

SOUTH EAST METROPOLITAN COLLEGE OF TAFE

Annual Report 2001



National Large Training Provider of the Year 2001
WA Training Provider of the Year 1996, 1999, 2000 & 2001



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LETTER TO THE MINISTER

THE HON. J.C. KOBELKE MLA

Minister for Employment and Training

In accordance with the requirements of Section 62 of the Financial Administration and Audit Act 1985, I hereby submit for your information and presentation to Parliament, the Annual Report of the South East Metropolitan College of TAFE, for the year ended 31 December 2001.

Geof Gale
Managing Director

28 February 2002





MESSAGE FROM COLLEGE COUNCIL

The year 2001 has been an eventful one for South East Metropolitan College of TAFE.

Having been awarded the Western Australian Training Excellence Large Training Provider of the Year Award in 1996, 1999, 2000 and again in 2001 the College received national recognition when it was named Training Provider of the Year 2001 by the Australian National Training Authority on 15 November 2001.

The Award is public recognition of what has been a continuous series of changes taking place over the past 6 years. The challenges and demands of transforming a bureaucracy to a dynamic training institution have been many. As I reported last year, my colleagues and I on the College Council have been impressed with the personal commitment and enthusiasm of staff across the College.

Feedback from the judges of this year's Western Australian and National training awards indicated they too were impressed by the dedication and enthusiasm of the staff they met, especially those at the grass roots of the organisation. In 2001 student satisfaction ratings for the College continued to be outstanding.

Once again in 2001, SEMC students excelled - with finalists in every student category in the Western Australian Training Excellence Awards. Fashion student, Justine Davis, WA Vocational Student of the Year and national finalist; Cherie Woods, national finalist - Aboriginal/Torres Strait Islander Student of the Year; Ian Shaw WA finalist - Apprentice of the Year and Andrew Smith WA finalist - Trainee of the Year.

SEMC Lecturer in Hospitality Mel Lewis received the 2001 Premier's Award.

It is therefore with a great deal of pride that the Governing Council of SEMC commend the College on its successes to date, and look forward to our continuing association.

As representatives of business, large and small, and the community at large, we appreciate the efforts and continuing dedication of the staff involved.

We are pleased to be associated with an organisation that understands the importance of providing training that is relevant to the workplace and to the personal development of the 30,000 students who attended the College during the year.

In a world that changed forever in 2001, it is imperative that Western Australians are provided with the choices and skills they need to forge a better world for all. With the ageing of our population, and the thousands of people made redundant by changes in the job market, such as the collapse as multinationals, gaining new skills through training is more important today than it has ever been.

As Chairperson of the Council, I would like to thank my colleagues for their support and encouragement throughout the year, and to congratulate the Council and Corporate Executive of the College as well as every member of its staff on the outstanding successes to date.

Kerry Hardwick
Chairperson





GOVERNING COUNCIL

Dr Maureen Smith

CHAIRPERSON

Dr Smith has acquired extensive skills in strategic planning, particularly in education and vocational education and training, including the engineering sector. (Now retired).

Robert Isaacs

DEPUTY CHAIR

Mr Isaacs is an acknowledged community leader in the south-east metropolitan corridor, and has extensive experience in the State and local government sectors.

Geof Gale

MANAGING DIRECTOR

Mr Gale has extensive experience in the vocational education and training sector, building on management and academic expertise gained in Australia and overseas.

John Bishop

Mr Bishop has 20 years experience in sales and marketing and is a senior executive of one of the states largest asset management and food services company.

Caroline Thompson

Ms Thompson is employed as executive officer of one of the State's leading Industry Training Councils and has wide experience in the vocational education and training sector.

Matthew Kailis

Mr Kailis has a strong background in marketing and finance and is well known for his leadership of the family seafood distribution company.

Stuart Flynn

Mr Flynn has an impressive career history in senior management positions within the health, education and community services sector and has broad experience in policy development.

Kerry Hardwick

Mrs Hardwick is an active community leader in the South Perth area, building on many years of experience and expertise in the education sector.

Hugh Beggs

Mr Beggs is an acknowledged industry leader in the information technology sector in Western Australia.

Brian Courtney

Mr Courtney has considerable expertise in the education and industrial relations sectors and is a significant community contributor, particularly in the Victoria Park area.

INTRODUCTION BY THE MANAGING DIRECTOR



The year 2001 was a year of significant achievement for the College. The journey towards transformation commenced in 1996 and reached a high point, when the College was awarded the title National Large Training Provider of the Year 2001 by the Australian National Training Authority.

Six years ago, we set ourselves the target of becoming an acknowledged leader in Vocational Education and Training. In 1996, 1999, 2000 and 2001 as the Western Australian Training Provider of the Year, we achieved benchmark excellence. The national title had eluded us until this year.

Behind the trophy and the title lie years of hard work, innovation and enthusiasm in the face of frustration; and commitment towards an ideal. Dedication and determination to effect change for the better, in an industry that has seen more changes than most, make the year of national recognition a very special one for the whole College community.

This vindication of our efforts and of the direction we have set ourselves, has become a beacon for the years ahead, as the College now sets itself the target of maintaining leadership in the dynamic and ever-changing field of vocational education and training.

As globalisation continues to impact exponentially on the demands of the workplace, so must training, if it is to remain relevant. Our unique structure has proved itself to be effective, not only in the short, but the long term. The task we now set ourselves is to focus on the "triple bottom line" of meeting the needs of clients, stakeholders and of the environment, employing the flexibility we have achieved to continue to set new benchmarks.

2001 proved to be a sobering year for the Western world. Those of us working in education and training understand more than ever the vital role we play in enabling choice and developing life skills.

SEMC is looking forward to the challenge of remaining a benchmark leader in the years to come.

I commend this report to you as a record of the College's achievements during 2001.

Geof Gale
Managing Director

SENIOR EXECUTIVE TEAM

Mr Geof Gale
Managing Director

Mr Robert Stratton
Director Operations

Mrs Margaret Beaman
Director Programs

Mr Jeff McDonough
Manager Organisational Development

Mr Roger Nurse
Manager Finance



THE ORGANISATION

SEMC services a large and diverse area of metropolitan Perth along the south-east corridor.

Many of its students and the industries it serves are located across the entire Perth metropolitan region, Western Australia and overseas. The College is an integral part of its local community and uses its workplace training sites as the focal point for vocational training through the region.

A distributed college model, based on the strong industry alliances the College's unique business structure has achieved, has been implemented to ensure that training is entirely relevant to the client and is delivered where and how it is required. From remote mine sites to food processing factory floors, the College is able to deliver what that client requires, where it is required.

SEMC has more than 150 staff members across many industry sectors who are qualified Workplace Assessors.

SEMC offers a broad spectrum of training opportunities, ranging from accredited training through to industry-specific, client-centred programs.

Training is offered in a variety of modes; all facets are offered, including national accreditation and portability; and articulation to university. SEMC has enthusiastically embraced the Australian Quality Training Framework and has implemented all of the relevant Training Packages available.

College Business Units are supported by a core of corporate services which include Organisational Development, Human Resource Management, Finance, Marketing, Communication and Public Relations, Programs, Research and Development, Information Systems, Facilities Management and Client Services.

The College has a flat management structure facilitated by a Corporate Executive comprising the Managing Director, the two Directors of the College and the Manager of Organisational Development.

SEMC ACHIEVEMENTS IN 2001

As the recipient of the National Large Training Provider of the Year, SEMC has been recognised as achieving national excellence across a wide range of benchmarks.

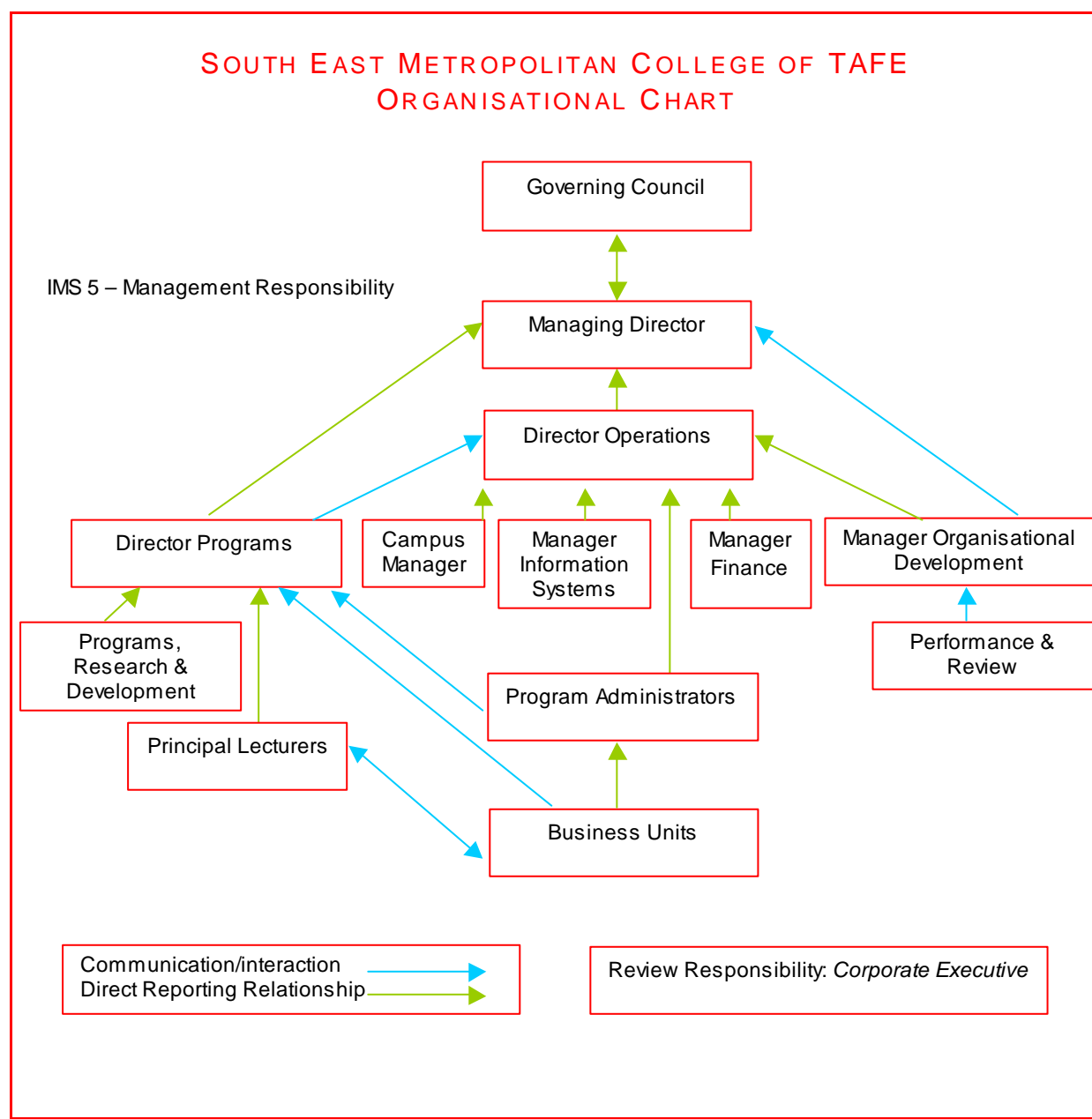
AWARDS 2001

- ?? Australian Large Training Provider of the Year 2001 awarded by the Australian National Training Authority.
- ?? **Western Australian Training Excellence Award for Large Training Providers** – for the fourth time in 2001 awarded by the Department of Training.
- ?? **Vocational Student of the Year** – Justine Davis, State Winner, National finalist.
- ?? **Aboriginal/Torres Strait Islander Student of the Year** – Cherie Wood, State winner, National finalist
- ?? **West Australian Trainee of the Year** – Andrew Smith, State finalist.
- ?? **West Australian Apprentice of the Year** – Ian Shaw, State finalist.





GOVERNANCE REPORT





REPORT ON CUSTOMER OUTCOMES

Disability Services

The Disability Service Plan is progressing with one major capital works project, the escalator at Carlisle Campus, completed in 2001.

One hundred and twenty six (126) students with disabilities have had contact with the College Disability Support Officer. An innovative tracking system was developed which ensured each individual's progress was monitored throughout the year.

One hundred and two (102) students accessed the service in Semester 2. 70% were students continuing their studies from Semester 1, and 30% were new students. College records indicate that nearly four hundred (400) students indicated they had a disability at enrolment. Many of these were followed up, but indicated they wished to manage without Disability Services support.

Students contacting the unit had a variety of disabilities: fifty (50) physical; four (4) neurological, eleven (11) sensory; thirty (30) intellectual/learning disabilities and thirteen (13) psychiatric.

In 2001, 75% of students accessing Disability Services study at Thornlie Campus, 10% at Bentley, 5% at Armadale and 10% at Carlisle. These figures are consistent with previous years.

This year a Case Management Model was adopted which meant every student was followed up on a regular basis. It would appear that this has resulted in more students completing their courses with successful outcomes.

15 were apprentices, with almost guaranteed employment on completion.

The College has worked closely with outside support agencies which has resulted in more resources being available, contributing to successful outcomes.

Working with these agencies has also resulted in extra funding from the Department of Education, Training & Youth Affairs estimated to be between \$25,000 - \$30,000 per annum. This funding is

allocated to individual students who may need support while studying an apprenticeship.

SEMC has worked in partnership with Good Samaritan Industries to develop and deliver a retail course, which is of the same standard expected of other TAFE students studying a similar course. Initiated by Disability Services, support has been provided on an ongoing basis as required.

Equal Employment Opportunity Management (Equal Opportunity Act 1984 Section 146)

EO Policy and procedures were updated and implemented.

EO Policy was included in the staff Professional Development manual (distributed to all staff including casuals), on the intranet site and in the student handbook for 2002.

A team of trained EO Grievance officers and Contact officers spread across the College Campuses.

A network of EO Grievance officers and Contact officers formed for keeping up with developments and increasing knowledge and skills practice.

Workshops on EO legislation and EO issues advertised and available to all staff (including casuals) as part of the College Professional Development plan.

PLANS FOR 2002 ONWARDS

Maintenance of:

- ?? EO Policy included in staff Professional Development manual (distributed to all staff including casuals), on the intranet site and in the student handbook for 2002.
- ?? Team of trained EO Grievance officers and Contact officers spread across the College Campuses.
- ?? Network of EO Grievance officers and Contact officers for keeping up with developments and increasing knowledge and skills practice.
- ?? Workshops on EO legislation and EO issues advertised and available to all staff (including casuals) as part of the College Professional Development plan.





Implementation of:

- ?? Staff meetings dedicated to workshops on EO legislation and EO issues as part of the College Professional Development plan.

Design of:

- ?? Action plan to accommodate the ageing workforce with strategies to encourage the employment and manage the continuation of employment. The plan will also map a transition from older to younger.
- ?? Action plan for recruitment to focus on attracting Aboriginal and Torres Strait Islander applications.

In December 2001, the College participated in the Department of Training sponsored “Indigenous Employment – Strategies for the VET Sector” workshop. A broad objective of the workshop was to assist Colleges in developing strategies to increase the number of Indigenous staff progressively to parity with the proportion of Indigenous clients. During 2002, the College will implement strategies formulated through the workshop as part of its strategic workforce plan.

As part of the Human Resource Minimum Obligatory Information Requirements (HR MOIR) for the Ministry of Premier and Cabinet, the College compiles information for the Equal Employment Opportunity Public Sector Yearly Report.

