

Annual Report 2010–11

Queensland Studies Authority



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Letter of compliance

31 August 2011

The Honourable Cameron Dick MP
Minister for Education and Industrial Relations
Parliament House
Brisbane Qld 4000

Dear Minister

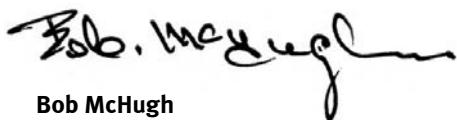
I am pleased to present the Annual Report 2010–11 for the Queensland Studies Authority.

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 Reporting Guidelines for Queensland Government Agencies*.

A checklist outlining the annual reporting requirements can be accessed at www.premiers.qld.gov.au/publications/categories/guides/annual-report-guidelines.aspx.

Yours sincerely



Bob McHugh
Chair
Queensland Studies Authority

Communication objectives

The Queensland Studies Authority (QSA) was established in 2002 and is responsible for a range of functions including developing and accrediting Kindergarten to Year 12 syllabuses and guidelines, testing, assessment, moderation, certification, vocational education and training, and tertiary entrance.

In addition to fulfilling the statutory obligations of the *Financial Accountability Act 2009*, this annual report shows the ways in which the QSA is fulfilling its role as prescribed by the *Education (Queensland Studies Authority) Act 2002*. The report is aimed, in particular, at:

- school staff
- parents
- tertiary institutions
- unions
- employers
- Queensland Government.

Report access

Access to this report is provided through the QSA's website or by contacting the QSA.

Interpreter Service Statement



The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can contact the QSA on (07) 3864 0299 and we will arrange an interpreter to effectively communicate the report to you.

Highlights of 2010–11

Development of more than 150 online resources to support schools as they implement the Australian Curriculum

QSA K–12 conference, *Vision to Reality: Queensland's new education landscape*

Publication of the *Queensland kindergarten learning guideline* and *Continua of learning and development*

100 new Science Assessment Bank items

Administration of 2011 NAPLAN

Launch of Student Connect website for senior students

Public release of 2010 NAPLAN and Year 12 outcomes reports

Administration of 2010 and development of 2011 QCATs and QCS Test

Implementation of the P–10 Aboriginal and Torres Strait Islander Languages syllabus

Chair's introduction

The past 12 months have seen the QSA preparing for impending changes to the state and national education landscape while continuing to deliver its core products and services in the areas of curriculum, assessment, reporting and certification. Our achievements span the early years of learning to Year 12 and are designed to assist schools throughout Queensland.

The QSA completed development of the *Queensland kindergarten learning guideline* for the Department of Education and Training. The guideline supports kindergarten teachers' professional practice, and is based on the Australian Government's *Early Years Learning Framework* for Australia. It embraces the inclusive vision that all children experience learning that is engaging and assists with building success for life.

The QSA continues to work with its education partners to help Queensland schools make a smooth transition to the Australian Curriculum from 2012. Already we have produced more than 150 online resources for all Queensland teachers in addition to delivering a comprehensive and statewide program of face-to-face workshops.

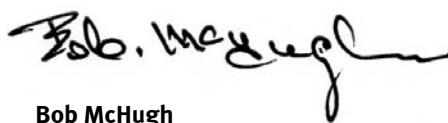
In June, the Queensland Government announced that from 2013, a new education standards authority will assume the functions of the Queensland Studies Authority and the Non-State Schools Accreditation Board. The new independent authority will perform curriculum, assessment and reporting functions and accredit all schools. The QSA will continue to perform its current functions for the next 18 months, while working with the government to establish the new authority.

This year, the QSA continued to meet its commitments under the Queensland Education Performance Review by delivering a further 100 Assessment Bank items to help teachers assess Science more effectively across Years 1–9. We will now be concentrating on aligning Assessment Bank items to the Australian Curriculum.

For some time, the QSA has been embedding Australian Indigenous perspectives in its curriculum and assessment materials for schools. One of our recent achievements was the implementation of the P–10 Aboriginal and Torres Strait Islander Languages syllabus. A strength of the syllabus is its capacity to forge connections between schools and communities. It is intended that students will study the languages associated with their own communities and localities, and in the process build respect for local culture and traditions. A syllabus for Years 11 and 12 will follow next year.

Supporting professional development for teachers remains central to the QSA's role. Our 2011 conference, *Vision to Reality: Queensland's new education landscape*, attracted over 1800 participants from more than 550 schools. From the enthusiastic response, I believe this year's three-day event firmly established the QSA conference as a key annual networking and professional development opportunity for teachers and educators in Queensland.

Finally, I thank QSA Governing Body members for their guidance and informed advice. With representatives from the State, Catholic and Independent school sectors, as well as teachers, parents, unions and higher education groups, the Governing Body is an inclusive group. It exemplifies the stakeholder collaboration and engagement processes that are essential in making the QSA's work effective. Our thanks must also go to the hundreds of teachers and educators who contribute to the QSA's committee system, ensuring the school-based focus of our work.



Bob McHugh
Chair
Queensland Studies Authority



Financial snapshot 2010–11

In 2010–11, the QSA received \$41.423 million in grant revenue from the Department of Education and Training (DET) and raised \$3.963 million from its curriculum and professional development products and services. The QSA delivered its education products and services to approximately 1800 state and non-state schools.

Table 1: Summary of QSA finances 2010–11

	2010–11	2009–10	2008–09	2007–08	2006–07
	\$(000)	\$(000)	\$(000)	\$(000)	\$(000)
Revenue					
Grant revenue	41 423	38 276	37 425	40 184	33 849
Other revenue	3 963	3 653	3 707	3 745	3 084
Expenses					
Employee expenses	28 804	26 636	24 786	22 724	20 207
Other expenses	16 579	16 182	15 003	18 622	13 345
Operating surplus/(deficit)	3	(889)	1 343	2 583	3 381
Capital outlays					
Plant and equipment	297	211	445	473	272
Software	0	839	2 227	4 023	1 462
Total assets	17 068	17 823	18 215	18 788	13 100
Total liabilities	5 529	6 287	5 790	7 706	4 593
Net assets/(liabilities)	11 539	11 536	12 425	11 082	8 507

Table 2: QSA employees 2010–11

	2010–11	2009–10	2008–09	2007–08	2006–07
Number of employees at 30 June 2011 (full-time equivalent)	248.5	233.5	235.5	231.9	230.1

A comprehensive set of financial statements covering all aspects of the QSA's activities starts at page 26 of this report.

Constitution, functions & powers

The QSA is a statutory body established by an Act of Parliament under the provisions of the *Education (Queensland Studies Authority) Act 2002*.

The main functions of the QSA are to:

- develop and implement syllabuses and guidelines from Kindergarten to Year 12, and accredit syllabuses and guidelines prepared outside of the QSA
- undertake assessment and testing programs that help students demonstrate and improve their learning achievements and plan for their future, and that benchmark Queensland students against national standards and support school improvement processes
- determine procedures and implement quality assurance for Queensland's system of continuous school-based assessment in the senior phase of learning
- manage certification and reporting processes that reflect student learning across the range of their school experiences, capture student achievement in their various endeavours, and provide personalised, up-to-date information to students and parents
- register schools as Registered Training Organisations (RTOs), and accredit and recognise vocational education and training courses
- develop tertiary entrance procedures, issue tertiary statements and provide information to the public about tertiary entrance procedures and requirements
- undertake research in relation to the aforementioned functions.

In performing its functions, the QSA also provides the three schooling sectors with a range of professional development activities to support:

- implementation of syllabuses, associated materials and processes
- QSA business processes of assessment, moderation, certification and accreditation.

Corporate profile

Authority members

The constitution of the Authority is specified in Section 25 of the *Education (Queensland Studies Authority) Act 2002*. It comprises representatives of education across the primary, secondary, special and tertiary sectors (including practising teachers), vocational education, parents, unions and industry.

The membership of the Authority supports the Queensland Government's Women on Boards strategy with almost 50 per cent of the positions held by women. This is particularly important in the education sector where women are well represented in the workforce.



Bob McHugh



Yvana Jones



David Roberston



Leesa Jeffcoat



Bob Lingard



Alan Finch



Trish Nash



Margaret Leary



Patricia Neate



Daryl Hanly



Gail Young



Tsae Wong



Steve Ryan



Dr Paul Giles



Tim Maloney



David Rogers



Penny Taylor



Claire Wyatt-Smith

The Authority held eight meetings during the 2010–11 financial year. Its membership for 2010–11 is outlined below.

- One nominee of the Minister for Education (Chair):
Bob McHugh (appointed until June 2012)
- The chief executive (Director-General) of the education department, whose nominee is:
Yvana Jones
- The chief executive (Director-General) of the vocational education and training department, whose nominee is:
Vacant
- One nominee of Independent Schools Queensland (ISQ):
David Robertson (appointed until June 2012)
- One nominee of the Queensland Catholic Education Commission (QCEC):
Leesa Jeffcoat (appointed until June 2012)

- Two nominees of the Higher Education Forum (at least one of whom must have expertise relating to tertiary entrance):

Professor Bob Lingard (appointed until December 2011)

Alan Finch (appointed until December 2011)

- Two persons who, at the time of appointment, are parents or guardians of students enrolled at a school, of whom:
 - one is to be nominated jointly by the Federation of Parents and Friends Associations of Catholic Schools, Queensland, and the Queensland Independent Schools Parents Council; and
 - one is to be nominated by the Queensland Council of Parents' and Citizens' Associations Incorporated

Trish Nash (to December 2010)

Margaret Leary (appointed until December 2011)

- One primary school principal and one secondary school principal, of whom:
 - one is to be nominated by the chief executive; and
 - one is to be nominated jointly by ISQ and QCEC

Patricia Neate (appointed until June 2012)

Daryl Hanly (appointed until June 2012)

- One teacher of primary education and one teacher of secondary education, neither of whom is a school principal, of whom:
 - one is to be nominated by the chief executive; and
 - one is to be nominated jointly by ISQ and QCEC

Gail Young (appointed until December 2011)

Tsae Wong (appointed until June 2012)

- One nominee of the Queensland Teachers' Union (QTU):

Steve Ryan (appointed until June 2012)

- One nominee of the Queensland Independent Education Union (QIEU):

Dr Paul Giles (appointed until June 2012)

- One nominee of the Minister administering the vocational education and training department:

Tim Maloney (appointed until December 2011)

- Three nominees of the Minister for Education, of whom:

- one is to have expertise in the provision of special education; and
- one is to have expertise in the education of Aboriginal peoples or Torres Strait Islander peoples
- one is to be representative of industry

David Rogers (appointed until December 2011)

Penny Taylor (appointed until December 2011)

Alan Waldron (appointed until December 2011)

- One other person who may be nominated by the Minister for Education:

Professor Claire Wyatt-Smith (appointed until June 2012)

Executive committee

In accordance with Section 45 of the *Education (Queensland Studies Authority) Act 2002*, an executive committee meets before each Authority meeting to set the agenda. The executive committee comprises:

- the Chair
- the nominee of the chief executive (Director-General) of education
- the nominee of the chief executive (Director-General) of vocational education and training
- the nominee of the Queensland Catholic Education Commission
- the nominee of Independent Schools Queensland.

The Director of the QSA also participates in executive committee meetings as outlined in Section 46 of the Act, but has no voting rights.

The executive committee also performs any other functions conferred on it by the Authority and reports to the Authority as required.

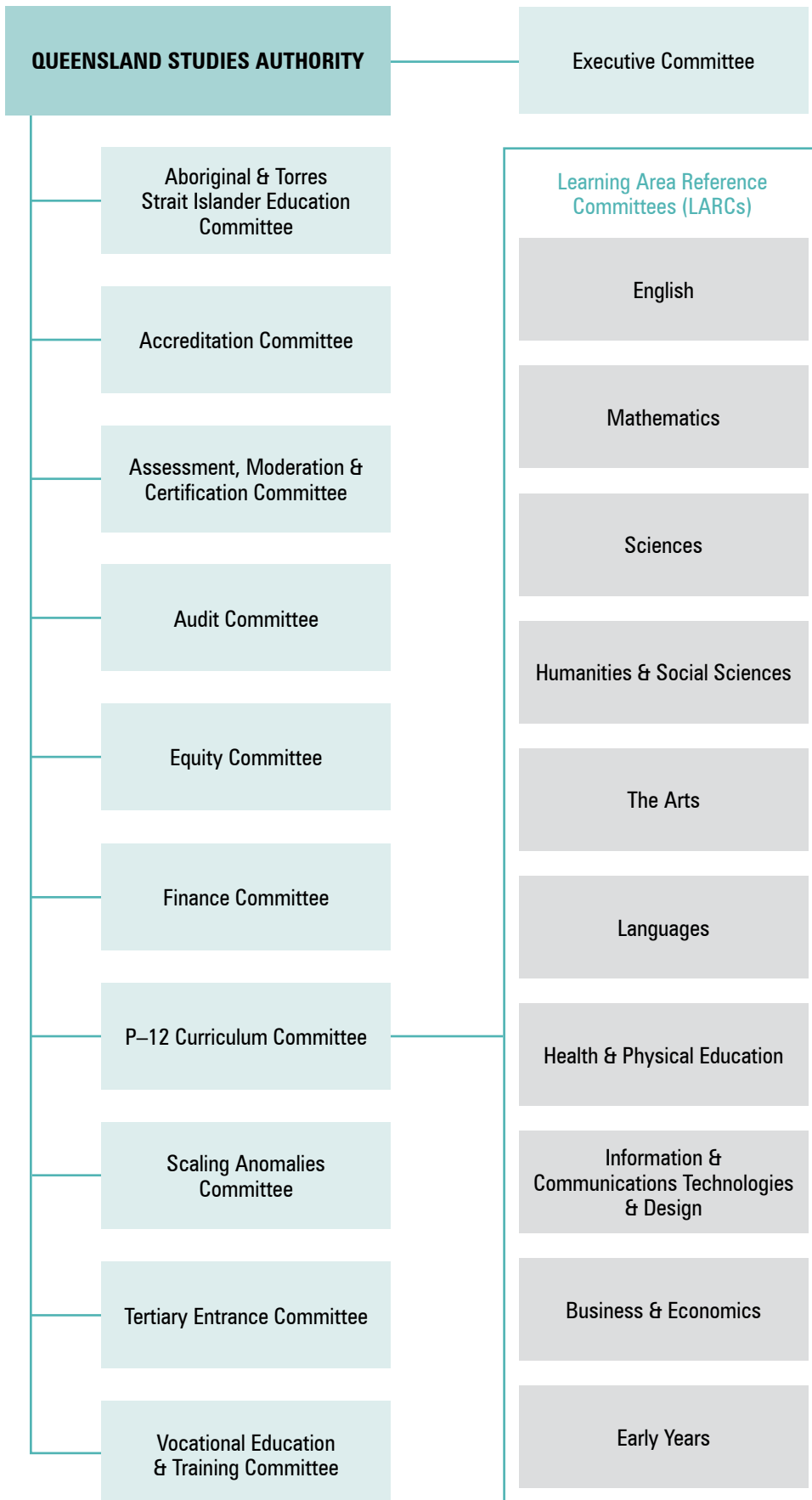
Authority committee functions

A number of committees of the Authority have been established, as set out in Section 47 of the *Education (Queensland Studies Authority) Act 2002*, to:

- develop policy proposals (for referral to the Authority)
- identify issues that require policy development by the committee
- provide advice to the Authority on matters referred to the committee by the Authority
- provide advice to the Authority on matters identified by the committee as warranting such advice
- keep the Authority informed about current and expected issues requiring its attention
- consider and approve plans and procedures that provide mechanisms for the implementation and endorsement of Authority policy
- establish (or recommend establishment of) subcommittees and task groups to provide specialist advice and develop policy proposals
- consider specialist advice and policy proposals from subcommittees and task groups
- advise and assist the Office of the Authority in policy implementation
- consider advice from the Office of the Authority on relevant issues
- maintain and strengthen communication links between the Authority and its stakeholders.

Details of the functions and membership of each committee are given in Appendix 6.

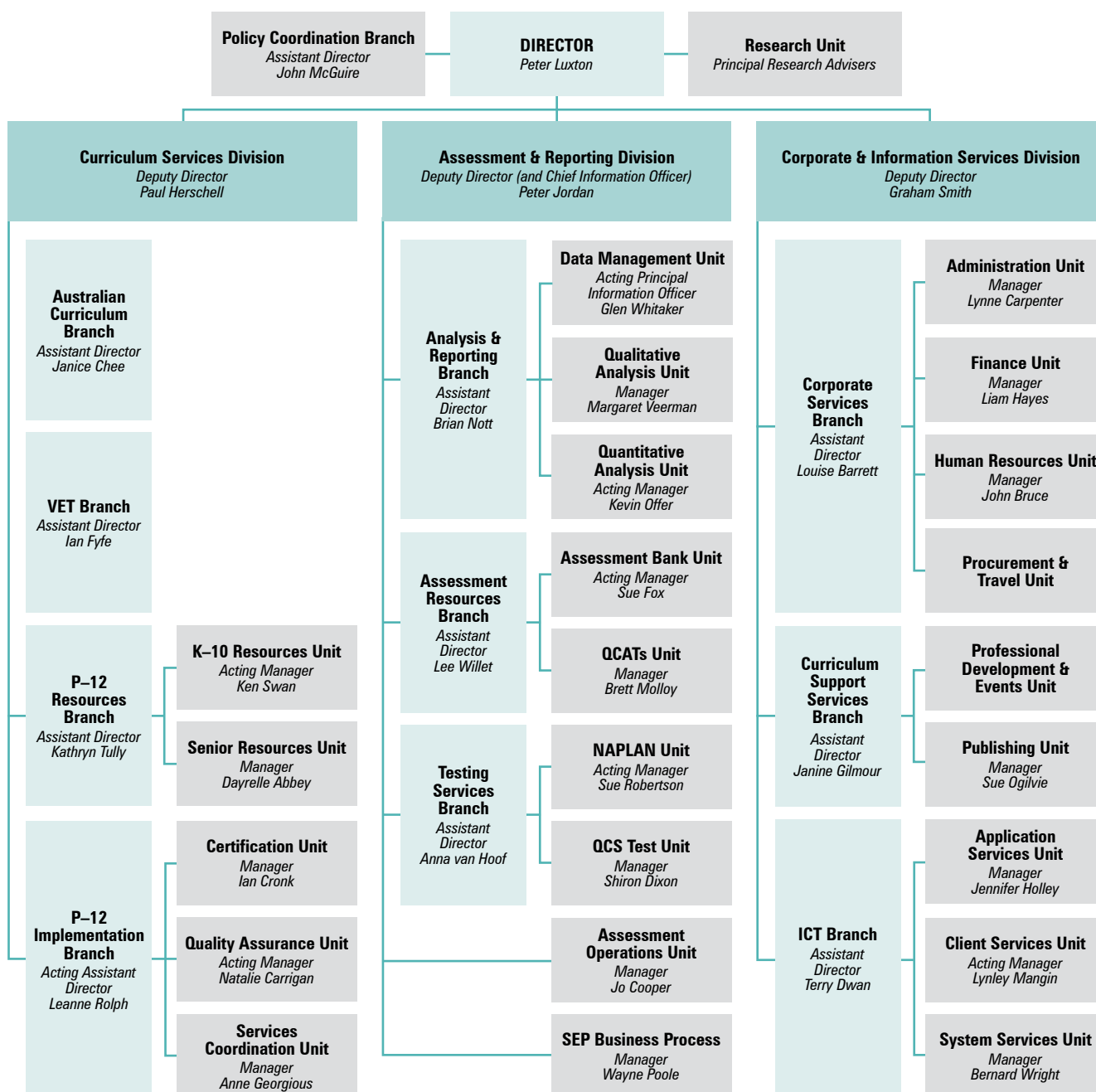
Authority committees



Organisational structure

The organisational structure of the QSA, as at June 2011, is shown below. Members of the key corporate governance committee of the QSA are listed in Appendix 6.

QSA's central office is located at 154 Melbourne Street, South Brisbane. The QSA had 248.5 full-time equivalent staff as at June 2011, mostly based at the central office. The remainder work in 13 district offices across Queensland (district office contact details are listed in Appendix 7). Positions are filled through a mix of permanent and temporary appointments, and secondments. Staff are employed directly by the Authority as part of the Education and Training portfolio.



Strategic Plan 2010–14

Plan development

The *Strategic Plan 2010–14* was approved by the QSA Governing Body on 7 May 2010. It refined the objectives and strategies of the previous *Strategic Plan 2009–13*, taking into account recent government initiatives, changes in government requirements and progress achieved against the current strategies.

Strategies on how it will provide quality, innovative and future-focused products and services to assist all Queensland educational communities are outlined in the plan under two key strategic objectives.

1. Leadership and partnerships:

- **informed leadership** through the implementation of evidence-based reforms and initiatives
- **strong partnerships** with stakeholders through collaboration, communication and consultation

2. Capability and governance:

- **expert capability** through workforce planning, professional development and a supportive work environment
- **effective governance** through refinement and improvement of processes.

Performance against objectives

A summary of achievements against the priority areas in the plan follows:

1. Leadership and partnerships

- In collaboration with the State, Catholic and Independent school sectors, developed a detailed plan for the implementation of the Australian Curriculum in Queensland schools.
- Developed a range of resources to support schools to implement the Australian Curriculum.
- Commenced aligning QSA products and services to the Australian Curriculum.
- Developed the *Queensland kindergarten learning guideline* and professional development material and resources to support the implementation of the guideline.
- Developed the P–12 Aboriginal and Torres Strait Islander Languages syllabuses to promote the value of Australian Indigenous languages.

- Worked with the wider school community to increase learning options contributing towards the Queensland Certificate of Education (QCE) to enable more students to become eligible for the QCE and increase Year 12 completion rates.
- Developed the 2010 Queensland Comparable Assessment Tasks (QCATs).
- Developed resources to implement recommendations of the Queensland Education Performance Review.
- Coordinated the administration, marking and reporting of the National Assessment Program – Literacy and Numeracy for Queensland.
- Continued to involve QSA committees and education stakeholders in the development of QSA products and services.
- Launched the new Student Connect website, which gives students access to their learning account and results.

2. Capability and governance

- Continued implementing Future Connect and Engaged Workplaces initiatives to improve staff capability and capacity to meet the challenges of the changing education environment.
- Implemented enhanced recruitment and professional development programs to attract, retain and develop highly capable and skilled staff.
- Implemented a Business Continuity Plan that ensured QSA's core business and critical work proceeded during a period affected by natural disasters.
- Provided high quality and timely support and advice to the Governing Body to enable informed decision-making.

Challenges during plan implementation

While the QSA made significant progress in meeting the priorities and milestones in the *Strategic Plan 2010–14*, there are specific areas that will require attention in the *Strategic Plan 2011–15*. These areas are:

- working closely with our education partners to ensure the transition to the Australian Curriculum continues to progress smoothly
- continuing to provide schools with resources and support to enable teachers to confidently implement the Australian Curriculum
- continuing to align QSA products and services to the Australian Curriculum
- implementing the recommendations of the Queensland Certificate of Education and the Queensland Core Skills Test periodic reviews
- introducing innovative technologies to improve QSA products and services, and their delivery
- working collaboratively with government to transition to the new independent standards authority and achieve the reforms outlined in the education white paper: *A Flying Start for Queensland Children*.

Program review

Syllabus development and implementation

During 2010–11, the QSA continued to develop its vision of an innovative and future-focused Kindergarten(K)–12 education framework based on:

- **syllabus design principles and elements** that create the conditions for teachers to shape a curriculum that meets the needs of their students
- **phases of learning** with a specific developmental focus
- **syllabus content** that focuses on the expected learning and sets the parameters for the intended curriculum
- **assessment, standards and consistency** that show how standards-based, school-based assessment is integral to the teaching and learning process.

A survey of education stakeholders showed that 86% were satisfied with the syllabuses and support materials that the QSA developed in 2010–11. This is a 3% increase on 2009–10 and a 4% increase on 2008–09.

Transition to the Australian Curriculum

The QSA is working with its education partners to ensure a smooth transition to the Australian Curriculum and promote the best interests of Queensland schools.

QSA's partnership with the school sectors is coordinated through the Transition to Australian Curriculum Steering Committee, which provides a structure for ensuring Queensland schools receive consistent and timely information about the new curriculum. As an activity of the committee, the QSA developed an agreed implementation plan and P–12 work plan that addresses:

- guidelines and advice
 - resource development
 - professional development
 - communication
 - ICT infrastructure.
- QSA's key curriculum development activities have included:
- providing strategic advice to inform Queensland's position on the development and finalisation of the Foundation(F)–12 Australian Curriculum content and achievement standards for English, mathematics, science and history
 - developing coordinated Queensland responses to the draft shape papers for Geography, The Arts and Languages
 - coordinating participation of Queensland teachers and curriculum specialists in national forums and Australian Curriculum, Assessment and Reporting Authority (ACARA) advisory committees
 - providing advice to inform ACARA's international benchmarking activities including detailed mapping of the Australian Curriculum to Queensland and other states' curriculums.

Advice and guidelines have included developing an agreed Queensland position on:

- resources required to support assessment, standards and reporting P–10
- time allocations and entitlement to support the implementation of the Australian Curriculum.

Resources have been developed in collaboration with the school sectors and classroom teachers, and published on the QSA website, including:

- whole school, year level, multiple year level and unit overview planning templates
- exemplars for P–10 English, mathematics and science to demonstrate the application of the templates
- exemplars for multiple year level planning for P–7 English and mathematics to demonstrate the application of the templates
- audit tools for English, mathematics, science and history
- detailed mapping of the Australian and Queensland curriculums.

Communication has included:

- providing two stakeholder forums to build familiarity and understanding of the Australian Curriculum and Queensland's implementation strategy
- publishing a regular e-newsletter.

Professional development has included:

- developing and delivering professional development workshops to support the introduction of the Australian Curriculum in Queensland schools. From February to June 2011, the QSA conducted 43 workshops for teachers and school administrators across all QSA districts that were attended by 3848 educators
- providing professional development sessions by invitation from professional associations, school clusters and administrators' groups. From January to June 2011, QSA delivered 16 sessions with approximately 1600 participants in total
- facilitating Queensland forums and workshops with stakeholders to support ACARA consultation. In February 2011, a two-day workshop was held to build a shared understanding of the Commonwealth and state priorities for implementation and to consult on QSA activities to support implementation. Approximately 100 State, Catholic and Independent school teachers participated
- developing online professional development modules.

