestone in advancing its health and medical research expertise when Professor Robert Harvey was awarded a \$592,755 National Health and Medical Research Council (NHMRC) grant in November to investigate new treatments for severe epileptic seizures that affect children. This is the first NHMRC grant for a USC-led study.

In September, Professor Jeremy Davey received a major \$4.4 million grant from the Queensland Government's Motor Accident Insurance Commission to establish the USC Road Safety Research Collaboration. The new state-wide road safety research team will focus on changing dangerous-driving behaviour.

USC made significant progress in fostering collaborative partnerships on international projects when three of the University's researchers were selected as global authors of the Intergovernmental Panel on Climate Change's Sixth Assessment Report.

The report will inform policymakers, international climate negotiators and other stakeholders about the latest knowledge on all aspects of climate change. Dr David Schoeman, Professor Patrick Nunn and Professor Tim Smith were among 721 experts selected as part of Working Group II.

Professor Smith also received \$998,000 over four years from the Australian Research Council to discover new approaches to coastal management. The funding, combined with another \$662,000 from USC, will be used by the Sustainability Research Centre.

In September, USC's ongoing efforts to increase the number of higher degree by research (HDR) students were rewarded when 37 HDR students graduated – the highest proportion for any USC graduation season. It brings USC's total number of higher degree by research graduates to 348.

Animal Ecology lecturers Dr Kathy Townsend and Dr Dominique Potvin launched a study in June to track the impact of the Queensland Government's ban on the supply of lightweight plastic bags. It is the first study of its kind.

In the November round of the Australian Research Council grants, USC researcher Dr Martina Jelocnik received \$379,574 to research the prevalence of chlamydia in Australian wildlife, building on previous work that has found koalas, sheep, cattle, horses and parrots can host the disease. The funding was awarded under the competitive Discovery Early Career Researcher Award grants.

The research complements work completed by Professor Peter Timms and Dr Bonnie Quigley that discovered koalas infected with koala retrovirus type B were more likely to also have chlamydia disease. Published in April, the research was an important step in managing koala populations where chlamydia was more prevalent.

For the second year in a row, USC appeared in the Times Higher Education's Young University Rankings of the top 150 universities under 50 years old, and for the first time ranked in the top 800 global universities in the Academic Ranking of World Universities in 2018.

**STRATEGIC
IMPERATIVE TWO
PERFORMANCE**

The University will increase research productivity and impact

KPI 2.1: RESEARCH INCOME

MEASURE	TARGET	2018 PERFORMANCE
Total HERDC reportable income (all categories)	\$29,000,000 by 2020 (reporting on 2020 data) (\$23,280,000 in 2018)	\$23,962,982 ¹

COMMENT

In 2018, USC has continued an upward trend in research income, with significant research grants awarded to new appointees, as well as an increase in research funding from direct partnerships. 2018 has seen USC maintain established funders (ARC, ACIAR, HIA, FWPA, Advance Queensland) and also engage new significant funding initiatives with the Motor Accident Insurance Commission (MAIC) and Australian Government Department of Health.

RESEARCH INCOME (\$) (ANNUAL TARGETS): 2016–2020

HERDC INCOME	2016	2017	2018	2019	2020
Total	17,560,000	20,420,000	23,280,000	26,140,000	29,000,000

RESEARCH INCOME (\$) : 2012–2017

HERDC INCOME	2013	2014	2015	2016	2017	2018 ¹
Competitive grants	2,565,892	4,479,719	9,119,451	8,594,377	9,641,133	11,991,360
Public sector funding	2,268,537	1,865,806	2,609,942	2,977,680	4,100,551	7,228,409
Industry/other funding	1,564,660	1,615,168	2,691,730	3,632,866	8,050,014	4,424,934
CRC ²	620,538	775,855	261,944	–	65,000	318,278
Total	7,019,627	8,736,547	14,683,066	15,204,923	21,791,698	23,962,982

1. Based on raw unaudited HERDC income data. 2018 data will be audited in June 2019.

2. Income received from the Seafood Cooperative Research Centre (Seafood CRC), in which USC was defined within the Commonwealth Agreement as a Participant. The agreement finished in July 2015.



KPI 2.2: HIGHER DEGREE BY RESEARCH STUDENT ENROLMENTS

MEASURE	TARGET	2018 PERFORMANCE
HDR student enrolments by EFTSL	560 EFTSL by 2020 (402 EFTSL in 2018)	278.5 EFTSL ³

COMMENT

At 278.5 EFTSL, the forecast 2018 load does not meet USC's ambitious 'stretch target'. However, the University is on track to meet its conservative target of maintaining momentum with the existing level of higher degree by research (HDR) (EFTSL) enrolment growth (+10%).

While the current proportion for 2018 of 2.3 percent is based on total University load across all study sites, a more refined performance measure could exclude those campuses that are currently teaching-focused. Excluding these sites, current estimates for this outcome is higher at 3.0 percent (refer to the table below).

Work is underway between the Office of Research and Student Services and Engagement to improve the recording of HDR enrolments in the student system to more accurately reflect the enrolment patterns of these students.

Planning is also underway for strategies to improve performance, including building scholarships into grants in future years. An ongoing focus on HDR students, particularly in relation to targeted recruitment of HDR supervisors, USC Fellows and other funded grants is anticipated to see continued increases in enrolments in the future.

HDR STUDENT ENROLMENTS BY EFTSL (ANNUAL TARGETS): 2016–2020

HDR STUDENTS (EFTSL)	2016	2017	2018	2019	2020
Total	266	332	402	480	560
HDR as % of target EFTSL ⁴	2.8%	3.1%	3.4%	3.7%	4.0%

HDR STUDENT ENROLMENTS BY EFTSL: 2014–2018

HDR STUDENTS (EFTSL)	2014	2015	2016	2017	2018 ³
TOTAL HDR EFTSL	201.5	213.4	240.0	256.4	278.5
HDR as % of total EFTSL	2.5%	2.5%	2.4%	2.3%	2.3%
<i>HDR as % of total EFTSL (other⁵)</i>	2.6%	2.6%	2.7%	2.7%	3.0%

3. September 2018 Reforecast: this estimate based on Census 1 and 2 EFTSL extrapolated to estimate 2018 full year values. Final 2018 values available March 2019.

4. Includes the addition of third-party managed campuses (USC Melbourne and Sydney) from 2016.

5. Excludes from the base EFTSL campuses that are currently teaching focused (USC Caboolture, USC Gympie, USC Fraser Coast, USC SouthBank and third-party managed campuses in Sydney and Melbourne) as well as study nodes.

KPI 2.3: SCOPUS INDEXED PUBLICATION CITATIONS

MEASURE	TARGET	2018 PERFORMANCE
Field-weighted citation impact	1.46 by 2020	1.31 ⁶

COMMENT

Field-Weighted Citation Impact (FWCI) can be measured using the bibliometric tool SciVal. FWCI equal to one means a citation impact of world standard. This indicator can be measured anytime; however, this indicator is not static, due to the addition of new citations and variations in the citation pool from which comparisons are made. Therefore, each time this measure is reported, the historic values are also updated to reflect the latest FWCI for the defined period.

Annual targets are based on benchmarking against institutions currently ranked in the Times Higher Education (THE) rankings in order to confirm our trajectory towards being ranked in the THE top 100 universities under 50 by 2020. There is a two-year lag in the data used in this reporting. The 2018 value provided reports the FWCI for the 2012–2016 period. These periods have been selected to align with the THE assessment reference periods.

An ongoing focus on high quality publications is prioritised. The University has introduced funding to support USC researchers interested in publishing in high quality journals. Continued future increases in FWCI are anticipated.

SCOPUS INDEXED JOURNAL ARTICLES AND IMPACT: 2012–2017

EVALUATION YEAR	2013	2014	2015	2016	2017	2018
THE Ranking Reference Period	2007–2011	2008–2012	2009–2013	2010–2014	2011–2015	2012–2016
FWCI ⁶	1.19	1.21	1.27	1.28	1.30	1.31

6. Data updated 11 October 2018.

The University will expand campuses and study nodes

PRIORITIES:

1. Open new campuses and study nodes.
2. Expand USC's digital infrastructure and service capability.
3. Develop collaborative health facilities across the Sunshine Coast region.
4. Develop national and international partnerships with a focus on the Asia Pacific region.

Overview

A core element of the USC vision is to be a primary engine of capacity building in the broader Sunshine Coast region, from Brisbane to the Fraser Coast. For USC, living this vision means ensuring the population has access to campuses and study nodes throughout the region.

The start of construction on the USC Moreton Bay campus in September was a major step towards achieving this vision, with the full-service campus due to open for Semester 1, 2020. When the campus starts operating, almost 50 programs will be on offer in areas including business, education, engineering and computer science.

In January, USC welcomed students to the Caboolture campus for the first time after an agreement was struck to transfer it from QUT in time for Semester 1, 2018. Forecast enrolments at USC Caboolture indicated 479 EFTSL in the first year of operation – above initial estimates. The transfer has further strengthened USC's presence in the region ahead of the Moreton Bay campus opening.

USC celebrated the two-year anniversary of its Fraser Coast campus in January. Fraser Coast student enrolments grew by 8 percent on the previous year, to 461 EFTSL. USC Sydney also continued to show good growth in its second year of operation, growing to 636 EFTSL (+35.5 percent on the previous year). USC SouthBank grew by 42.9 percent to 444 EFTSL, and Melbourne grew by 19.8 percent to 595.3 (EFTSL).

In May, USC was proud to officially open the Sunshine Coast Mind and Neuroscience – Thompson Institute – a hub for world-class mental health research, teaching and clinical services, which further bolsters capacity building in our regions. It had been operating since 2017.

Collaborative health facilities

The Sunshine Coast Mind and Neuroscience – Thompson Institute (SCMN–TI) was officially opened in May by The Hon Greg Hunt MP, Federal Minister for Health. Established by USC as a hub for world-class mental health research, teaching and clinical services, SCMN–TI uses a unique, integrated model of care that has already put it at the forefront of research for some of regional Australia's most pressing mental health issues, including dementia, suicide prevention, post-traumatic stress disorder, and youth and adolescent mental health.

In August, the Sunshine Coast Health Institute (SCHI) hosted its first careers day for high school students. Located within the new Sunshine Coast University Hospital (SCUH), the SCHI is a dedicated education, training and research facility that opened in 2017. It is a collaborative partnership between the Sunshine Coast Health and Hospital Service (SCHHS), USC, TAFE Queensland, and Griffith University. The partners share a vision that SCHI will be recognised as a collaborative centre of excellence in health education and translational research, significantly impacting on regional healthcare outcomes, patient care and the development of an innovatively trained inter-professional healthcare workforce.

In November, the SCHI partners helped design and plan the SCHHS Research Symposium Day, where USC-led research conducted at the SCCHS featured prominently.

More than 500 USC students were enrolled in courses delivered at SCHI during 2018 across a range of programs that included Nursing Science, Occupational Therapy (Honours), Nursing Science (Graduate Entry), Nutrition and Dietetics, combined Nursing Science/ Midwifery, and Health Science.

In Semester 1, 2018, USC enrolled its first cohort of 22 students in the Bachelor of Medical Science for the first time. This three-year undergraduate degree provides provisional direct entry into Griffith University's Doctor of Medicine program, to be delivered in its 50-place medical school at SCHI from 2019.

Achievement highlights

In January, USC welcomed its first students to USC Caboolture after the campus was transferred from QUT in time for the start of Semester 1, 2018. This year, there was 478.8 EFTSL at the campus, according to the September reforecast, with Bachelor of Nursing Science students accounting for just over half of award-level enrolments.

USC reached a milestone when national construction company Hansen Yuncken began piling works for the foundation building of the new Moreton Bay campus. Designed by architecture firm Hassell Studio, the foundation building was financed by a \$121 million concessional loan in the 2017 Federal Government Budget. Set to open in Semester 1, 2020, USC Moreton Bay will be a full-service campus, offering almost 50 programs in the first year of operation.

In 2018, USC celebrated the two-year anniversary of its Fraser Coast campus, which was transferred from USQ in early 2016. Student enrolments continued an upward trend, growing by 8 percent compared to 2017, according to the September reforecast. This was again an excellent result in a region with one of the lowest higher education participation rates in Queensland.

In November, USC announced work had started on redeveloping the USC Stadium to increase seating capacity to 3,000 seats – a 50 percent increase. Funded by a \$7 million capital grant in the Queensland Government's 2018/19 Budget, construction is expected to take about six months to complete.

USC has maintained student growth despite facing challenges securing funding for student places. However, the announcement in November of \$30.2 million in Commonwealth funding for student places at USC Fraser Coast and Caboolture campuses was a welcome relief. The funding addressed the disproportionate impact the Federal Government's funding freeze had on USC, with no funding previously received for hundreds of students USC was already teaching.

The University will expand campuses and study nodes

KPI 3.1: STUDENT ENROLMENTS AT CAMPUSES AND STUDY NODES

MEASURE	TARGET	2018 PERFORMANCE ¹
Student enrolments (EFTSL) at campuses other than USC Sunshine Coast	Annual increase in EFTSL by campus	USC Gympie EFTSL -2.2 percent; USC SouthBank EFTSL +42.9 percent; USC Fraser Coast EFTSL +7.9 percent; USC Melbourne EFTSL +19.8 percent; USC Sydney EFTSL +35.5 percent

COMMENT

Based on forecast data, most campuses have met the target of an annual increase in EFTSL from 2017. However, current forecasts estimate USC Gympie to have 3.6 EFTSL (-2.2 percent) under the 2017 load. As USC Caboolture opened in 2018, there was no previous EFTSL data for comparison at this campus. Based on latest available data, USC Fraser Coast is 34 EFTSL (7.9 percent) above 2017 EFTSL; USC SouthBank is 133.2 (42.9 percent) above; USC Melbourne is 98.3 EFTSL (19.8 percent) above; and USC Sydney is 166.8 (35.5 percent) above. USC Sunshine Coast and study node EFTSL are provided for additional information only and are not assessed as part of this measure.

EFTSL BY STUDY SITE: 2015–2018

EFTSL ²	2015	2016	2017	2018 ¹
Campus				
USC Caboolture (<i>campus opened in 2018</i>)	–	–	–	478.8
USC Fraser Coast (<i>campus opened in 2016</i>)	–	287.4	427.3	461.3
USC Gympie	140.8	157.8	165.1	161.5
USC SouthBank	138.4	228.8	310.6	443.8
USC Melbourne (<i>campus opened in 2016</i>)	–	221.5	497.0	595.3
USC Sydney (<i>campus opened in 2016</i>)	–	75.6	469.5	636.3
USC Sunshine Coast ³	8,326.6	8,779.7	9,194.3	9,064.8
Study nodes³				
Caboolture	2.1	3.1	1.9	–
North Lakes	20.6	26.8	27.5	9.9
Noosa	46.4	41.0	57.9	21.3
Sunshine Coast Health Institute (<i>site opened in 2017</i>)	–	–	134.4	106.9
Sunshine Coast Mind and Neuroscience – Thompson Institute (<i>site opened in 2017</i>)	–	–	22.0	27.6
Total	8,764.9	9,821.7	11,307.4	12,007.1

1. Data for 2018 is based on September 2018 reforecast. Final full-year data available following the Australian Government submission in March 2019.

2. EFTSL data is based on the study site of the student's course enrolment.

3. Included for context only and not assessed as part of this measure.



KPI 3.2: COLLABORATIVE HEALTH FACILITIES

MEASURE	TARGET	2018 PERFORMANCE
Progress on development of collaborative health facilities	Collaborative health facilities developed across the region	Continued progress on development of additional facilities

COMMENT

Due to the continuing expansion of USC campuses and collaborative opportunities, this performance measure continues to focus on the further development of collaborative health facilities across the region. The University already boasts the Sunshine Coast Mind and Neuroscience – Thompson Institute, the Clinical Trials Centre and a suite of public clinics that also provide public engagement and student training.

Clinical Board

The University Clinical Board was established to ensure clinical activities across the University are appropriately governed, consistent across disciplines, provide rich experiences for students and staff and are financially viable, sustainable and compliant with legislative requirements.

Sunshine Coast Health Institute (SCHI)

The SCHI development continues. The Research and Education Advisory Groups that report to the SCHI Management and Operations Committees have developed terms of reference and work plans are being developed. The SCHI strategic plan has been written with contribution from USC. Engagement with Sunshine Coast Hospital and Health Service (SCHHS) and Griffith University in collaborative research and education activities continues.

USC's engagement in the SCHI continues to focus on building our institutional capacity and capability in health education and research, and lifting our national and international profile. The design and planning for the SCHHS Research Symposium Day has, for the first time, included the SCHI partners.

Sunshine Coast Mind and Neuroscience – Thompson Institute

In April 2018, the Thompson Institute was officially opened by The Hon Greg Hunt MP, Federal Minister for Health. During the year, the Thompson Institute also established its molecular biomarker laboratory, which will focus on identifying molecular markers implicated in psychiatric disease.

In 2018, the Thompson Institute's PEER Centre was opened to the community. The Centre provides advice and information to patients and carers, as well as the general community, about research and clinical offerings of the Institute.

The Healthy Brain Ageing clinics were established in 2018, which will see older people with and without symptoms of mild cognitive impairment and dementia with the aim of identifying and modifying lifestyle risk factors associated with progression to dementia.

Clinical Trials Centre (USC-CTC)

The CTC has provided access to innovative and breakthrough therapies in areas such as cardiac disease, epilepsy, coeliac disease, arthritis and influenza for more than 400 patients through the delivery of 22 drug and device trials. A further nine trials are planned across 18 sites, including specialist centres, general practitioner (GP) clinics, hospitals and cancer centres. It has employed 15 highly skilled professionals, including four USC graduates, contracted with local health businesses and upskilled more than 40 new doctors in conducting trials.

Development of Health Hub Morayfield collaboration

The first phase of the HHM (a primary healthcare supercentre) opened in early 2018, commencing with the GP clinic and minor accident and illness centre. USC, under a Collaborative Framework Agreement, is the lead university partner in this development and is responsible for coordinating student placements, education programs, research activities and clinical trials. Under the agreement, USC will broker student clinical placements for the different organisations across the HHM. USC's leased space (fit out to be completed end 2018/early 2019) will support expansion of clinical trials and student-led allied health clinics. In addition to the leased space by USC, work is in progress to develop a partnered student clinic model, which will provide opportunities for student placements, possible student-led activities as well as collaborative research opportunities.

Development of Collaborative Partnership with Caboolture Hospital

In 2018, USC signed a letter of agreement with Caboolture Hospital to collaborate on the Links 4 Health program. The program is focussed on four key areas:

1. learning technology and digital readiness for healthcare
2. complex care associated with cognitive impairment
3. research in healthcare
4. organisational behaviour and leadership development

The University will improve institutional effectiveness

PRIORITIES:

1. Attract and retain staff who are committed to the University's Vision and Values, and support them to succeed in their roles.
2. Embed a commitment to excellence and leadership within the University's governance, management, and decision-making frameworks.
3. Strengthen administrative efficiency and effectiveness to optimise quality and sustainability.
4. Effect responsible and innovative management of resources that supports the University's strategic goals.
5. Increase staff capability for the deployment of digital technologies.

Overview

USC attracted many skilled staff this year. Two new heads of school started at USC in February, with Professor Lorelle Frazer appointed as Head of the USC Business School, and Professor Ken Greenwood appointed as Head of the School of Social Sciences.

In June, Professor Tim Wess took up broad responsibility for USC's academic activities in his position as the University's Deputy Vice-Chancellor (Academic). In his role, Professor Wess will oversee the restructure of USC's academic faculties, where Heads of School will report directly to the Deputy Vice-Chancellor (Academic).

USC welcomed its first Dean of Indigenous Education and Engagement when Professor Gary Thomas started in the position in July. As a Yui and Australian South Sea Islander man, Professor Thomas has held extensive roles in Indigenous leadership at many Australian universities.

In 2018, a new position of Dean of Graduate Studies was established, which is critical to achieving USC's higher degree by research (HDR) goals relating to enrolments and completions.

USC received an Aa3 credit rating from Moody's Investor's Service in January, acknowledging the University's strong operating position.

In December, the USC Strategic Plan 2019-2022 replaced the previous strategic plan after it was endorsed by USC Council. The new plan considers USC's successes and the changed tertiary education environment within which USC operates.

Achievement highlights

At the start of the academic year, USC welcomed two new Heads of School as part of the University's commitment to attract and retain quality staff. Professor Lorelle Frazer, who is regarded as one of Australia's leading franchising experts, came from Griffith University to take a position as Head of the USC Business School, while Professor Ken Greenwood started as Head of the School of Social Sciences after he moved from James Cook University.

In other appointments, Professor Tim Wess started as USC's first Deputy Vice-Chancellor (Academic) in June, taking up broad responsibility for the academic activities of the University. Professor Wess was Charles Sturt University's Executive Dean of the Faculty of Science before he started at USC. Social justice and equity have been strong components of Professor Wess's work in and beyond the higher education sector.

As part of a commitment to embed excellence and leadership within USC, the University appointed Professor Gary Thomas in July as the first Dean of Indigenous Education and Engagement. Professor Thomas is a Yui and Australian South Sea Islander man who has had an extensive career in Indigenous leadership roles at the University of Southern Queensland, University of Melbourne, La Trobe University, the Queensland University of Technology and the Batchelor Institute of Indigenous Tertiary Education.

A new position of Dean of Graduate Studies was created in 2018, which will be critical to achieving USC's stretch goals around higher degree research (HDR) enrolments and completions. A pivotal aspect of the work will focus on the strategy and policy settings required to achieve USC's HDR goals and aspirations. Associate Professor Brent Moyle, who joined USC in 2018, will take up the position in January 2019.

Several notable academics joined USC in 2018 as well. Professor Jeremy Davey, whose research focuses on driving behaviour, joined USC from QUT; Professor Robert Harvey started at USC as Professor of Pathophysiology and a Discipline Leader in Biomedical Science; Dr Kathy Townsend came from the University of Queensland to join USC, where her work focuses on issues such as marine conservation and human impacts on the marine environment.

Organisational effectiveness

In January, Moody's Investors Service issued an Aa3 credit rating to USC with a stable outlook. The updated credit opinion acknowledged the University's solid financial profile and low debt burden compared to other Australian universities. USC is the first regional university in Australia – and the first public university in Queensland – to receive a credit rating from the service.

In October, USC started restructuring its faculties to ensure the University could properly respond to future opportunities and address emerging challenges. The changes will strengthen administrative efficiency and effectiveness to optimise quality and sustainability, and effect responsible and innovative management of resources. As part of the restructure, USC heads of academic schools report directly to the Deputy Vice-Chancellor (Academic). Because the faculties were discontinued, faculty-based staff will be moved to new work areas in 2019. Careful consideration was given to feedback from staff collected during consultation periods. The final organisational structure was approved in November, with the changes to take place from January 2019.

Strategic Plan

A new USC Strategic Plan 2019-2022 was endorsed by USC Council in December to reflect the University's expanding commitment to regional communities. The new plan is similar to the previous iteration but takes into account the University's growth and the changed tertiary education environment within which USC operates. Future USC annual reports will be assessed against the new plan.

**STRATEGIC
IMPERATIVE FOUR
PERFORMANCE**

The University will improve institutional effectiveness

KPI 4.1: ANNUAL POSITIVE DISCRETIONARY CASHFLOW

MEASURE	TARGET	2018 PERFORMANCE
Annual net discretionary cashflow – as a proportion of total operational revenue	Two percent positive cashflow by 2020	2.3 percent ¹

COMMENT

This measure provides an indication that the University is operating in a sustainable manner by not incurring greater cash outflow than cash inflows in relation to operational (discretionary) resources. A positive annual cashflow also demonstrates the building of cash reserves for future initiatives. A focus on cash eliminates the nuances of accounting concepts that may distort the standard profit-and-loss picture.

Cashflows can be classified into:

1. Operational cashflows: cash received or expended as a result of the company's core business activities
2. Investment cashflows: cash received or expended through capital expenditure, investments or acquisitions
3. Financing cashflows: cash received or expended as a result of financial activities, such as receiving or paying loans, issuing or repurchasing stock, and paying dividends. All three together are necessary to reconcile the beginning cash balance to the ending cash balance

Cashflow can be examined to determine the short-term sustainability of the University. If cash is increasing, then the University will often be deemed to be healthy in the short-term. Increasing or stable cash balances suggest the University is able to meet its cash needs, and remain sustainable. This information cannot always be seen in the income statement or the balance sheet. For instance, the University may be generating profit, but still have difficulty in remaining sustainable. Being profitable does not necessarily mean being liquid.

This KPI is measured in accordance with the budget cycle using the following formulas:

- Annual cashflows: net discretionary cash divided by operational revenues
- Net discretionary cash: operational revenues less budget allocation
- Operational revenues: revenues pertaining to operational activities (student load, interest, parking, etc). Excludes tied resources such as capital grants, research agreements and philanthropic resources, and carry-forward funds

The essence of good practice is to have a cashflow that is always positive, other than in exceptional years. Cashflow as a proportion of total operational revenue below 4 percent would pose an unacceptable degree of risk unless planned for an unusual short-term reason. Due to the University's planned phase of rapid expansion over the next five years it is appropriate to target a cashflow below 4 percent; however the University will generally aim for a positive return. The University's objective will be to again achieve at least 4 percent once growth stabilises and it resumes normal operations.

A key element of this measure is the development of a long-term financial model for the University, against which the cashflow outcomes can be monitored and benchmarked.

ANNUAL POSITIVE DISCRETIONARY CASHFLOW: 2013–2018

MEASURE	2013	2014	2015	2016	2017	2018 ¹
Annual cashflows	9.8%	1.7%	0.9%	2.3%	1.8%	2.3%

1. YTD actual as at 31 December 2018.

KPI 4.2: STAFF COSTS AS A PROPORTION OF TOTAL OPERATING INCOME

MEASURE	TARGET	2018 PERFORMANCE
Staff costs as a proportion of total operating revenues	Less than 60 percent by 2020	59.5 percent ²

2. YTD actual as at 31 December 2018

COMMENT

This measure highlights the proportion of staff costs funded by operating income. To demonstrate sustainable methods, the University needs to move to a greater portion of established staff position costs being funded by other incomes (eg research) rather than being overly reliant on operational income (eg student load).

Employment costs include associated fringe benefits tax and provisions for leave entitlements relevant to the general operations of the University, including long service leave and recreation leave, but excludes employment costs associated with grants and agreements. Total operating revenue reflects operating revenue relevant to the general operations of the University. It excludes revenue received in relation to capital grant funding, donations and research agreements.

The Australian Government Department of Education and Training (DET) regards good practice for employee costs as a percentage of total revenue to be between 50–70 percent. Employment costs will normally be higher in those faculties that do not require high expenditure on equipment and facilities. Arts and similar disciplines are normally 80 percent or lower, and engineering, science and medicine are 70 percent or lower.

This metric is measured in accordance with the budget cycle using the following formulas:

- Proportion: operational staff costs divided by operational revenues
- Operational staff costs: staffing costs relevant to operational activities, including fringe benefits tax and leave entitlements. Excludes activities pertaining to tied resources, such as capital grants or research
- Operational revenues: revenues pertaining to operational activities (for example, student load, interest, parking, etc). Excludes tied resources such as capital grants, research agreements and philanthropic resources, and carry-forward funds

The target has been set because it ensures the University's operational revenues are not significantly tied to funding employee salaries and are proportionally attributed to non-employee resources.

Employment costs are a critical element in the long-term financial model currently being developed for the University. As a result, these costs need to be monitored and benchmarked to ensure the University's ongoing financial sustainability.

STAFF COSTS AS A PROPORTION OF TOTAL OPERATING INCOME: 2013–2018

MEASURE	2013	2014	2015	2016	2017	2018 ²
Employment costs as a percentage of total operating revenue	60.0%	61.2%	61.7%	59.5%	56.1%	59.5%

2. YTD actual as at 31 December 2018.

KPI 4.3: STAFF COMPOSITION

MEASURE	TARGET	2018 PERFORMANCE
Composition of employment kind (excluding casuals)	Professional staff below 58 percent by 2020	58.5 percent ³

COMMENT

This measure assesses investment in academic resources and non-academic resources, and gives an indication of the level of support (corporate and other service delivery) provided to enable the academic work of the University.

University ratios are benchmarked through the Australian Universities HR Benchmarking Program, which has been chosen to indicate improved proportions of academic and professional staff against the sector average.

The 2018 results show the USC professional staff ratio at 58.5 percent. This compares to a sector average of 56.0 percent. The USC average has decreased by 3.8 percentage points since 2011, while the sector average increased slightly (+0.2 percent), despite a small decrease between 2015 and 2016. Conversely, the proportion of USC academic staff has steadily increased since 2011 (+4.3 percent), while the sector average decreased between 2011 and 2015 and has since remained stable (-0.8 percent). The percentage of USC senior staff (3.3 percent in 2018) has remained relatively consistent since 2015.

COMPOSITION OF EMPLOYMENT KIND³: 2013–2018

EMPLOYMENT KIND		2013	2014	2015	2016	2017	2018
Academic ⁴	USC	34.9%	34.6%	36.3%	37.9%	38.9%	38.2%
	Sector ⁷	40.6%	40.2%	40.0%	40.0%	40.0%	40.0%
Professional ⁵	USC	61.8%	61.5%	60.1%	58.4%	57.5%	58.5%
	Sector ⁷	56.2%	56.4%	56.4%	56.0%	56.0%	56.0%
Senior ⁶	USC	3.4%	4.0%	3.6%	3.6%	3.5%	3.3%
	Sector ⁷	3.3%	3.4%	3.5%	3.9%	4.1%	4.0%

3. Data as at 31 March 2018 based on the Australian Government Higher Education Staff Data Collection.

4. Academic staff (as defined in the Enterprise Agreement (EA)): are staff appointed in accordance with the Academic Position Descriptors Guidelines in place as at 22 August 2011 to positions that reflect the operational requirements and core areas of responsibility, which include teaching, research and engagement.

5. Professional staff (as defined in the EA): are staff appointed in accordance with the APT Position Descriptors Guidelines in place as at 22 August 2011 to a position that reflects the operational requirements and core areas of responsibility for administrative, professional, and technical occupational groups.

6. Senior staff: those staff employed on a senior staff contract, and not covered by the University's EA.

7. Sector data: benchmarked with Australian Universities through the annual Universities HR Benchmarking Program. The Universities HR Benchmarking Program report is available each June for the previous year. 2018 results yet to be confirmed by Australian Higher Education Industrial Association (AHEIA).

The University will strengthen leadership in sustainability for the region and beyond

PRIORITIES:

1. Partner with industry and government to contribute to the sustainability of the region.
2. Engage with staff, students and the broader community to promote sustainability in the local region and beyond.
3. Embed sustainability in the University's teaching and research programs and throughout its operations.

Overview

USC has been a regional leader in sustainability practices since its establishment, with sustainability embedded in decision-making and strategic and operational planning.

Apart from reaching a significant agreement to solar power the Sunshine Coast campus, USC undertook several other initiatives in 2018 to ensure the environmental sustainability of the regions the University operates within.

The scope of USC's Sustainability Management Committee was revisited in 2018, resulting in the formation of a forum to commence in 2019.

USC is committed to the implementation of sustainable practices and undertakes regular benchmarking to achieve best practice and the highest sustainability standards. USC continues to implement investment strategies consistent with its commitment to sustainability, its legislative responsibilities and regulatory requirements. USC continues to raise public awareness through stewardship of the environment and proactively engages through collaborative approaches with staff, students and partners in the broader community to promote sustainability in the local region and beyond.

Achievement highlights

In 2018, USC took a major step towards achieving its goal of becoming carbon neutral by 2025 after the University partnered with energy provider Veolia to solar power the Sunshine Coast campus. Under the agreement, Veolia will build, install and operate 5,800 solar panels and a 4.5 megalitre water storage tank – dubbed 'the water battery' – to cool water for air-conditioning on the Sunshine Coast campus. The project is expected to save more than 92,000 tonnes of carbon dioxide emissions over 25 years. At the end of 2018, almost 5,000 of the solar panels had been installed, with the 'water battery' expected to become operational by 2019.

Veolia, which has undertaken the project with no upfront costs to USC, will operate and maintain the infrastructure for 10 years, selling the energy generated back to the University at a cheaper rate than electricity from the grid. After the 10-year period, ownership of the infrastructure will transfer to USC.

The 2.1-megawatt photovoltaic system, with panels spread across campus rooftops and carpark structures, is expected to produce enough energy to cool the 4.5 megalitre water storage tank, effectively acting as a seven-megawatt battery.

The project will also include an automated system that will select and switch to the most appropriate energy source at any given time, whether that is stored chilled water, solar energy or electricity from the grid.

