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OVERVIEW

Executive Summary

Statement of Compliance

23 February 2009

Hon Peter Collier MLC
Minister for Energy; Training
Level 11, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

STATEMENT OF COMPLIANCE FOR THE YEAR ENDED 31 DECEMBER 2008

In accordance with the Financial Management Act 2006 (section 61), we hereby submit for your information and presentation to Parliament, the Annual Report of the South West Regional College of TAFE for the financial year ended 31 December 2008.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006.



Dan Perkins
Chairperson
Governing Council



Wendy Burns
Managing Director

Executive Summary

Chairperson's Report

As has been the situation for a number of years, the College has continued to address the diverse training needs of the local region and particularly successfully. As members of the community themselves and subject to the high degree of accountability that is part and parcel of community life, staff are particularly conscious of the important role of the College and are committed to providing the best vocational training services possible within the operational constraints.

That commitment is reflected in the efforts invested in developing more flexible training arrangements, in addressing the needs of the smaller regional communities, but particularly in cooperative partnerships with employers to enable skills assessment and training for existing workers.

As employers have experienced, meeting the expectations of a new generation of youth can be particularly challenging. However the College has supported teaching staff through professional development in adapting practice in teaching and classroom management.

The effort invested in pathways programs for school students has enabled regional youth to obtain the experience and essential skills required by employers, and has ensured a supply of work-ready graduates to meet local labour force requirements.

Accommodating the extensive growth in delivery in the traditional trades and surprisingly in the second half of the year, also in the non trade programs, has been frustrated by the limitations of existing facilities, with some relief in sight with the completion of the Building and Construction and Hospitality extensions, and the new Plumbing facilities expected in 2009.

The governing council has been strengthened with strategic appointments from the Business and Health sectors to complement local government, mining, and automotive industry involvement.

The College has this year reviewed its operations and identified a range of issues that have frustrated its ability to provide services effectively and within the existing funding arrangements. Having exhausted its own resources in addressing on going maintenance, facilities and operational challenges the College has sought the assistance of DET and has received a commitment to continuing the exploration and resolution of those issues in 2009.



A handwritten signature in black ink, appearing to read 'Dan Perkins'.

Dan Perkins
Chairperson
Governing Council

Executive Summary

Highlights

- The demand for qualified tradespersons has been the catalyst for significant capital works at the South West Regional College of TAFE. Work commenced on the extension of a training precinct to support the delivery of mortar trades, painting and decorating, wall and floor tiling as well as wall and ceiling fixing. The development of a purpose built plumbing and gas fitting facility to enhance trade training in the region has also commenced with completion expected in 2009.
- The quality of Automotive Heavy Vehicle training has been boosted by the acquisition of \$2 million of equipment, including a DEGEM Laboratory.
- The Building and Construction portfolio participated in the TAFEWA Transforming Trades project and conducted a pilot program. The portfolio will extend the experience in the portfolio in 2009.
- In collaboration with VETASSESS and Victoria University the College has spearheaded bricklaying skills assessment in the UK. This has resulted in 211 aspirant migrants in the UK being assessed to determine their compliance with Australian qualification standards.
- The College is working toward the State wide initiative to increase Recognition of Prior Learning and is developing and implementing a training program for all staff including lunch time tool box meetings.
- A number of successful workplace assessment programs have been further developed during 2008 particularly in the Health arena and Business Management and have been promoted as best practice across the College
- Encouraged by highly supportive lecturers, students from a diversity of faculties including Building and Construction, Metals, Hairdressing and Hospitality have proved their competency at State and National competition level.
 - Trainee horticulturalist Joanna Wren from Alexander Bridge merits special mention having won the Trainee of the Year at the WA Training Awards in October. This is the second consecutive year in which a Trainee from the Environment, Land and Science portfolio has won the WA Trainee of the Year award.
 - Michael Welshman, our cabinetmaking apprentice, won 2nd place at the Australian World Skills finals in Sydney underlining the College's capacity to deliver a quality training experience.
 - Daniel Buswell and Sanggar Wibowo, from the Faculty of Hospitality participated in the state Student Waiter of the Year Competition and were placed first and second – a feat never previously recorded. The WA Apprentice of the Year in Commercial Cookery was won by Sam Thornton, an 18 year old apprentice who vied with 100 entrants to take top honours in this prestigious competition.

Executive Summary

Highlights (*continued*)

- The South West Regional College of TAFE continues to offer an extensive range of options to school students through SAL, VET in schools, “career bites” and “try a trade program”.
 - The School Apprenticeship Link Program (SAL) received a record number of applications from students interested in gaining foundation skills in building and construction, metals and engineering, food trades and hairdressing.
 - The VET in Schools program, involving both private and public schools, expanded to include higher certificates in health science, residential drafting, applied fashion, retail cosmetics and teachers assistant. Arguably the best in the state, this program provides essential career pathways to employment for our youth.
 - Through the GATEw@y program which is specifically aimed at catering for students at risk of disengaging from mainstream schooling, several students were given a glimpse of a brighter future; two gained apprenticeships, three enrolled in further studies, one returned to school, five began full time employment and one continued in the program.
 - Development of the Manea Senior College program saw staff at all levels working together to establish a collaborative model for senior secondary vocational education, creating career pathways through both TAFE and ECU.
 - With funding from DET, the College undertook a collaborative project with Harvey Agricultural College to review Agricultural training for the South West and explore potential roles and relationships between the two organisations in providing a skilled workforce for the Agricultural sector.
- A disability services review including an audit with a particular emphasis on public transport, parking, pathways, ramps, signage, toilets, public counters and general lecture areas was completed. Recommendations will be considered in future capital works and facilities improvement programs.
- Lecturing and administrative staff participated in three disability awareness training sessions on Professional Development days in April and October to improve their understanding and support for students with a disability. Presenters included representatives from Disability Services Commission, Advocacy South West, WA Deaf Society, South West Mental Health Service, St John of God Outreach Service and a person with hemiplegic cerebral palsy who has worked as a teachers’ assistant in Manjimup. Plans are being developed to expand the disability awareness training in 2009 and 2010.
- A strategy developed in consultation with the College’s Aboriginal Employment Education and Training Committee to increase the support provided to Indigenous students, resulted in the creation of two Nyungar Student Support Officer positions and the implementation of four Indigenous programs that all have integrated elements from main stream delivery; in Certificate II in Business Administration, Certificate II in Conservation and Land Management and Certificate III and IV in Teacher Assistants.
- Aboriginal students honed their leadership and team building skills in collaboration with pupils at the Parkfield Primary School through the design of mosaic stepping stones for a reconciliation garden that creates greater access to Aboriginal culture for students at the school.

Executive Summary

Highlights (*continued*)

- Online training and delivery with Moodle and Elluminate and the use of “Spyglass” technology and “point of view” cameras has been extended to new areas. The technologies are being applied to a wide range of vocational programs in engineering, hairdressing and horticulture providing work place assessment and the flexibility required by employers and students.
- Growth in our full fee paying international students that now number 54 has proved to be an enriching experience providing not only culturally diverse experiences for both our students and staff but also enabling the College to capitalise on its capability to generate additional revenue.
- Extending opportunities for students and staff to apply knowledge through community and enterprise partnerships attests to our commitment to the social and economic fabric of our community. Projects have been extremely diverse and included revegetation work in collaboration with the City of Bunbury, Art projects for the Busselton Community Gardens, cultural projects in concert with the Bunbury Multicultural group and youth work students who were awarded the ICCWA Student Award for their involvement in community initiatives.
- Evidence of the College’s ethos of providing services that augment our core business includes the development of the College web site to enhance community access to career planning and employability skills serve the needs of our students and also job sections in the wider community.