OUTLOOK FOR 2011–12: Australian Curriculum resources

The QSA will:

- continue to provide strategic advice to inform Queensland's position on the development and finalisation of the F–12 Australian Curriculum content and achievement standards
- develop guidelines and advice including:
 - Prep to Year 2 planning for teaching and learning, assessment and reporting
 - Year 7
 - Year 10, including mapping the Australian Curriculum to Queensland senior syllabuses
 - working with the general capabilities and cross-curriculum priorities
 - special education
 - Study of Society and Environment (SOSE) and history
- develop resources including:
 - revising the draft templates and exemplars after final approval by Ministers in October 2011
 - developing exemplars for P–10 History and other learning areas as they are approved
 - developing multiple year level exemplars for Years 8–10 English and mathematics and P–10 Science
 - mapping Australian Curriculum to Queensland curriculum in history and other learning areas as they are approved
 - developing assessment resources and supporting the application of the Australian Curriculum Achievement Standards in classroom practice
- provide professional development including:
 - delivering workshops to teachers focusing on disciplinary learning and assessment
 - continuing to develop online modules to support professional development
- provide timely, consistent and accurate information to a range of stakeholders including:
 - maintaining the e-newsletter, *Australian curriculum latest*
 - developing an online discussion forum
 - providing stakeholder forums.

Kindergarten–Year 9 resources

Queensland kindergarten learning guideline

The QSA continues to work to support the Queensland Government's target for all children to have access to quality early childhood education so that they are ready for school.

In November 2010, the QSA finalised the *Queensland kindergarten learning guideline (QKLG)* for DET's Office for Early Childhood Education and Care (OECEC). The guideline supports planning for teaching and learning, and assessment of children aged between three-and-a-half and four-and-a-half years in a range of contexts across Queensland. It is based on the *Early Years Learning Framework for Australia*¹.

The QSA has also provided a companion resource to the QKLG. The *Continua of learning and development: Queensland kindergarten learning guideline companion* helps teachers assess and reflect on evidence of children's learning progress and plan ways to promote continuity of children's learning and development.

To assist implementation of the QKLG in childcare centres, the QSA has developed a comprehensive suite of online resources and delivered training sessions for stakeholders.

OUTLOOK FOR 2011–12: K–9

The QSA will:

- develop further resources to assist schools implementing the Australian Curriculum
- provide further resources and professional development supporting the QKLG
- align its suite of literacy and numeracy resources to the Australian Curriculum.

Aboriginal and Torres Strait Islander perspectives

The QSA is working to increase awareness of Indigenous perspectives and improve outcomes for Indigenous students in Queensland schools. Embedding Indigenous perspectives into our organisational environment, products and services is the key to achieving these aims.

An important project has been the development of Aboriginal and Torres Strait Islander Languages syllabuses. Through syllabuses for P–10 and Years 11–12, the QSA aims to support the maintenance, revival and development of Aboriginal and Torres Strait Islander languages and build respect for local histories

and culture. The expectation is that students will be able to study the languages associated with their own communities and locations. The P–10 syllabus is available for implementation now with the senior syllabus to be trialled in 2012. Support is ongoing for communities wishing to follow the syllabuses.

The QSA engaged Aboriginal and Torres Strait Islander community artists to design culturally significant images for the cover of the Senior syllabus. The original artworks are on public display at the QSA's central office.

OUTLOOK FOR 2011–12: Aboriginal and Torres Strait Islander perspectives

The QSA will:

- continue to provide guided support to school communities wishing to implement the P–10 Aboriginal and Torres Strait Islander Languages syllabus
- support the trial of the Aboriginal and Torres Strait Islander Languages syllabus for Years 11–12
- develop resources to support P–12 Aboriginal and Torres Strait Islander languages.

Year 10 resources

The Lower Secondary Subject Area Guidelines provide practical planning advice for schools developing courses of study for Years 8–10 using the Essential Learnings and the Year 10 Guidelines learning statements.

Revisions of the guidelines continued for the following subjects:

- Business
- Home Economics
- Design Technology
- Information Communication Technology
- Agricultural Studies.

¹ Department of Education, Employment and Workplace Relations 2010, *Early Years Learning Framework*, accessed Aug 2010, <www.deewr.gov.au/Earlychildhood/Policy_Agenda/Quality/Pages/EarlyYearsLearningFramework.aspx>

Senior curriculum resources

Periodic revision of senior syllabuses

Queensland's senior syllabuses are revised on a six-year cycle to ensure currency and relevance. Business Communication and Technologies, Information Technology Systems and Hospitality Studies are currently being revised.

The average cost for each syllabus revision in 2010–11 was \$106 676.

Senior syllabuses under development

Work on five syllabuses for new or revised Authority subjects continued in 2010–11. More than 130 schools across Queensland are involved in their implementation and evaluation. Table 3 shows the status of the syllabuses under development:

Table 3: Status of syllabuses under development in 2010–11

Syllabus	2010	2011	No. of schools
Aerospace Studies	Pilot	Pilot	25
Tourism	Pilot	Pilot	18
Chinese Extension	Developed	Trial	4
English Extension	Developed	Trial	47
English for ESL learners	Trial	Trial	38

As 2011 was the final year of the Aerospace Studies pilot, the syllabus was revised and approved for general implementation in 2012.

Tourism will not proceed to general implementation and has been offered for the final time with Year 12 students only in 2011 as a result of the evaluation of its implementation.

The trial of Chinese Extension with Year 12 students is being undertaken with DET as part of the National Asian Languages and Studies in Schools Program (NALSSP) strategy.

English Extension for students in Year 12 is studied concurrently with the 2010 English senior syllabus, giving students an opportunity to specialise in the theorised study of literature.

English for ESL Learners continues in extended trial, as a similar course is being developed by ACARA for release in 2015.

Study area specifications

Syllabuses for Authority-registered subjects take the form of study area specifications (SASs). Schools may offer industry certificates and/or strands covering a range of practical approaches within the study area.

The Science SAS continued in open trial with 88 schools.

OUTLOOK FOR 2011–12: Senior curriculum resources

The QSA will:

- monitor the development of Australian Curriculum courses and analyse their impact on Queensland courses
- provide strategic advice to inform and support the development of the Australian Curriculum, and ensure clear communication to schools
- implement the senior syllabuses in Aerospace Studies, Chinese Extension and English Extension
- commence the periodic revisions of eight syllabuses
- plan the redevelopment of the suite of SASs
- develop a Punjabi language syllabus.

Testing and assessment

The QSA works in partnership with school communities to support assessment practices across Years 1–12. QSA also works with students, principals, teachers and parents to build greater understanding of test results and their use in improving student performance

Assessment in Years 1–9

Year 1 Literacy and Numeracy Checkpoints Assessments

Year 1 Literacy and Numeracy Checkpoints Assessments are being developed by QSA to provide teachers with assessment resources for monitoring children's progress and making judgments about their achievement of targeted P–3 literacy and numeracy indicators.

A trial of the assessments was completed in December 2010 with 225 schools. Based on feedback from the trial and recommendations in the independent evaluator's report, QSA is now refining the assessments. Finalised assessments will be aligned to the Australian Curriculum and added to the Assessment Bank as a resource for teachers.

Literacy and Numeracy Indicators

Literacy and Numeracy Indicators describe expected learning in literacy and numeracy for students from Prep to Year 9. They provide teachers with a resource to support planning for teaching, learning, assessment and monitoring across all key learning areas.

To aid use of the indicators, the QSA has developed Years 8 and 9 Literacy and Numeracy Monitoring Maps with targeted indicators informed by data from the National Assessment Program — Literacy and Numeracy.

A range of short literacy and numeracy assessment resources for Years 8 and 9 were also developed in response to feedback from principals. These 18 short assessments:

- focus on specific literacy and numeracy skills within learning areas
- where appropriate, have been aligned to the Australian Curriculum
- provide practical resources and example strategies to embed the monitoring and assessment of the literacy and numeracy skills across the curriculum.

National Assessment Program — Literacy and Numeracy (NAPLAN)

The NAPLAN tests are designed to assess the skills of Australian students in literacy and numeracy. The specific purposes are to:

- collect data from the population of Year 3, 5, 7 and 9 students for reporting to parents/carers and schools, and for systemic reporting
- assess students against national minimum standards.

The 2011 NAPLAN tests were held in May for all students in Australia in Years 3, 5, 7 and 9.

The QSA successfully coordinated the administration, marking and reporting of NAPLAN for more than 230 000 students in Queensland within the agreed time frames. This is 15 000 more students than in 2010 as there was only a half cohort intake of Preparatory Year students in 2006.

In a survey of school principals, 86% rated QSA's communication and test preparation materials for NAPLAN as "good" or "very good".

The average cost of developing and issuing the NAPLAN report was \$32 per student.

Queensland Comparable Assessment Tasks (QCATs)

The QCATs provide evidence of what students know, understand and can do in relation to a selection of *Essential Learnings* for English, Mathematics and Science in Years 4, 6 and 9.

Three centrally-devised QCATs were implemented by schools in 2010. These tasks were developed by the QSA with common requirements and parameters and were marked according to a common guide for making judgments.

In response to recommendations of the Queensland Education Performance Review (QEPR), the 2010 QCATs were enhanced to provide rigorous common assessment for Queensland students and build a strong assessment culture among teachers.

Assessment Bank

The Assessment Bank is an online collection of assessments and resources linked to the *Essential Learnings* and *Standards*. About 30 000 educators are registered users — an increase of about 5400 on 2009–10.

The Assessment Bank was launched in July 2008 with 560 assessment and resource items covering all Years 1–9 key learning areas (KLAs). It now has more than 1000 items.

Following QEPR advice aimed at supporting quality teaching in Science, 100 new Science assessment items have been published on the Assessment Bank over the past 12 months. Teachers from across Queensland and from all school sectors helped to develop these items.

Testing in Year 12

Queensland Core Skills (QCS) Test

The QCS Test assesses candidates in the common elements of the Queensland senior curriculum and contributes information for the calculation of Overall Positions (OPs) and Field Positions (FPs) for tertiary entrance.

Table 4 shows a breakdown of candidates who sat the 2010 QCS Test.

Table 4: 2010 QCS Test candidates

Total	29 377
OP-eligible	25 251
OP-ineligible	3 169
Equivalent eligible	845
Equivalent ineligible	47
Sat but not certified	65

Table 5 shows the distribution of grades awarded for females, males and overall.

Table 5: 2010 QCS Test grades

Grade	Overall	Females	Males
Total #	29 312	16 332	12 980
A	15.59%	12.88%	19.01%
B	27.91%	26.48%	29.70%
C	34.84%	37.42%	31.59%
D	20.87%	22.62%	18.66%
E	0.79%	0.60%	1.04%
Total %	100.00%	55.70%	44.30%

Senior External Examination

The QSA conducts a series of senior subject examinations at locations across Queensland in October and November each year. These examinations are for people who are not senior students in Queensland secondary schools or for senior students unable to access particular subjects at their school.

Twenty-two subjects were offered at the 2010 Senior External Examination, with seven language subject examinations borrowed from interstate curriculum authorities under the Collaborative Curriculum and Assessment Framework for Languages (CCAFL) arrangements. In total, 1214 candidates nominated and 1053 sat the examinations. In the 2010 Senior External Examination, an additional language subject, Arabic, was offered.

The review and assessment of the quality of examination papers and processes continued, focusing particularly on the development of the internal scrutiny process that supplements the work of the external examining teams.

Externally moderated school-based assessment

Queensland's system of externally moderated school based assessment in Years 11 and 12 is a highly regarded model for the quality assurance of student achievement. Senior students are taught and assessed by their teachers in accordance with the requirements of Years 11–12 syllabuses. The QSA works in partnership with schools to maintain and improve this system. Our achievements in 2010–11 include:

- hosting the annual moderation conference for approximately 700 state review panellists and district review panel chairs
- training review panels
- conducting random sampling of student exit folios
- moderating 110 000 student assessment folios
- conducting moderation meetings of Authority-registered subjects throughout Queensland.

OUTLOOK FOR 2011–12: Testing and assessment

The QSA will:

- work with DET to provide feedback to the national testing authority about potential test items, test protocols and test administration issues relating to the NAPLAN tests
- administer the NAPLAN tests to all Queensland students in Years 3, 5, 7 and 9
- provide an in-depth analysis of the NAPLAN test items to assist teachers to interpret data from the NAPLAN tests
- develop and administer the QCS Test for eligible Year 12 students
- develop and administer a small number of senior external examinations for non-school candidates and school students who are unable to access those subjects in school
- continue to develop assessment items in the Assessment Bank aligned with the content descriptors and achievement standards in the Australian Curriculum
- develop QCATs in English, Mathematics and Science
- continue to provide a facility for data analysis for NAPLAN, the QCS Test, OPs and FPs and Year 12 outcomes
- check Subject Achievement Indicators allocated by schools in Authority subjects in Year 12
- evaluate all processes involved in the NAPLAN tests, the QCS Test and the Tertiary Entrance Statement
- promote statewide standards of learning and assessment through online assessment materials for Authority and Authority-registered subjects
- provide strategic direction on standards-based assessment and external moderation of school-based assessment through the development of a guide to all moderation policies and protocols and a moderation handbook for Authority subjects
- maintain high quality moderation processes for current senior Authority subjects by revising panel training packages and developing a school moderators' package to assist schools in performing their role in the moderation system
- develop and maintain quality-assurance procedures for Authority-registered subjects by revising the training package for teachers to highlight the use of syllabus standards
- facilitate initiatives to improve the quality of advice for schools on standards of learning and assessment through the training of review panels at the annual moderation conference.

Certification and tertiary entrance

Senior Education Profile (SEP)

In 2010, the QSA issued Senior Education Profiles (SEPs) and Senior Statements to 45 733 students who completed Year 12. A total of 37 228 students were awarded a Queensland Certificate of Education (QCE), about 2500 more than in 2009. Of these students, 26 566 received a Tertiary Entrance Statement. This was achieved within the agreed government time frames, as has been the case each year since the QSA assumed responsibility for certification in Queensland in 2002.