In 2018, USC's Sustainability Management Committee advised on and monitored the University's sustainability in order to evaluate success and drive continual improvements in these areas. During 2018, the scope of the Committee's remit and activities were revisited with the aim of ensuring that USC continues to capture and reflect environmental, social and economic sustainability activities. This resulted in the formation of a forum led by both the Pro Vice-Chancellor (Engagement) Professor Joanne Scott and Deputy Vice-Chancellor

(Academic) Professor Tim Wess as co-chairs of the new forum, which will commence in 2019.

USC presented the K'gari-Fraser Island Symposium in June to share knowledge and enhance understanding of the island's unique universal values. Marking 25 years since Fraser Island was protected under UNESCO World Heritage status, the symposium brought together researchers, traditional owners, UNESCO committee representatives and other organisations connected with the island.

Plans for USC Moreton Bay to become an environmentally friendly campus are progressing, with the foundation building constructed using environmentally sustainable design principles. Renewable energy sources, including purchased green energy will help power the facility, which will also include a central energy system. The foundation building will also include the biggest end-of-trip facilities of any USC campus. As part of the site preparation, Moreton Bay Regional Council worked with koala-monitoring experts to develop and implement a koala-monitoring program across the entire site.

In other initiatives, USC was successful in the Land for Wildlife Habitat Restoration Incentives Program, allowing for 300 native plants to be claimed and to contribute to improving the conservation values of the Sunshine Coast campus.

In August, a separate joint initiative with Sunshine Coast Regional Council was launched with the installation of an acoustic fence along Sippy Downs Drive to stop kangaroos crossing the road in front of traffic. The technology uses a network of standalone acoustic posts that are activated by vehicle headlights. When they are activated, the posts emit an acoustic signal to deter the marsupials from crossing the road. The system has been used for the same purpose for Tasmanian Devils. The Sunshine Coast Regional Council paid for the materials and installation of the acoustic fence, with USC providing ongoing basic maintenance and monitoring of kangaroos.

KPI 5.1: CARBON DIOXIDE EMISSIONS

MEASURE	TARGET	PERFORMANCE
Total carbon dioxide emitted per full time student (EFTSL) per year (CO ₂ -et/EFTSL/year)	1.20 t/EFTSL/year (based on prior year's t/EFTSL/year)	1.00 t/EFTSL/year in 2017 ¹

COMMENT

This metric measures the total amount of carbon dioxide emitted by the University (Scope 1 and 2)² per EFTSL per year. Relevant data is gathered and reported as part of the annual Tertiary Education Facilities Management Association (TEFMA) benchmarking survey, and the annual report is submitted and published each June for the previous year. As a result, 2018 data will not be available until June 2019.

The target aligns with TEFMA reporting and allows comparison to other universities. The target figure of 1.20 CO₂-et/EFTSL/year is based on achievements in 2013 and 2014, and is achievable rather than aspirational.

In 2016, the impact of energy saving initiatives introduced by Asset Management Services (AMS) combined with increased EFTSL and minimal growth in floor area contributed to a significant decrease in CO₂ emissions – the figures for 2016 did not include Fraser Coast. In 2017 our reporting was more refined and included Fraser Coast.

USC COMPARED TO OTHER UNIVERSITIES IN QUEENSLAND, CO₂-et/EFTSL/YR: 2012–2017

INSTITUTION	2012	2013	2014	2015	2016	2017
USQ (lowest in 2015)	—	—	0.90	1.11	1.03	1.11
USC (lowest in 2016)	1.26	1.20	1.20	1.16	0.99	1.00
UQ (highest in 2015 and 2016)	—	—	3.30	3.30	2.80	2.52
Rank	1 st out of 8 QLD universities in 2017					

USC COMPARED TO OTHER UNIVERSITIES NATIONALLY, CO₂-et/EFTSL/YR: 2012–2017

INSTITUTION	2012	2013	2014	2015	2016	2017
UTAS (lowest in 2016)	—	—	0.60	0.66	0.33	No data
ACU (lowest in 2015)	—	—	0.70	0.57	0.66	0.65
USC	1.26	1.20	1.20	1.16	0.99	1.00
ANU (highest in 2015 and 2016)	—	—	5.70	5.57	4.90	4.74
Sector average	1.83	1.84	1.79	1.63	1.68	1.52
Rank	equal 6 th out of 37 institutions nationally in 2017					

1. 2018 data not available until June 2019.

2. Scope 1 greenhouse gas emissions are the emissions released to the atmosphere as a direct result of an activity, or series of activities at USC. Scope 2 greenhouse gas emissions are the emissions released to the atmosphere from the indirect consumption of an energy commodity at USC.

KPI 5.2: HIGH-IMPACT SUSTAINABILITY INITIATIVES

MEASURE	TARGET	2018 PERFORMANCE
High-impact sustainability initiatives implemented	At least one high-impact sustainability initiative implemented per annum	Three initiatives implemented and completed; two more underway

COMMENT

USC is committed to environmental sustainability for the benefit of students, staff and the wider community, and has been recognised for its achievements in sustainability, including environmental initiatives and building design.

USC currently implements a number of sustainability initiatives each year, and monitors the success of these through several criteria, such as reduction in energy use and reduced operational costs. USC also raises awareness of its leadership in the sustainability field through relevant local, state, national and international awards. The continued submission of award applications will assist USC to benchmark the success of these initiatives against those of other organisations, locally, nationally and internationally.

Reporting against this measure is of a qualitative nature, focused on the various types of sustainability initiatives implemented for the reporting period and their environmental, economic and/or social impact.

ACTUAL AND PLANNED HIGH-IMPACT INITIATIVES: 2015–2019

ACTUAL INITIATIVES IMPLEMENTED				PLANNED INITIATIVES
2015	2016	2017	2018	2019
Water treatment plant upgraded	Hosted a national conference focused on sustainability	Development of planning of Moreton Bay Regional University Precinct according to ESD	Commenced construction of Moreton Bay University Precinct, which has been designed to ESD principles	<i>Procure energy provider for USC Moreton Bay</i>
Energy Conservation Project, ongoing financial and energy reduction projects	Changes to USC transport schemes to increase participation and reduce environmental impact	Detailed business case for chilled water storage and solar array finalised and approved	Delivered chilled water storage and solar array project with Veolia	<i>Complete installation of water storage and solar array project with Veolia</i>
	Development of feasibility study and business case for chilled water storage and solar array	Warm water pool concept design prepared and approved	Published Carbon Management Plan and commenced delivery of related initiatives	<i>Install electric vehicle charging stations at Sunshine Coast campus</i>
	Stakeholder consultation on development of Carbon Management Plan commenced	Carbon Management Plan endorsed by USC Executive	Developed feasibility study for alternative fleet model including 'Green Fleet'	<i>Implement 'Green Fleet' model</i>
		Highly Commended Green Gown Award	Rolled out waste management strategy at non-Sunshine Coast campuses and study nodes	<i>Finalise Moreton Bay campus master plan to include consideration of biodiversity and water sensitive urban design</i>
			Implemented ride-share app to reduce the number of single occupant vehicles arriving on campus	

KPI 5.3: CAPTURE RATES ACROSS USC CATCHMENT AREAS

MEASURE	TARGET	PERFORMANCE
Capture rates by region (proportion of domestic commencing students enrolled at USC of those enrolled at university by region)	By 2020 (based on 2019 data): Sunshine Coast (>55 percent), Fraser Coast (40 percent), Gympie (50 percent), Moreton Bay (20 percent)	In 2017 ³ : Sunshine Coast (57.8 percent), Fraser Coast (45 percent), Gympie (50.4 percent), Moreton Bay (12.2 percent)

COMMENT

This measure is an assessment of students staying in USC's key capture regions, as an indication of the access opportunities the University provides and its contribution to the social and economic sustainability of its regions.

The measure indicates the proportion of commencing students from the targeted regions who attend USC. The measure is derived from national data and incorporates all students commencing university (both school leavers and non-school leavers) across a range of program types (enabling, bachelor's, postgraduate, higher degree by research). This measure is reported annually from national data produced by the Australian Government, with the most recent data available for 2017.

Until the 2020 assessment, this performance measure will be assessed against the target measurement of an annual increase in all four regions. In 2017, three of the four regions have already met their 2020 target (Fraser Coast, Gympie and Sunshine Coast), with Moreton Bay region showing an increase in capture rates from 2016 to 2017.

CAPTURE RATE – DOMESTIC COMMENCING HIGHER EDUCATION ENROLMENTS⁴ BY REGION % (ALL PROGRAM TYPES): 2012–2017

REGION	2012	2013	2014	2015	2016	2017	TARGETS 2020 ⁵
Fraser Coast	4.7%	5.2%	4.6%	3.7%	45.3%	45.0%	40%
Gympie	28.6%	37.8%	47.6%	46.7%	48.7%	50.4%	50%
Moreton Bay	9.1%	11.9%	11.7%	12.0%	11.2%	12.2%	20%
Sunshine Coast	55.5%	53.4%	55.4%	57.9%	58.0%	57.8%	> 55%

Number of regions at target or showing increase: 4 of 4

3. 2018 data unavailable until October 2019.
4. Table A and B Higher Education Providers.
5. 2020 will be assessed on 2019 enrolments.

The University will strengthen engagement with its communities

PRIORITIES:

1. Develop productive partnerships and networks with industry, government, philanthropists and international partners.
2. Maintain and enhance effective relationships with the University's key stakeholders.
3. Embed community engagement effectively throughout the University's activities.

Overview

For USC, public involvement and contribution to community sit alongside teaching, learning, research and innovation as key aspects of University business. The University aspires to be a primary engine of capacity building in the broader Sunshine Coast region, from Brisbane to the Fraser Coast, and engagement with this regional community continues to increase in importance as a vehicle towards achieving this aspiration.

The common themes influencing engagement across USC's first 20 years of operation have been partnership and community involvement; access to resources and activities; collaborative initiatives that strengthen local capital through economic, social and cultural impacts; and participation in mutual and inspiring exchange and projects that address issues of both local and global importance. Looking forward, USC aims to reshape the concept of engagement to be one of helping prepare the region for significant shifts in environmental, economic and social conditions that will play out over the coming decades.

In 2018, USC held community events, such as a free guest lecture from popular science commentator and Honorary Doctor of USC, Dr Karl Kruszelnicki; a free public lecture from USC marine biologist Dr Kathy Townsend as part of the Hervey Bay Ocean Festival; and a free community event to celebrate USC's partnership with energy provider Veolia to solar power the Sunshine Coast campus.

High performance sport also continued strong growth, delivering many good results including a string of medals at the 2018 Commonwealth Games.

Achievement highlights

Community engagement

As part of USC's commitment to strengthen engagement with its communities, the University hosted a free guest lecture from popular science commentator Dr Karl Kruszelnicki, who became an Honorary Doctor of USC in 2017. Open to the public, the event attracted about 2,000 people to the USC Stadium as part of the University's National Science Week activities in August.

Before the evening lecture, Dr Karl participated in a panel discussion about women in science alongside some of USC's top female scientists. USC invited high school students to attend the special event to encourage more participation in science, technology, engineering and mathematics. Dr Karl also delivered a special lecture to USC students and staff at the Innovation Centre.

In August, USC presented a free public lecture from University marine biologist Dr Kathy Townsend at the Fraser Coast campus. Dr Townsend's talk, which outlined the dangers of sea pollution, was held as part of the Hervey Bay Ocean Festival. The event was a partnership between USC and Fraser Coast Tourism and Events.

In December, USC held a free community event called Solar Nights to celebrate the University's partnership with energy provider Veolia to solar power the Sunshine Coast campus. Featuring a trail of light installations, crowd numbers surpassed 20,000 attendees over the 10 nights the event ran. USC pledged to donate \$2 for every survey filled out about the event, raising \$3,884 for Sunshine Coast-based charity Wishlist.

USC also sponsored a range of community events in all regions in which it operates.

High performance sport

In November, USC joined the Sunshine Coast Lightning to announce work had started on the USC Stadium redevelopment. Funded by a \$7 million Public Works grant from the Queensland Government in the 2018-19 Budget, the redevelopment is expected to take six months to complete, increasing seating capacity by 50 percent to include 3,000 seats.

The stadium expansion follows another successful year for the Sunshine Coast Lightning, co-owned by USC, after the team won the Suncorp Super Netball grand final in August for the second year in a row.

Following the success of the Lightning partnership, USC reached an agreement with National Basketball League club the Brisbane Bullets for the team to become an official University partner. The partnership means Brisbane Bullets players and coaches will have access to USC's sporting facilities and the expertise of the University's sport scientists and sports media staff. The basketball team joins the Sunshine Coast Lightning netballers, the USC Spartans swimmers and the Australian Cycling Academy riders as elite sporting teams associated with USC.

The basketball deal forms part of a big year for USC's high performance student athletes after University athletes claimed 12 medals at the 2018 Gold Coast Commonwealth Games. USC athletes won medals in swimming, cycling and netball.

Philanthropy

In 2018, USC presented several honorary awards to philanthropists who have helped USC grow and realise its vision by making generous donations. At the April graduation ceremonies, Roy and Nola Thompson became Honorary Doctors of USC for their ongoing support of the University and its students, and for assisting local organisations.

At the September graduation ceremonies, entrepreneur and philanthropist John Shadforth received a Chancellor's Stole in recognition of his work as a USC Foundation Board member over two decades, his generous contribution of support, and fostering connections between USC and the community. Mr Shadforth became an Honorary Senior Fellow of USC in 2011.

In August, USC raised more than \$84,000 during its annual Giving Day appeal to assist 42 students with a USC Study Support Bursary. The donations received a major boost after the Scott Williams Foundation pledged to match donations received.

The University will strengthen engagement with its communities

KPI 6.1: PRODUCTIVE REGIONAL PARTNERSHIP ACTIVITY

MEASURE	TARGET	2018 PERFORMANCE
Significant formal agreements with key regional partners	Annual increase in the number of significant formal agreements signed with key regional partners	Twenty-four formal agreements; increased from 18 last year

COMMENT

This measure examines productive partnerships and collaborations with key regional stakeholders including government, schools and health service entities in the regions within which USC operates. As the University's operations expand, the number and types of formal partnerships should also increase. The University also considers the renewal of agreements that reflect stronger relationships with these key partners to be equally as important as the establishment of new agreements.

Additional formal agreements undertaken in 2018 reinforce USC's significant commitment to vibrant and sustainable regions.

REGIONAL PARTNERSHIP ACTIVITY: 2015–2018

MEASURE	2015	2016 ¹	2017 ²	2018
Formal key local partnership agreements	4	8	18	24

YEAR AGREEMENTS FORMALISED

2016	<ul style="list-style-type: none"> Incorporation Agreement establishing Ed Sunshine Coast Inc. – a partnership between USC, Central Queensland University, TAFE QLD East Coast, Education Queensland, Catholic schools, independent schools, Australian Council for Private Education and Training, Regional Development Australia Sunshine Coast, and Sunshine Coast Regional Council Memorandum of Understanding (MOU) between USC, Sunshine Coast Hospital and Health Service (SCHHS), and the Florey Institute to conduct neuroscience and mental health clinical trials on the Sunshine Coast MOU between USC and Queensland Parks and Wildlife Service to collaborate on projects that will support international standards of excellence in teaching and research and to achieve best practice conservation management within the Sunshine Coast, Fraser Coast and South East Queensland regions Sunshine Coast Regional Council Horizons Festival
2017	<ul style="list-style-type: none"> All 2016 agreements Regional Partnership Agreement with Sunshine Coast Regional Council articulating a framework for collaboration over the next four years Transfer of Queensland University of Technology's Caboolture campus to USC in January 2018 Zero Emissions Noosa MOU (signed Nov '16), a consortium of 14 community, education and land care agencies, working with Noosa Shire Council towards carbon neutrality of the region by 2026 Leader Partner of the Queensland Futures Institute, providing a platform to engage in and drive independent research projects and key public policy reform initiatives to create growth opportunities in the state MOU between USC and Microsoft (through Microsoft's education transformation division) Agreement between USC and the Australian Cycling Academy to establish the Academy at USC Sunshine Coast Establishment of Thompson Institute P/L including appointment of a board of directors National Centre for Timber Durability and Design Life established at USC, in partnership with Forest and Wood Products Australia, Queensland Department of Agriculture and Fisheries and the University of Queensland Partnership with Fraser Coast Regional Council in the "Lines in the Sand" readers and writers festival, which is to become an annual event Key member of the annual Sunshine Coast Open House event with Sunshine Coast Regional Council, Noosa Shire Council, and the Australian Institute of Architects. Host of the inaugural launch in 2017 by the Queensland Governor
2018	<ul style="list-style-type: none"> All 2017 agreements Lead university partner, and collaborative framework agreement with the Health Hub Morayfield, providing a clinical trials centre and coordinating student placements and research opportunities Development Agreement with Moreton Bay Regional Council regarding foundation facilities at USC Moreton Bay campus USC Road Safety Research Collaboration Centre jointly funded by the Motor Accident Insurance Commission and USC Member of the Moreton Children's Partnership Leadership Group, collective impact partnership with Department of Education, Moreton Bay Regional Council, Child Youth Community Health Services, DPMC Indigenous Affairs, Caboolture Hospital Official university partner with the Brisbane Bullets basketball team K'gari-Fraser Island Guide app developed, linking with key community groups and agencies leading awareness and conservation of the UNESCO World Heritage site, and providing a platform for citizen scientist activities expanding knowledge of natural values of the islands

1. In 2016, research partnerships were included in the number of significant formal agreements signed with key regional partners. Following a review of what satisfied the criteria for a significant formal agreement as measured by this performance indicator, research partnerships were excluded and the revised criteria were applied retrospectively.

2. Three agreements were added after data was submitted in September 2017.

KPI 6.2: PROPORTION OF REVENUE FROM INDUSTRY AND PHILANTHROPY FUNDING

MEASURE	TARGET	2018 PERFORMANCE
Revenue from industry and philanthropy funding (research and consulting) as a proportion of total revenue	Proportion of industry and philanthropy funding is greater than 5 percent of total revenue	2.3 percent ³

COMMENT

This measure examines revenue from industry and philanthropy funding and highlights the amount of income being received from non-government sources. This is used as an indicator of USC's level of engagement with key stakeholders across our communities and the diversification of the University's revenue streams. It measures revenue from consultancy, contract research, donations and bequests, scholarships, sponsorships and prizes as a proportion of total revenues reported in the financial statements. It will be measured in accordance with the budget and financial statements cycles and reported to each Planning and Resource Committee (PRC).

From 2011 to 2013, the baseline data ranged consistently between 1.6 and 2.1 percent. There have been significant increases on this since 2014 due to substantial one-off donations. The proposed target of 'greater than 5 percent' has considered the impact of these one-off donations on the overall proportions achieved, and the challenge moving forward will be to maintain this result through to 2020.

REVENUE FROM INDUSTRY AND PHILANTHROPY FUNDING: 2014-2018

MEASURE	2014 ⁴	2015 ⁴	2016 ⁴	2017	2018 ³
Proportion of revenue from industry and philanthropy funding	4.5%	5.4%	2.9%	2.3%	2.3%
Proportion of revenue from industry funding (Revenue from industry funding)	1.0% (\$2,056K)	1.5% (\$3,167K)	1.9% (\$3,815K)	1.9% (\$5,311K)	1.9% (\$5,692K)
Proportion of revenue from philanthropy funding (Revenue from philanthropy funding)	3.5% (\$7,625K)	3.9% (\$8,431K)	1.0% (\$2,041K)	0.3% (\$879K)	0.4% (\$1,324K)

3. YTD values as per 2018 December financials.

4. 2014, 2015 and 2016 increase due to significant one-off donations received in each year.

KPI 6.3: DEVELOP ENGAGEMENT MEASURES

MEASURE	TARGET	2018 PERFORMANCE
Progress on development of engagement measures	Engagement measures developed and implemented	Targets set, and reporting commenced

COMMENT

Universally, the development of effective measures for public engagement is still at a formative stage, with the new international Accreditation Council for Entrepreneurial and Engaged Universities (ACEEU) accrediting the first pilot institutions in 2016.

Review of engagement activities across the University commenced in 2016, towards developing a comprehensive engagement strategy around internal and external priorities that will have shared benefits for USC, its regions, and beyond. Establishing a central repository to record and track engagement activities and outcomes will be integral to this ongoing work.

Advancing engagement with the Moreton Bay region is progressing through the Moreton Bay University Precinct Program, including Caboolture as an early priority. Success criteria include:

- partnerships across government, industry and community to address emerging public issues and benefit our students
- learning environments that promote active citizenship through curricular and wider experiences
- a range of workforce and personal education activities, to develop individual skills and build the capacity of local businesses and organisations

The University's first Australian Research Council (ARC) Engagement and Impact Assessment was submitted in 2018 and will form the baseline for measurement as USC's engaged research portfolio develops. Ten engagement activities and 10 impact activities were included in the ARC submission.

KPI 6.4: MEANINGFUL AND GENUINE PARTNERSHIPS WITH ABORIGINAL AND TORRES STRAIT ISLANDER ELDERS AND THEIR COMMUNITIES

MEASURE	TARGET	PERFORMANCE
Progress on development of meaningful and genuine partnerships with Aboriginal and Torres Strait Islander Elders and their communities across USC regions	Meaningful and genuine partnerships developed with Aboriginal and Torres Strait Islander Elders and their communities across USC regions	Measures and data repository developed

COMMENT

USC:

- recognises the strength, resilience and capacity of Aboriginal and Torres Strait Islander people and their connection to Country
- builds Aboriginal and Torres Strait Islander aspirations using culturally safe and appropriate materials and methods of engagement
- collaborates with organisations and community on initiatives advancing Aboriginal and Torres Strait Islander health, education and employment

The establishment of the Pro Vice-Chancellor (Engagement) role in January 2017 and the Dean, Indigenous Education and Engagement role in June 2018 provide the opportunity for a collaborative approach to develop an Indigenous Engagement Plan across multiple portfolios.

In 2018, a Calendar of National Dates of Significance was created including: Close the Gap Day, National Sorry Day, and National Aborigines and Islanders Day Observance Committee (NAIDOC) week.

The theme for NAIDOC Week 2018, 'Because of her we can' allowed USC to recognise female Elders in our regions.

In 2018, Close the Gap events were held at Sunshine Coast, Fraser Coast and Gympie campuses. These events focused on Aboriginal and Torres Strait Islander health and education with a range of guest speakers and were supported by local Elders, Aboriginal and Torres Strait Islander businesses and organisations, and government agencies.

National Sorry Day was commemorated at USC Sunshine Coast campus by a ceremony in the Sorry Garden with a profound address by a member of the Stolen Generation. Butchulla Elders from USC Fraser Coast joined local Elders, community members, USC students and staff to pay respect to survivors of the Stolen Generations and their families.

In 2018, USC continued to engage in meaningful ways with Aboriginal and Torres Strait Islander peoples and organisations within our geographic footprint and further afield. This includes:

- USC hosting Butchulla Elders working with the Sinclair Archives
- delivery of existing and new school programs in place and on campus
- USC representation and participation at major community events
- participation in regional Aboriginal and Torres Strait Islander networks at agency and community levels
- ongoing engagement with Traditional Custodians across localities
- participation in national networks including the National Aboriginal and Torres Strait Islander Higher Education Consortium (NATSIHEC)
- maintaining existing relationships with national organizations including the Indigenous Allied Health Australia and the Australian Indigenous Mentoring Experience
- maintaining existing opportunities for Aboriginal and Torres Strait Islander peoples' participation in advisory and decision making roles

Summary of key performance indicators

The following tables provide a high-level summary of the measures and targets associated with each key performance indicator, including future targets to 2020. For detailed 2018 performance reporting, please see pages 8–29 of this Annual Report.

NO.	DESCRIPTION	2016	2017	2018	2019	2020
Imperative One: The University will increase student enrolments and improve student success						
1.1a	20,000 student enrolments by 2020	9,501 EFTSL [9,822 EFTSL]	10,720 EFTSL [11,307 EFTSL]	11,808 EFTSL (12,007 EFTSL)	12,971 EFTSL	20,000 students 14,000 EFTSL
1.1b	3,650 international EFTSL by 2020	1,409 EFTSL [1,551 EFTSL]	2,128 EFTSL [2,383 EFTSL]	2,794 EFTSL (2,795 EFTSL)	3,302 EFTSL	3,650 EFTSL
1.2a	New student retention (attrition rate) (internal measure)	30.6% [31.4%]	31.4% [29.3%]	29.3% [31.4%]	1.5 percentage point annual improvement	1.5 percentage point annual improvement
1.2b	New domestic student retention (attrition rate) (external measure)	Progress towards national average [26.4%]	Progress towards national average [27.9%]	Progress towards national average [25.3%]	Progress towards national average	National average
1.3	Student satisfaction	National ranking in top 5 [Rankings of 2 and 4]	National ranking in top 5 [Rankings of 2 and 2]	National ranking in top 5	National ranking in top 5	National ranking in top 5
1.4a	Graduate outcomes (full-time employment)	Progress towards national average [-9.0]	Progress towards national average [-8.0]	Progress towards national average	Progress towards national average	National average
1.4b	Graduate outcomes (overall employment)	≥ national average [National average]	≥ national average [-2.0]	≥ national average	≥ national average	≥ national average
1.5a	Number of new Indigenous students	>141 [197]	Annual increase [-1.0%]	Annual increase [21%]	Annual increase	Annual increase
1.5b	Access rate for groups underrepresented in higher education	All 3 groups ≥ national average [3 groups above national average]	All 3 groups ≥ national average [3 groups above national average]	All 3 groups ≥ national average [3 groups above national average]	All 3 groups ≥ national average	All 3 groups ≥ national average

TABLE KEY: Target | [Actual] | (Forecast) | { Year to date}

NO.	DESCRIPTION	2016	2017	2018	2019	2020
Imperative Two: The University will increase research productivity and impact						
2.1	Research income	\$17,560,000 [\$15,204,923]	\$20,420,000 [\$21,789,214]	\$23,280,000 {\$23,962,982*}	\$26,140,000	\$29,000,000
2.2	Higher Degree by Research student enrolments	266 EFTSL [240.0 EFTSL]	332 EFTSL [256.4 EFTSL]	402 EFTSL (278.5)	480 EFTSL	560 EFTSL
2.3	Scopus indexed publication citations	1.34 [1.30]	1.37 [1.30]	1.40 {1.31*}	1.43	1.46
Imperative Three: The University will expand campuses and study nodes						
3.1	Annual increase in EFTSL by campus	Annual increase at all (2) campuses [Increase at 2 campuses]	Annual increase at all (5) campuses [Increase at all 5 campuses]	Annual increase at all (5) campuses [Increase at 4 of 5 campuses]	Future targets to be developed following availability of data on new campuses	Future targets to be developed following availability of data on new campuses
3.2	Collaborative health facilities	Significant progress on 3 facilities [Clinical trials commenced at CTC, TI operational, SCHI infrastructure and agreements on track]	Collaborative health facilities developed across the region [One new facility opened; significant progress on development of additional facilities]	[Continued progress on development of additional facilities]	Targets to be reviewed following development of Health Plan	Targets to be reviewed following development of Health Plan
Imperative Four: The University will improve institutional effectiveness						
4.1	Annual positive discretionary cashflow	≥ 2% [2.3%]	≥ 2% [1.8%]	≥ 2% (1.2%)	≥ 2%	≥ 2%
4.2	Staff costs as a proportion of total operating income	≤ 60% [59.5%]	≤ 60% [56.1%]	≤ 60% (59.5%)	≤ 60%	≤ 60%
4.3	Staff composition	Annual decrease ≥ 0.4% 60.1% [58.4%]	Annual decrease ≥ 0.4% 58.4% [57.5%]	Annual decrease ≥ 0.4% [58.5%]	Annual decrease ≥ 0.4%	Professional staff < 58%

TABLE KEY: Target | [Actual] | (Forecast) | { Year to date }

NO.	DESCRIPTION	2016	2017	2018	2019	2020
Imperative Five: The University will strengthen leadership in sustainability for the region and beyond						
5.1	Carbon dioxide emissions	1.20 [1.16]	1.20 [0.99]	1.20 [1.00]	1.20	1.20
5.2	High-impact sustainability initiatives	≥1 [2]	≥1 [5]	≥1 [3]	≥1	≥1
5.3	Capture rates across USC catchment areas	Annual increase in all 4 regions [Increase in 2 regions]	Annual increase in all 4 regions [Increase in 3 regions]	Annual increase in all 4 regions [At target or increase in all 4 regions]	Annual increase in all 4 regions	Sunshine Coast >55% Fraser Coast ≥40% Gympie ≥50% Moreton Bay ≥20%
Imperative Six: The University will strengthen engagement with its communities						
6.1	Productive regional partnership activity	Annual increase >5 [8]	Annual increase >8 [18]	Annual increase [24]	Annual increase	Annual increase
6.2	Proportion of revenue from industry and philanthropy funding	> 5% of total revenue [2.9%]	> 5% of total revenue [2.3%]	> 5% of total revenue (2.37%)	> 5% of total revenue	> 5% of total revenue
6.3	Develop engagement measures	Engagement Plan developed and approved [Limited progress]	Engagement measures and data repository developed [Major progress]	Targets set and reporting commenced [Limited progress]	Engagement targets met	Engagement targets met
6.4	Meaningful and genuine partnerships with Aboriginal and Torres Strait Islander Elders and their communities	Substantial development of plan [Community engaged in development of plans; plans progressing]	Plan developed and approved	Measures and data repository developed	Targets set and reporting commenced	All engagement and partnership targets met

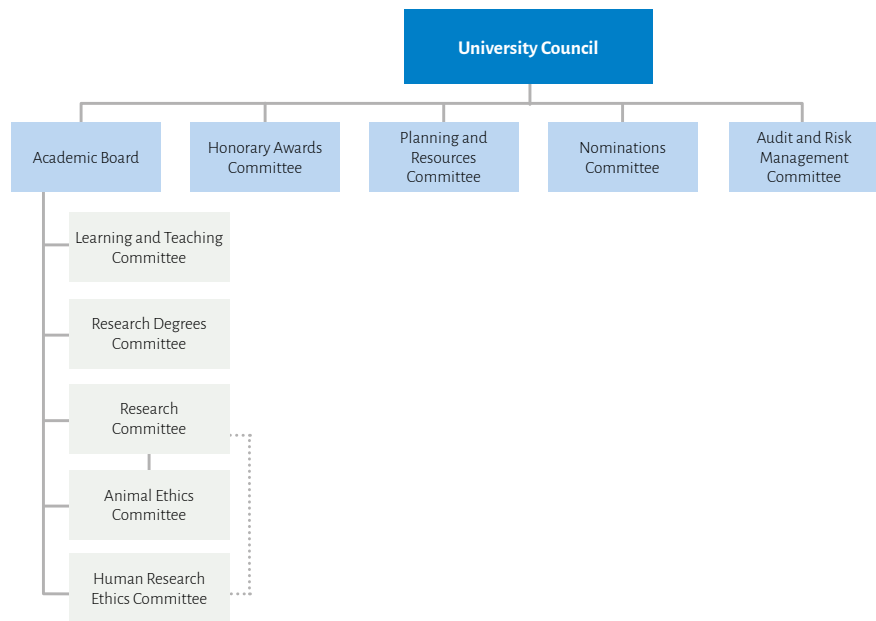
TABLE KEY: Target | [Actual] | (Forecast) | { Year to date}

Governance

University Council (governing body)

Under the *University of the Sunshine Coast Act 1998*, the University is governed by an 18-member Council representing University and community interests. Council has the power to manage and control University affairs, property and finances, and appoint University staff. Where allowed under the Act, Council may delegate its powers to an appropriately qualified member of Council or member of the University's staff, or to an appropriately qualified committee that includes one or more members of Council.

Council met seven times in 2018, including a special meeting on 2 July 2018. Additionally, a two-day Council Retreat was held in April and a Council Planning Day was held on 26 September 2018.



Council leadership

CHANCELLOR

Leads Council and presides at Council meetings.

Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd) (appointed 1 April 2017)



Elected Chancellor 28 February 2017 and took office 1 April 2017. Awarded the Knight of the Order of Australia in January 2015 for extraordinary and pre-eminent achievement and merit in service to Australia, through distinguished service in the Australian Defence Force and continued service to the nation in leadership roles, particularly the national responses to the MH370 and MH17 disasters and in a variety of roles in the community. Retired as Chief of the Australian Defence Force in July 2011 after 41 years of service in the military. Chair of the Defence South Australia Advisory Board, the Victorian Police Corporate Advisory Group, the University of NSW Canberra Advisory Board, the Canberra Symphony Orchestra and Supashock Advanced Suspension Advisory Committee. Board Member of Virgin Australia, Lowy Institute for International Policy, the Sunshine Coast Mind and Neuroscience – Thompson Institute, the Australian Cancer Research Foundation, the Anzac Centenary Public Fund Board, GreaterGood Canberra and the Victorian Police Executive Command.

