

Annual Report 2016



Report of the Council of the University of the Sunshine Coast

For the period 1 January 2016 to 31 December 2016

March 2017

The Honourable Kate Jones MP
Minister for Education and Minister for Tourism,
Major Events and the Commonwealth Games
PO Box 15033
CITY EAST QLD 4002

I am pleased to present the Annual Report 2016 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



John M Dobson OAM
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 2016 Annual Report provides a record of the University's performance in 2016, its plans for the future, and audited financial statements. All achievements for 2016 are documented against the goals and corresponding key performance indicators of the University's Strategic Plan (2016–2020).

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 the Office of Marketing and External Engagement, University of the Sunshine Coast, by telephoning +61 7 5459 4558 or by emailing marketing@usc.edu.au

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The University of the Sunshine Coast 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 effectively communicate the report to you.



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Cover image: *Danaus plexippus*, commonly known as the Monarch butterfly, captured by Gerard Mills on USC's Sippy Downs campus. Mr Mills, who devoted much of his life to education, art and photography, was awarded the title of Honorary Senior Fellow of the University in September 2016.

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Standing

The University of the Sunshine Coast is a unique and successful regional institution, established on a greenfield site at Sippy Downs 20 years ago to support the development aspirations of the Sunshine Coast community. From this beginning, the University has grown to more than 14,000 students and 120 degree programs, focussed 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 other initiatives such as the establishment of the Sunshine Coast University Hospital at Kawana.

From the beginning, the University of the Sunshine Coast has focussed on providing an excellent educational experience to local students. In 2016, USC again received a five-star rating for teaching quality in the annual Good Universities Guide – the only public university in Queensland to do so for 11 years in a row.

As the University has matured, it has increased its research activities and postgraduate student numbers in the movement towards being a comprehensive (teaching and research) university. The latest Australian Research Council (ARC) competitive grants round saw the University achieve results on-par with or better than many older, more established institutions. While it will be some years before the University will consider itself fully matured, the trends are all very positive.

The University has now been responsible for almost \$7 billion of human capital development in our catchment. Higher education participation rates in the Sunshine Coast region have risen by 50 percent, well above those of the surrounding council areas, and are rising in Gympie, where campus infrastructure has been more recently established.

Vision

The University of the Sunshine Coast 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 14,608 students (+16.0 percent on the previous year) enrolled during 2016 (9,823 equivalent full-time student load (EFTSL)). Student enrolments were well above the Strategic Plan growth targets set for 2016.
- In February, USC opened its Fraser Coast campus, welcoming 533 students in 2016.
- Progress continued on USC's major new campus at Moreton Bay, with a vision towards opening in 2020.
- International student enrolments grew to 2,469 students (+51.3 percent on the previous year) enrolled across 2016. This was the largest number of international student enrolments in USC's history. Total international student load for 2016 of 1,552 EFTSL accounts for 15.8 percent of total EFTSL.
- In partnership with the Australian Technical and Management College (ATMC), USC opened its first interstate teaching locations in Sydney and Melbourne.
- USC Gympie and USC Fraser Coast welcomed their first international students in 2016, and facilities and student numbers at USC SouthBank continued to expand.
- USC made its first appearance in the Times Higher Education (THE) rankings of the top 980 universities in the world, with a ranking in the 501 to 600 bracket.
- Following the appointment of its inaugural director, USC's Sunshine Coast Mind and Neuroscience – Thompson Institute (TI) commenced teaching clinical programs and delivering clinical services to address key mental health issues in the broader Sunshine Coast community.
- USC achieved several key milestones related to the Sunshine Coast Health Institute (SCHI), an education and research institute co-located with the new Sunshine Coast University Hospital (SCUH). USC's initial educational involvement centres around a new nursing and midwifery clinical school and several allied health areas, with teaching to commence in early 2017.

Key five-year figures

CATEGORY	2012	2013	2014	2015	2016	ANNUAL % change	TREND
STUDENTS							
Number of students ¹	8,139	8,904	9,652	10,447	11,602	11.1%	↑
Female	5,338	5,807	6,158	6,640	7,375	11.1%	↑
Male	2,801	3,097	3,494	3,807	4,223	10.9%	↑
Other	–	–	–	–	4	–	–
On-campus students ²	8,010	8,818	9,572	10,362	11,494	10.9%	↑
Undergraduate	6,564	7,173	7,697	8,520	9,462	11.1%	↑
Postgraduate coursework	611	683	846	866	810	-6.5%	↓
Higher degree by research	177	204	262	271	317	17.0%	↑
Non-award	787	844	847	790	1,013	28.2%	↑
International (all students)	697	746	1,057	1,111	1,364	22.8%	↑
International (on campus)	690	743	1,054	1,110	1,326	19.5%	↑
Student load (EFTSL) ³	6,603.9	7,296.0	7,989.3	8,675.2	9,822.8	13.2%	↑
DEGREES CONFERRED							
Undergraduate degrees conferred	1,056	1,173	1,269	1,320	1,526	15.6%	↑
Postgraduate coursework degrees conferred	362	333	424	399	412	3.3%	↑
Higher degree by research degrees conferred	19	30	25	29	36	24.1%	↑
Total degrees conferred	1,437	1,536	1,718	1,748	1,974	12.9%	↑
EQUITY							
Disability ⁴	6.1%	6.3%	6.3%	6.5%	6.6%	0.1%	↑
Indigenous ⁴	1.7%	2.0%	2.2%	2.3%	2.7%	0.4%	↑
First in family to attend university ⁵	49.3%	49.8%	50.5%	49.6%	49.1%	-0.5%	↓
STAFF (FULL-TIME EQUIVALENT, EXCLUDING CASUALS)							
Academic staff ⁶	236	259	299	324	359	10.8%	↑
Non-academic staff ⁷	398	463	522	546	547	0.2%	↑
Total number of staff ⁸	634	722	821	870	906	4.1%	↑
Proportion of academic staff with higher degree qualifications	81%	86%	87%	87%	90%	3.0%	↑
Operating revenue (parent entity)	\$159.63m	\$174.06m	\$215.4m	\$215.8m	\$247.7m	14.8%	↑
Property, plant and equipment	\$176.90m	\$196.10m	\$255.4m	\$297.4m	\$340.8m	14.6%	↑
Research income ⁹	\$7.03m	\$7.02m	\$8.73m	\$14.68m	\$14.94m ¹⁰	1.1%	↑

1. Number of students at Census 1 each year.

2. On-campus includes both internal and multi-modal enrolments.

3. Student load includes inbound exchange students. EFTSL = Equivalent Full Time Student Load. Data for 2016 is preliminary at 5 January 2017. Final full-year data available following the Australian Government submission on 31 March 2017.

4. Disability and Indigenous percentages are as a proportion of all domestic students at Census 1 each year.

5. First in family percentages are as a proportion of undergraduate (excluding one-year Honours) students only.

6. Academic (Vice-Chancellor; Senior Deputy Vice-Chancellor; Teaching and Research (Level A-E) staff).

7. Non-academic (Professional Level 1–10 staff; Professional staff above award).

8. Data is based on figures supplied to the Australian Government's Department of Education and Training (DET) as at 31 March 2016.

9. 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.

10. Data is based on year-to-date figures and is current as at time of publishing. Figures for the year are unaudited. Final figures are available June 2017.

Vice-Chancellor and President's review

In 2016 the University of the Sunshine Coast celebrated its 20th anniversary. From humble beginnings as the region's first public university, USC has grown in both size and reputation over the past two decades to play a leading role in the educational, economic and cultural development of the broader Sunshine Coast area. While this year's milestone provided an opportunity for the University community to reflect on our successes to date, it has also prompted us to look ahead to USC's future, as we work toward achieving our vision for 2020 – and beyond.

USC's Strategic Plan (2016-2020) outlines three ambitious goals. We will be: a comprehensive university of 20,000 students by 2020; positioned in the global tertiary education community as a top 100 university under 50 years of age; and a primary engine of capacity building in the broader Sunshine Coast region, from Brisbane to the Fraser Coast. I am proud to say our results in 2016 have built a solid foundation on which to deliver these outcomes.

Student enrolment figures for 2016 reflected strong growth on the previous year. This is partly attributed to our new campus at Fraser Coast, which opened in February following the successful transfer of the University of Southern Queensland's campus at Hervey Bay to USC. However, we are also increasing student numbers at our Sunshine Coast, Gympie and South Bank locations, and this year we also launched our first interstate teaching locations with specialist international sites in the Melbourne and Sydney CBDs. Our expansion into these regions has allowed us to extend the USC experience to a growing number of students, and puts us in good stead to achieve our goal of 20,000 students by 2020.

Amid this steep growth we continue to provide quality educational opportunities to equity groups within our communities. Based on the most recent full-year data, at 3.1 percent our proportion of Indigenous commencing students is well above the national average. Around half our students are the first in family to attend university, and since 2011 we have recorded a 60 percent increase in the number of students with disabilities. Students from all backgrounds continue to respond positively to the quality of teaching and learning on offer at USC. In 2016, we again received a five-star rating for teaching quality in the annual Good Universities Guide – the only public university in Queensland to do so for 11 years in a row.

Our efforts to increase research productivity and impact were rewarded with our first appearance in the Times Higher Education rankings of the top 980 universities in the world. Our ranking in the 501 to 600 bracket provides great impetus towards our goal of reaching the Times Higher Education top 100 universities under 50 years of age.

As we work toward 2020, the University remains dedicated to building regional capacity across our footprint and beyond. Our more than 17,500 graduates continue to pursue excellence in their communities throughout Australia and overseas. Closer to home, the 2017 opening of the Sunshine Coast University Hospital will encourage our students to drive innovation in regional health and wellbeing, while USC's brand-new Sunshine Coast Mind and Neuroscience – Thompson Institute will put the Sunshine Coast at the forefront of clinical and research practice for some of society's most pressing mental health issues.

We are also poised to begin an exciting new phase of growth as the Moreton Bay University Precinct takes shape over the coming years. I look forward to welcoming new students to USC and working with their local communities to increase educational participation and opportunities within the broader region.

Professor Greg Hill
Vice-Chancellor and President



Forward planning 2017

- Enhance the attractiveness of existing educational programs and introduce innovative new programs.
- Expand the development of new teaching methods that are both effective and engaging for students.
- Invest in the development of flagship programs that, through exceptional teaching and research, add significantly to the reputation and distinctiveness of USC.
- Continue to focus on the quality of the first-year student experience, and student success.
- Develop further opportunities for students to undertake various forms of experiential learning, including work placements, fieldwork and exchanges.
- Accelerate the development of the research workforce.
- Diversify sources of external research funding.
- Build up the quantity and quality of research students in areas of research strength.
- Develop health research as one of USC's areas of research strength.
- Develop USC's relationships with its various communities, including its international ones.
- Emphasise the development of positive working environments and strengthen institutional systems.
- Finalise and implement the USC High Performance Sport Strategy.

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.



Strategic framework



Strategic Plan (2016-2020)

The Strategic Plan (2016-2020) (www.usc.edu.au/strategicplan) 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 will guide the University of the Sunshine Coast through its next five years. The University's vision for its continued maturation, growth and development and its commitment to the region is explicit in the new 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 four top-level plans, 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.

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, including the relevant key performance indicators associated with each imperative. In addition, pages 25-27 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

Growth in students continued, with 14,608 students (+16 percent on the previous year) enrolled during 2016 (9,823 EFTSL). Student enrolments were well above the Strategic Plan growth targets set for 2016 of 13,573 students and 9,501 EFTSL.

International student enrolments grew to 2,469 students (+51.3 percent on the previous year) enrolled across 2016. This was the largest number of international student enrolments in USC's history. Total international student load of 1,552 EFTSL for 2016 accounts for 15.8 percent of total EFTSL.

Focus remained on the participation of groups underrepresented in higher education, with latest data showing that 20 percent of commencing USC undergraduate students are from low socio-economic backgrounds compared to 17.2 percent of undergraduate students nationally, and 3.1 percent of commencing USC students are Indigenous compared to 1.9 percent nationally.

USC achieved a five-star rating for five of the six Student Experience measures reported in the 2017 Good Universities Guide, meaning that USC ranked within the top 20 per cent of all universities in these areas. USC maintained its five-star rating for Teaching Quality for the 11th year running and its five-star rating for Overall Satisfaction for the fifth consecutive year.

The national Student Experience Survey results also reflect high levels of student satisfaction. Latest data available has overall satisfaction with the 'quality of the entire educational experience' for USC students at 88 percent compared to the national average of 80 percent.

2016 saw growth in...

Students

An intake of 4,425 new students at Census 1 2016 increased the University's student population to 11,602 (including 1,364 international students). This translated to an overall increase of 11.1 percent in student enrolment numbers. The mid-year intake of 2,479 new students reflected an increase on Semester 2, 2015 data.

Internationalisation

At Census 1 2016, there were 1,364 international enrolments, an increase of 22.8 percent compared to Census 1 2015. International students from 67 countries accounted for 11.8 percent of all USC enrolments.

Programs

The Bachelor of Nursing Science continues to be the most popular undergraduate program for new students, with 452 students enrolled at Census 1 2016. The top 10 undergraduate programs based on all enrolments at Census 1 2016 were:

1. Bachelor of Nursing Science
2. Bachelor of Primary Education
3. Bachelor of Paramedic Science
4. Bachelor of Sport and Exercise Science
5. Bachelor of Business
6. Bachelor of Commerce (Accounting)
7. Bachelor of Social Science (Psychology)
8. Bachelor of Occupational Therapy (Hons)
9. Bachelor of Social Work
10. Bachelor of Nutrition and Dietetics

Achievement highlights

Achievement highlights for 2016 in relation to the key strategies of this imperative include the following:

USC made a record number of offers in Semester 1, 2016. As at the Queensland Tertiary Admissions Centre (QTAC) major offer round on 14 January, a total of 3,688 award offers for places at USC had been made – a 16.2 percent increase on the previous year.

This increase arose from a surge in local interest and the opening of USC's new campus at Fraser Coast.

A 60 percent increase in the number of USC students with disabilities since 2011 prompted ongoing innovations to improve access. USC's Student Wellbeing team worked to introduce new measures and adaptive technologies across the University's learning and teaching practices and campus facilities.

In partnership with the Australian Technical and Management College (ATMC), USC opened its first interstate teaching locations in Sydney and Melbourne. The partnership is partly in response to growing demand from international students, in particular students from India and Nepal.

USC Gympie and USC Fraser Coast welcomed their first international students in 2016, including two Nepalese nurses who are gaining Australian qualifications through USC's popular Bachelor of Nursing Science at Fraser Coast.

USC's Open Day, Imaginarium, attracted almost 8,000 attendees for a day of free activities at its Sunshine Coast campus. Imaginarium invites prospective students and the local community to experience the University's educational facilities and offers family activities and entertainment. USC Gympie and USC Fraser Coast also held Open Days for their local communities.

USC offered a free University Skills for the Community course at its Gympie, Fraser Coast and Sunshine Coast campuses to allow adults of all ages to sample university life and explore potential study and career pathways. The five-week course is aimed at people who may not have studied formally for some years, or who did not finish high school.

The USC community donated more than \$26,000 as part of its inaugural 'G-Day' fundraising event. Organised by USC's Development Office, the event encouraged staff, students and alumni to 'give back' by donating toward USC's Study Support Bursaries, which help undergraduate students in financial need to reduce their hours of paid work and focus on their studies.

KPI 1.1: 20,000 students (14,000 EFTSL) by 2020

MEASURE	TARGET	2016 PERFORMANCE
Total equivalent full time student load (EFTSL)	14,000 EFTSL by 2020 (all students), 20,000 full year student enrolments	9,823 EFTSL (all students), including 1,552 EFTSL international students ¹

COMMENT

Preliminary full-year data for 2016 indicates an annual total of 9,823 EFTSL. This exceeds the 2016 growth target by 3.4 percentage points, and indicates an increase of 13.2 percent over the final values for 2015. This increase is attributable to two factors: Census 2 intakes exceeded expectations, particularly for domestic undergraduate students (+108 EFTSL); and international enrolments at USC Melbourne and USC Sydney have outperformed estimates for the second half of the year.

International enrolments exceeded the 2016 growth target by 143 EFTSL. Preliminary 2016 load of 1,552 EFTSL is more than 40 percent greater than the 1,079 EFTSL achieved in 2015, which represents the University's largest international load to date.

EFTSL and students (2012–2016)

	2012	2013	2014	2015	2016 ¹
ALL					
Students (full year)	9,851	10,811	11,696	12,596	14,608
EFTSL	6,604	7,296	7,989	8,675	9,823
Conversion rate ²	1.49	1.48	1.46	1.45	1.49
INTERNATIONAL					
EFTSL	650	780	1,016	1,079	1,552

1. Data for 2016 is preliminary as at 5 January 2017. Final full-year data available following the Australian Government submission on 31 March 2017.

2. Conversion rate estimated at 1.43 students/EFTSL in the target model; this has been adjusted to 1.49 students/EFTSL for 2016.

KPI 1.2: Student retention

MEASURE	TARGET	PERFORMANCE
New undergraduate student attrition rate (measure based on internal data at Census 1 each year, assessing trend over time)	Minimum 1.5 percentage point improvement each year	2015 ³ attrition rate worsened by 0.9 percent
Commencing domestic undergraduate student attrition rate (measure 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)	2014 crude attrition rate ⁴ +5.3 percent compared to national average, improving by 1.6 percent on the prior year

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

The internal attrition rate is calculated based on enrolment data at Census 1. In this instance, it is the proportion of students enrolled at Census 1 2015 that did not re-enrol at Census 1 2016 (and did not graduate).

The 2015 internal attrition rate for new undergraduate students worsened by 0.9 percentage points to 31.5 percent, therefore not achieving the target of a minimum 1.5 percentage point improvement each year. It is possible that attrition rates have been impacted by the later 2016 Census 1 date, which occurred after the mid-semester break for the first time. The attrition rate for new domestic undergraduate students worsened by 1.5 percentage points to 31.7 percent; however attrition rates for new international undergraduate students improved by 7.0 percentage points to 28.5 percent.

Attrition rates for new⁵ (domestic and international) undergraduate⁶ students, by faculty (2013–2015) (internal data)

FACULTY	2013	2014	2015	Difference 2014 to 2015
Faculty of Arts, Business and Law	36.0%	33.7%	35.3%	1.6%
Faculty of Science, Health, Education and Engineering	29.7%	27.7%	28.4%	0.7%
Total	32.3%	30.6%	31.5%	0.9%

Attrition rates for new⁵ (domestic and international) undergraduate⁶ students, by citizenship (2013–2015) (internal data)

CITIZENSHIP	2013	2014	2015	Difference 2014 to 2015
Domestic	32.5%	30.2%	31.7%	1.5%
International	27.9%	35.5%	28.5%	-7.0%

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 program at a specific higher education provider in 2014 and who neither completed nor returned to study at that provider in 2015.

The crude attrition rate for USC domestic commencing bachelor students improved by 1.4 percentage points from 27.8 percent in 2013 to 26.4 percent in 2014. In 2014, USC's crude attrition rate was 5.3 percentage points worse than the national average, but an improvement on 2013, where the differential was 6.9 percentage points. USC ranked 28th out of 37 institutions nationally and 2nd in the RUN cohort. Nationally, the crude attrition rate increased by 0.2 percentage points, from 20.9 percent in 2013 to 21.1 percent in 2014.

Crude attrition rate⁷ for domestic commencing bachelor students, 2010–2014⁸ (Australian Government data)

MEASURE	2010	2011	2012	2013	2014	Difference 2013 to 2014
USC attrition rate (crude)	27.3%	28.6%	29.0%	27.8%	26.4%	-1.4%
National attrition rate (crude)	20.9%	19.0%	19.5%	20.9%	21.1%	0.2%
Difference	8.2%	9.6%	9.5%	6.9%	5.3%	-1.6%

ADDITIONAL COMMENTARY

The Pro Vice-Chancellor (Students) position provides strategic leadership in student engagement and academic success at USC. Building on previous work, the PVC (Students) continues to lead the implementation of the Student Engagement Strategy to strengthen student learning engagement and to accelerate effort leading to the increased retention and success of all USC students. The Student Engagement Strategy has short (2015-2017) and medium (5-10 years) term time horizons with the aim of changing practice systemically and sustainably.

There are four action areas within the strategy:

1. Strengthen first year (FY) experiences. First year is the focus for later year success and requires attention to first-year students, the first-year experience, and first-year 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 and timely access to life and learning support).

Work is underway in each of the strategy's action areas. For example, the Student Success Program (a systematic approach to monitoring and early intervention) has been established, an annual program health check process has been introduced, priority course and program initiatives have been established, and a suite of student focused policies and procedures are currently being reviewed and implemented.

A USC Student Engagement Leadership Team was established in 2015 and oversees the work of a range of sub-groups to coordinate actions. In 2016, a First Year Experience Reference Group was formed to increase university-wide efforts on the first action area in the Student Experience Strategy, and a Curriculum Advisory Group was formed to provide early feedback to Schools and Faculties on the design of new curricula.

3. 2016 rates available in April 2017, following availability of Census 1 2017 data.
4. The latest available rates (released in September 2016) are the 2014 attrition rates, which are based on full-year comparisons.
5. A student is defined as a new student if they have been admitted to the University for the first time; readmitted 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).
6. Excluding Bachelors Honours (one year) programs.
7. Attrition rate for year (x) is the proportion of students who commenced a bachelor course in year (x) who neither completed nor returned in year (x + 1).
8. Figures are based on full year data.

KPI 1.3: 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. 1 and no. 2 in 2015 ⁹

COMMENT

The national Student Experience Survey¹⁰ measures student satisfaction with quality of the entire educational experience (single survey item) and quality of teaching (teaching quality scale score). The 2016 survey was fielded in August 2016 and national results are expected in March 2017.

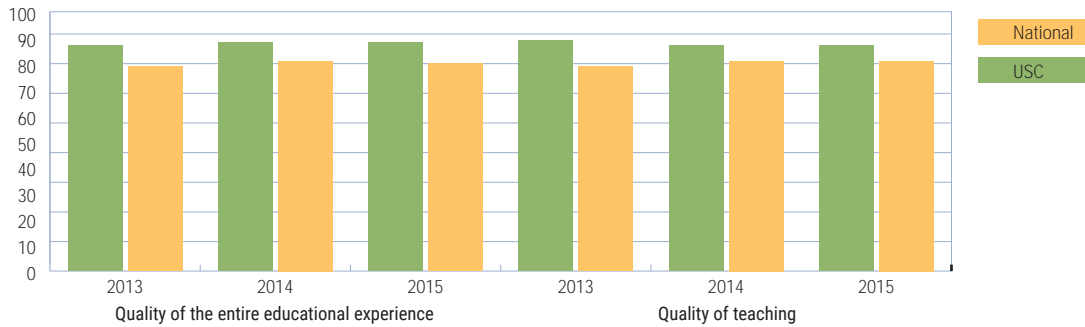
Quality of the entire educational experience

The University retained its rank in first place among all Australian public universities in 'quality of the entire educational experience'¹¹ from 2013 to 2015. USC's percentage satisfaction was 88 percent for both 2014 and 2015, compared to 80 percent nationally in 2015.

Quality of teaching

USC ranked second among all Australian Table A universities in 'quality of teaching'¹² in 2015, dropping from first position in 2013 and 2014. USC's percentage satisfaction was 87 percent for both 2014 and 2015, compared to 81 percent nationally in 2015.

Student Experience Survey¹⁰, percentage satisfied relative to national values, 2013–2015



- 9. 2016 data not available until March 2017.
- 10. Previously known as the University Experience Survey (UES).
- 11. 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?".
- 12. 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 [www.qilt.edu.au/about-this-site/student-experience-survey-\(ses\)](http://www.qilt.edu.au/about-this-site/student-experience-survey-(ses))

KPI 1.4: KPI 1.4: Graduate outcomes

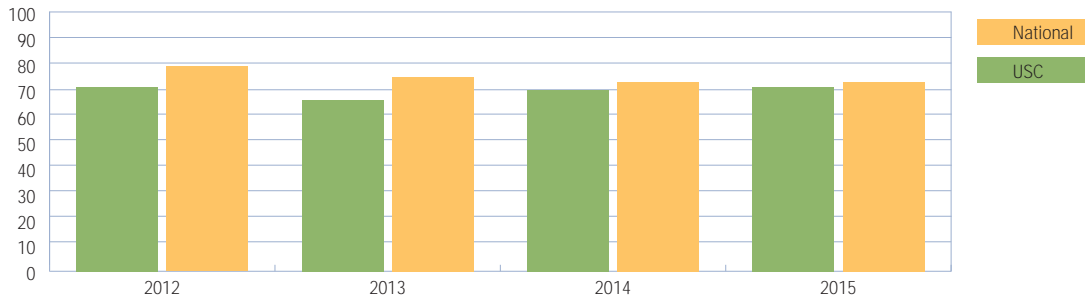
MEASURE	TARGET	PERFORMANCE
Annual national comparative assessment of graduate employment	Achieve national average for undergraduate degree graduates in employment by 2020	-2.0 percentage points from national average in 2015

COMMENT

The Graduate Outcomes measure represents the number of graduates in their preferred mode of employment (in full-time work, or in part-time work and not seeking full-time work) as reported through survey responses to the Australian Graduate Survey (AGS)¹³.

The proportion of USC respondents in their preferred mode of employment over the period 2012 to 2015 was lower than the comparable national figures. However, since 2013 USC has recorded a sustained increase for preferred employment. In 2015, this figure was 71 percent, compared to 70 percent in 2014. The differential between USC and the national figure decreased from nine percentage points in 2013 to two percentage points in 2014 and 2015.

USC and national¹⁴ Graduate Outcomes results¹⁵, 2012–2015¹⁶



- 13. Replaced with the Graduate Outcomes Survey (GOS) for the 2016 survey. 2016 data not available until March 2017.
- 14. University of New South Wales (UNSW) data is excluded from national benchmarking data for 2012 and 2013 on advice from Graduate Careers Australia (GCA) due to anomalies detected in the UNSW data for the years 2010 to 2013.
- 15. Results are reported for domestic undergraduates. Undergraduate level includes Bachelor Pass, Bachelor Honours, Bachelor Graduate Entry, Associate Degree, Associate Diploma and Advanced Diploma.
- 16. Data reflects outcomes of students who completed their qualification in the year prior to the Survey year, ie data for 2015 reflects outcomes of students who completed their qualification in 2014. The survey is administered to graduates approximately four months after completion of their qualification.

KPI 1.5: Access for groups underrepresented in higher education

MEASURE	TARGET	2016 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	38.6 percent increase in 2016 ¹⁷
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	2015 access rates ¹⁸ above national average: +1.2 percent for Aboriginal and Torres Strait Islander students, +1.4 percent for students with a disability and +2.8 percent for students from low-SES backgrounds

Number of new Indigenous students

Data up to and including Census 2 indicates that new Aboriginal and Torres Strait Islander student enrolments increased from 140 students in 2015 to 194 students in 2016 (+38.6 percent)¹⁷.

The most significant growth for new enrolments was in undergraduate programs (+21.2 percent) and in the Tertiary Preparation Pathway (TPP) program (+105.6 percent). The new USC Fraser Coast campus contributed substantially to the growth in enrolments, with a total of 31 new students enrolled: 15 in an undergraduate program and 16 in a TPP program.