College Training Profile

Effectiveness

The College achieved 102.4% of the Training College Profile set under the 2008 Delivery and Performance Agreement with the Department of Education and Training.

Efficiency

The average cost per student curriculum hour for training under the College Training Profile and fee-for-service was \$15.72, representing an increase of 0.6 cents from the 2007 cost of \$15.66. The College expenditure included the major component of a one off \$2.5 million grant for equipment.

Student Satisfaction

The overall level of student satisfaction at South West Regional College remains high at 88%, equal to the 2007 figure and 3% higher than the state average satisfaction level of 85%.

Operational Structure

Enabling Legislation

The South West Regional College of TAFE was established on 1 January 1997 under section 35 of the Vocational Education and Training Act 1996.

The functions of the College are to:

- Provide vocational education and training consistent with a College training profile.
- Provide fee-for-service training programs.
- Undertake research and development related to vocational education and training which has a direct practical application to industry, commerce and the community.
- Promote equality of opportunity in the undertaking of vocational education and training.
- Provide services to students.
- Participate in State-wide training and collaborate with other educational institutions to ensure the greatest effectiveness and economy in expenditure and the beneficial relationships.
- Contribute to the general development of the community in the region.

Responsible Minister

The Hon Peter Collier MLC, as the Minister for Training, holds responsibility for South West Regional College of TAFE.

Vision/Mission

Working with industry and the community, the South West Regional College advances the economic and social prosperity of the region by delivering cost effective, world class, education and training services.

We seek to maximise the creative productivity of ourselves, our students and industry, through a process of continuous improvement that is: customer focussed; quality driven; ethical; collaborative; and outcome oriented.

The College's combined vision and mission statement draws attention to the fundamental purpose of the College and its commitment to advancing the economic development and social well being of the South West region through the provision of high quality, world class, education and training services.

The statement also introduces the notion of creative productivity. A commitment to ourselves, our colleagues, students and industry, to not only be more productive, but also to ensure that we are creating quality services for our customers in an ethical, collaborative and outcome oriented manner.

The desired outcome of the College is to provide Vocational Education and Training services to meet community and industry training needs.

A culture of quality client service is supported by the high level of expertise of the staff who seek to realise the mission of this College.

Operational Structure

Enabling Legislation

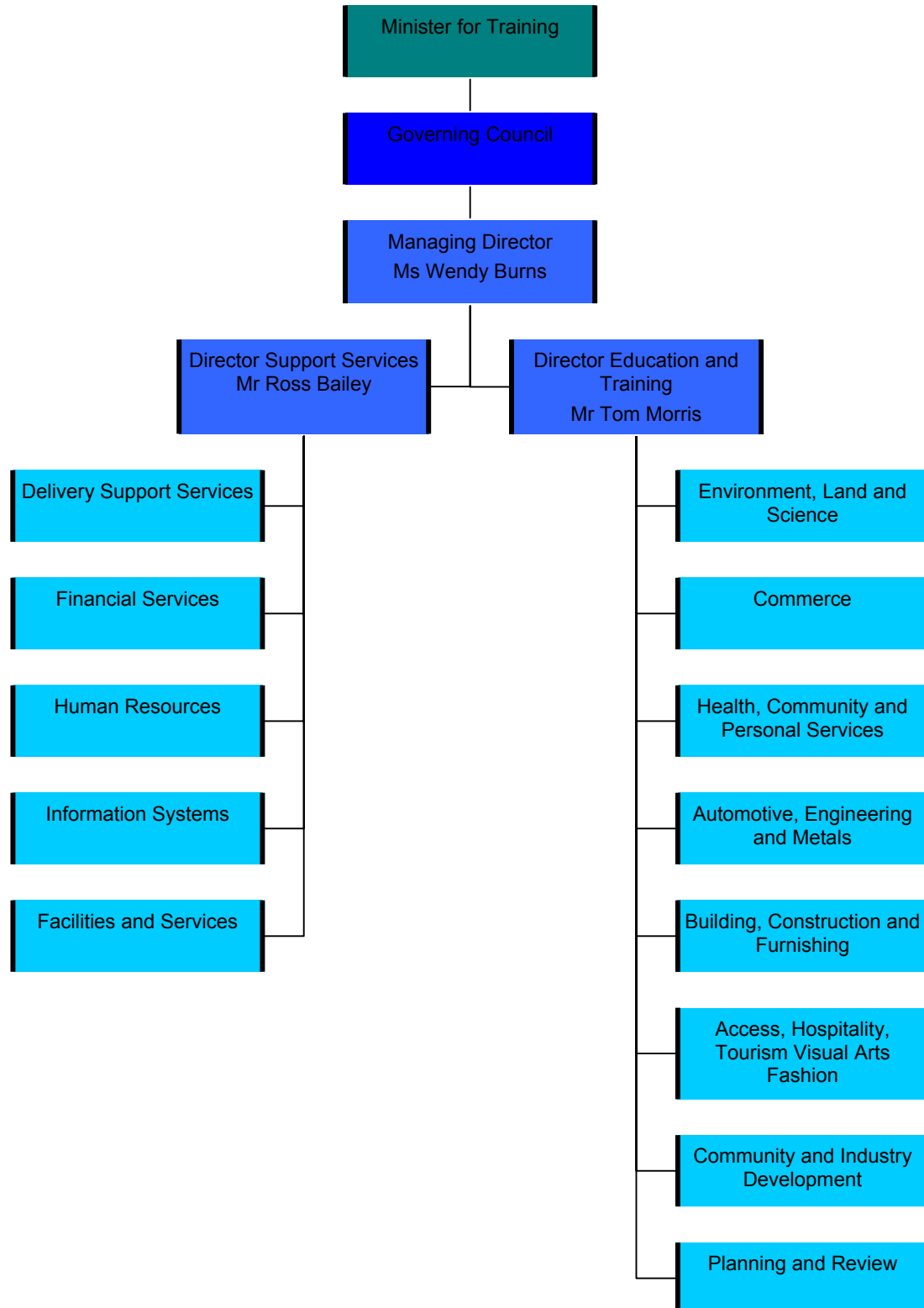
In the performance of its functions, South West Regional College complies with the following relevant written laws:

- Australian Crime Commission (Western Australia) Act 2004
- Copyright Act 1968
- Criminal Code Act 1913
- Disability Discrimination Act 1992
- Disability Services Act 1993
- Education Act 1928
- Electronic Transactions Act 2003
- Equal Opportunity Act 1984
- Evidence Act 1906
- Financial Management Act 2006
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Higher School Leaving Age and Related Provisions Act 2005
- Industrial and Commercial Training Act 1975-80
- Industrial Relations Act 1979
- Industrial Training Act 1975
- Library Board of Western Australia Act 1951
- Limitations Act 1935-1978
- Minimum Conditions of Employment Act 1993
- Occupational Health, Safety and Welfare Act 1984
- Public Interest Disclosure Act 2003
- Public Sector Management Act 1994
- Racial Discrimination Act 1975
- Salaries and Allowances Act 1975
- School Education Act 1999
- State Records Act 2000
- State Supply Commission Act 1991
- Vocational Education and Training Act 1996
- WA Public Sector Code of Ethics 1996
- Workers Compensation and Injury Management Act 1981
- Working with Children (Criminal Record Checking) Act 2004
- Workplace Agreement Act 1993

The College complies with the requirements of the Financial Management Act 2006 and every other relevant written law. Controls that provide reasonable assurance of the receipting and expenditure of money and the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

Operational Structure

Organisational Chart



Operational Structure

Governing Council

Governing Council members are appointed by the Minister for Training for their experience and expertise in education and training, industry or community affairs and for their ability to contribute to the strategic direction of the College.