DEPUTY CHANCELLOR

Acts as Chancellor in the absence of the Chancellor or when the office of Chancellor is vacant.

Scott Williams AM, QDAH Qld., BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD (appointed 11 April 2017)



Elected Deputy Chancellor on 1 April 2017. Chairperson of USC's Planning and Resources Committee. Successful small business operator, and former councillor and mayor of Uralla Shire Council in New South Wales. Served on the University of New England Council from 1997 to 2012, including four years as deputy chancellor and 13 years as chair of the finance and tender committees. Awarded a member of the Order of Australia in 2012 for contributions to higher education, business, local government, community radio and philanthropy.

Council membership

The Council comprises three official members, six members appointed by the Governor in Council, five elected members and four additional members appointed by the Council. The term of office of the majority of members is four years. The term of office of student members is two years. 2018 was the first year of the Eighth University Council.

USC does not currently remunerate its Council members. However, USC does cover University-related expenses for its Council and Committee members. Full details of University Council membership, financial reporting, meetings, record of attendance and remuneration are available in the Financial Statements on pages 55-58 and 86-88 of this Annual Report, and online at usc.edu.au/reports

The Council membership for 2018 was as follows:

Chancellor	Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd)
Acting Chancellor	Sandra Birkenleigh, BCom UNSW, CA, CCP Fellow, GAICD (12 February 2018 Honorary Awards Ceremony)
	Scott Williams AM, QDAH Qld., BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD (19 April and 4 October 2018 Graduation Ceremonies)
	Professor Tim Wess, BSc <i>Newc.</i> , PhD <i>Edin.</i> , GradCert <i>C.Sturt.</i> , FRSA, PFHEA, FRSB, FRSN (25 October 2018 Honorary Awards Ceremony)
Deputy Chancellor	Scott Williams AM, QDAH Qld., BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD
Vice-Chancellor and President	Professor Greg Hill, CertTeach <i>Kelvin Grove Teach. Coll.</i> , BA(Hons) <i>Qld.</i> , PhD <i>Qld.</i>
Chairperson of the Academic Board	Professor Birgit Lohmann, BSc (Hons) <i>Adel.</i> , PhD <i>Flin.</i> , FAIP, GAICD (retired 4 April 2018)
	Professor Robert Elliot, BA(Hons) <i>NSW</i> , MA <i>LaTrobe</i> , DipEd <i>Melb.</i> , PhD <i>Qld.</i> (appointed 24 February to 3 June 2018)
	Professor Tim Wess, BSc <i>Newc.</i> , PhD <i>Edin.</i> , GradCert <i>C.Sturt.</i> , FRSA, PFHEA, FRSB, FRSN (appointed 4 June 2018)
Six members appointed by the Governor in Council	Debra Bennet (appointed 22 February 2018)
	Sandra Birkenleigh, BCom UNSW, CA, CCP Fellow, GAICD (appointed 22 February 2018)
	David Foster, BAppSc <i>S.Qld.</i> , MBA <i>S.Cross</i> , SF Fin, GAICD (appointed 22 February 2018)
	Dr Suzanne Innes, BA(Hons), BEdSt <i>Qld.</i> , GradCertTESOL <i>UNE</i> , MSchM EdD <i>C.Qld.</i> (appointed 22 February 2018)
	Scott Williams AM, QDAH <i>Qld.</i> , BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc <i>UNE</i> , Hon.DLitt <i>UNE</i> , FAICD (appointed 22 February 2018)
	Jacquelyn Wright, BBus(Comp) <i>NTU</i> , Master of Computing Studies <i>Deakin</i> , GDipEd(Adult) <i>S.Aust.</i> , GDipEd(Primary) <i>NTU</i> (appointed 22 February 2018)
Two elected members of the University's academic staff	Professor Tim Prenzler, BA(Hons) <i>Griff.</i> , GradDipT <i>Griff.</i> , MA <i>Qld.</i> , PhD <i>Griff.</i> (resigned 10 October 2018)
	Professor Marion Gray, OTDip, BOccTher <i>Otago Polytechnic</i> , MHSc, PhD PH <i>Otago</i> , Postdoc Fellow Washington DC USA, GCETT <i>JCU</i> (elected 7 December 2018)
	Associate Professor Mark Sayers, BAppSci <i>CCAE</i> , MAppSci <i>UC</i> , PhD <i>RMIT</i>
One elected member of the University's general staff	Dr Ruth Greenaway, GradDipEd <i>NSW</i> , BA <i>W.Syd.</i> , MLM <i>C.Qld.</i> , PhD <i>Qld.UT</i> , SFHEA
Two elected members of the student body	Kate Kirby, BA <i>Qld.</i> , GradDipLib&InfSt <i>Qld. UT</i> , MInfTech <i>Qld. UT</i> (resigned 17 December 2018)
	Kirsty Walker, BEd <i>Qld.UT</i>
Four additional members	Melinda Bryant, LLB, BBus, GradCertCreativeInd <i>Qld. UT</i> , GDLP <i>Coll.Law</i> (appointed 7 December 2018)
	David Foster, BAppSc <i>S. Qld.</i> , MBA <i>S. Cross.</i> , SF Fin, GAICD (term concluded 21 February 2018)
	Jenny Morawska, BA <i>Macq.</i> , DipEd <i>UTS</i> , GDip Sc <i>ANU</i> , MSC <i>ANU</i> , MBA <i>Sunshine Coast</i> , GAICD (appointed 9 December 2018)
	Natasha Read, BCom <i>Griff.</i> , MBA <i>Sunshine Coast</i> , FAIM, GAICD (term concluded 8 December 2018)
	Tim Rothwell, BA(Hons) <i>Newc</i> , FCA, MAICD (appointed 2 August 2018)
	Emeritus Professor Gerard Sutton, AO, BE(Hons), MEngSc <i>UNSW</i> , PhD <i>CUA</i> , Hon DSc <i>UOW</i>
	Scott Williams AM, QDAH <i>Qld.</i> , BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc <i>UNE</i> , Hon.DLitt <i>UNE</i> , FAICD (term concluded 21 February 2018)
Council Secretary	Kim Lerch, BBus <i>Monash</i>

Council decisions

In 2018, Council made the following decisions:

- Approved the 2017 Annual Financial Statements
- Approved the term of the Deputy Chancellor
- Approved recommendations received from the Honorary Awards Committee
- Approved that the new category of Honorary Award Chancellor's Stole be established
- Approved the appointment of the Chairperson of the Academic Board
- Approved the reappointment of the Chair of the Audit and Risk Management Committee for a three-year term
- Approved the appointment of members to Council's standing committees
- Approved the appointment of three new Council members and endorsed the appointment of an elected Council member to fill a casual vacancy
- Approved the re-appointment of one Director of the Innovation Centre Sunshine Coast Board
- Approved changes to the compositions and/or terms of reference of the Academic Board, Planning and Resources Committee, Audit and Risk Management Committee, Nominations Committee and the Honorary Awards Committee
- Approved quarterly budget reports
- Received reports on the Moreton Bay Campus Project
- Approved Moreton Bay Project documentation and selected builder
- Approved the Development Agreement between the University of the Sunshine Coast and Moreton Bay Regional Council for signing
- Approved the appointment of a project assurance provider for the USC Moreton Bay University Precinct Program
- Noted the Moreton Bay University Precinct Program Assurance Report
- Approved the Strategic Plan 2019-2022 and the summary of Strategic Risks for the University
- Approved the 2019-2023 University budget
- Approved the re-appointment of the University's co-sourced audit partner for a further term of three years

- Noted the Innovation Centre Sunshine Coast Pty Ltd 2017 Financial Statements
- Approved proposals for the Sunshine Coast Mind and Neuroscience – Thompson Institute
- Approved Risk Appetite Framework and Risk Appetite Statement
- Received the Executive Summary and recommendations from the USC Council Review Report and subsequently the Response to the Review and Action Plan
- Received the report of the 2017 self-review of the Academic Board
- Received an overview of the Report of the External Review of Academic Board and the subsequent Response and Action Plan
- Approved the transfer of delegations from the Executive Deans of the Faculties to the Deputy Vice-Chancellor (Academic)
- Received reports on Federal Budget impacts on the University Budget
- Received the 2018 Corporate Performance Reports of the 2016-2020 Strategic Plan
- Received the 2018 Academic Plan Performance Reports
- Received the 2017 Student Guild Financial Statements
- Received a report on the operations of Sunshine Coast Lightning netball games played at the USC Stadium
- Noted regular reports from the Chancellor, Vice-Chancellor and President, Senior Deputy Vice-Chancellor, Deputy Vice-Chancellor (Academic) and Chairs of the standing committees of Council
- Noted Operational Plan Status Reports
- Noted Capital, Commercial and Asset Management Reports
- Noted the Minutes and Summaries of Academic Board meetings
- Noted annual written reports of the Executive Deans
- Noted a list of Academic programs accredited or discontinued by Academic Board in 2017
- Noted minutes of the Sustainability Management Committee
- Noted the reports of meetings of the Innovation Centre Sunshine Coast Board
- Noted the Minutes of the Planning and Resources Committee (PRC) and Audit and Risk Management Committee (ARMC) meetings
- Noted reports on the Exercise of

Delegations

- Noted reports on the Use of the University Seal
- Noted a report on Indigenous matters
- Noted Strategic SWOT Analyses on degree program planning processes, international student load, research development and growth, the Innovation Centre Sunshine Coast, administrative service models, and USC's marketing strategies
- Received the revised Voluntary Code of Best Practice for the Governance of Australian Public Universities
- Received the Annual Report on Conferral of Awards
- Noted the 2018 Institutional Performance Portfolio Information Collection
- Received the Science in Australia Gender Equality (SAGE) Pilot Report
- Noted the report on supporting student safety, mental health and wellbeing
- Received the 2018 Annual TEQSA Risk Assessment Report
- Noted the Queensland Auditor-General's Annual Report to Parliament and USC Summary
- Noted the 2019 Schedule of Student Fees
- Noted an update to USC credit analysis
- Noted sections 6.1 Corporate Governance and 6.2 Corporate Monitoring and Accountability from the Higher Education Standards Framework (HESF) (Threshold Standards)
- Noted an overview of the *University of the Sunshine Coast Act* including recent changes
- Received a report from Nominations Committee regarding the outcomes of the Annual Review of the VCP's performance and remuneration
- Noted the Risk Appetite Dashboard
- Noted the Health and Safety Summary Quarterly Reports

In 2018, Council received the following presentations:

- International Student Recruitment
- USC Research
- Executive Deans of Faculties
- Sunshine Coast Mind and Neuroscience – Thompson Institute on developments
- Activities of the Foundation Board
- International Conservation Design Projects

- Intellectual Property
- Blended learning and related technologies including a visualisation studio demonstration
- USC International Development
- Students as partners in university governance and decision making

In 2018, Council approved the following new policies:

- Critical Incident Management – Governing Policy
- Responsible Research Conduct – Governing Policy

In 2018, Council approved changes to the following policies:

- Honorary Awards – Governing Policy
- Equity and Diversity – Governing Policy
- Compliance Management Framework – Governing Policy
- Governance Framework – Governing Policy
- Delegations Framework, including the Manual, Schedules, Delegations Framework – Governing Policy, Governance Framework – Governing Policy, the Management of Contracts and MOUs and the execution of deeds
- Management of Contracts and Memoranda of Understanding – Governing Policy
- Election of Council Members – Governing Policy
- Enterprise Risk Management – Governing Policy and the Risk Management Strategy
- Intellectual Property – Governing Policy
- Business Continuity Management – Governing Policy
- Audit and Assurance Framework – Governing Policy, and associated Internal Audit Charter
- Controlled Entities – Governing Policy
- Student Academic Integrity – Governing Policy
- Student Grievance Resolution – Governing Policy

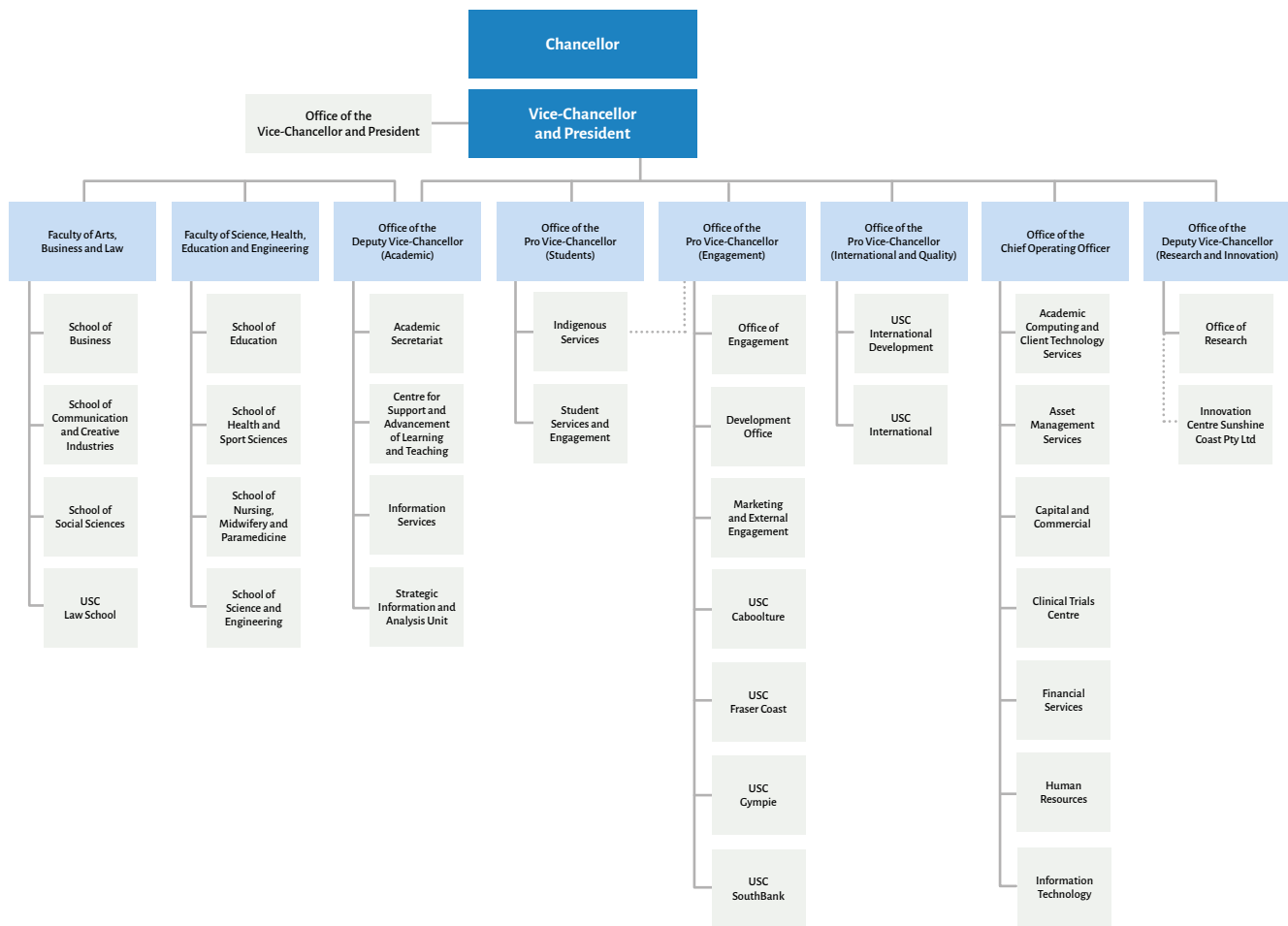
In 2018, Council rescinded the following policy:

- Research Misconduct – Governing Policy

In 2018, Council rescinded the following rules:

- Land, Traffic and Parking Rules





University leadership (principal officers)



VICE-CHANCELLOR AND PRESIDENT

University CEO, responsible to University Council for strategic development, organisational leadership and day-to-day operations of the University.

Professor Greg Hill

CertTeach Kelvin Grove Teach.Coll., BA(Hons) Qld., PhD Qld.

Commenced as Vice-Chancellor and President in 2011 following a term of office as Vice-Chancellor and President Designate from June 2010 and Deputy Vice-Chancellor from 2005–2010. Member, Universities Australia; Chair (from November 2016) and Foundation Member, Regional Universities Network; Board Member, Education Australia Limited; and Fellow, Queensland Academy of Arts and Sciences. Research interests in remote sensing, wildlife ecology, resource management, environmental planning and education. National recognition for research, teaching innovation, technology transfer to developing countries, and Indigenous education.



SENIOR DEPUTY VICE-CHANCELLOR

Chair of Academic Board, overseeing the academic functions (learning and teaching) of the University, with responsibility for related support areas such as the Centre for Support and Advancement of Learning and Teaching, Information Services, Strategic Information and Analysis Unit, USC Gympie and USC Fraser Coast.

Professor Birgit Lohmann (retired 4 April 2018)

BSc (Hons) Adel., PhD Flin.

Appointed to the University in 2010, taking up the position of Deputy Vice-Chancellor from February 2011 and Senior Deputy Vice-Chancellor from January 2016. Chair of Academic Board and Promotions Committee, member of University Council, Executive, Honorary Awards Committee and Senior Staff Forum. Previously Head of the School of Science and Director of the Centre for Quantum Dynamics at Griffith University and Pro Vice-Chancellor (Learning and Quality) at the University of Adelaide. Member of the Regional Universities Network Deputy Vice-Chancellor Academic Group, member of the Universities Australia Deputy Vice-Chancellor/Pro Vice-Chancellor (Academic) Group, Deputy Chair, QTAC Board and Chair, QTAC Audit and Risk Committee; member, Regional Development Australia Sunshine Coast committee; member, Sunshine Coast Health Institute (SCHI) Management Committee. Research interests in atomic and molecular physics.



DEPUTY VICE-CHANCELLOR (ACADEMIC)

Chair of Academic Board, overseeing the academic functions of USC and related support areas such as the Centre for Support and Advancement of Learning and Teaching, Information Services, Strategic Information and Analysis Unit, Academic Secretariat.

Professor Tim Wess (appointed 4 June 2018)

BSc *Newc.*, PhD *Edin.*, GradCert *C. Sturt.*, FRSA, PFHEA, FRSB, FRSN

Appointed to the University in 2018, taking up the new role of Deputy Vice-Chancellor (Academic). Chair of Academic Board, member of the Vice-Chancellor and President's Indigenous Advisory Committee, and the Quality and Standards Committee. Former Pro Vice-Chancellor at Cardiff University, Co-opted Council Member at the University of Wales, Newport, and Head of the School of Optometry and Vision Sciences at Cardiff University. Former Executive Dean of the Faculty of Science at Charles Sturt University from 2013-18. Member of the Athena SWAN SAGE National Advisory Group for gender equity since 2016. Member of the project Steering Group for Improving Aboriginal Engagement at Lake Mungo (funded by the NSW Environmental Trust) since 2016. Expertise in governance, strategy and policy development. Research focus around characterisation of biomaterials in using large scale infrastructure such as synchrotron and neutron sources.



DEPUTY VICE-CHANCELLOR (RESEARCH AND INNOVATION)

Leader, manager and strategist for research, innovation and commercialisation at the University and its Innovation Centre, which is a business incubator/accelerator within the Sunshine Coast region.

Professor Roland De Marco

BSc, MSc *RMIT*, PhD *La Trobe*, FRACI

Appointed to the University in 2011, taking up the newly created role of Pro Vice-Chancellor (Research) prior to appointment as Deputy Vice-Chancellor (Research and Innovation) in 2016. Member of Academic Board and Chair of the Research Committee. Present Chair of the Regional Universities Network Deputy Vice-Chancellor (Research) Group. Member of the Board of the Innovation Centre Sunshine Coast. Presently serves as Chair of the soft X-ray program advisory committee at the Australian Synchrotron. Editor for the Elsevier journals of Sensors and Actuators B: Chemical as well as Sensing and Biosensing Research. Holds honorary professorships at the University of Queensland and Curtin University, and was previously Professor of Chemistry, along with Chemistry Department Head 2001-2007, Dean of Research in Science and Engineering 2007-2009 and Associate Deputy Vice-Chancellor (Research) 2010 at Curtin University. Recipient of the 2008 RACI Lloyd Smythe Medal for excellence in research in analytical chemistry.



PRO VICE-CHANCELLOR (INTERNATIONAL AND QUALITY)

Oversees, manages and provides advice on internationalisation, quality assurance and improvement, and organisational unit and program reviews.

Professor Robert Elliot

BA(Hons) *NSW*, MA *La Trobe*, DipEd *Melb.*, PhD *Qld.*

Pro Vice-Chancellor (International and Quality) and Professor of Philosophy. A founding staff member of the University. Member of University Executive and Learning and Teaching Committee, Deputy Chairperson of Academic Board, Chairperson of the Internationalisation Advisory Committee and the Quality and Standards Committee. Former member of University Council, Chairperson of Academic Board and Learning and Teaching Committee. Former foundation Dean of Arts and subsequently Dean, Faculty of Arts and Social Sciences from 1995-2005.



CHIEF OPERATING OFFICER

Oversees a range of business functions to facilitate the ongoing financial and planning viability of the University, including the University's planning, budgeting, infrastructure, human resources, legal, financial and information technology services, and implements internal controls and risk management systems. Provides advice to the Vice-Chancellor and President and the University Council on budget and financial risk management.

Dr Scott Snyder

PhD *Adel.*

Appointed to the University in June 2014 as the Pro Vice-Chancellor of Corporate Services. In October 2015, the position was renamed Chief Operating Officer. Attends meetings of University Council, Planning and Resources Committee and Audit and Risk Management Committee. Former Chief Operating Officer, Charles Darwin University and has also held roles as Executive Dean and Pro Vice-Chancellor.



PRO VICE-CHANCELLOR (STUDENTS)

Chair of the Learning and Teaching Committee, with strategic responsibility for USC's strategies for student engagement and success and oversight of Student Services and Engagement, Student Wellbeing, Indigenous Services and the Academic Secretariat.

Professor Karen Nelson

BIT(Hons) *Qld.UT*, PhD *Qld.UT*, PFHEA

Appointed in 2014 as the inaugural Pro Vice-Chancellor (Students). Member of the Academic Board, and Chair of the Learning and Teaching Committee, Member of Research Degrees Committee, Chair of Curriculum Advisory Group, Chair of the First Year Experience Reference Group, Chair of the Student Engagement Leadership Team, Member of the Equity and Diversity Committee, Chair of the Reconciliation Action Plan Review Committee, Member VCP Indigenous Advisory Committee. Chair of the RUN DVC/PVC Learning and Teaching Group, Director, Sunshine Coast Lightning Pty Ltd. Co-chair STARS Conference and Editor in Chief Student Success Journal, Member of the International Advisory Board for Centre for Transition and the First Year Experience, Member of the Editorial Board Active Learning in Higher Education. Active researcher in the areas of student engagement, student success and retention in higher education, and the first-year experience.



PRO VICE-CHANCELLOR (ENGAGEMENT)

Responsibility and oversight for community engagement activities and partnerships, including the Art Gallery, the offices of Community Engagement, Development, Marketing and External Engagement, and regional, national and international partnerships, and USC memberships. Also responsible for USC Caboolture, USC Fraser Coast, USC Gympie and USC SouthBank.

Professor Joanne Scott

BA(Hons) *Qld.*, GradCertEd *Qld.UT*, GradCertCulturalHtge *Deakin*, PhD *Qld.*

One of the longest serving members of the University. Became the inaugural Head of the School of Social Sciences (2006-2010), and chaired USC's Learning and Teaching Committee (2007-2010). Commenced her role as Executive Dean of the Faculty of Arts, Business and Law in January 2012 until December 2017. Commenced her role as Pro Vice-Chancellor (Engagement) in January 2017. Member of Academic Board, Executive, Planning and Resources Committee and Senior Staff Forum, and chairs the Equity and Diversity Committee. Research interests include Australian and oral history.



EXECUTIVE DEAN, FACULTY OF SCIENCE, HEALTH, EDUCATION AND ENGINEERING

Oversees the Faculty of Science, Health, Education and Engineering, comprising the School of Science and Engineering, School of Education, School of Health and Sport Sciences, School of Nursing, Midwifery and Paramedicine, GeneCology Research Centre, Centre for Animal Health Innovation, Nursing and Midwifery Cluster for Research Excellence (NURTURE), Inflammation and Healing Research Cluster (INFLAME) and the Cluster for Health Improvement.

Professor John Bartlett (position dissolved 29 September 2018)

BSc (Hons) *Newcastle*, PhD *Newcastle*

Appointed to the University in 2011, taking up the position of Executive Dean, Faculty of Science, Health, Education and Engineering in February 2012. Member of Academic Board, Executive, Senior Staff Forum and Equity and Diversity Committee. Previously Head of the School of Natural Sciences and Dean-Elect of the School of Science at the University of Western Sydney and Acting Head, Institute of Materials Engineering and Science at the Australian Nuclear Science and Technology Organisation. Research interests include materials chemistry and nanotechnology.



EXECUTIVE DEAN OF THE FACULTY OF ARTS, BUSINESS AND LAW

Oversees the Faculty of Arts, Business and Law, comprising the USC Business School, the School of Communication and Creative Industries, School of Social Sciences, USC Law School, the Sustainability Research Centre, the Forest Industries Research Centre, the Tropical Forests and People Centre, the Centre for Human Factors and Sociotechnical Systems, the Engage Research Cluster and the Arts Research in Creative Humanities Cluster.

Professor Tim Smith (position dissolved 29 September 2018)

PhD *NSW*, GAICD, GCert(Higher Ed) *Griff.*, BAppSc(Hons) *S.Cross*

Appointed to the University in 2007. Became the inaugural Director of the Sustainability Research Centre (SRC) until mid-2017. Research coordinator for the Faculty of Science, Health, Education, and Engineering from 2008 to 2009. Appointed Deputy Executive Dean of the Faculty of Arts, Business and Law in 2017. Appointed Executive Dean of the Faculty of Arts, Business and Law in 2018. Formerly senior research scientist with the CSIRO. Led social sciences and education portfolios of two national Coastal and Catchment Hydrology CRCs. Research interests include environmental sustainability.

University committees

Academic Board

The University's Academic Board was established under the *University of the Sunshine Coast Act 1998* as the University's senior academic body.

In 2018 its members included:

- Senior Deputy Vice-Chancellor (Chairperson) – until April 2018
- Deputy Vice-Chancellor (Academic) (Chairperson) – commenced June 2018
- Deputy Vice-Chancellor (Research and Innovation)
- Pro Vice-Chancellor (International and Quality) (Deputy Chairperson) (Acting Chairperson March – May 2018)
- Pro Vice-Chancellor (Students)
- Pro Vice-Chancellor (Engagement)
- Executive Dean of the Faculty of Arts, Business and Law – until October 2018
- Executive Dean of the Faculty of Science, Health, Education and Engineering – until October 2018
- Faculty Associate Deans (Learning and Teaching)
- Faculty Associate Deans (Research)
- Associate Dean (Health) – until September 2018
- Chairpersons of Academic Board's standing committees
- Heads of schools
- Three elected academic staff members from each faculty
- One undergraduate and one postgraduate student
- External representative (TAFE Queensland East Coast)
- Director, Student Services and Engagement
- Director, Centre for Support and Advancement of Learning and Teaching
- Director, Information Services
- Director, Strategic Information and Analysis Unit

The role of Academic Board is to:

- advise Council on teaching, scholarship and research matters concerning the University
- formulate proposals for academic policies of the University
- monitor the academic activities of the University's faculties
- promote and encourage scholarship and research at the University

In 2018, Academic Board met six times. The Board members did not receive any remuneration in 2018.

The terms of reference of Academic Board in 2018 were as follows:

1. To monitor academic integrity and academic standards, and assure the quality of teaching, research and research training
2. To foster discourse and deliberation on issues related to higher education through informed and open discussion
3. To approve and amend academic policy
4. To foster excellence and innovation in teaching, learning, scholarship and research
5. To advise Council and make recommendations where appropriate on the academic strategic directions and practices of the University
6. To accredit the introduction of new programs and approve significant program amendments
7. To confer academic awards of the University, other than honorary awards.

Academic Board decisions in 2018

- Academic Board discussed and noted the University of the Sunshine Coast Review of Academic Governance 2018 (Academic Board and its Committees). The Response and Action Plan was submitted to the Vice-Chancellor and President and noted by Council in December 2018
- Academic Board received final reports from the following working parties:
 - Academic Integrity Working Party
 - Entry Pathways Working Party
- Academic Board received a presentation from the USC Chief Operating Officer on the University's budget position for 2018 and a progress report on the Moreton Bay University Precinct
- Academic Board noted and discussed the University Risk Profiles for the June and September quarters

- Academic Board noted the report on the 2017 Review of the Centre for Support and Advancement of Learning and Teaching, together with the response to the recommendations
- Academic Board endorsed the USC Employability Strategy
- Academic Board received two updates on academic integrity and academic misconduct within faculties and schools
- Academic Board received two progress reports on the implementation of Embedding Aboriginal Knowledges and Perspectives and Torres Strait Islander Knowledges and Perspectives in the Curriculum
- Academic Board received updates on USC's partnership with the Australian Technical and Management College (ATMC) at the managed campuses in Sydney and Melbourne
- Academic Board discussed the outcomes of the 2017 internal self-review of Academic Board and also noted the review reports from the 2017 internal self-reviews of the following Standing Committees:
 - Learning and Teaching Committee
 - Research Committee
 - Research Degrees Committee
- Academic Board endorsed a progress report and then the formal closure of the 2017 Faculty of Arts, Business and Law Review
- Academic Board endorsed the response or progress towards recommendations of the program review and implementation plans for the following:
 - 2016 Review of the Sport and Exercise Science programs
 - 2016 Creative Writing Program Review
 - 2016 Information and Communications Technology Program Review
 - 2017 Review of Social Work Programs
 - 2017 Commerce Programs Review (Accounting only)
- Academic Board received and noted final progress reports on the implementation of recommendations contained in the reports of the following program reviews:
 - 2015 Design Programs Review
 - 2015 Education Programs Review
 - 2017 Commerce Programs Review (Commerce only)
 - 2016 Creative Writing Program Review

Policy developments included:

- Endorsed and recommended to Council the revision of the Intellectual Property – Governing Policy
- Endorsed and recommended the new IP procedures:
 - Intellectual Property: Commercialisation – Procedures
 - Intellectual Property: Commercialisation Revenue – Procedures
 - Intellectual Property: Student IP – Procedures
 - Intellectual Property: Transfer of Rights to Creators – Procedures
- Endorsed and recommended the new Responsible Research Conduct – Governing Policy (to replace the Research Misconduct – Governing Policy)
- Approved the rescission of the Research – Academic Policy
- Endorsed and recommended the revised (and re-titled) research procedures:
 - Managing and Investigating Breaches of Responsible Research Conduct – Procedures
 - Research Data Management – Procedures
 - Authorship and Dissemination of Research Findings – Procedures

- Approved amendments to the Student Evaluation of Courses and Teaching – Academic Policy
- Endorsed new Student Evaluation of Courses and Teaching – Procedures
- Approved the new Review of Academic Board and its Committees – Procedures
- Noted amendments to the Grades and Grade Point Average (GPA) – Academic Policy
- Noted amendments to the Admissions – Procedures
- Noted amendments to the Assessment: Courses and Coursework Programs – Procedures
- Noted amendments to the Deferred Examinations – Procedures
- Noted amendments to the Enrolments and Graduation – Procedures
- Noted amendments to the Review of Assessment and Final Grade – Procedures
- Noted amendments to the Supplementary Assessment – Procedures
- Noted amendments to the Third Party Provider Coursework Program Arrangements – Procedures

Accreditation

The Academic Board monitored programs to ensure compliance with the Australian Qualifications Framework and conferred academic awards of the University, other than Honorary awards.