New¹⁹ Aboriginal and Torres Strait Islander student²⁰ enrolments by year²¹ (internal data)

PROGRAM TYPE	2011	2012	2013	2014	2015	2016 ¹⁷
Tertiary Preparation Pathway	26	29	44	35	36	74
Undergraduate ²²	51	49	70	64	99	120
Postgraduate coursework	4	7	5	3	1	5
Research	–	–	–	1	1	1
Other non-award ²³	4	2	2	3	6	4
TOTAL²⁴	82	84	117	104	140	194

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

2015 data 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 3.1 percent compared to 1.9 percent nationally (+1.2 percentage points); for students with a disability 6.7 percent compared to 5.3 percent nationally (+1.4 percentage points); and for students from low-SES backgrounds 20.0 percent compared to 17.2 percent nationally (+2.8 percentage points). The 2016 rates will be published by the Australian Government in September 2017.

Access rates (%) for groups underrepresented in higher education for USC and national, full year 2012–2015 (Australian Government data)

	2012	2013	2014	2015
ABORIGINAL AND TORRES STRAIT ISLANDER²⁵				
USC	2.0%	2.6%	2.2%	3.1%
National	1.7%	1.7%	1.8%	1.9%
Difference (USC to national)	0.4%	0.9%	0.4%	1.2%
DISABILITY²⁵				
USC	5.6%	6.0%	6.2%	6.7%
National	4.5%	4.8%	5.0%	5.3%
Difference (USC to national)	1.1%	1.3%	1.2%	1.4%
LOW SES²⁶				
USC	17.7%	19.0%	19.5%	20.0%
National	16.7%	16.9%	16.8%	17.2%
Difference (USC to national)	1.0%	2.2%	2.7%	2.8%

17. Includes Census 1 and Census 2 data. Final full-year data available following the Australian Government submission on 31 March 2017.

18. 2016 national data not available until September 2017.

19. 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).

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

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

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

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

24. 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.

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

26. Commencing domestic undergraduate students, based on SA1 region (Statistical Area 1 2011).

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

Research at USC continues to go from strength to strength, under the impetus of existing strategies that are developing the University into a world leader in its niche areas of research specialisation (including forestry and fisheries sciences, environmental science, zoology, ecology, nursing, human factors, biomedical sciences and human movement sciences).

In 2016, USC was for the first time ranked at 501-600 in the Times Higher Education (THE) World University Rankings. In 2017, it is expected that USC will make its debut in the THE Top 150 Universities in the World Under 50 Years of Age, with a ranking of about 120. This outstanding outcome follows USC's rapid growth in research, during which all research indicators have increased by integer multiples of between two and five.

USC experienced a 68 percent growth in research income between 2014 and 2015, which elevated the institution to the middle rank of universities in Australia according to research capacity as reflected by research income. Although the 2016 Higher Education Research Data Collection (HERDC) exercise is yet to be finalised, it is pleasing to underline that a number of new strategic hires, together with major new grant announcements over the 2016/2017 period, are poised to create another major escalation in research capacity at the University.

Over 2017 and 2018, the University will compile and make its submission to the 2018 Excellence in Research for Australia (ERA) assessment exercise. Since the assessment period of ERA 2018 spans 1 January 2011 to 31 December 2016, which corresponds to a time of substantial growth in research, USC is set to experience another significant boost in ERA performance from 2015 to 2018 (as was observed between 2012 and 2015).

Achievement highlights

Professor Abigail Elizur was elected as one of only 25 new Fellows of the Australian Academy of Technological Science and Engineering in 2016.

Professor Paul Salmon was awarded the 2016 Cumming Memorial Medal, which is the premier Australian award for highly esteemed human factors and ergonomics-related research or application.

USC, in partnership with Forest and Wood Products Australia (FWPA), Queensland Department of Agriculture and Fisheries and the University of Queensland (UQ), established the National Centre for Timber Durability and Design Life, to be based at USC with funding of \$8,000,000 for a period of eight years. Led by a world-leading Professor of Wood Science, the Centre will develop combined and complementary research capabilities in wood durability science and engineering, timber product development and timber design, and will establish a critical mass of world-class expertise in this important field of endeavour.

In partnership with the University of the South Pacific (USP) and the Australian Centre for International Agricultural Research (ACIAR), USC won a national tendering process to manage the USP-ACIAR Twinning Scheme. This involves the award and management of approximately 10 postgraduate scholarships per year for projects on agricultural research for development in the developing world.

Professor John Herbohn was awarded two ACIAR grants totalling \$5,400,000 over four years, for projects including enabling community forestry in Papua New Guinea and enhancing food security and livelihoods through forest landscape restoration.

Professor Herbohn's outstanding leadership contributed to several strategic hires that have added new research capacity to the University through significant ACIAR grants. Dr Digby Race was awarded \$1,641,000 over four years for a project to enhance community-based commercial forestry in Indonesia. Dr Tony Paige was awarded \$1,270,775 over four years for research on the improvement and management of teak and sandalwood in PNG, in addition to \$257,177 over five years on a related ACIAR project with the University of Western Australia.

Australian Research Council Linkage Project (ARC LP) grants were awarded to Professor Peter Timms and Associate Professor

Adam Polkinghorne (\$615,864) for 'Developing a chlamydial vaccine for koalas', and Professor Paul Salmon and Dr David Lacey (\$729,589) for 'Optimising illicit dark net marketplace interventions'. In addition:

- Professor Patrick Nunn partnered with UQ on an ARC LP grant valued at \$180,098 (with \$80,000 of this funding contracted to USC) for a project on community-based climate change adaptation across the Pacific region.
- Dr Damon Kent partnered on an ARC LP Industrial Transformational Research Project (ITRP) research hub for advanced manufacturing of medical devices, headed by UQ and involving a number of other university and private sector partners, which will bring \$940,000 in research funding to USC over four years.
- Professor Tim Prenzler partnered with Griffith University on an ARC LP project titled 'National Integrity System Assessment'.

USC also partnered on four UQ-led ARC Linkage Infrastructure Equipment and Facilities (LIEF) grants in 2016.

An ARC Discovery Project on the effect of native invasions on Australian fisheries species, involving Associate Professor David Schoeman and led by the University of Adelaide, was awarded \$374,500.

Dr Celine Frere was awarded \$938,760 from the Department of Transport and Main Roads for a project titled 'Non-invasive monitoring of fragmented and rehabilitated koala habitat using detection dogs'.

Associate Professor Wayne Knibb was awarded a Fisheries Research Development Corporation (FRDC) grant valued at \$905,625 over five years aimed at maximising selection response and commercial return from genetic selection of the silver-lip pearl oyster. Professor Abigail Elizur was also awarded an FRDC grant for \$492,450 for a project aimed at understanding stress in the pearl oyster using transcriptomic, proteomic and metabolomics tools.

Dr Terry Lucke was awarded industry funding valued at \$342,800 for a project on the monitoring of saline floating wetland treatment systems at Pelican Waters.

Professor Thomas Schlacher was awarded \$212,365 from Sekisui House for a project titled 'Bird Diversity and Exotic Species of Coastal Dunes and Sandy Beaches'.

KPI 2.1: Research income

MEASURE	TARGET	2016 PERFORMANCE
Total HERDC reportable income (all categories)	\$29,000,000 by 2020 (reporting on 2020 data) (\$17,560,000 in 2016)	\$14,942,963 ¹

COMMENT

There was a significant increase in research income in 2015 compared with 2014, which coincides with a comparative increase of 68.1 percent. This increase was mostly attributable to the significant injection of new funding through strategic hires, as well as the increased competitiveness of USC applicants within all research schemes.

At the time of reporting, unaudited 2016 HERDC figures¹ appear similar to those in 2015. With significant new grants to several new appointees in 2016, as well as success on a number of new and significant grants in the same year, we expect that the official and rigorous HERDC audit may flush out this revenue, and USC may be closer to the 2016 stretch target of \$17,560,000. If not, this may be due to carry overs in 2017 for the 2016 appointees. With additional new appointees in 2017 bringing significant new income to the University, together with a collection of new and large ARC ITRP, ACIAR, HIA and FWPA grants presently under negotiation, USC can expect to experience another 'surge' in income in 2017.

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 (\$) (2011–2016)

HERDC INCOME	2011	2012	2013	2014	2015	2016 ²
Competitive grants	315,695	2,267,254	2,565,892	4,479,719	9,119,451	8,765,070
Public sector funding	1,174,789	1,918,173	2,268,537	1,865,806	2,609,942	2,629,893
Industry/other funding	894,891	1,760,530	1,564,660	1,615,168	2,691,730	3,548,001
CRC ²	608,253	1,086,493	620,538	775,855	261,944	–
TOTAL	2,993,628	7,032,451	7,019,627	8,736,547	14,683,066	14,942,963

1. Based on raw unaudited HERDC Income data. 2016 Data will be audited in June 2017.

2. Income received from the Seafood Cooperative Research Centre (Seafood CRC), in which the University of the Sunshine Coast (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	2016 PERFORMANCE
HDR student enrolments by EFTSL	560 EFTSL by 2020 (266 EFTSL in 2016)	241 EFTSL ³

COMMENT

USC is aspiring to achieve by 2020 the stretch target of four percent in HDR enrolments against total student load. At 2.5 percent in 2016, USC needs to address the shortfall of 0.3 percent through new growth strategies (for example, innovative solutions for the creation of new scholarships).

HDR student enrolments by EFTSL: 2012–2016

HDR STUDENTS (EFTSL)	2012	2013	2014	2015	2016 ³
Faculty of Arts, Business and Law	62.0	77.3	89.3	95.1	102.0
Faculty of Science, Health, Education and Engineering	77.5	92.5	112.5	118.5	138.8
TOTAL HDR EFTSL	139.5	169.8	201.8	213.6	240.8
HDR as % of total EFTSL	2.1%	2.3%	2.5%	2.5%	2.5%

3. Data for 2016 is preliminary at 5 January 2017. Final full-year data available following the Australian Government submission on 31 March 2017.

KPI 2.3: Scopus indexed publication citations

MEASURE	TARGET	2016 PERFORMANCE
Field-weighted citation impact	1.46 by 2020	1.31 ⁴

COMMENT

Field-weighted citation impact (FWCI) is measured using the bibliometric tool SciVal. FWCI equal to one means a citation impact of world standard. This indicator can be measured at any time, however the 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 featured in the Times Higher Education (THE) rankings, in order to confirm USC's trajectory towards a THE Top 100 universities under 50 ranking by 2020. There is a two-year lag in the data used in the reporting, and the 2016 value provided is reporting the FCWI for the 2010-2014 period. These periods have been selected to align with the THE assessment reference periods.

The 2016 actual figure of 1.31 is close to the target of 1.34 for this year. An ongoing focus on high-quality publication is prioritised, and the Office of the Deputy Vice-Chancellor (Research and Innovation) has introduced funding to support USC researchers to publish in high-quality journals.

Scopus indexed journal articles and impact

EVALUATION YEAR	2011	2012	2013	2014	2015	2016
THE Ranking Reference Period	2005-2009	2006-2010	2007-2011	2008-2012	2009-2013	2010-2014
Field-weighted citation impact ⁴	1.16	1.19	1.25	1.26	1.32	1.31

4. Data updated on 10 October 2016.

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 that the population has access to campuses and study nodes throughout the region.

In February USC opened its Fraser Coast campus, welcoming 533 students in 2016. In partnership with ATMC, USC also launched its first interstate teaching sites in the Melbourne and Sydney CBDs with 554 students in 2016.

Facilities and student numbers at USC SouthBank continued to expand: the Thompson Institute opened with public mental health clinics, teaching and research; and the final stages of development of the new Sunshine Coast Health Institute were completed ahead of USC moving into the facilities in early 2017. The major new campus at Moreton Bay is also progressing, with a vision towards opening in 2020. Looking forward to 2017, USC will continue to expand public and private partnerships to provide facilities to support local higher education.

Collaborative health facilities

The most significant of USC's new collaborative health facilities is the Sunshine Coast Health Institute (SCHI). The SCHI is an education and research institute that concentrates these endeavours in one location within the new Sunshine Coast University Hospital (SCUH) and, as such, brings to the SCUH those elements that make it a tertiary hospital. The foundation partners in the SCHI are USC, the Sunshine Coast Hospital and Health Service (SCHHS), TAFE Queensland East Coast and a second Australian university that will provide a medical school.

Initially, USC's educational involvement in the SCHI will revolve around a new nursing and midwifery clinical school and several allied health areas. Early research areas will include programs focusing on forms of cancer, exercise physiology, nursing and biomedical science. The SCHI provides USC with an invaluable opportunity to raise its national profile in health education and research.

Achievement highlights

In February USC opened the doors to students at its Fraser Coast campus, following the successful transfer of the University of Southern Queensland's Hervey Bay teaching site to USC. In its first year USC Fraser Coast offered degrees in Nursing Science, Marketing, Accounting, Human Services and Primary Education, along with USC's free university bridging program, Tertiary Preparation Pathway (TPP).

In March USC launched its first interstate teaching sites in the Melbourne and Sydney CBDs. In partnership with ATMC, these study locations enable international students to enrol in USC programs while studying in metropolitan areas. Programs offered include the Bachelor of Business, Bachelor of Business (Tourism, Leisure and Event Management), Bachelor of Commerce (Accounting), Bachelor of Information and Communications Technology, two Masters of Business Administration (MBAs), Master of International Business and Master of Professional Accounting.

Construction of a USC campus in the Moreton Bay region is set to be fast-tracked, with the Queensland Government in September declaring the planned university precinct at Petrie a Priority Development Area (PDA). The former Petrie Paper Mill site is to be transformed into a vibrant urban community that will have the university campus at its core. This new campus will be of equal status to USC Sunshine Coast and is expected to receive students in 2020.

Mark Barry was appointed as USC's Manager of Visualisation Facilities, assuming responsibility for the CAVE2™, Collaboration Studio and Immerse Studio facilities at USC's Sunshine Coast campus. A former maths and physics school teacher with decades of expertise in developing high-tech solutions to enhance the university experience, Mr Barry works to maximise use of the facilities for the benefit of staff, students and the wider community.

Leading neurophysiologist Professor Jim Lagopoulos was appointed as the inaugural Director of USC's Sunshine Coast Mind and Neuroscience – Thompson Institute (TI). USC commenced teaching clinical programs from the Institute in Semester 2, 2016, and in November opened its first clinics to address key mental health issues in the community. Clinical trials began at USC's Clinical Trials Centre (CTC), a purpose-built facility located opposite the Sunshine Coast campus. The first three trials held at the centre assess:

- A topical application of a pharmaceutical-grade cannabidiol, a component of cannabis, to counter epilepsy (this trial has specific eligibility requirements and is to be conducted with Sunshine Coast neurologist Dr Peter Patrikios);
- Emphysema medication that combines three existing therapies to help prevent, relieve and control symptoms at the same time (with Dr Evan Jones of Golden Beach Medical Centre); and
- An influenza test kit, described as a "digital hanky", that can determine within 30 minutes if a person has a strain of influenza.

The CTC is partnering with experienced health providers across the region to allow local residents to participate in trials that previously were only offered in capital cities.

KPI 3.1: Student enrolments at campuses and study nodes

MEASURE	TARGET	PERFORMANCE
Student enrolments (EFTSL) at campuses other than Sippy Downs	Annual increase in EFTSL by campus	USC Gympie EFTSL +12.0 percent; USC SouthBank EFTSL +65.5 percent ¹

COMMENT

Based on 2016 preliminary data, USC Gympie and USC SouthBank have met the interim target of an annual increase in EFTSL, recording increases of 12.0 percent and 65.5 percent respectively. As USC Fraser Coast, USC Melbourne and USC Sydney opened in 2016, there is no previous EFTSL data for comparison at these campuses. USC Sippy Downs and study node EFTSL is provided for additional information only and is not assessed as part of this measure.

Future targets will be developed in 2017 once further information becomes available for new campuses.

EFTSL by study location 2013–2016

EFTSL	2013	2014	2015	2016 ¹
CAMPUS				
USC Fraser Coast (<i>campus opened in 2016</i>)	–	–	–	287.4
USC Gympie	28.8	95.3	140.8	157.8
USC SouthBank	10.9	25.9	138.4	229.0
USC Melbourne (<i>campus opened in 2016</i>)	–	–	–	222.0
USC Sydney (<i>campus opened in 2016</i>)	–	–	–	76.0
USC Sippy Downs (context only) ²	7,184.8	7,788.3	8,326.9	8,779.7
STUDY NODES (context only)²				
Caboolture	19.3	15.6	2.1	3.1
North Lakes	N/A	12.8	20.6	26.8
Noosa	52.4	51.5	46.4	41.0
TOTAL	7,296.0	7,989.3	8,675.2	9,822.8

1. Data for 2016 is preliminary at 5 January 2017. Final full-year data available following the Australian Government submission on 31 March 2017.

2. Included for context only.

KPI 3.2: Collaborative health facilities

MEASURE	TARGET	PERFORMANCE
Progress on development of collaborative health facilities	Collaborative health facilities developed across the region	Significant progress on three facilities

Clinical Trials Centre (CTC)

USC's Clinical Trials Centre is now established and fully operational. The CTC has received 92 feasibility proposals and completed one influenza device trial with 72 participants. Four additional studies are ongoing and recruiting well. A Clinical Trials Alliance Agreement with the Sunshine Coast Hospital and Health Service is at sign-off stage (including formalising space provisions within the Sunshine Coast Health Institute), as is a MOU with QIMR-QPharm. The CTC is exploring new partnerships with private physicians, oncology centres and practitioners, and is in the process of submitting an expression of interest for space in the Morayfield Health Hub.

Sunshine Coast Mind and Neuroscience—Thompson Institute (TI)

Stage 1A of the refurbishment of the TI building was completed in February 2016, and Stage 1B was completed in August 2016. Finalisation of the design for refurbishment of the remaining areas commenced in September 2016. The Institute's Board remains active in pursuing both government and non-government funding avenues.

Research and academic staff progressively moved into the TI premises from early April. Delivery of the Master of Psychology (Clinical) and the Master of Professional Psychology commenced on site at the start of Semester 2, 2016, along with student-led psychology and counselling clinics.

Sunshine Coast Health Institute (SCHI)

While the opening of the Sunshine Coast University Hospital has been delayed until April 2017, the Sunshine Coast Hospital and Health Service (SCHHS) has indicated that USC will be able to occupy the SCHI early in 2017 in order for teaching to commence on site in Semester 1, 2017. A recent tour of the site by the USC SCHI project management team showed significant progress.

Project work in 2016 included detailed planning for of USC operations; appointment of SCHI staff; settlement of work placement arrangements; preparation for the commencement of the medical school; and finalisation of contract documentation. Leadership of the SCHI and related matters are being addressed in the context of a report prepared by Emeritus Professor Paul Burnett.

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

In recent years the University has directed efforts toward optimising administrative structures, adopting a centre-led management model. In 2016, this led to a fundamental shift in employment expenditure patterns, with the greater percentage now being directed towards academic staff.

In order to support the growth outlined in the Strategic Plan (2016-2020), significant investment in staff, digital and physical infrastructure and curriculum development must occur. In 2016, USC commenced a review of the efficiency of resource application in these areas. Initiatives included the implementation of a new timetabling system and approach, changes to workload planning and academic staff role development, IT systems improvements (including moving the finance system into the cloud), establishment of a partnership to facilitate program delivery in Melbourne and Sydney, and improved reporting and information provision to support decision making. Each of these developments will form the foundation of further efficiency initiatives in 2017.

From early 2016 all student-facing professional staff at USC Fraser Coast and USC Sippy Downs were organised into the Student Services and Engagement (SSE) structure. This change has resulted in a 'one team' approach and has improved response times to telephone, email and in-person student enquiries.

Achievement highlights

Blended Learning Strategy

In 2016, the Blended Learning Strategy focused on improving students' experience in blended learning environments, which relies on staff capability to teach in this mode. The University undertook whole-of-institution initiatives such as implementation of minimum standards in the Learning Management System, with more than 150 course coordinators engaging with the process. Program-level uptake of the ePortfolio showed a 173 percent increase, with a total of 16 programs and 71 courses using Pebblepad. Mediasite desktop recording was used by 105 staff members to create course-level resources such as video welcome messages and announcements, assessment preparation videos and flipped classroom recordings. All blended learning initiatives were supported by provision of self-help resources on MyUSC, presentations and 'first look' seminars and workshops, orientation and support offered online and at all campuses.

Workforce diversity

The University's Vice-Chancellor's Equity and Diversity Advisory Committee met twice in 2016. 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 University's Indigenous Advisory Committee actively participates in the development of strategies to enhance Aboriginal and Torres Strait Islander employment and career development and has provided relevant input into the development of the University's Reconciliation Action Plan 2016-2019 in conjunction with Reconciliation Australia. Aboriginal and Torres Strait Islander staffing numbers continue to increase, and remain above the sector average. The Reconciliation Action Plan 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.

The University's Disability Action Plan 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 is 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.

The University was accepted into the Science in Australia Gender Equity (SAGE) pilot program which aims to address gender equity in the science, technology, engineering and mathematics, and medicine sector. The SAGE pilot program has been developed based on the Athena SWAN Charter, which requires participants to collect, analyse and present data on gender equity policies and practices, and identify gaps and opportunities for improvement, with the aim of creating a gender inclusive workplace.

Staff engagement and culture

Following the success of the University's staff opinion survey in 2014, the University continued to develop measures to enhance its performance in change management, cross unit co-operation and career opportunities, and to reinforce its commitment to leadership, communication, teamwork and wellness.

Education and awareness of equal opportunity in the workplace continued throughout 2016 with training sessions conducted on 'Prevent discrimination, harassment and bullying', 'Working with individuals from culturally diverse backgrounds' and staff access to an online equal opportunity training package.

Academic promotions

The University's Academic Promotion round resulted in five Professorial promotions.

Associate Professor Christian Jones
Professor of Interactive Digital Media

Dr Lisa Chandler
Associate Professor, Art and Design

Dr Scott Cummins
Associate Professor, Molecular Biology

Dr Joanne McDonald
Associate Professor, Molecular Engineering

Dr Gary Slater
Associate Professor, Nutrition and Dietetics

KPI 4.1: Annual positive discretionary cashflow

MEASURE	TARGET	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 that 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 four 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 four percent; however the University will generally aim for a positive return. The University's objective will be to again achieve at least four 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

MEASURE	2011	2012	2013	2014	2015	2016 ¹
Annual cashflows	4.0%	-1.1%	9.8%	1.7%	0.9%	2.3%

1. YTD actual as at 31 December 2016.

KPI 4.2: Staff costs as a proportion of total operating income

MEASURE	TARGET	2016 PERFORMANCE
Staff costs as a proportion of total operating revenues	Less than 60 percent by 2020	59.5 percent in 2016 ²

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 (for example, research) rather than being overly reliant on operational income (for example, student load).

Employment costs includes 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.

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 ongoing financial sustainability for University.

Staff costs as a proportion of total operating income

MEASURE	2011	2012	2013	2014	2015	2016 ²
Employment costs as a percentage of total operating revenue	61.2%	60.6%	60.0%	61.2%	61.7%	59.5%

2. YTD values as per 2016 December YTD Financials.

KPI 4.3: Staff composition

MEASURE	TARGET	PERFORMANCE
Composition of employment kind (excluding casuals)	Professional staff below 58 percent by 2020	58.4 percent in 2016

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 USC average ratio has progressively decreased since 2011, when the ratio was at 62.3 percent. By comparison, sector averages have steadily increased to 56.4 percent since 2012. 2016 data shows a slight increase in academic staff from 36.3 percent in 2015 to 37.9 percent in 2016, and conversely a slight decrease in professional staff from 60.1 percent to 58.4 percent. The percentage of senior staff remains consistent at 3.6 percent.

Composition of employment kind³

EMPLOYMENT KIND		2011	2012	2013	2014	2015	2016
Academic ⁴	USC	33.9%	34.9%	34.9%	34.6%	36.3%	38.0%
	Sector ⁷	40.8%	40.5%	40.6%	40.2%	40.0%	-
Professional ⁵	USC	62.3%	61.3%	61.8%	61.5%	60.1%	58.4%
	Sector ⁷	55.8%	56.2%	56.1%	56.4%	56.4%	-
Senior ⁶	USC	3.9%	3.8%	3.3%	4.0%	3.6%	3.6%
	Sector ⁷	3.4%	3.3%	3.3%	3.4%	3.5%	-

3. Data as at 31 March 2016 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 which 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 which 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.

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. The University has an active program of sustainability initiatives that address both large-scale issues such as energy, waste, recycling and the campus environment, and targeted activities such as the development and use of green cleaning practices. Tangible positive outcomes are clearly evident. For example, even though USC students, staff and facilities have grown significantly in recent years, electricity emissions have reduced by 1.7 percent since 2014, overall paper usage has decreased by 13 percent and the campus has completely replaced plastic water bottles with water refilling stations. As USC's environmental management successes have grown and been acknowledged through a series of national awards, the community leadership role played by the University has expanded.

USC has embedded sustainability in decision-making and strategic and operational planning and provides professional development in relation to sustainability. USC has increased sustainable proportion of capital expenditure allocated to capital projects, revised the Terrestrial Wildlife Management Plan, made significant progress on a Carbon Management Plan and also expanded USC's refuse management practices across distributed campuses.

Looking forward to 2017, USC is considering major energy-related developments that will lead to further improvements in carbon emissions and elevation of the University's status as a regional exemplar of best practice.

Achievement highlights

The University has made significant headway in 2016 with the approval of a revised sustainability policy and new sustainability procedures that specify initiatives and assign responsibilities to senior staff to facilitate embedding of sustainability within their operations. The Sustainability Management Committee has been monitoring the implementation of the policy and the impact of the environmental, social and economic initiatives that contribute to a collaborative culture of sustainability at USC.

In 2016, plans to build a warm water rehabilitation pool at USC's Sippy Downs campus achieved significant progress through a \$1.4 million grant from the Queensland Department of National Parks, Sport and Racing's Get Playing Plus infrastructure funding initiative. The grant has kick-started the next phase of development for the new indoor facility, which will include a six-lane, 25-metre, graduated depth, heated pool; a state-of-the-art 'endless flow' recovery immersion pool; and ancillary facilities. The aquatic exercise facility will enable new research to guide rehabilitation and exercise programs for the broader community.

USC hosted the 16th annual Australian Campuses Towards Sustainability National Conference in November 2016. The 2016 theme, 'Connect – Innovate – Ignite! Collaborating to spark sustainable solutions for a smart future', attracted participants from across Australia's higher education sector who are actively engaged in sustainable initiatives within areas covering curriculum, environmental management, facilities, finance, social responsibility and community engagement.

USC was named a finalist in the 'Facilities and Services' category at the 2016 Green Gown Awards. USC was nominated for its 'Smart Utility Management – Smart Savings for USC' program.

The program, which includes a range of innovative financial and engineering initiatives to proactively manage utilities—including reassessment of electricity charges, installation of smart metering/control systems and installation of lake water treatment technology for the Sports Stadium pool make-up water and cooling towers (as part of the air-conditioning system)—has resulted in significant environmental and financial savings since 2013 including utility cost savings of \$1.5 million, 7,140 CO₂-et emissions and 20,000 litres per day in mains water use.

USC was recognised for implementing ideas that have saved \$1.5 million in utility costs and more than 7,000 tonnes in carbon emissions over the past three years at the 2016 Queensland Premier's Sustainability Awards. USC was one of three finalists statewide in the Minister's Award for Leadership in Sustainability, which recognised USC as the first Australian university to install Onsite Composting Apparatus (OSCA) technology for waste, and the first Australian university to implement a lake water treatment system that met national standards for use in the Sports Stadium Pool. USC was also highly commended in the Innovation in Sustainable Technologies Award.

KPI 5.1: Carbon dioxide emissions

MEASURE	TARGET	2016 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)	1.16 t/EFTSL/year in 2015 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, 2016 data will not be available until June 2017.

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.