Profile of Council Members

Dan Perkins (Chairperson)

Dan is Principal and Managing Director of Perkins Builders, President of the Master Builders Association of WA and a Master Builders Association of Australia Board Director. Appointed on 1 October 1997, Dan is a founding member and Chair of the Governing Council. As an employer of building trades apprentices, Dan is actively involved in the process of bringing industry closer to training providers and determining the strategic direction of construction training.

Rosanne Pimm (Deputy Chairperson)

Rosanne is a Collie Shire Councillor and a high profile community leader and is a founding member of the Governing Council. She is a keen supporter of the importance of the regional campuses of the South West Regional College and is often involved in Collie Campus activities.

Debra Bennell

Debra is a lecturer at Edith Cowan University and has extensive work experience in the Aboriginal services, particularly Aboriginal health. Debra was appointed to the Governing Council in January 2005 and is a strong advocate for Aboriginal rights.

Mike Fagan

Dealer Principal of Bunbury Holden, Mike has over 28 years experience in the automotive industry and is an employer of apprentices and trainees in the local community. Appointed to the Governing Council in March 2002, he is a past Australian Holden Dealers Association member and past President of the Country Holden Dealers Association. Mike is a Director of Sanctuary Golf Resort and a Bunbury Turf Club Committee member.

Denise Jenkins

Denise was appointed in October 2007 and is a founding member of the Governing Council. She is a Manjimup Shire councillor, Chairperson of the Manjimup Business Enterprise Centre, and a past President of the Manjimup Chamber of Commerce. An active community member, Denise is very supportive of education and training in the Warren Blackwood region.

Susan Kerr

Susan is the Principal of Newton Moore Senior High School in Bunbury and has over 28 years experience in education, mainly in rural communities. Previously, she has held a variety of roles in the Department of Education and Training in district offices and in schools. Susan is an active member on many boards and committees. Susan was appointed to the Governing Council in January 2004.

Ian Pigott

Ian is the Manager Business Performance for the Griffin Coal Mining Company in Collie. Appointed to the Governing Council in May 1999, Ian is involved in the selection process of the Australian Coal Association Research Program and is very active in various government, industry and community committees.

Don Punch

Don is the Chief Executive of the South West Development Commission and has been a career public servant in Western Australia for 25 years. He has worked throughout regional Western Australia on many infrastructure projects and has special expertise in both community and economic planning. In his position Don has responsibility to facilitate the planning and coordination of Government services and funded infrastructure throughout the South West and in that role regularly briefs Ministers, both Commonwealth and State, as well as investors, trade delegations and representatives of overseas governments with an interest in the region. He holds a Masters of Business Administration and primary qualifications in Psychology and Community Planning. Don was appointed to the Governing Council in May 1999.

Guy Truss

Guy has extensive industry contact through his position as a Fitting and Machining Lecturer with the Automotive, Metals and Engineering Portfolio of the South West Regional College. Appointed to the Governing Council in March 2002, Guy has also been the College's delegate for the State School Teachers Union.

Ian Smith

Ian Smith is the Regional Director for the South West region within WA Country Health Service (WACHS). WACHS delivers the full range of state government public health services. The WACHS-South West employs over 2000 staff in a large number of different occupations and professions across the 12 hospitals and various mental health, community and public health services in the region. Ian has also managed the public health services in the Kimberley and Pilbara regions

David Trench

David is the Director of Sales Asia and Oceania for a Singapore based multinational company, CSE-Semaphore. With a strong background in Industry and Technology, David has worked in various capacities providing business integration and management advice to many varied organizations. Whilst living in the UK David consulted to organizations from Cape Town to Moscow and as such is well versed and experienced in the many facets of business.

David is an active contributor to the South West community and is currently:

- Val Lishman Health Research Foundation Chairman
- Manea Senior College Board Chairman
- Australian Defence Reserves Support Council, Liaison Officer
- South West Development Commission Board Member
- Bunbury Wellington Economic Alliance Board Member
- Edith Cowan University South West Advisory Board Member

Shane Rooney

Shane Rooney was appointed to the Governing Council in August 2007 and holds a Diploma of Teaching, Bachelor of Commerce and a Bachelor of Laws. Shane is a solicitor with Legal Aid in Bunbury. A City of Bunbury councillor, Shane has interests in the areas of social justice, youth, mental health, community based programs, entertainment and the development of employment opportunities.

Wendy Burns

Managing Director of the South West Regional College, Wendy was appointed for a second, five-year term in January 2008. Wendy has extensive experience in the delivery of vocational training in regional areas. She is the regional Managing Director representative on the Department of Education and Training Business Needs Group, the TAFEWA Quality Committee, and the TAFEWA Academic network.

Operational Structure

College Overview

Covering an area of 23,970 square kilometres, the picturesque South West region of Western Australia currently has more than 146,000 people living in the region and with a growth rate higher than the national average, has one of the fastest growing populations of regional Australia.

The South West region continued to experience rapid growth in key industry sectors and particularly in the provision of housing, community infrastructure and services. The region has experienced a very low level of unemployment and continues to seek labour to fill new positions or vacancies created by movement of personnel to better paid roles. The demand for qualified tradespersons has been addressed by the College's strategic approach; the expansion of trades training, extension of training services to existing workers, and the development of pathway programs for school students.

The South West Regional College of TAFE services the South West region across its network of campuses in Bunbury, Busselton, Collie, Harvey, Manjimup and Margaret River and through agreements with regional Telecentres.

The College provides the facilities, expertise and resources required to offer high quality, vocational education for those seeking to embark upon a new career as well as those who are seeking to upgrade their skills or retrain for an alternative career. Industry relevant training enables graduates to gain portable qualifications in a wide range of disciplines that reflect the composition and employment needs of the regional economy.

Reflecting the diversity of the region, the College offers some 240 qualifications covering a range of vocational occupations including art and design, applied science, automotive, building and construction, business management, commercial cookery, community services, education, child care, electrical studies, engineering, environmental studies, fashion, health and fitness, hospitality, metal trades, nursing, occupational safety, surveying, tourism and viticulture.

The College makes use of its expertise and experience to provide additional training and value adding services on a full cost recovery basis, focusing on delivery of quality, specialised training, and complementing the activity of the small but active private provider sector, in what is a thin training market for many vocations. Our key commercial activities are based within the resources sector, particularly processing and maintenance as well as the community services and health sector.

Performance Management Framework

Better Planning: Better Futures A Framework for the Strategic Management of the Western Australian Public Sector was introduced to assist public sector agencies in the effective implementation of their strategic management activities, including: strategic planning, budgeting, service delivery, ongoing performance monitoring, evaluation, corrective/improvement action and reporting.

In working towards the achievement of the Government's overall vision "*the best opportunities for current and future generations*", the College continuously aligned its outcomes and delivery of services to contribute to the achievement of the goals and strategic outcomes articulated in the *Better Planning: Better Futures* as well as other policy directives and relevant legislation.

The College contributes to all government goals, but had a particular focus on the goal: Better Services and in particular the strategic outcome: *A world class education and training system that provides lifelong learning opportunities.*

2008 Key Outcome Priorities and Services

The College's achievements against these five key outcomes throughout 2008 are highlighted in the section under Agency Performance.

Outcome 1: Client Focus

A training system that prioritises youth, but also provides life-long learning opportunities for all Western Australians.