Academic Board accredited the following programs:

- BU102 Diploma in Business Studies
- AR102 Diploma in Legal Studies
- AR103 Diploma in Criminology and Justice Studies
- AR104 Diploma in Social Studies
- AR105 Diploma in Arts Studies
- AR106 Diploma in Communication Studies
- AR107 Diploma in Creative Industries Studies
- AR108 Diploma in Design Studies
- SC101 Diploma in Health Studies
- SC102 Diploma in Technology Studies
- SC103 Diploma in Exercise Studies

The following new programs were accredited through an expedited process by the Chairperson of the Academic Board and reported at the following meeting of the Academic Board:

- SC104 Diploma in Science Studies
- SC304 Bachelor of Clinical Exercise Physiology (formerly SC346 Bachelor of Clinical Exercise Science)
- SC302 Bachelor of Dietetics (formerly SC353 Bachelor of Nutrition and Dietetics)
- AR309 Bachelor of Communication (Professional Communication)
- AR310 Bachelor of Communication (Social Media)
- AR306 Bachelor of Creative Industries (Screen Media)
- AR307 Bachelor of Creative Industries (Theatre and Performance)
- AR313 Bachelor of Design (Interactive and UX Design)
- AR314 Bachelor of Design (Visual Communication)
- SC704 Master of Cyber Investigations and Forensics
- SC509 Graduate Certificate in Cyber Security
- SC510 Graduate Certificate in Cyber Investigations
- SC513 Graduate Certificate in Cyber Forensics



- AR308 Bachelor of Communication (Journalism) (formerly AR343 Bachelor of Journalism)
- AR305 Bachelor of Creative Industries (Creative Writing and Publishing) (formerly AR348 Bachelor of Creative Writing)
- AR312 Bachelor of Design (Game Design) (formerly AR354 Bachelor of Serious Games)
- AR316 Bachelor of Laws/Bachelor of Communication (Journalism) (formerly AR395 Bachelor of Laws/Bachelor of Journalism)
- AR315 Bachelor of Laws/Bachelor of Creative Industries (Creative Writing and Publishing) (formerly AR394 Bachelor of Laws/Bachelor of Creative Writing)

In 2018, the following program changes were approved through an expedited process by the Chairperson of the Academic Board and reported at the following meeting of the Academic Board:

- ED802 Master of Education by Research
- AR862 Master of Social Work by Research
- AR863 Master of Regional Planning by Research

In 2018, the Academic Board noted the Vice-Chancellor and President's approval to discontinue the following programs:

- SC805 Master of Applied Genetics by Research (Aquaculture)
- SC751 Master of Engineering (Transport Technologies)
- AR348 Bachelor of Creative Writing
- AR343 Bachelor of Journalism
- AR354 Bachelor of Serious Games
- AR336 Bachelor of Design and Communication
- AR339 Bachelor of Design and Marketing
- AR394 Bachelor of Laws/Bachelor of Creative Writing
- AR395 Bachelor of Laws/Bachelor of Journalism
- BU344 Bachelor of Property Economics and Development
- AB313 Bachelor of Laws/Bachelor of Property Economics and Development
- AR361 Bachelor of Social Science
- AR393 Bachelor of Social Science (Hons)
- AR402 Bachelor of Laws/Bachelor of Social Science

In 2018, the Academic Board noted the Vice-Chancellor and President's approval to suspend intake into the following programs:

- SC355 Bachelor of Health and Community Care Management
- AR101 Diploma in Languages
- AR701 Master of Professional Practice (Performing Arts)
- AR710 Master of Professional Practice (Creative Writing)

Annual Reports to the Academic Board

In 2018 the Academic Board received:

- The Higher Degrees by Research Performance Data Report 2017
- Human Research Ethics Committee 2017 annual report
- Animal Ethics Committee 2017 annual report
- 2017 Annual Report to Academic Board from the Executive Dean, Faculty of Arts, Business and Law
- 2017 Annual Report to Academic Board from the Executive Dean, Faculty of Science, Health, Education and Engineering
- Academic Board noted two corporate performance reports for each of the following high-level plans:
 - USC Strategic Plan 2016-2020
 - USC Academic Plan 2016-2020

Issues and strategic directions related to the higher education sector

Academic Board fostered discourse and deliberated on higher education matters including the following:

- Academic Board noted the Regional Universities Network Performance Framework for Regional Universities
- Academic Board noted and discussed the Higher Education Standards Panel Final Report on improving retention, completion and success in higher education paper
- Academic Board noted the changes to Commonwealth Government funding and potential impact for USC, as set out in the report by the Senior Deputy Vice-Chancellor and minutes
- Academic Board noted the Australian Government Productivity Commission five-year Productivity Review Supporting Paper Number 7: University Education

• Academic Board noted information on the new research block grant formula and discussed implications for USC

• Academic Board noted the Australian Government Tertiary Education Quality and Standards Agency's Guidance Note: Academic Governance

Audit and Risk Management Committee

The Audit and Risk Management Committee (ARMC) has five major areas of responsibility:

1. Monitoring internal control and risk management
2. Monitoring of internal audit activities
3. Monitoring of external audit activities
4. Oversight and appraisal of financial reporting
5. Oversight of any fraud or ethics issues

Membership of ARMC is approved by Council and consists of a minimum of four and a maximum of six persons and includes at least one member of Council. In addition, up to two members may be co-opted by the Chancellor. At least one ARMC member must be a member of the professional accounting or audit bodies in Australia and have a professional accounting, management consultancy or audit background. The initial term of office of members is a period not exceeding three years, and may be extended for further terms subject to the composition and skill requirements of the Committee.

The ARMC's activities in 2018 were in accordance with its Terms of Reference and had due regard to Queensland Treasury's Audit Committee Guidelines. Four regular meetings and one informal meeting of the ARMC were held in 2018. Additionally, a Planning Day was held in September.

In 2018, the ARMC considered business items related to the following:

- USC 2017 Annual Financial Statements
- Innovation Centre Sunshine Coast's 2017 Annual Financial Statements
- Risk Management and monitoring including monitoring against risk appetite
- Leave balances
- Progress on the Moreton Bay Campus Project including risk and assurance matters
- Procurement Analysis
- Business Continuity Management

- Incident Management
- Health, Safety and Wellbeing
- Internal Audit Charter
- Delegations and authorisations
- Controlled Entity reporting
- Appointment of Internal Audit Co-sourced Partner
- Appointment of Moreton Bay Project Assurance Provider
- Revenue Standards
- ARMC Self-Assessment
- Reviews of Governing Policies including the:
 - Compliance Management Framework – Governing Policy
 - Governance Framework – Governing Policy
 - Delegations Framework – Governing Policy
 - Management of Contracts and Memoranda of Understanding (MOUs) – Governing Policy
 - Enterprise Risk Management – Governing Policy and Risk Management Strategy
 - Controlled Entities – Governing Policy
- Progress reports on performance against the USC Strategic Plan and Academic Plan
- Auditor-General's Report to Parliament for 2017
- Risk Appetite Statement and Risk Appetite Framework
- TEQSA's 2018 USC Risk Assessment
- Insurance
- Legislative Compliance
- Composition and membership of ARMC
- 2017 External Audit Closing Report

Additionally, ARMC considered 2018 Internal and External Audit Plans and Audit reports in the areas of Laboratory management, Information Technology Security, the TEQSA Re-registration Health Check, Management of Outsourced Contract Arrangements and Grant Acquittals.

Held in September, the 2018 ARMC Planning Day focused on developments in the higher education sector, health and safety, risk management priorities, the Moreton Bay campus, internal audit and assurance, and ARMC business.

The outcomes of the Committee's discussions and advice to Council were provided to Council via the minutes of its meetings.

Non-staff members on the Audit and Risk Management Committee did not receive any remuneration in 2018.

Full details of ARMC membership and attendance are available on pages 56-58 of this report.

Planning and Resources Committee

The role of the Planning and Resources Committee (PRC) is to recommend the strategic directions of the University to Council, in the context of development of the University's plans and their resourcing strategies. The Committee also provides advice to Council on issues arising from these plans. The key areas of concern to the Committee are planning and strategy, financial resources, asset management (including information technology) and human resources.

Members of the PRC include the Deputy Chancellor (who currently chairs the Committee), the Vice-Chancellor and President, one University Executive or Senior Staff member, four external members with specific expertise in strategic financial management and planning, and up to two members co-opted by the Chancellor.

The Chancellor, Deputy Vice-Chancellor (Academic), Chief Operating Officer and Chief Financial Officer may attend meetings of the Committee and have participating, but not voting, rights.

Five regular meetings of PRC were held in 2018.

In 2018, PRC considered matters in relation to the following areas:

- 2018 Corporate Performance Reports of the Strategic Plan 2016-2020
- 2018 Academic Plan Performance Reports
- Operational Plan status report
- Quarterly Budget Reports
- Quarterly Investment Reports
- 2019-2023 Annual Budget

- 2017 USC Annual Financial Statements
- 2017 Student Guild Annual Financial Statements
- Moreton Bay campus development, including:
 - Risk assessment
 - Loan agreement
 - USC MBUP program performance reports
 - Contingency plans
 - Project assurance report
- Reports on student enrolments
- Space Management Reports
- Presentations on:
 - Planning processes for new degree programs
 - Innovation Centre Sunshine Coast
 - Research development
 - International student load
 - USC Clinical Trials Centre
 - Administrative service models
 - Marketing strategies and sports sponsorship
 - Draft Strategic Plan 2019-2022
- Energy efficiency project
- Credit Rating update
- Capital, Commercial and Asset Management Reports
- Procurement
- Sustainability Management
- 2019 Schedule of Student Fees
- Reports of the meetings of the Innovation Centre Sunshine Coast Pty Ltd (ICSC) Board
- Membership of the ICSC Board
- PRC's composition and Terms of Reference
- Membership of PRC and succession planning

Non-staff members on the Planning and Resources Committee did not receive any remuneration in 2018.

Honorary Awards Committee

The Deputy Chancellor (nominee of the Chancellor) chairs the Honorary Awards Committee, which seeks, considers and recommends to Council nominations for honorary awards, in accordance with the University's Honorary Awards — Governing Policy and Procedures. In addition to the Chairperson, the Committee's composition includes the Vice-Chancellor and President, a member of Executive on Council, PRC or ARMC, and up to three University Council members. The Honorary Awards Committee met two times in 2018 to consider nominations and the following honorary awards were conferred.

EMERITUS PROFESSOR

- Birgit Lohmann
- Rod McCulloch
- Mike Clements

DOCTOR OF THE UNIVERSITY

- John M Dobson OAM
- Roy and Nola Thompson
- Dr Cherrell Hirst AO

SENIOR FELLOW OF THE UNIVERSITY

- Marayke Jonkers
- Bruce Cowley
- Julie-Anne Mee
- Aunty Lillian Burke

CHANCELLOR'S STOLE

- John Shadforth

Non-staff members of the Honorary Awards Committee did not receive any remuneration in 2018.



Innovate Reconciliation Action Plan 2017–2019

The Innovate Reconciliation Action Plan 2017–2019 (RAP 2017–2019) was approved by the Vice-Chancellor and President in January 2017 and endorsed by Reconciliation Australia in early 2017.

The RAP 2017–2019 is based on four themes: relationships, respect, opportunities and tracking progress and reporting.

The Vice-Chancellor and President's Reconciliation Action Plan (RAP) Review Committee met in March, August and December 2018 and received reports from all responsible officers on progress against planned actions. Progress reports were provided to Academic Board, Vice-Chancellor and President's Indigenous Advisory Committee and Equity and Diversity Committee during 2018. Significant achievements reported on during 2018 under the four themes include:

RELATIONSHIPS

During 2018, USC reviewed the National and International days of significance for recognition and strengthened the alignment with a multi-campus approach, leading to significant events such as National Close the Gap and Harmony Day in March, National Sorry Day in May and NAIDOC Week in July.

At the Vice-Chancellor and President's annual Equity and Diversity Awards, USC recognised those who made a commitment to reconciliation between Indigenous and non-Indigenous Australians as well as contributions to increase the participation rate of Indigenous students and to increase the number of Indigenous Australian academic and/or professional staff.

RESPECT

USC has explored cultural learning activities and has successfully piloted a cultural competency training delivered by BlackCard

in June and November 2018. The feedback has been favourable, and the likely outcome is ongoing implementation of cultural competency training as part of the staff professional development calendar.

OPPORTUNITIES

In line with USC's strategic plan, the University is committed to developing productive partnerships with our diverse community stakeholders. USC continues to increase the number of Indigenous and low-SES school students participating in activities annually, with greater than 80 percent of Indigenous participants reporting an increase in interest and aspiration following participation in widening participation initiatives.

TRACKING PROGRESS AND REPORTING

USC responded to a RAP Impact Measurement Questionnaire, which was submitted to Reconciliation Australia and the process of reflection has contributed to improvements for future planning of the RAP.

The artwork above, painted by Lyndon Davis in 2016, was specifically commissioned for the Reconciliation Action Plan. Lyndon Davis is from the Mooloolah River and Sunshine Coast Gubbi Gubbi/Kabi Kabi Country and is a Senior Fellow of USC.

Rainmaker

"Weeyal (black cockatoo) flying low overhead tells me that rain is coming. The rain comes to feed the Bunya trees so that we can harvest more fruit. Bunya trees are unique to the Sunshine Coast region and the traditional Rainmakers called for the Bunya to grow and provide us with nourishment. The Rainmakers hold a feather from the Weeyal during ceremony to signify the strong bond with this totem animal. This artwork portrays Weeyal and the coming rain. The Bunya trees along with the surrounding mountains and water holes are represented behind Weeyal. Nourishment and growth are depicted through this story."



Building regional and community capacity

In 2018, USC made direct and varied contributions to the Queensland Government's objectives for the community (available online at ourfuture.qld.gov.au/gov-objectives.aspx).

Creating jobs and a strong economy

As a higher education provider, USC plays a direct role in increasing workforce participation and stimulating economic growth by producing skilled graduates who are responsive to economic and labour market conditions across Queensland.

As the University grows, it is committed to working with government, industry and its local communities to ensure it delivers educational opportunities and outcomes to meet the diverse economic and social needs of its regions.

Protecting the Great Barrier Reef

Environmental sustainability is one of USC's key research strengths. Areas of focus include the impacts of climate and environmental change, animal and marine ecology, and sustainable aquaculture, agriculture and forestry practices – areas that all impact the health of the Great Barrier Reef.

USC researchers regularly work with government and industry on collaborative projects designed to conserve nature and heritage, and to ensure sustainable management of natural resources.

USC study programs in Environmental Management, Engineering and Urban Design and Town Planning include a core focus on sustainable management of natural resources and responsible urban and regional development.

Statutory obligations and risk management

Risk management

USC maintains an Enterprise Risk Management – Governing Policy, which provides the structural framework to effectively manage risk. The framework looks to maximise opportunities and minimise adversity in USC's drive to achieve its strategic goals. USC also has a formal Risk Appetite Statement in place that outlines the University's risk appetite against its material risks. Risk appetite is set by the University Council and is reviewed on an annual basis. The current Risk Appetite Statement, Risk Management Strategy and Enterprise Risk Management – Governing Policy were approved by Council in September 2018.

USC has a robust process of risk identification, assessment and management. Risks are identified at a strategic level, across the University as a whole, at a Department and School level and for projects. All risks are reviewed and updated on a quarterly basis, with appropriate controls and mitigating actions in place. The key strategic risks for 2018 included the following:

- Government policy in relation to regulatory and funding changes
- risks associated with the growth and expansion of the University
- competition in the higher education sector
- student experience and student success
- the management of resources, including workforce development

The University risk profile is reported to the University Executive and to the Audit and Risk Management Committee every quarter.

Monitoring quality

USC monitors overall quality through a system of reports against performance indicators and planned targets, and scheduled regular reviews and internal audits of performance. The latter often include input from external sources.

The Council, committees and senior managers monitor quality, performance, standards and outcomes via performance reports and data, particularly in relation to the University's finances, Strategic Plan and thematic top-level plans, such as those supporting improving student success, increasing research productivity and impact, expanding campuses and study nodes, improving institutional effectiveness, and strengthening leadership in sustainability and engagement with community.

Improvement plans are developed in response to review and audit findings, and regular reports on progress in achieving those plans are provided to senior staff and such bodies as the University Executive, Academic Board, Council committees and the Quality and Standards Committee.

USC has not been subject to external review over the course of this reporting period.

During 2018, scheduled external reviews of the following committees and organisational units were undertaken:

- Academic Board and its Committees
- Information Services
- Student Services and Engagement

Scheduled external reviews of the following programs were undertaken:

- Bachelor of Counselling
- Master of Counselling
- Doctor of Philosophy
- Doctor of Creative Arts
- Master of Creative Arts
- Master of Arts
- Master of of Social Work by Research
- Master of Regional Planning by Research
- Master of Business by Research
- Master of Education by Research
- Master of Science
- Master of Climate Change Adaption by Research
- Master of Sports Nutrition by Research

There continued to be ongoing reporting and monitoring of progress in the implementation of, and outcomes from, action plans arising from the cyclic external review processes held since 2015.

The quality and standards framework is available online at usc.edu.au/quality

Internal audit

USC is committed to maintaining an efficient, effective and economical internal audit function as required by the *Financial and Performance Management Standards 2009*, and ensures that all internal audit activities remain free of influence by any organisational elements.

The primary purpose of USC's internal audit function is to add value to the University's operations by providing an independent appraisal and advisory function for Council, ARMC and Executive, thereby assisting the University in realising the corporate goals outlined in its Strategic Plan 2016–2020.

This is achieved by examining and evaluating the adequacy, effectiveness and efficiency of risk management, systems of internal control, governance, performance and compliance matters (including workplace health and safety), and the quality of management systems in an independent and professional manner.

The internal audit function is governed by the University's Audit and Assurance Framework – Governing Policy and associated Internal Audit Charter, which requires Internal Audit to comply with the International Standards for the Professional Practice of Internal Auditing (available on the USC website at usc.edu.au/audit). The function also has due regard to Queensland Treasury's Audit Committee Guidelines. Internal Audit works in accordance with a three-year Strategic Internal Audit Plan and a one-year Operational Internal Audit Plan, which is reviewed and approved by ARMC. The plans are developed using a risk-based methodology (with input from senior management and ARMC) to identify and prioritise audit tasks based on a risk assessment of USC's operations. This process takes account of materiality, level of assessed risk, significance in terms of organisational impact and public accountability. In addition, Internal Audit prepares individual audit plans for all proposed audits which set out the audit objectives and scope relevant to each specific audit review.

In 2018, achievements included:

- Developed and delivered a risk-based annual plan of audits approved by ARMC and completed five audit reports, which included recommendations improving the effectiveness of controls, systems, project management, cybersecurity and compliance
- Performed a program governance health check of the Moreton Bay University Precinct Program
- Actively monitored and reported to ARMC on the implementation of agreed audit recommendations
- Evaluated the effectiveness of controls in place to reduce the risk of non-compliance with legislative requirements as they apply to the operation of wet-and-dry teaching-and-research laboratory and workshop facilities
- Performed a maturity assessment of five critical applications within USC's IT environment against the Australian Signals Directorate "essential eight" information security and cybersecurity strategies and framework

- Evaluated the effectiveness of internal controls over outsourced supplier contract arrangements
- Assessed the adequacy of available evidence of compliance with the Tertiary Education Quality Standards Agency's Higher Education Standards Framework 2015 for Australian universities in selected areas of focus. The areas of focus covered:
 - academic integrity
 - third-party managed campuses
 - student complaints and grievances
 - academic scholarship and qualifications
 - work integrated learning
- Coordinated external audit and acquittal of grants in accordance with the relevant grant instrument.

Full details of the Internal Audit function's role, authority, responsibilities and operational independence are available at usc.edu.au/audit

External scrutiny

In May 2018, the Queensland Audit Office (QAO) report 'Education: 2016–17 results of financial audits (Report 15: 2017–18)' was tabled in the Queensland legislative assembly. This report summarises the results of QAO financial audits of all 35 Queensland education sector entities with financial year-end dates of either 30 June 2017 or 31 December 2017. It provides an overview of all entities' finances – including the seven Queensland public universities – at the respective reporting periods and of the financial accounting issues that arose during the audits.

The full report is available at: qao.qld.gov.au/reports-parliament/education-2016-17-results-financial-audits

Benchmarking

During 2018, USC participated in a range of academic, industry and professional benchmarking activities as part of its quality assurance and continuous quality improvement processes. Cumulative inventories of benchmarking activities are maintained and updated annually. Benchmarking activities and findings are used for identifying and planning improvement actions and setting or adjusting performance or improvement targets.

Controlled entities

Council approved a policy for the Establishment and Operation of Controlled Entities in December 2006.

Best practice for governance

USC complies with the Voluntary Code of Best Practice for the Governance of Australian Universities, as implemented by the industry body Universities Australia.

USC is registered in the Australian University provider category on the Australian Government's Tertiary Education Quality and Standards Agency (TEQSA) National Register of higher education providers, and is authorised under the *Tertiary Education Quality and Standards Agency Act 2011* to self-accredit each course of study (program) that leads to a higher education award that it offers or confers. Every seven years the University undergoes a re-registration process by TEQSA, where it demonstrates its ongoing compliance with the Higher Education Standards.

USC is also registered on the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS), CRICOS Provider Number: 01595D.

Ethical standards

In compliance with the *Public Sector Ethics Act 1994*, the University's Staff Code of Conduct – Governing Policy (the Code) defines acceptable conduct for USC staff. The Code is shaped around four key ethical principles intended to guide ethical decision making and behaviour:

- integrity and impartiality
- promoting the public good
- commitment to the system of government
- accountability and transparency

USC maintains a Staff Code of Conduct webpage to provide further education for staff, providing a basis for discussion at work area meetings on the meaning of the Code.

The University's administrative procedures align to the Code and the *Public Sector Ethics Act 1994*.

Student Ombudsman

USC's Student Grievance Resolution – Governing Policy provides a framework to manage and resolve student grievances. In 2018, the Student Ombudsman received and investigated 24 student grievances – one ongoing in 2019 – and six formal complaints.

Leadership and workforce development

WORK-LIFE BALANCE INITIATIVES

USC provides 26 weeks' paid parental leave, with the option to be paid on a 50 percent basis over the 52-week parental leave period. The University also provides flexible work arrangements and job-sharing options for staff returning from parental leave. A privately owned and operated childcare facility is available on campus for staff and students.

USC ensures staff and students are provided with relevant information and support as required. At the time of a staff member's commencement, USC provides information with regard to carer's leave and flexible working options to assist in caring responsibilities. Due to the flexible working options available, staff who identify as carers are supported to meet both their work and caring responsibilities.

This information is available on the MyUSC portal for staff to access. The University's Employee Assistance Program also includes provision of support to staff family members.

USC supports the Queensland Carers Charter as detailed in the *Carers (Recognition) Act 2008 (Qld)*, through flexible work practices and remote access facilities for staff and students.

Staff are provided opportunity to comment on any proposed changes to policy relating to carer's leave or flexible working options. This includes conducting focus groups with affected staff members for consideration in the formulation of those policies.

WORKFORCE PLANNING, ATTRACTION AND RETENTION

As at 31 March 2018³, the Full Time Equivalent (FTE) staffing was 1,387, inclusive of casual staff. This was a 12.6 percent increase on 31 March 2017. The University maintains a number of key policies and procedures related to workforce development and management, including Workforce Planning and Staff Recognition and Reward.

The separation rate for 2017 – the most recent data available – was 10.5 per cent, improving from 11.6 per cent recorded in 2016. The 2018 figure will be calculated during the next reporting period, which begins in April 2019.

At USC we are looking at introducing more flexible employment arrangements that balance the extended working life with the needs of the organisation. We are also discussing the concepts of 'leaders at all levels', where higher participation of the entire workforce is encouraged. The use of new technologies will affect the size and shape of the workforce, as will improved models to recognise and reward exceptional performance. Being flexible enough to capitalise on opportunities has been a trademark of USC's growth and now as we move into the 2020's we look to shift our focus to embedding quality.

During 2018, USC appointed a number of senior staff members including: Head, USC Law School; and Director, Governance and Risk Management. (More appointments are listed under Strategic Imperative Four.)

WORKPLACE HEALTH, SAFETY AND WELLBEING

USC is committed to ensuring the health, safety and wellbeing of all staff, students, visitors, volunteers and contractors. The past year focused on key areas such as a whole-of-University integrated approach to risk and incident management, a more coordinated approach to asset and contractor safety management and building a safety culture around shared responsibility.

USC continued to maintain a high level of support for injury management, with an emphasis on staff engagement. A proactive workplace program that included non-work-related injury or illness has ensured staff return to work quickly following an injury or illness.

In 2018, the University had a total of 23 claims accepted by WorkCover Queensland, with all staff returning to work with an average time lost to injury of nine days per workers' compensation incident.

Our leadership and commitment extends beyond legislative requirements and aims to promote wellbeing to the USC community. To support this, health and wellbeing program activities and initiatives engaged staff through training and development opportunities, sporting and social competitions, awareness day events, access to corporate private health and gym membership discounts, an employee assistance program, and employer-funded influenza immunisation.

³Data is based on figures supplied to the Australian Government's Department of Education.

PERFORMANCE MANAGEMENT FRAMEWORK

USC has a Performance Management Policy and Performance Planning and Review (PPR) Policy and Procedures, with ongoing and fixed-term staff participating in an annual PPR process.

LEADERSHIP AND MANAGEMENT DEVELOPMENT

USC has maintained its commitment to the delivery of a comprehensive range of leadership and management development activities during 2018. Programs offered included presentation skills; media interview training for academic staff; a leadership workshop series including 'Strategic Leadership', 'Managing the Tough Stuff', and 'Innovative Leadership'; Developing Resilience and Optimism; LGBTI 101; Capitalising on your Natural Team Style at Work; Understanding and Managing Behaviour; PPR supervisor training; Customer Service; 'Moving from Busyness to Effectiveness'; Mental Health and Wellbeing Awareness, and Recruitment, Selection and Appointment training. A number of these programs were offered at USC Sunshine Coast, USC Fraser Coast and USC Caboolture campuses.

Key staff also undertook Code Black training, which covered risk identification and approaches to threat management within a University setting.

Staff from across the organisation who are regularly involved in projects attended Project Management training, which is incorporated in the USC Project Management Framework and USC project examples.

Connection to Country tours and Cultural Capability training were both piloted by USC in 2018.

Executive staff and senior managers participated in the annual Senior Staff Retreat and two Senior Staff Forums. Senior managers attended a workshop on Developing High Performing Teams and Higher Education Leaders.

The University's Study Assistance program continues to prove effective in the development of professional staff, providing opportunities to further their education through tertiary qualifications. In 2018, 19 staff commenced study while being supported by the Study Assistance program.

In 2018, nine staff commenced the online Emerging Leaders and Managers Program (eLAMP) run by LH Martin Institute for new and aspiring tertiary education managers and four staff successfully completed the program. Human Resources hosted a monthly eLAMP Community of Practice to support all staff participating in the eLAMP.

The University actively participates in an Organisational Development Network group (as part of the RUN group), which encourages best practice in the delivery of organisational development for academic and professional staff within the tertiary sector.

POLICY REVIEW

The University reviewed a number of policies during 2018, including the Children on Campus Policy and Performance Planning and Review Policy.

These and other University policies and procedures are available on the USC website at usc.edu.au/policy

WORKFORCE DIVERSITY

USC's Vice-Chancellor's Equity and Diversity Advisory Committee met three times in 2018. The Committee has responsibility for developing the University's equity and diversity vision, identifying key priorities for the University, and leading the University's equity and diversity agenda to achieve these priorities.

The number of staff who identify as Aboriginal and/or Torres Strait Islander continues to increase across both professional and academic streams, and remains above the sector average.

USC's Indigenous Advisory Committee participates in the development of strategies to enhance Aboriginal and Torres Strait Islander employment and career development. Additionally, the Reconciliation Action Plan (RAP) Review Committee is instrumental in the monitoring of USC's Innovate Reconciliation Action Plan 2017-2019 (RAP) and associated reporting. The RAP demonstrates the University's commitment to increasing Aboriginal and Torres Strait Islander participation through employment strategies that focus on both recruitment and retention of Aboriginal and Torres Strait Islander people, and provides a framework to assist the University to embed Aboriginal and Torres Strait Islander cultural protocols and increase cultural learning opportunities for all University staff.

USC's Disability Action Plan 2015-2018 is designed to assist in providing equal access to quality education for the whole community; to improve the teaching and learning environment for students and staff; and to raise awareness of disability issues and responsibilities as a foundation for good practice in equitable service provision. There are a range of disability support services and facilities available to staff and students, with all activities guided by the *Disability Discrimination Act 1992*. Support is tailored to the personal needs of staff and students, delivered by a qualified Disability Services Officer.

USC is a member of the Science in Australia Gender Equity (SAGE) pilot of the Athena SWAN program to improve gender equity in the science, technology, engineering and mathematics, and medicine (STEMM) disciplines. The University will submit an application for the Bronze Award, which will include a comprehensive Action Plan, in March 2019.

ACADEMIC PROMOTIONS

The University's 2018 Academic Promotion round resulted in six professorial promotions.

Dr Fiona Pelly
Professor of Nutrition and Dietetics

Dr David Schoeman
Professor of Biostatistics

Dr Steven Ogbourne
Associate Professor in Plant Biotechnology

Dr Florin Oprescu
Associate Professor in Health Promotion

Dr Anna Potter
Associate Professor in Communication

Dr Mark Sayers
Associate Professor in Sports Biomechanics

Information systems and record keeping

Information privacy

USC has policies and procedures in place to ensure the appropriate management of personal information, in compliance with the requirements of the *Information Privacy Act 2009*. A privacy statement is available on the USC website, and appropriate privacy statements are included on USC forms. USC's policy approach to information privacy is included in its Information Management Framework – Governing Policy, with procedures outlined in the Information and Records Management – Procedures and processes for the collection, use and storage of personal information outlined in the Guideline on Personal Information.

These and other University policies and procedures are available on the USC website at usc.edu.au/policy

Two formal requests were processed under the *Information Privacy Act* in 2018.

Right to Information

USC has policies and procedures in place to provide information proactively and to respond quickly to requests for information, in compliance with the *Right to Information Act 2009*.

USC's policy approach to right to information is included in its Information Management Framework – Governing Policy. Procedures for the management of right to information requests are included in the Information and Records Management – Procedures.

The Publication Scheme on the USC website outlines the classes of information available publicly and is updated regularly. A Disclosure Log provides details of information released in response to formal RTI applications. Requests for information are managed through administrative release processes wherever possible.

One formal request under the *Right to Information Act* was processed in 2018.

Records management

USC takes a holistic approach to records management, with Information Management Services staff providing professional advice on formal recordkeeping and broader information management issues.

USC has a formal corporate recordkeeping system, and a number of other systems approved under ISO 16175.3 for in-place recordkeeping. Records management is governed by the Information Management Framework – Governing Policy and the Information and Records Management – Procedures.

Work continues on the implementation of an enterprise content management system (ECM) to provide whole-of-University electronic document and records management, automated workflows, and information and process governance.

USC's Vice-Chancellor has delegated authorisation for records management to the Director, Information Services, who is supported by two full-time records staff. Records management information is provided to staff through the staff intranet and on-demand training sessions.

USC's record disposal program is currently on hold due to the June 2018 disposal freeze issued by the Queensland State Archivist in response to recommendations arising from the Final Report of the Royal Commission into Institutional Responses to Child Sexual Abuse. When not operating under a disposal freeze, USC falls under the General Retention and Disposal Schedule (last updated 10 July 2018) and the University Sector Retention and Disposal Schedule (last updated 19 October 2014). USC maps the records held in its records management systems to one of these schedules and strictly adheres to the disposal process set out by Queensland State Archives.

Administrative systems and information technology

Information technology continues to play a transformative role across USC, with 2018 focused on supporting continued growth, positioning the University to better cater for multi-campus operations and to support a full-service campus at Moreton Bay in 2020.

Throughout the year, IT provided systems, delivered services, developed sites and enhanced IT infrastructure.

Major system developments

Curriculum Information Management (CIM): The CIM project continued across the year and in 2019 will deliver an enhanced student experience through improved enrolment processes, progression management and graduations. A program and course data repository is also being implemented to support the curriculum lifecycle.

App development: The K'gari-Fraser Island app was developed to provide a free guide to the opportunities on offer when visiting the World Heritage-listed island.