Anticipated growth in the University's floor area and EFTSL, along with plans to introduce airconditioning to several buildings at its Sippy Downs campus, may have an impact in future; however it is believed the target can be achieved through active management of resources.

USC compared to other universities in Queensland, CO₂-et/EFTSL/yr

INSTITUTION	2010	2011	2012	2013	2014	2015
USQ (lowest in 2014 and 2015)	–	–	–	–	0.92	1.11
USC	1.24	1.23	1.26	1.20	1.20	1.16
CQU (highest in 2014)	–	–	–	–	3.27	N/A
UQ (highest in 2015)	–	–	–	–	–	3.30
RANK	2nd out of 8 Qld universities in 2014 and 2015					

USC compared to other universities nationally, CO₂-et/EFTSL/yr

INSTITUTION	2010	2011	2012	2013	2014	2015
ACU (lowest in 2015)	–	–	–	–	–	0.57
Gordon Institute (lowest in 2014)	–	–	–	–	0.92	N/A
USC	1.24	1.23	1.26	1.20	1.20	1.16
ANU (highest in 2014)	–	–	–	–	5.69	5.57
Sector average	1.88	1.86	1.83	1.84	1.79	1.63
RANK	8th out of 40 institutions nationally in 2014 and 2015					

1. 2016 data not available until June 2017.

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	2016 PERFORMANCE
High-impact sustainability initiatives implemented	At least one high-impact sustainability initiative implemented per annum	One initiative implemented and completed; two further initiatives underway

COMMENT

USC is committed to environmental sustainability for the benefit of students, staff and the wider community. Since its inception the University has been recognised for its achievements in sustainability, including environmental initiatives and building design. The University 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. The University also raises awareness of its leadership in the sustainability field by ensuring it applies for relevant local, state, national and international awards. The continued submission of award applications will assist the University 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 focussed 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

ACTUAL INITIATIVES IMPLEMENTED				PLANNED INITIATIVES
2013	2014	2015	2016	2017
Integrated waste management, recycling and composting implemented	Energy Conservation Project commenced	Water treatment plant upgraded	Hosted a national conference focussed on sustainability	<i>Develop planning of Moreton Bay Regional University Precinct according to Environmentally Sustainable Design principles</i>
	Refill Campus introduced and phased out sale of bottle water	Energy Conservation Project, ongoing financial and energy reduction projects	Development of warm water pool concept design	<i>Implement changes to USC transport schemes to increase participation and reduce environmental impact</i>
	Chemicals removed from cleaning process (E water)		Development of feasibility study and business case for chilled water storage and solar array now underway	<i>Finalise and endorse a Carbon Management Plan (currently under development) to guide carbon reduction strategies and actions, with the eventual aim of becoming carbon neutral</i>

Progress on the planned 2016 initiatives included:

- 1. Hosting a national conference focussed on sustainability:** The University hosted the Australian Campuses Towards Sustainability National Conference in November 2016. USC Asset Management Services (AMS) staff were actively involved in planning the event as part of the local organising committee.
- 2. Development of warm water pool concept design:** Concept designs were prepared and the University was successful in its bid for external funding. Further planning is underway with an expected construction completion date of mid-2018.
- 3. Development of feasibility study and business case for chilled water storage and solar array:** The University has entered into an agreement with a third-party provider to develop a feasibility study and business case for thermal energy storage tanks, solar array and related infrastructure at the Sippy Downs campus, which will reduce energy use and enable operational efficiency.

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 (greater than 55 percent), Fraser Coast (40 percent), Gympie (50 percent), Moreton Bay (20 percent)	In 2015 ³ : Sunshine Coast (58.0 percent), Fraser Coast (3.7 percent), Gympie (46.7 percent), Moreton Bay (13.7 percent)

COMMENT

This 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, 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 2015. Two of the four regions (Sunshine Coast and Moreton Bay) showed an increase in capture rates from 2014 to 2015.

Fraser Coast – USC's 2015 capture rate in the Fraser Coast region decreased by 0.9 percentage points to 3.7 percent (4.6 percent in 2014). With the commencement of USC's Fraser Coast campus in 2016, it is expected that USC's capture rate in the Fraser Coast region will increase substantially in the next reporting period.

Gympie – USC's 2015 capture rate in the Gympie region was 46.7 percent, which is slightly lower than the prior year (-0.9 percentage points). USC's capture rate in the Gympie region showed consistent growth between 2010 (26.1 percent) and 2014 (47.6 percent).

Moreton Bay – USC's 2015 capture rate in the Moreton Bay region was 13.7 percent, slightly higher than the 2014 rates (+0.3 percentage points).

Sunshine Coast – USC's 2015 capture rate in the Sunshine Coast region was 58.0 percent, an increase of 2.4 percentage points from 2014 and the highest rate since 2010.

Capture Rate – Domestic commencing higher education enrolments⁴ by region % (all program types)

REGION	2010	2011	2012	2013	2014	2015 ³	TARGETS 2020 ⁵
Fraser Coast	2.3%	5.2%	4.7%	5.2%	4.6%	3.7%	40%
Gympie	26.1%	31.9%	28.8%	37.9%	47.6%	46.7%	50%
Moreton Bay	9.1%	10.1%	10.4%	13.5%	13.4%	13.7%	20%
Sunshine Coast	56.8%	56.9%	55.6%	53.4%	55.6%	58.0%	Greater than 55%

Number of regions showing increase: 2 of 4

3. 2016 data not available until September 2017.

4. Table A Higher Education Providers only.

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.

Achievement highlights

USC and the Sunshine Coast Council launched the Collaborative Research Grants scheme to support innovative research projects that will help shape the region's future. Up to \$140,000 per financial year will be available under the scheme for applicable research projects that address the unique challenges and opportunities faced by the broader Sunshine Coast region.

Close the Gap events were held at Sippy Downs, Gympie and Fraser Coast campuses. These events focused on Aboriginal and Torres Strait Islander health and education and were supported by local Elders, Aboriginal and Torres Strait Islander businesses and organisations, and government agencies.

NAIDOC (National Aborigines and Islanders Day Observance Committee) Week is a time to celebrate Aboriginal and Torres Strait Islander history, culture and achievements and is an opportunity to recognise the contributions that Indigenous Australians make to Australian society. USC hosted an Elders Tent and Aspirations Tent at the Hervey Bay Family Fun Day and Sunshine Coast NAIDOC Cotton Tree events, and sponsored the awards for the Fraser Coast NAIDOC Awards Ceremony.

USC's Murri Futures program, which runs in Queensland secondary schools and is targeted at increasing the awareness of education and career options available to Aboriginal and Torres Strait Islander students from Year 7 to 12, involved 17 schools and more than 460 Aboriginal and Torres Strait Islander students in 2016.

The 10th Indigenous Education Symposium was held at USC. The event focused on connecting with community and involved more than 100 people including local Elders, Aboriginal and Torres Strait Islander businesses, community members, USC staff and students.

USC staff and students exchanged ideas and cultural insights with Kenyan government officials who made a special visit to USC as part of a cultural exchange trip to South-East Queensland. The First Lady of Homa Bay province, Rocila Awiti, and Homa Bay's Director of Culture, Tourism and Social Services, Zilper Opapo, toured the University and discussed ideas for partnerships with USC's International Development team.

USC's governing body, the University Council, met with senior members of the Fraser Coast Regional Council for a productive forum on increasing opportunities for higher education in the Fraser Coast region.

Property experts from four different continents gathered at USC when it hosted the annual Pacific Rim Real Estate Society (PRRES) conference for the first time. The conference aimed to advance understanding of the real estate sector in the Pacific region and strengthen USC's partnerships within the industry.

KPI 6.1: Productive regional partnership activity

MEASURE	TARGET	2016 PERFORMANCE
Significant formal agreements with key regional partners	Annual increase in the number of significant formal agreements signed with key regional partners	Twelve new formal agreements, increased from five in 2015

COMMENT

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

Interactions and discussions with key regional partners continued in 2016, including progress towards further formalising relationships and developing significant agreements. Twelve new formal agreements were signed in 2016, an increase on five agreements in 2015. Agreements included:

- Incorporation Agreement establishing Ed Sunshine Coast Inc., involving a partnership between USC, Central Queensland University, TAFE Queensland East Coast, Education Queensland, Catholic schools, independent schools, Australian Council for Private Education and Training, Regional Development Australia Sunshine Coast, and the Sunshine Coast Council
- Memorandum of Understanding 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
- Memorandum of Understanding between USC and Queensland Parks and Wildlife Service to collaborate on significant projects that will support and promote 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
- USC/Wishlist Research Partnership
- USC/Medifarm Research Partnership
- USC/Terragen Research Partnership
- Sunshine Coast Council Horizons Festival
- USC/Sunshine Coast Council Collaborative Research Grants
- Healthy Towns Awards, partnering with the Primary Health Network (Central Old, Wide Bay, Sunshine Coast), Sunshine Coast Council, Noosa Shire Council, Caloundra Community Centre and Griffith University
- Branson Conservancy (partnership between USC, Endeavour Veterinary Ecology and Sir Richard Branson and Mr Geoff Godfrey) to develop strategies to save koalas on the Sunshine Coast/Noosa region
- Department of Transport and Main Roads grant to Dr Celine Frere, working on non-invasive monitoring of fragmented and rehabilitated koala habitat using detection dogs
- Pelican Waters and Covey Associates grant awarded to Associate Professor Terry Lucke for monitoring of Saline Floating Wetland Treatment Systems at Pelican Waters

KPI 6.2: Proportion of revenue from industry and philanthropy funding

MEASURE	TARGET	2016 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 five percent of total revenue	2.9 percent

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 2016 result of 2.9 percent is due to bequest funds from the Arijia Austin Estate and is below the proposed target of five percent of total revenue. The proposed target of 'greater than five 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

MEASURE	2012	2013	2014 ¹	2015 ¹	2016 ²
Proportion of revenue from industry and philanthropy funding	2.1%	1.6%	4.5%	5.4%	2.9%
Proportion of revenue from industry funding (Revenue from industry funding)	1.3% (\$2,084K)	1.2% (\$2,087K)	1.0% (\$2,056K)	1.5% (\$3,167K)	1.9% (\$3,815K)
Proportion of revenue from philanthropy funding (Revenue from philanthropy funding)	0.8% (\$1,216K)	0.4% (\$680K)	3.5% (\$7,625K)	3.9% (\$8,431K)	1.0% (\$2,041K)

1. 2014, 2015 and 2016 increases due to significant one-off donations received in each year.

2. YTD values as per 2016 December YTD Financials.

KPI 6.3: Develop engagement measures

MEASURE	TARGET	PERFORMANCE
Progress on development of engagement measures	Engagement measures developed and implemented	Review of engagement activities commenced; on track for consultation

COMMENT

This measure is largely qualitative in nature. Due to the diversity of engagement activities that occur throughout the University at various levels, in the past there has not been a central repository for recording and reporting these undertakings. Considerable work is required across the University to capture and analyse this information and develop meaningful and useful measures that support of the University's strategic goals.

Review of engagement activities across the University commenced in 2016, and the Department of Community Engagement was established following the retirement of the Pro Vice-Chancellor (Engagement). Research has commenced for the community engagement component of a University-wide Engagement Plan. Areas considered include: knowledge exchange, events and access, community partnerships, flexible learning, and engagement-themed research.

On track for consultation, with existing data analysed and strategies and measures to be finalised. Strategies will be aligned with the priorities articulated in imperative six for engagement with communities:

- Developing productive partnerships
- Maintaining and enhancing relationships with key stakeholders
- Embedding community engagement effectively throughout USC's activities

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	Community engaged in development of plans; plan development progressing

COMMENT

The University of the Sunshine Coast:

- 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

Major initiatives in 2016 included: Close the Gap and NAIDOC events, Murri Futures program, and the Indigenous Education Symposium.

Close the Gap events were held at Sippy Downs, Gympie and Fraser Coast campuses. These events focused on Aboriginal and Torres Strait Islander health and education and were supported by local Elders, Aboriginal and Torres Strait Islander businesses and organisations, and government agencies.

NAIDOC (National Aborigines and Islanders Day Observance Committee) Week is a time to celebrate Aboriginal and Torres Strait Islander history, culture and achievements and is an opportunity to recognise the contributions that Indigenous Australians make to Australian society. USC hosted an Elders Tent at the Hervey Bay Family Fun Day and Sunshine Coast NAIDOC Cotton Tree events as well as having an Aspirations Tent at each of these events. USC sponsored the awards for the Fraser Coast NAIDOC Awards Ceremony, which included a range of recognition categories for local community members. USC staff attended each of these events to build community partnerships.

USC's Murri Futures program ran in Queensland Secondary schools in 2016. Although Murri Futures is targeted at increasing the awareness of education and career options available to Aboriginal and Torres Strait Islander students from Year 7 to 12, it involves participation with families and communities through the schools and students. In 2016, the program involved 17 schools and more than 460 Aboriginal and Torres Strait Islander students.

The 10th Indigenous Education Symposium focused on connecting with community and involved more than 100 people including local Elders, Aboriginal and Torres Strait Islander businesses, community members, USC staff and students.

Community have also been engaged in the development of the Framework for Embedding Aboriginal and Torres Strait Islander Knowledges and Perspectives in Curriculum, and the development of USC's next Reconciliation Action Plan.

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 2016 performance reporting, please see pages 6-24 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 (9,823 EFTSL)	10,720 EFTSL	11,808 EFTSL	12,971 EFTSL	20,000 students 14,000 EFTSL
1.1b	3,650 international EFTSL by 2020	1,409 EFTSL (1,552 EFTSL)	2,128 EFTSL	2,794 EFTSL	3,302 EFTSL	3,650 EFTSL
1.2a	New student retention (attrition rate) (internal measure)	29.1% [31.5%]	30.0%	1.5 percentage point annual improvement	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	Progress towards national average	Progress towards national average	National average
1.3	Student satisfaction	National ranking in top 5	National ranking in top 5	National ranking in top 5	National ranking in top 5	National ranking in top 5
1.4	Graduate outcomes	Progress towards national average	Progress towards national average	Progress towards national average	Progress towards national average	National average
1.5a	Number of new Indigenous students	>140 {194}	Annual increase	Annual increase	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	All 3 groups ≥ 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 { \$14,942,963 }	\$20,420,000	\$23,280,000	\$26,140,000	\$29,000,000
2.2	Higher Degree by Research student enrolments	266 EFTSL (241 EFTSL)	332 EFTSL	402 EFTSL	480 EFTSL	560 EFTSL
2.3	Scopus indexed publication citations	1.34 { 1.31 }	1.37	1.40	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]	Future targets to be developed following availability of data on new 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	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]	Health Plan developed and approved	Targets to be reviewed following development of Health Plan	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%	≥ 2%	≥ 2%	≥ 2%
4.2	Staff costs as a proportion of total operating income	≤ 60% [59.5%]	≤ 60%	≤ 60%	≤ 60%	≤ 60%
4.3	Staff composition	Annual decrease ≥ 0.4% [58.4%]	Annual decrease ≥ 0.4%	Annual decrease ≥ 0.4%	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 [1.15]	1.20	1.20	1.20	1.20
5.2	High-impact sustainability initiatives	≥ 1 {3 initiatives progressing}	≥ 1	≥ 1	≥ 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	Annual 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 [12 new agreements, annual increase of 7]	Annual increase	Annual increase	Annual increase	Annual increase
6.2	Proportion of revenue from industry and philanthropy funding	> 5% of total revenue [2.9%]	> 5% of total revenue	> 5% of total revenue	> 5% of total revenue	> 5% of total revenue
6.3	Develop engagement measures	Engagement Plan developed and approved [Review of engagement activities commenced; on track for consultation]	Engagement measures and data repository developed	Targets set and reporting commenced	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}

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.

The Council met six times in 2016. Additionally, a two-day Council Retreat was held in April.

Council leadership

Chancellor

Leads Council and presides at Council meetings.

John M Dobson OAM

Elected Chancellor in 2007 for an inaugural term from 1 April 2007 to 31 March 2012. Re-elected in 2011 for a term from 1 April 2012 to 31 March 2017. Member of the University Council since 1997. Parish Priest of Caloundra Parish between 1982 and 2012, Dean of the North Coast Deanery within the Catholic Church between 1992 and 2012. Contributions to the community include founding privately-funded residential care facilities for the aged and for people with intellectual disabilities, co-founding a retirement village and a comprehensive college (in partnership with the Uniting Church), and developing support groups for prisoners and their families.



Deputy Chancellor

Acts as Chancellor in the absence of the Chancellor or when the office of Chancellor is vacant. (Acting Chancellor for the June, August and October Council meetings and Semester 2 Graduation ceremonies.)

Bruce Cowley

BCom, LLB(Hons) *Qld.*, FAICD

Elected Deputy Chancellor for a two-year term, commencing 27 April 2015, and Chair of the Planning and Resources Committee. Chairman of MinterEllison, one of Australia's largest law firms, and has practised as a corporate lawyer for more than 35 years, specialising in directors' duties and corporate governance. Authored the *Protecting Your Position* series of publications on director liabilities. Fellow of the Australian Institute of Company Directors (FAICD), and a recent past member of the Queensland State Council of the AICD (continues to sit on the AICD's Law Committee). Chair of the Children's Hospital Foundation Queensland, Chair of the Cerebral Palsy League, Member of the Takeovers Panel, Director of Diamond Jubilee Partnerships Ltd, Director of Merchant Foundation Pty Ltd and President of the Queensland Private Enterprise Centre.



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. 2016 was the third year of the Seventh University Council.

Full details of University Council membership, financial reporting, meetings, record of attendance and remuneration are available in the Financial Statements on pages 46-48 and page 78 of this Annual Report.

The Council membership for 2016 was as follows:

Chancellor	John M Dobson OAM
Acting Chancellor	Bruce Cowley, BCom, LLB(Hons) <i>Old.</i> , FAICD (June, August and October Council Meetings) Julie-Anne Mee BBus <i>C.Old.</i> , MAdmin <i>Griff.</i> , FCPA (1-16 October 2016)
Deputy Chancellor	Bruce Cowley, BCom, LLB(Hons) <i>Old.</i> , FAICD
Vice-Chancellor and President	Professor Greg Hill, CertTeach <i>Old.</i> , BA(Hons) <i>Old.</i> , PhD <i>Old.</i>
Chairperson of the Academic Board	Professor Birgit Lohmann, BSc (Hons) <i>Adel.</i> , PhD <i>Flin.</i>
Six members appointed by the Governor in Council	Debra Bennet Bruce Cowley, BCom, LLB(Hons) <i>Old.</i> , FAICD Dr Suzanne Innes, BA(Hons), BEdSt <i>Old.</i> , GradCertTESOL <i>UNE</i> , MSchM EdD <i>C.Old.</i> David Jeffries, BCom <i>Old.</i> , FCA, FAICD, FFin (until 20 April 2016) Julie-Anne Mee, BBus <i>C.Old.</i> , MAdmin <i>Griff.</i> , FCPA 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>
Two elected members of the University's academic staff	Professor Robert Elliot, BA(Hons) <i>NSW</i> , MA <i>La Trobe</i> , DipEd <i>Melb.</i> , PhD <i>Old.</i> Dr Mark Sayers, BAppSci <i>CCAE</i> , MAppSci <i>Canberra</i> , PhD <i>RMIT</i>
One elected member of the University's general staff	Jon Dickins, BA (Hons) <i>Griff.</i>
Two elected members of the student body	Michael Jefferies, AMusA, LTCL, AAICD Raymart Walker
Four additional members	Robert Hubbard, BA(Hons), FCA Natasha Read, BCom <i>Griff.</i> , MBA <i>Sunshine Coast</i> , FAIM, GAICD Emeritus Professor Gerard Sutton AO, BE(Hons), MEngSc <i>UNSW</i> , PhD <i>CUA</i> , HonDSc <i>UOW</i> Scott Williams AM, QDAH <i>Old.</i> , BEc, GradDipCompSc, GradDipFinMangt, GradDipRurAcc <i>NE</i> , HonDLitt <i>NE</i> , FAICD

Council Secretary

Merryn Falk, GDipEd *Monash*, BA *UNE*



In 2016, Council made the following decisions:

- Approved the 2016-2020 USC Strategic Plan: Performance Measures and Targets
- Received regular progress reports on performance against the University's Strategic and Top Level Plans
- Approved the 2016-2020 Resources Plan
- Approved the 2016-2020 Academic Plan
- Approved the 2015 Annual Financial Statements
- Adopted the 2017-2021 University Budget
- Approved quarterly budget reports
- Noted the 2017 Schedule of Student Fees
- Approved changes to the Internal Audit Charter
- Approved the USC Risk Appetite Statement
- Provided input into the development of a USC Strategic Risk Register
- Noted USC's 2016 Tertiary Education Quality and Standards Agency (TEQSA) Risk Assessment Report
- Endorsed a set of principles to guide the annual review of the Vice-Chancellor and President's (VCP) salary
- Provided input into the development of a draft *Complaints about the VCP – Governing Policy*
- Received a report from the Chancellor's Committee regarding the outcomes of the Annual Review of the VCP's performance and remuneration
- Approved the VCP's 2016 Performance Agreement and Key Performance Indicators
- Received reports on the development of new campuses and other key initiatives being explored by Management
- Received annual presentations from the Faculty Executive Deans
- Noted annual written reports of the Executive Deans
- Received a presentation from the Pro Vice-Chancellor (Students) on attrition
- Received a presentation from the Director of the Clinical Trials Centre on the work being undertaken by the Centre
- Received a presentation on the University's partnership with ATMC from the CEO of ATMC
- Received a presentation from the Director, Marketing and External Engagement on the University's Marketing Strategy
- Approved changes to the University's branding, including approval of a new logo
- Approved the Protocols for Conducting a Secret Ballot at Council Meetings
- Approved changes to the Delegations Schedule
- Approved the appointment of members to Council's standing committees
- Noted regular reports from the Chancellor, Vice-Chancellor and President and Senior Deputy Vice-Chancellor
- Noted the Minutes of the Audit and Risk Management Committee
- Noted the Minutes of Planning and Resources Committee (PRC) and Audit and Risk Management Committee meetings
- Approved a change to the composition of PRC
- Noted Capital, Commercial and Asset Management Reports
- Noted the results of the mid-term self-assessment of Council's performance
- Noted a paper on professional development opportunities for members of Council and its committees
- Noted reports on the Exercise of Delegations

- Noted reports on the Use of the University Seal
- Noted the Terms of Reference of the new Strategic Projects Advisory Group (of PRC)
- Approved recommendations received from the Honorary Awards Committee
- Noted the Minutes and Summaries of Academic Board meetings
- Approved a change to the composition of the Academic Board
- Approved the re-appointment of the Chairperson of Academic Board
- Noted a list of Academic programs accredited by Academic Board in 2015
- Noted a list of Academic programs discontinued by Academic Board in 2015
- Noted the Annual Report on Awards Conferred
- Noted the 2015 Student Guild Financial Statements
- Approved changes to the Student Guild Constitution
- Noted the Annual Foundation Board Report to Council
- Noted minutes of the Sustainability Management Committee
- Noted a paper on the role and function of the Sustainability Management Committee
- Noted the Sustainability Management Committee Annual Report and Action Plan
- Approved the appointment of several Directors of the Innovation Centre Sunshine Coast Board
- Noted the reports of meetings of the Innovation Centre Sunshine Coast Board
- Noted the Innovation Centre Sunshine Coast Pty Ltd 2015 Financial Statements
- Noted the 2017 Innovation Centre Sunshine Coast Business Plan
- Noted the 2015 Institutional Performance Portfolio/ Technical Reports
- Noted Section 6 (University Governance) of the Revised Higher Education Framework (Threshold Standards)
- Noted a letter from the Minister regarding remuneration of Council members
- Noted updates from the Minister regarding the review of the Queensland University Acts

In 2016, Council approved changes to the following policies:

- *Compliance Management Framework – Governing Policy*
- *Conflict of Interest – Governing Policy*
- *Election of Council Members – Governing Policy*
- *Enterprise Risk Management and Resilience – Governing Policy*
- *Fraud and Corruption Control – Governing Policy*
- *Health, Safety and Wellbeing – Governing Policy*
- *Honorary Awards – Governing Policy*
- *Management of Contracts and Memorandums of Understanding – Governing Policy*
- *Program and Course Approval – Governing Policy*
- *Scholarships, Bursaries and Prizes – Governing Policy*
- *Student Academic Integrity – Governing Policy*
- *Student Conduct – Governing Policy*
- *Student Grievance Resolution – Governing Policy*
- *Sustainability Management – Governing Policy*

In 2016, Council rescinded the following policy:

- *Student Academic Misconduct – Academic Policy*

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 *Qld.*, 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

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 (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 Chairperson of the Research Committee. Present Chair of the Regional Universities Network Deputy Vice-Chancellor's (Research) Group. Member of the Board of the Innovation Centre Sunshine Coast. Presently serves as Chairperson 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 Council, University Executive, and Learning and Teaching Committee, Deputy Chairperson of Academic Board and Chairperson of the Internationalisation Advisory Committee. Former foundation Dean of Arts and subsequently Dean, Faculty of Arts and Social Sciences, University of the Sunshine Coast, 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, marketing, 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 along with an adjustment to include Marketing and External Engagement in the corporate portfolio. 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 (Engagement)

Oversaw the University's links with its primary stakeholders and its regional community in achieving the teaching and learning, and research priorities of the University. Portfolio redistributed following retirement of Emeritus Professor Mike Hefferan in March 2016.

Emeritus Professor Mike Hefferan (until March 2016)

BA *Qld.*, GradDipMgmt *C.Qld.*, MAppSci, PhD *Qld.UT*

Emeritus Professor and academic member of the School of Business. Appointed to the University in 2008. Former member of Academic Board, Executive and Foundation Board, and Chair of Innovation Centre Sunshine Coast Pty Ltd. Past President of the Australian Property Institute (Queensland Division), past Chair of the API's National Education Board and past board member of Regional Development Australia (Sunshine Coast) and the Sunshine Coast Business Council. Registered Urban and Rural Valuer, Fellow of the Australian Institute of Company Directors, Urban Development Institute of Australia, Australian Property Institute and Royal Institution of Chartered Surveyors.



Pro Vice-Chancellor (Students)

Chair of the Learning and Teaching Committee, with 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*

Appointed to the University in 2014 as the inaugural Pro Vice-Chancellor (Students). Member of the Academic Board, and Chair of the Learning and Teaching Committee. Active researcher in the areas of student engagement, students' experiences of higher education, student success and retention, and the first year in higher education. Adjunct Professor in the Information Systems School, Science and Engineering Faculty at Queensland University of Technology.



Executive Dean, Faculty of Arts, Business and Law

Oversees the Faculty of Arts, Business and Law, comprising the School of Business, 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 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 current role as Executive Dean of the Faculty of Arts, Business and Law in January 2012. 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.