Service 1.1 Training Delivery and Assessment

Service 1.2 Student Support

Service 1.3 Industry Focus

Outcome 2: Organisational Effectiveness

Planning processes and government investment decisions to facilitate the coordinated, timely provision of appropriate infrastructure that meets the current and future needs of the State.

Service 2.1 Staff and Student Satisfaction

Service 2.2 Facilities and Infrastructure

Service 2.3 College Plans

Outcome 3: Financial Accountability

Making best use of available resources to deliver integrated, cost effective and high quality services, that are accessible to those who need them.

Service 3.1 Delivery and Performance Agreement

Outcome 4: People Focus

Developing and maintaining a skilled, diverse and ethical public sector serving the government with consideration of public interest.

Service 4.1 Staff Development

Service 4.2 Informed Staff

Performance Management Framework

Outcome 5: Social and Environmental Commitment

Offering access to high-quality education opportunities to the region and with a high standard of service.

Service 5.1 Community Focus

Diversity, accessibility and flexibility in learning opportunities will ensure maximum participation.

Service 5.2 Environmental Focus

The College is committed to sound environmental management practice and continuously reviews and improves its approach.

Changes to Annual Performance Plan (Strategic Priorities)

The South West Regional College of TAFE 2008 Annual Performance Plan adopted the five result areas of the National Quality Framework for Excellence. They remain appropriately aligned to the College's 2006-2010 Strategic Priorities. The annual performance agreement with DET has been adjusted in three addendums during the year, accommodating some of the surprising growth in enrolments.

Shared Responsibilities with Other Agencies

- The College has collaborated with St John of God Bunbury Health Care to provide confidential counselling support services at its Bunbury campus. The free service provides crisis support to students as well as mediation, advocacy, and provision of information and training in dealing with abuse of alcohol and other drugs, behaviour modification, child protection and self-management.
- Partnerships with the Bunbury and Warren-Blackwood District Education Offices enable the College to provide vocational pathways for both government school students and local private schools.
- The Margaret River Education Campus is a collaborative initiative between the South West Regional College of TAFE, Curtin University of Technology, Edith Cowan University, Margaret River Senior High School and the Department of Education and Training. The campus provides education pathways allowing students to cross seamlessly between secondary, vocational and tertiary learning.
- The addition of the Manea Senior Secondary College to the Bunbury precinct has engaged the SWRC in collaborative development of programs for the school scheduled to open in 2009.
- With funding from DET, the College undertook a collaborative project with Harvey Agricultural College to review Agricultural training for the South West and explore potential roles and relationships between the two organisations in proving a skilled workforce for the Agricultural sector.

Agency Performance

Managing Director's Report

For 2008 SWRC enrolled a record number of students, marking the first upward shift in the regional demand for training for several years and in contrast to the experience in other regions of WA.

Our College achievements highlight the progress we have made in fulfilling our mission in servicing our region in the context of recent skill and labour shortages. We have demonstrated our leadership capability and adaptability in responding to the need for skilled workers, particularly tradespersons, in our region and providing pathways for our youth to take advantage of those opportunities.



SWRC was the only regional College and one of three WA Colleges that experienced a significant return in demand for non trade based programs in 2008. The response has certainly taxed our facilities and resources, and the cooperation and creativity of staff whilst operating in less than ideal situations is commendable.

The growth in activity combined with the issues associated with our aging facilities and infrastructure has proved challenging financially, and support services have reviewed many aspects of our operations to enhance efficient practice and contributing to our efforts to obtain additional funding, with some success. This year's effort has realised additional DAPA funding of \$900,000 towards our operating costs.

The \$2 million grant for automotive technology has ensured our heavy duty automotive training facilities are well equipped to provide quality training experiences for the technicians employed in the transport, mining and processing industries and to attract younger VET in Schools students to the vocation. The Building and Construction grant enabled staff to re-arrange existing facilities and delivery areas to better accommodate the larger number of students whilst the planning for the extensions to wet trades and the addition of the plumbing workshop proceeded with completion anticipated in 2009. We have commenced upgrading of the Hairdressing area and will have the benefit of a new training kitchen next year to accommodate the commercial cookery program expansion associated with our partnership with Manea Senior College.

It is a credit to many of our delivery teams that they have worked together to support each other in the planning and delivery of qualifications and in doing so have made good use of individual expertise. Many academic staff have responded effectively to the demand for increased flexibility and responsiveness in training, developing creative and innovative ways to take the programs to the student, and to encourage participation through skills assessments for existing workers in higher qualification areas and delivery in the workplace.

I particularly acknowledge the Principal Lecturers who have provided leadership to our educational staff, identifying and coordinating a professional development program focussing on quality of delivery and assessment and addressing the challenges associated with delivery to a new generation of students.

Our delivery support staff successfully trialled our local management of TAFE Admissions, and effected improvements to our use of the internet especially in the provision of Careers planning and job search support, now readily accessible to both students and the wider community. Both projects have demonstrated the value of adopting technology for business, and a collaborative approach to continuous improvement in value adding to services for students.

The Staff Consultative Committee has been particularly effective, addressing workload issues and opportunities for work place improvements, and working to find solutions particularly during periods of change.

Managing Director's Report (*continued*)

2008 also saw the retirement of a number of long serving employees and the recruitment of new members to College Management positions. Particular attention has been given to management of OSH and to collaboration and consistency in management practice to support the development of their new roles.

Whilst it has been a particularly challenging and busy year, what is most notable, has been the cooperation and contribution all employees have made in making the best of the demanding situation to ensure our community can access and gain the benefits of high quality and relevant training.



Wendy Burns
Managing Director

Annual Performance Measures

The College's 2006-2010 Strategic Priorities provides a significant focus on the provision of quality services to the South West regional community with particular attention to vocational pathways for youth; indigenous participation; the opportunities for people living in smaller communities; and enhancing the achievements of students with disabilities and from culturally diverse backgrounds.

In the third year of the five year focus, the College established a performance plan to ensure an appropriate alignment of resources to meet the future employment opportunities, skill requirements and needs of the South West region.

The College strives to excel in delivering outcomes that meet client expectations, display educational leadership and build community capacity. The 2008 Annual Performance Plan's key outcomes in the five focus areas of client focus; organisational effectiveness; financial accountability; people focus; and social and environmental commitment; reflect the South West Regional College's commitment to excellence.

Outcome 1: Client Focus

Service 1.1: Training Delivery and Student Assessment

Performance Measure	Target	Achieved
Students satisfied with the Training they received	88%	88%
Students satisfied with the quality of assessment	90%	84%
Graduates satisfied with the quality of their course	88%	89%
Graduates satisfied they achieved main reason for training	88%	90%
Graduates satisfied with the overall quality of their training.	70%	87%

Source: Student Satisfaction Survey 2008; Graduate Satisfaction Survey 2007

The survey criteria for the 2008 Student Satisfaction Survey has changed with a number of new questions being included relating to VET in schools participation, RPL and career advice. College targets were set in line with the 2007 criteria. Current achievement is 2% above the State average of 82%.

The value of the College's VET for Schools program was reflected by the survey's findings that 39% of SWRC students had undertaken a VIS program prior to enrolling in their TAFE program, with 23% having continued in the same area of study, comparing favourably with the state average of 16%.

Service 1.2: Student Support

Graduates satisfied with student support services, including library; information technology; course and career advice; health; welfare and counselling services; and access to learning resources.