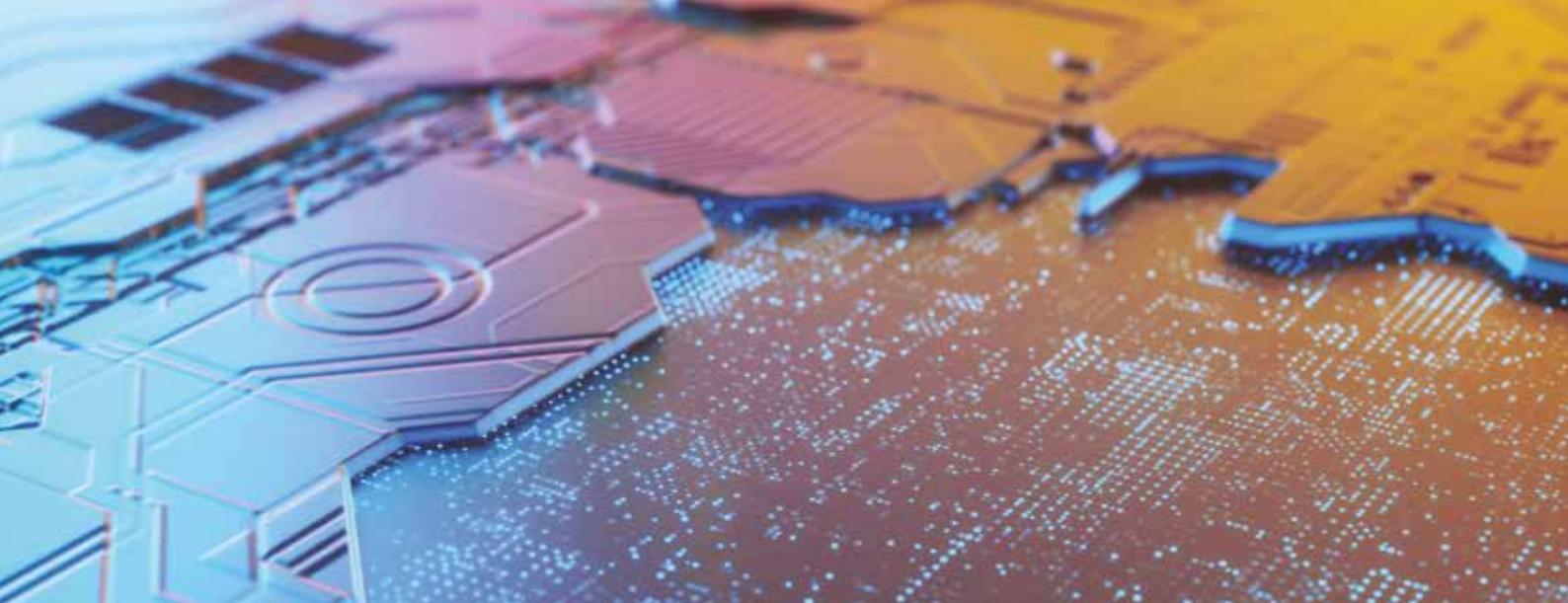
DataHub: This data integration platform was further developed with its deployment into the Azure cloud, which now supports development, test and production environments.

Process automation: An increasing focus on customer self-service and process automation is progressing after the rollout of Asset Management Services (AMSCoconnect) and the delivery of Information Technology (ITCoconnect) in 2018, together with the development of capabilities to support network identity and access services, timetabling data collection and onboarding services. Preliminary capabilities are also being developed to support higher degree by research students.

Application upgrades: Major upgrades to systems across the year included the Student Information System and automated management of the PeopleSoft environment, updates to the Human Resources system to support tax patching and legislative reporting, the annual upgrade to the Blackboard learning management system, the Space and Asset Management system, and the ServiceNow service management platform.

Service delivery

Improvements in service delivery continue to respond to increasing demand and the need to develop organisational IT capabilities and capacity. IT service requests continue to grow strongly, with more than 32,000 requests made in 2018, of which almost 80 percent were resolved at the staff and student Service Desks. A further 4,000 requests were addressed by client-facing IT support staff.



In addition, each start-of-semester preparation required the configuration and delivery of 50 computer laboratories, with delivery of more than 100 distinct applications to over 1,200 computers, as well as the review and testing of 277 AV-enabled venues across all USC locations.

Digital workplace: Developments in the digital workplace continue to progress organisational productivity through improvements in information management, adoption of Office 365 capabilities including collaboration tools and the enablement of office automation with services such as Microsoft Forms, Flow and online document sharing. A proactive change management capability is being developed that will help support client-centric digital transformation activities in the coming years.

Video Conferencing: The further adoption and development of the Zoom conferencing solution occurred during the year, which included finalisation of the Chancellery Council Room and the installation in several other meeting and teaching spaces as well as the delivery of five mobile trolley format systems. In addition, Fraser Coast facilities were converted to Zoom from the previous legacy environment.

Events: The support of significant USC and external events continues to demand setup and support time from IT staff, with major events across the year including USC Open Days, Graduations, a Mediasite conference, SimGhost conference, Neuroimaging Workshop, Serious Games Showcase, Regional Netball Association, Modern Language Teachers Association, Robotics Teachers Fun Day, Pacifica Event and the First Lego League tournament.

Site developments and improvements

USC's multisite development was a focus for 2018's IT activity too, with USC Caboolture commencing operations as well as major investments across most other sites.

USC Caboolture: January saw the opening of the new USC Caboolture campus following a successful six-month transition from QUT and the delivery of network and telephony services, many PC replacements and upgrades to 18 AV-enabled spaces.

USC Moreton Bay: Planning for USC Moreton Bay continues, with investigations into smart campus opportunities, while operational requirements are being established for IT infrastructure covering network, audio visual and desktop needs.

Institute of Cyber Investigations and Forensics (ICIF): The newly formed ICIF is presenting a range of opportunities for teaching, research and commercial activity – all of which will be supported by sophisticated IT systems and services. Initial planning in late 2018 will lead to implementation of appropriate solutions across 2019.

Other sites: Other major site initiatives requiring an investment from IT included the implementation of an MRI at the Thompson Institute, USC's continued investment in clinical trials capabilities with the progressive establishment of the Health Hub Morayfield, the fit-out of additional spaces at USC SouthBank and the expansion of the sports stadium to accommodate additional seating with associated network and AV systems.

Infrastructure upgrades and enhancements

While the fiscal constraint imposed by MYEFO has placed additional pressure on funds, the adoption of innovative approaches with a focus on priority replacement of USC's IT infrastructure continued in 2018. Upgrade and replacements occurred for personal computing, audio-visual systems, servers and storage, network and communications – all supporting the continued growth of USC.

Personal computing: A significant shift towards laptops (70 percent of replacements) is occurring across both academic and administrative areas, which is supporting greater mobility and flexibility in the organisation. This will also be an enabler for new campus operating models for the years to come. Desktop virtualisation is also being extended into shared computing spaces on equipment that would normally be retired, realising savings while also increasing capacity to support BYOD.

Audio Visual: As previously noted, the demands on audio-visual services were significant in 2018. In addition, upgrades occurred in 37 existing AV-enabled spaces across Sunshine Coast (Lecture Theatre 1 and 2, Science Conference Room, digital signage for Brassiere and LT7, Buildings H, J and M), Fraser Coast, SouthBank, Thompson Institute and Gympie. Micro studios are also being developed to support the increasing demand for video capture of quality content in support of online and blended delivery.

Server and Storage: The server and storage infrastructure underpinning USC's IT systems saw a range of equipment end-of-life replacements, expansion of storage arrays, implementation of data deduplication, tools upgrades, virtualised service developments improving system performance, availability and stability, developments of the Mimecast security system, and an upgrade to the backup system.

Network infrastructure: A focus of attention during the year was increasing resilience in the University's network, including enhancements to wireless quality of service, improved power supply UPS and backup generators, and updated DHCP and NTP services. An affiliate (eg Lightning, iDCare) wireless network was also established and the AARNet fibre network link to the Sunshine Coast campus was duplicated to support redundancy of this service. Issues with core network firewalls carried over from last year, requiring ongoing support and necessitating their replacement – due to occur in 2019.

University of the Sunshine Coast

Summary of financial performance

Financial review 53

Financial statements

Report by members of Council 55

Income statement 60

Statement of comprehensive income 61

Statement of financial position 62

Statement of changes in equity 63

Statement of cash flows 64

Notes to the financial statements 65

Statement of certification 98

Independent auditor's report 99

Financial review

The University's financial position has continued to strengthen this year as a result of increased student load coupled with a targeted focus on cost efficiency measures imposed by MYEFO at the end of 2017.

Other revenue increases include the recovery of Commonwealth Grant Scheme (CGS) in relation to USC's Caboolture campus, dividend distribution from Education Australia Ltd and continuing increasing research and consultancy efforts.

Results for the year included an operating surplus of \$15.4 million (2017: \$18.5 million), with an operating margin of 5.1 percent (2017: 6.7 percent).

Income and expenditure

Total income for the year was \$302.5 million – an increase of \$29 million (10.6 percent) on the previous year. USC experienced continued growth in Commonwealth-supported student places; although the University's CGS allocation in 2018 is frozen at 2017 rates. Increases are reflective however in HECS-HELP support received. Increase to fees and charges received are reliant on additional international student enrolments, particularly at ATMC facilities in Sydney and Melbourne.

Funds derived from government sources (including advance payments in relation to HECS-HELP and capital funding, but excluding up-front student fees) totalled \$206.1 million or 68.1 percent of revenue, an increase of \$14.9 million (7.8 percent) on the previous year's funding.

Expenses for the year totalled \$287.1 million – an increase of \$32.0 million (12.6 percent) expended in the previous year. This increase can be attributed to: an increase in employee benefits due to the 3.0 percent administrative wage increase; an increase in provisioning for long service and annual leave due to ageing of the workforce; increased consultancy arrangements to maximise expertise; increased leasing fees and associated outgoings due to expanded teaching locations secured; and increases in partnership, scholarship and travel payments from contracted research grants.

Asset growth

At year's end, the University's net assets totalled \$472.7 million – \$40.8 million (9.5 percent) more than in the previous year. This reflects the heavy investment in property, plant and equipment during 2018, with the capital investments to the High Performance Sports Strategy and Health Agenda, Thompson Institute and the Moreton Bay campus facility. It also reflects the increase of long-term borrowings in relation to Moreton Bay, movements in leave provisions and a desktop revaluation of land, buildings, infrastructure and significant investment holdings in Education Australian Ltd and AARNet Pty Ltd.



Budget vs Actual 2018 | Actual 2018 vs Actual 2017

	2018				2017	
	ORIGINAL BUDGET \$'000	AUGUST REFORECAST \$'000	ACTUAL \$'000	VARIANCE ACTUAL vs REFORECAST	ACTUAL RE-STATEMENT \$'000	VARIANCE ACTUAL 2018 vs 2017
STATEMENT OF COMPREHENSIVE INCOME						
Revenue and income from continuing operations	301,556	303,443	302,543	0%	273,512	11%
Expenses from continuing operations	290,904	293,030	287,113	-2%	255,075	13%
Operating result after income tax for the period	10,652	10,413	15,430	48%	18,437	-16%
Gain (loss) on revaluation of land and buildings, net of tax	—	—	12,232	100%	17,455	-30%
Share of other comprehensive income on investments accounted for using the equity method	—	—	13,156	100%	4,672	182%
Total comprehensive income attributed to members of the University of the Sunshine Coast	10,652	10,413	40,818	292%	40,564	1%
STATEMENT OF FINANCIAL POSITION						
Current assets	131,315	88,178	115,942	31%	97,011	20%
Non-current assets	448,668	434,476	423,793	-2%	386,054	10%
Total assets	579,984	522,654	539,735	3%	483,065	12%
Current liabilities	36,862	38,380	51,278	34%	41,619	23%
Non-current liabilities	98,127	25,903	15,737	-39%	9,543	65%
Total liabilities	134,989	64,283	67,015	4%	51,162	31%
Net assets	444,995	458,370	472,720	3%	431,902	9%
Reserves	172,884	179,252	188,585	5%	163,197	16%
Retained surplus	272,111	279,118	284,135	2%	268,705	6%
Total equity	444,995	458,370	472,720	3%	431,902	9%

Data relates to Parent entity.

Financial Statements

Report by members of the University Council

For the year ended 31 December 2018

Council is the governing body of the University of the Sunshine Coast and is responsible for the governance of the affairs and concerns of the University. Council's powers, duties and authorities are prescribed by the *University of the Sunshine Coast Act 1998*.

The members of the Council present their report for the 31 December 2018 financial year on the consolidated entity consisting of the University of the Sunshine Coast and its controlled entities, the Innovation Centre Sunshine Coast Pty Ltd (ICSC), USC Capital and Commercial Pty Ltd (C&C) and Thompson Institute Pty Ltd.

It is recommended that this report be read in conjunction with the full details published in the 2018 Annual Report. The Annual Report provides a comprehensive record of the University's performance in 2018, plans for the future and achievements documented against the aims and objectives of the University's Strategic Plan 2016-2020 and Strategic Plan 2019-2022.

Members of the University Council

The following persons were members of the Council during 2018.

Name and Qualifications

Appointment / Election / Resigned / Retired / Term completed

Chancellor

Air Chief Marshal Sir Angus HOUSTON AK, AFC (Ret'd)

Deputy Chancellor

Mr Scott WILLIAMS, AM, QDAH Qld, BEc, GradDipCompSc GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD

Vice-Chancellor and President

Professor Greg HILL, CertTeach *Kelvin Grove Teach.Coll.*, BA(Hons) Qld, PhD Qld.

Chairperson of the Academic Board

Professor Birgit LOHMANN, BSc (Hons) *Adel.*, PhD *Flin*, FAIP, GAICD

Retired 23 February 2018

Professor Robert ELLIOT, BA(Hons) *NSW*, MA *LaTrobe*, DipEd *Melb.*, PhD *Qld*.

Appointed 24 February 2018 to 3 June 2018

Professor Tim WESS, BSc *Newc.*, PhD *Edin*. FRSA, PFHEA, FRSB, FRSN

Appointed 4 June 2018

Six members appointed by the Governor in Council

Ms Debra BENNET

Appointed 22 February 2018

Ms Sandra BIRKENSLEIGH, BCom *UNSW*, CA, CCP Fellow, GAICD

Appointed 22 February 2018

Mr David FOSTER, BAppSc *S.Qld.*, MBA *S.Cross*, SF Fin, GAICD

Appointed 22 February 2018

Dr Suzanne INNES, BA (Hons), BEdSt *Qld.*, GradCertTESOL *UNE*, MSchM EdD *C.Qld.*

Appointed 22 February 2018

Mr Scott WILLIAMS, AM, QDAH Qld, BEc, GradDipCompSc GradDipFinMangt, GradDipRurAcc *UNE*, Hon.DLitt *UNE*, FAICD

Appointed 22 February 2018

Ms Jacquelyn WRIGHT, BBus(Comp) *NTU*, Master of Computing Studies *Deakin*, GDipEd(Adult) *S.Aust.*, GDipEd(Primary) *NTU*

Appointed 22 February 2018

Two members of the University's academic staff

Professor Marion GRAY, OTDip, BOccTher *Otago Polytechnic*, MHSc, PhD PH *Otago*, Postdoc Fellow Washington DC USA, GCETT *JCU*

Elected 7 December 2018

Professor Tim PRENZLER, BA(Hons) *Griff.*, GradDipT *Griff.*, PhD *Griff.*, MA *Qld.*,

Resigned 10 October 2018

Associate Professor Mark SAYERS, BAppSci *CCAIE*, MAppSci *UC*, PhD *RMIT*

One member of the University's full-time general staff

Dr Ruth GREENAWAY, BA *W.Syd*, GradDipEd *NSW*, MLM *C.Qld*, PhD *Qld.UT*, SFHEA

Financial Statements

Report by members of the University Council

For the year ended 31 December 2018

Two members of the student body

Ms Kate KIRBY, BA *Qld.GradDipLib&InfSt Qld.UT*, MInfTech *Qld.UT*

Resigned 17 December 2018

Ms Kirsty WALKER, BEd *Qld.UT*

Four additional members appointed by Council

Ms Melinda BRYANT, LLB, BBus, GradCertCreativeInd, *Qld.UT*, GDLP *Coll.Law*

Appointed 7 December 2018

Mr David FOSTER, BAppSc *S.Qld.*, MBA *S.Cross*, SF Fin, GAICD

Term concluded 21 February 2018

Ms Jenny MORAWSKA, BA *Macq.*, DipEd *UTS*, GDip Sc *ANU*, MSc *ANU*, MBA *Sunshine Coast*

Appointed 9 December 2018

Ms Natasha READ, BCom *Griff.*, MBA *Sunshine Coast*, FAIM, GAICD

Term concluded 8 December 2018

Mr Tim ROTHWELL, BA(Hons) *Newc.*, FCA, MAICD

Appointed 2 August 2018

Emeritus Professor Gerard SUTTON, AO, BE(Hons), MEngSc *UNSW*, PhD *CUA*, Hon DSc *UOW*

Scott WILLIAMS, AM, QDAH *Qld.*, BEc, GradDipCompSc *GradDipFinMangt*,
GradDipRurAcc *UNE*, Hon.DLitt *UNE*, FAICD

Term concluded 21 February 2018

Members of the Audit and Risk Management Committee

The following persons were members of the Audit and Risk Management Committee during the year and up to the date of this report.

Name and Qualifications

Appointment / Election / Resigned / Retired / Term completed

Member of Council

Ms Sandra BIRKENSLEIGH, BCom *UNSW*, CA, CCP Fellow, GAICD

Chairperson

Member of the professional accounting bodies or audit bodies in Australia and have a professional accounting, management consultancy or audit background (external)

Mr Jeffrey FORBES, BComm *Newcastle(NSW)*, GAICD

Mr Gary McLENNAN, BCom *UTas*, Graduate Diploma – ICAA (CA Program), CA

Ms Natasha READ, BCom *Griff.*, MBA *Sunshine Coast*, FAIM, GAICD

Mr Phillip STRACHAN, BCom *Melb.* FCPA, MAICD

Appointed 8 May 2018

Up to two members co-opted by the Chancellor

Vacant

Vacant

Members of the Planning and Resources Committee

The following persons were members of the Planning and Resources Committee during the year and up to the date of this report.

Name and Qualifications

Appointment / Election / Resigned / Retired / Term completed

Deputy Chancellor

Mr Scott WILLIAMS, AM, QDAH *Qld.*, BEc, GradDipCompSc, GradDipFinMangt,
GradDipRurAcc *UNE*, Hon.DLitt *UNE*, FAICD

Chairperson

Vice-Chancellor and President

Professor Greg HILL, CertTeach *Kelvin Grove Teach.Coll.*, BA(Hons) *Qld.*, PhD *Qld.*

One Executive Dean or Director nominated by the Vice-Chancellor and President and appointed by Council (category ceased on 2 August 2018)

Professor Joanne SCOTT, PhD *Qld.*, GradCertCulturalHtge *Deakin*, GradCertEd *Qld.UT*,
BA(Hons) *Qld.*

Term concluded 28 June 2018

Financial Statements

Report by members of the University Council

For the year ended 31 December 2018

A member of the University Executive or Senior Staff, nominated by the Vice-Chancellor and President and appointed by Council (category effective from 3 August 2018)

Dr Ruth GREENAWAY, PhD *Qld.UT*, MLM *C.Qld.*, BA *W.Syd*, GradDipEd *NSW*, SFHEA

Appointed 20 August 2018

Four members with expertise in strategic financial management and planning, at least one of whom must be a member of Council

Mr David FOSTER, BAppSc *S.Qld.*, MBA *S.Cross*, SF Fin, GAICD

Mr Christopher HARRIS, BFinAdmin *UNE*, MCom (Tax) *UNSW*, CPA, SSA, GAICD

Mr Tim ROTHWELL, BA(Hons) *Newc*, FCA, MAICD

Appointed 3 May 2018

Mr Bernard SMITH, MBA, B Eng(Civil), Grad Dip Bus, GAICD

A member of the Audit and Risk Management Committee (as determined by the Chairperson of ARMC)

Vacant

Up to two members co-opted by the Chancellor

Vacant

Vacant

Meetings and record of attendance

Six (6) ordinary meetings of Council were held during the year. Confirmed non-confidential minutes of the meetings are available to members of the University community for perusal upon request. In 2018 Council meetings were held on 22 February, 9 April, 21 May, 2 August, 26 September, 6 December. Additionally, a Special Meeting of Council was held on 2 July, the Annual Council Retreat was held on 9-10 April and a Council Planning Day was held on 26 September.

Four (4) ordinary meetings of the Audit and Risk Management Committee (ARMC) were held during the year. In 2018, ARMC meetings were held on 20 February, 8 May, 4 September and 3 December. Additionally, a Planning Day of ARMC was held on 4 September.

Five (5) ordinary meetings of the Planning and Resources Committee (PRC) were held during the year. In 2018, PRC meetings were held on 8 February, 3 May, 19 July, 13 September and 19 November.

Member Listing	Board (Council) Meetings		Audit & Risk Management Committee		Planning & Resources Committee	
	A	B	A	B	A	B
Sir Angus Houston AK, AFC (Ret'd)	7	7				
Scott WILLIAMS AM	7	7			5	5
Professor Greg HILL	7	7			5	5
Professor Birgit LOHMANN	1	1				
Professor Robert ELLIOT	2	2				
Professor Tim WESS	4	4				
Debra BENNET	3	7				
Sandra BIRKENSLEIGH	7	7	4	4		
Melinda BRYANT	0	0				
David FOSTER	5	7			4	5
Professor Marion GRAY	0	0				
Dr Ruth GREENAWAY	7	7			2	2
Dr Suzanne INNES	4	7				
Kate KIRBY	5	7				
Jenny MORAWSKA	0	0				
Professor Tim PRENZLER	6	6				
Natasha READ	7	7	3	4		
Tim ROTHWELL	1	3			3	4
Associate Professor Mark SAYERS	2	7				
Emeritus Professor Gerard SUTTON AO	6	7				
Kirsty WALKER	6	7				

Financial Statements

Report by members of the University Council

For the year ended 31 December 2018

Jacquelyn WRIGHT	5	7				
Jeffrey FORBES			4	4		
Christopher HARRIS					5	5
Gary McLENNAN			3	4		
Professor Joanne SCOTT					1	2
Bernard SMITH					5	5
Phillip STRACHAN			3	3		

A = Number of meetings attended

B = Number of meetings held during the time the member held office or was a member of the council or committee during the year

Principal Activities

The University of the Sunshine Coast was established under the *Sunshine Coast University College Act 1994* and officially opened in 1996. Full university powers were granted to the University under the *University of the Sunshine Coast Act 1998*.

The main functions of the University as set out in the Act are:

- to provide education at university standard; and
- to provide facilities for, and encourage, study and research; and
- to encourage the advancement and development of knowledge, and its application to government, industry, commerce and the community; and
- to provide courses of study or instruction, at the levels of achievement the council considers appropriate, to meet the needs of the community; and
- to confer higher education awards; and
- to disseminate knowledge and promote scholarship; and
- to provide facilities and resources for the wellbeing of the university's staff, students and other persons undertaking courses at the university; and
- 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; and
- to perform other functions given to the university under the Act or another Act.

There were no significant changes in the nature of the activities of the University during the year.

Review of Operations

For a full review of the University's Operations, including the financial review, refer to the Annual Report preceding the Financial Statements. The 2018 Operating result is a surplus of \$15.482 million, 16.2% less than the 2017 Operating surplus result of \$18.472 million.

In 2018 the University continued to expand on its geographical footprint relevant to strategic priorities. This included transfer of QUT's Caboolture campus to USC effective 8 January 2018 and commencement of construction of the new campus at Petrie in Moreton Bay (to open in 2020). The Foundation Facility Building at USC Moreton Bay is being financed by a concessional loan between the Federal Government and USC. The majority of costs in relation to the establishment of the new campus were capitalised in 2018 with some minor costs considered normal operating activities relevant to the pursuit of the University's strategic objectives.

Significant Changes in the State of Affairs

During the year there were no significant changes in the state of the affairs of the University that have not yet been highlighted in this report.

Matters Subsequent to the End of the Financial Year

Other than those referred to in the financial statements and notes following (particularly Note 22 Events occurring after the balance sheet date), no matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the University or the consolidated entity, the results of those operations or the state of affairs of the University in future financial years.

Likely Developments and Expected Results of Operations

Disclosure of information regarding likely developments, future prospects and business strategies of the operations of the University in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the University. Accordingly, this information has not been disclosed in this report.

Environmental Reporting

The University's operations are undertaken in accordance with any environmental regulations of the Commonwealth, State or Territory.

Financial Statements

Report by members of the University Council

For the year ended 31 December 2018

Insurance of Officers

In 2018, the University of the Sunshine Coast held comprehensive insurance policies in relation to its Executive Members and Officers. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the University and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the University. The University has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify for any current or former officer or auditor of the University against a liability incurred as such by an officer or auditor.

Proceedings on behalf of the University of the Sunshine Coast

There are no significant legal matters other than those referred to in the financial statements and notes following.

This report is made in accordance with the resolution of the members of the Council of the University of the Sunshine Coast.

Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd)
Chancellor
University of the Sunshine Coast

Professor Greg Hill
Vice-Chancellor and President
University of the Sunshine Coast

Financial Statements

Income statement

For the year ended 31 December 2018

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Revenue from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	135,666	125,061	135,666	125,061
HELP - Australian Government payments	2	66,928	62,927	66,928	62,927
State and Local Government financial assistance	3	4,484	3,128	4,297	2,956
HECS-HELP - Student payments		3,466	3,408	3,466	3,408
Fees and charges	4	73,657	60,632	73,248	60,159
Investment revenue		5,384	2,784	5,383	2,782
Consultancy and contracts	5	5,692	5,318	5,692	5,312
Other revenue and income	6	7,923	11,021	7,863	10,907
Total revenue from continuing operations		303,200	274,279	302,543	273,512
Expenses from continuing operations					
Employee related expenses	7	167,501	147,689	167,100	147,285
Depreciation and amortisation		13,503	12,293	13,491	12,282
Advertising, marketing and promotional expenses		4,616	3,696	4,611	3,660
IT software and licences		4,952	4,090	4,952	4,090
Repairs and maintenance		6,997	5,523	6,995	5,514
Scholarships, grants & prizes		17,454	17,580	17,704	17,830
Non-capitalised equipment		6,921	9,297	6,921	9,297
Professional fees		32,276	25,073	32,191	24,931
Travel & entertainment		5,647	5,344	5,641	5,341
Rental hire and other operating leasing fees		6,278	5,589	6,270	5,579
Occupancy and utilities		4,294	4,255	4,251	4,230
Borrowing costs		423	483	423	483
Impairment of assets		932	306	932	291
Net losses on disposal of assets		201	57	201	57
Other expenses	8	15,723	14,532	15,430	14,205
Total expenses from continuing operations		287,718	255,807	287,113	255,075
Operating result before income tax		15,482	18,472	15,430	18,437
Income tax expense		-	-	-	-
Operating result after income tax for the period and attributable to members of the University of the Sunshine Coast	17(c)	15,482	18,472	15,430	18,437

The above income statement should be read in conjunction with the accompanying notes.

Financial Statements

Statement of comprehensive income

For the year ended 31 December 2018

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Operating Result after income tax for the period		15,482	18,472	15,430	18,437
Total Items that will be reclassified to profit or loss		-	-	-	-
Items that will not be reclassified to profit or loss					
Gain (loss) on revaluation of land and buildings, net of tax	17(a)	12,232	17,455	12,232	17,455
Gain/(loss) on equity instruments designated at fair value through other comprehensive income, net of tax	17(a)	13,156	4,672	13,156	4,672
Total items that will not be reclassified to profit or loss		25,388	22,127	25,388	22,127
Total other comprehensive income		25,388	22,127	25,388	22,127
Total comprehensive income attributed to non-controlling interest		-	-	-	-
Total comprehensive income attributed to members of the University of the Sunshine Coast		40,870	40,599	40,818	40,564

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

Financial Statements

Statement of financial position

For the year ended 31 December 2018

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
ASSETS					
Current assets					
Cash and cash equivalents	9	99,882	65,696	99,601	65,369
Receivables	10	8,278	5,169	8,198	5,283
Other financial assets	11	-	20,000	-	20,000
Other non-financial assets	11	8,143	6,379	8,143	6,359
Total current assets		116,303	97,244	115,942	97,011
Non-current assets					
Receivables	10	70	65	70	65
Other financial assets	11	28,856	15,700	28,856	15,700
Property, plant & equipment	12	390,631	364,782	390,590	364,739
Intangible assets		3,373	4,789	3,373	4,789
Other non-financial assets	11	904	761	904	761
Total non-current assets		423,834	386,097	423,793	386,054
Total assets		540,137	483,341	539,735	483,065
LIABILITIES					
Current liabilities					
Trade and other payables	13	9,608	8,654	9,506	8,619
Borrowings	14	1,616	1,970	1,616	1,970
Provisions	15	25,103	22,096	25,051	22,040
Other liabilities	16	15,105	8,990	15,105	8,990
Total current liabilities		51,432	41,710	51,278	41,619
Non-current liabilities					
Borrowings	14	10,551	5,097	10,551	5,097
Provisions	15	5,222	4,472	5,186	4,447
Total non-current liabilities		15,773	9,569	15,737	9,544
Total liabilities		67,205	51,279	67,015	51,163
Net assets		472,932	432,062	472,720	431,902
EQUITY					
Reserves	17(a)	188,585	163,197	188,585	163,197
Retained earnings	17(c)	284,347	268,865	284,135	268,705
Total equity		472,932	432,062	472,720	431,902

The above statement of financial position should be read in conjunction with the accompanying notes.

Financial Statements

Statement of changes in equity
For the year ended 31 December 2018

	Consolidated			Parent entity		
	Reserves \$'000	Retained earnings \$'000	Total \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2017	141,070	248,469	389,539	141,070	248,344	389,414
Retrospective changes	-	1,924	1,924	-	1,924	1,924
Balance as restated	141,070	250,393	391,463	141,070	250,268	391,338
Net result	-	18,472	18,472	-	18,437	18,437
Gain/(loss) on revaluation of land and buildings, net of tax	17,455	-	17,455	17,455	-	17,455
Gain/(loss) on revaluation of available for sale financial asset	4,672	-	4,672	4,672	-	4,672
Total comprehensive income	22,127	18,472	40,599	22,127	18,437	40,564
Balance at 31 December 2017	163,197	268,865	432,062	163,197	268,705	431,902
Balance at 1 January 2018	163,197	268,865	432,062	163,197	268,705	431,902
Net result	-	15,482	15,482	-	15,430	15,430
Gain/(loss) on revaluation of land and buildings, net of tax	12,232	-	12,232	12,232	-	12,232
Gain/(loss) on financial assets at fair value through OCI	13,156	-	13,156	13,156	-	13,156
Total comprehensive income	25,388	15,482	40,870	25,388	15,430	40,818
Balance at 31 December 2018	188,585	284,347	472,932	188,585	284,135	472,720

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Financial Statements

Statement of cash flows

For the year ended 31 December 2018

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash flows from operating activities					
Australian Government grants received		202,658	187,989	202,658	187,989
OS-HELP (net)		10	283	10	283
State Government grants received		3,617	2,828	3,430	2,656
Local Government grants received		440	228	440	228
HECS-HELP - Student payments		3,466	2,956	3,466	2,956
Receipts from students fees and other customers		92,496	82,171	92,097	81,570
Investment income		5,545	2,717	5,544	2,715
Interest and other costs of finance paid		(423)	(483)	(423)	(483)
Payments to suppliers and employees (inclusive of goods and services tax)		(279,567)	(249,805)	(278,944)	(249,072)
GST recovered / (paid)		6,331	4,460	6,331	4,460
Net cash provided by / (used in) operating activities	23	34,573	33,344	34,609	33,302
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		145	-	145	-
Payments for property, plant and equipment / intangibles		(25,632)	(15,008)	(25,622)	(14,991)
Proceeds from sale of financial assets		20,000	-	20,000	-
Net cash provided by / (used in) investing activities		(5,487)	(15,008)	(5,477)	(14,991)
Cash flows from financing activities					
Proceeds from borrowings		7,000	-	7,000	-
Repayment of borrowings		(1,900)	(1,835)	(1,900)	(1,835)
Net cash provided by / (used in) financing activities		5,100	(1,835)	5,100	(1,835)
Net increase / (decrease) in cash and cash equivalents		34,186	16,501	34,232	16,476
Cash and cash equivalents at beginning of the financial year		65,696	49,195	65,369	48,893
Cash and cash equivalents at the end of the financial year		99,882	65,696	99,601	65,369

The above statement of cash flows should be read in conjunction with the accompanying notes.

Financial Statements

Notes to the financial statements
For the year ended 31 December 2018

Notes	Contents of the notes to the financial statements	Page
1	Summary of significant accounting policies	66-69
	Income	
2	Australian Government financial assistance including Australian Government loan programs (HELP)	70-71
3	State and Local Government financial assistance	71
4	Fees and charges	71
5	Consultancy and contracts	72
6	Other revenue and income	72
	Expenses	
7	Employee related expenses	72
8	Other expenses	73
	Assets	
9	Cash and cash equivalents	73
10	Receivables	74
11	Other financial and non-financial assets	74-75
12	Property, plant and equipment	76-81
	Liabilities	
13	Trade and other payables	82
14	Borrowings	82-83
15	Provisions	83-84
16	Other liabilities	85
	Equity	
17	Reserves and retained earnings	85
	Other	
18	Key management personnel disclosures	86-88
19	Commitments	89
20	Related parties	89-90
21	Joint operations	91
22	Events occurring after the balance sheet date	91
23	Reconciliation of operating result after income tax to net cash flows from operating activities	92
24	Financial risk management	92-93
25	Acquittal of Australian Government financial assistance	93-97

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 1 Summary of significant accounting policies

The University of the Sunshine Coast (the University) is established under the *University of the Sunshine Coast Act 1998* and is a statutory body as defined by the *Financial Accountability Act 2009*.

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 the University as the parent entity and the consolidated entity consisting of the University and its controlled entities.