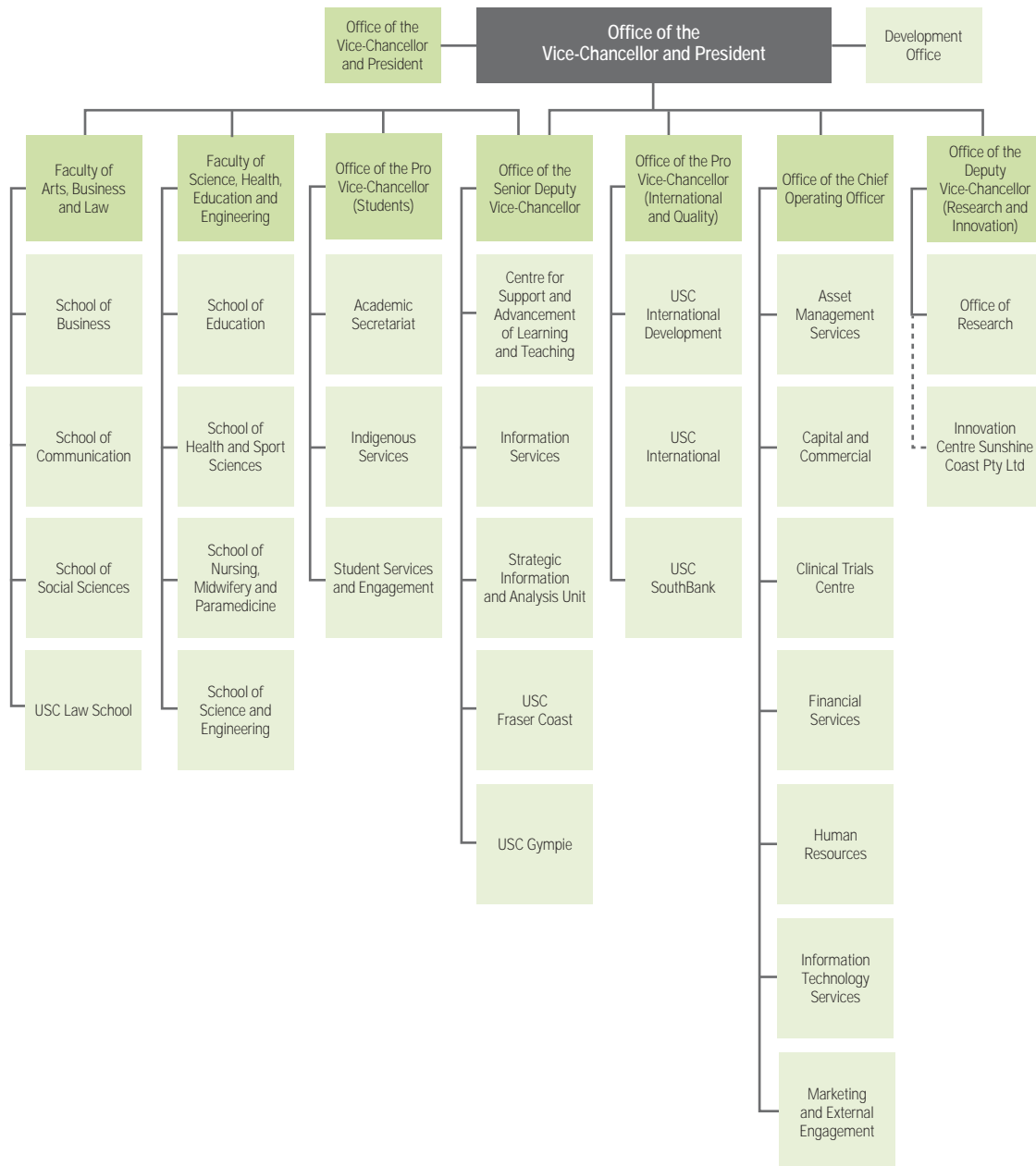
Executive Dean, Faculty of Science, Health, Education and Engineering

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

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 Advisory 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.



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 2016 its members included:

- Senior Deputy Vice-Chancellor [Chairperson]
- Deputy Vice-Chancellor (Research and Innovation)
- Pro Vice-Chancellor (International and Quality)
- Pro Vice-Chancellor (Engagement) (until retirement)
- Pro Vice-Chancellor (Students)
- Faculty Executive Deans
- Faculty Associate Deans (Learning and Teaching)
- Faculty Associate Deans (Research)
- Chairpersons of Academic Board standing committees
- Heads of Schools
- Three elected academic staff members from each faculty
- One undergraduate and one postgraduate student
- External representative of TAFE
- Director, Student Services and Engagement
- Director, Centre for Support and Advancement of Learning and Teaching
- Director, Information Services
- Director, Student Wellbeing (until June 2016)
- Director, Strategic Information and Analysis Unit (from July 2016)

The role of the 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 2016, the Academic Board met six times. The Board members did not receive any remuneration in 2016.

The terms of reference of Academic Board in 2016 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.

In 2016, strategic and academic quality assurance developments included:

- Academic Board endorsed and recommended the *USC Academic Plan 2016-2020* for consideration by the Planning and Resources Committee and approval by Council. The approved Academic Plan is a high-level plan to complement the *USC Strategic Plan 2016-2020*, and provides additional detailed strategies to achieve the objectives.

- Academic Board approved the *Framework for Embedding Aboriginal Knowledges and Perspectives and Torres Strait Islander Knowledges and Perspectives in Curriculum* and the associated *Action Plan*.
- Academic Board noted final progress reports on the implementation of recommendations contained in the reports of the following program reviews:
 - 2013 Review of Public Health Programs
 - 2013 Review of Social Science Programs
 - 2014 Review of Business Programs
 - 2014 Review of Regional and Urban Planning Programs
 - 2014 Review of Psychology Programs
 - 2014 Review of Nutrition and Dietetics Programs
 - 2014 Review of the Biomedical Science and Medical Laboratory Science programs
- Academic Board also received progress reports on the following program reviews:
 - 2014 Review of the Nursing and Midwifery Programs
 - 2014 Review of the Occupational Therapy Program
 - 2014 Review of the Paramedic Science Program
 - 2015 Review of the Science and Environmental Science Programs
 - 2015 Review of the Business Administration (Postgraduate) Programs
 - 2015 Review of the Education Programs
 - 2015 Review of the Design Programs
 - 2015 Review of the Engineering Programs
- Academic Board approved initial faculty responses to reviews of the following programs:
 - Business Administration (Postgraduate) programs
 - Engineering programs
 - Design programs
 - Education program
 - Creative Writing program
- Academic Board noted the first progress report on the implementation of recommendations contained in the Report of the 2014 Review of the Faculty of Science, Health, Education and Engineering.
- The Academic Board received a report on the outcomes of the 2016 Academic Board Planning Day, including themes to be further explored in 2017.

Policy developments included:

- Approved the revision of the *Bachelor Honours Degree – Academic Policy*.
- Endorsed and recommended the *Student Academic Integrity – Governing Policy* for approval by Council.
- Approved the revision of the *Higher Degree by Research Accreditation – Academic Policy*, to align with the approval authorities and processes set out in the *Program Accreditation and Course Approval – Governing Policy*.
- Approved the new *Coursework Curriculum Design – Academic Policy*. The policy is aligned with Higher Education Standards Framework (Threshold Standards) 2015, the Australian Qualifications Framework 2nd Edition (2013) and replaced the *Coursework Programs and Awards – Academic Policy*.
- Rescinded the *Program Review – Academic Policy*, and noted amendments to the *Program Review – Procedures*, which are now associated with the *Program Accreditation and Course Approval – Governing Policy*.

- Noted the amendments to the *Library Collection Development – Academic Policy*.
- Noted amendments to the *Academic Timetable – Academic Policy* to refer to multi-site delivery.
- Noted amendments to the *Student Ombudsman – Managerial Policy*.
- Noted amendments to the *Students with a Disability – Managerial Policy*.
- Approved amendments to the *Assessment: Courses and Coursework Programs – Academic Policy*.
- Endorsed and recommended revisions to the *Scholarships, Bursaries and Prizes – Governing Policy* for approval by the Vice-Chancellor and President.
- Endorsed and recommended revisions to the *Student Grievance Resolution – Governing Policy*, for approval by Council and to replace the *Student Complaints and Appeals – Governing Policy*.
- Endorsed and recommended revisions to the *Student Conduct – Governing Policy*, for approval by Council and to replace the *Student Conduct and Discipline – Governing Policy*.

Academic Board accredited the following programs:

- SC805 Master of Applied Genetics by Research (Aquaculture)
- ED705 Master of Education – new exit qualifications:
 - ED510 Graduate Certificate in Steiner Education
 - ED511 Graduate Certificate in Education Research
- AR701 Master of Professional Practice (Performing Arts)
- AR397 Bachelor of Laws/Bachelor of Environmental Management
- BU708 Master of Information and Communications Technology

In 2016 the Academic Board noted the Vice-Chancellor and President's approval to discontinue the following program:

- SC508 Graduate Certificate in Climate Change Adaptation

The Board noted that the Vice-Chancellor and President approved a proposal to deliver the following programs, in partnership with the Australian Technical and Management College (ATMC), at ATMC's Melbourne Campus from Semester 1, 2016:

- BU710 Master of Business Administration
- BU772 Master of Professional Accounting
- BU301 Bachelor of Business
- BU356 Bachelor of Commerce (Accounting)
- BU362 Bachelor of Business (Tourism, Leisure and Event Management)
- BU381 Bachelor of Information and Communications Technology

A report to the Academic Board on 20 September 2016 identified the following programs from the School of Business, as per the Service Agreement with Australian Technical Management College (ATMC), for delivery in Sydney from Semester 2, 2016:

- BU301 Bachelor of Business
- BU362 Bachelor of Business (Tourism, Leisure and Event Management)
- BU356 Bachelor of Commerce (Accounting)
- BU381 Bachelor of Information and Communications Technology
- BU710 Master of Business Administration
- BU740 Master of Business Administration (Extended)
- BU745 Master of Business Administration/Master of International Business
- BU772 Master of Professional Accounting

The Academic Board also approved the following:

- Minor changes to the composition and terms of reference of its standing committees
- Changes to programs where the Academic Board was the approval authority
- Conferral of individual student awards

The Academic Board received the following:

- Annual Summary Report on Student Academic Misconduct for 2015
- 2015 Annual Reports from Executive Deans and the Co-Heads, USC Law School
- Faculty Annual Reports of the External Academic Advisory Committees
- 2014 Forest Industries Research Centre Annual Report
- 2015 Research Centre Annual Reports were received from:
 - Centre for Human Factors and Sociotechnical Systems
 - Centre for Animal Health Innovation
 - Sustainability Research Centre
 - Forest Industries Research Centre
 - Centre for Genetics, Ecology and Physiology
 - Tropical Forests and People Research Centre
- Research Training Performance Data End of Year Report 2015 and Higher Degrees by Research Performance Data Mid-Year Report 2016
- Higher Degree by Research Candidate Survey Report 2015
- Summary report on the 2015 Self-Reviews of the Research Degrees Committee and the Research Committee
- Executive Summary of the 2015 Research Week Report



Strategic matters:

In 2016 the Academic Board received reports on the following matters:

- TEQSA's Standards Transition project which includes guiding principles and sets out the approach to transition to the new Higher Education Standards Framework (Threshold Standards) 2015, which revokes and replaces the Higher Education Standards Framework (Threshold Standards) 2011 from 1 January 2017.
- Summary of recommendations contained in the Report of the Review of Research Policy and Funding Arrangements, released by the Australian Government in November 2015, which includes priorities such as incentivising industry collaboration and research translation and modification of the competitive research grants system.
- The 'External Referencing of Standards' (EROS) Project trial of Peer Review of Assessment, conducted by four universities (Curtin, Wollongong, QUT and RMIT).
- Overviews by the Deputy Vice-Chancellor (Research and Innovation) in relation to strategic positioning and research revenue:
 - research investment funds and diversification of research revenue
 - the Academy of Technological Sciences and Engineering (ATSE) Research Engagement for Australia – Queensland Universities report
 - the University's response to the Australian Research Council's National Innovation and Science Agenda Engagement and Impact Assessment Consultation Paper
 - Regional Universities Network (RUN) response to the Research and Development Tax Incentive Review report
 - changes to the Australian Research Council (ARC) Linkage Projects Scheme, which would allow lodgement of applications for ARC Linkage Programs at any time rather than annually
 - new Research Block Grants including modelling of the effects on USC of the new scheme for the allocation of research block grants
- The outcomes of the Australian Council of Learned Academies (ACOLA) Review of Australia's Research Training System presented by the Associate Dean (Graduate Studies).

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 up to two members co-opted by the Chancellor and at least one other member of Council.

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.

Additionally, at least one member should possess expertise within the education sector. 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 2016 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 2016. Additionally, a Planning Day was held in September.

Full details of ARMC membership, meetings and record of attendance are available in the Financial Statements on pages 46-48 of this Annual Report.

In 2016, the ARMC considered business items related to the following:

- Risk Management
- Delegations of Authority
- Procurement Analysis
- Fraud Control
- Work Health and Safety
- Project Assurance
- Cyber Security
- QAO Results of audit: Education sector entities 2015 - Report 18: 2015–16,
- Draft USC Resources Plan
- Draft USC Academic Plan
- Internal Audit Charter
- Reviews of governing policies
- Development of new campuses and other key initiatives being explored by Management
- Progress reports on performance against the USC Strategic Plan
- USC's Risk Rating from the Australian Government Department of Immigration and Border Protection
- TEQSA's 2016 USC Risk Assessment
- Insurance
- Legislative Compliance
- USC 2015 Annual Financial Statements
- Innovation Centre Sunshine Coast's 2015 Annual Financial Statements
- Composition and membership of ARMC

Additionally, ARMC considered 2016 Internal and External Audit Plans and Audit reports in the areas of e-commerce, Data Analytics, ESOS compliance/Streamlined Student Visa Framework, Faculty of Arts, Business and Law Internal Audit of International Work Integrated Learning Activities, Student Complaints and Grievances and Grant Acquisitions.

A key focus of the work of this Committee in 2016 has been contributing to the development of a University Risk Appetite Statement and a Strategic Risk Register. The 2016 ARMC Planning Day, held in September, focussed on key drivers of change in the higher education sector and the implications of these for Resources Planning, ARMC's role and responsibilities, Risk Management, Internal Audit and Assurance. In 2016, members participated in a self-review of the Committee's performance.

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

The Audit and Risk Management Committee did not receive any remuneration in 2016.

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 Executive Dean, four external members with specific expertise in strategic financial management and planning, and up to two members co-opted by the Chancellor.

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

Five regular meetings of PRC were held in 2016. Additionally, a special meeting of PRC was conducted via teleconference in March to discuss developments regarding the establishment of a USC campus at Moreton Bay.

In 2016, PRC considered matters in relation to the following areas:

- Performance measures for the new Strategic Plan (2016-2020)
- Development of the 2016 Operational Plan
- Development of the Resources Plan
- Development of the Academic Plan
- Quarterly Budget Reports
- Quarterly Investment Reports
- Borrowing Options
- 2017-2021 Annual Budget
- 2016 USC Annual Financial Statements
- 2016 Student Guild Annual Financial Statements
- Changes to the Student Guild Constitution
- PRC's composition
- Membership of PRC
- Planning matters, including approval of KPIs, Measures and Targets associated with the new Strategic Plan
- Reports on achievement against the key performance indicators in the University's previous and strategic and top level plans
- Capital, Commercial and Asset Management Reports
- Administration Review
- Establishment of a Strategic Projects Advisory Group
- Thompson Institute
- Sunshine Coast Health Institute (formerly known as SARC)
- Australian Technical and Management College (ATMC)

- Reviews of Governing Policy
- Procurement
- Sustainability Management
- Reports on Student Enrolments
- 2017 Schedule of Student Fees
- USC 2015 Institutional Performance Portfolio Report
- Teaching Space Audit Summary
- Report on Office Space Utilisation
- Reports of the meetings of the Innovation Centre Sunshine Coast Pty Ltd (ICSC) Board
- 2016 ICSC Annual Financial Statements
- ICSC Board Leadership
- Membership of the ICSC Board
- ICSC 2017 Strategic/Business Plan
- 2015 Sustainability Annual Report and monitoring sustainability actions against the USC Operational Planning System.

The Planning and Resources Committee did not receive any remuneration in 2016.

Honorary Awards Committee

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 Chancellor, the Committee's composition includes the Vice-Chancellor and President, the Senior Deputy Vice-Chancellor and up to three University Council members. The Honorary Awards Committee met once in 2016 to consider nominations and the following honorary awards were conferred.

Emeritus Professor

- Emeritus Professor Mike Hefferan
- Emeritus Professor Anne Rees
- Emeritus Professor Neil Rees

Doctor of the University

- Dr Kenneth Cato, AO
- Dr Karl Kruszelnicki
- Kenneth Thaiday Senior
- Wong Siew Te

Senior Fellow of the University

- John Gallagher
- Gerard Mills

The Honorary Awards Committee did not receive any remuneration in 2016.

Innovation Centre Sunshine Coast

The University established the Innovation Centre Sunshine Coast Pty Ltd (ICSC) on 26 October 2000, under the *University of the Sunshine Coast Act 1998* Part 2(6) with a freestanding Board. The company's mission is to support the start-up and growth of knowledge-based businesses and to promote beneficial interaction between these businesses and the University.

The ICSC operates a 1500-square metre, purpose-built business accelerator facility on the USC campus. The ICSC provides successful business development programs, high-speed fibre/wireless connections, flexible office space, video studio, business mentoring, investment readiness, extensive networking opportunities and collaborative links to USC capability and talent.

Since 2002 the ICSC has been home to more than 170 startup and high-growth businesses, creating more than 720 jobs, 200 student placements and \$60 million in economic value for the Sunshine Coast. The ICSC activities, services, members and partners are fully detailed at innovationcentre.com.au

Review and results of operations:

The ICSC remains well positioned to assist local entrepreneurs, new ventures, enterprising researchers and students.

With an improving economic climate, the ICSC had a relatively strong year in 2016, attracting 25 new member companies (18 in 2014). The average occupancy rate during the year was 97 percent. In 2016, the ICSC was home to 52 members with more than 160 entrepreneurial staff and students. Many member companies and alumni excelled in their respective fields. Highlights for 2016 include:

- Typefi Systems won the 2016 Small Business Exporter of the Year Award at the Queensland and Australian Export Awards, and has become a world-leading provider of automated publishing software.
- iDcare was positively acknowledged by the Commonwealth Government, media and community for its leadership in relation to identity concerns and cyber security response protocols.
- Seven ICSC members (AusIdentities, Sunlife SuperFoods, Hive Haven, Italic Creative, Innovate Media, Spare Harvest and TruTeq) were finalists at the Sunshine Coast Business Awards, where Student WOWcard founder Daniel Proctor was also named Sunshine Coast Young Entrepreneur of the Year.
- Four ICSC mentors/founders were acknowledged by Advance Queensland for their achievements in 2016, and were recognised as Queensland Digital Champions.
- The Sunshine Coast was named as one of the world's Smart 21 Communities and recognised for applying digital technologies and innovation to enable enhanced economic and social outcomes. ICSC and USC capability contributed to the strength of this submission.

The ICSC programs and operations are mainly funded from membership fees and augmented by partnerships, sponsorships and external funding.

The ICSC would specifically like to acknowledge the strong financial and in-kind support during the year from the following contributors:

- USC – \$250,000 grant with significant in-kind support from staff and researchers
- ICSC Mentor Panel – providing approximately \$68,000 of volunteered mentoring and advice
- ICSC Partners – prizes and sponsorships of approximately \$22,000 by Redchip Lawyers, RADBE and Poole Group



- ICSC Board of Directors – approximately \$9,800 of volunteered time (excluding USC staff members, who contributed an extra 32 hours)
- Government program and event funding (including Commonwealth Government, Queensland Government and Sunshine Coast Council)
- ICSC alumni members, who act as ambassadors and provide valuable referrals, connections and general support for the ICSC network

In 2017 the ICSC will celebrate its 15th anniversary. There will be a stronger focus on USC flagship areas, additional accelerator programs and extra connections, capacity building support, and tools for translating emerging USC R&D to business and industry.

The full financial transactions of the ICSC can be located on pages 96-114 of this Annual Report.

ICSC Board Members (Directors):

- Emeritus Professor Mike Hefferan (Chairperson)
- Ms Julie-Anne Mee (Company Secretary)
- Professor Mike Clements (from 24 February 2016)
- Professor Roland De Marco (from 24 February 2016)
- Dr Kirsten Baulch
- Dr Peter Isdale AM (from 1 September 2016)
- Mr Andrew Fern
- Mr David Foster (from 24 February 2016)

The Board met six times in 2016.

Company Members:

- Mr Mark Paddenburg (ICSC CEO)
- Ms Janet O'Hara (ICSC Board Minute Secretary)

Dividends:

No dividends have been paid or declared during or since the 2016 financial year (2015: nil).

Directors' remuneration

No director of the ICSC (excluding those directors with employment contracts with USC) has received, or become entitled to receive, a benefit by reason of a contract made by the ICSC or a related corporation with a director or firm of which a director is associated.

Monitoring quality

The University conducts internal audits within the relevant terms of reference and has due regard to Queensland Treasury's Audit Committee Guidelines.

The University 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 improved 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 University staff and such bodies as the University Executive, Academic Board, Council committees and the Quality and Standards Committee.

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

During 2016, an external review of the Technical Services area was undertaken.

Scheduled external reviews of the following programs were also undertaken in 2016:

- Bachelor of Creative Writing
- Bachelor of Clinical Exercise Science
- Bachelor of Sport and Exercise Science
- Bachelor of Information and Communications Technology

There continued to be ongoing reporting and monitoring of progress in implementation of, and outcomes from, action plans arising from the cyclic external review process held since 2014.

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

Benchmarking

During 2016 the University 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.

Statutory obligations and compliance

Best practice for governance

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

The University 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 reregistration process by TEQSA, where it demonstrates its ongoing compliance with the Higher Education Standards.

The University is also registered on the Commonwealth Register of Institutions and Courses for Overseas Students. CRICOS Provider Number: 01595D.

In 2015 the University directly contributed to the Queensland Government objectives for the community to deliver quality frontline services. USC has continued to achieve better education and training outcomes for its graduates, has supported disadvantaged Queenslanders through a range of low SES educational support programs, and has contributed to strengthening our public health system by partnering with new public health providers in 2015. The Queensland Government objectives for the community are available online at: premiers.qld.gov.au/publications/categories/plans/governments-objectives-for-the-community.aspx

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 staff of the University. The Code is shaped around four key ethical principles that are intended to guide ethical decision making and behaviour. The ethical principles are:

- Integrity and impartiality
- Promoting the public good
- Commitment to the system of government
- Accountability and transparency

The University 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.

Student complaints and appeals

The University has a Student Complaints and Appeals Policy, which provides a framework to administer, manage and report on student complaints and appeals. In 2016, the Office of the Senior Deputy Vice-Chancellor received and investigated 21 formal complaints.

Leadership and workforce development

Work-life balance initiatives

The University provides 26 weeks' paid maternity 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.

The University 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 their caring responsibilities. Due to the flexible working options available at USC, 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.

The University of the Sunshine Coast supports the Queensland Carers Charter as detailed in the *Carers (Recognition) Act 2008*, through flexible work practices and remote access facilities for staff and students.

Staff are provided with the 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 2016*, the Full Time Equivalent (FTE) staffing was 1,141, inclusive of casual staff. This was a seven percent increase on 31 March 2015. 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 University welcomed staff from its newly acquired Fraser Coast campus on 1 February 2016.

The University appointed a number of senior staff during 2016 including Director, Student Services & Engagement; Head, School of Law; and Director, Community Engagement.

Workplace health, safety and wellbeing

In 2015*, USC had a total of 23 claims accepted by WorkCover Queensland, with an average time lost to injury of 2.5 days per workers' compensation incident. The enhancement of Health, Safety and Wellbeing strategies for the University continued at all sites during 2016, with initiatives including Conversations for Life workshops, ergonomic assessments, body balance sessions, staff netball, volleyball and bocce tournaments, a swimming carnival, staff photo competition, staff expo, Fitness Passport, and benefits program.

Opportunities to enhance staff's physical and mental wellbeing continued throughout 2016. Training sessions including 'Building Resilience', 'Introduction to Mindfulness', 'Stress Management', and 'Nutrition Mythbusters' were conducted to support staff in the development of skills that contribute to their wellbeing.

Performance management framework

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

Leadership and management development

The University continued to offer a comprehensive range of leadership and management development activities during 2016. The programs offered included presentation skills; 'Process Mapping & Steps to Process Improvement!'; project management fundamentals; media interview training for academics; three middle managers forums including 'Creating a Positive Culture', 'Managing the Tough Stuff', and 'Implementation and Experience'; positive influence skills; PPR supervisor training; customer service; 'Moving from Busyness to Effectiveness'; and recruitment, selection and appointment training. USC also runs a 'Be Inspired' series, which provides opportunities for staff to engage with outstanding people who can share interesting and often unusual experiences.

Executive and senior managers also participated in the annual Senior Staff Retreat and four Senior Staff Forums, for which one of the specific and stated aims is professional development.

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 2016 nine staff commenced study while being supported by the Study Assistance program.

Enterprise agreement

The University finalised enterprise bargaining negotiations for a new Enterprise Agreement during 2016. The new University of the Sunshine Coast Enterprise Agreement has a nominal expiry date of 30 June 2018.

Policy review

The University reviewed a number of policies during 2016, including the Code of Conduct, Anti-Discrimination and Freedom from Harassment Policy, Preventing and Responding to Workplace Bullying Policy, and Public Interest Disclosures Policy.

Information systems and record keeping

Information privacy

The University 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 University's website and appropriate privacy statements are included on University forms. The University's policy approach to information privacy is included in its *Information Management Framework – Governing Policy*. Procedures for information privacy are outlined in its *Information and Records Management – Procedures* and a Guideline on Personal Information outlines the processes for the collection, use and storage of personal information.

One formal request under the *Information Privacy Act* was processed in 2016.

Right to Information

The University 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*.

The University'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 University's website, outlining the classes of information available publicly, is updated regularly. The University's Disclosure Log provides details of information released in response to formal RTI applications. Requests for information are managed through administrative release processes wherever possible.

Four formal requests under the *Right to Information Act* were processed in 2016. Two requests were processed by administrative release.

Corporate information systems and technologies

The University continues to invest significantly in its ICT applications and infrastructure as well as its enabling capacity to support growth, meet new opportunities and contribute to organisational transformation.

MyUSC: The University's staff intranet continued its development. Increasing use is occurring as more capabilities are added, including:

- The new Project Management Framework, incorporating project page templates to support better project communications across the University.

* Figures are the most up-to-date available at time of publishing.

- Functionality delivering electronic forms and workflow to support Financial Delegation.
- Collaboration sites, which after an initial pilot are being rolled out more broadly across the University. Templates have been developed for use cases supporting teams, projects, committees and communities of practice.

Unified communications and conferencing: This year saw the retirement of the University's legacy telephone system, completing the migration to a contemporary unified communications system (Microsoft Skype for Business) commenced in 2014. This completed the decommissioning of telephone components, some of which had been in operation since the University opened 20 years ago.

In addition to normal telephone services, the new system supports video and web conferencing, desktop presentation and application sharing and is integrated with a range of IT services.

Self service: A solution was developed to provide Asset Management Services (AMS) with staff self-service for maintenance and other routine services. The service, AMS Connect, streamlines processes and allows for better workforce allocation, improved reporting and decision making and continuous service improvement for customers, allowing staff to focus on higher-order business functions. Similar capabilities are in development for IT Services, with both services to be released in early 2017.

Data warehousing: In 2016 the focus of this multi-year initiative was to establish foundation technologies and the platform to support the subsequent development of institutional data warehouse and business intelligence capabilities. The ability to produce readily accessible reporting, integrated within MyUSC, will be available in 2017.

Remote access: A new service, USC Anywhere, was made available to provide remote access for staff and students to their files and (licensed) applications from anywhere, anytime and (almost) any internet capable device.

Operational analytics: New analytics tools have been implemented that allow IT Services to streamline the proactive monitoring of core business applications within the University. These tools allow for exception reporting across expansive server and system log files to identify causes of potential system failures, security breaches, trends that support future planning and various anomalous activity.

LabStats Find a PC: Upgrades to this service have extended its functionality and accessibility to include not only available PCs, but supported software across all campuses and locations. The service is now mobile accessible and available on USC Anywhere.