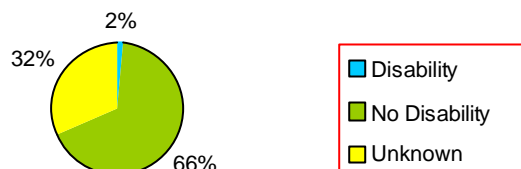
The data collected is primarily related to:

- ?? People of Culturally Diverse Background;
- ?? Indigenous Australians;
- ?? People with Disabilities;
- ?? Management Profile;
- ?? Age within the workforce; and
- ?? Employee Gender.

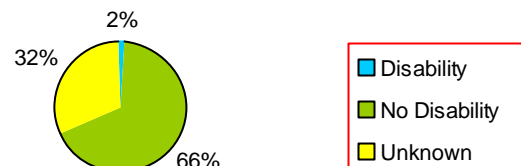


Staff Employed in 2001 – By EEO Categories

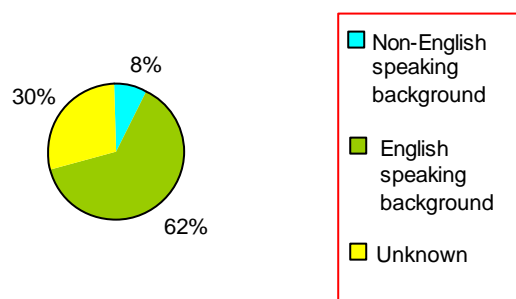
Staff with disabilities - 2001



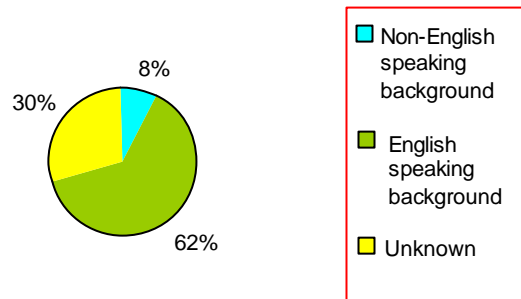
Staff with disabilities - 2000



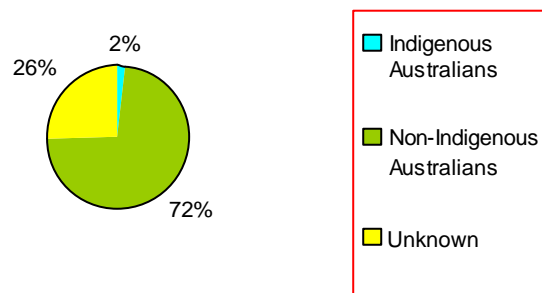
Ethnicity - 2001



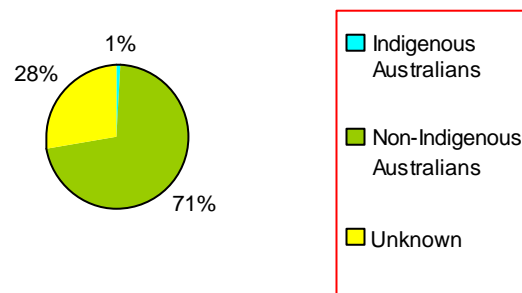
Ethnicity - 2000



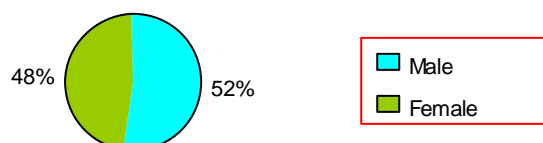
Indigenous Australians - 2001



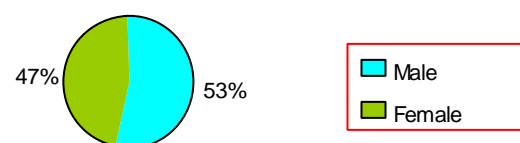
Indigenous Australians - 2000



Gender - 2001



Gender - 2000





REPORT ON CORPORATE SERVICES

Client Services

SIGNIFICANT ACHIEVEMENTS IN 2001

- ?? Hosted a Statewide one-day seminar for Information, Career Advisory and Enrolment Officers.
- ?? Organised and hosted a one-day workshop on Youth Suicide Prevention for Department of Training staff (across Colleges and agencies) under the auspices of the Ministerial Council for Suicide Prevention.
- ?? Cultural Awareness workshop run by Indigenous Information officer for College staff members.
- ?? A permanent School Liaison Officer was appointed.
- ?? Working links were established with the South East Metro Community Drug Service Team to further consolidate the implementation of the College Drug Policy.
- ?? Rotary Award Nights across the College were scheduled to take place in the calendar year applicable to the award.
- ?? Selected Client Services staff participated in EO training and were appointed as Contact Officers.
- ?? Facilities for students at Thornlie and Carlisle campuses were improved.

MEMBERSHIP OF COMMUNITY ORGANISATIONS AND MANAGEMENT COMMITTEES :

- ?? Kadadjiny Aboriginal Education and Employment Training Committee
- ?? Moorditch Gurlongga (managing Coolabaroo Child Care Centre)
- ?? Armadale Kelmscott Job Link (new commitment)
- ?? South East Metro Youth Action
- ?? Youth Suicide Advisory Committee (now Ministerial Council for Suicide Prevention).
- ?? South East Region Youth Interagency
- ?? Representing Department of Training and SEMC on the Curriculum Council' s Work Studies Syllabus Committee.

Finance

The primary focus for the branch during 2001 has been in two parts, centered around the introduction of a new accounting system for the TAFE environment.

Firstly staff were involved in the preliminary testing of the system to establish that it did meet the specification as stated in its tender document and that it predominantly met the requirements of the overall TAFE environment.

Secondly SEMC has been chosen as the pilot site for the final phase of testing. The later part of the year has focussed on staff training, data conversion, site setup and further site specific testing. A two month period of parallel running is planned to commence in January 2002.

Human Resources

SEMC Human Resources Mission:

"To provide a comprehensive range of Human Resources services that meet customer expectations, contribute to the achievement of other College Mission, Vision and Values and allow staff to optimise their aspirations in an environment that fosters merit, equal opportunity and ethical standards."

EMPLOYMENT RELATIONS & RESOURCES STAFF RESOURCES (TREASURER'S INSTRUCTIONS 903 [(4)(VII)])

Staff resources for the South East Metropolitan College of TAFE are illustrated by employment category on a full-time equivalent basis in the table below.

Employment Category	2000	2001
College Executive	5	5
Academic/Lecturing	274	271
Academic Support	32	31
Administration/Clerical	179	181
TOTAL	490	488



POLICY IMPLEMENTATION, REVIEWS AND DEVELOPMENT (TREASURER'S INSTRUCTION 903 [(4)(VII)(A)])

Consistent with its commitment established in the College Strategic Human Resources Plan and its obligation to comply with public sector legislation and Government policy, the South East Metropolitan College of TAFE continually strives to develop, implement and review human resources policy and processes to address the needs of College staff and shareholders.

During 2001 a revision of all human resources policies was undertaken for placement of the College's updated Intranet site. Other major policy development included:

- ?? Assumed responsibility of redeployment case management from the Ministry of Premier and Cabinet. The College allocated this responsibility to a designated case manager who was assigned the task of co-ordinating the deployment and development of career transition programs for College redeployees. The allocation of this task to the College incorporated the need to develop guidelines to manage the redeployment process.
- ?? The College participated in a data collection process in a Human Resource Quantitative Benchmarking Project, as part of a consortium of 12 Western Australian public sector agencies. The College's involvement in the project included collecting statistical data for a series of prescribed human resource measures to be scored and compared to other organisations, both public and private, across Australia.

During 2001, the College continued its implementation of a Leave Management Policy that focussed on reducing the Colleges leave (long service leave & annual leave) liability. The establishment of leave management plans for individual employees saw a reduction in the number of staff with excessive leave entitlements from 26 in 2000 to 12 in 2001.

EMPLOYMENT RELATIONS (TREASURER'S INSTRUCTION 903 [(4)(VII)(B)])

Under Ministerial direction, the Department of Training's Employee Relations Section co-ordinates industrial and workplace relations strategy and policy for the TAFE Colleges network. Within this framework the College assisted in the implementation of the following industrial relations initiatives during 2001:

- ?? Implementation of a new Certified Agreement for College lecturing staff;
- ?? Implementation of a new Workplace Agreement and Enterprise Bargaining Agreement for College government officers;
- ?? Representation at the Western Australian Industrial Relations Commission on arbitrary matters relating to Award/Agreement conditions;
- ?? Co-ordination of the Governments "conversion to permanency" process;
- ?? Implementation of the Government's Modes of Employment policy;
- ?? Representation on the Department of Training's "Shared Services" steering committee.

WORKERS COMPENSATION AND REHABILITATION

For the 2000/1 financial year at 30 June 2001, there had been a total of 10 workers' compensation claims, with a total of 4 days lost time. The intervention of rehabilitation providers was sought in instances where return to work programs were initiated. In 1999/2000 as at 30 June 2000, there was a total of 31 claims and as at 30 June 1999, there was a total of 53 claims.

OCCUPATIONAL HEALTH, SAFETY & WELFARE

A comprehensive Safety Management Framework has been developed. Notable accomplishments for the year include:

- ?? **Occupational Safety & Health Manual for SEMC** - as part of the College commitment to maintaining quality in the area of OH&S, this manual has been revised and enhancements made in the areas of Warden Training and First Aid.
- ?? **Occupational Safety & Health Coordinator** - as a new initiative SEMC has established a full-time OS&H Coordinator position.
- ?? **Risk assessment** - MPL Health, Safety & Environmental Solutions were commissioned to conduct OH & S risk assessments of the College. To date 88% of findings have been addressed.
- ?? **Establishment of Campus Committees** - all College campuses have productive committees, with representatives allocated specific work areas to ensure the College meets its statutory requirements under the OS & H Act.





?? **Training** – A skill maintenance program for First Aid has been established and offered across SEMC quarterly and Emergency Response training for all First Aiders across SEMC half-yearly. Senior First Aid training and Refresher Senior First Aid courses are offered twice a year.

?? **Evacuation Procedures across SEMC** – a risk assessment review has been conducted of current evacuation processes resulting in the implementation of significant improvements.

Integrated Management System

The Performance and Review corporate unit engaged in various audits and assessments during 2001. During the past twelve months, all College Business and Corporate units that underwent external quality surveillance audits were successful with minimal Corrective Action Requests issued by our Certifying body, SGS.

There were minimal numbers of Continual Improvement Requests issued from internal audits and these were generally for minor changes to wording in procedures.

Management of the performance and review strategy (KPI measuring) that is conducted three times a year across the College is carried out by the Performance and Review unit. The unit is also involved in the validation of evidence provided by Business and Corporate units for progression along and up the SEMC Customer Service Performance Ladder. 71% of business units and 47% of corporate units are currently progressing well on this ladder.

ISO 9001:1994 re-alignment to ISO 9001:2000 has been completed by the unit and all current policies and procedures in its Integrated Management System have been prepared, ready to be structured into the College intranet.

The inclusion of OH&S, Risk Management and Australian Quality Training Framework (AQTF) procedures into the Integrated Management System is on-going.

Information Systems

The Information Systems unit was heavily involved in strategic issues contributing to the College strategic plan, mission and vision in 2001. Initiatives included:

?? Introduction of individual student logins which brought an immediate increase in security to the College computer network.

?? To gain cost reductions and improved performance, student and administrative network traffic is now being sent over the same connections between campuses. This has allowed the College to negotiate a cheaper rate with Telstra for these connections.

?? A new version of the College Management Information System (CMIS) was implemented in December 2001, called Image 81. This new version is more intuitive and much more user friendly. It is expected this new version will reduce the time necessary for user training and will reduce input errors.

?? Security in the main server room at Bentley has been upgraded.

?? A complete audit of all backbone infrastructure has been completed and a submission to the Department of Training will see a significant injection of equipment to improve the performance of our Wide Area Network in the new year.

?? Preparatory work has commenced to allow the migration to Microsoft Windows 2000 and Microsoft Office 2000 in the new year. The move to the updated Microsoft platform will keep the College in line with industry best practice.

?? The College has subscribed to the Gartner Group Research Review. This will allow staff and students to access world class research and analysts for many areas of academic pursuit. Access to the research will be via the Internet and off the student Intranet.

The unit continues to provide a high level of ongoing support to SEMC business and corporate units, through the maintenance of student and administrative networks and individual accounts, backups of data protected offsite, and virus protection.

Library & Information Management

With the introduction of individual student computer accounts the Library & Information Service took on the responsibility of providing the Help Desk service for the student network.

SEMC participated in the Learning Resource Systems project being sponsored by the





Department of Training and Employment. The project has the goals of:

- ?? Identifying best practice delivery of client services by Libraries/Learning Resource Centres
- ?? Recommending an appropriate model for WA TAFE
- ?? Developing an implementation strategy for information systems that would facilitate provision of this model.

The project is running in parallel with the development of the Department's Shared Services Model.

A key focal point for the project is the specification of and, tendering for, a new Library Automation System for TAFE Libraries.

The Library & Information Service continued with the development of its Web site throughout the year.

A Strategic Plan for the development of the Library & Information Service was produced to sit alongside the College's Strategic Plan. The plan sets the broad direction for the development of the Service until the end of 2003.

Professional & Career Development

The College has developed a unique model of professional development that focuses on the individual's development as underpinning the College's vision of achieving 'acknowledged leadership in the vocational education and training sector'.



Year	Participation
1998	1146
1999	1445
2000	1457
2001	1782

Table. Investment in professional development and participation rates over the past 4 years.

RECRUITMENT & SELECTION

104 staff are trained in employment selection skills. Training is a College requirement to participate as panel member for recruitment and selection.

70 staff participated in workshops on addressing employment selection criteria or interview skills and techniques.

PERFORMANCE MANAGEMENT

All staff receive a personalised copy of the Performance Management system.

2% of staff have attended information and workshops on the Performance Management system.

36% of managers and supervisors have participated in workshops and/or received coaching on the Performance Management system.

27% of the managers and supervisors attending the Improving Poor Performing People workshops.

32% of staff have participated in the team development programs.

CAREER MAPPING

80% of staff accessing career mapping have improved their career through "acting", secondment, commencing/resuming further education, internal promotion, promotion through recruitment.

SKILLS RECOGNITION

52 staff have accessed the College professional development program that encourages skills recognition for management competencies through the Frontline Management Initiative (part



of the Business Services Training Package) with 18 achieved and 34 in progress.

TRAINING & DEVELOPMENT

Of the staff directly involved in our core business of assessing and delivering Training Package competencies:

23% have attended information sessions and participated in workshops on Training Package implementation.

76% have completed the nationally accredited competencies for Assessment.

36% delivering training have completed the nationally accredited Certificate IV in BSZ40198, 27% are in progress.

78% of facilitation staff have participated in skill recognition training and 67% in rolls and VET results maintenance.

Of the frontline staff indirectly involved in our core business of assessing and delivering Training Package competencies:

22% have attended information sessions on Training Packages in VET.

COACHING / MENTORING

4% have accessed one-on-one coaching, our new initiative. This method is available for gaining, updating or refreshing competency in all professional development offered through the College. The key areas for coaching have been:

- ?? Management
- ?? Workplace assessment
- ?? Computer software

REWARD & RECOGNITION

35 staff have received formal recognition for their contribution through the College Employee of the Month Award and or the Managing Director's Award.

56 staff have received Certificates of Appreciation or Certificates of Recognition acknowledging their effort and contribution to professional development in addition to their job description.

Customer service survey results are published in the College staff newsletter.

OTHER

5% are trained equal opportunity contact and grievance officers with a further 15 people expressing interest in undertaking training.

