

# Report on a page

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This report summarises the results of our audits of the entities in Queensland’s education sector, including the Department of Education; the Department of Youth Justice, Employment, Small Business and Training; TAFE Queensland; 7 universities; 8 grammar schools; and other statutory bodies.

## Financial statements are reliable

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All education entities’ financial statements are reliable and comply with relevant reporting requirements. The entities have efficient and effective financial statement processes, and they were able to prepare good-quality financial statements.

## Security of information systems needs to be strengthened

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We continue to identify weaknesses in the entities’ information systems. While the entities are addressing deficiencies identified in prior years and improving the security of their systems, the risk of cyber attacks continues to increase, which highlights the need for greater urgency. In 2022, a cyber security incident partially disabled one university’s information technology network when a compromised account was accessed. Given how much the entities rely on their information systems, it is critical that they establish stronger controls to protect their sensitive information from unauthorised users and cyber criminals.

## Universities are managing risk but can do more

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We found universities recognise the importance of managing their risks – cyber, academic integrity, research, financial, and health and safety. They have processes in place to identify and manage them, but most use spreadsheets to record and monitor risks. They would benefit from having a central system that automates the recording and monitoring of risks. This would provide efficiencies in processes and would also give them a big-picture view of risk across their business.

## Universities’ operating results have decreased

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This year, operating results for universities significantly decreased by \$1.3 billion because of reduced Australian Government funding, losses on investments due to a decline in market conditions, and continued cost escalations. All universities, except for one, made a loss. The easing of Australia’s border restrictions in 2022 saw a small increase in revenue from international students, but revenue remains below pre-pandemic levels.

A decline in domestic student enrolments has proved to be challenging. More students are deferring or reducing their studies to enter the workforce and manage cost-of-living pressures. TAFE Queensland is also experiencing similar challenges and will need to continue assessing its cost of service delivery.

## Departments continue to assess the condition of assets

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Both departments are progressing with their asset condition assessments from 2022. The Department of Education is assessing the condition of all schools that are more than 5 years old, while the Department of Youth Justice, Employment, Small Business and Training is assessing the condition of its assets (TAFE campuses) using a risk-based approach.

Having up-to-date information on the condition of assets will help the departments in planning the timing and cost of maintenance, and in making decisions on replacing or upgrading assets in future.