New sites and facilities: Major new facilities were delivered across the year at Fraser Coast, SouthBank, Thompson Institute, the Sunshine Coast Health institute (SCHI), Melbourne and Sydney and Dilli Village.

The enablement of ICT at SouthBank and Fraser Coast delivered network and telephone services, video conferencing facilities, a student PC lab, student Info Commons, audiovisual presentation technology in the lecture spaces and meeting rooms, as well as staff and student printing. This supported the commencement of teaching for Semester 1, 2016.

The establishment of the Thompson Institute resulted in the provision of ICT requirements delivering network infrastructure, communications, security, wifi and telephone services. Video conferencing was enabled in the meeting rooms, with audio visual presentation capability delivered to both classrooms and consulting rooms.

USC Melbourne and USC Sydney were also ICT enabled to support course delivery by ATMC to USC students.

University services to support activities to be delivered at the Sunshine Coast Health Institute (SCHI) will be finalised in readiness for operations in 2017.

Upgrades to Dilli Village improved wifi and audiovisual presentation facilities, which now allows seamless access to digital resources comparable to those available on campus. Improved communications services also allow for remote monitoring of offsite plant equipment, facilitating more reliable power to the site.

AARNet internet link upgrade: The network link upgrade to AARNet 4, together with the delivery of a wide area network (WAN) link to the SCHI and the Thompson Institute, has progressed the delivery of a full redundancy 10 gigabyte network between Sippy Downs and Brisbane. Further work is planned in 2017 to complete this activity.

Replacement of ICT infrastructure: The upgrade and replacement of ICT hardware, including personal computing, audiovisual, servers and storage, network and communications continues to grow with the University, which creates challenges as IT Services seeks to constrain the financial demands it imposes.

Across the year upgrades were made to six lecture theatres and more than 20 other teaching spaces across the Sippy Downs campus. Work has also commenced on upgrades to the production studio and editing suite, to be completed in early 2017.

A hardware catalogue detailing supported models of PCs, Mac and laptops as well as some tablet devices was published on MyUSC during the year. 537 PCs were replaced across 2016 to maintain currency, comprising 387 desktops and 150 laptops, with a growth in the number of Apple Macs. Three computer labs were also upgraded with high-performance desktops.

In early 2016 a significant upgrade to the data centre virtualisation environment was completed, delivering enhanced operational and reporting capabilities. Routine server replacements (13) occurred across the year and additional capacity was provided on the Storage Area Network (SAN) supporting USC corporate data. This also required an increase to the tier one back-up environment.

Network improvements this year focused on delivering improvements to the data centre network infrastructure, improving the performance, security and resiliency of application delivery between client devices and servers. The replacement of the core network firewalls is also progressing and will be implemented in early 2017. This will provide enhanced security capabilities and significant improvements in performance, supporting the University's needs for years to come.

Records management

The University takes a holistic approach to records management, with Information Management Services staff providing professional advice on formal recordkeeping and broader information management issues. The University has a formal corporate recordkeeping system, and a number of other systems approved under ISO 16175.3 for in-place recordkeeping. Records management at the University is governed by the *Information Management Framework — Governing Policy* and the *Information and Records Management — Procedures*.

In 2016 a new solution (Objective's ECM) was chosen to support the institutional demands for an electronic document and records management system (eDRMS). The solution is to provide enterprise-wide information management with automated information governance, recordkeeping and workflow capability. This multi-year initiative will launch to a pilot group in March 2017, with the initial focus to provide digital student file records to student-facing stakeholders, sample contract management procedures and a student grievance workflow.

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Financial review

The University's financial position has continued to strengthen this year as a result of increased student load. Other revenue increases include the recovery of fitout costs incurred at USC SouthBank, and continuing increasing research and consultancy efforts. Results for the year included an operating surplus of \$28.8 million (2015: \$15.1 million), with an operating margin of 11.6 percent (2015: 7.0 percent).

Income and expenditure

Total income for the year was \$248.4 million – an increase of \$32 million (14.8 percent) on the previous year. The result was driven primarily by the gain of assets acquired at less than fair value when USC purchased the University of Southern Queensland Fraser Coast campus for \$7 million. An independent valuer determined that the fair value of the assets acquired was \$19 million; the difference (\$12.6 million), less costs of acquisition, has been recognised as other income. In addition, there was continued growth in Commonwealth-funded student places, and an increase to fees and charges received due to additional student enrolments 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 \$177.6 million or 71.5 percent of revenue, an increase of \$12.8 million (7.7 percent) on the previous year's funding.

Expenses for the year totalled \$219.6 million – an increase of \$18.3 million (9.0 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 in May 2016; 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 new 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 \$389.5 million – \$53.2 million (15.8 percent) more than in the previous year. This reflects the heavy investment in property, plant and equipment during 2016, with the purchase of the Fraser Coast campus and capital investments to the South Bank campus and Thompson Institute. It also reflects to the reduction of long-term borrowings through regular premium payments and movements in leave provisions, and a desktop revaluation of land, buildings, infrastructure and significant investment holdings.



Budget vs Actual 2016 | Actual 2016 vs Actual 2015

	2016				2015	
	ORIGINAL BUDGET \$'000	AUGUST REFORECAST \$'000	ACTUAL \$'000	VARIANCE ACTUAL vs REFORECAST	ACTUAL \$'000	VARIANCE ACTUAL 2016 vs 2015
STATEMENT OF COMPREHENSIVE INCOME						
Revenue and income from continuing operations	207,817	233,721	247,731	6%	215,774	15%
Expenses from continuing operations	214,358	225,732	218,980	-3%	200,618	9%
Operating result after income tax for the period	(6,541)	7,989	28,751	260%	15,156	90%
Gain (loss) on revaluation of land and buildings, net of tax	-	-	24,431	100%	19,705	24%
Total comprehensive income attributed to members of the University of the Sunshine Coast	(6,541)	7,989	53,182	566%	34,861	53%
STATEMENT OF FINANCIAL POSITION						
Current assets	62,507	65,216	83,824	29%	67,566	24%
Non-current assets	312,905	357,030	357,448	0%	310,463	15%
Total assets	375,412	422,246	441,272	5%	378,029	17%
Current liabilities	32,596	36,111	40,673	13%	28,971	40%
Non-current liabilities	31,047	11,914	11,184	-6%	12,825	-13%
Total liabilities	63,643	48,025	51,857	8%	41,796	24%
Net assets	311,769	374,220	389,414	4%	336,232	16%
Reserves	95,396	146,638	141,070	-4%	116,639	21%
Retained surplus	216,373	227,582	248,344	9%	219,593	13%
Total equity	311,769	374,220	389,414	4%	336,232	16%

Data relates to Parent entity.

Financial Statements

Report by members of the University Council

For the year ended 31 December 2016

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 2016 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) and USC Capital and Commercial Pty Ltd (C&C).

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

Members of the University Council

The following persons were members of the Council during 2016.

Name and Qualifications

Appointment / Election / Resigned / Retired / Term completed

Chancellor

Mr John DOBSON OAM

Acting Chancellor

Mr Bruce COWLEY, BCom, LLB(Hons) *Old*. FAICD (June, August & October Council meetings)

Ms Julie-Anne MEE, BBus *C.Old.*, MAdmin *Griff.*, FCPA (10 – 16 October 2016)

Deputy Chancellor

Mr Bruce COWLEY, BCom, LLB(Hons) *Old*. FAICD

Vice-Chancellor and President

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

Chairperson of the Academic Board

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

Six members appointed by the Governor in Council

Ms Debra BENNET

Mr Bruce COWLEY, BCom, LLB(Hons) *Old*. FAICD

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

Mr David JEFFRIES, BCom *Old.*, FCA, FAICD, FFin

Resigned 20 April 2016

Ms Julie-Anne MEE, BBus *C.Old.*, MAdmin *Griff.*, FCPA (Acting Chancellor (10 – 16 October 2016))

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

Two members of the University's academic staff

Professor Robert ELLIOT, BA(Hons) *NSW*, MA *La Trobe*, DipEd *Melb.*, PhD *Old*.

Dr Mark SAYERS, BAppSci *CAAE*, MAppSci *UC*, PhD *RMIT*

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

Mr Jon DICKINS, BA(Hons) *Griff*

Two members of the student body

Mr Michael JEFFERIES

Mr Raymart WALKER

Four additional members appointed by Council

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

Mr Robert HUBBARD, BA(Hons), FCA

Financial Statements

Report by members of the University Council

For the year ended 31 December 2016

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

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

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 (Chairperson)

Mr Robert HUBBARD, BA(Hons), FCA

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

Ms Sandra BIRKENSLEIGH, BCom, CA, GAICD, CCP (Fellow)

Mr Jeffrey FORBES, BComm, GAICD, MAusIMM

Appointed 4 August 2016

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

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

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 (Chairperson)

Mr Bruce COWLEY BCom, LLB(Hons) *Qld*, FAICD

Vice-Chancellor and President

Professor Greg HILL, CertTeach BA(Hons) PhD *Qld*.

One Executive Dean or Director nominated by the Vice-Chancellor and President and appointed by Council

Professor Joanne SCOTT, Executive Dean, Faculty of Arts and Business, PhD *Qld.*,
GradCertCulturalHtge *Deakin*, GradCertEd *Qld.UT*, BA(Hons) *Qld*.

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

Mr David FOSTER, B App Sci, MBA, SF Fin, GAICD, FAIM

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

Appointed 30 September 2016

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

Scott WILLIAMS, AM, QDAH *Qld*, BEc, GradDipCompSc GradDipFinMangt,
GradDipRurAcc *NE, Hon.DLitt(NE)* FAICD

Appointed 26 May 2016

Up to two members co-opted by the Chancellor

Scott WILLIAMS, AM, QDAH *Qld*, BEc, GradDipCompSc GradDipFinMangt,
GradDipRurAcc *NE, Hon.DLitt(NE)* FAICD

Co-opted to 25 May 2016

Financial Statements

Report by members of the University Council

For the year ended 31 December 2016

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 2016, Council meetings were held on 23 February, 18 April, 28 June, 23 August, 18 October and 6 December. Additionally, the Annual Council Retreat was held on 18-19 April.

Four (4) ordinary meetings of the Audit and Risk Management Committee (ARMC) were held during the year. In 2016, ARMC meetings were held on 23 February, 24 May, 12 September and 15 November. Additionally, a Planning Day of ARMC was held on 12 September 2016.

Five (5) ordinary meetings of the Planning and Resources Committee (PRC) were held during the year. In 2016, PRC meetings were held on 11 February, 31 May, 4 August, 30 September and 17 November. Additionally, a special meeting of PRC was conducted via teleconference in March to discuss developments regarding the establishment of a USC campus at Moreton Bay.

Member Listing	Board (Council) Meetings		Audit & Risk Management Committee		Planning & Resources Committee	
	A	B	A	B	A	B
John DOBSON OAM	3	6				
David JEFFRIES	2	2				
Bruce COWLEY	6	6			5	5
Professor Greg HILL	6	6			4	5
Professor Birgit LOHMANN	6	6				
Debra BENNET	5	6				
Jon DICKINS	6	6				
Professor Robert ELLIOT	4	6				
Robert HUBBARD	6	6	4	4		
Dr Suzanne INNES	5	6				
Michael JEFFERIES	6	6				
Julie-Anne MEE	6	6				
Natasha READ	5	6	3	4		
Dr Mark SAYERS	6	6				
Emeritus Professor Gerard SUTTON AO	2	6				
Raymart WALKER	6	6				
Scott WILLIAMS AM	5	6			5	5
Jacquelyn WRIGHT	6	6				
Sandra BIRKENSLEIGH			4	4		
Jeffrey FORBES			2	2		
Gary McLENNAN			3	4		
David FOSTER					4	5
Christopher HARRIS					1	2
Professor Joanne SCOTT					4	5
Bernard SMITH					4	5

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 2016 Operating result is \$28,769 million. The Operating result includes a gain on assets acquired at less than fair value of \$12,602 million in relation to the acquisition of the Fraser Coast campus from the University of Southern Queensland in February 2016. Operating surplus adjusted for this amount is \$16,167 million.

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 18 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 Regulation

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

Insurance of Officers

In 2016, 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.



Mr John Dobson OAM
Chancellor
University of the Sunshine Coast

21 February 2017



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

21 February 2017

Financial Statements

Income statement

For the year ended 31 December 2016

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Revenue from continuing operations					
Australian Government financial assistance					
Australian Government grants	2	117,887	112,059	117,887	112,059
HELP - Australian Government payments	2	56,792	51,429	56,792	51,429
State and Local Government financial assistance	3	2,896	1,320	2,748	1,215
HECS-HELP - Student payments		3,277	3,699	3,277	3,699
Fees and charges	4	39,088	26,837	38,668	26,401
Investment revenue		1,893	2,448	1,891	2,444
Consultancy and contracts		3,815	3,182	3,815	3,167
Other revenue	5	22,702	15,426	22,653	15,360
Total revenue from continuing operations		248,350	216,400	247,731	215,774
Expenses from continuing operations					
Employee related expenses	6	134,424	122,305	133,986	121,830
Depreciation and amortisation		11,161	8,939	11,152	8,930
Advertising, marketing and promotional expenses		3,011	2,966	2,999	2,922
IT software and licences		3,469	2,915	3,469	2,915
Repairs and maintenance		6,418	6,645	6,418	6,640
Scholarships, grants & prizes		14,373	15,518	14,623	15,768
Non-capitalised equipment		6,481	6,241	6,481	6,200
Professional fees		12,920	9,765	12,801	9,703
Travel & entertainment		5,164	5,135	5,163	5,100
Rental hire and other operating leasing fees		4,186	3,360	4,177	3,352
Occupancy and utilities		4,116	3,370	4,037	3,317
Borrowing costs		592	689	592	689
Impairment of assets		235	183	235	183
Net gain/losses on disposal of assets		160	11	160	11
Other expenses	7	12,871	13,223	12,687	13,058
Total expenses from continuing operations		219,581	201,265	218,980	200,618
Operating result before income tax		28,769	15,135	28,751	15,156
Income tax expense		-	-	-	-
Operating result after income tax for the period and attributable to members of the University of the Sunshine Coast	14(c)	28,769	15,135	28,751	15,156

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 2016

	Notes	Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Operating Result after income tax for the period		28,769	15,135	28,751	15,156
Gain (loss) on revaluation of land and buildings, net of tax	14(a)	24,431	19,705	24,431	19,705
Total comprehensive income		53,200	34,840	53,182	34,861
Total comprehensive income attributed to non-controlling interest		-	-	-	-
Total comprehensive income attributed to members of the University of the Sunshine Coast		53,200	34,840	53,182	34,861

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 2016

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
ASSETS					
Current assets					
Cash and cash equivalents		49,195	23,289	48,893	23,058
Receivables	8	2,925	4,326	2,874	4,353
Other financial assets		20,000	30,000	20,000	30,000
Other non-financial assets		12,057	10,163	12,057	10,155
Total current assets		84,177	67,778	83,824	67,566
Non-current assets					
Receivables		65	166	65	166
Other financial assets		11,027	9,278	11,027	9,278
Property, plant & equipment	9	340,781	297,412	340,741	297,373
Intangible assets		4,877	3,251	4,877	3,251
Other non-financial assets		738	395	738	395
Total non-current assets		357,488	310,502	357,448	310,463
Total assets		441,665	378,280	441,272	378,029
LIABILITIES					
Current liabilities					
Trade and other payables	10	11,192	6,909	10,975	6,788
Borrowings	11	1,854	1,748	1,854	1,748
Provisions	12	19,318	16,055	19,284	16,031
Other liabilities	13	8,560	4,404	8,560	4,404
Total current liabilities		40,924	29,116	40,673	28,971
Non-current liabilities					
Borrowings	11	7,048	8,878	7,048	8,878
Provisions	12	4,154	3,947	4,137	3,947
Total non-current liabilities		11,202	12,825	11,185	12,825
Total liabilities		52,126	41,941	51,858	41,796
Net assets		389,539	336,339	389,414	336,232
EQUITY					
Reserves	14(a)	141,070	116,639	141,070	116,639
Retained surplus	14(c)	248,469	219,700	248,344	219,593
Parent entity interest		389,539	336,339	389,414	336,232
Total equity		389,539	336,339	389,414	336,232

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 2016

	Consolidated			Parent entity			
	Reserves \$'000	Retained earnings \$'000	Non-controlling interest \$'000	Total \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000
Balance at 1 January 2015	96,934	204,566	-	301,500	96,934	204,437	301,371
Profit or loss	-	15,135	-	15,135	-	15,156	15,156
Revaluation of Land, Buildings & Infrastructure	10,372	-	-	10,372	10,372	-	10,372
Revaluation of Art	155	-	-	155	155	-	155
Revaluation of Other Financial Assets	9,178	-	-	9,178	9,178	-	9,178
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	19,705	15,135	-	34,840	19,705	15,156	34,861
Balance at 31 December 2015	116,639	219,700	-	336,339	116,639	219,593	336,232
Balance at 1 January 2016	116,639	219,700	-	336,339	116,639	219,593	336,232
Profit or loss	-	28,769	-	28,769	-	28,751	28,751
Revaluation of Land, Buildings & Infrastructure	22,513	-	-	22,513	22,513	-	22,513
Revaluation of Art	43	-	-	43	43	-	43
Revaluation of Leasehold Improvements	46	-	-	46	46	-	46
Revaluation of Other Financial Assets	1,829	-	-	1,829	1,829	-	1,829
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	24,431	28,769	-	53,200	24,431	28,751	53,182
Balance at 31 December 2016	141,070	248,469	-	389,539	141,070	248,344	389,414

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 2016

	Notes	Consolidated		Parent entity	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Cash flows from operating activities					
Australian Government grants received	2(h)	176,780	166,246	176,780	166,246
OS-HELP (net)	2(h)	(4)	316	(4)	316
State Government grants received		2,253	991	2,150	991
Local Government grants received		450	224	450	224
HECS-HELP - Student payments		3,277	3,699	3,277	3,699
Receipts from students fees and other customers		68,978	42,230	68,430	41,194
Interest received		1,916	2,785	1,914	2,781
Interest and other costs of finance paid		(592)	(689)	(592)	(689)
Payments to suppliers and employees (inclusive of goods and services tax)		(219,488)	(204,994)	(218,906)	(203,972)
GST recovered/(paid)		5,084	6,771	5,084	6,774
Net cash provided by / (used in) operating activities	19	38,654	17,579	38,583	17,564
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment		14	19	14	19
Payments for property, plant and equipment / intangibles		(21,118)	(41,091)	(21,118)	(41,091)
Proceeds from sale of financial assets		10,080	60,272	10,080	60,272
Payments for financial assets		-	(22,931)	-	(22,931)
Net cash provided by / (used in) investing activities		(11,024)	(3,731)	(11,024)	(3,731)
Cash flows from financing activities					
Repayment of borrowings		(1,724)	(1,627)	(1,724)	(1,627)
Net cash provided by / (used in) financing activities		(1,724)	(1,627)	(1,724)	(1,627)
Net increase / (decrease) in cash and cash equivalents		25,906	12,221	25,835	12,206
Cash and cash equivalents at beginning of the financial year		23,289	11,068	23,058	10,852
Cash and cash equivalents at the end of the financial year		49,195	23,289	48,893	23,058

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

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Financial Statements

Notes to the financial statements

For the period ended 31 December 2016

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 subsidiaries.

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 21 February 2017.

Historical cost convention

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

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the University's accounting policies. The estimates and underlying assumptions are reviewed on an ongoing basis. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below:

Provisions

The liability for other long-term employee benefits such as annual leave and long service leave is recognised in current provisions for employee benefits if it is not expected to be settled wholly before twelve months after the end of the reporting period. Further information is contained in note 1(s).

Fair value of property, plant and equipment

Land, buildings, infrastructure, library heritage and art collections are measured at fair values less any accumulated depreciation and accumulated impairment losses. All such assets are valued by an external valuer on a cyclical basis, or earlier if there is material movement. Further information is contained in note 1(m).

Impairment of assets

All non-current physical and intangible assets are assessed for impairment on an annual basis. Further information is contained in note 1(g). All financial assets are assessed for impairment on an annual basis. Further information is contained note 1(k).

Depreciation

Property, plant and equipment, other than land and the library heritage and art collection are depreciated over their estimated economic useful lives. Further information is contained in note 1(m).

b) Basis of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of the University ("parent entity") as at 31 December 2016 and the results of all subsidiaries for the year then ended. The University and its subsidiary together are referred to in this financial report as the consolidated entity.

Subsidiaries 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.

Subsidiaries 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.

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 subsidiaries 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

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 amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. 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.

Revenue is recognised for the major business activities as follows:

Government grants

Grants 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.

HELP Payments

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.

Student fees and charges

Fees and charges are recognised as income in the year of receipt, except to the extent that fees and charges relate to courses to be held in future periods. Such receipts (or portion thereof) are 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.

Consultancy and Contracts / Fee for Service

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 labour hours for each contract.

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

Other Revenue

Interest

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets. This is generally recorded on receipt from the relevant financial institution or as accrued revenue in respect of fixed term investments.

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.

Lease income

Lease income from operating leases is recognised as income on a straight-line basis over the lease term.

Financial Statements

Notes to the financial statements

For the year ended 31 December 2016

e) Taxation

The University and its controlled entity 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) Leases

All of the current leases held by the University are considered to be operating leases. 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.

g) 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.

h) Cash and cash equivalents

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.

i) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less provision for impairment. Trade and other receivables are due for settlement no more than 30 days from the date of recognition. Receivables arising from student fees are recognised as amounts receivable, as sanctions are applied to students who do not pay.

Collectability of trade and other receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off in the year in which they are impaired and are recognised in the income statement. A provision for impairment is established when there is objective evidence that the consolidated entity will not be able to collect all amounts due according to the original terms of receivables.

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. Cash flows relating to short term receivables are not discounted if the effect of discounting is immaterial. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

j) 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.

k) Investments and other financial assets

Classification

The consolidated entity classifies its investments in the following categories: loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. The consolidated entity determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Loans and receivables

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

(ii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the consolidated entity has the positive intention and ability to hold to maturity. Held-to-maturity investments comprising term deposits represents \$20M of the current assets.

(iii) Available-for-sale financial assets

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

Regular purchases and sales of financial assets are recognised on trade-date - the date on which the consolidated entity commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in the income statement as gains and losses from investment securities. Available for Sale financial assets comprising shares in Education Australia Limited represent \$11.027M of non-current assets.

Subsequent measurement

Available-for-sale financial assets are subsequently carried at fair value. Loans and receivables and held-to-maturity investments are carried at amortised cost using the effective interest method.

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.

Impairment

The consolidated entity assesses at each balance date whether there is objective evidence that a financial asset or group of financial assets is impaired. In the case of equity securities classified as available-for-sale, a significant or prolonged decline in the fair value of a security below its cost is considered in determining whether the security is impaired. If any such evidence exists for available-for-sale financial assets, the cumulative loss - measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in profit and loss - is removed from equity and recognised in the income statement. Impairment losses recognised in the income statement on equity instruments are not reversed through the income statement.

I) Fair value measurement

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

The consolidated entity classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1
Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2
Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3
Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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Notes to the financial statements

For the year ended 31 December 2016

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

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments.

m) Property, plant and equipment

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 and Trade's Non-Current Asset Policies for the Queensland Public Sector.

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 the purpose of building projects that have not been completed and / or commenced at 31 December 2016 have been disclosed as capital expenditure commitments (refer Note 16).

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.

Art collection

The University's art collection is 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 art collections the asset recognition threshold is \$1. Art is not depreciated.

Revaluations

Land, building, infrastructure, library reference collection and art collections are revalued every 5 years by external independent valuers in accordance with Queensland Treasury and Trade's Non-Current Asset Policies for the Queensland Public Sector (NCAP). In 2016 a desktop revaluation of land, buildings and infrastructure (all valued at fair value) was performed by APV Valuers and Asset Management. With the exception of the Art collection which was last comprehensively revalued as at 31 December 2013 all remaining assets are due for formal revaluation again in 2019. A desktop revaluation will be performed for the Art collection as at 31 December 2016.

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, as mandated by Queensland Treasury and Trade. 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.

Depreciation

Property, plant and equipment, other than land and the library heritage and art collection are depreciated on a straight line basis over their expected useful lives at the following rates:

Item	Useful Life (years)	Depreciation Rate (%)
Freehold Buildings	65-125	0.8 – 1.53
Infrastructure Assets	20-100	1 – 5
Leasehold Improvements	10	10
Plant and Equipment		
Computer Hardware	3	33.3
Motor Vehicles	5	20
Other Plant & Equipment	10	10

Depreciation is charged from the month after acquisition or, in respect of buildings and infrastructure assets under construction, from the month after the asset is completed and 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, "complex assets" which are componentised and depreciated separately into short and long life components.

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.

n) 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.

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. Amortisation is calculated using the straight-line method to allocate the cost over the period of the expected benefit, which is 5 years.

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

Amortisation

Intangible assets are amortised on a straight line basis over their expected useful lives. The useful life of software development in 2016 is 5 years (2015: 5 years).

o) Trade and other payables

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

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For the year ended 31 December 2016

p) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the income statement over the period of the borrowings using the effective interest method. 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 statement of position date and does not expect to settle the liability for at least 12 months after the statement of financial position date.

q) Borrowing costs

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.

r) Provisions

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.

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.

s) Employee benefits

Short-term obligations

Liabilities for short-term employee benefits including wages and salaries, non-monetary benefits and profit-sharing bonuses are measured at the amount expected to be paid when the liability is settled, if it is expected to be settled wholly before twelve 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.

Other long-term obligations

The liability for other long-term employee benefits such as annual leave and long service leave is recognised in current provisions for employee benefits if it is not expected to be settled wholly before twelve months after the end of the reporting period. 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.

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.

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.

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 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 twelve months after the end of the reporting period are discounted to present value.

t) Rounding and Comparative amounts

Amounts in the financial report have been rounded to the nearest \$1,000. Where necessary, comparative information has been reclassified to enhance comparability in respect of changes in presentation adopted in the current year.

u) 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.

v) 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 assessed their application to the 2016 financial report and has determined that they do not have material impact. The impact of the new standards in their initial application is not considered to be reliably estimable for this reporting period.

AASB 9	Financial Instruments
AASB 2014-3	Amendments to Australian Accounting Standards – Accounting for Acquisitions of Interests in Joint Operations
AASB 15	Revenue from Contracts with Customers applies from 1 January 2018
AASB16	Leases applies from 1 January 2019

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For the year ended 31 December 2016

Notes	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Note 2 Australian Government financial assistance including Australian Government loan programs (HELP)				
(a) Commonwealth Grant Scheme and Other Grants	22.1			
Commonwealth Grant Scheme # ¹	95,953	84,022	95,953	84,022
Indigenous Support Program	554	412	554	412
Higher Education Participation Program # ²	2,137	1,916	2,137	1,916
Disability Support Program	90	57	90	57
Improving the Quality of Maths & Science Teaching Program	185	195	185	195
Promotion of Excellence in Learning & Teaching	217	105	217	105
Total Commonwealth Grants Scheme and Other Grants	99,136	86,707	99,136	86,707
(b) Higher Education Loan Programs	22.2			
HECS - HELP	53,138	48,161	53,138	48,161
FEE - HELP # ⁴	1,770	1,686	1,770	1,686
SA - HELP	1,884	1,582	1,884	1,582
Total Higher Education Loan Programs	56,792	51,429	56,792	51,429
(c) Scholarships	22.3			
Australian Postgraduate Awards	690	647	690	647
International Postgraduate Research Scholarships	69	67	69	67
Commonwealth Education Cost Scholarships # ⁵	116	105	116	105
Commonwealth Accommodation Scholarships # ⁵	117	36	117	36
Indigenous Access Scholarships	172	92	172	92
Total Scholarships	1,163	947	1,163	947
(d) EDUCATION Research	22.4			
Joint Research Engagement Program # ⁶	1,127	998	1,127	998
Research Training Scheme	1,515	1,368	1,515	1,368
Research Infrastructure Block Grants	494	353	494	353
Sustainable Research Excellence in Universities	866	719	866	719
Total EDUCATION - Research Grants	4,003	3,438	4,003	3,438
(e) Other Capital Funding	22.5			
Education Investment Fund	-	4,500	-	4,500
Total Other Capital Funding	-	4,500	-	4,500
(f) Australian Research Council				
(i) Discovery	22.6(a)			
Project # ⁵	594	642	594	642
Fellowships	222	309	222	309
Total Discovery	816	951	816	951
(ii) Linkages	22.6(b)			
Project	927	543	927	543
Total Linkages	927	543	927	543
Total ARC	1,744	1,494	1,744	1,494

1 Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading.