The quality of QSA's certification processes is evident from these statistics:

- the QCE-eligibility status of only 0.2% of all learners changed following requests for verification or review of results
- only six OPs were required to be changed following official appeals by students.

The average cost of developing and issuing SEPs was \$253 per student.

The average cost of providing tertiary entrance and pathways information programs (including the Queensland Core Skills Test, calculation of Subject Achievement Indicators and career advice) was \$8 per student.

Queensland Certificate of Education (QCE)

The QCE is Queensland's senior schooling certificate. It is awarded to eligible students when they complete the senior phase of learning, usually at the end of Year 12.

QCE pathways provide clear benefits to senior students, recognising a broad range of learning options and offering flexibility in what is learnt, as well as where and when that learning occurs. With more learning options to engage students in senior schooling, the QSA is supporting a range of pathways to work, further education and training. This flexibility is contributing to the achievement of the Queensland Government's *Toward Q2: Tomorrow's Queensland* Smart education target — that three out of four Queenslanders will hold trade, training or tertiary qualifications by 2020.

Learning accounts

The QSA continues to work with learning providers to promote the online student learning account as a useful tool for students to personally monitor their progress towards the QCE. The learning account records what, where and when a student learns, and the results achieved.

Student Connect

www.studentconnect.qsa.qld.edu.au

The Student Connect website gives students access to their learning account and results, as well as information and links for exploring post-school education, training and career pathways. This new student-friendly website replaced the Career Information Service website.

Queensland Certificate of Individual Achievement (QCIA)

The QCIA recognises and reports the individualised learning achievements of students with special needs who have completed at least 12 years of schooling. The QCIA adds to the suite of certificates that the QSA issues and ensures that the educational achievement of all students can be recorded.

The QSA issued 548 QCIA's to students from 157 schools in 2010.

Equivalency of non-Queensland qualifications

The QSA provides Education Statements for school qualifications that have been awarded by recognised interstate or overseas institutions. The statements give the Queensland secondary school level equivalent of submitted qualifications.

In 2010–11, the QSA received and processed 106 equivalency applications for qualifications from 41 countries. Equivalency assessments are provided for employment and recruitment purposes.

Year 12 outcomes 2010

On behalf of the Queensland Government, the QSA publicly released a range of Year 12 student outcomes data. For each school, the report includes:

- information on the number of students awarded certificates and qualifications
- the proportion of OP-eligible students who received an OP 1 to 15
- the proportion of Queensland Tertiary Admissions Centre applicants receiving a tertiary offer
- the number of students who received OPs in bands 1–5, 6–10, 11–15, 16–20 and 21–25
- the number of students receiving VET certificates at various levels.

The report was published in metropolitan and regional newspapers and on the QSA website. The QSA worked closely with schools to ensure the accuracy of the data being published, and to communicate the implications of the data to school communities.

OUTLOOK FOR 2011–12: Certification and tertiary entrance

The QSA will:

- implement the approved recommendations of the periodic review of the QCE
- continue to promote the QCE and work with stakeholders to maximise learning opportunities for students
- develop resources to support schools to make optimum use of Student Connect
- evaluate all processes involved in producing Tertiary Entrance Statements
- provide ongoing support for the implementation of the QCIA by training QCIA advisors in policies and protocols
- continue to provide a facility for data analysis of Year 12 outcomes.

Vocational education and training (VET)

The QSA registers schools as registered training organisations (RTOs) to Australian Qualifications Framework (AQF) Certificate II (Certificate III in Information Technology).

It also provides advice to schools on becoming an RTO and implementing selected qualifications from National Training Packages. This advice is provided through a range of modes, including workshops, memos, newsletters and telephone calls.

Strong VET participation by schools is contributing to the achievement of the Queensland Government's *Toward Q2: Tomorrow's Queensland* Smart education target – that three out of four Queenslanders will hold trade, training or tertiary qualifications by 2020.

New delegation

From April 2011 the Training and Employment Recognition Council (TERC) extended QSA's delegation to register schools as RTOs and to deliver and assess vocational education and training and issue qualifications and statements of attainment up to Australian Qualifications Framework (AQF) Certificate IV level for students in Years 10, 11 and 12, excluding where the qualification has been declared as an apprenticeship in Queensland.

School audits

Schools registered as RTOs are required to comply with the Australian Quality Training Framework (AQTF) Essential Conditions and Standards. As part of the registration process, schools are audited by QSA for compliance with the AQTF.

In the past year, the QSA has conducted 107 AQTF site audits, including six combined audits with DET staff, and seven AQTF desk audits. Fifty-three document reviews were conducted.

The average cost of external audit as an RTO in 2010–11 was \$9 872 per school.

Registration activity

In the past year, the QSA processed 334 registration activities for the 371 schools registered as RTOs.

VET and the QCE

The QSA worked with the State Training Agency Clearinghouse to ensure accurate banking of VET achievements from non-school RTOs. The QSA also banked student VET achievements gained at schools in other states.

External audit

The QSA was audited for compliance with the AQTF Standards for State and Territory Registering Bodies and Guidelines, the *Vocational Education, Training and Employment (VETE) Act* and Delegation 39.

National collaboration

The QSA and fellow members of the Australasian Curriculum, Assessment and Certification Authorities (ACACA) continued working together on a range of common issues relating to VET in schools.

Each year the ACACA VET Group produces the *ACACA VET Report*: <<http://acaca.bos.nsw.edu.au/go/acaca-documents>>, which shows the contribution by boards of studies to the reporting of VET in senior secondary certificates of education.

National VET regulator

In April 2011 the *National Vocational Education and Training Regulator Act 2011* was proclaimed. This Commonwealth legislation established the Australian Skills Quality Authority (ASQA). It is intended that ASQA take over certain state and territory VET registration and accreditation functions from those states/territories that refer their powers to the Commonwealth.

OUTLOOK FOR 2011–12: VET

The QSA will:

- continue to guide schools that are RTOs or seeking to become RTOs in complying with *AQTF Essential Conditions and Standards for Initial Registration* and *AQTF Essential Conditions and Standards for Continuing Registration*
- register schools as RTOs in accordance with the *AQTF Essential Conditions and Standards for Initial Registration*
- renew registration of schools which are RTOs in accordance with the *AQTF Essential Conditions and Standards for Continuing Registration*
- register schools seeking to add to their scope of registration
- maintain compliance with the *AQTF Standards for State and Territory Registering Bodies* and *AQTF National Guidelines for a Registering Body*
- work with DET staff to improve the quality of VET data reported by schools
- work with other states and territories through ACACA on issues of common interest
- work with school sectors on the implementation of National Trade Cadetships
- monitor the impact of ASQA on the QSA and Queensland school RTOs.

Corporate support and communication

Corporate support functions have a key role in developing the governance framework of the QSA and leading the development and implementation of effective resource management and capability development strategies.

Effective communication and partnerships with schools, industry, academia and the community ensure that the QSA's products and services meet the needs of stakeholders.

The QSA continues to develop its consultative structures and uses a range of communication tools to build and share information with these groups.

Vision to Reality: Queensland's new education landscape

The QSA held its annual conference in Brisbane on 27–29 April 2011. Over 1800 delegates registered for the conference, representing more than 550 Queensland schools. They explored topics from the early childhood years to post-school pathways. Themes included the implementation of the Australian Curriculum, assessment literacy, quality teaching and school leadership. Highly respected international, national and local speakers including academics, school sector representatives and teachers addressed the conference each day, sharing their expertise, knowledge and insights.

Leadership in Education Forum

A highly successful Leadership in Education Forum comprised part of the QSA's *Vision to Reality* conference. Approximately 400 principals and deputy principals heard presentations from education experts and practitioners and discussed the opportunities and challenges presented by the Australian Curriculum. Discussion focused on how school leaders can motivate and support teachers to improve their curriculum development skills and approaches to pedagogy.

Consultation mechanisms

Ten committees continued to broaden the scope of consultation and improve the quality of advice to the QSA Governing Body on key business issues.

Reference groups of principals from special needs, primary, P–12 and secondary schools provided a formal structure for sharing information and perspectives on key initiatives and emerging issues. These groups meet three times each year. A combined meeting of the QSA's Principals Reference Groups was held in Brisbane in June 2010 to discuss the development and implementation of the Australian Curriculum and seek feedback on QSA's initiatives.

The QSA held principals forums in 17 locations across the state, with over 800 principals attending. The main focus of the forums was preparing schools for the implementation of the Australian Curriculum.

Professional development workshops

Feedback about QSA's professional development workshops indicates that teachers, and curriculum and school leaders find them informative and relevant to their work. Over 90% of respondents reported satisfaction with proceedings. This figure has been consistent for several years.

During 2010–11, the QSA delivered more than 330 workshops to about 7600 teachers and school and curriculum leaders to support the introduction and implementation of curriculum, assessment and reporting initiatives across K–12. Participants at workshops received certification appropriate for registration renewal based on the standards of the Queensland College of Teachers' Continuing Professional Development Framework.

The QSA organised 50 presentations in response to requests for professional development services from clusters of schools and professional associations. Topics included assessment, moderation, literacy and numeracy, interpreting and using test data, the Australian Curriculum and a range of subject areas.

QSA also supported DET's professional development program by providing presentations on connecting curriculum and assessment using the literacy and numeracy indicators.

Briefing for education academics

The QSA hosted a two-day briefing for more than 50 academics involved in teaching pre-service education students. The briefing encouraged professional conversations and information sharing about QSA products and services.

Careers markets

The QSA provided advice for students, parents, and prospective tertiary applicants at careers expos held in Brisbane, Cairns, Gold Coast, Mackay, Rockhampton, Toowoomba, Townsville and the Sunshine Coast.

Enquiry service

The QSA maintained its toll-free Career Information Service (now Student Connect) to improve access to information for callers from outside the metropolitan area.

During the 2010 release of the Senior Education Profile (SEP) and the 2010–11 tertiary admissions offer round, the QSA operated its SEP Hotline to assist with student certification queries.

Between 20 December 2010 and 10 January 2011, the QSA received about 1600 enquiries relating to certification and post-school options. This was significantly fewer than in previous years owing to students now being able to access their results and other information in their online learning account.

Publications

Regular publications produced by the QSA for stakeholders include:

- *QSA Connect*, a fortnightly email newsletter that updates more than 12 500 subscribers about QSA initiatives, professional development activities and events
- *QSA Focus*, an email bulletin for Queensland teachers. It shares relevant and timely information about key education issues and is distributed periodically. With only one article per issue, *QSA Focus* provides detailed information and resources designed to add value to teachers' everyday work
- *NAPLAN*, a monthly online bulletin keeping schools informed about processes and procedures for the National Assessment Program — Literacy and Numeracy tests
- *Australian Curriculum latest*, an online bulletin providing information and advice to all Queensland schools about the transition to the Australian Curriculum
- *Exit Lines*, a magazine published two times a year, providing Year 12 students with news, study tips and information about OPs and further education and training pathways
- *VET Update*, a twice-yearly update about VET in schools for VET coordinators and principals
- *QCIA Update*, a quarterly publication on the QSA website that assists schools offering the QCIA to meet their compliance obligations
- *Memos*, online advice to schools about important compliance information.

Information and communications technology (ICT)

Efficient ICT systems are essential to ensure the delivery of the QSA's strategic initiatives and to support the delivery of accurate and timely data to Queensland school students and other stakeholders, particularly for the testing and senior certification programs.

Senior Learning Information Management System (SLIMS)

Development work continued during the year on the SLIMS application, which registers young people working towards the QCE and records information about their enrolments and results.

The QSA will continue to identify and develop enhancements to SLIMS over the next 12 months.

ICT governance

The QSA's ICT Strategic Plan guides development, investment and maintenance decisions relating to QSA's ICT systems.

Desktop environment

During 2010–11, all QSA desktops were migrated to Windows 7 and Office 2010. Additionally, asset management and Help Desk management applications were implemented.

OUTLOOK FOR 2011–12: ICT

The QSA will:

- support and advise schools about student enrolment rules and regulations for senior certification
- develop and enhance the QSA data warehouse
- support and maintain all QSA corporate application systems
- assist business units of the QSA to identify, scope and implement system improvements
- support the development and maintenance of the QSA website.

Workforce planning, attraction, retention and capability

In 2010–11, the QSA was staffed by 248.5 full-time equivalent staff. The permanent retention rate during this period was 93.9% and the permanent separation rate was 6.1%.

The draft QSA Workforce Planning Framework articulates initiatives being undertaken to ensure the organisation continues to attract, select, develop and retain high performing, responsive and engaged staff.

Strategies to build the capability of the QSA's workforce included:

- progressing initiatives from Future Connect — an organisation-wide initiative aimed at developing the QSA's capability to meet the challenges posed by the current reform agenda through:
 - the Engaged Workplaces initiative to foster staff engagement and a productive workplace
 - continuing to provide learning and development opportunities linked to strategic priorities
 - continuing with the Change Leadership Group as a forum representative of employees from all QSA business units and at all classification levels
 - establishing a Leadership Network to provide current and aspiring leaders with opportunities to enhance and develop leadership skills
- revising and enhancing induction processes for new employees
- revising and enhancing recruitment and selection processes to promote innovation and best practice
- continuing the QSA's flexible workplaces opportunities.

Carers (Recognition) Act 2008

QSA employees have been made aware of their responsibilities and entitlements under the *Carers (Recognition) Act 2008*. A range of the QSA's human resources policies and procedures, including flexible working arrangements, leave provisions and complaints resolution processes, are relevant to and support the needs of staff who are carers and the persons they care for. Information about these policies and procedures is accessible via the Human Resources Unit, staff induction process and QSA intranet.