The College offers a range of services to students including an Information and Career Advisory Service, which provides a central source of information to students on matters relating to their studies and employment pathways. Library facilities, 24/7 access to computer based learning facilities at Bunbury, Manjimup, and MREC, on-site student accommodation at Bunbury, a newly refurbished child care centre and a bookshop are some of the amenities available.

Annual Performance Measures (*continued*)

This year the College successfully trialled local operation of the TAFE Admissions System, enabling the College to provide a valued added personal service and enhance student pathways.

To complement the College's Information and Careers Advisory service, students now have access to the College's Careers South West website. The Careers South West service provides the wider community with access to resources and support in making career decisions, developing employability skills and finding work. Widely promoted during visits to all campuses and class groups, the website hosts jobs board advertising vacancies available locally and a wealth of job-seeking resources and links.

The CAVS program has this year provided support to many students experiencing difficulty with Literacy and Numeracy in their studies in vocational programs. In most cases the support has been provided to apprentices and trainees who enter the training program through an employment arrangement, rather than through the TAFE Admissions system where entry requirements are addressed.

The Student Association is a service provided by the College to assist students with information and advice and on organising campus activities. Advocacy was provided to support students who needed assistance to resolve issues at the College/campus level and with external government and community based organisations. Student focussed resources such as the Student Handbook and website information were developed during 2008.

In 2008 the Student Association instigated an International Student Orientation, the first of its kind for the College. With anticipated numbers of international students increasing annually, the College is developing its international services as an opportunity for business development.

A high volume of second hand textbooks, owned by past students were sold to new students at discounted prices providing an economical alternative to the student cohort.

The Student Association also maintained effective liaison with community organisations, engaging these organisations in a range of College run programs for the benefit of students.

The College has continued to offer a professional counselling service through its partnership with the St John of God Youth Drug and Alcohol Counselling Services.

The College is committed to working in partnership with community groups and other public authorities to facilitate the inclusion of people with disabilities through improved access to its information, services and facilities. Staff regularly attended the Post Secondary Education Disability Network (PSEDN) meetings and workshops and the Disability Support Officer (DSO) meetings for TAFEWA Colleges. They also attend the Disability Focus Group coordinated by South West VETlink and contributed to the Future Possibilities Forum.

As part of the development of the College's commitment to an inclusive approach, a Disability Project Officer was employed part-time for 6 months to review current practices and identify barriers to inclusion and participation in training programs and in accessing College services. The review included College infrastructure and facilities (particularly parking, toilets, transport and public counters), services, publications and information sources, student inductions and delivery materials. Recommendations for future improvements have been submitted to College executive and the initiatives will be included in the College DAIP Implementation Plan. A toolbox of resources has been developed to assist staff and a trial using Wiki is being developed to encourage staff communication on inclusive delivery practices.

Annual Performance Measures (*continued*)

218 students identified that they had some form of disability. Students were enrolled in 63 different qualifications from Certificate I level through to Diploma level qualifications. Note takers were employed at all campuses to provide support for students with physical, learning or intellectual disabilities, with 87 taking advantage of the service. Requests for assistive technology or equipment were made by 13 students. Special programs were conducted in partnership with Pathways FX.

A further 24 students from Newton Moore, Geographe and Manjimup Education Support Schools participated in VET in Schools programs in construction, hospitality and retail as part of pilot program.

Service 1.3: Industry Focus

Range of initiatives and innovations receiving direct industry support

Industry sector distribution of students that reflects the future employment opportunities skill requirements and the needs of the South West region.

The College has built strong relationships with regional employer groups, who are actively involved in the development of pathways and training of both existing workers, development of the required labour force and providing project opportunities for College student involvement. Industry partnerships were a key factor in the success of a range of initiatives undertaken by the College in 2008.

Environment, Land and Science Portfolio

There has been continued strong demand for Laboratory qualifications in 2008. With strong employment prospects, a mix of school leavers and mature aged entrants have completed or are making progress towards completion of their qualification. Due to the opportunities available for employment many students are completing workplace – based training and assessment across a number of industry sectors including resources, mineral and chemical plant production, health and pathology, road construction and food processing. Staff and students have embraced various forms of online training and flexible delivery options that have met the needs of industry.

Growing community awareness about environmental issues in the Bunbury, Collie, Manjimup, and Margaret River areas has seen growing interest in Conservation and Land Management qualifications. The City of Bunbury in conjunction with SWRC of TAFE students has initiated the re-vegetation of several local reserves. The practical hands-on work has greatly assisted the students learning and work experience.

In a similar vein, Conservation and Land Management students have participated in growing local orchids for re-vegetation projects as part of Kings Park sponsored research project. It is the first time practices developed from research have been applied in the field by these students. A publication detailing the process and compiled by a SWRC lecturer was funded through an education grant from the Southwest Catchment Council. A hothouse growing parent stock and a mini lab for the growth of fungal cultures for feeding the orchids are some of the new facilities available for Plant Micro propagation being offered in 2009.

Commercial propagation projects for Bemax Cable Sands have created an opportunity for experience in the field rehabilitating wetland areas after mining. Bemax Cable Sands donated a fogger humidifier providing students with an ideal environment in which to propagate wetland plants.

Annual Performance Measures (*continued*)

Student partnerships with the Cape to Cape Catchment group in the Margaret River area continued with the recent creation of a bio-remediation wetland to naturally filter storm water and re-vegetate the surrounds of Cape Mentelle's Foxcliffe organic vineyard at Witchcliffe as part of a move by the industry to reduce run-off of untreated wastewater into local catchments.

Indigenous students have participated in two streams of training with a focus on "caring for country". Facilitated by Nyungar lecturers it was adapted to enable an emphasis on practical activities in training and assessment. A number of students from Bunbury and Collie successfully completed their Certificate II training with a mix of Conservation and Land Management and Aquaculture and students actively involved in bush land projects and the setting up of an aquaculture farm to breed fish.

Strong links with industry have enabled the Fitness, Sport and Recreation lecturers to assess and train students to meet the needs of local employers within the industry in the South West. Opportunities have been created for students to gain work experience and paid employment in coaching, community and gym based fitness instructing, event planning and leadership projects within the community. With the feedback and direction provided by the local Industry Reference Group new initiatives have evolved including training instructors to provide seniors and children's fitness programs, aquatics training and specialist short courses to meet the needs of industry.

Responding to industry demands Wine and Horticulture lecturers have designed short course programs and workshops in conjunction with the Hospitality lecturers to up skill existing employees. Courses include Forklift, ChemCert, Responsible Service of Alcohol, Evaluate Wines and chainsaw and tractor operations. A new hard landscaping course teaching people how to build dry-stone walls and features is being developed for 2009.

Up-skilling supervisors working in industry continues with delivery of Certificate IV wine industry management units. Growth opportunities centre around Recognition of Prior Learning for existing workers, and flexible delivery options, including skill-sets, short courses and online training. Units of Certificate II in Food Processing (Wine) and the Certificate IV training for vineyard/winery staff in supervisory roles are now on-line. This approach has increased the flexibility of the Certificate IV training with employees able to enrol at any time during the year and participate in scheduled workshops.

Negotiations are being finalised to deliver Horticulture qualifications (Certificate IV and Diploma) to international students in Margaret River by Easter 2009. Timetables have also been developed for a fulltime Certificate III Food Processing (Wine) in Viticulture in Margaret River for international students.

Commerce Portfolio

Using a combination of delivery modes and working closely with partners including as the Chamber of Commerce and Small Business Centre, the Commerce portfolio has been able to provide relevant and client focused training. The portfolio is committed to growing its flexible delivery programs into 2009.