4% are trained Occupational Health and Safety representatives with a further 12 due to commence training.

25% trained Senior First Aid Officers with 12 people ready to access upgrade training to Occupational First Aid Officers

5% are trained Drug and Alcohol Policy Officers, an innovative and on-going program to maximize safety and minimize problems that may arise.

Programs, Research & Development

The Programs, Research and Development Unit is responsible for the development and quality management of SEMC programs. The Unit is primarily responsible for all information relating to curriculum, learning resources and delivery. The Unit also provides leadership in determining future trends in the training market. This includes actively seeking research opportunities to support development of new processes.

With the endorsement of the new Australian Qualification Training Framework the Unit has been actively working at all levels to develop processes and strategies to ensure College compliance by July 2002. Working parties consisting of Principal Lecturers and teaching staff have been established to facilitate development of new strategies, policies and processes for implementation during 2002.

MAJOR ACTIVITIES IN 2001

The Programs, Research and Development Unit continued to manage corporate business through the Programs Management Committee. This Committee meets on a monthly basis to report on activities including industry and workplace services, online training delivery, industry liaison, training management, information systems delivery, technology coordination, management and retail, and short course programs and ACE.

In preparation for the introduction of the Australian Quality Training Framework (AQTF) compliance





standards for July 2002, the Unit has been involved in the revision and/or development of strategic College policies and processes. Some of these include:

- ?? The SEMC Assessment and Skills Recognition Policy
- ?? Workplace Based Training and Assessment Model
- ?? Apprentice and Trainee Training Records
- ?? Graded Assessment pilot.

Management of the Services Industries Curriculum Services Support Network (CSSN) on behalf of the Department of Training and Employment, continued in 2001. This network provides a centre for curriculum information relating to all registered training organisations throughout Western Australia in the areas of:

- ?? Hospitality and Cooking
- ?? Automotive
- ?? Caravans
- ?? Textiles, Clothing and Footwear, and
- ?? Food Processing.

The Food Processing portfolio was responsible for managing the development of Western Australian Implementation Kits for the Australian Meat Industry Training Package - Abattoirs and Food Services, Smallgoods and Retail Meat sectors and the Food Processing Industry Training Package - Retail Baking extension.

In 2001, the CSSN role was broadened to include managing the development of curriculum resources, the development of new delivery strategies such as graded assessment and coordinating input into the TAFE Handbook.

Through these CSSN-managed curriculum development opportunities, SEMC successfully completed the development of assessment tools to support delivery of the Certificate III in Clothing Production (from the Textiles, Clothing and Footwear Training Package) and minimum assessment criteria for AUR31099 Certificate III in Automotive Light Vehicle (from the Automotive Training Package).

With extensive support from the Programs, Research and Development Unit, SEMC successfully applied for funding from the Department of Industry Science and Resources to continue Pinpoint project – which will provide Diploma level training to existing employees of the Textiles, Clothing and Footwear industries.

The Programs, Research and Development Unit participated in the national Assessment Forum organised by the Department of Training. Two presentations were conducted:

- ?? Unpacking the Food Safety Learning Resource Package
- ?? Workplace-based training and assessment in the Laundries industry.

SEMC REPRESENTATION

The Programs, Research and Development Unit continued to represent SEMC on a number of committees, working parties and industry groups throughout 2001. These included:

- ?? Training Providers Working Group for the WA consultations for the National Textiles, Clothing & Footwear Training Package
- ?? Curriculum Council
- ?? Italian Australian Apprentice of the Year Committee
- ?? Workskills Coordinating Committee
- ?? Curriculum Working Implementation Group (Department of Training and Employment)
- ?? Planning Working Party (Department of Training and Employment)
- ?? Food Industry Training Council Taskforce
- ?? WA State Baking Industry Reference Group
- ?? WA State Retail Meat Industry Reference Group
- ?? WA State Smallgoods Industry Reference Group
- ?? WA State Abattoirs Industry Reference Group
- ?? WA State Wine Industry Reference Group
- ?? Graded Assessment Reference Group (Department of Training and Employment)





- ?? Graded Assessment Steering Committee (Department of Training and Employment)
- ?? Curriculum Support Services Network Reference Group (Department of Training and Employment)
- ?? Apprentice & Trainee Management System Steering Committee (Department of Training and Employment)
- ?? Apprenticeship and Traineeship Working Group.

REPORTS ON OTHER ACCOUNTABILITY ISSUES

Accountable Authority

The South East Metropolitan College of TAFE Governing Council is the accountable authority.

Legislation

The South East Metropolitan College of TAFE Governing Council operates under the Vocational Education and Training Act 1996.

Declaration of Interests

In accordance with the requirements of Treasury on disclosure of interests of senior officers:-

No senior officer has had any shareholding in the College

To the best of our knowledge no senior officer has any interest in contracts made or proposed with the College.

Freedom of Information Act 1992

The College complies with *Freedom of Information Act 1992* requirements.

One Freedom of Information Application was received in the 2001 calendar year. All documents that fell within the ambit of the claim and were not excluded by 3rd Party requests were released to the requestor.

Freedom Of Information applications may be required when obtaining personal records, when amending personal information, and when obtaining records about the South East Metropolitan College's business. General

customer enquiries received via letter; e-mail or telephone were responded to according to the College Customer Service Charter.

A College Information Statement details College functions, categories of documents held by the College and arrangements for public access to these documents including any associated fees that may arise. Advice and assistance regarding the Freedom of Information (FOI) process can be obtained from the FOI Coordinator on 9267 7170.

Statement of Compliance with Public Sector Standards - Public Sector Management Act 1994

In managing its human resources, the South East Metropolitan College of TAFE has complied with the Public Sector Standards in Human Resources Management, the WA Public Sector Code of Ethics and the Code of Conduct. The College has put in place procedures designed to ensure such compliance and has conducted internal assessments to ensure compliance. An external standards audit due to take place in 2001 has been deferred to 2002.

Applications made for breach of standards review and corresponding outcomes for the reporting period (2001) are:

?? Number of applications lodged: 2

?? Number of breaches found: 1

?? Number still under review: Nil

During the year the College continued its implementation of a Leave Management Policy focussing on reducing leave liability. Individual leave liability plans have been introduced, resulting in a reduction of the number of staff with excessive leave entitlements from 26 in 2000 to 12 in 2001.

With the introduction of the revised Public Sector Standards in Human Resources Management on 1 July 2001, the College has initiated a review of its current policies and processes relating to the nine standards. Changes to College policy and processes that reflect the emphasis of new standards have been completed.

During 2002 the College will complete an independent audit to review its compliance with





the new standards as per its obligations, detailed in the Public Sector Standards Commission Self Assessment Guidelines.

Advertising & Sponsorship

In accordance with section S175ZE of the Electoral Act 1907, the South East Metropolitan College of TAFE incurred the following marketing expenditure in 2001.

	2001 Expenditure
Advertising Agencies	
Egg Design	36,177.59
Campaign Focus	7,250.00
Total	43,427.59
Market Research Organisations	
Nil	
Polling Organisation	
Nil	
Media Advertising Agency	
Marketforce	\$158,942.91
Total	\$158,942.91
Direct Mail Services	
Nil	
Total	\$202,370.50

Action: State Government Plan for Young People 2000-2003

The College maintains a schools liaison program aimed at providing information to and feedback from young people.

The College provides assistance to the Education Department in supporting the VET in Schools initiative in the south-eastern metropolitan corridor.

Waste Paper Recycling

(Cabinet Minute 2.7 October 1991)

The College maintains an active recycling program with recycle bins placed beside every photocopier. These bins are collected fortnightly.

Evaluations

The College undertakes a number of evaluations each year in relation to the following:

- ?? Staff Satisfaction
- ?? Student Satisfaction
- ?? Customer Service Performance
- ?? Quality Assurance



Staff Satisfaction

College staff are independently surveyed each year to determine their views and satisfaction levels on a range of issues, including equity; customer service; public sector standards processes and Management Performance.

Surveys are conducted toward the end of February each year and relate to the preceding year's activities.

The most current results are outlined below for selected questions:

Question	1998	1999	2000	2000	
				Neither	Don't know
The Directorate is actively interested in the organisation's progress and achievement	57.3%	56.3%	67.8%	13.4%	11.4%
SEMC keeps me informed about changes in the workplace and work environment	-	50.6%	56.9%	17.3%	3.0%
Overall satisfaction with selection processes and practices	-	37.9%	45.2%	19.4%	8.5%
The College encourages ethical behaviour by all employees	62.1%	77.4%	80.5%	15.4%	0.5%
SEMC is a work environment free from sexual harassment	58.4%	81.2%	78.9%	17.9%	0.5%
The organisation emphasises the importance of customer focus	73.0%	84.3%	78.3%	9.4%	3.0%
I get satisfaction from the work I do	48.2%	76.2%	81.4%	7.0%	1.0%

Student Satisfaction

In addition to College participation in Statewide Student Satisfaction Surveys, the College also conducts internal student satisfaction surveys. Results are linked to the College Performance and Review framework and are made available to all staff relevant to their Business Unit operations.

Results are also available on a whole of College basis.

Question	Whole of College Satisfaction Levels	
	2000	2001
Overall I am satisfied with my course to date	88.35%	85.8%

Quality Assurance

Fifty-three (53) external (Surveillance and Certification) Audits were conducted across the College. There were no Corrective Action Requests.

Fifty (50) internal audits were conducted across the College with only five (5) Continual Improvement Requests being issued for improvements required for minor changes to processes.

Customer Service Performance Ladder

The College has implemented a best practice based Customer Service Strategy that encourages College Business and Corporate Units to achieve against a range of Customer Service Criteria. The Criteria are contained in a "Customer Service Performance Ladder" and "steps" along the ladder attract "points".

Performance is judged on Business & Corporate Units attaining a predetermined number of points, set by the College Corporate Executive. The number of Business Corporate Units attaining the requisite points across the College for 2000 and 2001 is summarised below.

	2000		2001	
Business Units	1	2%	33	71.75%
Corporate Units	1	4.75%	10	47.6%
College Total	2	2.98%	43	64.17%



REPORTS REQUIRED BY THE FINANCIAL ADMINISTRATION & AUDIT ACT & THE TREASURER'S INSTRUCTIONS

Statement of Compliance

The South East Metropolitan College of TAFE has complied with the requirements of:

- ?? Aboriginal and Torres Strait Islander Commission Act 1989
- ?? Disability Services Act 1993
- ?? Equal Opportunity Act 1984; and Amendment Acts 1992 and 1998
- ?? Financial Administration and Audit Act 1985
- ?? Freedom of Information Act 1992
- ?? Government Employees Superannuation Act 1987
- ?? Industrial Relations Act 1979
- ?? Industrial Training Act 1975
- ?? Occupational Safety and Health Act 1984
- ?? Public and Bank Holidays Act 1972
- ?? Public Sector Management Act 1994
- ?? Salaries and Allowances Act 1975
- ?? State Supply Commission Act 1991
- ?? Trade Practices Act 1974
- ?? Vocational Education and Training Act 1996
- ?? Vocational Education and Training Funding Act 1992
- ?? Workers Compensation and Rehabilitation Act 1981
- ?? Western Australian Electoral Act 1907

The following State and Federal statutes also affected the Agency's activities during 2001:-

- ?? Australian National Training Authority Act 1992
- ?? Building and Construction Industry Training Fund and Levy College Act 1990
- ?? Building and Construction Industry Training Levy Act 1990
- ?? Education Services for Overseas Students (Registration of Providers and Financial Regulation) Act 1991
- ?? Employment, Education and Training Act 1988
- ?? Immigration (Education) Act 1971 and Immigration (Education) Charge Act 1992
- ?? State Grants (Technical and Further Education Assistance) Act 1989.



REPORT ON OPERATIONS



The Centre for Animal Studies

VETERINARY NURSING

The Certificate IV in Veterinary Nursing continues to be an extremely popular qualification – almost 500 applications were received for 25 full time places.

Part time continues to be in strong demand also, to receive training as a part time student it is necessary for students to be working in a Veterinary Clinic.

Training has continued to be delivered on campus utilising the excellent live work facilities of the clinic and surgery.

This facility is invaluable for giving new students exposure to clinic procedures and practice in a controlled situation. International students also gain confidence prior to being sent out to the workplace for their work placement component.

External Veterinary Nurses who are based in regional areas came to Bentley for a two week intensive workshop during the year. They received training and assessment during the mornings and were placed in local large practices during the afternoons to expose them to other workplaces to give them some experience working with different veterinarians and nurses.

ANIMAL CARE

The major qualification delivered in this area continues to be the Certificate II in Animal Care, this training continues to be very popular. Part time studies continue to be in huge demand for this training – over 240 part time students were enrolled throughout the year – many are regionally based and complete their studies through distance/flexible learning.

The unit was well represented at a number of Expo's and other promotional events.

EQUINE CENTRE

In September 2001 the first graduates in the Certificate IV in Racing (Standardbred) - Harness Driver and Trainer level 1 took place. This

training has been introduced in conjunction with the Western Australian Trotting Association to ensure the skills of drivers and trainers within the Harness Racing industry are appropriate.

The training is being delivered on-line with weekend seminars to enable trainees from Albany, Kalgoorlie and other regional centres to receive the same training as those in the metropolitan area.

'Webtrain' is being used to deliver this training, in conjunction with the Harness Racing Training Centre, Bendigo, Victoria.

The full time Certificate II in Equine Management continues to be very popular and graduates are keenly sought after by industry.



photo: Tameeka Brown, Equine Student, on her way to work placement in Ireland.

The Centre continues to deliver Farrier training to the industry with weekend clinics being offered throughout the year.

This year a student on work placement at a leading thoroughbred stud was offered a position at Coolmore Stud in Ireland – one of the largest and most prestigious horse breeding enterprises in the world.

The work placement commences in January 2002. Another graduate from 1999 has also secured a work placement on a stud in Europe.

The use of the Internet for training and research led to student access to the Internet being made available at the Equine Centre for the first time



this year. Previously these students had to travel to Thornlie or Bentley Campuses to utilise these facilities.

Many external students regularly correspond with their lecturers via E-mail, and send much of their work via electronic medium.



Automotive Studies

Industry and Education working together.

LIGHT DUTY MECHANICAL

The Automotive Unit was once again asked to become involved with the Automotive Industry Training Advisory Board to assist with disseminating information about Training Packages.

The Committee was made up of peak Industry members to deliver seminars and information sessions at a number of locations around the metropolitan area, which also provided valuable promotional opportunities for both SEMC and the business unit.

The Mechanical area has been extremely proactive in developing and piloting "on line" capabilities using the WEB/CT platform.

Much work has been done with the help of Westone and enthusiastic staff members.

A series of VET in schools programs across a number of competencies in the new Training Package material were delivered in 2001. This included several units for Aboriginal Students at Clontarf College and another for the Task Force program with youth at risk.

AUTO BODY REPAIR & REFINISHING

During the year Autobody Repair & Refinishing purchased a program called Quote Plus to complement their current quoting technologies. This represents the very latest in "On Line" measuring and quoting systems available in the world.

This state of the art digital photography and scanning equipment will give Apprentices and Trainees an edge in Autobody Repair and Insurance Industries.

The project was yet another joint venture between SEMC and the AMCAP Distribution centre in Welshpool.

Two very successful Industry Specific programs were completed in the Paint shop with most participants being placed in employment.

This program was aimed at a mature aged audience, working towards a trade qualification. The course was so successful the Department of Training requested another be started immediately, which will run well into 2002.