Governance achievements

The QSA has undertaken a range of initiatives aimed at ensuring its sustainability and compliance with legislative requirements. These include:

- maintaining and promoting the Corporate Governance Framework to support the effectiveness of QSA's corporate governance activities

- engaging DET to provide internal audit services (financial compliance and performance audits)
- continuing to review the strategic risk assessment and ensuring risk minimisation or mitigation actions are in place
- developing the 2010–11 operating and capital budgets to support strategic priorities and accountabilities
- continuing to improve internal reporting systems
- implementing the QSA Corporate Procurement Plan in accordance with State Procurement Policy requirements to strengthen purchasing in the QSA
- monitoring and reviewing the Financial Management Improvement Framework to articulate explicit links between improvement initiatives and operational activities
- implementing the revised *Financial Management Practice Manual* to ensure high quality financial systems and processes and compliance with legislation
- implementing improved records management procedures and processes to ensure the QSA's compliance with the *Public Records Act 2002*
- continuing to conduct business process review exercises to ensure the currency, accuracy and relevance of procedures and to identify opportunities for process improvement
- aligning business units to deliver QSA strategic priorities and projects
- monitoring QSA corporate and management performance against branch operational plans and performance accountabilities for managers and branch budgets
- revising the Disaster Recovery and Business Continuity Plan.

Advice and compliance

During 2010–11, the QSA provided advice on administrative, financial, human resource, service improvement and publishing issues that influenced the performance of the organisation. This included reviewing, developing, improving and implementing policies and procedures to ensure that the QSA's corporate service-related activities complied with whole-of-government legislation, policies and directives.

Every year the QSA is audited internally and externally. The internal audit was performed by Internal Audit, DET. The external audit was performed by Prosperity Advisers Pty Ltd, a contractor of the Queensland Audit Office. There were no significant issues arising from either the internal or external audits of 2010–11.

The QSA also engaged DET's Internal Audit Unit to undertake an independent examination of all activity associated with the calculation and reconciliation of costs involved in the QSA's administration of the NAPLAN tests. Internal Audit found QSA's processes to be sound.

Delegations

During 2010–11, the QSA reviewed and endorsed all financial, procurement, and human resource management activities in accordance with their delegations. These were subject to the *Financial Accountability Act 2009* and Financial and Performance Management Standard 2009.

Workplace ethics

Until 31 December 2010, the QSA had its own Code of Conduct, applicable to all employees and published on the QSA intranet. All new employees were educated about the code, including the application of ethics principles and obligations of public officials.

The code underpinned the QSA's administrative procedures and management practices. Copies were available to external parties upon request although no requests were received.

The Public Sector Ethics Regulation was made by the Governor in Council on 9 December 2010 and gazetted on 10 December 2010. The regulation included the QSA in the definition of "public service agency" under the *Public Sector Ethics Act 1994*, which meant the Code of Conduct for the Queensland Public Service applied to QSA employees from 1 January 2011.

The QSA has not adopted a specific standard of practice applying to the agency. However, the Code of Conduct for the Queensland Public Service was published on the QSA intranet. In addition, all new employees were educated about the Code of Conduct, including instruction in the application of ethics principles and obligations of public officials.

An education and training program was developed for QSA employees, including public sector ethics and the Code of Conduct. The education and training program will be provided annually.

OUTLOOK FOR 2010–11: Corporate services and governance

The QSA will:

- monitor the strategic risk assessment and risk management plan
- improve the quality management systems that support delivery of core products and services, and coordinate the development of quality plans for new products and services
- implement financial resources for strategic and operational products and services
- monitor the *Financial Management Practice Manual* to support consistent business practice and ensure compliance with the *Financial Accountability Act 2009* and subordinate legislation
- continue to review and implement the Financial Management Improvement Framework
- progress the Future Connect recommendations to build staff capability to develop and deliver high quality educational products and services
- monitor the Engaged Workplaces initiative to ensure it continues to foster a productive and engaged environment
- conduct mandatory annual ethics training for staff
- facilitate training for all staff on the revised *QSA Code of Conduct* and other important corporate policies
- continue to refine recruitment and selection processes
- continue to review corporate services policies to support quality corporate governance
- conduct further business process improvement exercises to identify areas for improvement and ensure efficiency of procedures
- continue to improve the quality of records-management practices across the QSA through electronic recordkeeping, which will include increasing the number of TRIM users across the QSA
- continue to conduct training for new and existing QSA managers to ensure familiarity and compliance with corporate policies
- monitor the revised QSA Disaster Recovery and Business Continuity Plan
- monitor implementation of the Professional Development Strategy.

Information

Information provision is undertaken by the QSA in accordance with Sections 13 to 15 and 17 of the *Education (Queensland Studies Authority) Act 2002*.

Copies of certificates

As outlined in Part 7 of the Education (Queensland Studies Authority) Regulation 2002, certified copies of certificates issued by the QSA were provided on request to those who had previously been awarded a Junior Certificate, Senior Certificate and/or Tertiary Entrance Statement.

Annual report completed and tabled

The QSA annual report was prepared in accordance with the Act (Sections 23, 24, 49, 74 and 76) and tabled on 30 September 2010. In addition to meeting the requirements of the *Financial Accountability Act 2009* and the Financial and Performance Management Standard 2009, the annual report provided interested groups with details of the QSA's achievements in 2009–10. The audit report of the QSA for the 2009–10 financial year was unqualified.

Fulfilment of requirements of other legislation

Right to Information

The QSA received three applications under Right to Information provisions. Our responses to the applications were completed within the required timelines of the *Right to Information Act 2009*. The QSA also processed eight applications under the *Information Privacy Act*.

Disclosures

The QSA did not receive any disclosures under the *Whistleblowers Protection Act 1994* during 2010.

With the repeal of the *Whistleblowers Protection Act* and the introduction of the *Public Interest Disclosure Act 2010* (PID Act) on 1 January 2011, the way in which public interest disclosures are to be reported has changed. From 1 January 2011, agencies are no longer required to report public interest disclosures in annual reports.

Under Section 61 of the PID Act, the Public Service Commission is now responsible for the oversight of public interest disclosures and preparing an annual report on the operation of the PID Act. From 1 January 2011, agencies are required to report information about public interest disclosures to the commission. The commission will prepare an annual report on the operations of the PID Act and the information provided by agencies. The annual report will be made publicly available after the end of each financial year.

Financial report 2010–11

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General information

This financial report covers the Queensland Studies Authority (QSA).

The QSA is a statutory body established under the *Education (Queensland Studies Authority) Act 2002*.

The QSA is controlled by the State of Queensland, which is the ultimate parent.

The head office and principal place of business of the QSA is:

154 Melbourne Street
South Brisbane QLD 4101

A description of the nature of the QSA's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the QSA's financial report, please call (07) 3864 0222, email finance@qsa.qld.edu.au or visit the QSA website: www.qsa.qld.edu.au.

Amounts shown in this financial report may not add to the correct subtotals or totals due to rounding.

Queensland Studies Authority
STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Income from Continuing Operations			
Revenue			
User charges	2	3,057	3,001
Grants and other contributions	3	41,423	38,276
Interest		898	644
Other revenues		8	7
Total Revenue		45,386	41,928
Gains			
Gains on sale of property, plant and equipment		-	1
Total Income from Continuing Operations		45,386	41,929
Expenses from Continuing Operations			
Employee expenses	4	28,804	26,636
Supplies and services	5	14,877	13,605
Depreciation and amortisation	6	1,520	1,778
Impairment losses	7	49	7
Finance/borrowing costs	8	-	22
Other expenses	9	133	770
Total Expenses from Continuing Operations		45,383	42,818
Operating Result from Continuing Operations		3	(889)
Other Comprehensive Income		-	-
Total Comprehensive Income		3	(889)

The accompanying notes form part of these statements

Queensland Studies Authority
STATEMENT OF FINANCIAL POSITION
as at 30 June 2011

	<i>Notes</i>	2011 \$'000	2010 \$'000
Current Assets			
Cash and cash equivalents	10	8,419	7,948
Receivables	11	500	386
Inventories	12	33	38
Prepayments	13	370	429
Total Current Assets		9,322	8,801
Non-Current Assets			
Intangible assets	14	6,564	7,707
Plant and equipment	15	1,182	1,315
Total Non-Current Assets		7,746	9,022
Total Assets		17,068	17,823
Current Liabilities			
Payables	16	3,310	4,202
Accrued employee benefits	17	2,102	2,004
Other	18	117	81
Total Current Liabilities		5,529	6,287
Total Liabilities		5,529	6,287
Net Assets		11,539	11,536
Equity			
Contributed equity		4,832	4,832
Accumulated surplus		6,707	6,704
Total Equity		11,539	11,536

The accompanying notes form part of these statements

Queensland Studies Authority
STATEMENT OF CHANGES IN EQUITY
for the year ended 30 June 2011

	Accumulated Surplus		Contributed Equity		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Balance as at 1 July	6,704	7,593	4,832	4,832	11,536	12,425
Total Comprehensive Income for the Year	3	(889)	-	-	3	(889)
Balance as at 30 June	6,707	6,704	4,832	4,832	11,539	11,536

The accompanying notes form part of these statements

Queensland Studies Authority
STATEMENT OF CASH FLOWS
for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
User charges		2,993	3,314
Grants and other contributions		41,423	38,276
Interest receipts		861	638
GST input tax credits from Australian Taxation Office		1,567	1,311
GST collected from customers		292	359
Other		8	-
<i>Outflows:</i>			
Employee expenses		(28,828)	(26,414)
Supplies and services		(15,589)	(12,547)
GST remitted to Australian Taxation Office		(281)	(367)
GST paid to suppliers		(1,558)	(1,342)
Borrowing costs		-	(22)
Other		(120)	(674)
Net cash provided by (used in) operating activities	19	768	2,532
Cash flows from investing activities			
<i>Inflows:</i>			
Sales of plant and equipment		-	9
<i>Outflows:</i>			
Payments for plant and equipment		(297)	(211)
Payments for intangibles		-	(839)
Net cash provided by (used in) investing activities		(297)	(1,041)
Cash flows from financing activities			
<i>Outflows:</i>			
Borrowing redemptions		-	(716)
Net cash provided by (used in) financing activities		-	(716)
Net increase (decrease) in cash and cash equivalents		471	775
Cash and cash equivalents at beginning of financial year		7,948	7,173
Cash and cash equivalents at end of financial year	10	8,419	7,948

The accompanying notes form part of these statements

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

Objectives and principal activities of the Queensland Studies Authority

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Queensland Studies Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

Objectives and principal activities of the Queensland Studies Authority

The Queensland Studies Authority was established as a statutory body from 1 July 2002 under the *Education (Queensland Studies Authority) Act 2002*.

The objective of the Queensland Studies Authority is to provide a range of services and materials relating to syllabuses, testing, assessment, moderation, certification, accreditation, vocational education, tertiary entrance and research.

The Authority is funded for the services it delivers principally by parliamentary appropriations administered by the Department of Education & Training. It also provides the following on a fee for service basis:

- Sale of publications
- Seminars, conferences and workshops
- Past examination papers
- Visa student fees
- Verification of student education profiles
- Certificates

1 Summary of significant accounting policies

(a) Statement of Compliance

The Queensland Studies Authority has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

These financial statements are general purpose financial statements, and have been prepared on an accrual basis in accordance with Australian Accounting Standards and Interpretations. In addition, the financial statements comply with Treasury's Minimum Reporting Requirements for the year ending 30 June 2011, and other authoritative pronouncements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Queensland Studies Authority has applied those requirements applicable to not-for-profit entities, as the Authority is a not-for-profit entity. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

The financial statements include the value of all revenue, expenses, assets, liabilities and equity of the Authority.

(c) User Charges

User charges and fees controlled by the Authority are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related goods/services and/or the recognition of accrued revenue. User charges and fees are controlled by the Authority where they can be deployed for the achievement of its objectives.

(d) Grants and Contributions

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

Contributed assets are recognised at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

(e) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash assets include all cash and cheques received but not banked at 30 June as well as deposits at call with financial institutions.

(f) Receivables

Trade debtors are recognised at the amounts due at the time of sale or service delivery i.e. the agreed purchase/contract price. Settlement of these amounts is required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision being made for impairment. There were no bad debts as at 30 June.

Other debtors generally arise from transactions outside the usual operating activities of the Authority and are recognised at their assessed values. Terms are a maximum of three months, no interest is charged and no security is obtained.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 Summary of significant accounting policies (continued)

(g) Inventories

Inventories held for sale are valued at the lower of cost and net realisable value. Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them to their existing condition, except for training costs which are expensed as incurred.

Net realisable value is determined on the basis of the Authority's normal selling pattern. Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

(h) Non-Current Assets Classified as Held for Sale

Non-current assets held for sale consist of those assets that management has determined are available for immediate sale in their present condition, for which their sale is highly probable within the next twelve months.

These assets are measured at the lower of the assets' carrying amounts and their fair values less costs to sell. The assets are not depreciated.

(i) Acquisitions of assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use, including architects' fees and engineering design fees. However, any training costs are expensed as incurred.

Where assets are received free of charge from a Queensland department (whether as a result of a machinery-of-Government change or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at the date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

(j) Plant and Equipment

Items of plant and equipment with a cost or other value equal to or in excess of \$5,000 are recognised for financial reporting purposes in the year of acquisition. Items with a lesser value are expensed in the year of acquisition.

(k) Revaluations of Non-Current Physical and Intangible Assets

Where intangible assets have an active market, they are measured at fair value, otherwise they are measured at cost.

Plant and equipment is measured at cost in accordance with Treasury's *Non-Current Asset Policies*. The carrying amounts for plant and equipment at cost do not materially differ from their fair value.

