

## B. Legislative context

### Frameworks

Education entities prepare their financial statements in accordance with the following legislative frameworks and reporting deadlines.

**Figure B1**  
**Legislative frameworks for the education sector**

Entity type	Entity	Legislative framework	Legislated deadline
Departments	Department of Education	<ul style="list-style-type: none"> <li>• <i>Financial Accountability Act 2009</i></li> </ul>	31 August 2019
	Department of Employment, Small Business and Training	<ul style="list-style-type: none"> <li>• Financial and Performance Management Standard 2019</li> </ul>	
Statutory bodies	Seven universities	<ul style="list-style-type: none"> <li>• <i>Financial Accountability Act 2009</i></li> </ul>	28 February 2020
	Eight grammar schools Queensland College of Teachers	<ul style="list-style-type: none"> <li>• Financial and Performance Management Standard 2019</li> <li>• <i>Statutory Bodies Financial Arrangements Act 1982</i></li> <li>• <i>Australian Charities and Not-for-profits Commission Act 2012</i></li> <li>• Australian Charities and Not-for-profits Commission Regulation 2013</li> <li>• <i>Higher Education Support Act 2003</i></li> <li>• <i>Grammar Schools Act 2016</i></li> </ul>	
Statutory bodies— other	TAFE Queensland Queensland Curriculum and Assessment Authority Non-State Schools Accreditation Board	<ul style="list-style-type: none"> <li>• <i>Financial Accountability Act 2009</i></li> <li>• Financial and Performance Management Standard 2019</li> <li>• <i>Statutory Bodies Financial Arrangements Act 1982</i></li> </ul>	31 August 2019



Entity type	Entity	Legislative framework	Legislated deadline
Controlled and jointly-controlled entities	Nine entities controlled by universities Three jointly-controlled entities	<ul style="list-style-type: none"> <li>• <i>Corporations Act 2001</i></li> <li>• Corporations Regulations 2001</li> </ul>	30 April 2020
Trust	Translational Research Institute Trust	<ul style="list-style-type: none"> <li>• Trust deed</li> </ul>	31 March 2020

Source: Queensland Audit Office.

## Accountability requirements

The *Financial Accountability Act 2009* applicable to the education sector entities requires these entities to:

- achieve reasonable value for money by ensuring the operations of departments and statutory bodies are carried out efficiently, effectively, and economically
- establish and maintain appropriate systems of internal control and risk management
- establish and keep funds and accounts that comply with the relevant legislation, including Australian accounting standards.

## Queensland state government financial statements

Each year, Queensland state public sector entities must table their audited financial statements in parliament.

These financial statements are used by a broad range of parties including parliamentarians, taxpayers, employees, and users of government services. For these statements to be useful, the information reported must be relevant and accurate.

The Auditor-General's audit opinion on these entities' financial statements assures users that the statements are accurate and in accordance with relevant legislative requirements.

We express an *unmodified opinion* when the financial statements are prepared in accordance with the relevant legislative requirements and Australian accounting standards. We *modify* our audit opinion when financial statements do not comply with the relevant legislative requirements and Australian accounting standards and are not accurate and reliable.

Sometimes we include an *emphasis of matter* in our audit reports to highlight an issue that will help users better understand the financial statements. It does not change the audit opinion.

## University and grammar school entities

In Queensland, universities provide tertiary education, including undergraduate and postgraduate studies. Universities and their subsidiaries carry out research and other activities in line with university objectives.

Only two grammar schools do not provide schooling from Prep to Year Twelve. These schools start at Year Five or Year Seven.

## University funding and regulation

Universities obtain funding mainly through government grants and student fees. Grants are based on student enrolments and the amount of research undertaken at each university.

In Queensland, 84.8 per cent (2018: 86.1 per cent) of university funding comes from Australian and state government grants and student fees and charges. Commonwealth funding is mainly recurrent, with state government grants generally non-recurrent in nature.

The Australian Government budget details how much funding is provided to universities for each field of education.

## Grammar school funding and regulation

Grammar schools obtain funding through Australian and Queensland government grants and tuition and boarding fees. In Queensland, 86.6 per cent (2018: 87.4 per cent) of grammar school funding comes from these sources.

The grammar schools are statutory bodies formed under the *Grammar Schools' Act 2016*. They operate as independent schools in Queensland.

## Departments

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### Department of Education

The Department of Education is a Queensland Government department established under the *Public Service Act 2008*. It provides direction and oversight to the education sector in Queensland and delivers services for early childhood and education.

### Department of Employment, Small Business and Training

The Department of Employment, Small Business and Training is a Queensland Government department established under the *Public Service Act 2008*. The department's objective is to increase economic participation by providing trusted advice and support that enables sustainable small business opportunities and a skilled workforce, now into the future.

### Department funding and regulation

The departments receive appropriation revenue that includes funding from both the Australian and Queensland governments. The departments share this funding across their respective service areas of early childhood education and care and school education (Department of Education), and training and skills (Department of Employment, Small Business and Training).

In Queensland, 92.6 per cent (2018: 93.4 per cent) of Department of Education funding, and 97.5 per cent (2018: 97.3 per cent) of Department of Employment, Small Business and Training funding came from appropriation revenue.



## Other education entities

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### TAFE Queensland

TAFE Queensland is the state's largest provider of practical, industry-relevant training. It was established as a statutory body under the *TAFE Queensland Act 2013* on 1 July 2013. It is a not-for-profit entity governed by an independent board.

Its income is largely attributable to training revenue received from students. In recognition of TAFE Queensland's cost disadvantage in the market, the Queensland Government provides a state contribution grant, which funds part of the difference in costs between public and private training providers.

### Queensland Curriculum and Assessment Authority

The Queensland Curriculum and Assessment Authority is a statutory body that was established on 1 July 2014 under the *Education (Queensland Curriculum and Assessment Authority) Act 2014*, replacing the Queensland Studies Authority. It provides the syllabuses for all schooling from kindergarten to Year 12. It also provides guidelines, assessment, reporting, testing, and certification services for Queensland schools. It revises syllabuses and guidelines, and offers services and resources to help teachers implement them.

Most of its income relates to administered grant funding from the Queensland Government.

### Queensland College of Teachers

The Queensland College of Teachers is responsible for registering teachers for Queensland schools, and for providing accreditation for preservice teacher education programs. It is a statutory body established under the *Education (Queensland College of Teachers) Act 2005* that ensures teachers meet Australian education standards and act ethically.

The biggest contributors to the college's income are its teacher registration and application fees.

### Non-State Schools Accreditation Board

The Non-State Schools Accreditation Board works with non-state governing bodies in the areas of accreditation and funding eligibility. The board is a statutory body established under the *Education (Accreditation of Non-State Schools) Act 2001*.

While the board receives grant funding, most of its income is from contributed services. These are corporate services that the Department of Education provides, which it recognises at fair value.