As is usually the case, material suppliers have provided significant support in both the latest paint and staff development opportunities.



photo: Spray painting demonstration at the Automotive Training Solutions workshop, Carlisle.



Building, Furniture & Electrical VET IN SCHOOLS

The Building Industry Family of Trades program involved 75 students from private and government secondary schools. This program was sponsored by the Building and Construction Industry Training Fund (BCITF) and managed by a steering committee that included representatives from each of the secondary schools, BCITF and the College.

In consultation with the steering committee, the business unit refined the training course and was responsible for the delivery and coordination of the program which included reporting to schools and parents.

At the conclusion of the program, 44 students successfully completed the workplace competencies identified in the Certificate I (Construction).

The Electrical Trade business unit delivered a 36 hour module of electrical training for Aquinas College.

The portfolio has actively promoted this training Centre's VET in Schools programs at career expos and evenings across the metropolitan area.

NEW INITIATIVES WITH INDUSTRY & THE COMMUNITY

The Electronic Engineering business unit gained Cisco Academy status and has commenced delivering training for the Cisco Certified Network Associate (CCNA) qualification.

Key staff members in the portfolio have been coopted onto steering committees hosted by the Department of Training to develop new programs for pre apprentice training in furniture; painting and decorating; carpentry and joinery, bricklaying; and electrical trades.

The Electronic Engineering business unit has delivered specialised training in small computer systems for primary and secondary teachers responsible for the modification and maintenance of computers and networks within schools.

The Painting and Decorating business unit delivered a specialised training program for Wattyl Paints Australia. The training program was designed by Wattyl to provide retail staff in hardware stores with basic product information and skills in surface preparation and the application of paint.

In conjunction with Scientific Management Associates (Australia) Pty Ltd the Cabinetmaking business unit completed an extensive training program for Australian Navy trainees.

The Bricklaying business unit delivered a brickpaving skills training program for aboriginal students. This program involved building industry specific skills in residential brickpaving in addition to employment skills and providing inter-related cultural and general education.

STUDENT AWARDS /SUCCESS STORIES

- ?? Timothy Taylor (Carpentry and Joinery) won the Rotary Club of Thornlie' s Pre Apprentice of the Year Award.
- ?? Clinton Wells (Carpentry and Joinery) won the Rotary Club of Thornlie' s Apprentice of the Year Award.
- ?? Clinton Wells (Carpentry and Joinery) won the Housing Industry Association's Second Year Apprentice of the Year Award.
- ?? Edwin Bruning (Carpentry and Joinery) won the Housing Industry Association's Fourth Year Apprentice of the Year Award and was also awarded the overall Apprentice of the Year for 2001.



photo: Clinton Wells, Housing Industry Association's 2nd Year Apprentice of the Year (2001).

?? Levi Agostino (Painting and Decorating) won the Housing Industry Association's Excellence in Endeavor Award.

?? Blair Stephens (Carpentry and Joinery) will represent the state in the National Workskills competition held in Adelaide.

Business, Technology & Science

INFORMATION TECHNOLOGY

Training Package implementation was refined during 2001. Places for students in a work experience program were achieved and the section has commenced the delivery of traineeships in Information Technology.

Other achievements include:

- ?? The Netprep program has been further developed to include Microsoft and CISCO training.
- ?? Both trainees and traditional students are taking up the opportunity to gain an industry qualification in conjunction with the National qualification.
- ?? An Industry Advisory group to has been formed to gain better industry feedback
- ?? A tender to deliver IT training to the Deaf in 2002 has been won.
- ?? Training was delivered in 2001 for the Association of the Blind.
- ?? Improved client service includes a help desk to assist work experience program in schools.

Industry visits by staff continued in 2001, encompassing sites such as Telstra. These provide opportunities for staff to keep abreast of the latest developments in industry.

Engineering

At the beginning of 1999 the Engineering Business Unit was transferred from the Thornlie Campus to the Technology Centre at Carlisle Campus.

Carlisle Campus provides a more central focus for Engineering and it is located close to public transport making access easier for students in the northern corridor. The move also maximises the potential of the Technology Centre and technology capability across the College.

Year 2000 final year engineering students formed a cooperative and designed, patented and built a prototype mobile vehicle hoist targeted at the mobile automotive services industry. Interest in the hoist has encouraged the group to pursue manufacturing options to bring their prototype into full production and into the market place Australia-wide.



Fashion & Textiles

The results of various competitions and displays entered into throughout the year, justify the claim that this section is providing high-class training in a very competitive area.

Employment outcomes also indicate the success of the training in the

fashion / design / construction area.

Most competition entries were a result of designs created within class time and continued to demonstrate the high standing of our students both locally and nationally.



photo: Justine Davies, final year Diploma Student, Western Australian Vocational Student of the Year WA and National finalist 2001.

The Diploma students final event was again a Fashion Show, this year with a difference. Held at Winthrop Hall, at the University of Western Australia, all student ranges and gowns were paraded, followed by a trade show in the Undercroft. This event, a first in WA, was most successful and attended by many industry



representatives, some of whom were actively looking for graduates to employ.

Continuing the innovation, the department has developed an arrangement with the Colonnade (a major fashion mall in Subiaco) for graduates to display and sell their designs in one of the shops. The students have formed a cooperative to manage, staff and run the business.

DRY CLEANING & LAUNDRIES

This continues to be a flagship exercise in on-the-job training. All students and trainees receive all of their training in the workplace with lecturers supervising training and completing all assessment in the workplace.

Liaison continues with individual employers and industry groups to maintain the momentum this training has created.

TEXTILE TECHNOLOGY ACCESS

Additional design software has been installed during 2001 and has already been used to deliver training to industry and will be delivered to WAIFT students in 2002. With industry changes it is more necessary for students to be trained in computer-aided design. It is envisaged that as training packages are embraced more time will be spent training vocational students to maintain the high standard and employability of graduates.

DESIGN LINES FABRIC SHOP

The shop continues to be an essential part of the structure of the WAIFT by providing fabric and other associated products to students at affordable prices.

During the year the Shop is also used for Retail Training for stock-take and many other 'live work' practical classes.

In summary the strength of support from Industry in this area of training is exceptional.

Health & Community Services

The Community Services Portfolio consists of the following Business Units:

Aboriginal Programs, Adult Literacy including Workplace English Language and Literacy, Child Studies, Community Services, Finance Property and Business (including Financial Counselling).

ABORIGINAL PROGRAMS

Aboriginal Programs is involved in generic certificate of general education levels.

In semester two a successful pilot program TAFE for Aboriginal School Kids (TASK) founded by DETYA was offered to Indigenous students in years 10 or 11, who were at risk of leaving school. These students were given the opportunity to "taste" courses across TAFE, and continue in their chosen course for term 4.

The successful outcome for this course was 11 students enrolled in main stream courses for year 2002. The Aboriginal Islander Education Officer (AIEO) Certificate III and Aboriginal Islander Education Worker (AIEW) Certificate III and IV courses are continuing to develop learning resources and packages for flexible delivery, which offer students in remote locations the opportunity to become involved in this career path. Graduates from these locations include students from the Pilbara, the Kimberley, Eastern Goldfields, and the South-West Region.

The Public Sector (Police) Program continues to be very successful with students acquiring the skills to pass the Entry level Exam into the Police Academy. SEMC continues to work closely with the Academy to ensure the success of the course.

The Indigenous Coordinator for the College commenced in July. She is currently based at the Armadale TAFE Centre to improve the profile of Aboriginal students in the Armadale Region.

WOMEN'S PROGRAMS - (NEW OPPORTUNITIES FOR WOMEN [NOW]; WOMEN INTO TECHNOLOGY) [WIT].

The computing units from the NOW course were offered part-time. This option proved to be exceptionally popular.

ADULT LITERACY

The Adult Literacy unit offered a very successful Teacher's Assistant Certificate III course for Migrants. The Tender program proved very successful with all students completing the course. Literacy support was provided throughout the course. The Certificate in Spoken and Written English (CSWE) at Carlisle Campus has grown significantly with additional numbers of migrant students participating. A Hairdressing course utilising the units from the CSWE was very



successful assisting migrants who could not pass the Hairdressing Registration exam to enter the hairdressing profession due to language/literacy difficulties.

WORKPLACE ENGLISH LANGUAGE AND LITERACY PROGRAM (WELL)

The WELL Coordinator has negotiated a number of contracts with industry and Department of Education, Science and Training (DEST). Literacy, computing and communications skills training are currently being offered at workplaces including Matilda Bay Brewing Company, Marlows, Stramit Metals, a number of Aged Care homes, Coca Cola, Sealanes, Kailis Bros and DSL (Drum Services).

COMMUNITY SERVICES

The implementation of Training Packages has provided Community Services with the opportunity to integrate core modules with electives, so that students are able to complete dual certificates.

Most of the Aged Care students in Certificate III and IV on work experience are employed full time after their graduation. The commencement of Certificate III Community Services (Alcohol and other Drugs) proved very successful. Students are continuing to Certificate IV level.

CHILDREN'S STUDIES



photo: Cherie Wood, WA Aboriginal/Torres Strait Islander Student of the Year and National finalist 2001. Community Services (Child Studies)

The Child Studies Business Unit and Community Services are offering students graded assessment. This assessment is in line with Department of Training benchmarks and will continue for all programs in 2002.

Child studies student, Cherie Wood, was the State winner and National finalist in the 2001 Aboriginal/Torres Strait Islander Student of the Year Training Excellence Awards.

Finance, Business & Property

ASSET MAINTENANCE

The program in commercial cleaning has grown significantly with students in traineeships, on profile and fee for service. Training is conducted in cleaning companies throughout Western Australia, from Kununurra in the North, to Kalgoorlie in the East. The lecturers work closely with the cleaning Guild who use SEMC as the preferred training provider.



Hospitality & Food

The Bentley Hospitality Institute (BHI) portfolio

consists of Hospitality, the International Meat Training and Technology Centre and the WA Baking Academy.

Bentley Hospitality Institute's Workplace Training Services has been developed to work side by side with industry in promoting workplace training and assessments.

Workplace Training Services staff have been actively involved in the customisation and the delivery of training with private sector enterprises and local industries which include:

- ?? Eurest Australia
- ?? Kailis & France Foods Pty
- ?? Peters & Brownes Foods
- ?? Kailis Bros
- ?? Department of Justice

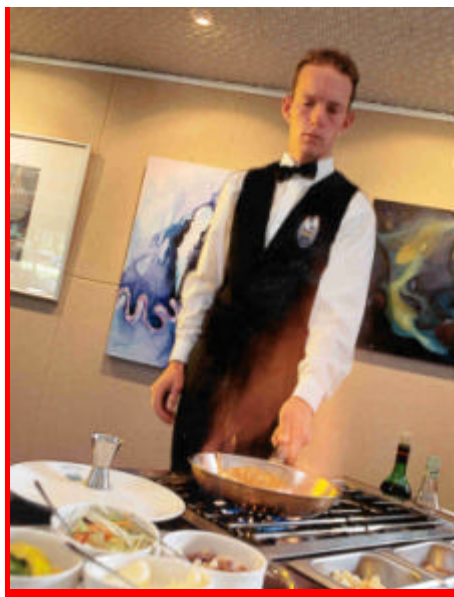


photo: The Bentley Hospitality Institute offers five star training at the Pines Restaurant.

FLEXIBLE & EXTERNAL STUDIES

As well as working with industry Workplace Training also coordinates Flexible Studies. BHI delivers the entire Diploma of Hospitality Management via Flexible Delivery/External Studies Mode.

Courses offered via Flexible Delivery Mode/External Studies are:

- ?? Certificate IV in Hospitality Food & Beverage (partially available)
- ?? Certificate II and III in Hospitality Operations and Accommodations Services (partially available)
- ?? Certificate I, II and III in Commercial Cookery (partially available)
- ?? Diploma of Hospitality Management (Full course)
- ?? Diploma of Hospitality Management (Catering Operations)



Metals, Mining & Engineering

The Metals, Mining and Engineering Portfolio has been embracing current training styles and offered training delivery through a multitude of delivery modes. These include, open learning, self pacing, structured learning, block release, and off campus study.

Resources for Mining, CAD, Sheetmetal, Welding and Fixed Plant Maintenance have been developed for student use.

The Portfolio has been active in forming alliances and partnerships in order to meet the needs of the industries. These include:

- ?? Membership of the Fluid Power Society
- ?? Membership of the Welding Technology Institute
- ?? Training Partnership with CCIWA Training Services in Apprenticeship training
- ?? Apprentices manufactured 1 tonne traybodies for TL Engineering which were sold to the public
- ?? Traineeship for mining operators
- ?? Traineeship for engineering production companies

This Portfolio has conducted significant training for clients across Western Australia to meet specific training needs of the Industry.

- ?? **University** – How to design and perform water pump maintenance
- ?? **Schools** - How to plan a complete engineering activity
- ?? **Machining** – How to program CNC machines
- ?? **Armed Services** – How to fabricate ducting
- ?? **Armed Services** – How to maintain and repair Hydraulic systems



- ?? **Armed Services** – How to maintain and repair Pneumatic systems.

The Portfolio has been actively involved in implementing training packages during 2001 which include:

- ?? Extractive Industries (mining)
- ?? Recreational Vehicles (Manufacturing and Servicing Caravans)
- ?? Frontline Management
- ?? Metals and Engineering (Maintenance and Diagnostics, Machining, Fabrication)
- ?? Metalliferous Mining (Open Cut)
- ?? Automotive (HV Road Transport and Agriculture)

This has involved continual liaison and consultation with industry.

Major initiatives for Mining include:

- ?? The provision of training in a remote minesite for indigenous people over a 12 month period. All successful students in the program have been placed into employment from a group of 63 companies in the region and the metropolitan region.
- ?? The commencement of a mining operators' traineeship
- ?? The commencement of management training for 300 front line supervisors
- ?? Quarry Manager Licensing

More than 700 industry contacts include representation on the Curriculum Support Services Network for:

- ?? Metals and Engineering
- ?? Automotive
- ?? Mining



Refrigeration & Air Conditioning

The Refrigeration and Air Conditioning Technology Centre's mission is to provide Training and Consultancy services in the areas of Air Conditioning, Refrigeration

Building and Engineering Services within Australia and South East Asia.

The Centre has domestic affiliations with: Metals Manufacturing and Services Industry Training Council; Australian Institute Refrigeration Air Conditioning & Heating; Air Conditioning and Mechanical Contractors Association; Institute of Plant Engineers; Refrigeration and Air-conditioning Industry Registration Board (Ozone Protection).

Internationally the Centre has affiliations with Western Australian TAFE International; SGS International Quality Accreditation to ISO 9001.

SEMC's Technology Centre, through the Refrigeration and Air Conditioning unit, delivers training in the operation and maintenance of mobile plant air conditioning to Argyle Diamond personnel. This training assists them to comply with strict new environmental requirements.

Staff of this unit also advised on design and construction issues associated with the drying process for the BHP Hot Briquette plant in Port Hedland. This involved additional training of BHP staff in equipment maintenance.

The Technology Centre initiated Western Australia's first commercial on-line Certificate and Diploma courses in Occupational Health and Safety, making it available to all industries throughout Australia. In a unique partnership and licensing agreement with WorkSafe WA, the Technology Centre has extended its open learning program to their on-line unit - the Safetyline Institute.

In this privileged position, the Technology Centre is able to resource and incorporate WorkSafe's extensive lecture series in its on-line program.



Work Health & Safety

SEMC's Australian Centre for Work Safety has established a training niche following its successful tender for a long-term contract with the Water Authority to conduct safety

training for senior management.