2 Includes Access and Participation Fund and National Priorities Pool.

3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

5 Early Career Research Award.

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For the year ended 31 December 2016

Note 2	2016 \$'000	Consolidated	2016 \$'000	Parent entity
		2015 \$'000		2015 \$'000
Australian Government financial assistance including Australian Government loan programs (HELP) (continued)				
(g) Other Australian Government financial assistance				
Non-capital				
Department of Industry, Innovation, Climate Change, Science, Research and Tertiary Education				
		201	-	201
		268	-	268
		444	-	444
		10	-	10
	5	49	5	49
	5	37	5	37
AusAid	501	915	501	915
Australian Centre International Agriculture Research	6,165	6,546	6,165	6,546
Australian Forest Operations Research Alliance (AFORA)	-	10	-	10
Australian Institute of Marine Sciences	5	77	5	77
Australian Institute of Nuclear Science & Engineering (AINSE)	-	5	-	5
Australian Research Council	-	19	-	19
Australian Seafood Cooperative Research Centre	-	257	-	257
Australian Sports Commission	5	51	5	51
Australian Synchrotron	7	7	7	7
Australian Universities	20	45	20	45
Central Queensland University	10	-	10	-
Cotton Research and Development Corporation	23	-	23	-
Council of Australasian Tribunals	-	16	-	16
CRC for Water Sensitive Cities	-	33	-	33
CSIRO	25	380	25	380
Department of Defence	20	47	20	47
Department of Education & Training	582	171	582	171
Department of the Environment	15	-	15	-
Department of Foreign Affairs & Trade	2,372	1,185	2,372	1,185
Department of Health and Ageing	-	1,562	-	1,562
Department of Social Services	239	1,047	239	1,047
Federation University Australia	12	-	12	-
Fisheries Research Development Corporation	853	93	853	93
Flinders University	5	-	5	-
Grains Research & Development Corporation	-	64	-	64
Industrial Transformation Research Hub	50	50	50	50
James Cook University	34	-	34	-
Monash University	39	-	39	-
National Blood Authority	20	18	20	18
National Climate Change Adaptation Research Facility	2	296	2	296
National Disability Insurance Scheme Launch Transition Agency	121	-	121	-
National Health & Medical Research Council	259	672	259	672
Pacific Agriculture Research for Development Initiative (PARDI)	-	333	-	333
Plant Biosecurity CRC	-	13	-	13
Queensland University of Technology	43	-	43	-
Rural Industries Research Development Corporation	23	52	23	52
Study Overseas Funding	80	-	80	-
Sunshine Coast Health Network Ltd	36	-	36	-
Sydney Institute of Marine Science	4	-	4	-
Total Non-capital	11,841	14,973	11,841	14,973
Total other Australian Government financial assistance	174,679	163,486	174,679	163,486

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Notes to the financial statements

For the year ended 31 December 2016

	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Note 2 Australian Government financial assistance including HECS - HELP and other Australian Government loan programs (continued)				
Reconciliation				
Australian Government Grants [a+c+d+e+f+g]	117,887	112,059	117,887	112,059
HECS - HELP payments	53,138	48,161	53,138	48,161
FEE - HELP payments	1,770	1,686	1,770	1,686
SA - HELP payments	1,884	1,582	1,884	1,582
Total Australian Government financial assistance	174,679	163,488	174,679	163,488
(h) Australian Government Grants received - cash basis				
CGS and Other EDUCATION Grants	99,932	87,144	99,932	87,144
Higher Education Loan Programmes	57,542	51,578	57,542	51,578
Scholarships	1,163	947	1,163	947
EDUCATION Research	4,003	3,438	4,003	3,438
Other Capital Funding	-	7,500	-	7,500
ARC Grants - Discovery	816	890	816	890
ARC Grants - Linkages	927	543	927	543
Other Australian Government Grants	12,396	14,205	12,396	14,205
Total Australian Government funding received - cash basis	176,780	166,245	176,780	166,245
OS HELP (Net) 22.7	(4)	316	(4)	316
Total Australian Government Grants received - cash basis	176,776	166,561	176,776	166,561

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

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	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Note 3 State and Local Government financial assistance				
Burnett Mary Regional Group for Natural Resources	-	29	-	29
Central Tablelands Local Land Services	-	5	-	5
Central West Local Land Services	-	5	-	5
Department of Agriculture, Fisheries & Forestry	553	552	553	552
Department of Communities, Child Safety	5	-	5	-
Department of Communities, Child Safety and Disability Services	5	-	5	-
Department of Education, Training & Employment	104	37	104	37
Department of Employment, Economic Development & Innovation	148	105	-	-
Department of Environment & Heritage Protection	-	52	-	52
Department of Health Queensland	75	-	75	-
Department of National Parks, Sport & Racing	140	29	140	29
Department of Science, Information Technology, Innovation & Arts	128	130	128	130
Department of Transport & Main Roads	805	19	805	19
Gold Coast City Council	7	-	7	-
Fraser Coast Regional Council	10	10	10	10
Forest and Woods Products Australia Ltd	80	-	80	-
Forest Products Commission	10	-	10	-
Forestry Corporation of New South Wales	15	5	15	5
Forestry Tasmania	5	-	5	-
Gympie Regional Council	20	-	20	-
Institute of Safety Compensation and Recovery Research (Vic)	12	-	12	-
Metro South Hospital & Health Service	50	-	50	-
Moreton Bay Regional Council	10	-	10	-
Motor Accident Insurance Commission	31	-	31	-
New South Wales Dep. of Primary Industries Skills and Regional Dev.	12	-	12	-
New South Wales Local Land Services	5	25	5	25
New South Wales Roads and Maritime Services	14	-	14	-
Noosa Shire Council	-	8	-	8
North Burnett Regional Council	-	20	-	20
Northern Tablelands Local Land Services	77	-	77	-
Northern Territory Department of Education	6	-	6	-
Private Forests Tasmania	1	-	1	-
Queensland Academy of Sport	6	-	6	-
Queensland Health	-	75	-	75
Roads Corporation	6	13	6	13
Rural Assistance Authority	-	45	-	45
Sport and Recreation Victoria	40	-	40	-
Sunshine Coast Regional Council	456	156	456	156
The Silver Fox Community Inc	4	-	4	-
Western Australia Department of Health	40	-	40	-
Total Non-capital	2,896	1,320	2,748	1,215
Total State and Local Government financial assistance	2,896	1,320	2,748	1,215

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

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For the year ended 31 December 2016

		Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Note 4	Fees and charges				
	Course fees and charges				
	Fee-paying overseas students	32,686	22,010	32,686	22,010
	Fee-paying domestic postgraduate students	2,371	2,160	2,371	2,160
	Fee-paying domestic non-award students	270	260	270	260
	Total course fees and charges	35,327	24,430	35,327	24,430
	Other non-course fees and charges				
	Student Services and Amenities Fees from students	803	403	803	403
	Applications and late fees	57	32	57	32
	Library fines	10	30	10	30
	Conferences, activities & excursions	198	261	198	261
	Rental charges	-	-	-	-
	Rental charges	1,764	1,396	1,344	960
	Other	929	285	929	285
	Total other non-course fees and charges	3,761	2,407	3,341	1,971
	Total fees and charges	39,088	26,837	38,668	26,401
Note 5	Other revenue and income				
	Donations and bequests	1,932	8,354	1,932	8,354
	Scholarships, sponsorships and prizes	126	77	109	77
	Food services	3,063	3,851	3,063	3,851
	Sales - publications and printing	838	761	838	761
	Parking permits	1,507	1,371	1,507	1,371
	Total other revenue and income	7,466	14,414	7,449	14,414
	Other income				
	Gain on assets acquired at less than fair value	12,602	-	12,602	-
	Other income	2,634	1,012	2,602	946
	Total other revenue and income	15,236	1,012	15,204	946
	Total other revenue and income	22,702	15,426	22,653	15,360
<p>On the 1 February 2016, the University purchased the University of Southern Queensland Campus located at Fraser Coast for \$7 million. An Independent valuer determined that the fair value of the assets acquired was \$19 million, the difference, less costs of acquisition, has been recognised above as other income.</p>					
Note 6	Employee related expenses				
	Academic				
	Salaries	52,964	47,452	52,964	47,049
	Contributions to superannuation and pension schemes				
	funded	7,956	7,068	7,956	7,020
	Payroll tax	2,885	2,584	2,885	2,561
	Workers' compensation	127	156	127	154
	Long service leave	1,096	748	1,096	748
	Annual leave	934	1,122	934	1,122
	Other	316	148	316	148
	Total academic	66,278	59,277	66,278	58,802
	Non-academic				
	Salaries	54,562	50,626	54,219	50,626
	Contributions to superannuation and pension schemes				
	funded	8,205	7,472	8,165	7,472
	Payroll tax	2,993	2,795	2,976	2,795
	Workers' compensation	132	170	130	170
	Long service leave	1,131	779	1,114	779
	Annual leave	864	1,009	854	1,009
	Other	259	177	250	177
	Total non-academic	68,146	63,028	67,708	63,028
	Total employee related expenses	134,424	122,305	133,986	121,830

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Notes to the financial statements
For the year ended 31 December 2016

	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Note 7 Other expenses				
Bank fees & charges	396	331	396	330
Audit and other professional fees *	217	273	199	263
Insurance	516	443	516	443
General consumables	1,827	1,644	1,827	1,644
Postage, printing and stationery	670	772	670	762
Telecommunications	1,426	1,016	1,302	917
Subscriptions and memberships	1,145	1,564	1,138	1,560
Motor vehicles	229	227	231	224
Commissions paid	1,977	1,638	1,977	1,638
Food and catering	2,001	2,462	2,001	2,462
Staff development and recruitment	1,255	1,033	1,255	1,015
Student activities and excursions	611	336	611	336
Other	601	1,484	564	1,464
Total other expenses	12,871	13,223	12,687	13,058

*The total external audit fees relating to the 2016 financial year are estimated to be \$147K (2015: \$150K). There are no non-audit services included in this amount. Currently paid and accrued audit fees for the University are \$31.5K.

	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Note 8 Receivables				
Current				
Student fees and loans	261	193	261	193
Less: Provision for impaired receivables	(86)	(113)	(86)	(113)
Trade receivables	2,137	1,735	1,977	1,706
Less: Provision for impaired receivables	(72)	-	(72)	-
	<u>2,240</u>	<u>1,815</u>	<u>2,080</u>	<u>1,786</u>
Taxes receivable	487	1,163	487	1,163
Deposits receivable	-	928	-	928
Accrued revenue	184	390	184	390
Sundry loans and advances	14	30	14	30
Amounts receivable from wholly owned subsidiaries	-	-	109	56
Total current receivables	2,925	4,326	2,874	4,353

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Notes to the financial statements

For the year ended 31 December 2016

	Construction in progress	Freehold land	Freehold buildings	Infrastructure assets	Leasehold improvements	Plant & equipment*	Art Collection	Total
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2015								
-Cost	25,596	-	-	-	950	24,700	-	51,246
-Valuation	-	20,900	202,105	23,052	-	-	2,906	248,963
Accumulated depreciation	-	-	(29,590)	(3,988)	(480)	(10,720)	-	(44,777)
Net book amount	25,596	20,900	172,515	19,064	471	13,980	2,906	255,432
Year ended 31 December 2015								
Opening net book amount	25,596	20,900	172,515	19,064	471	13,980	2,906	255,432
Revaluation surplus	-	-	9,794	578	-	-	155	10,527
Additions	4,691	1,050	27,464	1,349	1,227	4,895	954	41,629
Transfers	(24,753)	-	19,674	981	-	2,575	-	(1,523)
Disposals	-	-	-	-	-	(432)	-	(432)
Depreciation charge	-	-	(3,313)	(493)	(193)	(4,222)	-	(8,221)
Closing net book amount	5,534	21,950	226,134	21,479	1,504	16,796	4,014	297,412
At 31 December 2015								
-Cost	5,534	-	-	-	2,177	31,616	-	39,327
-Valuation	-	21,950	253,117	25,890	-	-	4,014	304,971
Accumulated depreciation	-	-	(26,983)	(4,411)	(673)	(14,820)	-	(46,886)
Net book amount	5,534	21,950	226,134	21,479	1,504	16,796	4,014	297,412

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

	Construction in progress	Freehold land	Freehold buildings	Infrastructure assets	Leasehold improvements	Plant & equipment*	Art Collection	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated								
At 1 January 2016								
-Cost	5,534	-	-	-	2,177	31,616	-	39,327
-Valuation	-	21,950	253,117	25,890	-	-	4,014	304,971
Accumulated depreciation	-	-	(26,983)	(4,411)	(673)	(14,820)	-	(46,886)
Net book amount	5,534	21,950	226,134	21,479	1,504	16,796	4,014	297,412
Year ended 31 December 2016								
Opening net book amount	5,534	21,950	226,134	21,479	1,504	16,796	4,014	297,412
Revaluation surplus	-	-	21,764	745	46	-	43	22,598
Gain on acquisition less than fair value	-	-	11,184	1,005	413	-	-	12,602
Additions	5,796	-	9,162	1,531	2,698	1,793	71	21,051
Transfers	(5,517)	-	1,988	-	206	568	-	(2,755)
Disposals	-	-	-	(76)	-	(98)	-	(174)
Depreciation charge	-	-	(4,014)	(573)	(522)	(4,844)	-	(9,953)
Closing net book amount	5,813	21,950	266,218	24,109	4,345	14,218	4,128	340,781
At 31 December 2016								
-Cost	5,813	-	-	-	-	33,594	-	39,407
-Valuation	-	21,950	296,268	29,039	5,570	-	4,128	356,955
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	14,218	4,128	340,781

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

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For the year ended 31 December 2016

Parent	Construction in progress	Freehold land	Freehold buildings	Infrastructure assets	Leasehold improvements	Plant & equipment*	Art Collection	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2015								
-Cost	25,596	-	-	-	903	24,609	-	51,108
-Valuation	-	20,900	202,105	23,052	-	-	2,906	248,963
Accumulated depreciation	-	-	(29,590)	(3,988)	(458)	(10,653)	-	(44,688)
Net book amount	25,596	20,900	172,515	19,064	445	13,956	2,906	255,383
Year ended 31 December 2015								
Opening net book amount	25,596	20,900	172,515	19,064	445	13,956	2,906	255,383
Revaluation surplus	-	-	9,794	578	-	-	155	10,527
Additions	4,691	1,050	27,464	1,349	1,227	4,895	954	41,629
Transfers	(24,753)	-	19,674	981	-	2,575	-	(1,523)
Disposals	-	-	-	-	-	(432)	-	(432)
Depreciation charge	-	-	(3,313)	(493)	(188)	(4,217)	-	(8,211)
Closing net book amount	5,534	21,950	226,134	21,479	1,484	16,777	4,014	297,373
At 31 December 2015								
-Cost	5,534	-	-	-	2,130	31,525	-	39,189
-Valuation	-	21,950	253,117	25,890	-	-	4,014	304,971
Accumulated depreciation	-	-	(26,983)	(4,411)	(646)	(14,748)	-	(46,787)
Net book amount	5,534	21,950	226,134	21,479	1,484	16,777	4,014	297,373

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

Parent	Construction in progress	Freehold land	Freehold buildings	Infrastructure assets	Leasehold improvements	Plant & equipment*	Art Collection	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Year ended 31 December 2016								
Opening net book amount	5,534	21,950	226,134	21,479	1,484	16,777	4,014	297,373
Revaluation surplus	-	-	21,768	745	46	-	43	22,602
Gain on acquisition less than fair value	-	-	11,184	1,005	413	-	-	12,602
Additions	5,796	-	9,162	1,531	2,698	1,793	61	21,041
Transfers	(5,517)	-	1,988	-	206	568	-	(2,755)
Disposals	-	-	-	(76)	-	(98)	-	(174)
Depreciation charge	-	-	(4,014)	(573)	(517)	(4,839)	-	(9,943)
Closing net book amount	5,813	21,950	266,218	24,109	4,330	14,203	4,118	340,741
At 31 December 2016								
-Cost	5,813	-	-	-	-	33,548	-	39,361
-Valuation	-	21,950	296,268	29,039	5,523	-	4,118	356,898
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	14,203	4,118	340,741

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

(i) Valuations of land and buildings

In 2016 a desktop revaluation of land, buildings and infrastructure (all valued at fair value) was performed by APV Valuers and Asset Management. The purpose of the desktop update is to revisit assumptions to ensure any impairment or revaluation impacts are taken into account within the subsequent years between comprehensive revaluations.

(ii) Non-current assets pledged as security

No non-current assets have been pledged as security.

(iii) Valuation effective dates

All assets requiring comprehensive revaluation, with the exception of the art collection, were revalued on 31 December 2014. The Art Collection was comprehensively revalued as at 31 December 2013. A desktop audit was performed in 2016 by external, independent valuers on all assets requiring revaluation.

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For the year ended 31 December 2016

		Consolidated		Parent entity	
		2016	2015	2016	2015
		\$'000	\$'000	\$'000	\$'000
Note 10 Trade and other payables					
Current					
OS-HELP Liability to Australian Government	22.7	209	213	209	213
Creditors		1,766	2,020	1,549	1,899
Accrued expenses		9,218	4,676	9,218	4,676
Total trade and other payables		11,193	6,909	10,976	6,788

(a) Foreign currency risk

The carrying amounts of the consolidated entity's and parent entity's trade and other payables are in Australian Dollars.

For an analysis of the sensitivity of trade and other payables to foreign currency risk refer to note 20.

Note 11 Borrowings					
Current					
Secured					
Loan - Queensland Treasury Corporation		1,854	1,748	1,854	1,748
Total current secured borrowings		1,854	1,748	1,854	1,748
Non-Current					
Secured					
Loan - Queensland Treasury Corporation		7,048	8,878	7,048	8,878
Total non-current secured borrowings		7,048	8,878	7,048	8,878
Total borrowings		8,902	10,626	8,902	10,626

(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.

(b) Financing arrangements

The following facilities have been taken out under Queensland Government arrangements:

Queensland Treasury Corporation

Credit standby arrangements

Total facilities					
QTC - Overdraft/Short-term Funding Facility		4,000	4,000	4,000	4,000
Total facilities		4,000	4,000	4,000	4,000
Used (Drawdown) at balance date					
QTC - Overdraft/Short-term Funding Facility		-	-	-	-
Unused (Drawdown) at balance date					
QTC - Overdraft/Short-term Funding Facility		4,000	4,000	4,000	4,000
		4,000	4,000	4,000	4,000

Queensland Treasury Corporation loan/overdraft facilities consist of the following:

- \$15 million 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 at the end of the expected term of 17 years.

Note 11 Borrowings (continued)

- QTC Debt Pools
- \$10 million 3 Year Debt Pool, expected term of 4 years.
- \$4 million Overdraft/short term funding facility. No overdraft exists at reporting date as funds are currently being drawn from the QTC Capital Guarantee Fund.

(c) Fair value

	2016		2015	
	Carrying amount \$'000	Fair Value \$'000	Carrying amount \$'000	Fair Value \$'000
Non-traded financial liabilities				
Queensland Treasury Corporation	8,902	9,644	10,626	11,606
	<u>8,902</u>	<u>9,644</u>	<u>10,626</u>	<u>11,606</u>

(d) Risk exposures

The exposure of the consolidated entity's and parent entity's borrowings to interest rate changes is considered minimal as all major borrowings are held with State Government entities in fixed rate arrangements.

The carrying amounts of the consolidated entity's and parent entity's borrowings are in Australian Dollars.

	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Note 12 Provisions				
Current provisions expected to be settled wholly within 12 months				
Employee benefits				
Annual leave	8,345	7,373	8,310	7,349
Long service leave	580	585	581	585
Subtotal	<u>8,925</u>	<u>7,958</u>	<u>8,891</u>	<u>7,934</u>
Current provisions expected to be settled wholly after more than 12 months				
Employee benefits				
Annual leave	1,661	1,390	1,661	1,390
Long service leave	8,732	6,707	8,732	6,707
Subtotal	<u>10,393</u>	<u>8,097</u>	<u>10,393</u>	<u>8,097</u>
Total current provisions	<u>19,318</u>	<u>16,055</u>	<u>19,284</u>	<u>16,031</u>
Non-Current				
Employee benefits				
Long service leave	4,154	3,947	4,137	3,947
Total non-current provisions	<u>4,154</u>	<u>3,947</u>	<u>4,137</u>	<u>3,947</u>
Total provisions	<u>23,472</u>	<u>20,002</u>	<u>23,421</u>	<u>19,978</u>

Employee benefits

The long service leave provision reflects the amount of long service leave accrued as at 31 December 2016. It is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future salary increases, experience of employee departures and periods of service. Expected future payments are discounted using Reserve Bank of Australia's indicative mid rates of selected Commonwealth Government securities.

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Notes to the financial statements

For the year ended 31 December 2016

	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Note 13 Other liabilities				
Current				
Income in advance	6,651	3,818	6,651	3,818
Australian Government Unspent Financial Assistance	1,799	253	1,799	253
Other liabilities	110	333	110	333
Total other liabilities	8,560	4,404	8,560	4,404

Note 14 Reserves and retained earnings

(a) Reserves

	Freehold land	Freehold buildings	Infrastructure assets	Leasehold improvement	Art collection	Other financial assets	Total
Consolidated and Parent	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance - 1 January 2015	15,997	69,086	10,767	-	1,084	-	96,934
Revaluation increments	-	9,794	578	-	155	9,178	19,705
Revaluation decrements	-	-	-	-	-	-	-
Balance - 31 December 2015	15,997	78,880	11,345	-	1,239	9,178	116,639
Balance - 1 January 2016	15,997	78,880	11,345	-	1,239	9,178	116,639
Revaluation increments	-	21,768	745	46	43	1,829	24,431
Revaluation decrements	-	-	-	-	-	-	-
Balance - 31 December 2016	15,997	100,648	12,090	46	1,282	11,007	141,070

(b) Nature and purpose of reserves

The purpose of each reserve classified in Note 14(a) is to provide for the increment and decrement to disclosure as a result of valuation performed by an independent valuer. Valuations may be performed in a desktop or detailed manner.

	Consolidated		Parent entity	
	2016	2015	2016	2015
(c) Retained surplus				
Movements in retained earnings were as follows:				
Retained earnings at 1 January	219,700	204,566	219,593	204,437
Net operating result for the year	28,769	15,134	28,751	15,156
Retained earnings at 31 December	248,469	219,700	248,344	219,593

Note 15 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 2016. 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

Mr John DOBSON OAM

Acting Chancellor

Mr Bruce COWLEY, BCom, LLB(Hons) *Qld.* FAICD (June, August & October Council meetings)

Ms Julie-Anne MEE, BBus *C.Qld.*, MAdmin *Griff.*, FCPA (10 – 16 October 2016)

Deputy Chancellor

Mr Bruce COWLEY, BCom, LLB(Hons) *Qld.* FAICD

Vice-Chancellor and President

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

Chairperson of the Academic Board

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

Ms Debra BENNET

Mr Bruce COWLEY, BCom, LLB(Hons) *Qld.* FAICD

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

Mr David JEFFRIES, BCom *Qld.*, FCA, FAICD, FFin

Resigned 20 April 2016

Ms Julie-Anne MEE, BBus *C.Qld.*, MAdmin *Griff.*, FCPA (Acting Chancellor (10 – 16 October 2016))

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

Two members of the University's academic staff

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

Dr Mark SAYERS, BAppSci *CCAIE*, MAppSci *UC*, PhD *RMIT*

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

Mr Jon DICKINS, BA(Hons) *Griff*

Two members of the student body

Mr Michael JEFFERIES

Mr Raymart WALKER

Four additional members appointed by Council

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

Mr Robert HUBBARD, BA(Hons), FCA

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

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

Council officers

Further details of the University's Council Membership are located in the Governance Section of the Annual Report.

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Notes to the financial statements

For the year ended 31 December 2016

Note 15 Key management personnel disclosures (continued)

Executive officers

<i>Position</i>	<i>Current Incumbents</i>
Vice-Chancellor & President	Prof Greg Hill
Senior Deputy Vice-Chancellor	Prof Birgit Lohmann
Deputy Vice-Chancellor, Research & Innovation	Prof Roland De Marco
Pro Vice-Chancellor, Engagement (Resigned: 24/03/2016)	Prof Michael Hefferan
Pro Vice-Chancellor, International & Quality	Prof Robert Elliot
Chief Operating Officer	Dr Scott Snyder
Pro Vice-Chancellor, Students	Prof Karen Nelson
Executive Dean, Faculty of Arts, Business and Law	Prof Joanne Scott
Executive Dean, Faculty of Science, Health, Education and Engineering	Prof John Bartlett

Note all position titles are as at statement of financial position 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 includes 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. The University leases and maintains a motor vehicle for the Chancellor in his role as head of the University council.

	Consolidated		Parent entity	
	2016	2015	2016	2015
	Number		Number	
Remuneration of Council Members				
\$30,000 to \$39,999	1	-	1	-
\$40,000 to \$49,999	-	1	-	1
Remuneration of Executive Officers				
\$230,000 to \$239,999	1	-	1	-
\$290,000 to \$299,999	-	1	-	1
\$300,000 to \$309,999	2	1	2	1
\$310,000 to \$319,999	-	1	-	1
\$320,000 to \$329,999	1	1	1	1
\$350,000 to \$359,999	-	1	-	1
\$360,000 to \$369,999	-	1	-	1
\$370,000 to \$379,999	1	-	1	-
\$390,000 to \$399,999	-	1	-	1
\$410,000 to \$419,999	1	-	1	-
\$440,000 to \$449,999	1	-	1	-
\$450,000 to \$459,999	-	1	-	1
\$480,000 to \$489,999	1	-	1	-
\$720,000 to \$729,999	-	1	-	1
\$730,000 to \$739,999	1	-	1	-

Note 15 Key management personnel disclosures (continued)

(c) Key management personnel compensation

	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Short-term employee benefits	3,140	3,039	3,140	3,039
Post-employment benefits	453	461	453	461
Other long-term benefits	70	72	70	72
Total key management personnel compensation	3,663	3,571	3,663	3,571

(d) Performance payments

The University did not have any key management personnel entitled to performance payments in 2016 (2015: \$30,000). 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.

	Consolidated		Parent entity	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000

Note 16 Commitments

(a) Capital commitments

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

Property, plant and equipment Payable:				
Within one year	2,842	6,112	2,842	6,112
Later than one year but not later than five years	-	3,500	-	3,500
Later than five years	-	-	-	-
Total Property, plant and equipment	2,842	9,612	2,842	9,612
Total capital commitments	2,842	9,612	2,842	9,612

(b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities payable:

Within one year	2,478	2,508	2,478	2,508
Later than one year but not later than five years	7,825	8,308	7,825	8,308
Later than five years	7,487	10,227	7,487	10,227
Total lease commitments	17,790	21,043	17,790	21,043

All operating lease arrangements are considered to be of standard terms with no unusual restrictions.