The principal address of the University is 90 Sippy Downs Drive, Sippy Downs, Queensland.

a) Basis of preparation

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

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

- *Higher Education Support Act 2003* (Financial Statement Guidelines)
- *Financial and Performance Management Standard 2009*, issued under Section 57 of the *Financial Accountability Act 2009*

The 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 of issue

The financial statements were authorised for issue by the University on 20 February 2019.

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 and certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis.

b) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all controlled entities of the University ("parent entity") as at 31 December 2018 and the results of all controlled entities for the year then ended. The University and its controlled entities together are referred to in this financial report as the consolidated entity.

Controlled entities are all those entities (including structured entities) over which the consolidated entity has control. The consolidated entity 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 consolidated entity 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 consolidated entity controls another entity. Returns are not necessarily monetary and can be only positive, only negative, or both positive and negative.

Controlled entities are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases. None of the controlled entities produce audited financial statements.

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

c) Functional and presentation currency

The consolidated financial statements are presented in Australian dollars, which is the University's functional and presentation currency.

d) Revenue recognition

Interest and Dividends

Interest revenue and Dividend Income is recognised as it is earned.

Contributions

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the University obtains control over them. Where grants are received that are reciprocal in nature, revenue is recognised over the term of the funding arrangements.

e) Taxation

The University and its controlled entities are, by virtue of Section 50-5 of the *Income Tax Assessment Act 1997*, exempted from the liability to pay income tax. The University and its controlled entity are, however, subject to Payroll Tax, Fringe Benefits Tax (FBT) and Goods and Services Tax (GST).

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST is not recoverable from the Australian Tax Office. 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 in the statement of cash flows on a gross basis, except for the GST component on investing and financing activities, which are disclosed as operating cash flows.

f) Impairment of assets

The carrying amounts of all assets are reviewed for indicators of impairment at each reporting date. If an indicator of impairment exists, the asset's recoverable amount is estimated. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Income Statement, unless the asset is carried at a re-valued amount. When the asset is measured at a re-valued amount, the impairment loss is offset against the asset revaluation surplus of the relevant class to the extent available.

g) Intangible assets

Research and development

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understandings, is recognised in the income statement as an expense, when it is incurred.

Computer Software development

Expenditure on development activities relating to the design and testing of new or improved products, are recognised as intangible assets when it is probable that the project will, after considering its commercial and technical feasibility, be completed and generate future economic benefits and its costs can be measured reliably. The expenditure capitalised comprises all directly attributable costs including costs of materials, services, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development expenditure is recorded as intangible assets and amortised from the point at which the asset is ready for use. Computer software is amortised using the straight-line method to allocate the cost over the period of the expected benefit, which varies from 3 to 8 years (2017: 5 years).

The intangible asset recognition threshold is \$100,000 for software development.

h) Rounding and Comparative amounts

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

i) Authority to issue financial report

The financial statements were authorised for issue by the Chancellor, Vice-Chancellor & President, and the Chief Operating Officer at the date of signing the Statement of Certification.

j) New accounting standards and interpretations

The following Accounting Standards and Interpretations applicable to the University have been published and are not mandatory for the 31 December reporting period. The University has elected not to early adopt any of these standards. The University's assessment of the impact of these new standards and interpretations is discussed below.

AASB 15

Revenue from Contracts with Customers applies from 1 January 2019 for not-for-profit entities and is not permitted to be early adopted for the 2018 reporting period. When effective, this Standard will replace the current accounting requirements applicable to revenue with a single, principle-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

The core principle of the Standard is that an entity will recognise revenue to represent the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services. To achieve this objective, AASB 15 provides the following five step process:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price
- allocate the transaction price to the performance obligations in the contract(s); and
- recognise revenue when (or as) the performance obligations are satisfied.

The university has collaborated with six other Queensland universities and engaged Nexia Australia Advisory Pty Ltd for an ongoing assessment of this standard and AASB 16: *Leases* on their impact on the financial statements.

The presentation and disclosure requirements in AASB15 are more detailed than under current Australian Accounting Standards. Many of the disclosure requirements in AASB 15 are new and the university has assessed there will be an increase in the disclosures required in the financial statements.

The standard permits either a full retrospective or a modified retrospective approach for the adoption. The university has elected to apply the modified retrospective approach. The new standard is mandatory for financial years commencing on or after 1 January 2019. The university intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2019 and that the comparatives will not be restated. Impact from management's assessment is \$16 million.

AASB 1058

Income of Not-for-Profit Entities applies from 1 January 2019 and is not permitted to be early adopted for the 2018 reporting period. It supersedes all the income recognition requirements relating to private sector Not-for-Profit entities, and the majority of income recognition requirements relating to public sector Not-for-Profit entities, previously in AASB 1004 Contributions. When effective, this standard will defer income recognition in some circumstances for Not-for-Profit entities, particularly where there is a performance obligation or any other liability. In addition, certain components in an arrangement, such as donations, may be separated from other types of income and recognised immediately. The standard also expands the circumstances in which Not-for-Profit entities are required to recognise income for goods and services received for consideration that is significantly less than the fair value of the asset principally to enable the entity to further its objectives, including for example, peppercorn leases.

This standard operates in conjunction with AASB 15 *Revenue from Contracts and Customers*. AASB 1058 will only apply where AASB 15 does not apply. Both standards supersede AASB 1004 Contributions. The main impact on adopting this standard is reflected above with the adoption of AASB15. Additionally, there is a number of peppercorn leases which may be recognised as a right-to-use assets at fair value on 1 January 2019.

AASB16

Leases applies from 1 January 2019 and is not permitted to be early adopted for the 2018 reporting period. The University has assessed all contracts which may fall under this new standard. Following the assessment, the university has identified 22 contracts that deal with real property and are considered to fall within the scope of the new standard. However, 5 of these contracts are considered to be below-market leases (i.e. peppercorn leases). The AASB Board has formed a working group to consider transition relief for not-for-profit entities from measuring the fair value and reporting for below-market leases. Until there is a decision from the Board, the university's below-market leases have not been measured at fair value and will not be recognised as a right-to-use asset on 1 January 2019. Impact from management's assessment \$33 million.

The new standard is mandatory for financial years commencing on or after 1 January 2019. The university intends to adopt the standard using the modified retrospective approach which means that the cumulative impact of the adoption will be recognised in retained earnings as of 1 January 2019 and that the comparatives will not be restated.

k) Initial application of AASB9 *Financial Instruments*

Adoption of AASB9 and Interpretation 22 is made in accordance with the transitional provisions. The consolidated entity has applied AASB9 retrospectively, with the exception of hedge accounting, with an initial application date of 1 January 2018. The consolidated entity has not restated the comparative information, which continues to be reported under AASB139 *Financial Instruments*. Differences arising from the adoption of AASB9 have been recognised directly in retained earnings and other components of equity.

(i) *Classification and measurement*

The classification and measurement requirements of AASB9 did not have a significant impact to the consolidated entity.

The following are the changes in the classification of the consolidated entity's financial assets:

- (a) Trade receivables and Other non-current financial assets classified as Loans and receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Debt instruments at amortised cost beginning 1 January 2018.
- (b) Equity investments in non-listed companies classified as available for sale financial assets as at 31 December 2017 are classified and measured as Equity instruments designated at fair value through other comprehensive income (OCI) beginning 1 January 2018. The consolidated entity elected to classify irrevocably its non-listed equity investments under this category at the date of initial application as it intends to hold these investments for the foreseeable future. There were no impairment losses recognised in profit or loss for these investments in prior periods.

The University held no quoted debt instruments or listed equity investments classified as available for sale financial assets as at 31 December 2017 requiring classification and measurement at 1 January 2018 as Debt instruments at fair value through OCI and Financial assets at fair value through profit or loss, respectively.

The consolidated entity has not designated any financial liabilities as at fair value through profit or loss. There are no changes in classification and measurement for the consolidated entity's financial liabilities.

(ii) Impairment

Accounting for impairment losses for financial assets is based on a forward-looking expected credit loss (ECL) approach. The consolidated entity recognises an allowance for ECLs for all debt instruments not held at fair value through profit or loss and contract assets.

Upon adoption of AASB9 the consolidated entity recognised nil additional impairment on the consolidated entity's Trade receivables which resulted in nil adjustment in retained earnings as at 1 January 2018. Impairment losses do not reduce the carrying amount of debt instruments at fair value through OCI in the statement of financial position, which remains at fair value.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note	Consolidated		Parent entity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 2	Australian Government financial assistance including Australian Government loan programs (HELP)			
	(a) Commonwealth Grant Scheme and Other Grants			
25a				
Commonwealth Grant Scheme #1	101,176	100,786	101,176	100,786
Access and Participation Fund	2,240	2,043	2,240	2,043
Promotion of Excellence in Learning & Teaching	80	30	80	30
Disability Performance Funding #2	75	99	75	99
Indigenous Student Success Program #3	1,511	1,426	1,511	1,426
Total Commonwealth Grants Scheme and Other Grants	105,081	104,384	105,081	104,384
	(b) Higher Education Loan Programs			
25b				
HECS - HELP	62,515	58,498	62,515	58,498
FEE-HELP	2,104	2,419	2,104	2,419
SA - HELP	2,309	2,010	2,309	2,010
Total Higher Education Loan Programs	66,928	62,927	66,928	62,927
	(c) EDUCATION Research			
25c				
Research Training Program	2,777	2,429	2,777	2,429
Research Support Program	3,226	2,725	3,226	2,725
Total EDUCATION - Research Grants	6,003	5,154	6,003	5,154
	(d) Australian Research Council			
25d				
Discovery	1,531	1,032	1,531	1,032
Linkages #4	959	706	959	706
Total ARC	2,489	1,738	2,489	1,738
	(e) Other Australian Government financial assistance Non-capital			
Australian Centre International Agriculture Research	8,232	6,670	8,232	6,670
Australian Renewable Energy Agency	150	60	150	60
Cooperative Research Centres Projects (via SCU)	100	15	100	15
CRC for Honey Bee Products Ltd	276	-	276	-
CSIRO	286	257	286	257
Department of Education & Training	1,078	953	1,078	953
Department of Foreign Affairs & Trade	1,341	2,568	1,341	2,568
Department of Health and Ageing	2,500	-	2,500	-
Fisheries Research Development Corporation	318	323	318	323
Forest & Wood Products Australia Ltd	1,506	1,307	1,506	1,307
Horticulture Innovation Australia Limited	1,168	747	1,168	747
National Health & Medical Research Council	523	395	523	395
Queensland University of Technology	4,050	-	4,050	-
Other	565	490	565	490
Total Non-capital	22,092	13,786	22,092	13,786
Total other Australian Government financial assistance	202,594	187,988	202,594	187,988
	Reconciliation			
Australian Government Grants	135,666	125,061	135,666	125,061
HELP - Australian Government payments	66,928	62,927	66,928	62,927
Total Australian Government financial assistance	202,594	187,988	202,594	187,988

All entities are listed by their known titles at time of signing the relevant agreement.

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.

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

4 ARC Linkage Infrastructure, Equipment and Facilities grants are reported in Other Capital Funding (if applicable).

Note 2 Australian Government financial assistance including Australian Government loan programs (HELP) (continued)

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

The consolidated entity recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the consolidated entity and specific criteria have been met for each of the consolidated entity's activities as described below. The consolidated entity bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Grants from the government are recognised at their fair value where the University obtains control of the right to receive the grant, it is probable that economic benefits will flow to the consolidated entity and it can be reliably measured.

Revenue from HELP is categorised into those received from the Australian Government and those received directly from students. Revenue is recognised and measured in accordance with the above disclosure.

	Consolidated		Parent entity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 3 State and Local Government financial assistance				
Non-Capital				
Advance Queensland	230	-	230	-
Department of Agriculture, Fisheries and Forestry	447	731	447	731
Department of Communities, Child Safety	15	90	15	90
Department of Employment, Economic Development & Innovation	187	172	-	-
Department of Industry, Skill and Regional Development (NSW)	22	161	22	161
Department of National Parks, Sport and Racing (QLD)	110	69	110	69
Department of Primary Industries Skills and Regional Development	177	-	177	-
Department of Sciences, Information Technology and Innovation (QLD)	240	431	240	431
Department of Transport & Main Roads	453	447	453	447
Motor Accident Insurance Commission (QLD)	575	115	575	115
Queensland Academy of Sport	177	41	177	41
Redland City Council	158	15	158	15
Sunshine Coast Hospital and Health Service	-	152	-	152
Sunshine Coast Regional Council	148	152	148	152
Other	545	551	545	551
Total Non-capital	3,484	3,128	3,297	2,956
Capital				
Department of Housing and Public Works	1,000	-	1,000	-
Total Capital	1,000	-	1,000	-
Total State and Local Government financial assistance	4,484	3,128	4,297	2,956

All entities are listed by their known title at the time of signing the relevant agreement.

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 4 Fees and charges					
Course fees and charges					
Fee-paying onshore overseas students		66,467	53,582	66,467	53,582
Continuing education		68	-	68	-
Fee-paying domestic postgraduate students		2,356	2,629	2,356	2,629
Fee-paying domestic non-award students		269	276	269	276
Total course fees and charges		69,160	56,487	69,160	56,487
Other non-course fees and charges					
Student Services and Amenities Fees from students	25f	872	790	872	790
Applications and late fees		125	90	125	90
Examination Fees & Honorariums		40	23	40	23
Conferences, activities & excursions		373	219	373	219
Rental charges		1,580	1,697	1,171	1,224
Other		1,507	1,326	1,507	1,326
Total other non-course fees and charges		4,497	4,145	4,088	3,672
Total fees and charges		73,657	60,632	73,248	60,159

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

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 5 Consultancy and contracts				
Consultancy	1,280	477	1,280	471
Contract research	4,412	4,841	4,412	4,841
Total consultancy and contracts	5,692	5,318	5,692	5,312

Contract revenue is recognised in accordance with the percentage of completion method. The stage of completion is measured by reference to labour hours incurred to date as a percentage of estimated total labour hours for each contract.

Other human resources revenue is recognised when the service is provided.

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 6 Other revenue and income				
Other revenue				
Donations and bequests	1,287	4,146	1,287	4,146
Scholarships, sponsorships and prizes	72	134	37	50
Food services	2,749	2,747	2,749	2,747
Sales - publications and printing	654	668	654	668
Parking permits	1,433	1,464	1,433	1,464
Total other revenue	6,195	9,159	6,160	9,075
Other income				
Other income	1,728	1,862	1,703	1,832
	1,728	1,862	1,703	1,832
Total other revenue and income	7,923	11,021	7,863	10,907

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 7 Employee related expenses				
Academic				
Salaries	65,756	59,068	65,756	59,068
Contributions to superannuation and pension schemes funded	9,978	8,853	9,978	8,853
Payroll tax	3,584	3,220	3,584	3,220
Workers' compensation	130	124	130	124
Long service leave	1,030	840	1,030	840
Annual leave	1,282	1,347	1,282	1,347
Other	222	186	222	186
Total academic	81,982	73,638	81,982	73,638
Non-academic				
Salaries	68,731	59,277	68,395	58,940
Contributions to superannuation and pension schemes funded	10,403	9,103	10,361	9,062
Payroll tax	3,763	3,275	3,745	3,258
Workers' compensation	139	124	137	122
Long service leave	1,070	894	1,070	894
Annual leave	1,146	1,149	1,146	1,149
Other	267	229	264	222
Total non-academic	85,519	74,051	85,118	73,647
Total employee related expenses	167,501	147,689	167,100	147,285

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.

Financial Statements

Notes to the financial statements
For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 8 Other expenses				
Bank fees & charges	652	577	651	576
Audit and other professional fees *	330	328	330	328
Insurance	619	575	619	575
General consumables	1,532	1,736	1,532	1,736
Postage, printing and stationery	666	756	666	756
Telecommunications	1,516	1,523	1,424	1,395
Subscriptions and memberships	2,010	1,426	1,998	1,415
Motor vehicles	297	252	296	251
Commissions paid	2,955	2,277	2,955	2,277
Food and catering	1,872	1,899	1,872	1,899
Staff development and recruitment	1,164	1,378	1,163	1,378
Student activities and excursions	677	649	677	649
Other	1,433	1,156	1,247	970
Total other expenses	15,723	14,532	15,430	14,205

*The total external audit fees relating to the 2018 financial year are estimated to be \$151k (2017: \$147k). There are no non-audit services included in this amount. Currently paid and accrued audit fees for the University are \$151k.

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 9 Cash and cash equivalents				
Cash at bank and on hand	7,659	2,636	7,378	2,309
Deposits at call	92,223	63,060	92,223	63,060
Total cash and cash equivalents	99,882	65,696	99,601	65,369

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

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

Balance as above	99,882	65,696	99,601	65,369
Less: Bank overdrafts	-	-	-	-
Balance as per statement of cash flows	99,882	65,696	99,601	65,369

(b) Cash at bank and on hand

Cash at bank	7,649	2,623	7,368	2,296
Non-interest bearing - floats and petty cash	10	13	10	13
	7,659	2,636	7,378	2,309

(c) Deposits at call

Deposits at call	92,223	63,060	92,223	63,060
	92,223	63,060	92,223	63,060

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

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 10 Receivables				
Current				
Student fees and loans	320	269	320	269
Less: Provision for impaired receivables	(163)	(59)	(163)	(59)
Trade receivables	4,440	3,115	4,327	3,092
Less: Provision for impaired receivables	(189)	(3)	(189)	(3)
	<u>4,408</u>	<u>3,322</u>	<u>4,295</u>	<u>3,299</u>
Taxes receivable	1,739	937	1,739	937
Deposits receivable	-	5	-	5
Accrued revenue	2,093	875	2,093	875
Sundry loans and advances	38	30	38	30
Amounts receivable from wholly owned subsidiaries	-	-	33	137
Total current receivables	<u>8,278</u>	<u>5,169</u>	<u>8,198</u>	<u>5,283</u>
Non-current				
Deposits receivable	70	65	70	65
Total non-current receivables	<u>70</u>	<u>65</u>	<u>70</u>	<u>65</u>
Total receivables	<u>8,348</u>	<u>5,234</u>	<u>8,268</u>	<u>5,348</u>

Trade receivables are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as debt instruments at amortised cost. Trade and other receivables are not interest bearing and are generally on terms of no more than 30 days. Receivables arising from student fees are recognised as amounts receivable, as sanctions are applied to students who do not pay.

For trade receivables the University applies a simplified approach in calculating expected credit losses ("ECLs"). Therefore, the University does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The University 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.

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 11 Other financial and non-financial assets				
Current				
Other financial assets				
Held to maturity - term deposits	-	20,000	-	20,000
	<u>-</u>	<u>20,000</u>	<u>-</u>	<u>20,000</u>
Other non-financial assets				
Prepayments	8,143	6,379	8,143	6,359
	<u>8,143</u>	<u>6,379</u>	<u>8,143</u>	<u>6,359</u>
Total current other assets	<u>8,143</u>	<u>26,379</u>	<u>8,143</u>	<u>26,359</u>
Non-current				
Other financial assets				
Shares in unlisted corporations at fair value through OCI	28,856	15,700	28,856	15,700
	<u>28,856</u>	<u>15,700</u>	<u>28,856</u>	<u>15,700</u>
Other non-financial assets				
Prepayments	904	761	904	761
	<u>904</u>	<u>761</u>	<u>904</u>	<u>761</u>
Total non-current other assets	<u>29,760</u>	<u>16,461</u>	<u>29,760</u>	<u>16,461</u>
Total other financial assets and non-financial assets	<u>37,903</u>	<u>42,840</u>	<u>37,903</u>	<u>42,820</u>

Note 11 Other financial and non-financial assets (continued)**Prepayments**

Payments for goods and services which are to be provided in future years are recognised as prepayments. Prepayments are recorded in other non-financial assets in the statement of financial position.

Other financial assets**Classification**

The consolidated entity classifies its financial assets, at initial recognition, subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the consolidated entity's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the consolidated entity initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

Financial assets classified and measured at amortised cost or fair value through OCI, means cash flows are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding and is performed at an instrument level.

The consolidated entity's business model for managing financial assets is relevant to whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date (date commitment to purchase or sell the asset).

(i) Financial assets at amortised cost

The consolidated entity measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (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 consolidated entity's financial assets at amortised cost includes trade receivables, and loans to related parties.

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

The consolidated entity holds no assets under this classification as at 31 December 2018

(iii) Investments in equity instruments designated at fair value through other comprehensive income

Upon initial recognition, the consolidated entity can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are not recycled to profit or loss. Dividends are recognised as other income in the income statement when the right of payment has been established, except when the consolidated entity benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The consolidated entity elected to classify irrevocably its non-listed equity investments in Education Australia Ltd of \$23 million (2017: \$16 million) and AARNet Pty Ltd of \$6 million (2017: Nil) within this category. All values are as per valuation undertaken by independent party as at 31 December 2018.

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

The consolidated entity holds no assets under this classification as at 31 December 2018

Fair Value

The fair values of investments and other financial assets are based on quoted prices in an active market. If the market for a financial asset is not active (and for unlisted securities), the consolidated entity establishes fair value by using valuation techniques that maximise the use of relevant data. These include reference to the estimated prices in an orderly transaction that would take place between market participants at the measurement date.

In respect of the University's holdings in Education Australia Limited and AARNet Pty Ltd the fair value is categorised as Level 3 – Inputs that are not based on observable market data (unobservable inputs).

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 12 Property, plant & equipment

Consolidated - 31 December 2017	Construction in progress		Freehold land		Freehold buildings		Infrastructure assets		Leasehold improvements		Plant & equipment*		Art Collection	Total
	Cost	Fair Value Level 2	Fair Value Level 2 & 3	Fair Value Level 3	Cost	Fair Value Level 2 & 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Basis of measurement														
Fair value category														
At 1 January 2017														
-Cost	5,813	-	-	-	-	-	-	-	-	-	33,594	-	-	39,407
-Valuation	-	21,950	296,268	29,039	5,570	6,052	-	-	-	-	-	6,052	-	358,879
Accumulated depreciation	-	-	(30,050)	(4,930)	(1,225)	-	-	-	-	-	(19,376)	-	-	(55,581)
Net book amount	5,813	21,950	266,218	24,109	4,345	6,052	14,218	6,052	14,218	6,052	14,218	6,052	6,052	342,705
Year ended 31 December 2017														
Opening net book amount	5,813	21,950	266,218	24,109	4,345	6,052	14,218	6,052	14,218	6,052	14,218	6,052	6,052	342,705
Revaluation surplus	-	51	16,158	1,117	89	65	-	-	-	-	-	-	-	17,480
Gain on acquisition less than fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Additions	2,895	-	2,540	609	5,438	16	4,852	16	4,852	16	4,852	16	16	16,350
Transfers	(5,558)	-	3,056	7	38	-	1,556	-	1,556	-	(83)	-	-	(901)
Disposals	-	-	-	-	-	-	(83)	-	(83)	-	-	-	-	(83)
Depreciation charge	-	-	(4,502)	(635)	(633)	-	(4,999)	-	(4,999)	-	-	-	-	(10,769)
Closing net book amount	3,150	22,001	283,470	25,206	9,277	6,134	15,544	6,134	15,544	6,134	15,544	6,134	6,134	364,782
At 31 December 2017														
-Cost	3,150	-	-	-	-	-	-	-	-	-	38,168	-	-	41,318
-Valuation	-	22,001	315,497	30,218	11,070	6,134	4,852	16	4,852	16	4,852	16	16	16,350
Accumulated depreciation	-	-	(32,027)	(5,012)	(1,793)	-	(22,624)	-	(22,624)	-	(83)	-	-	(901)
Net book amount	3,150	22,001	283,470	25,206	9,277	6,134	15,544	6,134	15,544	6,134	15,544	6,134	6,134	364,782

* Plant & equipment represents all operational assets, including motor vehicles and computer equipment.

Note 12 Property, plant & equipment (continued)

Consolidated - 31 December 2018	Construction in progress		Freehold land		Freehold buildings		Infrastructure assets		Leasehold improvements		Plant & equipment*		Art Collection		Total
	Cost	Fair Value Level 2	Fair Value Level 2 & 3	Fair Value Level 3	Cost	Fair Value Level 2 & 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Basis of measurement Fair value category															
Net book amount	3,150	22,001	283,470	25,206	9,277	15,544	6,134	364,782							
Year ended 31 December 2018															
Opening net book amount	3,150	22,001	283,470	25,206	9,277	15,544	6,134	364,782							
Revaluation surplus	-	543	6,260	1,371	(21)	4,037	42	12,232							
Additions	17,692	-	1,115	1,036	658	5,219	192	25,912							
Transfers	(1,688)	-	(198)	1,249	167	290	-	(180)							
Disposals	-	-	(7)	(135)	-	(127)	(3)	(272)							
Depreciation charge	-	-	(4,765)	(999)	(1,061)	(5,018)	-	(11,843)							
Closing net book amount	19,154	22,544	285,875	27,728	9,020	19,945	6,365	390,631							
At 31 December 2018															
-Cost	19,154	-	-	754	11,798	40,896	37	72,638							
-Valuation	-	22,544	318,160	32,020	47	-	6,328	379,100							
Accumulated depreciation	-	-	(32,285)	(5,046)	(2,825)	(20,951)	-	(61,107)							
Net book amount	19,154	22,544	285,875	27,728	9,020	19,945	6,365	390,631							

* Plant & equipment represents all operational assets, including motor vehicles and computer equipment.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 12 Property, plant & equipment (continued)

Parent - 31 December 2017

Basis of measurement Fair value category	Construction in progress		Freehold land		Freehold buildings		Infrastructure assets		Leasehold improvements		Plant & equipment*		Art Collection		Total
	Cost	Fair Value Level 2	Fair Value Level 2 & 3	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2017															
-Cost	5,813	-	-	-	-	-	-	-	-	-	33,548	-	-	39,361	
-Valuation	-	21,950	296,268	29,039	5,523	-	-	-	6,042	-	-	-	-	358,822	
Accumulated depreciation	-	-	(30,050)	(4,930)	(1,193)	-	-	-	(19,345)	-	-	-	-	(55,518)	
Net book amount	5,813	21,950	266,218	24,109	4,330	24,109	24,109	4,330	6,042	14,203	6,042	6,042	6,042	342,665	
Year ended 31 December 2017															
Opening net book amount	5,813	21,950	266,218	24,109	4,330	24,109	24,109	4,330	6,042	14,203	6,042	6,042	6,042	342,665	
Revaluation surplus	-	51	16,159	1,117	89	-	-	-	65	-	-	-	-	17,481	
Gain on acquisition less than fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Additions	2,895	-	2,540	609	5,438	609	609	5,438	16	4,836	16	16	16	16,334	
Transfers	(5,558)	-	3,056	7	38	7	7	38	-	1,556	-	-	-	(901)	
Disposals	-	-	-	-	-	-	-	-	-	(81)	-	-	-	(81)	
Depreciation charge	-	-	(4,502)	(635)	(628)	(635)	(635)	(628)	-	(4,993)	-	-	-	(10,758)	
Closing net book amount	3,150	22,001	283,470	25,206	9,267	25,206	25,206	9,267	6,124	15,521	6,124	6,124	6,124	364,739	
At 31 December 2017															
-Cost	3,150	-	-	-	-	-	-	-	-	38,108	-	-	-	41,258	
-Valuation	-	22,001	315,497	30,218	11,023	30,218	30,218	11,023	6,124	-	-	-	-	384,863	
Accumulated depreciation	-	-	(32,027)	(5,012)	(1,756)	(5,012)	(5,012)	(1,756)	-	(22,587)	-	-	-	(61,382)	
Net book amount	3,150	22,001	283,470	25,206	9,267	25,206	25,206	9,267	6,124	15,521	6,124	6,124	6,124	364,739	

* Plant & equipment represents all operational assets, including motor vehicles and computer equipment.

Note 12 Property, plant & equipment (continued)

Parent - 31 December 2018

Basis of measurement Fair value category	Construction in progress		Freehold land		Freehold buildings		Infrastructure assets		Leasehold improvements		Plant & equipment*		Art Collection		Total
	Cost	Fair Value Level 2	Fair Value Level 2 & 3	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	Cost	Fair Value Level 3	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Net book amount	3,150	22,001	283,470	25,206	9,267	15,521	6,124	364,739							
Year ended 31 December 2018															
Opening net book amount	3,150	22,001	283,470	25,206	9,267	15,521	6,124	364,739							
Revaluation surplus	-	543	6,260	1,371	(21)	4,037	42	12,232							
Additions	17,692	-	1,115	1,036	658	5,210	192	25,903							
Transfers	(1,688)	-	(198)	1,249	167	290	-	(180)							
Disposals	-	-	(7)	(135)	-	(127)	(3)	(272)							
Depreciation charge	-	-	(4,765)	(999)	(1,057)	(5,011)	-	(11,832)							
Closing net book amount	19,154	22,544	285,875	27,728	9,014	19,920	6,355	390,590							
At 31 December 2018															
-Cost	19,154	-	-	754	11,798	40,827	37	72,569							
-Valuation	-	22,544	318,160	32,020	-	-	6,318	379,043							
Accumulated depreciation	-	-	(32,285)	(5,046)	(2,784)	(20,907)	-	(61,022)							
Net book amount	19,154	22,544	285,875	27,728	9,014	19,920	6,355	390,590							

* Plant & equipment represents all operational assets, including motor vehicles and computer equipment.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 12 Property, plant & equipment (continued)

(i) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy on the following basis:

- 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)

The consolidated entity's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. There were no transfers between levels in 2018.

Freehold Buildings are consisting of both Level 2 and 3. The split between the levels are as follows:

	Total	Level 2	Level 3
	\$'000	\$'000	\$'000
Freehold buildings			
2018	285,875	840	285,035
2017	283,470	8,540	274,930

(ii) Recognition thresholds

Each class of property, plant and equipment is carried at fair value or cost, less where applicable, any accumulated depreciation and impairment losses. Assets are valued at their fair value in accordance with the Queensland Treasury's 'Non-Current Asset Policies for the Queensland Public Sector' (NCAP).

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 consolidated entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land

The asset recognition threshold for land is \$1. Land is not depreciated.

Buildings and infrastructure assets

The asset recognition threshold for building and infrastructure assets is \$10,000.

Capital works in progress

Capital works in progress is shown at a value that recognises the extent of completion of work, as represented by progress payments to date. Contracts signed for building projects that have not been completed and / or commenced at 31 December 2018 have been disclosed as capital expenditure commitments (refer Note 19).

Library reference collection

The library reference collection is valued at fair value in accordance with NCAP 7 - Accounting for Library Collections Policy. The asset recognition threshold for library reference collection is \$5,000.

Leasehold improvements

Leasehold improvements are valued at cost. The asset recognition threshold for leasehold improvements is \$5,000.

Plant and equipment

All other plant and equipment assets are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Items of plant and equipment with a value of equal to or greater than \$5,000 are recorded at cost less depreciation and impairment losses. Additions with a value of less than \$5,000 are expensed in the year of purchase. Plant and equipment donated to the University is recorded at valuation in the year of donation.

Heritage and Cultural Assets

The University's Heritage and Cultural Assets are valued at fair value, with donations to the collection, being independently valued on receipt and then in accordance with the University's revaluation policy (minimum every five years). In respect of Heritage and Cultural Assets, the asset recognition threshold is \$1. Heritage and Cultural Assets are not depreciated.

Note 12 Property, plant & equipment (continued)**(iii) Depreciation**

Property, plant and equipment, other than land and the library heritage and art collection are depreciated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Depreciable assets:	2018	2017
Buildings	10 - 90	65 - 125
Infrastructure	5 - 55	20 - 100
Leasehold Improvements	Unexpired portion of the lease or useful lives of the improvements, whichever is the shorter.	10
Plant and Equipment:		
Computer Equipment	3 - 6	3
Science Equipment	5 - 20	10
Motor Vehicles	5 - 15	5
Plant & Equipment - Other	5 - 25	10

Depreciation is charged from the time the assets are first put in use or held ready for use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. 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.

The University has reassessed the remaining lives of its building and infrastructure assets to ensure the University is in compliance with the depreciation requirements of AASB 116 *Property, Plant and Equipment*, "complex assets" which are componentised and depreciated separately into short and long-life components.

(iv) Disposals

Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the income statement. When re-valued assets are sold, it is University policy to transfer the amounts included in asset revaluation surplus in respect of those assets, to retained earnings.

(v) Valuation processes and effective dates

Land, building, infrastructure, library reference collection and art collections are revalued every 5 years by external, independent and qualified valuers. Although the University is currently exempt under Treasurer advisement, this valuation method is in alignment with Queensland Treasury's Non-Current Asset Policies for the Queensland Public Sector (NCAP). In 2018 a desktop revaluation of Land, Buildings, Infrastructure and Heritage and Cultural Assets (all valued at fair value) was performed by APV Valuers and Asset Management. On 31 December 2014, a comprehensive revaluation was undertaken for the same asset classes and except for the Heritage and Cultural Assets which was last comprehensively revalued as at 31 December 2013 all remaining assets are due for formal revaluation again in 2019.