The Centre is also delivering Maritime Safety training to BHP's shipping management. Further, Work Safety was selected to provide customised swimming pool safety training to four Aboriginal communities in the Ngaanyatjaraku Shire near Warburton.

Staff in the Technology Centre have adopted an artisan-apprentice type relationship where students can be closely coached and nurtured and referred to professional help in case of personal problems. This pastoral care oriented environment was created in recognition of the many adolescent apprentices in need of assistance in life skills.



photo: SEMC Work, Health & Safety student and National Vocational Education Student of the Year 2000 Kylie Hooker at work on site at Alcoa.



Retail

During the year Industry Specific training programs were completed by the Retail Industry Training Centre (RITC) in conjunction with Good Samaritan Industries for introductory training at AQF level 1 and 2.

The Good Samaritan Industries training was delivered on the job by the

managers and assessed by a qualified workplace trainer / assessor from the RITC.

Managers of the GSI Stores were skills recognised in the Certificate II in Retail Operations and it is intended to deliver Certificate III training in 2002.

The Certificate II in Retail Operations has proved a challenge to deliver in a manner which retains interest consequently there has been some modification to the delivery of the program with rolling intakes and multiple exit points.

The RITC continues to maintain close links with industry.

The retail training is very dependent upon work experience for the TCF training and this has continued to be developed by staff.

The Certificate II of Retail Operations requires work placement to be completed before the trainee can graduate and so industry has been invaluable to those trainees. Employers such as Myer, Aherns (David Jones), K-Mart and Just Jeans are constantly assisting with training, along with many small retailers.

International Studies

International student numbers for 2001 improved over the course of the year due to the market recovery in South East Asia combined with the following:

- ?? The introduction of English Integration Courses, which introduces students to mainstream courses while studying their English course.
- ?? Flexible entry into all programs.
- ?? International Support programs.
- ?? Core support for all mainstream students.
- ?? Recreation and sight seeing programs.
- ?? The introduction of Multiple Qualifications in Business Studies, which enables students to complete more than one qualification over the course of a year.
- ?? Pastoral care services.

- ?? An accommodation and homestay database complete with photographs of the home stay family and the students' rooms.
- ?? Underage and local carer registry.
- ?? The commencement of the Cambridge First Certificate (FCE) in September. This opens the International English delivery into the European Market.
- ?? The accreditation of the Preliminary English Test (PET) course. Designed to cater for higher level ELICOS students.
- ?? Accreditation of the new Conversation English course.

In March and August of 2001, the International Centre hosted two very successful study tours from Japan. The groups consisted of students from the Kagawa Women's Nutritional College and the Kobe Shoin Women's University.

These two universities have a continuous relationship with SEMC and both make it a commitment to organise for students to visit annually to study English, participate in hospitality courses, and attend cultural events and sightseeing tours. Study tours give SEMC excellent international exposure with many students returning to study the following year.

ENGLISH LANGUAGE CENTRE

In 1999, the English Language Centre developed three new English language courses to target the English Language and Intensive Courses for Overseas Students (ELICOS) market. In 2001, these courses were used to begin the integration of English language students into mainstream courses. This concept enables students to study modules in their chosen mainstream course while still studying English. SEMC is the only college delivering such programs.

The Centre further developed two Cambridge courses to cater for the higher level student and to attract the European students who wish to study abroad. These courses are delivered at specific times of the year and only run for twelve (12) weeks.

The English Language Centre is equipped with computers offering students access to Internet and E-mail facilities. In conjunction with the English teachers, there is an excellent activities

program giving international students the opportunity to travel and see Western Australia while studying. The English language program runs over four days leaving Friday for such activities.

During 2001, the International Centre in conjunction with the Marketing unit has produced an International Studies brochure and CDROM designed to give an overview of the College and the services that the International Centre delivers.

To further assist in marketing the International Centre brochure has been translated into six languages enabling SEMC to expand into new markets offshore.

The production of a CD-ROM focusing on the location of the college, student testimonials, graduations and student activities has given agents further insight into the College.

Adult Community Education

Adult education has continued to be a very important aspect of the College's commitment to the local community. There has been additional growth in short courses delivered by the Adult Community Education (ACE) sector of SEMC in 2000.



photo: Mr Terry, recently widowed, learning new skills at age 80 in SEMC's *Cooking for Bachelors and Bachelorettes* class.

The year has also seen the centralisation of the enrolment process – "A new way of doing business", in the form of a call centre operation, to handle all enrolments for adult education courses. The establishment of the call centre has improved the sharing of information and resources so that SEMC can better compete for its market share and grow its customer base.

ARMADALE TAFE CENTRE

The Armadale TAFE Centre forms part of a growing number of government agencies that have set up premises in the outer metropolitan area.

Courses delivered are mainly Access and Equity courses, including New Opportunities for Women, and Certificate of General Education, catering for those wishing to complete the equivalent of Year 10 studies. This will then allow them to enter other TAFE courses.



photo: Adult Community Education classes bring people together in the South East community and often encourage entry to formal study.

The Certificate of Business (Office Administration) has been particularly successful catering for persons in the region.

The Centre also delivered two Tendered Courses in Certificate of Business (Computerised Accounting) during the past year. Certificate III of Tourism still attracts students who wish to contribute and be part of the growing tourism industry in Australia.

Industry contacts with the local community has been maintained through quarterly meetings, which is represented mainly by government agencies in the region.

**AUDITOR GENERAL**

To the Parliament of Western Australia

**SOUTH EAST METROPOLITAN COLLEGE OF TAFE
PERFORMANCE INDICATORS FOR THE YEAR ENDED DECEMBER 31, 2001**

Scope

I have audited the key effectiveness and efficiency performance indicators of the South East Metropolitan College of TAFE for the year ended December 31, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Governing Council is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the College's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the South East Metropolitan College of TAFE are relevant and appropriate for assisting users to assess the College's performance and fairly represent the indicated performance for the year ended December 31, 2001.

D D R PEARSON
AUDITOR GENERAL
May 14, 2002



KEY PERFORMANCE INDICATORS

I hereby certify that the following key performance indicators are based on proper records and fairly represent the performance of the South East Metropolitan College of TAFE for the year ended 31 December 2001.

Geof Gale

Managing Director

Kerry Hardwick

Chairperson

9 May 2002

AGENCY MISSION STATEMENT

We will be a dynamic leader and facilitator in developing productivity in workplaces and lifeskills for our clients.

DESIRED OUTCOME

The provision of competitive, relevant and cost effective vocational education and training to maximise training and employment opportunities for the South East Metropolitan region primarily, and other industry and client groups.

DESCRIPTION

This outcome is based on section 37 of the Vocational Education and Training Act 1996, which outlines College functions as follows:

- ?? public training provision through the State Training Profile
- ?? provision of fee-for-service training to employers and industry groups
- ?? provision of services to students
- ?? to promote equality of opportunity in undertaking vocational education and training
- ?? contribution to the development of the community through adult community education programs.
- ?? to collaborate with other colleges and educational institutions to promote effectiveness and economy of expenditure and improved relationships.



PERFORMANCE INDICATORS & MEASURES

Effectiveness Indicators

The extent to which clients are satisfied with the delivery of training received from the South East Metropolitan College of TAFE (SEMC).

This indicator relates to the identification and measurement of client views on the quality and relevance of vocational education and training services.

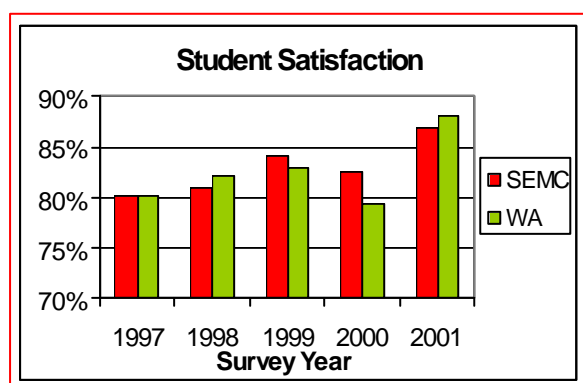
It is based on a statewide Student Satisfaction Survey commissioned annually by the Western Australian Department of Training and Employment. The Census is conducted and reported upon by an independent agency contracted by the Department.

Of the 6,231 SEMC students who were sent questionnaires, 1,249 responded.

The percentage of enrolled students who were either satisfied or very satisfied with their course.

Survey Year	SEMC	WA
1997	80%	80%
1998	81%	82%
1999	84%	83%
2000	82.6%	79.3%
2001	88%	87%

Note: The figures for 2000 do not include Apprentices and Trainees.



The extent to which SEMC's training programs are relevant to meeting clients' employment and further study aspirations.

The indicator relates to the employment components of the desired outcome. It is based on the findings generated via the TAFE Graduate Destination Surveys commissioned by the National Centre for Vocational Education Research (NCVER). Nationally, the survey involved sending a questionnaire to all students who successfully completed a Certificate, Advanced Certificate, Associate Diploma, Diploma or Advanced Diploma at a publicly funded TAFE institution in the previous year.

Of the 2,151 SEMC graduates sent questionnaires, a total of 931 responded, resulting in an institution response rate of 43%.

The 2001 TAFE Graduate Destination Survey report indicates that the employment outcomes for SEMC graduates compares favourably with that for Western Australia.

See table next page.

Employment Outcomes	SEMC 1997	SEMC 1998	SEMC 1999	SEMC 2000	SEMC 2001	WA 2001	AUST 2001
Graduates who were employed.	76%	85%	82%	76%	71%	68%	73%
Graduates who were unemployed.	11%	8%	9%	10%	12%	13%	12%
Graduates unemployed prior to course commencement who found work by 25 May 2001.	60%	75%	64%	65%	57%	47%	45%
Graduates who gave their main reason for doing the course was "to get a job or own business", that were employed at 25 May 2001.	74%	82%	75%	73%	70%	68%	62%
School leavers (graduates starting course within 12mths of leaving school) were employed at 25 May 2001.	80%	92%	89%	82%	85%	78%	79%
Graduates who achieved or partly achieved their main reason for study.	84%	86%	86%	82%	79%	76%	79%

Source: Student Outcomes Survey 2001 Institute Report Page 3 (NCVER).

Achievement of College Profile

The Student Curriculum Hour (SCH) data is a measure that indicates the extent to which the College is meeting the strategic training needs of its clients as contracted in the Delivery and Performance Agreement with the Western Australian Department of Training and Employment.

The attached (Appendix A) shows a comparison between the 2000 and 2001 SCH for the two distinct groupings ie. New Apprenticeships and Institutional.

Non Profile Delivery

The importance of non-profile delivery is to minimise reliance on Government funding. This indicator relates to the "competitive" and "cost effective" part of the outcome.

Non Profile Training includes Industry Specific Tenders, Fee for Service, Adult Community Education, International Students and any other programs not funded through the Delivery and Performance Agreement.

Achieved Non Profile SCH % of Total Delivery		
1997	707,206	20.1%
1998	673,517	19.9%
1999	774,969	22.0%
2000	765,250	22.1%
2001	779,912	21.4%

Efficiency Indicators

Average Cost Per Student Curriculum Hour For All Actual College Training Delivery.

This indicator relates to the cost effectiveness component of the College's outcomes.

The South East Metropolitan College is primarily funded through a Delivery and Performance

Agreement, which is negotiated between the WA Department of Training and Employment and the College. The agreement relates to the delivery of training services associated with the State Training Profile for an annual period from January to December.

Within the agreement a dollar rate per Student Curriculum Hour (SCH) is determined, and it is that rate which is the funding basis for the College. It is also the indicator on which value for the taxpayer dollar can be determined. The Colleges actual delivery costs are met from the government funded component plus sources such as tuition fees; material fees; service fees and live work.

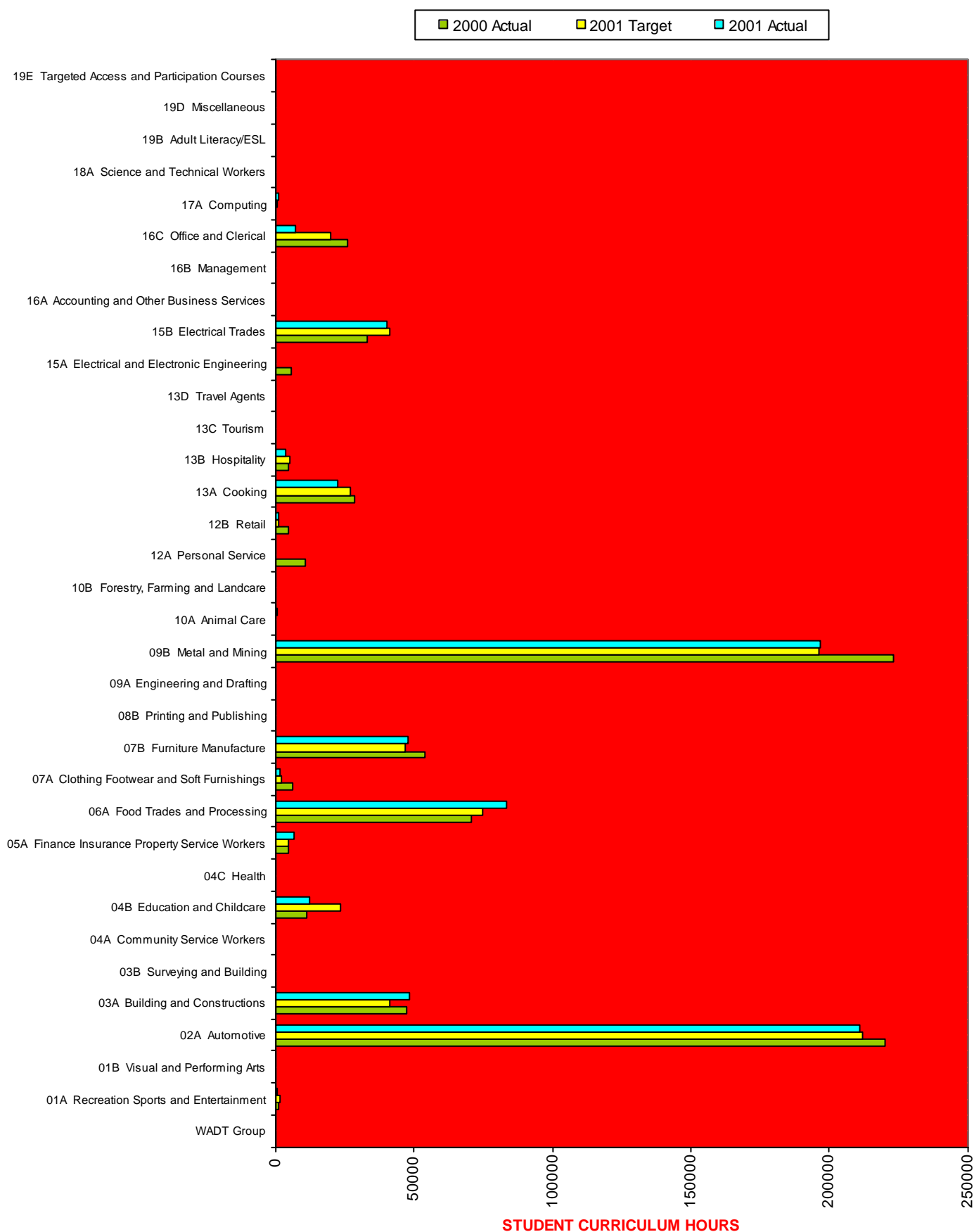
In addition the College delivers Non Profile training (refer indicator 1.4) which in turn is included in the overall cost of training delivery for the College.