During 2008 the Information Technology students have been managing and monitoring their progress through an on-line lecturer/student interface called AIMs. Our clients are able to submit work, receive feedback from their lecturers, monitor their progress through each unit and determine the level of independence or support they require to meet individual needs. The system allows both the students and guardians to view progress at any point throughout their course of study.

Annual Performance Measures (*continued*)

The AIMS system is now ready to be integrated into other study areas. The portfolio will be progressing this into Business Administration programs in 2009.

The Commerce portfolio has provided a wide range of commercial programs for large and small businesses and individuals over 2008. These have ranged from one day courses in specific computer applications to the provision Diploma of Business. These courses have been a mixture of both nationally recognized and non-accredited programs to suit the needs of our commercial clients. In 2009 the focus of the portfolio is to develop strategic long term partnerships with larger government and non government organizations in the South West and interstate.

Health, Community and Personal Services Portfolio

The strong industry focus in Health and Allied Health continued with the College implementing the Diploma of Enrolled Nursing this year, including development of the assessment tools and resources.

The Certificate III in Health Services Assistance Medication Skill Set has proved to be popular along with the Diabetes Management course for current nursing staff and allied health staff employed by the West Australian Country Health Service.

Allied health continues to be industry driven, particularly existing worker in demand for traineeships in the Allied Health and Sterilisation qualification. The Allied Health delivery has now been extended to services in the regional centres. The Assistant in Nursing (AIN) qualification is currently being sought by many health providers and new delivery will commence in 2009.

Child Care is growing slowly across the College catchment area with numbers of existing workers growing with support by Federal Government. Another Federal funded program for higher productivity places has commenced allowing students that have completed a Certificate III qualification to continue studying higher qualifications. The Advanced Diploma is currently being developed to add to our scope of delivery in 2009 with keen interest from managers of regional Childcare centres.

Youth Work students at Busselton campus won the Injury Control Council of WA Student Award for 2008. They won the award by participating in many workshops relating to injury prevention and community safety.

Automotive, Engineering and Metals Portfolio

The College performed strongly in 2008 accommodating rising student numbers flowing from the attraction of mining industry employment opportunities. Apprentice numbers, pre apprentice numbers and VET student numbers all exceeded our planned profile.

The Automotive, Electrical, Engineering and Metals portfolio contributed to the extension across the College of the use of Moodle and Eluminate for vocational delivery. Assistance and support was provided to help staff members from other portfolios come to grips with the new delivery platforms. Within the metals portfolio development work continued, providing a greater range of online resources for remote students and providing resources for flexible delivery.

Annual Performance Measures (*continued*)

To assist employers and apprentices, full year enrolments were undertaken as a trial in January and February 2008. As a second initiative, 2009 continuing students were enrolled in November and December 2008 to reduce peak workloads of administrative staff in the portfolio and improve service to students and employers.

Interaction with industry has been achieved through a number of effective Industry Reference Group meetings held throughout the year. Industry has provided valuable advice on course structures and issues linked to the implementation of new training packages.

Building, Construction and Furnishing Portfolio

Until mid year 2008, activity in the Building and Construction portfolio has reflected the continuing demand for training in the Construction Industry that began in 2006/7. Numbers of apprentices have risen sharply, particularly with the introduction of the Certificate III in Plumbing and Gas Fitting.

Industry needs have been the big driver, but the general public have also indicated a desire to “up skill”. In all, about 60 apprentice groups in 8 trades passed through the workshops in 2008, plus the SAL group, 5 VET groups in General Construction and Furniture Making, and 14 trade tasters.

An initiative from the Australian Brick and Block Laying Training Fund provided SWRC with the chance to deliver 400 hrs of “try a trade” programs to south west schools.

In partnership with VETAssess the College had five overseas assignments for bricklaying staff in South Africa and the UK, assessing aspirant migrants against the Australian trade qualifications. Over 200 people were assessed, most of whom were successful. It is expected further assessment of aspirant migrants will continue in 2009.

The need for training in plumbing at a South West centre led to the portfolio commencing the Certificate III apprenticeship training. The qualification has gone through the “set up” phase this year, in interim facilities, and consolidate in 2009 on completion of the new workshop.

Local industry has supported the new Certificate IV of Interior Decoration and Design which commenced this year, and we have trained a modest group, but one that will initiate more interest next year, already indicated by admission enquiries. The last group of Advanced Diploma Interior Design students held their end of year exhibition of work on 5 December, and industry were delighted to once again sponsor, attend, and give support to the training at SWRC of TAFE.

The Certificate IV in Residential Drafting continues to be popular. A new course and new delivery approach commences in 2009 and discussions with industry have indicated approval and backing for a more holistic project base with computerised learning models. CAD software training has been very successful again this year, but it will be integrated across the Certificate IV next year.

Builders Registration is showing growth again after a few very light years. 2008 has seen progress in planning for the flexible delivery (and RPL) that industry and public are demanding.

The school clients have again shown much interest with record bookings for the ‘Try a Trade’ program run on campus and excellent response to the ‘Step Out’ program run at school sites.

Annual Performance Measures (*continued*)

The portfolio has undertaken a trial run this year, with an apprentice group in Carpentry and Joinery, under the Transforming Trade Training banner. Our lecturer has been instrumental in the development of the delivery model, along with Swan TAFE lecturers. The students were extremely receptive and approving of the different approach, as was industry. Carpentry and Joinery is now proposing to lead the portfolio in 2009 with delivery and assessment methods, drawn from “Try a Trade” Training, that are a little more ‘outside the box’. It is hoped that other business units will also benefit as the ideas spread.

Access, Hospitality, Tourism, Visual Arts and Fashion Portfolio

The Hospitality, Arts and Education Services portfolio communicates with industry, employers, schools and community-based organisations on a regular basis to ensure training is relevant and flexible. Several short courses, desirable to the hospitality and commercial cookery industry have operated this year. These include the Responsible Service of Alcohol course which attracts large numbers of participants on a monthly basis and the Workplace Hygiene Procedures course which is highly desirable for staff to obtain if they are looking to work in a food related business.

In response to several industries in the South West, units of competency from the Certificate in General Education for Adults were chosen to increase skills in spoken and written English for international employees. Due to the success of the course, the demand has increased and a more tailored training package will be placed on scope ready to deliver in 2009.

Commercial Cookery, Tourism and Visual Arts training packages have undergone changes and lecturers have worked hard to develop new program material for implementation in 2009.

The Certificate in Applied Vocational Study Skills (CAVSS) support has increased this semester, with CAVSS lecturers team-teaching in new vocational areas – providing extra literacy and numeracy support. This support is envisaged to increase in 2009.

Outcome 2: Organisational Effectiveness

Service 2.1: Student Satisfaction

The overall level of student satisfaction at South West Regional College remains high at 84%, equivalent to the 2007 figure, and 2% higher than the State satisfaction level of 82%.

Service 2.2: Facilities and Infrastructure

Facilities continue to be proactive with regard to providing support services to both students and staff. The Resources Committee which was formed in the first half of the year received resource requests from the College community, made recommendations to the College Executive and facilitated the strategic purchase of resources.

Further replacement equipment has been installed in the Metals Fabrication, Fitting and Machinery and Building and Construction Workshops to enhance delivery.

The continuing focus for Facilities and Services has remained the upgrading of College facilities both in infrastructure and amenities:

- Construction and re-modelling of buildings at the Sylvan Way and Beddingfield sites continue to take place with the location of a transportable classroom onsite to facilitate increase in student numbers. The completion of the Computerised DEGEM classroom and the installation of a communication network has been effected.