(l) Intangibles

Intangible assets with a cost or other value equal to or greater than \$100,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset, less any anticipated residual value, is amortised over its estimated useful life to the agency. The residual value is zero for all the Authority's intangible assets.

It has been determined that there is not an active market for any of the Authority's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and accumulated impairment losses.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Internally Generated Software

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred.

Costs associated with the development of computer software have been capitalised and are amortised on a straight-line basis over the period of expected benefit to the Authority, namely 7.5 to 10 years.

(m) Amortisation and Depreciation of Intangibles and Plant and Equipment

All intangible assets of the Authority have finite useful lives and are amortised on a straight line basis.

Plant and equipment is depreciated on a straight-line basis so as to allocate the net cost, less its estimated residual value, progressively over its estimated useful life to the Authority.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 Summary of significant accounting policies (continued)

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity. Service delivery capacity relates to when construction is complete and the asset is first put to use or is installed ready for use in accordance with its intended application. These assets are then reclassified to the relevant classes with plant and equipment.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

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

The depreciable amount of leasehold improvements is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of leases includes any option period where exercise of the option is probable.

For each class of depreciable asset the following depreciation and amortisation rates are used:

Class	Depreciation/Amortisation rate
Plant and equipment	
Computer equipment	0.26% to 23.03%
Office equipment	0.52% to 20%
Print equipment	0.38% to 20%
Leasehold improvements	9.23% to 20.01%
Intangible assets	
Software purchased	20.0%
Software internally generated	10.35% to 22.5%

(n) Impairment of Non-Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Authority determines the asset's recoverable amount. Any amount by which the asset's carrying significantly 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 Statement of Comprehensive Income.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(o) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all risks and benefits. The Authority has no finance leases.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the periods in which they are incurred.

Incentives received on entering into operating leases are recognised as liabilities. Lease payments are allocated between rental expense and reduction of the liability.

(p) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the nominal amount i.e. agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

(q) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Authority becomes party to the contractual provisions of the financial instrument.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 Summary of significant accounting policies (continued)

Classification

Financial instruments are classified and measured as follows:

- Cash and Cash equivalents - held at fair value through profit and loss
- Receivables - held at amortised cost
- Payables - held at amortised cost
- Borrowings - held at amortised cost.

Borrowings are initially recognised at fair value, plus any transaction costs directly attributable to the borrowings, then subsequently held at amortised cost using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of a financial instrument (or, when appropriate, a shorter period) to the net carrying amount of that instrument.

Any borrowing costs are added to the carrying amount of the borrowing to the extent they are not settled in the period in which they arise. Borrowings are classified as non-current liabilities to the extent that the Authority has an unconditional right to defer settlement until at least 12 months after the reporting date.

The Authority does not enter into transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Authority holds no financial assets classified at fair value through profit and loss.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the Authority are included in note 21.

(r) Employee Benefits

Employer superannuation contributions, annual leave and long service leave levies are regarded as employee benefits.

Payroll tax and workers' compensation insurance are a consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses.

Wages, salaries, annual leave and sick leave

Wages, salaries and annual leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the current salary rate.

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement.

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Long service leave

Under the Queensland Government's long service leave scheme, a levy is made on the Authority to cover the cost of employees' long service leave. The levies are expensed in the period in which they are payable. Amounts paid to employees for long service leave are claimed from the scheme quarterly in arrears.

No provision for long service leave is recognised in the Authority's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Superannuation

Employer superannuation contributions are paid to QSuper, the superannuation plan for Queensland Government employees at rates determined by the Treasurer on the advice of the State Actuary. Contributions are expensed in the period in which they are paid or payable. The Authority's obligation is limited to its contribution to QSuper.

The QSuper scheme has defined benefit and defined contribution categories. The liability for defined benefits is held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 Summary of significant accounting policies (continued)

Key executive management personnel and remuneration

Key executive management personnel and remuneration disclosures are made in accordance with the section 5 Addendum (issued in May 2011) to the *Financial Reporting Requirements for Queensland Government Agencies* issued by Queensland Treasury. Refer to note 24 for the disclosures on key executive management personnel and remuneration.

(s) Provisions

Provisions are recorded when the Authority has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

(t) Financing/Borrowing Costs

Finance costs are recognised as an expense in the period in which they are incurred.

Finance costs include:

- Interest on bank overdrafts and short-term and long-term borrowings;
- Finance lease charges;
- Amortisation of discounts or premiums relating to borrowings; and
- Ancillary administration charges.

No borrowing costs are capitalised into qualifying assets.

(u) Insurance

The Authority's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Authority pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(v) Services Received Free of Charge or for Nominal Value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

(w) Contributed Equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of-Government changes are adjusted to 'Contributed Equity' in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*. Appropriations for equity adjustments are similarly designated.

(x) Taxation

The Queensland Studies Authority is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax (FBT) and Goods and Services Tax (GST). FBT and GST are the only taxes accounted for by the Queensland Studies Authority. GST credits receivable from, and GST payable to the ATO, are recognised (refer to note 11).

(y) Issuance of Financial Statements

The financial statements are authorised for issue by the Director and Chair at the date of signing the Management Certificate.

(z) Judgements

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have that potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

(aa) Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000, or, where the amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

1 Summary of significant accounting policies (continued)

(ab) New and Revised Accounting Standards

The Authority did not voluntarily change any of its accounting policies during 2010-11.

The Authority is not permitted to early adopt a new or amended accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the Authority has not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The Authority applies standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, significant impacts of new or amended Australian accounting standards with future commencement dates are as set out below.

AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project* [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13] becomes effective from reporting periods beginning on or after 1 January 2011. Queensland Studies Authority will then need to make changes to its disclosures about credit risk on financial instruments in note 21(c). No longer will the Authority need to disclose amounts that best represent an entity's maximum exposure to credit risk where the carrying amount of the instruments reflects this. If the Authority holds collateral or other credit enhancements in respect of any financial instrument, it will need to disclose - by class of instrument - the financial extent to which those arrangements mitigate the credit risk. There will be no need to disclose the carrying amount of financial assets for which the terms have been renegotiated, which would otherwise be past due or impaired.

Also, for those financial assets that are either past due but not impaired, or have been individually impaired, there will be no need to separately disclose details about any associated collateral or other credit enhancements held by the Authority.

AASB 9 *Financial Instruments* (December 2010) and AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9* (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards on Queensland Studies Authority are that they will change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at either amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial application of AASB 9, the Queensland Studies Authority will need to re-assess the measurement of its financial assets against the new classification and measurement requirements, based on the facts and circumstances that exist at that date. Assuming no change in the types of transactions the Queensland Studies Authority enters into, it is not expected that any of the Authority's financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from 2013-14 financial statements, all of the Authority's financial assets will be required to be classified as "financial assets required to be measured at fair value through profit or loss" (instead of the measurement classifications presently used in notes 1(q) and 21). The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income in respect of those financial assets. In the case of the Authority's receivables, the carrying amount is considered to be a reasonable approximation of fair value.

AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052] apply to reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements - Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards - Reduced Disclosure Requirements (commonly referred to as "tier 2").

Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1. AASB 2010-2 sets out the details of which disclosures in standards and interpretations are not required under tier 2 reporting.

Pursuant to AASB 1053, public sector entities like the Queensland Studies Authority may adopt tier 2 requirements for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the tier 1 requirements. In the case of the Queensland Studies Authority, the Treasury Department is the regulator. Treasury Department has advised that its policy decision is to require all statutory bodies captured for whole-of-Government reporting purposes, to adopt Tier 1 reporting requirements. In compliance with Treasury's policy which prohibits the early adoption of new or revised accounting standards unless Treasury approval is granted, the Queensland Studies Authority has not early adopted AASB 1053.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Authority's activities, or have no material impact on the Authority.

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

	2011	2010
	\$'000	\$'000
2 User Charges		
Visa student fees	491	417
Sale of publications, syllabuses, past papers	313	475
Workshops/conferences	1,579	1,792
Advertising	62	-
Verification of Student Education Profiles	11	16
Examinations	59	20
Attainment certificate statements	100	92
Certificates, Overseas & Interstate Equivalency	43	39
Copyright fees	375	21
Other	24	129
Total	3,057	3,001
3 Grants and other Contributions		
Grants	41,423	38,276
Total	41,423	38,276
4 Employee Expenses		
Employee benefits:		
Wages and salaries	22,457	20,831
Annual leave	1,800	1,638
Employer superannuation contributions *	2,573	2,376
Long service leave levy *	380	311
Employee related expenses		
Workers compensation premium **	46	57
Payroll tax **	1,279	1,182
Other employee related expenses	269	241
Total	28,804	26,636

* Employer superannuation contributions and the long service leave levy are regarded as employee benefits.

** Costs of workers compensation insurance and payroll tax are a consequence of employing employees, but are not counted in employees' total remuneration package. They are not employee benefits, but rather employee related expenses.

Refer to note 24 for disclosures on key executive management personnel and remuneration.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	2011	2010
Number of Employees:	248.6	233.5
5 Supplies and Services	2011	2010
	\$'000	\$'000
Travel	1,444	1,285
Consultants and service providers	6,439	5,599
Telecommunication and access fees	181	199
Postage, freight and storage	616	649
Advertising, promotions, public relations	91	45
Stationery, printing, books and publications	841	918
Property, equipment and maintenance	4,305	4,009
Other	960	901
Total	14,877	13,605
6 Depreciation and Amortisation		
Depreciation and amortisation were incurred in respect of:		
Plant and equipment	377	665
Software purchased	-	13
Software internally generated	1,143	1,100
Total	1,520	1,778

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

	2011 \$'000	2010 \$'000
7 Impairment Losses		
Plant and equipment	49	7
Total	49	7

For details of the recognised impairment loss refer to Note 15.

8 Finance/Borrowing Costs		
Interest	-	13
Borrowings - market realisation charge	-	9
Total	-	22

9 Other Expenses		
Insurance premiums	51	45
External audit fees*	28	24
Internal audit fees**	34	29
Bank and other charges	15	17
Assets written off	5	106
Refund - prior year grant funding	-	549
Total	133	770

* There are no non-audit services included in this amount.

** The Authority engaged the services of Internal Audit from the Department of Education & Training to perform financial compliance audits and performance audits of human resources and workforce capability.

10 Cash and Cash Equivalents		
Imprest accounts	1	1
Cash at bank and on hand	8	4
Deposits at call	8,410	7,943
Total	8,419	7,948

Interest earned on cash held with Financial Institutions earned between 4.00% to 6.32% in 2011 (2010: 2.5% to 5.75%).

11 Receivables		
Trade debtors and accruals	166	75
GST receivable	174	189
GST payable	(4)	-
Interest receivable	76	39
Long service leave reimbursements	88	83
Total	500	386

12 Inventories		
Publications	33	38
Total	33	38

Inventories have been valued at net realisable value in accordance with AASB 102 *Inventories*. The value of inventory held has been decreased by \$4,941 (by an increase in expense). The decrease in value is based on both an analysis of the normal selling pattern of the Authority's inventory and the predicted impact of obsolescence of syllabus materials. No inventory held has been pledged as security for liabilities.

13 Prepayments		
Prepayments Salaries & Wages	87	158
Prepayments - Other	283	271
Total	370	429

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

14 Intangible Assets

	2011 \$'000	2010 \$'000
Software internally generated		
At cost:	12,800	12,572
Less: Accumulated amortisation	(6,236)	(5,093)
	6,564	7,479
Software under development (Work in progress)	-	228
Total	6,564	7,707

Intangibles Reconciliation

	Software Developed - WIP		Software Internally Generated		Software Purchased		Total	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Opening Balance	228	40	7,479	7,927	-	13	7,707	7,980
Acquisitions through internal development	-	188	-	652	-	-	-	840
Disposals	-	-	-	-	-	-	-	-
Transfer between classes	(228)	-	228	-	-	-	-	-
Amortisation	-	-	(1,143)	(1,100)	-	(13)	(1,143)	(1,113)
Carrying amount at 30 June	-	228	6,564	7,479	-	-	6,564	7,707

Amortisation of intangibles is included in the line item 'Depreciation and Amortisation' in the Statement of Comprehensive Income.

All intangible assets of the Authority have finite useful lives and are amortised on a straight line basis. Refer to Note 1(l).

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

The Authority has a software program with an original cost of \$2,000,000 and a written down value of zero still being used in the provision of services. There is no known date for replacing this software program.

15 Plant and Equipment

	2011 \$'000	2010 \$'000
Plant and equipment:		
At cost	3,030	3,064
Less: Accumulated depreciation	(1,799)	(1,742)
Less: Accumulated impairment losses	(49)	(7)
Total	1,182	1,315

The Queensland Studies Authority has fully depreciated plant and equipment with a cost of \$55,549 still being used in the provision of services.

Plant and equipment is valued at cost in accordance with Queensland Treasury's *Non-current Asset Policies for the Queensland Public Sector*.

Plant and equipment reconciliation

Opening Balance	1,315	1,883
Acquisitions	297	211
Disposals	(5)	(107)
Impairment losses recognised in operating surplus/(deficit)*	(49)	(7)
Depreciation	(377)	(665)
Carrying amount at 30 June	1,182	1,315

* Impairment losses and reversals of impairment losses are shown as separate line items in the Statement of Comprehensive Income.

Trade-in values for various multi function devices were sought from the manufacturer during May & June 2011. The manufacturer advised that the multi function devices have a nil recoverable amount. As a result, the multi function devices were written down to their fair values less costs to sell. An impairment loss of \$48,688 has been recognised in the Statement of Comprehensive Income.