This indicator is derived by dividing the total expenditure from the financial statements by total SCH (profile and non-profile).

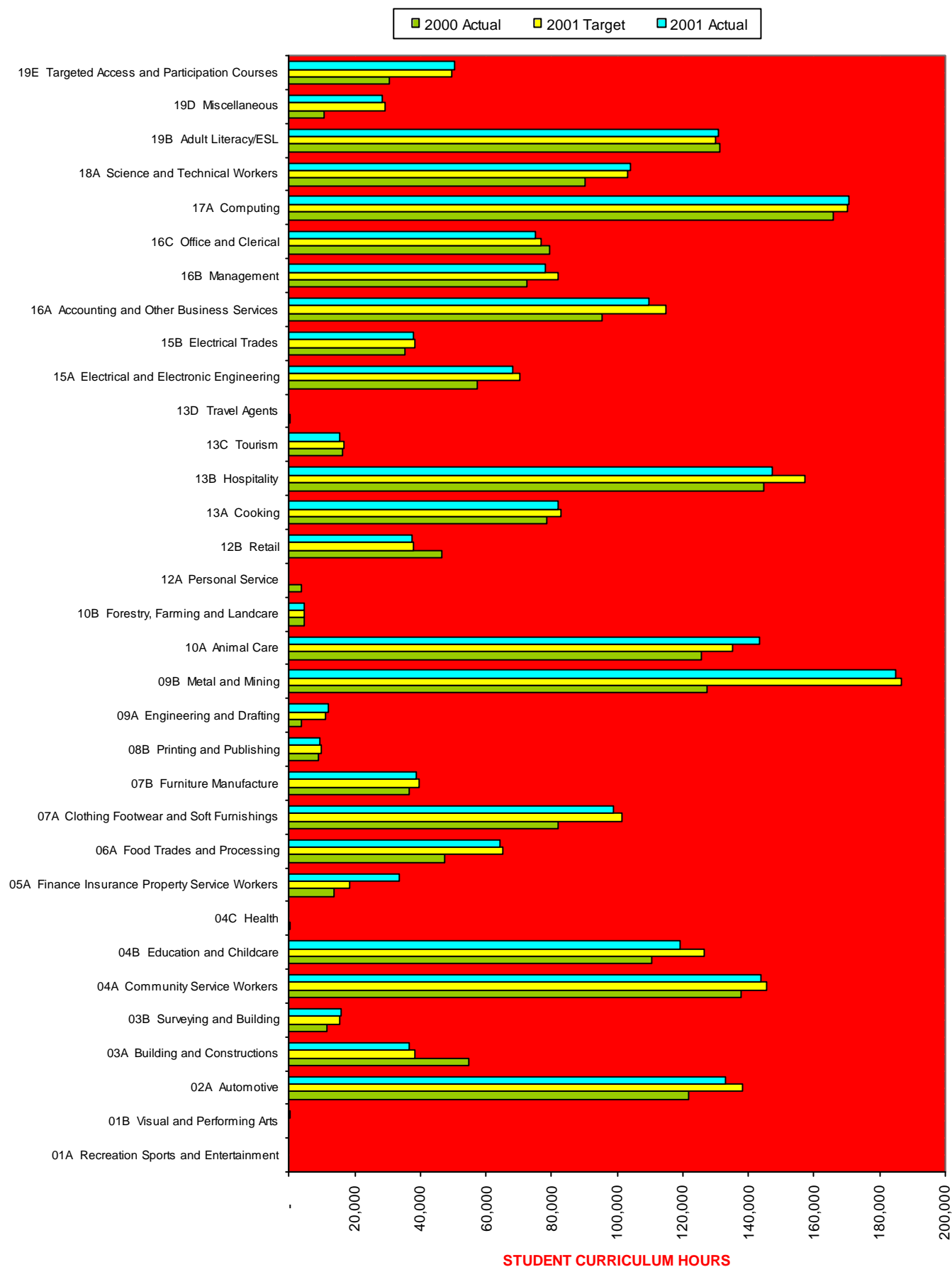
Overall cost per SCH of all College Delivery	
1997	\$10.30
1998	\$11.70
1999	\$11.50
2000	\$11.82
2001	\$11.94*

For the first time in 2001, a Capital User Charge has been included in the College's operating costs. This results in the overall cost per SCH of all College Delivery for the year 2001 increasing to \$12.46. In the interests of enabling comparison to previous years, therefore, the figure shown for 2001 above is less the Capital User Charge.

NEW APPRENTICE Achieved SCH against profile by WADT groups for 2000/2001



INSTITUTIONAL Achieved SCH against profile by WADT groups for 2000/2001





FINANCIAL STATEMENTS 2001

South East Metropolitan College of TAFE

Financial statements and notes there to
for the year ended 31 December 2001





AUDITOR GENERAL

To the Parliament of Western Australia

SOUTH EAST METROPOLITAN COLLEGE OF TAFE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2001

Scope

I have audited the accounts and financial statements of the South East Metropolitan College of TAFE for the year ended December 31, 2001 under the provisions of the Financial Administration and Audit Act 1985.

The Governing Council is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Governing Council.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the College to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the College's financial position, the results of its operations and its cash flows.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion,

- (i) the controls exercised by the South East Metropolitan College of TAFE provide reasonable assurance that the receipt, expenditure and investment of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards, other mandatory professional reporting requirements and the Treasurer's Instructions, the financial position of the College at December 31, 2001 and the results of its operations and its cash flows for the year then ended.

D D R PEARSON
AUDITOR GENERAL
May 14, 2002

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2001

The accompanying financial statements of the South East Metropolitan College of TAFE have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the year ending 31 December 2001 and the financial position as at 31 December 2001.

At the date of signing we are not aware of any circumstances which would render any particulars included in the Financial Statements misleading or inaccurate.

Chairperson of Governing Council

9/05/02

Dated

Managing Director

9/05/02

Dated

Principal Accounting Officer

9/05/02

Dated



SOUTH EAST METROPOLITAN COLLEGE OF TAFE
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED 31 DECEMBER 2001

		2001	2000
	Note	\$	\$
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	2	29,889,254	27,600,955
Charges to provisions	3	51,381	160,835
Supplies and services	4	11,215,606	11,326,518
Grants and subsidies	5	58,431	47,451
Payments to Non-TAFE providers for VET delivery	6	27,836	20,987
Depreciation expense	7	2,120,591	1,688,904
Capital User Charge expense		1,912,079	-
Other expenses from ordinary activities	9	59,754	318,434
Total cost of services		45,334,932	41,164,084
Revenues from ordinary activities			
Fee for service	10	5,365,987	6,110,473
Student fees and charges	11	3,732,693	3,534,462
Ancillary trading	12	995,221	1,279,669
Interest revenue		420,075	578,980
Commonwealth grants and contributions	13	-	1,912
Net profit on disposal of non-current assets	8	10,430	6,989
Trading profit	14	119,831	276,571
Other revenue from ordinary activities	15	515,213	726,820
Total revenues from ordinary activities		11,159,450	12,515,876
Net Cost of Services	31	(34,175,482)	(28,648,208)
REVENUES FROM GOVERNMENT			
State funds	16	27,052,820	24,531,593
Resources received free of charge	17	1,364,246	820,382
Liabilities assumed by the Treasurer	18	1,028,525	1,907,000
Total revenues from Government		29,445,591	27,258,975
CHANGE IN NET ASSETS		(4,729,891)	(1,389,233)
Net increase in reserves	29	18,326,281	7,722,120
Total revenues, expenses and valuation adjustments recognised directly in equity		18,326,281	7,722,120
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		13,596,390	6,332,887

The Statement of Financial Performance should be read in conjunction with the accompanying notes.

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2001

	Note	2001	2000
		\$	\$
CURRENT ASSETS			
Cash assets	19	4,507,581	5,823,176
Restricted cash assets	20	767,777	1,991,454
Receivables	21	1,641,272	788,140
Inventories	22	214,252	283,100
Other assets	23	665,731	343,280
Total Current Assets		7,796,613	9,229,150
NON-CURRENT ASSETS			
Property, Plant and Equipment	24	59,826,778	43,060,803
Total Non-Current Assets		59,826,778	43,060,803
TOTAL ASSETS		67,623,391	52,289,953
CURRENT LIABILITIES			
Payables	25	548,380	381,695
Provisions	26	3,757,534	3,093,979
Other liabilities	27	3,526,708	3,106,356
Total Current Liabilities		7,832,622	6,582,030
NON-CURRENT LIABILITIES			
Provisions	26	3,502,805	3,016,349
Total Non-Current Liabilities		3,502,805	3,016,349
TOTAL LIABILITIES		11,335,427	9,598,379
NET ASSETS		56,287,964	42,691,574
EQUITY			
Reserves	29	26,048,401	7,722,120
Accumulated surplus	28	30,239,563	34,969,454
TOTAL EQUITY		56,287,964	42,691,574

The Statement of Financial Position should be read in conjunction with the accompanying notes.

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2001

	Note	2001	2000
		\$	\$
		Inflows (Outflows)	Inflows (Outflow)
Cash Flows From/(To) Government			
Recurrent State Funding - Department of Training		24,431,822	24,345,562
Capital State Funding - Department of Training		287,947	114,446
NET CASH PROVIDED BY GOVERNMENT		24,719,769	24,460,008
Utilised as follows:			
Cash Flows From Operating Activities			
Payments			
Employee expenses		(27,855,671)	(25,050,163)
Supplies and Services		(9,305,694)	(10,214,044)
Grants and Subsidies		(58,431)	(47,451)
Payments to Non-TAFE Providers for VET Delivery		(27,836)	(20,987)
Capital User Charge		(788,440)	-
Other Payments		(54,808)	(524,830)
GST Payments to all Suppliers		(915,044)	(490,139)
Receipts			
Fee For Service		5,273,620	6,183,412
Student Fees and Charges		3,803,669	3,536,930
Ancillary Trading		1,347,351	964,949
Interest revenue		427,478	552,564
Other Receipts		654,360	913,948
GST Receipts from all Customers		384,192	183,312
GST Receipts from ATO		555,868	226,825
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES ³¹		(26,559,387)	(23,785,674)
Cash Flows From Investing Activities			
Payments for purchase of Property, Plant and Equipment		(852,191)	(985,290)
Proceeds from the sale of Property, Plant and Equipment		147,591	120,562
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES		(704,600)	(864,728)
NET INCREASE (DECREASE) IN CASH HELD		(2,544,218)	(190,394)
Cash at the Beginning of the Financial Year		7,777,947	7,968,341
CASH AT THE END OF THE FINANCIAL YEAR ³²		5,233,729	7,777,947

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

**SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2001**

1 Significant accounting policies

(a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect, are disclosed in individual notes to these financial statements.

The statements have been prepared on the accrual basis of accounting using the historical cost convention, with the exception of certain non-current assets which have been stated at valuation as provided by the Valuer General's Office for Land and buildings by an independent valuer for other plant and equipment (see note 24). Additions to non current physical assets since valuation are stated at cost.

(b) Valuation of Non Current Assets

Non current assets have been brought to account at historical cost with the exception that certain assets have been brought to account as follows:

Land and Buildings

Land is reported on the 'current existing use' valuation basis for primarily all Crown Land and 'market valuation' basis for freehold title land. Buildings are reported at 'estimated depreciated replacement cost', based on building area and market valuation.

The College has a policy of valuing land and buildings at fair value. The annual revaluations of the College's land and buildings undertaken by the Valuer General's Office for the Government Property register are recognised in the financial statements. The transitional provisions in AAS 38 (10.9) (b) have been applied to land and buildings.

Plant and Equipment, Motor Vehicles, Computer Equipment and Software

These have been included as fixed assets if the purchase value is greater than \$1,000 and the economic life is expected to be two years or more. The deprival method has been used for those groups of assets that have been revalued.

Valuations are made at least every 3 years. Increments have been taken to the asset revaluation reserve. Decrements are offset against previous increments (if any) relating to the same class of assets and the balance (if any) is charged against net cost of services.

(c) Depreciation of Non Current Assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential.

Depreciation is provided for on the straight line basis, using rates which are reviewed periodically. Useful lives for each class of depreciable assets are:

Buildings	20 to 40 years
Motor Vehicles, Caravans and Trailers	5 to 8 years
Plant, Furniture, General Equipment	4 to 20 years
Computing, Communications & Software	3 to 8 years

(d) Inventories

Inventories are valued at the lower of cost and the net realisable value.

(e) Employee Entitlements

**SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2001**

Annual Leave

This entitlement is recognised at current remuneration rates and is measured at the amount unpaid at the reporting date in respect to employees' service up to that date.

Long Service Leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting period. Consideration is given, when assessing expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using interest rates to obtain the estimated future cash outflows.

This method of measurement of the liability is consistent with the requirements of Australian Accounting Standard AAS 30 "Accounting for Employee Entitlements".

Superannuation

Staff may contribute to either the Superannuation and Family Benefits Act Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992.

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Superannuation and Family Benefits Act Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme.
- (ii) notional employer contributions which would have been paid to the Gold State Superannuation Scheme and West State Superannuation Scheme if the College had made concurrent employer contributions to those Schemes.
- (iii) employer contributions which have been paid to the Gold State Superannuation Scheme and West State Superannuation Scheme.

The superannuation expense and liability amount is advised by the Government Employee Superannuation Board to the College for each year ending 31 December.

(f) Leases

The College has entered into a number of operating lease arrangement for property, plant and equipment, where the lessor effectively retains all of the risks and benefits incidental to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(g) Revenue Recognition

The funds received from the Department of Training in respect of the delivery of services forming part of the Delivery Performance Agreement, capital grants and other monies have been disclosed as 'Revenues from Government'. Revenue is recognised in the period in which the College gains recognition for the delivery under the Delivery Performance Agreement.

The majority of operating revenue of the College represents revenue earned from student fees and charges, fee for service, ancillary services, trading activities and Commonwealth grants and subsidies, as well as revenue received from the Department of Training as a result of training successfully tendered for under competitive tendering arrangements.

Revenue from the sale of goods and disposal of other assets, and the rendering of services is recognised when the College has passed control of the goods or other assets, or delivery of the service to the customer.

(h) Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the College

**SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDING 31 DECEMBER 2001**

obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

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

- (f) **Resources Received Free of Charge or For Nominal Value**
Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses, as appropriate at fair value.

(j) **Receivables**

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of accounts receivable is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubts as to collection exists and in any event where the debt is more than 90 days overdue.

(k) **Payables**

Payables, including accruals not yet billed, are recognised when the College becomes obliged to make future payments as a result of a purchase of assets or services. Payables are generally settled within 30 days.

(l) **Accrued Salaries**

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The College considers the carrying amount approximates net fair value.

- (m) **Resources Received Free of Charge or For Nominal value**
Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate, at fair value.

(n) **Comparative Figures**

Comparative figures are, where appropriate, reclassified so as to be comparable with the figures in the current financial year.