Annual Performance Measures (*continued*)

- Construction of stage 2 of Plumbing and Mortar Trades facilities has commenced with site works under way.

To assist in student and staff safety a new Emergency Evacuation process has been refined and tested on the Bunbury campus. This process will be introduced in the regional campuses in 2009.

Service 2.3: College Plans

Combined with its 2006-2010 Strategic Priorities, the College's 2008 Annual Performance Plan provides for a significant focus on employment-based delivery; 15-19 year old participation; and the continued provision of life long vocational education and training to support indigenous students; people living in remote or isolated circumstances; people with disabilities; and people from cultural/diverse backgrounds.

All business units and portfolios across the College developed annual work team plans, in accordance with the priorities of the 2008 Annual Plan and the 2006-2010 Strategic Priorities document.

Outcome 3: Financial Accountability

Service 3.1: Delivery and Performance Agreement

The College achieved 102.4% of the Training College Profile set under the 2008 Delivery and Performance Agreement with the Department of Education and Training.

Outcome 4: People Focus

Service 4.1: Staff Development

The College has implemented measures to co-ordinate, document and reflect on feedback and quality of training through the Education and Training Shared Services Centre (ETSSC) Training and Development process. The co-ordinator for each activity establishes and registers their course(s) (via the Shared Services online system), staff can view the training on offer and nominate online (sending the request to their line Manager for approval). Following the course, feedback is collected and passed from ETSSC to the trainer and the co-ordinator who can evaluate for future needs. The individual has their own training record updated to reflect their participation.

Whole of College Professional Development days continue to be held to develop capability with staff and work teams. Topics covered included risk management, duty of care, working with children, occupational, safety and health, procurement and corruption prevention. Leadership groups including the Principal Lecturers, Campus Managers and Business Unit Managers received general public sector and technical training.

The College invested in educating staff and its management group on key public sector initiatives for risk management and integrity. The College is also collaborating with ETSSC staff in the TAFEWA implementation of the public sector reform initiative on Accountability and Ethical Decision Making.

SWRC uses both an individual and College approach to development needs. The relationship between the employee and their line manager from induction into regular performance management (via PECD) is reinforced with throughout the year. The College adopted an organisational process for allocating professional development resources to 2008 College priority needs.

Annual Performance Measures (*continued*)

Service 4.2: Informed Staff

SWRC promotes numerous pathways to information sharing. New communication technologies have been trialled (e.g. Point Of View) to facilitate information sharing, ideas and develop best practice.

The connection to subject experts and skill masters is also being strengthened with visits, published links and creative technological means.

The intranet remains the main communication service for staff providing all relevant information staff require. Email is also used to reinforce timely communication. These means are used in conjunction with team meetings and development days including the orientation day held for all staff at the commencement of the year. Managers can also use the intranet to showcase highlights and key achievements or communicate important social messages.

Staff have the opportunity to provide feedback and raise issues through a range of business forums and committees, including the Staff Consultative Committee. A new system for formal feedback and complaints will be piloted in 2009 following the design modification to 'Combit'.

Team meetings are encouraged in order to facilitate free transmission of information between individuals. Members of management are available upon request to attend any team meetings. Minutes for all College Committees are published on the staff intranet.

The Management Consultative Forum enables key senior personnel in the College to share/disseminate information; establish common understandings, especially relating to policy, policy; and collectively discuss ideas and issues and explore strategies and solutions.

Outcome 5: Social and Environmental Commitment

Service 5.1: Community Focus

The College continued to provide a strong focus on improving training participation outcomes for youth and other priority client groups, including Indigenous students and people living in remote and isolated circumstances in the South West.

The VET in Schools program, which included non government schools, saw the College deliver over 76,000 student contact hours (SCH) throughout 2008 and included para-professional courses at Certificate II, III and IV levels. Many students participated in courses in the field of health science (nursing), fashion, community recreation, information technology, interior design, residential drafting and surveying. These courses were well received by students and many indicated a desire to continue as part of their VET in Schools program or to undertake the course full-time at TAFE.

Strong employer support ensured the success of the School Apprenticeship Link (SAL) Program in 2008. This year the program continued in metals and engineering and building and construction to include food trades and personal services.

Students in their 16th and 17th year have completed the Certificate I in Gaining Access to Training and Employment. This program is a joint initiative between Agencies for South West Accommodation, Jobs South West, the Education Department and SWRC of TAFEWA.

The Painting and Decorating apprentices recently took their skills to South Bunbury Primary School, where they renovated the school's stage area with fresh paint. Last year saw the Interior Design students working on a renovation and refurbishment project for the Bunbury Recreation Centre. This was showcased at the end of year exhibition last year.

Annual Performance Measures (*continued*)

The College provides services to a wide range of stakeholders across the South West region and uses a range of demographic based performance indicators to monitor service distribution, using the 2006 ABS population data. The College has provided services to its community relative to its target market, 15-64 year olds that are eligible for the workforce, with particular attention to the inclusion of youth and the Indigenous Community.

Performance Measures	Target	Achieved
South West College students/population participation rates 15-64yrs (15-19 yrs)	8.5% (25%)	8.2% (28.3%)
Bunbury	43% (45%)	44.2% (41%)
Busselton	15% (15%)	13.7% (13.2%)
Collie/Harvey (Preston)	20% (20%)	19.2% (25.8%)
Manjimup (Blackwood)	11% (11%)	8.1% (9.1%)
Margaret River	8% (6%)	8% (8.2%)
Outside South West region	3% (3%)	6.9% (2.6%)
Distribution of South West College students from outside the greater Bunbury area	54%	60.5%
* Students identifying themselves as Indigenous	3%	1.87%
* Students of a diverse, cultural and linguistic background	4%	3.5%
* Indigenous students enrolled in qualifications Certificate III and above	100	50
Proportion of College students aged 15-19 years.	35%	35.9%

In 2008 the College enriched its range of programs designed for regional delivery in higher level qualifications in a flexible and sustainable manner.

Annual Performance Measures (*continued*)

Service 5.2: Environmental Focus

The College continues to strive to reduce its energy consumption and emissions. Reports (OSCAR and SARGE) have been compiled for the Department of Environment and Conservation on the College's level of Greenhouse Gas emissions. Strategies will be sought in 2009 to assist the College in lowering these emissions.

Recycling of learning materials (timber, brick, plumbing, and fittings) has been practiced, where possible, by the trade lecturers.

Our biggest issue is on material waste that is beyond reuse in delivery. Skip bin costs have risen 27% and a good deal of plasterboard goes into the bins. There is currently no recycling of this material in WA, but after discussion with industry representatives, the College will investigate a possible use by the wine industry. Timber off cuts are recycled to local groups (schools, clubs) from time to time, but health and welfare issues have to be addressed when this occurs.

Several local industries donate surplus metal to the College. This is greatly appreciated as it reduces our steel purchases and reduces our environmental foot print.

Scrap metal is sold to a scrap metal merchant and therefore recycled. Money received for the scrap metal is directed into the portfolio's consumable budget to finance resources for further training.

Used engine oil is also forwarded to recyclers and redundant vehicles and component parts are disposed through auto wreckers.

On the teaching front, sustainable design and construction has become an integral part of many qualification strategies. Passive solar design is a requirement in Building Design qualifications.

Significant Issues and Trends

Current and Emerging Issues and Trends

Western Australia's recent resources boom had a similar impact on the South West as in other regional economies. Two notable impacts resulted in the expansion of trade employment and the migration of low skilled workers to better paying jobs in mining and related industries. The College experienced its own staffing impact in several skill shortage areas whilst responding to the educational needs of the region.