The process adopted through APV Valuers and Asset Management involves dissecting the asset lifecycle into a range of phases and using a scoring process to determine the level of remaining service potential (%RSP). Depending on the asset, and how it is consumed, a different pattern of consumption may be applied.

Accumulated depreciation at the date of revaluation is restated proportionately with the change in the gross carrying amount of the asset. The carrying amount of the asset after revaluation equals its revalued amount.

Revaluation increments are recognised in other comprehensive income and accumulated in equity under the heading asset revaluation surplus, except where the increment reverses a previously recognised decrement. In such cases the increments are recognised as revenue in the income statement. Revaluation decrements are recognised as an expense in the income statement except where the decrement reverses a revaluation increment held in the asset revaluation surplus.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

	Note	Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 13 Trade and other payables					
Current					
OS-HELP Liability to Australian Government	25e	502	492	502	492
Creditors		2,803	1,736	2,701	1,701
Accrued expenses		6,303	6,426	6,303	6,426
Total trade and other payables		9,608	8,654	9,506	8,619

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

		Consolidated		Parent entity	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 14 Borrowings					
Current					
Secured					
Loan - Queensland Treasury Corporation		1,616	1,970	1,616	1,970
Loan - Commonwealth		-	-	-	-
Total current secured borrowings		1,616	1,970	1,616	1,970
Non-Current					
Secured					
Loan - Queensland Treasury Corporation		3,494	5,097	3,494	5,097
Loan - Commonwealth		7,057	-	7,057	-
Total non-current secured borrowings		10,551	5,097	10,551	5,097
Total borrowings		12,167	7,067	12,167	7,067

(a) Assets pledged as security

Security for loan liabilities from the QTC is a guarantee of due performance and observance of the University's obligations under the facility by the Treasurer of Queensland in favour of QTC. No one specific asset has been pledged as security for current and non-current borrowings.

Security for loan liabilities from the Commonwealth is a guarantee of due performance and observance of the University's obligations under the facility by the Authorised Representative of The Commonwealth of Australia in favour of Department of Infrastructure Regional Development and Cities. No one specific asset has been pledged as security for current and non-current borrowings.

(b) Financing arrangements

The following loan/overdraft facilities have been taken out with Queensland Treasury Corporation and Federal Government and consist of the following:

- \$15 million QTC fixed loan facility. The loan is repayable in quarterly instalments of equal size such that the advance amount and interest (including capitalised interest) and fees calculated thereon are fully repaid by 15 September 2022.
- \$10 million QTC fixed loan facility. The loan is repayable in quarterly instalments of equal size such that the advance amount and interest (including capitalised interest) and fees calculated thereon are fully repaid by 15 June 2019.
- \$4 million QTC Overdraft/short term funding facility. No overdraft exists at reporting date as funds are currently being drawn from the QTC Capital Guarantee Fund.
- \$121 million Commonwealth Loan, consisting of a drawdown facility to be utilised, with an expected loan term of 12 years.

Note 14 Borrowings (continued)**(c) Fair value**

	2018		2017	
	Carrying amount \$'000	Fair Value \$'000	Carrying amount \$'000	Fair Value \$'000
Non-traded financial liabilities				
Queensland Treasury Corporation	5,110	5,412	7,067	7,556
Commonwealth	7,057	7,057	-	-
	12,167	12,469	7,067	7,556

(d) Risk exposures

The exposure of the consolidated and parent entity's borrowings to interest rate changes is considered minimal as all major borrowings are held with Commonwealth/State Government entities in variable and fixed rate arrangements. The carrying amounts of the consolidated entity's and parent entity'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 borrowings using the effective interest 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 consolidated entity 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.

Borrowing costs incurred for the construction of any qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed.

	Consolidated		Parent entity	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Note 15 Provisions				
Current provisions expected to be settled wholly within 12 months				
Employee benefits				
Annual leave	10,409	9,240	10,357	9,184
Long service leave	575	701	575	701
Subtotal	10,984	9,941	10,932	9,885
Current provisions expected to be settled wholly after more than 12 months				
Employee benefits				
Annual leave	2,224	2,120	2,224	2,120
Long service leave	11,895	10,035	11,895	10,035
Subtotal	14,119	12,155	14,119	12,155
Total current provisions	25,103	22,096	25,051	22,040
Non-Current				
Employee benefits				
Long service leave	5,222	4,472	5,186	4,447
Total non-current provisions	5,222	4,472	5,186	4,447
Total provisions	30,325	26,568	30,237	26,487

Provisions are recognised when: the consolidated entity 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.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 15 Provisions (continued)

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. 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 and salaries and non-monetary benefits are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before 12 months after the end of the reporting period, and is recognised in other payables. Liabilities for non-accumulating sick leave are recognised when the leave is taken and measured at the rates payable.

(ii) Other long-term obligations

The liability for other long-term employee benefits such as annual leave and long service leave is recognised in non-current provisions for employee benefits if it is not expected to be settled wholly before twelve months after the end of the reporting period.

The long service leave provision reflects the amount of long service leave accrued as at 31 December 2018. 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 the 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 twelve months after the reporting date, in which case it would be classified as a non-current liability.

(iii) Retirement benefit obligations

All employees of the University of the Sunshine Coast are entitled to benefits on retirement, disability or death from the consolidated entity superannuation plan. The consolidated entity has a defined benefit section and a defined contribution section within its plan. The defined benefit section provides defined lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from consolidated entity companies and the consolidated entity's legal or constructive obligation is limited to these contributions. The employees of the parent entity are all members of the defined contribution section of the consolidated entity's plan.

(iv) Superannuation

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

(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 consolidated entity 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 AASB137 *Provisions, Contingent Liabilities and Contingent Assets* that involves the payment of termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal of providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits not expected to be settled wholly before 12 months after the end of the reporting period are discounted to present value.

Financial Statements

Notes to the financial statements
For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 16 Other liabilities				
Current				
Income in advance	14,978	8,909	14,978	8,909
Australian Government Unspent Financial Assistance	-	(176)	-	(176)
Other liabilities	127	257	127	257
Total other liabilities	15,105	8,990	15,105	8,990

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 17 Reserves and retained earnings				
(a) Reserves				
Property, plant & equipment revaluation reserve	159,922	147,690	159,922	147,690
Other financial assets at fair value through OCI reserve	28,663	15,507	28,663	15,507
Total reserves	188,585	163,197	188,585	163,197

(b) Nature and purpose of reserves

The purpose of each reserve classified in Note 17(a) is to provide for the increment and decrement to disclosure as a result of valuation performed by an independent valuer, where applicable. Valuations may be performed in a desktop or detailed manner.

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
(c) Retained earnings				
Movements in retained earnings were as follows:				
Retained earnings at 1 January	268,865	250,393	268,705	250,268
Net operating result for the year	15,482	18,472	15,430	18,437
Retained earnings at 31 December	284,347	268,865	284,135	268,705

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 18 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 2018. Further information on these positions can be found in the body of the Annual Report.

(a) Names of responsible persons and executive officers	Appointment / Election / Resigned / Retired / Term completed
Chancellor	
Air Chief Marshal Sir Angus HOUSTON AK, AFC (Ret'd)	
Deputy Chancellor	
Mr Scott WILLIAMS, AM, QDAH Qld, BEc, GradDipCompSc GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD	
Vice-Chancellor and President	
Professor Greg HILL, CertTeach Kelvin Grove Teach.Coll., BA(Hons) Qld, PhD Qld.	
Chairperson of the Academic Board	
Professor Robert ELLIOT, BA(Hons) NSW, MA LaTrobe, DipEd Melb., PhD Qld.	Appointed 24 February 2018 to 3 June 2018
Professor Birgit LOHMANN, BSc (Hons) Adel., PhD Flin, FAIP, GAICD	Retired 23 February 2018
Professor Tim WESS, BSc Newc., PhD Edin. FRSA, PFHEA, FRSB, FRSN	Appointed 4 June 2018
Six members appointed by the Governor in Council*	
Ms Debra BENNET	Appointed 22 February 2018
Ms Sandra BIRKENSLEIGH, BCom UNSW, CA, CCP Fellow, GAICD	Appointed 22 February 2018
Mr David FOSTER, BAppSc S.Qld., MBA S.Cross, SF Fin, GAICD	Appointed 22 February 2018
Dr Suzanne INNES, BA (Hons), BEdSt Qld., GradCertTESOL UNE, MSchM EdD C.Qld.	Appointed 22 February 2018
Mr Scott WILLIAMS, AM, QDAH Qld, BEc, GradDipCompSc GradDipFinMangt, GradDipRurAcc UNE, Hon.DLitt UNE, FAICD	Appointed 22 February 2018
Ms Jacquelyn WRIGHT, BBus(Comp) NTU, Master of Computing Studies Deakin, GDipEd(Adult) S.Aust., GDipEd(Primary) NTU	Appointed 22 February 2018
Two members of the University's academic staff	
Professor Marion GRAY, OTDip, BOccTher Otago Polytechnic, MHSc, PhD PH Otago, Postdoc Fellow Washington DC USA, GCETT JCU	Elected 7 December 2018
Professor Tim PRENZLER, BA(Hons) Griff., GradDipT Griff., PhD Griff., MA Qld.,	Resigned 10 October 2018
Associate Professor Mark SAYERS, BAppSci CCAE, MAppSci UC, PhD RMIT	
One member of the University's full-time general staff	
Dr Ruth GREENAWAY, BA W.Syd, GradDipEd NSW, MLM C.Qld, PhD Qld.UT, SFHEA	
Two members of the student body	
Ms Kate KIRBY, BA Qld.GradDipLib&InfSt Qld.UT, MInfTech Qld.UT	Resigned 17 December 2018
Ms Kirsty WALKER, BEd Qld.UT	
Four additional members appointed by Council	
Ms Melinda BRYANT, LLB, BBus, GradCertCreativeInd, Qld.UT, GDLP Coll.Law	Appointed 7 December 2018
Mr David FOSTER, BAppSc S.Qld., MBA S.Cross, SF Fin, GAICD	Term concluded 21 February 2018
Ms Jenny MORAWSKA, BA Macq., DipEd UTS, GDip Sc ANU, MSc ANU, MBA Sunshine Coast	Appointed 9 December 2018
Ms Natasha READ, BCom Griff., MBA Sunshine Coast, FAIM, GAICD	Term concluded 8 December 2018
Mr Tim ROTHWELL, BA(Hons) Newc, FCA, MAICD	Appointed 2 August 2018

Note 18 Key management personnel disclosures (continued)

Emeritus Professor Gerard SUTTON, AO, BE(Hons), MEngSc UNSW, PhD CUA, Hon DSc UOW

Scott WILLIAMS, AM, QDAH *Qld*, BEc, GradDipCompSc GradDipFinMangt,
GradDipRurAcc UNE, Hon.DLitt UNE, FAICD

Term concluded 21 February 2018

Council officers

Further details of the University's Council Membership are located in the Governance Section of the Annual Report.

Executive officers

<i>Position</i>	<i>Current Incumbents</i>
Vice-Chancellor & President	Prof Greg Hill
Deputy Vice-Chancellor, Academic	Prof Tim Wess
Deputy Vice-Chancellor, Research & Innovation	Prof Roland De Marco
Pro Vice-Chancellor, Engagement	Prof Joanne Scott
Pro Vice-Chancellor, International & Quality	Prof Robert Elliot
Chief Operating Officer	Dr Scott Snyder
Pro Vice-Chancellor, Students	Prof Karen Nelson

Note all position titles and incumbents are as at balance date.

(b) Remuneration of Council Members, Executives and Key Management Personnel

Remuneration for the University's key executive management personnel is established in accordance with the approved delegations by Council to the Vice-Chancellor & President under the *University of the Sunshine Coast Act 1998* and the Senior Staff Remuneration Policy. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts. The contracts may provide for the provision of other benefits including motor vehicles.

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

- Short term employee benefits which include:
 - Base – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the statement of comprehensive income.
 - Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave accrued.
- Post-employment benefits include superannuation.
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless of the reason for termination.

Total fixed remuneration is calculated on a 'total cost' basis and includes the base and non-monetary benefits, long term employee benefits and post-employment benefits.

No Council Member is entitled to any Retirement Benefit arising from their role as a Council Member.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 18 Key management personnel disclosures (continued)

	Consolidated		Parent entity	
	2018	2017	2018	2017
	Number		Number	
Remuneration of Council Members				
\$30,000 to \$39,999	-	1	-	1
Remuneration of Executive Officers				
\$10,000 to \$19,999	-	1	-	1
\$80,000 to \$89,999	1	-	1	-
\$260,000 to \$269,999	1	-	1	-
\$270,000 to \$279,999	2	-	2	-
\$330,000 to \$339,999	-	2	-	2
\$340,000 to \$349,999	1	-	1	-
\$370,000 to \$379,999	-	1	-	1
\$380,000 to \$389,999	1	1	1	1
\$390,000 to \$399,999	1	-	1	-
\$440,000 to \$449,999	-	1	-	1
\$470,000 to \$479,999	1	-	1	-
\$460,000 to \$469,999	-	1	-	1
\$490,000 to \$499,999	-	1	-	1
\$540,000 to \$549,999	1	-	1	-
\$740,000 to \$749,999	-	1	-	1
\$780,000 to \$789,999	1	-	1	-

It is noted that three executive officers received remuneration in 2018 however also completed their terms in 2018 and therefore do not feature as executive officers as at the statement of financial position date.

(c) Key management personnel compensation

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Short-term employee benefits	3,290	3,090	3,290	3,090
Post-employment benefits	465	472	465	472
Other long-term benefits	75	70	75	70
Total key management personnel compensation	3,830	3,632	3,830	3,632

(d) Performance payments

The University did not have any key management personnel entitled to performance payments in 2018 (2017: Nil). No performance bonus has been agreed or paid in relation to subsequent years.

(e) Loans to key management personnel

No loans were made to any key management personnel during the period or in prior periods.

Financial Statements

Notes to the financial statements
For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 19 Commitments				
(a) Capital commitments				
Capital expenditure contracted for at the reporting date but not recognised as liabilities is as follows:				
Property, plant and equipment				
Within one year	88,774	4,710	88,774	4,710
Later than one year but not later than five years	10,386	-	10,386	-
Later than five years	-	-	-	-
Total Property, plant and equipment	99,160	4,710	99,160	4,710
Total capital commitments	99,160	4,710	99,160	4,710

(b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:

Operating Leases

Within one year	4,121	3,533	4,121	3,533
Later than one year but not later than five years	13,838	11,347	13,838	11,347
Later than five years	26,819	26,622	26,819	26,622
Total lease commitments	44,778	41,502	44,778	41,502

All the current leases held by the University are considered to be operating leases and are considered to be of standard terms with no unusual restrictions. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight-line basis, over the period of the lease. The University has not entered into and does not hold any finance leases.

In 2018 the University entered into an agreement with a third party in relation to energy maintenance and infrastructure. It is contracted that the University will facilitate payments to the third party over a 10 year period commencing mid-2019, the value of which will be based on infrastructure and maintenance schedules agreed throughout. The estimated commitment within one year is \$0.7 million, within one year but no later than 5 years \$7 million and later than five years \$17 million.

Note 20 Related parties

(a) Parent entities

The ultimate Australian parent entity within the consolidated entity is the University of the Sunshine Coast which at 31 December 2018 owns 100% (2017:100%) of the issued ordinary shares of the Innovation Centre Sunshine Coast Pty Ltd (ICSC), USC Capital and Commercial Pty Ltd (C&C) (established in 2015) and Thompson Institute Pty Ltd (established in 2017).

(b) Controlled entities

The primary purpose of ICSC is to provide regional leadership and support for new business designed to create wealth and generate employment on the Sunshine Coast.

Controlled entities comparative figures	2018 \$'000	2017 \$'000
Total assets	368	412
Total liabilities	211	288
Total revenue	958	1055
Operating result for the reporting period	33	17

The objective of C&C is to enter into and manage commercial arrangements. C&C did not trade in 2018 (no trade in 2017 except acquiring 40% shares in Sunshine Coast Lightning Pty Ltd (4 shares at \$1 each)).

The objective of Thompson Institute Pty Ltd is to advance the research health agenda. Thompson Institute Pty Ltd did not trade in 2018 (no trade in 2017). The University purchased 100% of shares for a total value of \$100 cash.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 20 Related parties (continued)

University maintains and manages all insurance policies as required by the controlled entities. The University has lease arrangements with ICSC in relation to the space occupied in the Incubator and Accelerator. The controlled entities are dependent on funding provided by the University. Funding support has been agreed to by the University for the 2018 financial year for those entities anticipated to trade.

(c) Key management personnel, Directors and specified executives

Directors of ICSC who were also key management personnel of the University during 2018 (or part thereof) are:

Mr David FOSTER Resigned 03 May 2018
Professor Roland DE MARCO Second (2 year) term confirmed on 26 September 2018

Directors of C&C who are also key management personnel of the University are:

Dr Scott SNYDER

Directors of Thompson Institute Pty Ltd who are also key management personnel of the University are:

Air Chief Marshal Sir Angus HOUSTON
Professor Greg HILL

Refer to note 18 for key management personnel of the consolidated entity.

(d) Transactions with related parties

The University purchases goods and services from external parties on behalf of ICSC for which it is subsequently reimbursed. No fee is charged in relation to this arrangement. The University also provides a grant for ICSC to expend in an approved manner. For the period until 31 December 2018 ICSC received \$250,000 (2017: \$250,000). The University has lease arrangements with the wholly owned subsidiary ICSC in relation to the space occupied in the Incubator and Accelerator.

The University provided C&C with a loan of \$4 in 2016 to acquire shares in Sunshine Coast Lightning Pty Ltd. There were no other transactions with C&C in 2018 and 2017.

The University paid \$100 in cash to acquire 100% of the shares in Thompson Institute Pty Ltd.

The Vice-Chancellor & President held the position of Director of the IDP Education Australia Limited Board.

During the financial year, the University employed close family members of a KMP in casual roles. The recruitment of those staff followed standard University policies for the selection of candidates, and remuneration of casuals, in the University.

In relation to related party transactions outside that of the University's controlled entities the following has occurred:

The following transactions occurred with related parties, excluding controlled entities:	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$	\$	\$	\$
Sale of goods and services				
Transactions are in relation to the provision of goods and services by the University for the general operations of the entity.	91,975	15,793	91,975	15,793
Purchase of goods and services				
Transactions are in relation to the provision of goods and services for IT operations of the university.	398,620	624,584	398,620	624,584
Transactions are in relation to the provision of goods and services for events staged by the university.	185,000	206,830	-	60,000

(e) Outstanding balances

As at 31 December 2018, the wholly owned subsidiary ICSC owed the University an amount of \$33,200 (2017: \$136,274) and C&C an amount of \$4 (2017: \$4) through normal intercompany arrangements.

No provision for doubtful debts has been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties.

No loans were made between the University and any related parties other than the \$4 loan with C&C.

Note 21 Joint operations

USC is a partner together with Sunshine Coast Hospital and Health Service (SCHHS), TAFE East Coast Queensland, and Griffith University in the operation of the Sunshine Coast Health Institute (SCHI). The SCHI operates as an unincorporated joint operation under a Joint Venture Agreement (JVA), based at the Sunshine Coast University Hospital.

The primary aims of the SCHI are to advance the education of trainee medical officers, nurses, midwives and other health care professionals, whilst providing outstanding patient care and extending research knowledge.

USC has a 23.7% (2017: 23.7%) interest in the SCHI. Griffith University became a partner on 1 October 2017 taking up a 23.7% interest in the SCHI. Each joint operator has rights and obligations to the assets, liabilities, revenue and expenses of the SCHI according to their interest in the joint operation. Under the JVA, the joint operators contribute to the running costs of the SCHI at set percentage allocations, which are a reflection of the relative space and resource utilisation of each joint operator under the Agreement.

All joint operators have equal decision-making rights, irrespective of the underlying interests.

The assets of SCHI include specialist equipment to facilitate medical research and teaching, in addition to the building fitout within the shared joint operation areas.

The financial impacts of the SCHI, as they relate to USC, are included within the main statements of USC. Summary information about the SCHI is as follows:

	SCHI	USC's Share	SCHI	USC's Share
	2018	2018	2017	2017
	\$'000	\$'000	\$'000	\$'000
Total income	2,879	684	2,534	497
Total expenses	4,010	952	3,640	758
Total comprehensive result	(1,131)	(268)	(1,106)	(261)
Current assets	1,508	331	1,190	224
Non-current assets	17,694	4,193	18,781	4,451
Total assets	19,202	4,524	19,971	4,675
Current liabilities	891	196	1,170	217
Total liabilities	891	196	1,170	217
Net assets	18,311	4,328	18,801	4,458

Note 22 Events occurring after the balance sheet date

In January 2019 the University entered into a contract with the Sunshine Coast Regional Council to pursue due diligence activities relevant to commercial land and buildings that may be opted into at the completion of the due diligence period in 2021.

There are no other events that have occurred after the balance sheet date that may significantly affect the operations of the University or the consolidated entity, the results of those operations or the state of affairs of the University in future financial years.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

	Consolidated		Parent entity	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
Note 23 Reconciliation of operating result after income tax to net cash flows from operating activities				
Operating result for the period	15,482	18,472	15,430	18,437
Depreciation and amortisation	13,503	12,293	13,491	12,282
Non-cash donations	(345)	(1,927)	(345)	(1,926)
Net (gain) / loss on sale of non-current assets	127	107	127	107
(Increase) / decrease in trade and other receivables	(3,114)	(2,244)	(2,920)	(2,409)
(Increase) / decrease in other assets	(1,906)	5,655	(1,926)	5,671
(Decrease) / increase in trade and other payables	954	(2,538)	887	(2,356)
(Decrease) / increase in other liabilities	6,115	430	6,115	430
(Decrease) / increase in provisions	3,757	3,096	3,750	3,066
Net cash provided by / (used in) operating activities	34,573	33,344	34,609	33,302

Note 24 Financial risk management

The consolidated entity's activities expose the consolidated entity to a variety of financial risks, including: market risk, credit risk, and liquidity risk.

The Council has overall responsibility for the establishment and oversight of the risk management framework. The Council has established the Audit and Risk Management Committee, which oversees how management monitors compliance with the consolidated entity's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the consolidated entity. The Audit and Risk Management Committee are assisted in its oversight role by Internal Audit.

Risk management policies are established to identify and analyse the risks faced by the consolidated entity, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions of the consolidated entity's activities.

(a) Market Risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the consolidated entity's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising return.

The consolidated entity does not hold any derivatives or other financial liabilities related to the management of market risk.

(i) Foreign exchange risk (currency risk)

The currency in which the consolidated entity's activities and associated transactions are conducted is primarily the Australian dollar (AUD). As such, the consolidated entity's exposure to currency risk on sales, purchases and borrowings is minimal.

(ii) Price risk

As the consolidated entity has not entered into any complex financial arrangements any exposure to price risk is immaterial.

(iii) Cash flow and fair value interest rate risk.

The consolidated entity's investment policy is to only invest with; major banking institutions, Queensland Treasury Corporation (QTC) and other Government associated entities, and to only borrow from QTC and other Government associated entities.

The consolidated entity's current portfolio of investments consists of floating and fixed rate investments in the form of cash holdings with three major banking institutions, deposits held with QTC in a Capital Guaranteed Cash Fund, and a limited number of shares. The Capital Guaranteed Cash Fund enables USC to invest surplus funds in the short-term money market. The fund is run on a similar basis to a cash management account, with customers' deposits pooled together to take advantage of the more attractive interest rates and economies of scale available for larger investments with floating rate exposure.

The consolidated entity's current portfolio of borrowings consists of fixed rate funding sourced through QTC and the Commonwealth Government. For interest rates applicable to each class of asset or liability refer to individual notes to the financial statements. For further details regarding interest rate risk refer to Note 24(c).

iv) Interest Rate Sensitivity Analysis

Interest rate sensitivity analysis evaluates the outcome on operating result or equity if interest rates would change by +/- 1 per cent from the year end rates applicable to the University's financial assets and liabilities. With all other variables held constant, the University would have a surplus and equity increase/ (decrease) of \$1m (2017: \$0.6million).

Note 24 Financial risk management (continued)

(b) Credit risk

Credit risk is the risk of financial loss to the consolidated entity if a customer fails to meet its contractual obligations and arises principally from the consolidated entity's receivables from customers and, for the parent entity, receivables due from subsidiaries.

The carrying amount of the consolidated entity's financial assets represents the maximum credit exposure.

Receivables

Credit risk is managed at group level subject to the consolidated entity's established policy, procedures and control relating to credit risk management. Credit quality of a customer is assessed based on individual credit limits. Outstanding receivables are regularly monitored.

An impairment 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 various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating). 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 if past due for more than one year and are not subject to enforcement activity.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in the notes above.

The consolidated entity 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.

Investments

The consolidated entity has limited the majority of its exposure to credit risk by only investing in liquid securities with QTC or other Industry initiatives. The consolidated entity holds a limited number of shares carried at fair value.

(c) Liquidity risk

Liquidity risk is the risk that the consolidated entity will not be able to meet its financial obligations as they fall due. The consolidated entity's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the consolidated entity's reputation.

The consolidated entity uses past trend analysis and commitments reporting to assist in monitoring cash flow requirements and optimising its cash return on investments. Typically, the consolidated entity ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 90 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

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

31 December 2018	Average interest rate	Variable interest rate	1 Year or less	1 year to 5 years	Over 5 years	Non interest bearing	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets							
Cash and cash equivalents	2.73	99,872	-	-	-	10	99,882
Receivables	-	-	-	-	-	8,348	8,348
Other financial assets	-	-	-	-	-	28,856	28,856
Total financial assets		99,872	-	-	-	37,214	137,086
Financial Liabilities							
Trade and other payables	-	-	-	-	-	9,608	9,608
Borrowings	4.15	-	1,616	10,551	-	-	12,167
Total financial liabilities		-	1,616	10,551	-	9,608	21,775

31 December 2017	Average interest rate	Variable interest rate	1 Year or less	1 year to 5 years	Over 5 years	Non interest bearing	Total
	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets							
Cash and cash equivalents	2.44	65,683	-	-	-	13	65,696
Receivables	-	-	-	-	-	5,234	5,234
Other financial assets	2.54	-	20,000	-	-	15,700	35,700
Total financial assets		65,683	20,000	-	-	20,947	106,630
Financial Liabilities							
Trade and other payables	-	-	-	-	-	8,654	8,654
Borrowings	6.04	-	1,970	5,097	-	-	7,067
Total financial liabilities		-	1,970	5,097	-	8,654	15,721

**Note 25 Acquitment of Australian Government financial assistances
25a Education – CGS and Other Education Grants**

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note	Commonwealth Grant Scheme #1						Parent entity (HEP) ONLY					
	2018		2017		2018		2017		2018		2017	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	101,462	99,870	2,240	1,969	80	30	75	99				
	(286)	916	-	74	-	-	-	-				
2(a)	101,176	100,786	2,240	2,043	80	30	75	99				
	-	-	-	-	126	200	-	-				
	101,176	100,786	2,240	2,043	206	230	75	99				
	101,176	100,786	2,240	2,043	145	104	75	99				
	-	-	-	-	61	126	-	-				

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

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for reporting period

	Improving the Quality of Maths & Science Teaching Programs		Indigenous Student Success Program #3		TOTAL	
	2018	2017	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	-	-	1,511	1,426	105,368	103,394
	-	-	-	-	(286)	990
2(a)	-	-	1,511	1,426	105,081	104,384
	-	15	217	-	343	215
	-	15	1,728	1,426	105,424	104,599
	-	15	1,728	1,209	105,364	104,256
	-	-	-	217	60	343

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

Net accrual adjustments

Revenue for the period

Surplus / (deficit) from previous year

Total revenue including accrued revenue

Less expenses including accrued expenses

Surplus / (deficit) for reporting period

#1 includes the basic CGS grant amount, CGS – Regional Loading, CGS – Enabling Loading, CGS – Allocated Places, Non Designated Courses and CGS – Special Advances from Future Years.

#2 Disability Performance Funding includes Additional Support for Students.

#3 Indigenous Student Success Program replaced the Indigenous Commonwealth Scholars Programs and the Indigenous Support Program as of 1 January 2018.

Note 25 Acquittal of Australian Government financial assistance (continued)
25b Higher Education Loan Programs (excluding OS-HELP)

	Note	HECS-HELP (Australian Government payments only)		Parent entity (HEP) ONLY				TOTAL	
		2018	2017	FEE-HELP		SA-HELP		2018	2017
		\$'000	\$'000	2018	2017	2018	2017	\$'000	\$'000
Cash Payable / (Receivable) at beginning of year		251	1,094	(140)	-	-	-	111	1,094
Financial assistance received in Cash during the reporting period		62,264	57,655	2,244	2,279	2,309	2,010	66,817	61,944
Cash available for period		62,515	58,749	2,104	2,279	2,309	2,010	66,928	63,038
Revenue earned	2(b)	62,515	58,498	2,104	2,419	2,309	2,010	66,928	62,927
Cash Payable / (Receivable) at end of year		-	251	-	(140)	-	-	-	111

Financial Statements

Notes to the financial statements

For the year ended 31 December 2018

Note 25 Acquittal of Australian Government financial assistance (continued) 25c Department of Education and Training Research #4

Parent entity (HEP) ONLY

Note	Research Training Program		Research Support Program		TOTAL	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	2,777	2,429	3,226	2,725	6,003	5,154
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	2(c) 2,777	2,429	3,226	2,725	6,003	5,154
Surplus / (deficit) from previous year	-	223	-	206	-	429
Total revenue including accrued revenue	2,777	2,652	3,226	2,931	6,003	5,583
Less expenses including accrued expenses	2,777	2,652	3,226	2,931	6,003	5,583
Surplus / (deficit) for reporting period	-	-	-	-	-	-

#4 The reported surpluses for the Research Training Program and the Research Support Program for 2018 are expected to be rolled over for future use by the University.

No surpluses for 2018 are expected to be returned to the Department of Education and Training.

Total Higher Education Provider Research Training Program expenditure #5

	Total domestic students \$'000	Total overseas students \$'000
Research Training Program Fees offsets	666	29
Research Training Program Stipends	1,828	232
Research Training Program Allowances	5	17
Total for all types of support #6	2,499	278

#5 Please refer to the Commonwealth Scholarship Guidelines for expenditure definitions for the Research Training Program

#6 The total for all types of support for domestic and overseas students is expected to match the Research Training Program expenses, including accrued expenses.

25d Australian Research Council Grants

Parent Entity (HEP) ONLY

Note	Discovery		Linkages		TOTAL	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	1,531	1,032	959	706	2,489	1,738
Net accrual adjustments	-	-	-	-	-	-
Revenue for the period	2(d) 1,531	1,032	959	706	2,489	1,738
Surplus / (deficit) from previous year	460	333	412	389	872	722
Total revenue including accrued revenue	1,991	1,365	1,371	1,095	3,361	2,460
Less expenses including accrued expenses	1,062	905	659	683	1,721	1,588
Surplus / (deficit) for reporting period	929	460	712	412	1,641	872

Note 25 Acquittal of Australian Government financial assistance (continued)

25e OS - HELP

Parent entity (HEP) ONLY

	Note	2018 \$'000	2017 \$'000
Cash received during the reporting period		1,049	1,041
Cash spent during the reporting period		1,039	758
Net cash received		10	283
Cash surplus / (deficit) from previous period		492	209
Cash surplus / (deficit) for reporting period	13	502	492

25f Student Services and Amenities Fee

	Note	2018 \$'000	2017 \$'000
Unspent / (overspent) revenue from previous period		1,414	1,410
SA-HELP Revenue Earned	2(b)	2,309	2,010
Student Services and Amenities Fees direct from Students	4	872	790
Total revenue expendable in period		4,595	4,210
Student Services expenses during period		(3,229)	(2,796)
Unspent / (overspent) Student Services Revenue		1,366	1,414

Financial Statements

Statement of Certification

For the year ended 31 December 2018

We have prepared the annual financial statements pursuant to the provisions of the *Financial Accountability Act 2009*, the *Financial and Performance Management Standard 2009* and other prescribed requirements and we certify that –

- (a) the financial statements agree with the accounts and records of the University of the Sunshine Coast and its controlled entities; and
- (b) in our opinion –
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects;
 - (ii) the financial statements have been drawn up to present a true and fair view of the transactions of the University of the Sunshine Coast and its controlled entities for the financial year ended 31 December 2018, and of the financial position as at 31 December 2018 in accordance with prescribed accounting standards and conform with the Guidelines for the Preparation of Annual Financial Statements issued by the Australian Government Department of Education;
 - (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 year was for the purpose(s) for which it was intended and the University of the Sunshine Coast has complied with applicable legislation, contracts, agreements and program guidelines in making expenditure;
 - (v) the University of the Sunshine Coast charged Student Services and Amenities Fees strictly in accordance with the *Higher Education Support Act 2003* and the Administration Guidelines made under the Act. Revenue from the fee was spent strictly in accordance with the Act and only on services and amenities specified in subsection 19-38(4) of the Act.