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For the year ended 31 December 2016

Note 17 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 2016 owns 100% (2015: 100%) of the issued ordinary shares of the Innovation Centre Sunshine Coast Pty Ltd (ICSC) and USC Capital and Commercial Pty Ltd (C&C) (established in 2015).

(b) Subsidiaries

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 entity comparative figures	2016 \$'000	2015 \$'000
Total assets	482	307
Total liabilities	375	219
Total revenue	1,018	1020
Operating result for the reporting period	19	(21)

The objective of C&C is to enter into and manage commercial arrangements. With the exception of acquiring shares in Sunshine Coast Lightning Pty Ltd (4 shares at \$1 each) C&C did not trade in 2016 (no trade in 2015).

(c) Key management personnel, Directors and specified executives

Directors of ICSC who were also key management personnel of the University during 2016 (or part thereof) are:

Ms Julie-Anne MEE
Professor Michael HEFFERAN (resigned ICSC Board 2 February 2017)
Professor Roland DE MARCO

Directors of C&C who are also key management personnel of the University are:

Dr Scott SNYDER

Refer to note 15 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 expending in an approved manner. For the period until 31 December 2016 ICSC received \$250,008 (2015: \$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 2016 or 2015.

The Vice-Chancellor & President held the position of Director of the IDP Education Australia Limited Board.

(e) Outstanding balances

As at 31 December 2016, the wholly owned subsidiary ICSC owed the University an amount of \$109,092 (2015: \$55,609) and C&C an amount of \$4 (2015: \$0) through normal intercompany arrangements.

Note 18 Events occurring after the balance sheet date

In October 2015, the University entered a contract to purchase the University of Southern Queensland Fraser Coast Campus for approximately \$7 million less agreed adjustment for recognition of employee benefits transferable. The date of settlement was the 1 February 2016 (the acquisition date). The acquisition of the campus asset has been funded by way of vendor finance to be completed 12 months after the acquisition date. The University will provide USQ with the final instalment of \$3.5 million on 1 February 2017.

On 1 January 2017, the University's payment of \$7.1 million to the Sunshine Coast Health Institute will convert from a prepayment at balance sheet date to \$5.8 million in property and equipment assets on the balance sheet and \$1.3 million net expenditure on the income statement.

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.

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	Consolidated		Parent entity	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Note 19 Reconciliation of operating result after income tax to net cash flows from operating activities				
Operating result for the period	28,769	15,134	28,751	15,156
Depreciation and amortisation	11,161	8,939	11,152	8,930
Non-cash donations	(63)	(925)	(53)	(925)
Net (gain) / loss on sale of non-current assets	160	11	160	11
Net (gain) on assets acquired at less than fair value	(12,602)	-	(12,602)	-
(Increase) / decrease in trade and other receivables	1,502	5,512	1,580	5,461
(Increase) / decrease in other assets	(2,182)	(14,515)	(2,191)	(14,508)
(Decrease) / increase in trade and other payables	4,283	(337)	4,187	(334)
(Decrease) / increase in other liabilities	4,156	1,076	4,156	1,076
(Decrease) / increase in provisions	3,470	2,684	3,443	2,697
Net cash provided by / (used in) operating activities	38,654	17,579	38,583	17,564

Note 20 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 a mix of fixed rate funding and debt pool funding sourced through QTC. Pool lending is akin to fixed rate lending but offers greater flexibility as lump sum re-payments can be made. Such flexibility is not available with QTC's fixed rate loans, and QTC do not offer variable rate funding. Pool lending protects borrowers from large fluctuations in market value interest rates therefore reducing interest rate risk.

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Note 20 Financial risk management (continued)

QTC's debt pools are structured to protect customers against adverse interest rate movements. This protection is achieved by matching the term of the loan with the term of the QTC debt pool as closely as possible. To achieve this it is necessary to move the loan through the appropriate debt pools during the term of the loan. Book rate reviews are performed periodically to safeguard against excessive interest rate risk and can be triggered by a number of events including lump sum repayments.

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 20(c).

iv) Interest Rate Sensitivity Analysis

Interest rate sensitivity analysis evaluates the outcome on profit or loss 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 department would have a surplus and equity increase/ (decrease) of \$0.5million (2015: \$0.5 million).

(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.

Trade Receivables

The consolidated entity's exposure to credit risk is influenced mainly by the individual characteristics of each customer. Approximately 74% (2015: 76%) of the consolidated entity's revenue is attributable to Australian Government Financial Assistance, however, the arrangements are largely advancements rather than receivables.

The University's Financial Management Policy establishes a credit policy under which each new customer is analysed individually for creditworthiness before the consolidated entity's standard payment and delivery terms and conditions are offered. Purchase limits are established for each customer, which represents the maximum open amount without requiring approval from the Council.

More than 70% (2015: > 70%) of the consolidated entity's customers have been transacting with the consolidated entity for over 3 years, and losses have occurred infrequently. The consolidated entity does not require collateral in respect of trade and other receivables.

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. For further details regarding current lines of credit refer to Note 11.

Note 20 Financial risk management (continued)

The following tables summarise the maturity of the consolidated entity's financial assets and financial liabilities:

31 December 2016	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	2.29	49,182	-	-	-	13	49,195
Receivables	-	-	-	-	-	2,925	2,925
Term deposits	2.70	-	20,000	-	-	-	20,000
Other financial assets	-	-	-	-	-	11,027	11,027
Total financial assets		49,182	20,000	-	-	13,965	83,147
Financial Liabilities							
Trade and other payables	-	-	-	-	-	11,192	11,192
Borrowings	6.13	-	1,854	7,048	-	-	8,902
Total financial liabilities		-	1,854	7,048	-	11,192	20,094

31 December 2015	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	2.86	23,289	-	-	-	-	23,289
Receivables	-	-	-	-	-	4,326	4,326
Term deposits	2.99	-	30,000	-	-	-	30,000
Other financial assets	-	-	-	-	-	9,278	9,278
Total financial assets		23,289	30,000	-	-	13,604	66,893
Financial Liabilities							
Trade and other payables	-	-	-	-	-	6,909	6,909
Borrowings	6.11	-	1,748	6,992	1,886	-	10,626
Total financial liabilities		-	1,748	6,992	1,886	6,909	17,535

Note 21 Fair value measurements

a) Fair value measurements

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

	Carrying Amount		Fair Value	
	2016	2015	2016	2015
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	49,195	23,289	49,195	23,289
Receivables	2,925	4,326	2,925	4,326
Other financial assets	31,027	39,278	31,027	39,278
Total financial assets	83,147	66,893	83,147	66,893
Financial liabilities				
Trade and other payables	11,192	6,909	11,192	6,909
Borrowings	8,902	10,626	9,644	11,606
Total financial liabilities	20,094	17,535	20,836	18,515

The consolidated entity measures and recognises the following assets and liabilities at fair value on a recurring basis:

- Freehold land
- Freehold buildings
- Infrastructure assets

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- Art and library reference collection

Note 21 Fair value measurements (continued)

The consolidated entity does not measure and recognise any liabilities at fair value on a recurring basis.

b) Fair value hierarchy

The University categorises assets and liabilities measured at fair value into a hierarchy based on the level of inputs used in measurement

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs other than quoted prices within level 1 that are observable for the asset or liability either directly or indirectly

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs)

i) Recognised fair value measurements

Fair value measurements recognised in the statement of financial position are categorised into the following levels at 31 December 2016.

Fair value measurements at 31 December 2016

Recurring fair value measurements	2016	Level 1	Level 2	Level 3
Non-financial assets	\$'000	\$'000	\$'000	\$'000
Freehold land	21,950	-	21,950	-
Freehold buildings	266,218	-	8,540	257,678
Infrastructure assets	24,109	-	-	24,109
Art and library reference collection	4,118	-	-	4,118
Shares held in Public Companies	11,027	-	-	11,027
Total non-financial assets	327,422	-	30,490	296,932

Fair value measurements at 31 December 2015

Recurring fair value measurements	2015	Level 1	Level 2	Level 3
Non-financial assets	\$'000	\$'000	\$'000	\$'000
Freehold land	21,950	-	21,950	-
Freehold buildings	226,134	-	6,685	219,449
Infrastructure assets	21,479	-	-	21,479
Art and library reference collection	4,014	-	-	4,014
Shares held in Public Companies	9,278	-	-	9,278
Total non-financial assets	282,855	-	28,635	254,220

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.

ii) Disclosed fair values

The consolidated entity has a number of assets and liabilities which are not measured at fair value, but for which the fair values are disclosed in the notes.

The fair value of assets or liabilities traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices for identical assets or liabilities at the balance sheet date (level 1). This is the most representative of fair value in the circumstances. The fair values of held-to-maturity investment and interests in associates were determined by reference to published price quotations in an active market (level 1).

The carrying value less impairment provision of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the consolidated entity for similar financial instruments (level 3).

The fair value of non-current borrowing disclosed in note 11 is estimated by discounting the future contractual cash flows at the current market interest rates that are available to the consolidated entity for similar financial instruments. For the period ending 31 December 2016, the borrowing rates were determined to be 6.11% (2015 between 5.7% and 7.21%) depending on the type of borrowing. The fair value of current borrowing approximates the carrying amount, as the impact of discounting is not significant (level 2).

Note 21 Fair value measurements (continued)

c) Valuation techniques used to derive level 2 and level 3 fair values

i) Recurring fair value measurements

The fair value of financial instruments that are not traded in an active market (for example over the counter derivatives) is determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities. The University's holdings in unlisted securities has been independently valued using the cost approach (less any impairment) as it does not have a quoted price in an active market.

Land, buildings and infrastructure are valued independently at least every five years. At the end of each reporting period, the consolidated entity updates their assessment of the fair value of each asset class, taking into account the most recent independent valuations. The consolidated entity determines the property's value within a range of reasonable fair value estimates.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available the consolidated entity considers information from a variety of sources, including:

- Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
- Discounted cash flow projections based on reliable estimates of future cash flows
- Capitalised income projections based on a property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence

Where there is directly comparable market evidence Level 2 valuation inputs were used to value land held in freehold title (investment and non-investment) as well as land used for special purposes which is restricted in use under current zoning rules. Sales prices of comparable land sites in close proximity are adjusted for differences in key attributes such as property size. The most significant inputs into this valuation approach are price per square metre.

Specialised buildings were valued using the cost approach using professionally qualified Registered Valuers. The approach estimated the replacement cost for each building by componentising the buildings into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on square metres could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

The University's major infrastructure assets are unique in design or there was insufficient observable market evidence to support the valuation. As a result the valuation was performed using the cost approach. The approach estimated the replacement cost for each asset by componentising the assets into significant parts with different useful lives and taking into account a range of factors. While the unit rates based on similar capacity could be supported from market evidence (level 2) other inputs (such as estimates of residual value, useful life, pattern of consumption and asset condition) required extensive professional judgement and impacted significantly on the final determination of fair value. As such these assets were classified as having been valued using level 3 valuation inputs.

During the year there were a number of new projects completed where the actual cost was recorded and the impact of depreciation at year end was negligible. While these could be classified as valued at level 2, given the low proportion of the total portfolio that these represented and the likelihood that in future valuations they would most likely be valued at level 3, the University has adopted a policy that all infrastructure assets are deemed to be valued at level 3.

ii) Non-recurring fair value measurements

The University did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at the end of the reporting period.

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Note 21 Fair value measurements (continued)

d) Fair value measurements using significant unobservable inputs (level 3)

The following table summarises the quantitative information about the significant unobservable inputs used in level 3 fair value measurements. See (c) above for the valuation techniques adopted:

Description	Fair value at 31 Dec 2016 \$'000	Unobservable inputs*	Range of inputs (probability weighted average)		Relationship of unobservable inputs to fair value \$'000	
			Lower	Upper	Lower	Upper
Freehold buildings	266,218	Relationship between asset consumption ratings scale and the level of consumed service potential	(2.5)%	2.5%	(6,655)	6,655
Infrastructure assets	24,109	Condition of the asset where it could not be determined through physical inspection. Relationship between asset consumption ratings scale and the level of consumed service potential	(2.5)%	2.5%	(603)	603
Shares in Public Companies	11,027	Liquidity restrictions in relation to the inability of shareholders to sell to a shareholder that is not currently a shareholder and the inability of the investment to sell its major investment (escrow)	(5.0)%	5.0%	(551)	551

*There were no significant inter-relationships between unobservable inputs that materially effects fair value

(i) Valuation processes

The valuation process is managed by a team in the University's Financial Services department which engages external valuers to perform the valuations of assets required for reporting purposes. The Financial Services team reports to the Chief Operating Officer (via the Chief Financial Officer). Discussions on valuation processes are held every 12 months including changes in level 2 and 3 fair values.

The University engages external, independent and qualified valuers to determine the fair value of the Universities land, buildings, infrastructure, major plant and investments held on a regular basis (minimum of five years). An annual assessment is undertaken to determine whether the carrying amount of the assets is materially different from the fair value. If any variation is considered material a revaluation is undertaken either by comprehensive revaluation or by applying an interim revaluation using appropriate indices.

As at 31 December 2016 a desktop revaluation was undertaken for all the asset classes land, buildings and infrastructure by APV Valuers and Asset Management. In 2014 a comprehensive revaluation was undertaken for the same asset classes. In addition a valuation was undertaken by ShineWing Lawyers as at 31 December 2016 in relation to investments held in unlisted equity securities.

The main level 3 inputs used are derived and evaluated as follows:

- Relationship between asset consumption rating scale and the level of consumed service potential - Under the cost approach the estimated cost to replace the asset is calculated and then adjusted to take account of an accumulated depreciation. In order to achieve this, the valuer determines an asset consumption rating scale for each asset type based on the inter-relationship between a range of factors. These factors and their relationship to the fair value require professional judgment and include asset condition, legal and commercial obsolescence and the determination of key depreciation related assumptions such as residual value, useful life and pattern of consumption of the future economic benefit.
- The consumption rating scales were based initially on the past experience of the valuation firm and industry guides and were then updated to take into account the experience and understanding of the University's own asset management and finance staff. The results of the valuation were further evaluated by confirmation against the University's own understanding of the assets and the level of remaining service potential.
- Asset Condition - The nature of infrastructure assets is that there are a very large number of assets which comprise the network and as a result it is not physically possible to inspect every asset for the purposes of completing a valuation. As a consequence reliance is placed on the accuracy of data held in the asset management system and its associated internal controls. This includes regular planned inspections and updates to the system following maintenance activities and renewal treatments.
- In relation to unlisted equity securities, the approach estimated the value of the cash and investments of the unlisted equity securities discounted by 30% to reflect the limited liquidity in the market for University Shareholders to sell their holding (15%) and the discount applicable to the sale of a large block of shares on the ASX (likely via a trade sale) should Education Australia realise the value of IDP Education (15%).

Acquittal of Australian Government financial assistance 22.1 Education – CGS and Other Education Grants

Notes	Parent entity (HEP) ONLY							
	Commonwealth Grant Scheme #1		Indigenous Support Program		Higher Education Participation Program #2		Disability Support Program	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	96,750	84,218	554	412	2,137	1,991	90	57
Net accrual adjustments	(797)	(196)	-	-	-	(75)	-	-
Revenue for the period	95,953	84,022	554	412	2,137	1,916	90	57
Surplus/(deficit) from previous year	-	-	-	62	65	325	-	(25)
Total revenue including accrued revenue	95,953	84,022	554	474	2,202	2,241	90	32
Less expenses including accrued expenses	95,953	84,022	554	474	2,202	2,176	90	32
Surplus/(deficit) for reporting period	-	-	-	-	-	65	-	-

Notes	Promo of Exc in Learn and Teaching				Improving the Quality of Maths & Science Teaching Program				Total			
	2016 \$'000		2015 \$'000		2016 \$'000		2015 \$'000		2016 \$'000		2015 \$'000	
	Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	217	105	185	195	217	185	195	195	99,933	86,978	99,933
Net accrual adjustments	-	-	-	-	-	-	-	-	(797)	(271)	(797)	(271)
Revenue for the period	217	105	185	195	217	185	195	195	99,136	86,707	99,136	86,707
Surplus/(deficit) from previous year	185	363	(9)	33	402	(9)	228	33	241	758	241	758
Total revenue including accrued revenue	402	468	176	228	402	176	228	228	99,377	87,465	99,377	87,465
Less expenses including accrued expenses	202	283	161	237	202	161	237	237	99,162	87,224	99,162	87,224
Surplus/(deficit) for reporting period	200	185	15	(9)	200	15	(9)	(9)	215	241	215	241

#1 Includes the basic CGS grant amount, CGS-Regional Loading and CGS-Enabling Loading.

#2 Includes Access and Participation Fund and National Priorities Pool.

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Acquittal of Australian Government financial assistance (continued) 22.2 Higher Education Loan Programs (excl OS-HELP)

	Notes	HECS-HELP (Australian Government payments only)		Parent entity (HEP) ONLY				Total
		2016	2015	FEE-HELP #3	2015	2016	2015	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Payable/(Receivable) at beginning of year		344	(80)	-	(69)	-	-	344
Financial assistance received in Cash during the reporting period		53,888	48,585	1,770	1,755	1,884	1,582	57,542
Cash available for period		54,232	48,505	1,770	1,686	1,884	1,582	57,886
Revenue earned	2(b)	53,138	48,161	1,770	1,686	1,884	1,582	56,792
Cash Payable/(Receivable) at end of year		1,094	344	-	-	-	-	1,094
								344

#3 Program is in respect of FEE-HELP for Higher Education only and excludes funds received in respect of VET FEE-HELP.

Note 22 Acquitment of Australian Government financial assistance (continued)
22.3 Scholarships

Notes	Parent entity (HEP) ONLY							
	Australian Postgraduate Awards		International Postgraduate Research Scholarships		Commonwealth Education Cost Scholarships #4		Commonwealth Accommodation Scholarships #4	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
	690	647	69	67	116	105	117	36
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	690	647	69	67	116	105	117	36
Surplus/(deficit) from previous year	268	333	-	-	-	60	-	37
Total revenue including accrued revenue	958	980	69	67	116	165	117	73
Less expenses including accrued expenses	741	712	63	67	116	165	117	72
Surplus/(deficit) for reporting period	217	268	6	-	-	-	-	-

Notes	Indigenous Access Scholarships				Indigenous Staff Scholarships				Totals	
	2016		2015		2016		2015		2016	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	172	92	-	-	-	-	-	-	1,164	947
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	172	92	-	-	-	-	-	-	1,164	947
Surplus/(deficit) from previous year	-	28	-	12	-	12	-	470	268	470
Total revenue including accrued revenue	172	120	-	12	-	12	-	1,417	1,432	1,417
Less expenses including accrued expenses	172	121	-	12	-	12	-	1,149	1,209	1,149
Surplus/(deficit) for reporting period	-	-	-	-	-	-	-	223	223	268

#4 Includes Grandfathered Scholarships, National Priority and National Accommodation Priority Scholarships respectively.

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Note 22 Acquittal of Australian Government financial assistance (continued) 22.4 Education Research

	Parent entity (HEP) ONLY									
	Joint Research Engagement		Research Training Scheme		Research Infrastructure Block Grants		Sustainable Research Excellence in Universities		Totals	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Notes										
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	1,127	998	1,515	1,368	494	353	866	719	4,002	3,438
Net accrual adjustments	-	-	-	-	-	-	-	-	-	-
Revenue for the period	1,127	998	1,515	1,368	494	353	866	719	4,002	3,438
Surplus/(deficit) from previous year	29	29	-	-	50	(32)	-	-	79	(3)
Total revenue including accrued revenue	1,156	1,027	1,515	1,368	544	321	866	719	4,081	3,435
Less expenses including accrued expenses	1,127	998	1,515	1,368	393	271	840	719	3,875	3,356
Surplus/(deficit) for reporting period	29	29	-	-	151	50	26	-	206	79

#5 The reported surpluses for Joint Research Engagement, Research Training Scheme, Research Infrastructure Block Grants and Sustainable Research Excellence in Universities for 2016 are expected to be rolled over for future use by Education. No surpluses for 2016 are expected to be returned to Education.

Financial Statements

Notes to the financial statements
For the year ended 31 December 2016

Note 22 Acquittal of Australian Government financial assistance 22.5 Other capital funding

Parent Entity (HEP) ONLY

Notes	Education Investment Fund		Total	
	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)	-	7,500	-	7,500
Net accrual adjustments	-	(3,000)	-	(3,000)
Revenue for the period	2(e)	4,500	-	4,500
Surplus/(deficit) from previous year	-	8,043	-	8,043
Total revenue including accrued revenue	-	12,543	-	12,543
Less expenses including accrued expenses	-	12,543	-	12,543
Surplus/(deficit) for reporting period	-	-	-	-

22.6 Australian Research Council Grants

Parent Entity (HEP) ONLY

(a) Discovery	Notes	Projects ^{#6}		Fellowships		Total Discovery	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		594	581	222	309	816	890
Net accrual adjustments		-	61	-	-	-	61
Revenue for the period	2(f)(i)	594	642	222	309	816	951
Surplus/(deficit) from previous year		112	372	140	222	252	594
Total revenue including accrued revenue		706	1,014	362	531	1,068	1,545
Less expenses including accrued expenses		542	902	193	391	735	1,293
Surplus/(deficit) for reporting period		164	112	169	140	333	252

#6 Includes Early Career Researcher Award.

(b) Linkages	Notes	Projects		Total Linkages	
		2016 \$'000	2015 \$'000	2016 \$'000	2015 \$'000
Financial assistance received in CASH during the reporting period (total cash received from the Australian Government for the program)		927	543	927	543
Net accrual adjustments		-	-	-	-
Revenue for the period	2(f)(ii)	927	543	927	543
Surplus/(deficit) from previous year		428	232	428	232
Total revenue including accrued revenue		1,355	775	1,355	775
Less expenses including accrued expenses		966	347	966	347
Surplus/(deficit) for reporting period		389	428	389	428

Financial Statements

Notes to the financial statements

For the year ended 31 December 2016

22.7 OS - HELP

Parent entity (HEP) ONLY

	Notes	2016 \$'000	2015 \$'000
Cash received during the reporting period		447	683
Cash spent during the reporting period		451	366
Net cash received	2(h)	<u>(4)</u>	<u>316</u>
Cash surplus/(deficit) from previous period		213	(103)
Cash surplus/(deficit) for reporting period	10	<u><u>209</u></u>	<u><u>213</u></u>

22.8 Student Services and Amenities Fee

Unspent/(overspent) revenue from previous period		374	757
SA-HELP Revenue Earned	2(b)	1,884	1,582
Student Services and Amenities Fees direct from Students	4	803	403
Total revenue expendable in period		<u>3,061</u>	<u>2,742</u>
Student Services expenses during period		<u>(1,651)</u>	<u>(2,368)</u>
Unspent/(overspent) Student Services Revenue		<u><u>1,410</u></u>	<u><u>374</u></u>

Financial Statements

Statement of certification

For the year ended 31 December 2016

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 are in agreement with the accounts and records of the University of the Sunshine Coast and its controlled entity; 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 for the period 1 January 2016 to 31 December 2016, and of the financial position as at 31 December 2016 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.




Mr John Dobson OAM
Chancellor
University of the Sunshine Coast

21 February 2017



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

21 February 2017



Dr Scott Snyder
Chief Operating Officer
University of the Sunshine Coast

21 February 2017

Financial Statements

Independent auditor's report

For the year ended 31 December 2016

To the Council of the University of the Sunshine Coast

Opinion

I have audited the financial report of the University of the Sunshine Coast, which comprises the statement of financial position as at 31 December 2016, the statement of income, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows for the year then ended, notes to the financial statements including significant accounting policies and other explanatory information, and the certificate given by the Chancellor, Vice-Chancellor and President and Chief Operating Officer.

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required;
- (b) I consider the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
- (c) In my opinion, the accompanying financial report gives a true and fair view of the financial position of the entity as at 31 December 2016, and of its financial performance and its cash flows for the year then ended in accordance with the prescribed requirements under the *Financial Accountability Act 2009*.

Basis of Opinion

I conducted the 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 entity in accordance with the *Auditor-General Act 2009* and the ethical requirements of the Accounting Professional and Ethical Standards Board 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. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of the Council for the Financial Report

The Council is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed requirements of the *Financial Accountability Act 2009* and its subordinate legislation, the *Financial and Performance Management Standard 2009*. These prescribed requirements include the Australian Accounting Standards and having regard to the minimum reporting requirements included in the *Financial Reporting Requirements for Queensland Government Agencies*. The Council's responsibility also includes such internal control as the Council determines is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

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 the 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 the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 entity'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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

I communicate with those charged with governance 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.



J F WELSH FCPA

(as Delegate of the Auditor-General of Queensland)



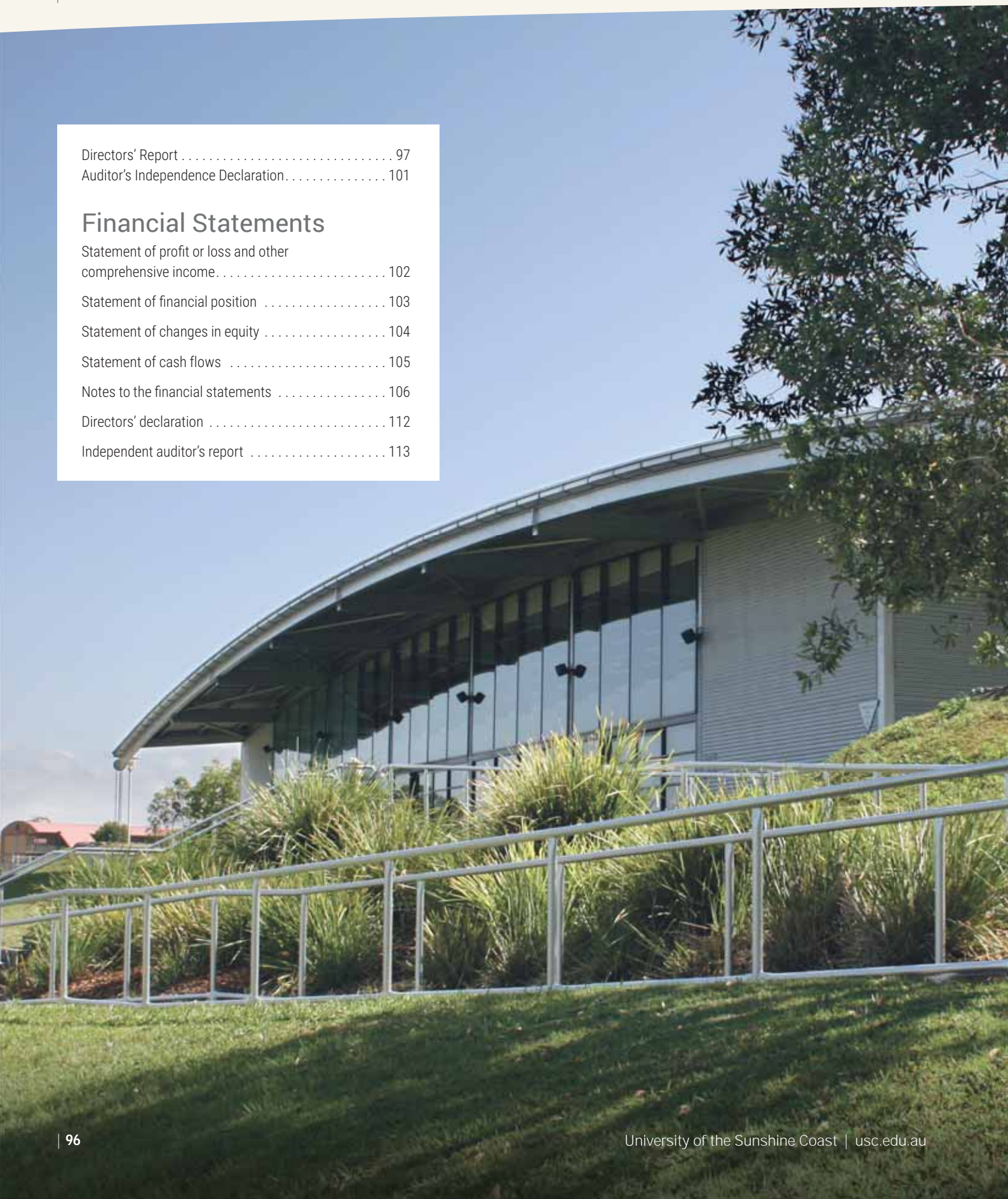
Queensland Audit Office
Brisbane

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This report by the Directors of the Innovation Centre Sunshine Coast Pty Ltd (ICSC) is prepared in accordance with the *Corporations Act 2001* is for the year ended 31 December 2016 and is accompanied by the Financial Statements for the period and by other financial information, which are to be read as part of this report.