16 Payables

Trade creditors	3,301	3,997
Other	9	205
Total	3,310	4,202

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

17 Accrued Employee Benefits

	2011 \$'000	2010 \$'000
<i>Current</i>		
Salaries Payable	64	101
Annual leave	2,039	1,816
Long service leave	(1)	87
Total	2,102	2,004

The Authority has implemented a Recreation Leave Management Policy. The policy requires a formal Recreation Leave Management Plan (RLMP) to be in place for each employee with a balance greater than 40 days annual leave. The RLMP ensures the employee's balance will be under 40 days within twelve months. Accordingly, the Authority recognises all annual leave as current.

18 Other current liabilities

Unearned revenue - user charges	117	81
Total	117	81

19 Reconciliation of Operating Surplus to Net Cash from Operating Activities

Operating surplus/(deficit)	3	(889)
Depreciation & amortisation expense	1,520	1,778
Gain on sale of non-current assets	-	(8)
Impairment losses	49	7
Loss on disposal of non-current assets	5	106
Change in assets and liabilities:		
(Increase)/decrease in trade receivables	(91)	251
(Increase)/decrease in GST input tax credits receivable	15	(38)
(Increase)/decrease in LSL reimbursement receivable	(5)	(17)
(Increase)/decrease in other receivables	(37)	(6)
(Increase)/decrease in inventory	5	100
(Increase)/decrease in prepayments	59	37
Increase/(decrease) in accounts payable	(696)	754
Increase/(decrease) in accrued employee benefits	97	215
Increase/(decrease) in GST payable	4	(1)
Increase/(decrease) in unearned revenue	(196)	190
Increase/(decrease) in other payables	36	53
Net cash provided by (used in) operating activities	768	2,532

20 Commitments for Expenditure

Non-cancellable operating leases

Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:

Not later than one year	2,574	2,609
Later than one year and not later than five years	8,120	9,955
Total	10,694	12,564

Operating leases are entered into as a means of acquiring access to office accommodation, motor vehicles and storage facilities. Lease payments are generally fixed, but with inflation escalation clauses on which contingent rentals are determined.

No purchase options exist in relation to operating leases and no operating leases contain restrictions on financing or other leasing activities.

21 Financial Instruments

(a) Categorisation of Financial instruments

The Authority has the following categories of financial assets and financial liabilities:

Category	Note	2011 \$'000	2010 \$'000
Financial Assets			
Cash and cash equivalents	10	8,419	7,948
Receivables	11	500	386
Total		8,919	8,334

Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

21 Financial Instruments (continued)

Financial Liabilities

Category	Note	2011 \$'000	2010 \$'000
Financial liabilities measured at amortised cost:			
Payables	16	3,310	4,202
Total		3,310	4,202

(b) Financial Risk Management

The Authority's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Government and Queensland Studies Authority policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Authority.

All financial risk is managed by the Director under policies approved by the Authority. The Authority provides written principles for overall risk management, as well as policies covering specific areas.

Queensland Studies Authority measures risk exposure using a variety of methods as follows -

Risk Exposure	Measurement Method
Credit Risk	Ageing analysis, earnings at risk
Liquidity Risk	Sensitivity analysis
Market Risk	Interest rate sensitivity analysis

(c) Credit Risk Exposure

Credit risk exposure refers to the situation where the Authority may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the Authority's maximum exposure to credit risk based on contractual amounts net of any allowances:

Category	Maximum Exposure to Credit Risk	Note	2011 \$'000	2010 \$'000
Financial Assets				
Cash and cash equivalents		10	8,419	7,948
Receivables		11	500	386
Total			8,919	8,334

No collateral is held as security and no credit enhancements relate to financial assets held by the Authority.

The Authority manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Authority invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on a regular basis.

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

The method for calculating any provisional impairment for risk is based on past experience, current and expected changes in economic conditions and changes in client credit ratings.

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

Aging of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

	2011 Financial Assets Past Due But Not Impaired				
	Overdue				
	Less than 30 Days	30-60 Days	61-90 days	More than 90 Days	Total
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables	31	6	4	-	41
Total	31	6	4	-	41

Queensland Studies Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS for the year ended 30 June 2011

21 Financial Instruments (continued)

	2010 Financial Assets Past Due But Not Impaired				Total
	Less than 30 Days	30-60 Days	61-90 Days	Overdue More than 90 Days	
Financial Assets	\$'000	\$'000	\$'000	\$'000	\$'000
Receivables	-	13	-	-	13
Total	-	13	-	-	13

(d) Liquidity risk

Liquidity risk refers to the situation where the Authority may encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Authority is exposed to liquidity risk through its trading in the normal course of business.

The Authority manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Authority has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring the minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

The following table sets out the liquidity risk of financial liabilities held by the Authority. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the liabilities at reporting date.

		2011 Payable in			
Note		<1 year \$'000	1 - 5 years \$'000	> 5 years \$'000	Total \$'000
Financial Liabilities					
Payables	16	3,310	-	-	3,310
Total		3,310	-	-	3,310

		2010 Payable in			
Note		<1 year \$'000	1 - 5 years \$'000	> 5 years \$'000	Total \$'000
Financial Liabilities					
Payables	16	4,202	-	-	4,202
Total		4,202	-	-	4,202

(e) Market Risk

The Authority does not trade in foreign currency and is not materially exposed to commodity price changes. The Authority is exposed to interest rate risk through its cash deposited in interest bearing accounts. The Authority does not undertake any hedging in relation to interest risk and manages its risk as per the liquidity risk management strategy.

(f) Interest Rate Sensitivity Analysis

The following interest rate sensitivity analysis is based on a report similar to that provided to management, depicting the outcome on net income if interest rates would change by +/- 1% from the year-end rates applicable to the authority's financial assets and liabilities. With all other variables held constant, the Authority would have a surplus and equity increase/(decrease) of \$84,000 (2010: \$79,000). This is mainly attributable to the Authority's exposure to variable interest rates on its cash invested.

Financial Instruments	Carrying Amount	2011 Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
Cash	8,419	(84)	(84)	84	84
Potential Impact		(84)	(84)	84	84

The Authority's sensitivity to interest has increased in the current period due to a rise in cash holdings.

Financial Instruments	Carrying Amount	2010 Interest Rate Risk			
		-1%		+1%	
		Profit	Equity	Profit	Equity
Cash	7,948	(79)	(79)	79	79
Potential Impact		(79)	(79)	79	79

The Authority does not recognise any financial assets or financial liabilities at fair value.

The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less any allowance for impairment.

Queensland Studies Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended 30 June 2011

22 Contingencies

Guarantees and undertakings

The Queensland Studies Authority was not committed to any guarantees or undertakings at 30 June 2011.

23 Remuneration of Board Members

Remuneration received, or due and receivable by Board members from the Authority in connection with the management of the Authority totalled \$48,570.

The number of responsible persons whose remuneration from the Authority was within the following specified bands were:

\$	2011 No.	2010 No.
0 to 5,000	18	15

The Authority's Board comprises the following members as at 30 June 2011:

Mr Bob McHugh (Chair)
 Ms Yvana Jones
 Mr David Robertson
 Ms Leesa Jeffcoat
 Professor Robert Lingard
 Mr Alan Finch
 Mrs Margaret Leary
 Mrs Patricia Neate
 Mr Daryl Hanly
 Ms Gail Young
 Mrs Tsae Wong
 Mr Steve Ryan
 Dr Paul Giles
 Mr Tim Maloney
 Mr David Rogers
 Ms Leslea (Penny) Taylor
 Mr Alan Waldron
 Professor Claire Wyatt-Smith

24 Key executive management personnel and remuneration

(a) Key Executive Management Personnel

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 Queensland Studies Authority during 2010-11. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Director	The Director is responsible for providing advice to the Minister on strategic educational issues and manages the staff, functions and resources of the Office of the QSA in accordance with relevant legislation.	Position is substantively vacant following resignation of the Director in 2010. The Acting Director is at classification level SES 3 (High) under s 68 of the Education (Queensland Studies Authority) Act 2002.	Director resigned effective 05/03/2010 Acting, Director commenced 27/04/2009.
Deputy Director, Curriculum Services Division	The Deputy Director, Curriculum Services leads the development, implementation and promotion of QSA's policy approach to curriculum, learning, assessment and reporting. The position also leads the review of syllabuses and curriculum development with a particular focus on implementation of the Australian Curriculum.	Classification level SES 2 (High) under sections 110 and 113 of the Public Service Act 2008.	Contract start date 18/02/2009, contract completion date 17/02/2012.
Deputy Director, Assessment and Reporting Division	The Deputy Director, Assessment and Reporting is responsible for the development and implementation of strategies to support QSA's assessment capability and to manage the quality assurance processes for QSA's testing, certification and assessment functions. The position is also responsible for the release of accurate student achievement data.	Substantive classification level SES 2 (High) under sections 110 and 113 of the Public Service Act 2008. Acting, Deputy Director classification level SES 2 (High) under section 112 of the Public Service Act 2008.	Deputy Director start date 12/07/2004, contract completion date 10/10/2012. Acting Deputy Director start date 27/04/2009.

Queensland Studies Authority

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

24 Key executive management personnel and remuneration (continued)

Position	Responsibilities	Current Incumbents	
		Contract classification and appointment authority	Date appointed to position (Date resigned from position)
Deputy Director, Corporate and Information Services Division	The Deputy Director, Corporate and Information Services is accountable for the delivery of strategic corporate outcomes and the development, implementation and evaluation of QSA's corporate and information technology governance arrangements.	Classification level SES 2 (Low) under sections 110 and 113 of the Public Service Act 2008.	Start date 04/02/2008, contract completion date 03/02/2013.
Assistant Director, Policy Coordination Branch	The Assistant Director, Policy Coordination provides high-level advice on government relationship management and coordinates policy development and communication of QSA policy and information to stakeholders.	Senior Officer classification level under sections 116 and 119 of the Public Service Act 2008	Appointment date 15/10/2007.

(b) Remuneration

Remuneration policy for the agency's key executive management personnel is set by the Queensland Public Service Commission as provided for under the Public Service Act 2008. The remuneration and other terms of employment for the key executive management personnel are specified in employment contracts. The contracts provide for the provision of performance-related cash bonuses and other benefits including motor vehicles.

For the 2010-11 year, remuneration of key executive management personnel increased by 2.5% in accordance with government policy.

Remuneration packages for key executive management personnel comprise the following components:-

- Short term employee benefits which include:
 - Base - consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part of the year during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive Income.
 - Non-monetary benefits – consisting of provision of vehicle together with fringe benefits tax applicable to the benefit.
- Long term employee benefits include long service leave accrued.
- Post employment benefits include superannuation contributions.
- 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.

1 July 2010 - 30 June 2011

Position (date resigned if applicable)	Short Term Employee Benefits		Long Term Employee Benefits	Post Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
Acting, Director	188	43	4	22	-	257
Deputy Director, Curriculum Services Division	147	44	3	17	-	211
Acting, Deputy Director, Assessment and Reporting Division	172	-	3	17	-	192
Deputy Director, Corporate and Information Services Division	140	44	3	16	-	203
Assistant Director, Policy Coordination Branch	119	-	3	14	-	136
Total Remuneration	766	131	16	86	-	999

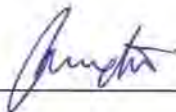
Queensland Studies Authority
NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
for the year ended 30 June 2011

CERTIFICATE OF QUEENSLAND STUDIES AUTHORITY

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

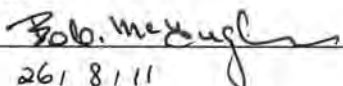
- a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Queensland Studies Authority for the financial year ended 30 June 2011 and of the financial position of the Authority at the end of that year.

Peter Luxton
Acting Director



26 / 08 / 2011

Bob McHugh
Chair



26 / 8 / 11

Matters relating to the electronic presentation of the audited financial report

The audit report relates to the financial report of Queensland Studies Authority (QSA) for the financial year ended 30 June 2011 included on QSA's web site. The QSA is responsible for the integrity of the QSA's web site. We have not been engaged to report on the integrity of the QSA web site. The audit report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from QSA, to confirm the information included in the audited financial report presented on this website.

INDEPENDENT AUDITOR'S REPORT

To the Authority of the Queensland Studies Authority

Report on the Financial Report

I have audited the accompanying financial report of the Queensland Studies Authority, which comprises the statement of financial position as at 30 June 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and certificates given by the Acting Director and Chair.

The Authority's Responsibility for the Financial Report

The Authority is responsible for the preparation of the financial report that gives a true and fair view in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards. The Authority's responsibility also includes such internal control as the Authority determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the financial report that gives a true and fair view 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, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Authority, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements approved by the Treasurer for application in Queensland.

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

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Opinion

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

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of the Queensland Studies Authority for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year.



PAUL HORNE CA
as Delegate of the Auditor-General of Queensland

29 August 2011

Queensland Audit Office
Brisbane

Appendixes

1. Schedule of consultancies

Consultancies during 2010–11 included:

Category	Expenditure
Curriculum, assessment and certification	\$140 259
Review of event management ICT system	\$6 200
Total consultancy expenditure	\$146 459

2. Schedule of overseas travel

Name of officer and position	Destination	Purpose	Cost to QSA	Contribution from other agency
Andrew Edwards, Project Officer and Gary Jorgensen, Administration Officer, QCS Test Unit	Singapore	Took part in QCS Test equating undertaken annually as part of the quality assurance process to collect data from a non-Queensland based student population.	\$6 208	Nil
Paul Herschell, Deputy Director, Curriculum Services Division and Leanne Rolph, Assistant Director, P–12 Implementation Branch	Thailand	Presented papers on externally moderated standards-based assessment policy at the 2010 International Association for Educational Assessment conference.	\$7 451	Nil
Peter Luxton, Acting Director	South Korea	Presented a paper on Emerging Schooling Issues for 21st Century Demands at the 2010 Global HR Forum.	\$1 218	\$6 343 Korean Ministry of Education, Science and Technology
Shauna Bouel, Senior Education Officer, Quality Assurance Unit	South Korea	Participated in the 2010 Korean Studies Workshop Program.	\$2 355	\$12 500 Korean Foundation

3. Fees paid to Board members

A total of \$48 570 was payable to Authority members in 2010–11. This amount does not include associated meeting and travel costs of \$14 469.