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 \$	2000 \$
2 Employee expenses		
Wages and Salaries	24,255,161	22,970,777
Superannuation (a)	2,792,721	1,805,000
Annual Leave Expense	617,117	-
Long Service Leave Expense	448,772	1,036,855
Other Related Expenses	1,775,483	1,788,323
	<u>29,889,254</u>	<u>27,600,955</u>
 (a) Superannuation		
Notional	1,735,310	1,805,000
Represents the notional amount of superannuation expense payable to the Government Employees Superannuation Board for the Gold State & West State Schemes during the period January 01 to June 01. This amount being the employer's portion of the liability charge is assumed by the Treasurer. Refer note 18.		
In addition, included in this value is an amount for the colleges portion of the pension scheme which had not been assumed by the Treasurer, \$706,785.		
Actual	1,057,411	-
Since 1 July 2001, the superannuation contributions for West State and Gold State schemes are met by the Department of Training on behalf of the College. The revenue is recognised under State Funds. (Refer to Note 16).		
	<u>2,792,721</u>	<u>1,805,000</u>
 3 Charges to provisions		
Bad and Doubtful Debts Expense	51,381	160,835
	<u>51,381</u>	<u>160,835</u>
 4 Supplies and services		
Communications	552,654	620,399
Energy Costs	807,294	829,524
Contracted Services (excludes contract staff)	3,802,611	3,505,792
Consumables - General Supplies	2,265,390	2,222,137
Consumables - Minor Equipment Purchases	487,905	456,523
Consumables - Minor Capital Works	664,518	1,027,602
Repairs and Maintenance	736,687	833,261
Travel and Transport	213,681	257,345
Rent and Operating Lease Charges	1,180,696	1,103,478
Advertising	215,315	257,526
Legal expenses	28,411	24,855
Insurance	150,840	83,082
Other	109,604	104,994
	<u>11,215,606</u>	<u>11,326,518</u>
 5 Grants and subsidies		
Adult and Community Education Organisations	32,664	14,065
Other	25,767	33,386
	<u>58,431</u>	<u>47,451</u>
 6 Payments to Non-TAFE providers for VET delivery		
Private Enterprise, Community, Industry and Local Government	27,836	20,987
	<u>27,836</u>	<u>20,987</u>
 7 Depreciation expense		
Buildings	1,186,390	767,288
Motor Vehicles, Caravan & Trailers	106,619	86,401
Plant, Furniture & General Equipment	481,762	404,167
Computer Equipment, Communication Network & Software	345,820	431,048
	<u>2,120,591</u>	<u>1,688,904</u>

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	\$	\$
8 Net profit (loss) on disposal of non-current assets		
Motor Vehicles, Caravan & Trailers	20,578	16,620
Plant, Furniture & General Equipment	(11,003)	4,026
Computer Equipment, Communication Network & Software	855	(13,657)
	<u>10,430</u>	<u>6,989</u>
Comprised:		
Gross Proceeds on Sale of Property, Plant and Equipment	147,591	120,562
Less: Written Down Value	<u>137,161</u>	<u>113,573</u>
Net Profit / (Loss) on Disposal of Non Current Assets	<u>10,430</u>	<u>6,989</u>
9 Other expenses from ordinary activities		
Refunds of Revenue (prior financial year)	37,751	43,874
Donations & Gifts / Student Prizes & Awards	506	7,565
Write-offs and Losses (refer to note 37)	245	326
Miscellaneous	<u>21,252</u>	<u>266,669</u>
	<u>59,754</u>	<u>318,434</u>
10 Fee for service		
Fee For Service -General	1,730,717	1,828,091
Fee For Service -Department of Training (DoT)	1,181,684	1,811,573
Fee For Service -Government (other than DoT)	101,914	247,624
Adult Community Education Fees	719,786	758,192
International Division Fees	1,631,880	1,464,578
Fee For Service - Other	6	415
	<u>5,365,987</u>	<u>6,110,473</u>
11 Student fees and charges		
Tuition Fees	2,072,166	2,001,771
Service / Enrolment Fees	373,521	380,142
Resource Fees	1,028,983	931,979
Other Fees and Charges	<u>258,023</u>	<u>220,570</u>
	<u>3,732,693</u>	<u>3,534,462</u>
12 Ancillary trading		
Live Works (not a trading activity)	553,909	529,923
Other Selling Revenue	<u>441,312</u>	<u>749,746</u>
	<u>995,221</u>	<u>1,279,669</u>
13 Commonwealth grants and contributions		
Recurrent	-	1,912
	<u>-</u>	<u>1,912</u>
14 Trading Profit/(Loss)		
(a) Bookshop:		
Sales	<u>656,875</u>	<u>745,766</u>
Less: Cost of Sales:		
Opening Inventory	283,100	284,750
Purchases	<u>468,196</u>	<u>467,545</u>
	751,296	752,295
Less: Closing Inventory	<u>214,252</u>	<u>283,100</u>
Cost of Goods Sold	<u>537,044</u>	<u>469,195</u>
Trading Profit/(Loss) - Bookshop	<u>119,831</u>	<u>276,571</u>
Trading activities of the College is determined by sales revenue less direct cost of goods sold.		
15 Other revenue from ordinary activities		
Curriculum Development	201,978	282,690
Donations	35,266	284,297
Recoveries, Refunds and Recoups	17,422	-
Local Government Grants and Contributions	7,850	9,226
Miscellaneous Revenue	<u>252,697</u>	<u>150,607</u>
	<u>515,213</u>	<u>726,820</u>

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 \$	2000 \$
16 State funds		
Recurrent Funding - DoT (Delivery and Performance Agreement)	23,130,869	22,347,768
Recurrent Funding - DoT (Other receipts)	664,514	1,193,915
Funding for CUC	1,912,079	-
Funding for Superannuation	1,057,411	-
Total Recurrent Funding - DoT	26,764,873	23,541,683
Capital Funding - DoT	287,947	989,910
	<u>27,052,820</u>	<u>24,531,593</u>
Capital user charge is recognised as a revenue and expense of the College, however, the levy is paid to the Department of Treasury and Finance by the Department of Training on behalf of the College. The Capital user charge was introduced on 1 July 2001.		
17 Resources received free of charge		
Department of Training		
- Property, Plant and Equipment	254,503	-
- Corporate Systems Support (personnel/payroll, accounting, asset management, ... communications network, college management information systems)	759,671	469,520
- Marketing and Publications	111,429	90,629
- Human Resources / Industrial Relations Support	21,534	23,280
- Other	190,109	209,953
	<u>1,337,246</u>	<u>793,382</u>
Office of the Auditor General - External Audit Services	27,000	27,000
Total Resources Received Free of Charge	<u>1,364,246</u>	<u>820,382</u>
18 Liabilities assumed by the Treasurer		
Superannuation (refer also Note 2)	1,028,525	1,907,000
	<u>1,028,525</u>	<u>1,907,000</u>
19 Cash assets		
Cash on Hand and Other Amounts in Suspense	17,687	5,923
Bank Accounts	279,271	1,077,053
Cash Advance	228,400	182,602
College Short Term Deposits	3,982,223	4,557,598
	<u>4,507,581</u>	<u>5,823,176</u>
20 Restricted cash assets		
VET Trust Fund (a)	563,755	676,474
DPA Funds - Funds Due to DoT	200,196	1,284,744
Other	3,826	30,236
	<u>767,777</u>	<u>1,991,454</u>
Represents cash resources the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements.		
(a) The VET Trust Fund was established under s49 of the Vocational Education and Training Act 1996 which includes cash restricted for the purposes of:		
College Training Profile activities as specified under section 48(a) of the Act		
Capital projects		
Commonwealth Specific Purpose Programs		
21 Receivables		
Current:		
Current Receivables includes trade debtors, student debtors and over-paid salaries.		
Accounts Receivable for goods and services supplied	762,775	1,187,509
Less: Provision for Doubtful Debts	341,881	478,062
Net Accounts Receivable	420,894	709,447
Other Current Receivables	1,220,378	78,693
	<u>1,641,272</u>	<u>788,140</u>
22 Inventories		
Trading Inventory:		
Book Shop	214,252	283,100
Total Inventory	<u>214,252</u>	<u>283,100</u>

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	\$	\$
23 Other assets		
Current:		
Prepayments	351,541	149,951
Accrued Income	314,190	193,329
	<u>665,731</u>	<u>343,280</u>
24 Property, plant and equipment		
Land		
At Valuation (a)	10,080,000	8,959,000
Total Land	<u>10,080,000</u>	<u>8,959,000</u>
Buildings		
At Valuation (a)	47,262,202	30,488,802
Less: Accumulated Depreciation	1,928,404	1,173,895
Written Down Value	<u>45,333,798</u>	<u>29,314,907</u>
Total Land and Buildings	<u>55,413,798</u>	<u>38,273,907</u>
Motor Vehicles, Caravan & Trailers		
At Valuation	875,488	813,965
Less: Accumulated Depreciation	181,976	136,397
Written Down Value	<u>693,512</u>	<u>677,568</u>
Total Motor Vehicles, Caravan & Trailers	<u>693,512</u>	<u>677,568</u>
Plant, Furniture & General Equipment		
At Valuation	3,895,705	3,685,415
Less: Accumulated Depreciation	635,859	156,402
Written Down Value	<u>3,259,846</u>	<u>3,529,013</u>
Total Plant, Furniture & General Equipment	<u>3,259,846</u>	<u>3,529,013</u>
Computer Equipment, Communication Network and Software		
At Valuation	941,767	722,367
Less: Accumulated Depreciation	482,145	142,052
Written Down Value	<u>459,622</u>	<u>580,315</u>
Total Computer Equipment, Communication Network and Software	<u>459,622</u>	<u>580,315</u>
Total Written Down Value of Property, Plant, and Equipment	<u>59,826,778</u>	<u>43,060,803</u>

- (a) The valuation of land and buildings was performed in the following years in accordance with an independent valuation by the Valuer General's Office. Only those items with a valuation integrity code 3 have been adjusted between valuations. The year therefore represents the last time an integrity code 3, or higher, was performed for individual assets held.

Land	\$
1998	376,000
1999	1,804,000
2000	<u>7,900,000</u>
	10,080,000
Buildings	
1999	4,738,500
2000	<u>42,330,300</u>
	47,068,800
Transportables at cost	<u>193,402</u>
	47,262,202

- (b) The valuation of plant and equipment was performed on the basis of deprival value by an independent valuer (Edward Rushton Australia Pty Ltd) and the amounts taken up as at 1st September 2000.
- (c) Details of amounts written off in the 12 months ending 31 December 2001 in accordance with section 45 of the Financial Administration and Audit Act 1985 and associated Financial Administration Regulation 10 are disclosed in note 37 to these financial statements.

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

2001							2000
\$							\$
Reconciliations							
Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year are set out below.							
2001	Carrying amount at start of year \$000	Additions \$000	Disposals \$000	Depreciation \$000	Revaluation Increments \$000	Write-off of assets \$000	Carrying amount at end of year \$000
Land	8,959,000	-	-	-	1,121,000	-	10,080,000
Buildings	29,314,907	-	-	(1,186,390)	17,205,281	-	45,333,798
Motor vehicles, Caravan	677,568	249,804	(127,240)	(106,619)	-	-	693,513
Plant, Furniture & general	3,529,013	221,793	(9,198)	(481,762)	-	-	3,259,846
Computer equipment, communication network	580,315	225,849	(723)	(345,820)	-	-	459,621
Total	43,060,803	697,446	(137,161)	(2,120,591)	18,326,281	-	59,826,778

25 Payables

Current:

Supplies and Services

548,380

381,695

548,380

381,695

Trade liabilities are settled within the following month or, where required by supplies on shorter terms.

26 Provisions

a) Current:

Liability for Annual Leave

1,861,329

1,329,524

Liability for Long Service Leave

1,896,205

1,764,455

Total Current Employee Entitlements

3,757,534

3,093,979

b) Non-Current:

Liability for Long Service Leave

2,026,618

2,267,852

Liability for Superannuation**

1,409,383

702,598

Other

66,804

45,899

Total Non-Current Employee Entitlements

3,502,805

3,016,349

Notes

**The superannuation liability has been established from data supplied by the Government Employees Superannuation Board.

The college considers the carrying amount of employee entitlements approximates the net fair value.

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	\$	\$
27 Other liabilities		
Current:		
Accrued Expenses for Supplies and Services	1,698,933	173,701
Income Received in Advance (a)	283,876	172,606
Grants and Advances (b)	567,581	706,710
Accrued Salaries & Wages	734,493	731,977
Other (c)	241,825	1,321,362
Total Current Other Liabilities	3,526,708	3,106,356
(a) Income Received In Advance Comprises:		
Department of Training - Recurrent funding	76,393	-
Fee for Service	94,461	62,943
Student Fees & Charges	111,607	109,663
Other	1,415	-
Total Income in Advance	283,876	172,606
(b) Grants and Advances		
Department of Training - Grants & Equipment	45,455	45,455
Department of Training - Special Purpose	306,396	507,718
Other Government (Commonwealth/Local)	215,730	153,537
Total Income in Advance	567,581	706,710
(c) Other		
Department of Training - Recurrent Funding Repayable	200,196	1,284,744
Other	41,629	36,618
Total Income in Advance	241,825	1,321,362
28 Accumulated surplus		
Balance at the beginning of the year	34,969,454	36,358,687
Change in net assets resulting from operations	(4,729,891)	(1,389,233)
Balance at the End of the Year	30,239,563	34,969,454
29 Reserves		
Asset Revaluation Reserve		
Balance at the beginning of the year	7,722,120	
Revaluations during the year (a)	18,326,281	7,722,120
Balance at the end of the year	26,048,401	7,722,120
Total Reserves	26,048,401	7,722,120
Net increase in reserves	18,326,281	7,722,120
(a) Revaluations recognised during the year were in respect of:		
Land	1,121,000	1,622,000
Buildings	17,205,281	3,877,068
Motor Vehicles, Caravan & Trailers	-	73,660
Plant, Furniture & General Equipment	-	2,149,392
	18,326,281	7,722,120
30 Commitments for Expenditure		
Non-cancelable Operating Lease Commitments		
The College had the following obligations under non cancelable operating leases.		
Obligations under non cancelable operating leases are not recognised as liabilities.		
Payable no later than 1 year	719,896	752,958
Payable later than 1 year and not later than 5 years	490,177	687,410
Payable later than 5 years	-	-
Total Operating Lease Commitments	1,210,073	1,440,368

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 \$	2000 \$
31 Reconciliation of Net Cash used in Operating Activities to Net Cost of Services		
Net cash (used in) from operating activities	(26,559,387)	(23,785,674)
Change in Operating Assets and Liabilities		
Increase/(Decrease) in Receivables	(303,873)	333,045
Increase/(Decrease) in Inventories	(68,848)	(1,650)
Increase/(Decrease) in Prepayments	201,590	(50,581)
(Increase)/Decrease in Payables	(166,685)	20,313
(Increase)/Decrease in Income Received in Advance / Grants and Advances	(55,245)	61,221
(Increase)/Decrease in Provisions	(1,150,011)	(593,048)
(Increase)/Decrease in Other Liabilities	(1,535,011)	123,142
Adjustments for Non Cash Items		
Profit / (Loss) on Disposal on Non-current Assets	10,430	6,989
Depreciation Expense	(2,120,591)	(1,688,904)
Charges to Provisions	(51,381)	(160,835)
Losses and write-offs (excludes cash shortages / thefts of money)	-	(264,060)
Resources Received Free of Charge	(1,364,246)	(820,382)
Notional Superannuation (liability assumed by the Treasurer)	(1,028,525)	(1,907,000)
GST Cashflows recoverable from ATO	16,301	79,216
Net cost of services	(34,175,482)	(28,648,208)
32 Reconciliation of Cash		
For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and amounts in suspense. Cash at the end of the financial year, as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash Resources	4,507,581	5,823,176
Restricted Cash Resources	767,777	1,991,454
Total cash (as per Statement of Financial Position)	5,275,358	7,814,630
Less: cash hire deposits held (to be returned)	(41,629)	(36,683)
Total cash (as per Statement of Cash Flows)	5,233,729	7,777,947
33 Financing Facilities		
At the reporting date the college had fully drawn on all financing facilities, details of which are disclosed in the financial statements.		
34 Remuneration of Members of the Accountable Authority and Senior Officers		
The total fees, salaries and other benefits received or due and receivable for the financial year, by members of the Accountable Authority, from the college or any related body.	129,645	129,208
The total fees, salaries and other benefits received or due and receivable for the financial year, by Senior Officers other than members of the Accountable Authority, from the college or any related body.	394,429	394,326
The number of members of the Accountable Authority whose total fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:	Number	Number
\$120,001 - \$130,000	1	1
The number of Senior Officers other than members of the Accountable Authority whose total fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands:		
\$70,001 - \$80,000	-	1
\$80,001 - \$90,000	1	1
\$90,001 - \$100,000	2	-
\$110,001 - \$120,000	-	2
\$120,001 - \$130,000	1	-