DIRECTORS:

The names of the Directors of the ICSC in office during the reporting year are as follows:

Director	Term	Experience
Professor Mike Hefferan, PhD (QUT), MAppSci (QUT), GradDipMgmt (CQU), BA (UQ) Certified Practising Valuer, Chairman (ICSC)	From: 18/02/2010	Pro Vice-Chancellor (Engagement), USC.
Mr Andrew Fern, BBus (Mon); Maccounting (QUT)	From: 12/04/2011	Operations Director at The Australian Institute for Commercialisation, private investor and CEO, Scarpar Pty Ltd.
Ms Julie-Anne Mee, BBus (CQU); MAdmin, (GU); FCPA, Company Secretary (ICSC)	From: 07/12/2010	Qualified accountant, member of the USC Council.
Dr Kirsten Baulch, MBBS FRACGP (UQ); GCBA (QUT)	From: 19/06/2012	Qualified general practitioner, Founder and Medical Director of Medimobile Pty Ltd
Professor Roland De Marco, PhD (La Trobe), MSc / BSc (RMIT), MRACI	From: 24/02/2016	Deputy Vice-Chancellor (Research and Innovation), USC
Professor Mike Clements, PhD Lincoln, BCom (Hons) GAICD	From: 24/02/2016	Head of School (Business), USC
Mr David Foster, B.AppSci, MBA, SFFin, FAIM, GAICD.	From: 24/02/2016	Chairman, Sunshine Coast Economic Futures Board and Member USC Planning and Resources Committee
Dr Peter Isdale AM, PhD (JCU), BA (Hons) (JCU), MAICD.	From: 01/09/2016	Former scientist, corporate CEO, currently Chair or Deputy of eight organisations, professional company director.

Note: Dr Peter Isdale was appointed ICSC Chairman from 1 January 2017, after the resignation of Professor Mike Hefferan (effective date 2 February 2017).

Innovation Centre Sunshine Coast Pty Ltd

Directors' Report

For the year ended 31 December 2016

Six (6) meetings of the Board were held in 2016 with meetings attended by each director:

Director	Eligible to attend	Attended	Location
Professor Michael Hefferan	6	6	ICSC
Mr Andrew Fern	6	3	ICSC
Ms Julie-Anne Mee	6	5	ICSC
Dr Kirsten Baulch	6	4	ICSC
Professor Roland De Marco	5	3	ICSC
Professor Mike Clements	5	2	ICSC
Mr David Foster	5	4	ICSC
Dr Peter Isdale	3	3	ICSC

Directors' interests in shares and options of the Company as at 31 December 2016 were nil (2015: nil). The Chief Executive Officer reports directly to the ICSC Board and he attended all six (6) meetings.

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 a free-standing Board.

The principal activities of the ICSC are to support the start-up and growth of knowledge-based businesses, assist USC with research translation and to facilitate beneficial collaborations. The ICSC operates a 1500-square metre, purpose-built business incubator facility on the USC campus. The ICSC provides successful business development programs, high-speed fibre/wireless connections, flexible office space, video studio, business mentoring, investment readiness, extensive networking opportunities and collaborative links to USC capability and talent. Since 2002 the ICSC has been home to over 170 startup and high growth businesses, creating over 720 jobs, 200 student placements and \$60 million in economic value for the Sunshine Coast. The ICSC activities, services, members and partners are fully detailed at www.innovationcentre.com.au

DIVIDENDS:

No dividends have been paid or declared during or since the 2016 financial year (2015: nil).

REVIEW AND RESULTS OF OPERATIONS:

The ICSC remains well positioned to assist local entrepreneurs, new ventures, enterprising researchers and students. With an improving economic climate, the ICSC had a relatively strong year in 2016 attracting 25 new member companies (18 in 2014) and the average occupancy during the year was 97 per cent. In 2016, the ICSC was home to 52 members with more than 160 entrepreneurial staff and students.

The IC was recently nominated for the Australia Day Awards (Organisation Category) and many of our members and alumni excelled in their respective fields. Highlights include:

- Typefi Systems – winning the 2016 Small Business Exporter of the Year Award (National / State Export Awards) now a world-leading provider of automated publishing software;
- iDcare positively acknowledged by the Commonwealth Government, media and community for their leadership in relation to identity concerns and cyber security response protocols;
- Seven (7) ICSC entrepreneurs nominated as finalists for various Sunshine Coast Business Awards: AusIDentities, Sunlife SuperFoods, HiveHaven, Italic, Innovate Media, Spare Harvest and TruTeq, with the Founder of StudentWOW card winning Young Entrepreneur of the Year;

- Four (4) ICSC mentors / founders were acknowledged by Advance Queensland for their achievements in 2016 and acknowledged as Queensland Digital Champions; and
- The Sunshine Coast was named as one of the world's Smart 21 Communities, recognised for applying digital technologies and innovation to enable enhanced economic and social outcomes. ICSC and USC capability contributed to the strength of this submission.

The ICSC financial year saw a net profit of \$18,616 (loss of \$21,495 in 2015) based on total revenue of \$1,018,373 (\$1,019,868 in 2015). The ICSC programs and operations are mainly funded from membership fees and augmented by partnerships, sponsorships and external funding. The ICSC would specifically like to acknowledge the strong financial and in-kind support during the year from the following contributors:

- USC - \$250,000 grant with significant in-kind support from staff and researchers;
- ICSC Mentor Panel – providing approximately \$68,000 of volunteered mentoring and advice;
- ICSC Partners – approximately \$13,000 by Redchip Lawyers and RADBE;
- ICSC Board of Directors - approximately \$9,800 of volunteered time (excluding USC staff members which contributed an extra 32 hours);
- Government program and event funding (including Commonwealth, Queensland Government and The Sunshine Coast Council); and
- ICSC Alumni Members who act as ambassadors - providing valuable referrals, dynamic connections and general support for our network.

The ICSC Board and CEO would like to acknowledge and thank its many partners, sponsors, mentors and supporters who contribute so much to the outcomes of the ICSC. In 2017 the ICSC will celebrate its 15th anniversary with a stronger focus on USC flagship areas, additional accelerator programs and extra connections, capacity building support and tools for translating emerging USC R&D to business and industry.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS:

There were no significant changes in the state of affairs of the ICSC during the 2016 year.

POST BALANCE DATE EVENTS:

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the ICSC, the results of those operations or the state of affairs of the ICSC in future financial years.

LIKELY FUTURE DEVELOPMENTS AND EXPECTED RESULTS:

In December 2016, the ICSC signed off on new State and Commonwealth funding agreements facilitating enhanced accelerator programs and extra mentoring capacity to be delivered for the region. The Board and CEO continue to actively review and target other 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.

Innovation Centre Sunshine Coast Pty Ltd

Directors' Report

For the year ended 31 December 2016

DIRECTORS' REMUNERATION:

In 2016 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 corporations (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 \$160,000 - \$179,999.

INDEMNIFICATION OF OFFICERS AND AUDITORS:

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 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 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 or auditor of the ICSC against a liability incurred as such by an officer or auditor.

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.

AUDITOR'S INDEPENDENCE DECLARATION:

A copy of the auditors' independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 5 of the full Annual Report. This report is made in accordance with a resolution of the Board of Directors of the Innovation Centre of the Sunshine Coast Pty Ltd.



Dr Peter Isdale AM

Chairman of Directors
Dated:

at Sippy Downs, Queensland, Australia.



Mr Mark Paddenburg

Chief Executive Officer
Dated:

AUDITOR'S INDEPENDENCE DECLARATION

To the Directors of the *Innovation Centre Sunshine Coast Pty Ltd*

This auditor's independence declaration has been provided pursuant to s.307C of the *Corporations Act 2001*.

Independence Declaration

As lead auditor for the audit of the Innovation Centre Sunshine Coast Pty Ltd for the year ended 31 December 2016, I declare that, to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit
- b) no contraventions of any applicable code of professional conduct in relation to the audit.



J F WELSH FCPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Innovation Centre Sunshine Coast Pty Ltd

Statement of profit or loss and other comprehensive income

For the year ended 31 December 2016

	Notes	2016	2015
Revenue		\$	\$
Membership & service charges		568,977	599,195
University of Sunshine Coast grant		250,008	250,000
State Government Financial Assistance		147,500	105,000
Sponsorship		17,000	36,455
Other revenue		34,888	29,218
Total revenue		1,018,373	1,019,868
Expenses			
Rental, hire and other leasing fees		157,715	151,450
Occupancy & Utilities		78,605	118,430
Professional Fees		118,748	61,746
ICT Internet-Telecoms-Data		124,433	99,461
Programs & Events		12,125	30,663
Marketing & Advertising		11,888	19,339
Depreciation		9,332	9,266
Employee related expenses		437,662	483,551
Travel & Entertainment		752	15,552
Other Expenses	2	48,497	51,905
Total Expenses		999,757	1,041,363
Operating surplus/(deficit)		18,616	(21,495)
Other comprehensive income and expenses		0	0
Total comprehensive income attributable to shareholders		18,616	(21,495)

The accompanying notes form part of these financial statements.

Innovation Centre Sunshine Coast Pty Ltd

Statement of financial position
For the year ended 31 December 2016

	Notes	2016 \$	2015 \$
ASSETS			
Current Assets			
Cash and cash equivalents	3	302,476	230,782
Trade and other receivables		139,940	37,393
Total current assets		442,416	268,175
Non-current assets			
Property, plant and equipment		39,749	39,281
Total non-current assets		39,749	39,281
Total Assets		482,165	307,456
LIABILITIES			
Current liabilities			
Trade and other payables		324,060	194,734
Short term provisions		33,838	24,094
Total current liabilities		357,898	218,828
Non-current liabilities			
Provision Long Service Leave	1(m)	17,023	0
Total non-current liabilities		17,023	0
Total Liabilities		374,921	218,828
Net assets		107,244	88,628
EQUITY			
Issued capital		2	2
Retained earnings		107,242	88,626
Total Equity		107,244	88,628

Innovation Centre Sunshine Coast Pty Ltd

Statement of changes in equity

For the year ended 31 December 2016

	2016	2015
	\$	\$
Total equity at the beginning of the year	88,628	110,123
Total Comprehensive Income		
Operating surplus/(deficit) for the year	18,616	(21,495)
Total Comprehensive Income for the year	18,616	(21,495)
Total equity at the end of the year attributable to the shareholders	107,244	88,628

The accompanying notes form part of these financial statements.

	Notes	2016 \$	2015 \$
Cash flows from operating activities			
Revenues from operating activities		1,049,819	1,036,409
Interest received		2,416	4,016
Payments to suppliers and employees		(980,541)	(1,025,757)
Net cash provided by operating activities	4	71,694	14,668
Net increase in cash held			
Cash at the beginning of the financial year		230,782	216,114
Cash at the end of the financial year	3	302,476	230,782

The accompanying notes form part of these financial statements.

Innovation Centre Sunshine Coast Pty Ltd

Notes to the financial statements

For the year ended 31 December 2016

Note 1: Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of this financial report by the Innovation Centre Sunshine Coast Pty Ltd (ICSC) are stated in order to assist in a general understanding of the financial statements. These policies have been consistently applied to all years presented, unless otherwise indicated.

(a) Basis of preparation

The ICSC is a subsidiary of the USC, hence the financial report has been prepared for the same reporting period. The financial report covers the ICSC as an individual entity. The ICSC is a not for profit company limited by shares, incorporated and domiciled in Australia.

The ICSC has prepared the financial statements on the basis that the ICSC is a small proprietary company and is a non-reporting entity as management have determined there are no users dependent on general purpose financial statements. As a result special purpose financial statements have been prepared.

Section 49.1 of the ICSC constitution requires financial records are maintained to provide a true and fair view of the entity's financial position and performance. To satisfy the requirements of the Financial Incentives Agreement with State of Queensland through Department of Science, Information Technology and Innovation (DSITI), the ICSC is required to prepare audited financial statements comprising at a minimum:

- Statement of Profit or loss
- Statement of Financial Position
- Note detailing other expenses

This special purpose financial report has not been prepared in accordance with prescribed accounting standards as it is assessed that there are limited intended users of the financial report and the format and content is appropriate to meet the information needs of these specific users. The primary users of this financial report are limited to:

- The Board of Directors of the ICSC, and
- Department of Science, Information Technology and Innovation
- The University of the Sunshine Coast

As such, these special purpose financial statements have not been prepared in accordance with the requirements of Australian Accounting Standards except for the following which have been applied:

- AASB 101 – Presentation of Financial Statements
- AASB 107 – Statement of Cash Flows
- AASB 108 – Accounting policies, changes in accounting estimates and errors
- AASB 1031 – Materiality
- AASB 1048 – Application and Interpretation of Standards
- AASB 1054 – Australian Additional Disclosure

These financial statements have been prepared under the historical cost convention in special purpose format. The financial statements, except for cash flow information, have been prepared using the accrual basis of accounting. All amounts in the financial statements are shown rounded to the nearest dollar. There are no critical estimates or judgments incorporated into the financial report.

(b) Currency

The functional and presentation currency of the Company is the Australian dollar.

(c) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances and duties and taxes paid. Revenue from the rendering of service is recognised upon the delivery of the service to customers in accordance with governing contracts.

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

(d) Taxation

The Innovation Centre Sunshine Coast Pty Ltd is an exempt organisation under Section 50-5 of the Income Tax Assessment Act 1997. The ICSC is however, subject to Payroll Tax, Fringe Benefits Tax 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 an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the cash flow statement on a gross basis, except for the GST component on investing and financing activities, which are disclosed as operating cash flows.

(e) Leases

All current leases held are determined to be operating leases. Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. No accrual has been included to recognise the outstanding commitments on the term of the operating lease. However, the commitments at the reporting date are disclosed in note 5. Payments made under operating leases are expensed in the periods in which they are incurred. The ICSC has not entered into any finance leases.

(f) Impairment of assets

All assets are assessed for indicators of impairment on an annual basis. As at reporting date assessments by management did not identify any instances of asset impairment.

Innovation Centre Sunshine Coast Pty Ltd

Notes to the financial statements

For the year ended 31 December 2016

(g) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, in banks and deposits held at call with financial institutions convertible to known amounts of cash and which are subject to an insignificant risk of changes in value (Disclosed in Note 3).

(h) Receivables

Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment (doubtful receivables). Receivables are due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. All impairments (bad debts) are written off in the year in which they are recognised and re-charged against the profit or loss. A provision for impairment is established when there is objective evidence that the ICSC will not be able to collect all amounts due according to the original terms of receivables.

(i) Property, plant & equipment

Each class of property, plant and equipment is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses. The ICSC uses Queensland Treasury 'Non-Current Asset Policies for the Queensland Public Sector' as a guide only in fair valuing their assets.

All property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. 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. 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 Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the profit or loss during the financial period in which they are incurred.

(j) Depreciation

Management reviews the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets to the ICSC. Depreciation is charged from the month of acquisition. Gains or losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the profit or loss.

Item	Useful Life (years)	Depreciation Rate (%)
Computer Equipment	10	10
Leasehold Improvements	10	10
Other Plant and Equipment	10	10

(k) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

(l) **Borrowings**

The Company has no borrowings with external entities or the parent entity.

(m) **Employee benefits**

Provision is made for the ICSC's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled. The ICSC's obligations for short-term employee benefits such as wages, salaries and sick leave are recognized as a part of current trade and other payables in the statement of financial position.

The ICSC classifies employees' long service leave entitlements as other long-term employee benefits as they are not expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service. Following a Board review of long service leave policy in 2016, it was resolved that provisions only be made for long service leave when staff have been employed at the ICSC for 5 years (there was no provision made in 2015). Only the CEO is currently legally entitled to long service leave.

Retirement benefit obligations

All employees of the ICSC receive defined contribution superannuation entitlements, for which the ICSC pays the fixed superannuation guarantee contribution (currently 9.5% of the employee's average ordinary salary) to the employee's superannuation fund. All contributions in respect of employees' defined contribution entitlements are recognized as an expense when they become payable. The ICSC's obligation with respect to employees' defined contribution entitlements is limited to its obligation for any unpaid superannuation guarantee contributions and are measured at the (undiscounted) amounts expected to be paid when the obligation is settled and are presented as current liabilities in the company's statement of financial position.

(n) **Fair Value of Assets and Liabilities**

The ICSC may be required to measure some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard. "Fair value" is the price the company would receive to sell an asset or would have to pay to transfer a liability in an orderly (i.e. unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

The ICSC does not measure any assets or liabilities at fair value on a recurring or non-recurring basis in the statement of financial position after recognition.

(o) **Authority to issue financial report**

The financial report was authorised for issue on 2nd February 2017 by the ICSC board of directors.

Innovation Centre Sunshine Coast Pty Ltd

Notes to the financial statements

For the year ended 31 December 2016

Note 2	Other Expenses	2016	2015
		\$	\$
	Accounting and Audit Fees **	18,133	10,200
	Administrative costs	435	4,734
	Bank Fees & Charges	817	800
	Motor Vehicles	11,388	11,082
	Subscriptions and memberships	6,891	3,868
	Other	10,833	21,221
	Total Other Expenses	48,498	51,905

**Accounting and Audit Fees - audit, legal & consulting: total external audit fees relating to 2016: \$12,500 (2015: \$10,000 and an extra \$4,000 after year end relating to additional work on the Financial Statements).

Note 3:	Cash and cash equivalents	2016	2015
		\$	\$
	Cheque account	39,468	7,888
	Cash reserve	262,879	215,867
	Cash drawer	103	108
	Debit Mastercard	26	6,919
	Total Cash and cash equivalents	302,476	230,782

Note 4:	Reconciliation of Cash Flow from Operations (Profit after income tax)	2016	2015
		\$	\$
	Operating result for the period	18,616	(21,495)
	Depreciation	9,332	9,266
	(Increase)/decrease in PPE	(9,800)	0
	(Increase)/decrease in receivables	(102,547)	20,557
	(Decrease)/increase in trade and other payables	129,326	19,660
	(Decrease)/increase in provision for employees	26,767	(13,320)
	Net cash provided by/ (used in) operating activities	71,694	14,668

Note 5:	Commitments for expenditure Operating Leases	2016	2015
		\$	\$
	Lease commitments in existence at the reporting date but not recognised as liabilities		
	Within one year	136,878	204,556
	Later than one year but not later than five years	87,066	257,993
		223,944	462,549

Reduction in lease commitments is due to one lease having expired and most other leases due to expire within 5 years. In addition to the lease liabilities payable, the ICSC holds sub-lease arrangements with its clients in relation to the Incubator and Accelerator spaces. All sub-lease arrangements are of standard terms with no unusual restrictions nor escalation clauses. No current sub-lease agreement exceeds a term of 2 years.

The lease arrangements with clients are cancellable, with both the entity and the client required to provide 60 days' notice. Therefore there are no future sub-lease payments under non-cancellable leases.

Note 6: In kind consideration

The ICSC received in-kind support (not included in the face of Statement of Profit or Loss) during the year from the following contributors:

- ICSC Mentor Panel – approximately \$68,000 of volunteered mentoring and advice
- ICSC Board of Directors - \$9,800 of volunteered time (excluding USC staff members which contributed an extra 32 hours)

The Notional charge out rate for ICSC Mentors and ICSC Board Members is \$160 and \$175 per hour respectively.

Note 7: Economic Dependence

The continuing operation of the ICSC is partly dependent upon grant funds in 2016 of \$250,000 (2015: \$250,000) provided by its parent entity for operational activities. A letter of support from USC (dated August 9, 2016 confirms \$250,000 in the ICSC financial support for 2017). There are normal intercompany arrangements between the ICSC and USC, including rent of \$143,510 (2015: \$143,183) to the parent entity.

Note 8: Company Details

The registered office and principal place of residence of the company is:

Innovation Centre Sunshine Coast Pty Ltd
The University of the Sunshine Coast,
90 Sippy Downs Drive
SIPPY DOWNS, QLD, 4556
ABN: 68 094 885 177

Note 9: Events occurring after the balance sheet date

Apart from the ICSC being recognised at the Sunshine Coast Australia Day Awards for its contribution to the local community, there are no other events that have occurred after the balance sheet date that may significantly affect the operations of the ICSC, the results of those operations or the state of affairs of the ICSC in future financial years.

Innovation Centre Sunshine Coast Pty Ltd

Directors' declaration

For the year ended 31 December 2016

The directors have determined that the ICSC 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.

In accordance with a resolution of the director of Innovation Centre Sunshine Coast Pty Ltd, the Chairman of the ICSC declares that:

1. the financial statements and notes as set out above present fairly the ICSC's financial position as at 31 December 2016 and its performance for the year ended on that date in accordance with the accounting policies outlined in Note 1 to the financial statements;

and

2. in the directors' opinions there are reasonable grounds to believe that the ICSC will be able to pay its debts as and when they become due and payable.



Dr Peter Isdale AM
Chairman of Directors
Dated: 09/02/2017



Mr Mark Paddenburg
Chief Executive Officer
Dated: 09/02/2017

at Sippy Downs, Queensland.

To the Members of *Innovation Centre Sunshine Coast Pty Ltd*

Opinion

I have audited the financial report of Innovation Centre Sunshine Coast Pty Ltd (the Company), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes to the financial statements comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

In my opinion, the accompanying financial report of Innovation Centre Sunshine Coast Pty Ltd is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the company's financial position as at 31 December 2016 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards to the extent described in Note 1a, and the *Corporations Regulations 2001*

Basis of Opinion

I conducted the 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 Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board 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.

I confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

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

Emphasis of Matter – Basis of Accounting

I draw attention to Note 1a to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the *Corporations Act 2001* and to fulfil its reporting obligations in accordance with the Financial Incentives Agreement to the Department of Science, Information Technology and Innovation. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of the Directors for the Financial Report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1a to the financial report is appropriate to meet the requirements of the *Corporations Act 2001* and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Innovation Centre Sunshine Coast Pty Ltd

Independent auditor's report

For the year ended 31 December 2016

In preparing the financial report, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 the 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 the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Company'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. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

I communicate with those charged with governance 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.

I also provide the directors with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.



J F Welsh FCPA

(as Delegate of the) Auditor-General of Queensland



Queensland Audit Office
Brisbane

Glossary

ACIAR Australian Centre for International Agricultural Research	GCA Graduate Careers Australia	RUN Regional Universities Network
AGS Australian Graduate Survey	GOS Graduate Outcomes Survey	SAGE Science in Australia Gender Equity
AICD Australian Institute of Company Directors	HDR Higher Degree by Research (Student)	SAN Storage Area Network
AMS Asset Management Services	HERDC Higher Education Research Data Collection	SARC Skills, Academic and Research Centre
ANU Australian National University	ICSC Innovation Centre Sunshine Coast	SCHHS Sunshine Coast Hospital and Health Service
ARC Australian Research Council	ICT Information and Communication Technology	SCHI Sunshine Coast Health Institute
ARMC Audit and Risk Management Committee	ISSN International Standard Serial Number	SCUH Sunshine Coast University Hospital
ATMC Australian Technical and Management College	IPG International Projects Group	SES Socio-economic status
CQU Central Queensland University	ITRP Industrial Transformational Research Project	SSE Student Services and Engagement
CRC Cooperative Research Centre	JCU James Cook University	TEFMA Tertiary Education Facilities Management Association
CRICOS Commonwealth Register of Institutions and Courses for Overseas Students	KPI Key Performance Indicator	TEP Tertiary Enabling Pathway
CSP Commonwealth Supported	MBA Master of Business Administration	TEQSA Tertiary Education Quality and Standards Agency
CTC Clinical Trials Centre	MOU Memorandum of Understanding	TESOL Teaching English to Speakers of Other Languages
DET Department of Education and Training	NAIDOC National Aborigines and Islanders Day Observance Committee	THE Times Higher Education
DIIS Department of Industry, Innovation and Science	PDA Priority Development Area	TI Sunshine Coast Mind and Neuroscience — Thompson Institute
EA Enterprise agreement	PG Postgraduate	TPP Tertiary Preparation Pathway
EFTSL Equivalent Full-Time Student Load	PG Papua New Guinea	UES University Experience Survey
ERA Excellence in Research for Australia	PPR Performance, Planning and Review (Staff)	UG Undergraduate
EROS External Referencing of Standards	PRC Planning and Resources Committee	UNSW University of New South Wales
ESOS Education Standards for Overseas Students	PRRES Pacific Rim Real Estate Society	USC University of the Sunshine Coast
FABL Faculty of Arts, Business and Law	PVC Pro Vice-Chancellor	USP University of the South Pacific
FoSHEE Faculty of Science, Health, Education and Engineering	QAO Queensland Audit Office	USQ University of Southern Queensland
FRDC Fisheries Research Development Corporation	QILT Quality Indicators of Learning and Teaching	UQ University of Queensland
FTE Full-time equivalent (Staff)	QIMR Queensland Institute of Medical Research	VCP Vice-Chancellor and President
FWCI Field-weighted citation impact	QTAC Queensland Tertiary Admissions Centre	WIL Work Integrated Learning
FWPA Forest and Wood Products Australia	QUT Queensland University of Technology	YTD Year to Date
FY First year	RDA Regional Development Australia	
	RTI Right to Information	

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The University of the Sunshine Coast

The University of the Sunshine Coast began as the Sunshine Coast University College. Founded in 1994, the first students started at the Sippy Downs campus in 1996. In 1998 the new institution was granted full university status, and became the University of the Sunshine Coast on 1 January 1999.

USC serves a growing catchment that stretches from Brisbane to Hervey Bay. Its teaching sites include campuses on the Sunshine Coast, Fraser Coast, in Gympie and Brisbane's South Bank precinct, specialist international sites in the Sydney and Melbourne CBDs, and study nodes offering preparatory programs at Noosa, Caboolture and North Lakes.

USC has a five-star rating for teaching quality, learning resources, student support, skills development and overall graduate satisfaction, which is recognised in the 2017 Good Universities Guide*.

At Census 1 2016, there were 11,602 students (including 1,127 postgraduates and 1,364 international students) enrolled in more than 120 academic programs in two faculties: Arts, Business and Law; and Science, Health, Education and Engineering.

In 2016 the University conferred 1,974 degrees, bringing alumni numbers to 17,518.



*The rating of five stars for teaching quality, learning resources, student support, skills development and overall graduate satisfaction were awarded to USC by the Good Universities' Guide 2017 using information obtained from the Student Experience Survey and Graduate Destination Survey.



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