4. Voluntary Early Retirement (VER)

No QSA employees were offered a Voluntary Early Retirement package during the 2010–11 financial year.

5. Committees of the Authority

The Authority has established ten committees to work on specific areas. Subcommittees were established as necessary to support these committees.

Aboriginal and Torres Strait Islander Education Committee

Functions are to:

- provide advice and direction to the Authority and Director of the QSA on:
 - ensuring that the QSA's products and services meet the educational needs of Aboriginal young people and Torres Strait Islander young people
 - syllabus development, assessment, testing and reporting issues (including new QSA initiatives) as they relate to the education of young Aboriginal and Torres Strait Islander people, and education about both Aboriginal peoples and Torres Strait Islander peoples
 - ensuring Indigenous representation on Authority committees and other QSA consultative mechanisms
 - policy issues, particularly equity and social justice issues, as they relate to the education of Aboriginal young people and Torres Strait Islander young people
- be the primary mechanism for the QSA to consult with Aboriginal and Torres Strait Islander communities on QSA matters
- provide a two-way communication forum for Indigenous perspectives on QSA activities, and as a communication between the QSA and Indigenous communities.

Membership comprises:

- chair — Authority member with expertise in the education of Aboriginal young people and/or Torres Strait Islander young people
- one nominee of the joint parent body
- one nominee of the Queensland Indigenous Education Consultative Committee (QIECC)
- one senior officer from the Department of Education and Training (education)
- one senior officer from the Department of Education and Training (training)
- one nominee from the Queensland Catholic Education Commission (QCEC)
- one nominee from Independent Schools Queensland (ISQ)
- one nominee from Education Queensland (EQ)
- four teachers representing each of the state, Catholic and independent school sectors (preferably an early years teacher, a secondary teacher, a primary teacher and a school principal)

- one nominee of the Queensland Teachers' Union
- one nominee of the Queensland Independent Education Union
- one nominee of the Torres Strait (Torres Strait Islander Regional Education Council)
- one representative from the Cape York education community
- one representative of the tertiary education sector
- QSA's Principal Education Officer (Indigenous Education)
- one QSA senior officer
- executive officer — QSA officer.

Accreditation Committee

Functions are to:

- assess applications for accreditation and re-accreditation of non-Authority syllabuses and guidelines
- provide oversight of the accreditation process for accreditation and re-accreditation of non-Authority syllabuses and guidelines
- provide recommendations to the Authority about the accreditation and re-accreditation of non-Authority syllabuses and guidelines.

Membership comprises:

- chair — Authority member
- three nominees of the education sector (one each from QCEC, ISQ and EQ)
- two union nominees
- one QSA senior officer
- executive officer — QSA officer.

Assessment, Moderation and Certification Committee

Functions are to:

- determine and approve procedures for assessment, moderation and certification within the approved policies of the Authority
- consider matters referred to it from, and to refer matters for consideration to, its subcommittees
- identify and advise the Authority on strategic issues relating to future developments in assessment, moderation and certification.

Membership comprises:

- chair — Authority member
- three nominees from the education sectors (one each from QCEC, ISQ and EQ)
- one nominee of the employment and training sector
- two syllabus advisory committee chairs
- one state review panel chair
- one district review panel chair
- two school administrators (one state and one non-state)
- one primary school principal
- one tertiary educator/researcher
- one union nominee
- one parent nominee
- one QSA senior officer
- executive officer — QSA officer.

Audit Committee

Functions are to:

- provide independent assurance and assistance to the Authority and Director of the QSA on:
 - the risk control and compliance frameworks
 - the agency’s external accountability responsibilities as prescribed in the *Education (Queensland Studies Authority) Act 2002*
- oversee internal and external audit services
- review strategic risk assessment
- monitor improvement strategies to reduce and mitigate against risk.

The Audit committee has observed the terms of its charter and had due regard to Queensland Treasury’s Audit Committee Guidelines.

During 2010–11, the committee was responsible for overseeing the process of revising the strategic risk assessment and the initiatives pursued to reduce and mitigate against the identified risks. The committee’s charter was reviewed in accordance with the Performance Management Standard and Queensland Treasury’s Audit Committee Guidelines.

Membership comprises:

- Chair — Authority member
- external member — Authority member
- one member who has “financial expertise” as described in the Queensland Treasury publication, *Audit Committee Guidelines — Improving accountability and performance 2008*
- one member with expertise in the industry in which the agency operates.

Equity Committee

Functions are to:

- provide expertise and advice to the Authority, and the Office of the Authority, on equity issues in education, relevant to the functions of the Authority
- liaise with other committees of the Authority as required
- represent the interests of groups at educational risk in the community.

Membership comprises:

- chair — Authority member
- three nominees of the education sectors (one each from QCEC, ISQ and EQ)
- one nominee of the employment and training sector
- one nominee of the QIECC
- one practising teacher or school-based person with expertise in special education
- two parent nominees
- two union nominees
- two nominees from the higher education sector (universities)
- one nominee from the Youth Affairs Network of Queensland
- one nominee of the Queensland Anti-Discrimination Commission
- one nominee of the Queensland Guidance and Counselling Association
- one teacher of distance education
- one nominee of Queensland Association of Teachers of English to Speakers of Other Languages (QATESOL)
- one nominee of the Ethnic Communities Council of Queensland
- one QSA senior officer
- executive officer — QSA officer.

Finance Committee

Functions are to assist the Governing Body in performing its functions by:

- overseeing the development and approval of the annual budget
- ensuring that annual resource allocations are consistent with the strategic direction and operational priorities of the QSA
- providing advice on major project and capital expenditure proposals or initiatives
- monitoring actual financial performance against budget and forecasts and providing advice on significant trends or variances

- reviewing the financial performance of major strategic initiatives
- performing any other activities consistent with this charter that the Governing Body requests.

Membership comprises:

- chair — Authority member nominated by the Chair of the Authority
- two nominees of the Authority
- executive officer — QSA officer.

P–12 Curriculum Committee

Functions are to:

- provide advice to the Authority on the current trends in curriculum development for the early, middle and senior phases of schooling
- review syllabuses, curriculum guidelines and other materials submitted by syllabus advisory committees and make recommendations to the Authority about the suitability of such materials
- provide advice on P–12 matters that the Authority may determine.

Membership comprises:

- chair — Authority member
- three Authority members (one each from QCEC, ISQ and EQ)
- two tertiary educators
- three nominees of the education sectors (one each from QCEC, ISQ and EQ)
- one nominee of the employment and training sector
- one nominee of the Training and Employment Recognition Council
- two nominees of EQ (one each from a rural/remote area and special education)
- one nominee of parent groups
- one Indigenous education nominee
- three teacher nominees (one each from early years, middle years and senior years of schooling)
- two teacher union nominees
- one nominee of QSA
- one QSA senior officer
- executive officer — QSA officer.

Scaling Anomalies Committee

Function: to examine mismatches between Queensland Core Skills Test data and level of achievement data provided by schools. This is part of the quality assurance processes associated with Overall Positions and tertiary entrance.

Membership comprises:

- three nominees of the education sectors (one each from EQ, QCEC and ISQ), one of which is the chair
- nominee of the tertiary sector
- three nominees of QSA
- executive officer — QSA officer.

Tertiary Entrance Committee

Functions are to:

- to monitor developments in, and assist in the provision of informed advice about, tertiary entrance matters
- to provide advice on the management of information and secondary–tertiary link programs that maximise the capacity of potential tertiary applicants to make informed choices and pursue tertiary study.

Membership comprises:

- chair — Authority member
- two university admissions managers
- one TAFE admissions manager
- one experienced guidance officer
- one experienced independent school counsellor
- one nominee from the employment and training sector
- one nominee from DET's Office of Higher Education
- one parent of a Year 11 or 12 student
- one tertiary student
- two student nominees from the school sectors (Year 11 and 12)
- one nominee from the Queensland Tertiary Admissions Centre
- one nominee from QSA
- one QSA senior officer
- executive officer — QSA officer.

Vocational Education and Training Committee

Functions are to:

- provide advice to the Authority on emerging policies and issues in relation to VET in both the national and state arenas
- provide information to the Authority on issues relating to the implementation of VET in Queensland schools
- provide strategic advice to the Authority on the implementation of VET arising from the *Education and Training Reforms for the Future*² program.

2 Queensland Government 2002, *Queensland the Smart State — Education and Training Reforms for the Future: A white paper*, Brisbane

Membership comprises:

- chair — Authority member
- two nominees from the employment and training sector (to include a TAFE practitioner)
- one nominee from the Australian Council of Private Education and Training
- one industry nominee
- three nominees of the education sectors (one each from QCEC, ISQ and EQ)
- two parents with expertise in encouraging and supporting VET in schools
- three practitioners (state, non-state and TAFE) with responsibility for VET (two union representatives nominated by QTU and QIEU)
- two principals/administrators (state and non-state) with responsibility for VET
- one QSA senior officer
- executive officer — QSA officer.

6. Key corporate governance committee of the QSA

Strategic Directions Group

Peter Luxton, Acting Director

Paul Herschell, Deputy Director, Curriculum Services Division

Peter Jordan, Acting Deputy Director, Assessment and Reporting Division

Graham Smith, Deputy Director, Corporate and Information Services Division

John McGuire, Assistant Director, Policy Coordination Branch

7. QSA district offices

Brisbane Central

Helen Best
Phone: (07) 3397 3955, fax: (07) 3397 2955
433 Logan Road
Greenslopes Qld 4120
PO Box 1677, Coorparoo DC Qld 4151

Brisbane North

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8. Reader evaluation of the QSA Annual Report 2010–11

Please take some time to answer the following questions, to help the QSA communicate effectively with you. To indicate your response, please circle the appropriate number for each question as follows:

0 = Unable to respond 1 = Very poor 2 = Poor 3 = Acceptable 4 = Very good 5 = Excellent

Did the Annual Report achieve its communication objectives? (see page 2)

0 1 2 3 4 5

What did you think of the content?

Value of information

0 1 2 3 4 5

Presentation

0 1 2 3 4 5

Did the design of the report make it easy to read?

Layout of information

0 1 2 3 4 5

Type and colour

0 1 2 3 4 5

Overall, how would you rate the report?

0 1 2 3 4 5

What client group do you come from?
(Please tick appropriate box)

School staff

State

Catholic

Independent

Student

Secondary

Tertiary

Education authority

State

Catholic

Independent

Parent

State

Catholic

Independent

Tertiary institution

University

TAFE

Union

Employer

Queensland Government

Other comments

Please return to:
 Policy Coordination
 Queensland Studies Authority
 Reply Paid 307, Spring Hill QLD 4004
 Fax: (07) 3864 0318

Abbreviations and acronyms

ACACA	Australasian Curriculum, Assessment and Certification Authorities	QCE	Queensland Certificate of Education
ACARA	Australian Curriculum, Assessment and Reporting Authority	QCEC	Queensland Catholic Education Commission
AEE	Alliance for Excellence in Education	QCIA	Queensland Certificate of Individual Achievement
AISQ	Association of Independent Schools of Queensland Inc., now known as Independent Schools Queensland	QCS	Queensland Core Skills (Test)
AQF	Australian Qualifications Framework	QEPR	Queensland Education Performance Review
AQTF	Australian Quality Training Framework	QIECC	Queensland Indigenous Education Consultative Committee
ASQA	Australian Skills Quality Authority	QIEU	Queensland Independent Education Union
CCAFL	Collaborative Curriculum and Assessment Framework for Languages	QKLG	Queensland kindergarten learning guideline
CIS	Career Information Service	QSA	Queensland Studies Authority
DEEWR	Department of Education, Employment and Workplace Relations	QTAC	Queensland Tertiary Admissions Centre Ltd
DET	Department of Education and Training	QTU	Queensland Teachers' Union
EQ	Education Queensland	RTO	registered training organisation
ESL	English is their Second Language	SAI	Subject Achievement Indicator
F	Foundation	SAS	study area specification
FP	Field Position	SEP	Senior Education Profile
HPE	Health and Physical Education	SET	Senior Education and Training (Plan)
IAEA	International Association for Educational Assessment	SHS	state high school
ICT	Information and communications technology	SLIMS	Senior Learning Information Management System
IP	intellectual property	TAFE	Technical and Further Education
ISQ	Independent Schools Queensland	TERC	Training and Employment Recognition Council
K	Kindergarten	VER	voluntary early retirement
KLA	key learning area	VET	vocational education and training
LARC	Learning Area Reference Committee		
NALSSP	National Asian Languages and Studies in Schools Program		
NAPLAN	National Assessment Program — Literacy and Numeracy		
OECEC	Office of Early Childhood Education and Care		
OP	Overall Position		
P, Prep	Preparatory Year		
QATESOL	Queensland Association of Teachers of English to Speakers of Other Languages		
QCAR	Queensland Curriculum, Assessment and Reporting (Framework)		
QCAT	Queensland Comparable Assessment Task		

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