



Hon John-Paul Langbroek MP
Minister for Education, Training and Employment

27 SEP 2012

Mrs Rosemary Menkens MP
Chair
Education and Innovation Committee
Parliament House
George Street
BRISBANE QLD 4000

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- 1 OCT 2012

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Dear Mrs Menkens

Rosemary,

Thank you for your letter dated 13 July 2012 enclosing a copy of the Education and Innovation Committee's Report No. 5 entitled, *Review of Auditor-General's Report 3:2012 Results of audits: Education sector financial statements for 2011*, which was tabled in the Legislative Assembly on 12 July 2012.

I appreciate the work of the Committee in its examination of the Auditor-General's audit of the 2011 financial statements of universities, grammar schools and the entities they control, as required by section 40 of the *Auditor-General Act 2009*. I note that the Committee considers that the audit reporting requirements provided in section 60 of the Act have been met.

I am committed to delivering on our Government's objective to restore accountability. I have taken steps to ensure that statutory authorities act upon the four recommendations outlined in the Auditor-General's report, including meeting with the chairs of boards of several of the grammar schools and writing to all grammar schools to remind them of their statutory obligations under the *Statutory Bodies Financial Arrangements Act 1982*. I have also asked that they work with the Queensland Audit Office to resolve issues relating to the disclosure of key executive remuneration prior to submitting their 2012 annual reports.

In addition, I note the Committee has raised one grammar school's ability to continue as a going concern. I can assure the Committee that I have already taken appropriate action regarding this matter.

On 5 July 2012, I wrote to the Board of Trustees of that school to inform them that I have asked the Department of Education, Training and Employment, to engage a specialist professional to comprehensively review the school's operations and financial position. I emphasised my expectation that the Board cooperate fully with the specialist to initiate and coordinate actions to improve the school's financial position. I also requested, upon completion of the specialist's engagement, the Board provide me with a copy of the specialist's report and actions the Board has undertaken and progress to date. I further advised the Board that I require reviewed financial projections for 2012 and the next four years, plus a detailed cash flow projection for both 2012 and 2013.

I will continue to monitor compliance with the Auditor-General's requirements, or if matters are otherwise resolved, and will inform the Parliament of this progress when tabling the 2012 annual reports in the Legislative Assembly next year.

Yours sincerely

JOHN-PAUL LANGBROEK MP
Minister for Education, Training and Employment