Air Chief Marshal Sir Angus Houston AK, AFC (Ret'd)
Chancellor
University of the Sunshine Coast

20 February 2019

Professor Greg Hill
Vice-Chancellor and President
University of the Sunshine Coast

20 February 2019

Dr Scott Snyder
Chief Operating Officer
University of the Sunshine Coast

20 February 2019

To the Council of the University of the Sunshine Coast

Report on the audit of the financial report

Opinion

I have audited the accompanying financial report of the University of the Sunshine Coast (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 2018, 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 2009* and Australian Accounting Standards.

The financial report comprises the statements of financial position as at 31 December 2018, the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, notes to the financial statements including summaries of significant accounting policies and other explanatory information, and the certificate given by the Chancellor, Vice-Chancellor and President and Chief Operating Officer.

Basis for opinion

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

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

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

Key audit matters

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

Financial Statements

Independent Auditor's Report

For the year ended 31 December 2018

Freehold buildings (\$285.875 million) valuation

Refer Note 12 in the financial report

Key audit matter	How my audit addressed the key audit matter
<p>Specialised buildings within the freehold buildings asset class, were material to the University of the Sunshine Coast at balance date and were measured at fair value using the current replacement cost method. The University performs a comprehensive revaluation of the specialised buildings every five years. An independent valuation specialist performed comprehensive revaluation of University buildings as at 31 December 2014 and desktop valuations applied in the intervening period.</p> <p>The current replacement cost method comprises:</p> <ul style="list-style-type: none"> • Gross replacement cost, less • Accumulated depreciation <p>The University derived the gross replacement cost of its buildings at balance date using unit prices that required significant judgements for:</p> <ul style="list-style-type: none"> • identifying the components of buildings with separately identifiable replacement costs • developing a unit rate for each of these components, including: <ul style="list-style-type: none"> - estimating the current cost for a modern substitute (including locality factors and on-costs), expressed as a rate per unit - identifying whether the existing building exhibits obsolescence or less utility compared to the modern substitute, and if so estimating the adjustment to the unit rate required to reflect this difference - Indexing unit rates for subsequent increases in input costs. <p>The measurement of accumulated depreciation involved significant judgements for forecasting the remaining useful lives of building components.</p> <p>The significant judgements required for gross replacement cost and useful lives are also significant for calculating annual depreciation expense.</p>	<p>My audit procedures included, but were not limited to:</p> <ul style="list-style-type: none"> • Assessing the adequacy of management's review of the valuation process • Assessing the competence, capabilities and objectivity of valuation specialists who have provided information on unit rates and cost movements • Assessing the reasonableness of unit rates by: <ul style="list-style-type: none"> - evaluating reasonableness of the indices used against other publicly available information about movements in value of replacement costs of similar assets - evaluating their relevance and appropriateness to changes in Building Price Index inputs and other publicly available information. • Assessing the ongoing reasonableness of the building assets useful lives by: <ul style="list-style-type: none"> - reviewing management's annual assessment of useful lives - comparing the University's useful life assumptions to other entities with similar asset bases - assessing the appropriateness of useful lives where assets were disposed of prior to the end of their useful life • Reviewing assets with an inconsistent relationship between condition and remaining useful life. • Performing tests to confirm depreciation is calculated in accordance with the University's accounting policies and industry standards.

Other information

Other information comprises the information included in the University of the Sunshine Coast annual report for the year ended 31 December 2018 but does not include the financial report and my auditor's report 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 and 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 information, I am required to report this 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 2009* and Australian Accounting Standards, and for such internal control as the Council determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial report

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

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

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the parent's and group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the group.

Financial Statements

Independent Auditor's Report

For the year ended 31 December 2018

- Conclude on the appropriateness of the parent's and group's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent's or group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the parent or group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the group. I remain solely responsible for my audit opinion.

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

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

Report on other legal and regulatory requirements

In accordance with s.40 of the *Auditor-General Act 2009*, for the year ended 31 December 2018:

- 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.



22 February 2019

Michelle Reardon
as delegate of the Auditor-General

Queensland Audit Office
Brisbane

Innovation Centre Sunshine Coast Pty Ltd ACN 094 885 177

Annual financial report

Directors' report 104

Financial statements

Statement of profit and loss 110

Balance sheet 111

Notes to the financial statements 112

Compilation report 114

Directors' declaration 115

Innovation Centre Sunshine Coast Pty Ltd

Directors' report

For the year ended 31 December 2018

INNOVATION CENTRE SUNSHINE COAST DIRECTORS' REPORT

As we close in on sixteen years of operations, it's rewarding to see how the ICSC has evolved from a small innovation hub into one of the most successful regional business accelerators in Australia.

None of this would have been possible without USC's leadership in 2000 and our community who have powered us from the very start. It is this strong backing and support that provides us with the added confidence to be audacious in our tactics, bold in our vision and courageous in new program development and stakeholder services.

Entrepreneurial activity and regional development are positively correlated, providing employment and wealth-creation opportunities, as well as enhancing the quality of the infrastructure and social environment. Over the past sixteen years the ICSC and its 240 members have contributed over \$60M in regional economic impact (AEC Report 2015), created over 970 jobs and 280 student placements.

This report provides an update on the Innovation Centre's important work, and the impacts that we've had over the past twelve months. We look forward to continuing to work with you to maximise our impact and ensure we keep supporting our stakeholders to achieve commercial success.

DIRECTORS:

The names of the Directors of the ICSC in office during the reporting year are as follows:

Director	Term	Experience
Dr Peter Isdale AM, PhD (JCU), BA (Hons) (JCU), MAICD. ICSC Chairman from 1 January 2017.	From: 01/09/2016	Former scientist, corporate CEO, Chair or Deputy of eight organisations & professional company director.
Ms Julie-Anne Mee, BBus (CQU); MAdmin, (GU); FCPA, MAICD, Company Secretary (ICSC)	From: 07/12/2010	Qualified accountant, management / company director roles & former USC Council member.
Dr Kirsten Baulch, MBBS FRACGP (UQ); GCBA (QUT)	From: 19/06/2012	Qualified general practitioner, Founder & Medical Director of Medimobile P/L
Professor Roland De Marco, PhD (La Trobe), MSc / BSc (RMIT), MRACI	From: 24/02/2016	Deputy Vice-Chancellor (Research and Innovation, USC) and various board and advisory roles.
Mr David Foster, B.AppSci, MBA, SFFin, FAIM, GAICD.	From: 24/02/2016 – 23/04/2018	Chairman, Sunshine Coast Economic Futures Board, Member USC Council, USC Planning & Resources Committee
Mr Mark Ferris, BA, LL.B	From: 21 February 2017	Commercial lawyer, startup founder, business development, strategy, angel investor & business mentor.

ICSC BOARD MEETINGS, DIRECTORS & CEO ATTENDANCE:

Five (5) meetings of the ICSC Board were held in 2018 with meetings attendance summary:

Attendee	Eligible to attend	Attended	Location
Dr Peter Isdale	5	5	ICSC office
Professor Roland De Marco	5	5	ICSC office
Ms Julie-Anne Mee	5	3	ICSC office
Dr Kirsten Baulch	5	5	ICSC office
David Foster	1	0	ICSC office
Mr Mark Ferris	5	3	ICSC office
Mr Mark Paddenburg	5	5	ICSC office

Directors' interests in shares and options of the Company as at 31 December 2018 were nil (2017 nil).

PRINCIPAL ACTIVITIES:

The University of the Sunshine Coast (USC) established the ICSC on 26 October 2000, under the *University of the Sunshine Coast Act 1998 Part 2(6)* with an independent Board. With financial backing from the State and Commonwealth Government, the ICSC became operational in 2002 with a mission to support the startup and growth of knowledge-based businesses and to promote beneficial interaction between these businesses and USC. The ICSC operates a 1,700-square metre business incubator and accelerator facility on the USC campus at Sippy Downs on the Sunshine Coast. It provides business development programs, high quality mentoring, investment readiness, pathways and connections to early stage capital, extensive networking opportunities, high-speed fibre/wireless connections, flexible office space, video studio, prototyping / design lab, and collaborative links to USC research, staff and students.

REVIEW AND RESULTS OF OPERATIONS:

For the year ended 31 December 2018, the ICSC had total income of \$957,595 (\$1,055,274 in 2017), a net operating profit of \$32,996 (\$16,720 in 2017) and has a year-end total equity of \$156,838.

In 2018 the ICSC attracted 31 new member companies (30 in 2017) and two members have signed mutually beneficial research agreements with USC (Terragen Biotech and Servatus).

Over the past calendar year, the ICSC has focused on four strategic priorities:

1. Provide catalytic capacity building programs, support and connections local innovators
2. Deliver high calibre facilities, services and programs to startup members and stakeholders
3. Facilitate and support USC R&D translation pathways to business
4. Enhance IC/USC regional profile, partnerships and outreach.

To achieve these outcomes in 2018, the ICSC delivered more than 290 hours of mentoring, introduced a new accelerator program, helped establish #SCRIPT (Sunshine Coast Regional Innovation Program Team) to deepen collaborations with key partners, helped establish the SunCoast Angels Network (incorporated in April 2018), welcomed 31 new members, hundreds of business owners, community leaders and students into the IC through 40+ events to ensure we play our part in fueling innovation in the region. New ICSC accelerator programs and partners include:

	<p>The new Australian Health Accelerator business program (AH-x) commenced in October 2018, funded by #SCRIPT (\$28,000) and the Commonwealth Incubator Support initiative (\$60,000) and significant in-kind support from the Sunshine Coast Health Institute. AH-x enables 10 startup founders in the health, well-being and med-tech sector to rapidly develop and scale their ventures.</p>
	<p>2018 saw the second cohort graduate from the GrowCoastal Food Accelerator program. Funded by the IC, Advance Queensland (\$133,000) with some in-kind support provided by the Food and Agribusiness Network, the program enabled an additional 12 founders to commercialise new products and scale their enterprises.</p>

Innovation Centre Sunshine Coast Pty Ltd

Directors' report

For the year ended 31 December 2018

The ICSC also sponsored a successful trial of the USC Research & Innovation Challenge event – a collaborative event in December 2018 which brought together 12 companies which pitched to more than 40 USC researchers. The purpose of this event was to facilitate new research and development collaborations. Attendees delivered five-minute pitches followed by a networking opportunity to facilitate connections / meet with the researchers to discuss and scope potential collaborative projects. Six projects are being actively scoped for ongoing USC research collaborations.

The year has not been without its challenges, but these were largely overcome by:

- stronger collaboration with #SCRIPT, USC and relevant business / government entities,
- leveraging off ICSC partners and our extensive panel of mentors, experts and sponsors, and
- the ICSC focusing on high value programs targeting mature startup and high growth companies.

ICSC PROGRAM & MEMBER HIGHLIGHTS:

Some of the Visiting Entrepreneurs & VIPs to the ICSC included:

- Leanne Kemp, Queensland's third Chief Entrepreneur, visited the Innovation Centre during a day-long tour of innovation hubs across the Sunshine Coast. After a quick Q&A presentation, Leanne provided solid feedback and guidance during a members-only pitch session.
- Dr Glen Richards, Founder Glencross, PetBarn and VC / Shark Tank investor provided IC companies with deep insights following a five-minute pitch presentation. IC companies pitching included: ForgetSpecs, Medifarm, Terragen Biotech, Backslap, WandsPro, Bonafede Broth Co and Bundle of Rays.
- Ian Mason, Head of Strategic Development for Virgin Startup provided robust advice and mentorship to six IC members which pitched to an expert entrepreneurial panel. Founders pitching included KOKOPOD, Medifarm, NetHealth, IOTIQ, WandsPro and ActivLinx.
- Queensland's third Chief Entrepreneur, Steve Baxter also spent time with a number of ICSC members and students prior to presenting The 2018 Geoff Shadforth Memorial Lecture - a man well-known to the audiences of Channel 10's Shark Tank for his incisive questioning of budding entrepreneurs and innovators (and targeted support).
- Hon Karen Andrews, MP, the Federal Minister for Industry, Science and Technology visited the Innovation Centre as well as the AH-x participants at the SCHI.
- US based entrepreneur Heather MacKenzie showed members and guests the power of storyteller and her passion for championing entrepreneurship across the globe.

Advance Queensland Hot DesQ applicants based at the ICSC:

As part of The Queensland Government's second round of Hot DesQ, an initiative to attract high-calibre startup founders and their team to Queensland for at least six months. Competition was fierce, attracting applications from all over the world. Hot DesQ 2018 accepted 28 applications with two international startups choosing to relocate to the Sunshine Coast and operate from the ICSC and contribute to growing the state's entrepreneurial ecosystem. They included:

Medicsen: this Spanish company develops a learning algorithm connected to wearable devices and smartphones in order to predict disease evolution and future values of interest, give recommendations and automatically supply medication through a non-invasive smart-patch also developed by the company with initial focus on diabetes.

Turbulent: This Chilean company has redesigned Small Hydropower with a simple, bio-inspired turbine that allows anyone with a river or the rights to flowing water to become a renewable energy producer.

Our Mentors

The ICSC prides itself on providing members with access to some of the best mentor experiences available in the country. With varying backgrounds, mentors share their insights and passion with members who are developing and scaling their ventures. Over \$72,000 in pro bono mentor services were provided in 2018. The IC Mentor of the Year Award based on member feedback and impact went to Robyn Pulman (also a 2018 Sunshine Coast Business Womens' Awards finalist). 2018 new mentors included Bob McGannon, Claire Smith, Sandra Arico and Michi Tyson.

Our Experts in Residence

The AusIndustry Experts in Residence (EiR) funding of \$60,800 has enabled the IC to deliver over 170 hours of expert advice to ICSC members throughout 2018. In addition to one-on-one founder sessions, group workshops and events have been also been delivered. Through this program the ICSC has observed a renewed confidence from founders of leading innovative companies bringing strong products and service offerings to market. Most of the participants are in (or in the process of entering) global markets.

Just some of our ICSC Members in the news

- **Your Mates Brewing Co** - Season four of Shark Tank Australia featured IC member - Your Mates Brewing Co – while they didn't secure investment from the sharks, they did secure significant marketing exposure which assisted them to raise \$1million in private equity from the Sunshine Coast region.
- **Hive Haven** - Parliament House in Canberra has gained a new agile community of native bees, following approval for Sunshine Coast business, Hive Haven's founder Anne Ross to install one of their innovative hives in the nation's capital.
- **Medical Cannabis Symposium** - Over a hundred doctors and health workers from around Australia visited the ICSC for the first ever medical cannabis symposium. The information session, hosted by IC member Medifarm, focused on educating the medical profession about the benefits of treatment with medical cannabis, which began production here on the Sunshine Coast at the end of the year.
- **Bakslap's Kickstarter success** - Raphael McGowan and the Bakslap team successfully raised \$48,380 in 30 days. A massive media blitz combined with a remarkable story propelled the campaign to success.
- **Australian Cider Awards** - Sunshine Coast Cider (2018 Grow Coastal member) took home the silver at the Australian Cider Awards 2018 for their Sunshine Cider and two bronze medals for their bottle fermented cider and their sparkling brut + cider.
- **Sunshine Coast Business Awards** - ICSC members Good Harvest Organic Farm was the winner for the Agribusiness – Small Business category, with three other GrowCoastal members also being recognised as finalists, KOKOPOD, Montville Coffee, and QCamel.
- **Australian Video Producer Awards** - IC Member Innovate Media won Silver at the Australian Video Producer's Awards in Melbourne before a panel of three judges. The winning project, a Brand Story Film for Distance Assistance (also an IC member), tells the story of founder Renee Coman's family and why she started the program — to help other FIFO community members.

The ICSC also featured a series of USC students / founders achieving commendable outcomes and amazing connections Their stories can be seen at <https://innovationcentre.com.au/news-2/> Other ICSC activities, services, members and partners are fully detailed at www.innovationcentre.com.au

Innovation Centre Sunshine Coast Pty Ltd

Directors' report

For the year ended 31 December 2018

ICSC FUTURE DIRECTION:

The Sunshine Coast region has a strong reputation as an entrepreneurial hotspot. However, we collectively need to ensure our programs and pathways are more globally connected, world standard and laser-focused on the success of the entrepreneurial founders and innovative students. The ICSC will collaborate more closely with #SCRIPT (the Sunshine Coast Regional Innovation Program Team) and our partners to ensure our region continues to build momentum and impact (key partners and sponsors are acknowledged on the Annual Report front cover).

While the Australian innovation landscape continues to change, the USC and ICSC will continue to play an active part in assisting innovators and entrepreneurs to scale and thrive. ICSC members and its entrepreneurial network provide valuable USC student job placements, internships, networking, events and research related connections. ICSC members have a demonstrated track record of delivering new innovations and commercialised products to the global market. The benefits of innovation often go well beyond economic benefits, impacting on the quality of our day-to-day lives.

The ICSC programs and operations are funded from membership fees, commercial sponsorships, partnerships, a USC grant and specific government program contributions. The ICSC continues to work at diversifying its revenue base via increased funding from the corporate sector, private sponsors and philanthropists. The ICSC will also collaborate more closely with #SCRIPT (the Sunshine Coast Regional Innovation Program Team) through a planned mutually beneficial managed services agreement.

In 2019, the ICSC will continue to do what we do best - provide catalytic programs, support and connections for innovative ventures. Additionally, we will have a far stronger focus on mature startups and scaleups, particularly those that actively connect with USC (via research projects, student placements and adding capability to USC flagship areas of opportunity).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS:

There were no significant changes in the state of affairs of the ICSC during the 2018 year.

LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS:

The ICSC has ongoing Commonwealth and State government funding agreements in place to facilitate enhanced programs and extra mentoring capacity. The Board and CEO continue to actively review and target corporate funding opportunities as part of the ICSC Business Plan.

ENVIRONMENTAL REGULATIONS:

ICSC operations are undertaken in accordance with relevant environmental regulations of the Commonwealth, State and Local Governments.

DIRECTORS REMUNERATION:

In 2018 no director of the ICSC has received or become entitled to receive a benefit by reason of a contract made by the ICSC or a related corporation (excluding those directors with employment contracts with USC) with a director or firm of which a director is associated.

KEY MANAGEMENT PERSONNEL:

Total remuneration package of CEO, Mr Mark Paddenburg is in the range of \$210,000 - \$230,000.

INDEMNIFICATION OF OFFICERS:

During the year, USC paid a premium to insure officers (including Directors) of the ICSC. The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the ICSC, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a willful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the ICSC. The ICSC has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer of the ICSC against a liability incurred as such by an officer or auditor.

Innovation Centre Sunshine Coast Pty Ltd

Directors' report

For the year ended 31 December 2018


LEGAL PROCEEDINGS:

There are no current legal proceedings involving the ICSC and the ICSC was not party to any such proceedings during the year.

ROUNDING OF AMOUNTS:

Amounts in the Financial Statements and Directors' Report have been rounded to the nearest dollar unless stated to be otherwise.

Signatures:

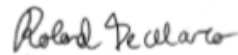


Dr Peter Isdale AM

Chairman of Directors

Dated: 29th January 2019

at the ICSC, Sippy Downs, QLD, Australia.



Professor Roland De Marco

ICSC Director

Dated: 29th January 2019



Innovation Centre Sunshine Coast Pty Ltd

Statement of profit and loss

For the year ended 31 December 2018

	2018	2017
Income		
Income		
Memberships and service charges	459,789	512,426
Sponsorship and other revenue	61,178	121,348
State government financial assistance	186,620	171,500
University of the Sunshine Coast Grant	250,008	250,000
Total Income	957,595	1,055,274
Total Income	957,595	1,055,274
Expenses		
Depreciation	12,252	10,879
Employee related expenses	402,570	404,213
ICT Internet - Telecoms - Data	92,200	127,905
Occupancy & Utilities	68,278	59,194
Other operational expenses	44,235	58,238
Professional fees	83,276	141,485
Programs, marketing and events	162,537	187,925
Rental, Hire and other Leasing Fees	59,251	48,629
Total Expenses	924,598	1,038,469
Profit/(Loss) before Taxation	32,996	16,806
Net Profit After Tax	32,996	16,806
Net Profit After Dividends Paid	32,996	16,806

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Innovation Centre Sunshine Coast Pty Ltd

Balance sheet

For the year ended 31 December 2018

	NOTES	31 DEC 2018	31 DEC 2017
Assets			
Current Assets			
Receivables	2	47,295	22,439
ICSC - Cash Reserve		200,833	259,804
ICSC - Debit Mastercard		11,813	2,685
Innovation Centre		67,656	63,747
Petty Cash Float		453	385
Prepayment		-	20,008
Total Current Assets		328,052	369,067
Non-Current Assets			
Property, Plant and Equipment	3	40,054	43,156
Total Non-Current Assets		40,054	43,156
Total Assets		368,105	412,223
Liabilities			
Current Liabilities			
Payables	4	43,705	112,627
GST	4	9,961	3,038
Customer Bonds Held		59,341	56,072
Provision for Annual Leave		52,392	56,384
Provision for L/S Leave		35,888	25,444
Sundry Creditors		9,980	34,817
Total Current Liabilities		211,267	288,381
Total Liabilities		211,267	288,381
Net Assets		156,838	123,842
Equity			
Retained Earnings		123,842	107,036
Current Year Earnings		32,996	16,806
Total Equity		156,838	123,842

The accompanying notes form part of these financial statements. These statements should be read in conjunction with the attached compilation report.

Innovation Centre Sunshine Coast Pty Ltd

Notes to the financial statements

For the year ended 31 December 2018

1. Statement of Significant Accounting Policies

The directors have determined that the company is not a reporting entity and accordingly, this financial report is a special purpose report prepared for the sole purpose of distributing a financial report to members and must not be used for any other purpose. The directors have determined that the accounting policies adopted are appropriate to meet the needs of the members.

The financial report has been prepared in accordance with the significant accounting policies disclosed below, which the directors have determined are appropriate to meet the needs of members. Such accounting policies are consistent with the previous period unless stated otherwise.

The financial statements have been prepared on an accrual basis and are based on historical costs unless otherwise stated in the notes. The accounting policies that have been adopted in the preparation of this report are as follows:

Income Tax

The income tax expense (income) for the year comprises current income tax expense (income). The company does not recognise deferred tax assets or liabilities.

Current income tax expense charged to profit or loss is the tax payable on taxable income and is measured at the amounts expected to be paid to (or recovered from) the relevant taxation authority.

Property, Plant and Equipment

Property, plant and equipment are carried at the cost of acquisition. All assets, excluding freehold land and buildings are depreciated over their useful lives as per the ATO guidelines current at the time the asset was purchased and held ready for use.

Goods and Services Tax

Transactions are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included on the balance sheet.

These notes should be read in conjunction with the attached compilation report.

	2018	2017
2. Receivables		
Current		
Trade Debtors	47,295	22,439
Total Current	47,295	22,439
Total Receivables	47,295	22,439

	2018	2017
3. Property Plant and Equipment		
Other Fixed Assets		
Furniture & Fixtures Acc Depreciation	(15,206)	(12,908)
Furniture & Fixtures at Cost	26,579	17,429
Leasehold Improvements Acc Depreciation	(41,443)	(36,749)
Leasehold Improvements at Cost	46,932	46,932
Plant & Equipment Computing Acc Depreciation	(9,327)	(8,282)
Plant & Equipment Computing at Cost	10,450	10,450
Plant & Equipment Other Acc Depreciation	(20,084)	(15,869)
Plant & Equipment Other at Cost	42,153	42,153
Total Other Fixed Assets	40,054	43,156
Total Property Plant and Equipment	40,054	43,156

	2018	2017
4. Payables		
Current		
GST	9,961	3,038
PAYG Withholdings Payable	4,777	7,408
Trade Creditors	38,928	105,219
Total Current	53,666	115,665
Total Payables	53,666	115,665

These notes should be read in conjunction with the attached compilation report.

Innovation Centre Sunshine Coast Pty Ltd

Compilation report

For the year ended 31 December 2018

We have compiled the accompanying special purpose financial statements of Innovation Centre Sunshine Coast Pty Ltd, which comprise the balance sheet as at 31 December 2018, the income statement, a summary of significant accounting policies and other explanatory notes. The specific purpose for which the special purpose financial statements have been prepared is set out in Note 1.

The Responsibility of the Directors

The directors of Innovation Centre Sunshine Coast Pty Ltd are solely responsible for the information contained in the special purpose financial statements, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that financial statements were prepared.

Our Responsibility

On the basis of information provided by the directors we have compiled the accompanying special purpose financial statements in accordance with the basis of accounting as described in Note 1 to the financial statements and APES 315 *Compilation of Financial Information*.

We have applied our expertise in accounting and financial reporting to compile these financial statements in accordance with the basis of accounting described in Note 1 to the financial statements. We have complied with the relevant ethical requirements of APES 110 *Code of Ethics for Professional Accountants*.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by management to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on these financial statements.

The special purpose financial statements were compiled exclusively for the benefit of the directors who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose financial statements.



Poole & Partners Pty Ltd

Certified Practising Accountant
Level 1, 8 Innovation Parkway,
BIRTINYA, QLD, 4575

29th January 2019

The directors have determined that the company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The directors of the company declare that:

1. The financial statements and notes, present fairly the company's financial position as at 31 December 2018 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements; and
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Chairman of directors: Dr Peter Isdale AM _____

29th January 2019

Glossary

ACEEU Accreditation for Entrepreneurial and Engaged Universities	Science
ACIAR Australian Centre for International Agricultural Research	EA Enterprise agreement
AGS Australian Graduate Survey	ECM Enterprise Content Management
AHEIA Australian Higher Education Industrial Association	EFTSL Equivalent full-time student load
AICD Australian Institute of Company Directors	ELAMP Emerging Leaders and Managers Program
AIME Australian Indigenous Mentoring Experience	ESD Environmentally sustainable design
AMS Asset Management Services	ESS Employer Satisfaction Survey
ANU Australian National University	FAICD Fellow of the Australian Institute of Company Directors
ARC Australian Research Council	FTE Full-time equivalent (staff)
ARMC Audit and Risk Management Committee	FWCI Field-weighted citation impact
ATMC Australian Technical and Management College	FWPA Forest and Wood Products Australia
CAG Curriculum Advisory Group	FY First year
CGS Commonwealth Grant Scheme	FYERG First Year Experience Reference Group
CIM Curriculum Information Management	GOS Graduate Outcomes Survey
CRC Cooperative Research Centre	GPA Grade point average
CRICOS Commonwealth Register of Institutions and Courses for Overseas Students	HDR Higher degree by research
CSP Commonwealth Supported	HEA Higher Education Academy
CTC Clinical Trials Centre	HHM Health Hub Morayfield
DAP Disability Action Plan	HIA Horticulture Australia Limited
DET Australian Government Department of Education and Training	HERDC Higher Education Research Data Collection
DIIS Department of Industry, Innovation and	HESF Higher Education Standards Framework
	IAR Inherent Academic Requirements
	ICSC Innovation Centre Sunshine Coast

IDEAS Indigenous Direct Entry and Access Scheme	QAO Queensland Audit Office	Tertiary Enabling Pathway
INFLAME Inflammation and Healing Research Cluster	QILT Quality Indicators of Learning and Teaching	TEQSA Tertiary Education Quality and Standards Agency
IP Intellectual Property	QIMR Queensland Institute of Medical Research	TESOL Teaching English to Speakers of Other Languages
ISSN International Standard Serial Number	QTAC Queensland Tertiary Admissions Centre	THE Times Higher Education
JCU James Cook University	QUT Queensland University of Technology	TPP Tertiary Preparation Pathway
KPI Key Performance Indicator	RAP Reconciliation Action Plan	UG Undergraduate
LGBTI Lesbian, Gay, Bisexual, Transgender, and Intersex	RTI Right to Information	UNSW University of New South Wales
MAIC Motor Accident Insurance Commission	RUN Regional Universities Network	UQ University of Queensland
MBA Master of Business Administration	SA Statistical Area	USC University of the Sunshine Coast
MBUP Moreton Bay University Precinct Program	SAGE Science in Australia Gender Equity	USQ University of Southern Queensland
MOU Memorandum of Understanding	SCHHS Sunshine Coast Hospital and Health Service	VCP Vice-Chancellor and President
NURTURE Nursing and Midwifery Cluster for Research Excellence	SCHI Sunshine Coast Health Institute	WIL Work-integrated learning
NAIDOC National Aborigines and Islanders Day Observance Committee	SCMNI–TI Sunshine Coast Mind and Neuroscience–Thompson Institute	WP Widening Participation
NATSIHEC National Aboriginal and Torres Strait Islander Higher Education Consortium	SCUH Sunshine Coast University Hospital	YTD Year to date
NCSEHE National Centre for Student Equity in Higher Education	SELT Student Engagement Leadership Team	
NHMRC National Health and Medical Research Council	SES Socio-economic status	
OVCP Office of the Vice-Chancellor and President	SRC Sustainability Research Centre	
PG Postgraduate	SSE Student Services and Engagement	
PPR Performance, Planning and Review (staff)	STEM Science, technology, engineering and mathematics	
PRC Planning and Resources Committee	STEMM Science, technology, engineering, mathematics and medicine	
PVC Pro Vice-Chancellor	TEFMA Tertiary Education Facilities Management Association	
	TEP	

Index

Academic Board	41
Acknowledgement of Country	IFC
Basis of Authority	6
Committees	41-45
Academic Board	41
Audit and Risk Management	43
Honorary Awards	45
Planning and Resources	44
Controlled entities	47
External scrutiny	47
Financial performance	52-102
Index to USC financial statements	52
Functions and powers	6
Governance	34-45
Information systems	50
Internal audit	47
Key five-year figures	2-3
Key performance indicators	8-33
Student enrolments and success	8-14
Research productivity and impact	15-17
Campuses and study nodes	18-20
Institutional effectiveness	21-23
Leadership in sustainability	24-26
Community engagement	27-30
Legislative compliance	21, 46-51
Copyright	IFC
Ethical standards	48
Information privacy	50
Right to information	50
Workforce diversity	49
Organisational structure	38-40
Operating environment	1, 5, 6, 7, 8-33
Outputs and performance measures (also see Key performance indicators)	31-33
Policy	36-37
Quality	46-47
Records management	50
Research	15-17
Staff appointments (senior)	21, 48
Statutory obligations	46-51
Strategic framework	7
Student grievances	48
Sustainability	24-26
University Council	34-37
University leadership	38-40
Vision statement	1
Workforce planning, attraction and retention	48
Workplace health and safety	48



Campus locations

USC SUNSHINE COAST

90 Sippy Downs Drive
SIPPY DOWNS QLD 4556

USC FRASER COAST

161 Old Maryborough Road
HERVEY BAY QLD 4655

USC GYMPIE

71 Cartwright Road
GYMPIE QLD 4570

USC CABOOLTURE

80 Tallon Street
CABOOLTURE QLD 4510

USC SOUTHBANK

52 Merivale Street
SOUTH BRISBANE QLD 4101

The University of the Sunshine Coast

The University of the Sunshine Coast (USC) was founded as the Sunshine Coast University College in 1994. The first students commenced in 1996, and in 1998 the new institution was granted full university status, and became the University of the Sunshine Coast on 1 January 1999.

USC is one of Australia's fastest growing regional universities, and is one of the world's top 150 young universities.

USC serves a growing catchment that stretches from Brisbane to Hervey Bay. Its teaching sites include campuses on the Sunshine Coast, Fraser Coast, Gympie, Caboolture and Brisbane's South Bank precinct, specialist international sites in the Sydney and Melbourne CBDs, and a study hub at Noosa. Students consistently rate USC as one of the best universities in Australia for teaching quality and overall student experience.

Across 2018, there were 17,810 students enrolled (including 4,097 international students) in more than 120 academic programs. At Census 1, 2018, 12 percent of students were undertaking postgraduate coursework.

In 2018, the University conferred 2,825 degrees, with almost 24,500 conferred since 1999.

USC's international reputation for research is growing every year, with 2018 marking the first year the University appeared in the Academic Ranking of World Universities (ARWU). Leading research areas include environmental science and management, nursing and health sciences, biological sciences, ecology, agricultural and veterinary sciences, fisheries science and clinical sciences.

USC is committed to unlocking the innovation, productivity and full human potential of our regions, and to working with government, industry and community to encourage prosperity in a knowledge-driven world.



MAROOCHYDORE DC QLD 4558
AUSTRALIA
Tel: 07 5430 1234
Fax: 07 5430 1111
Web: usc.edu.au

University of the Sunshine Coast
CRICOS Provider Number: 01595D