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001 \$	2000 \$
35 Retirement Benefits of Members of the Accountable Authority and Senior Officers		
In respect of members of Accountable Officers, the following amounts were paid or became payable for the financial year:		
Notional contributions to:		
Gold State Superannuation Scheme	13,891	13,844
West State Superannuation Scheme		
Total Notional Contributions	<u>13,891</u>	<u>13,844</u>
In respect of Senior Officers other than members of the Accountable Authority, the following amounts were paid or became payable for the financial year:		
Notional contributions to:		
Gold State Superannuation Scheme	33,420	34,066
West State Superannuation Scheme		
Total Notional Contributions	<u>33,420</u>	<u>34,066</u>
36 Remuneration of Auditor		
The total of fees paid or due and payable to the auditors for the financial year, is as follows:		
Fees to the Office of the Auditor General (external audit service)	<u>27,000</u>	<u>27,000</u>
37 Public property losses, write offs and gifts		
Write offs adjusted against the provision for Doubtful debts.	<u>187,529</u>	<u>50,331</u>
The following losses and write-offs are incorporated in 'other operating expenses' (refer to note 9)		
Losses of public and other moneys and public and other property through theft, default or otherwise	<u>245</u>	<u>326</u>
Other Losses recovered through insurance.		
Value of loss	23,847	-
Recovered Amount for purchase of replacement Equipment.	<u>28,496</u>	<u>-</u>
38 Segment Information		
The College has only one segment (as defined by Treasurer's Instruction 1101 (2) (viii) and that is Vocational Education and Training Delivery		
The college operates in one geographical segment being within the State of Western Australia.		
39 Related Bodies		
<i>The College has no related bodies.</i>		
40 Affiliated Bodies		
<i>The College has no affiliated bodies.</i>		
41 Explanatory Statement		
Explanations for significant variations		
(a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year		
Significant variations in revenues and expenditures between actual revenue (income) and expenditure and the corresponding item of the preceding year are detailed below.		
Significant variations are considered to be those greater than 10% and \$250,000		
Employee costs		
Higher employee costs in 2001 is due to increases in rates negotiated as a result of the EBA / WPA. Appox. \$221,000		
Severance payments increased by \$254,739. Additional SCH delivery increased salary costs by Appox. \$700,000.		
Superannuation Liability was up \$669,000 and the requirement to include super on Leave entitlements created an additional expense of \$449,740.		
Depreciation and Amortisation		
Increase in Building revaluation resulted in a depreciation increase of \$419,000.		
Other Expenses		
Other expenses decreased due to a relocation of Insurance and Legal expenses to Supplies and Services.		

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

	2001	2000
	\$	\$
Fee For Service		
Continued decline in tender contracts won from the Department of Training is the main cause of this decline.		
Ancillary Trading		
2001 collections were in line with budget as 2000 saw a higher than normal disposal by sale of non capitalised equipment.		
State Funds		
The college was required to bring to account for the first time superannuation funding and payments for the six mths July to December amounting to \$1,912,079 and Capital User Charge Funding of \$1,057,411.		

(b) Significant variations between estimates and actual results for the financial year

Section 42 of the Financial Administration and Audit Act requires the college to prepare annual budget estimates.

Details and reasons for significant variations between estimates and actual results are detailed below.
Significant variations are considered to be those greater than 10% of budget and \$250,000

	Budget \$ \$,000	Actual \$ \$,000	Variation \$ \$,000
(i) Expenditure			
(a) Employee Expenses	26,672	29,889	3,217
Higher employee costs in 2001 is due to increases in rates negotiated as a result of the EBA / WPA approx. \$221,000. Severance payments were made of \$428,000 and additional SCH delivery increased salary costs by approx. \$700,000 Superannuation Liability was up \$669,000 and the requirement to include super on Leave entitlements created an additional expense of \$449,740.			
Supplies and Services	10,271	11,216	945
\$543,492 was a direct result in an increase in charges for resources provided free of charge by the Department of Training. A re classification of Insurance and Legal costs from other Operating Expenses to this group along with additional SCH delivery makes up the difference.			
Capital User Charge	0	1,912	1,912
This commenced for the first time in 2001 and represents 6 mths of costs for the period July to December.			
(ii) Revenue			
Student Fees and Charges	3,394	3,733	339
CPI increase in fees and an overall increase in SCH delivery.			
State Funds	23,731	27,053	3,322
The college was required to bring to account for the first time superannuation funding and payments for the six mths July to December amounting to \$1,912,079 and Capital User Charge Funding of \$1,057,411.			
Resources Provided Free of Charge	650	1,364	714
The Department of Training provides each year an estimate of the amount consumed for provision of these services. A 78% increase occurred for services provided by their Information Services Branch.			
Liabilities Assumed by the Treasurer	1,800	1,029	(771)
Due to a change in the Treasurers Funding processes this figure only represents the value for the first six months of the year, January to June. Funding has subsequently been recognised under State Funds.			

SOUTH EAST METROPOLITAN COLLEGE OF TAFE
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2001

		2001				2000	
		\$				\$	
42 Financial Instruments							
(a) Interest Rate Risk Exposure							
The College's exposure to interest rate risk, and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out below:							
	Weighted average effective interest rate	Variable interest rate	Fixed Interest Rate Maturity			Non Interest Bearing	Total
			1 year or less	1 to 5 years	Over 5 years		
2001	%	\$	\$	\$		\$	\$
		\$,000	\$,000	\$,000		\$,000	\$,000
Financial Assets							
Cash assets	5.59%	526	3,982				4,508
Restricted cash assets	5.59%		768				768
Receivables						1,641	1,641
Total Financial Assets		526	4750	-		1641	6917
Financial Liabilities							
Payables						548	548
Provisions						7,260	7,260
Total Financial Liabilities		0	0	0		7,808	7,808
Net Financial Assets (Liabilities)		526	4,750	0	0	-6,167	-891

	Weighted average effective interest rate	Floating interest rate	Fixed Interest Rate Maturity			Non Interest Bearing	Total
			1 year or less	1 to 5 years	Over 5 years		
2000	%	\$	\$	\$		\$	\$
		\$,000	\$,000	\$,000		\$,000	\$,000
Financial Assets							
Cash assets	6.24%	1,266	4,629				5,895
Restricted cash assets	6.24%		1,920				1,920
Receivables						981	981
Total Financial Assets		1,266	6,549	0	0	981	8,796
Financial Liabilities							
Payables						382	382
Provisions						6,842	6,842
Other liabilities						2,374	2,374
Total Financial Liabilities		0	0	0	0	9,598	9,598
Net Financial Assets (Liabilities)		1,266	6,549	0	0	-8,617	-802

(b) Credit Risk Exposure

All financial assets are unsecured.

Amounts owing by other government agencies are guaranteed and therefore no credit risk exists in respect of those amounts. In respect of other financial assets the carrying amounts represent the College's maximum exposure to credit risk in relation to those assets as indicated in the Statement of Financial Position.

(c) Other financial instruments

The College had in place the following further financial instruments as at balance date.

- (i) A contractual Delivery and Performance Agreement with the Department of Training to deliver training outcomes in accordance with the College Training Profile.
 An amount of \$200,196, being money repayable to the Department of Training under the agreement is included in Other current Liabilities.

43 Events Occurring After Balance Date

In a statement release by the Minister on 12 April 2002 an announcement was made that the South East Metro College, Midland College and Balga Campus of West Coast College would amalgamate and be known as Swan TAFE.



SECTION 42

ESTIMATES FOR 2002



	2000	2001	2002	2003	2004	Variance \$	Variance (%)
	\$ Audited	\$ Preliminary	\$ Estimate	\$ Forecast	\$ Forecast	2002-2001	2002-2001
COST OF SERVICES							
Expenses from ordinary activities							
Employee Expense	25,795,955	27,223,991	25,369,280	26,100,000	26,900,000	-1,854,711	-7%
Superannuation Expense	1,805,000	1,975,630	2,000,000	2,020,000	2,040,000	24,370	1%
Supplies and Services	10,856,061	9,596,731	9,953,730	10,250,000	10,550,000	356,999	4%
Depreciation Expense						0	
- Buildings	767,288	1,186,390	1,186,390	1,186,390	1,186,390	0	
- Other	921,616	942,792	868,934	900,000	950,000	-73,858	-8%
Total	1,686,904	2,129,182	2,055,324	2,086,390	2,136,390	-73,858	-3%
Borrowing Cost Expense						0	
Doubtful Debts Expense						0	
Grants and Subsidies	47,451	58,124	60,000	60,000	60,000	1,876	3%
Payments to Non-TAFE Providers for VET Delivery	20,987	22,513	25,000	25,000	25,000	2,487	11%
Net Loss on Disposal of Non-Current Assets						0	
Charges to Provisions	160,835	31,638	100,000	100,000	100,000	68,362	216%
Trading Loss						0	
Capital User Charge	788,891	1,912,079	4,534,126	4,393,968	4,280,457	2,622,047	137%
Other Expenses from Ordinary Activities	360,297	363,297	360,000	370,000	380,000	-33,297	-8%
Total Cost of Services	41,164,084	43,343,185	44,457,460	45,405,358	46,471,847	1,114,275	3%
Revenue from Ordinary Activities							
Fee for Service	6,110,473	5,178,491	4,503,904	5,000,000	5,500,000	-674,587	-13%
Student Fees and Charges	3,534,462	3,759,287	3,631,626	3,750,000	3,850,000	-127,661	-3%
Ancillary Trading	1,279,669	993,868	1,000,000	1,060,000	1,100,000	6,112	1%
Interest Revenue	578,980	419,913	390,000	425,000	490,000	-29,913	-7%
Commonwealth grants and contributions	6,989	28,981	0	0	0	-28,981	-100%
Net Profit on Disposal of Non-Current Assets	278,775	107,646	203,858	210,000	215,000	96,212	89%
Trading Profit	726,828	550,599	419,700	435,000	450,000	-130,899	-24%
Other Revenue from Ordinary Activities						-889,717	-8%
Total Revenue from Ordinary Activities	12,515,876	11,038,805	10,149,088	10,870,000	11,605,000	-2,003,992	6%
Net Cost of Services	-28,648,208	-32,304,380	-34,308,372	-34,535,358	-34,866,847	3,400,046	13%
REVENUES FROM GOVERNMENT							
State Funds	24,531,593	26,215,757	29,615,803	30,193,968	30,780,457	0	
Resources Received Free of Charge						0	
- Major Capital Work						0	
- Recurrent						0	
Total	820,382	743,000	750,000	760,000	770,000	7,000	1%
Liabilities Assumed by the Treasurer	820,382	743,000	750,000	760,000	770,000	7,000	1%
Asset Assumed/(Transferred)	1,907,000	1,975,630	2,000,000	2,020,000	2,040,000	24,370	1%
Total revenues from Government	27,258,975	28,934,387	32,365,803	32,973,968	33,590,457	3,431,416	12%
Change in net assets before extraordinary items	-1,389,233	-3,369,593	-1,942,569	-1,561,390	-1,276,390	1,427,424	-42%
Loss from Extra-Ordinary Item						0	
CHANGE IN NET ASSETS	-1,389,233	-3,369,593	-1,942,569	-1,561,390	-1,276,390	1,427,424	-42%
Net increase/(decrease) in asset revaluation reserve						0	
Net initial adjustments on adoption of a new accounting standard (state which standard) or UIG consensus view.	36,358,687	34,969,454	31,599,461	29,656,892	28,095,502	-3,369,993	-10%
Total revenues, expenses and valuation adjustments recognised directly in equity	36,358,687	34,969,454	31,599,461	29,656,892	28,095,502	-3,369,993	-10%
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTION WITH OWNERS AS OWNERS	34,969,454	31,599,461	29,656,892	28,095,502	26,819,112	-1,942,569	-6%

SOUTH EAST METROPOLITAN COLLEGE
S42 SUBMISSION
STATEMENT OF FINANCIAL POSITION

	2000	2001	2002	2003	2004	Variance \$	Variance (%)
	\$ Audited	\$ Preliminary	\$ Estimate	\$ Forecast	\$ Forecast	2002-2001	2002-2001
CURRENT ASSETS							
Cash Assets	5,894,522	4,318,384	3,902,323	4,202,622	4,791,232	-416,061	-10%
Restricted Cash Assets	1,920,108	562,319	820,000	1,545,000	1,590,000	257,681	46%
Inventories	283,100	162,323	200,000	200,000	200,000	37,677	23%
Receivables	981,469	682,457	714,140	700,000	700,000	31,683	5%
Other Assets	149,951	277,431	200,000	200,000	200,000	-77,431	-28%
Other Financial Assets						0	
Total Current Assets	9,229,150	6,002,914	5,836,463	6,847,622	7,481,232	-166,451	-3%
NON-CURRENT ASSETS							
Inventories						0	
Receivables						0	
Property, Plant and Equipment						0	
Intangible Assets	43,060,803	59,851,154	58,238,830	56,626,281	55,026,281	-1,612,324	-3%
Other Assets						0	
Other Financial Assets						0	
Total Non-Current Assets	43,060,803	59,851,154	58,238,830	56,626,281	55,026,281	-1,612,324	-3%
TOTAL ASSETS	52,289,953	65,854,068	64,075,293	63,473,903	62,507,513	-1,778,775	-3%
CURRENT LIABILITIES							
Payables	381,695	109,412	300,000	300,000	300,000	190,588	174%
Interest Bearing Liabilities						0	
Provisions	3,825,956	4,486,983	3,900,000	4,015,000	4,140,000	-586,983	-13%
Other Liabilities	2,374,379	813,792	1,000,000	1,765,000	1,850,000	186,208	23%
Total Current Liabilities	6,582,030	5,410,187	5,200,000	6,080,000	6,290,000		
NON-CURRENT LIABILITIES							
Payables						0	
Interest Bearing Liabilities						0	
Provisions						0	
Other Liabilities	3,016,349	2,796,019	3,170,000	3,250,000	3,350,000	373,981	13%
Total Non-Current Liabilities	3,016,349	2,796,019	3,170,000	3,250,000	3,350,000	373,981	13%
TOTAL LIABILITIES	9,598,379	8,206,206	8,370,000	9,330,000	9,640,000	163,794	2%
NET ASSETS	42,691,574	57,647,862	55,705,293	54,143,903	52,867,513	-1,942,569	-3%
EQUITY							
Accumulated Surplus (Deficit)	34,969,454	31,599,461	29,656,892	28,095,502	26,819,112	-1,942,569	-6%
Reserves	7,722,120	26,048,401	26,048,401	26,048,401	26,048,401	0	
Other	42,691,574	57,647,862	55,705,293	54,143,903	52,867,513	-1,942,569	-3%
TOTAL EQUITY	42,691,574	57,647,862	55,705,293	54,143,903	52,867,513	-1,942,569	-3%