- Buoyant expectations about the economy and retirement prospects (e.g. Bunbury housing prices doubling in 2006/7) enticed many long serving College managers to retire. At the end of 2008 all but four of sixteen managers were new to their roles and had less than 12 months experience. The College executive, recognising both the challenge and the opportunity presented, is directing a priority to investing in the development of the management group over the next three years.
- Cash flow and financial impacts also posed considerable challenges for the College. The delays in resolution of the 2007 funding following over delivery of SCH, the payment of the May addendum, and the staff salary award increases delayed finalisation of budget revisions and resulted in problems with cash flow towards the end of the year.
- The change to the requirement for the preparation of the Section 40 Forward Estimates in September rather than January was particularly challenging at a time when the DAPA negotiations were still in progress and the end of year position a little uncertain. The Forward Estimates are likely to be closer to reality if completed when end of year position and DAPA are finalised.
- Increased student numbers and the shift to trade training, continues to impact on infrastructure, requiring the College to invest further funds into key initiatives. The infrastructure funds received the previous year have been helpful in addressing needs for some trade training areas and benefits will be realised in 2009 with the opening of the plumbing training extension.
- Some of the older buildings on Bunbury Campus (now 37 years old) require careful management given the deteriorating roofs, plumbing, and electrical and it is expected that further water supply, drainage and electrical supply issues will arise once the new facility additions are operational. The assistance and advice received from DET officers this year in progressing facilities issues has been appreciated. The College will be pursuing Regional Funding and Commonwealth Maintenance Grants for TAFE Colleges expected to be available in 2009.
- The current condition of the College's student accommodation facility, Paterson House, is of concern. Whilst the College had in previous years made provision for maintenance and upgrading, the imperative to address extensions to Trades Training required redirection of those funds. Emergency maintenance has been effected, but half the units have been closed as unsuitable for use, pending a resourcing strategy.
- SWRC remains concerned about two transportation issues.
 - Firstly, the risk posed to staff and students by having only one entrance to the College (shared with other precinct partners - ECU and Manea Senior School) via Robertson Drive. This road is considered a major road with increasing and continual traffic (as the major thorough-fare from Perth to Margaret River) that staff and many young drivers (our students and Manea high school students) have to negotiate via the single congested entrance. The College will continue to pursue the development and opening of a second entrance.

Current and Emerging Issues and Trends (*continued*)

- The second issue acknowledges the need for more car parking in the College. A significant shortage of some 100 bays has been identified during the year and a review of schedules of delivery has not improved the situation. Equally the sacrifice of the only recreation space to unsurfaced parking has failed to satisfy the demand. During periods of heavy rain much of the temporary car park is reduced to mud. The College seeks to find ways of addressing the situation.
- In recognising the importance of responding quickly to changes in the job market and attending to any needs of those displaced, the College is directing its energies towards flexible and responsive practices. The College believes that the new lecturers' agreement (assuming ratification) will encourage flexibility.
- The College also seeks more creative ways to source funds to transition the College's technology infrastructure. Welcome supplementation was provided by the Department this year to support the updating of our current fleet of machines. However, nothing short of a major investment will be required to approach what is needed for efficient e-business operation and in meeting expectations for delivery of services. Keeping pace with and funding developments that reinforce delivery innovation limits our ability to respond quickly and flexibly.

Changes in Written Law

The amendment to the Industrial Training Act 1975 to allow for school-based apprenticeships and traineeships has been passed through parliament in 2008 with changes scheduled to come into effect in mid 2009.

The College participated in the consultation process with the Department of Education and Training review of the Vocational Education and Training Act.

Major Initiatives for 2009

Appreciating the flow on to our community from the economic down turn, the College expects increasing demand from displaced workers for formal qualifications through Skills Recognition and growth in non employment based training. We also anticipate that as our youth find it more difficult to secure employment, there will be a need to continue to develop and provide pathways through institutional delivery.

The College has extended its Careers South West service providing career information and training pathways advice to its internet website. It also links users to local employment and career guidance services. The challenge for the College will be to maintain its currency, monitor usage, and ensure emerging needs are addressed.

Resources will need to be committed to further development of the College capability to address the expected increase demand for Skills Recognition, for existing and displaced workers who were able to enter employment during the growth period with minimal qualifications. Some may require retraining in different occupations.

Extensive planning was undertaken in 2008 by College staff in conjunction with staff from Manea College to provide career pathways for students through VET courses in 2009. With the opening of Manea College early in 2009 the aim will be to extend options for VET for students in years 11 and 12 that will lead to higher level certificate courses.

Disclosures and Legal Compliance

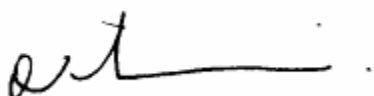
Financial Statements

CERTIFICATION OF FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

The accompanying financial statements of the South West Regional College have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2008 and the financial position as at 31 December 2008.

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



Dan Perkins
Chairperson
Governing Council



Wendy Burns
Managing Director



Jenny Duncan
Manager Finance

Financial Statements

Independent Audit Opinion



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

SOUTH WEST REGIONAL COLLEGE OF TAFE FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 31 DECEMBER 2008

I have audited the accounts, financial statements, controls and key performance indicators of the South West Regional College of TAFE.

The financial statements comprise the Balance Sheet as at 31 December 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

The key performance indicators consist of key indicators of effectiveness and efficiency.

Governing Council's Responsibility for the Financial Statements and Key Performance Indicators

The Governing Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements and key performance indicators.

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Financial Statements

Independent Audit Opinion

South West Regional College of TAFE
Financial Statements and Key Performance Indicators for the year ended 31 December 2008

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the South West Regional College of TAFE at 31 December 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the College provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the College are relevant and appropriate to help users assess the College's performance and fairly represent the indicated performance for the year ended 31 December 2008.



COLIN MURPHY
AUDITOR GENERAL
27 March 2009

Financial Statements

Income Statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
COST OF SERVICES			
Expenses			
Employee benefits expense	4	18,558,329	17,332,091
Supplies and services	5	8,052,785	7,145,287
Depreciation and amortisation expense	6	1,767,166	1,558,396
Grants and subsidies	7	-	88,301
Capital user charge	8	-	874,159
Cost of sales	13	689,652	654,863
Other expenses	9	1,788,672	1,467,649
Total cost of services		30,856,604	29,120,746
Income			
Revenue			
Fee for service	10	781,919	555,639
Student fees and charges	11	2,596,339	2,436,265
Ancillary trading	12	87,045	51,532
Sales	13	725,992	692,930
Interest revenue	14	248,868	253,933
Other revenue	15	699,078	672,634
Total revenue		5,139,241	4,662,933
Gains			
Gain on disposal of non-current assets	16	22,609	55,499
Total gains		22,609	55,499
Total income other than income from State Government		5,161,850	4,718,432
NET COST OF SERVICES		(25,694,754)	(24,402,314)
INCOME FROM STATE GOVERNMENT	17		
Service Appropriation		21,759,705	23,706,051
Assets assumed/(transferred)			
Resources received free of charge	18	903,187	819,654
Total income from State Government		22,662,892	24,525,705
SURPLUS/(DEFICIT) FOR THE PERIOD		(3,031,862)	123,391

This Income Statement should be read in conjunction with the accompanying notes.

Financial Statements

Balance sheet for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	30	2,548,037	3,644,571
Inventories	19	129,587	207,132
Receivables	20	373,159	339,674
Other current assets	21	95,182	98,981
Total Current Assets		3,145,965	4,290,358
Non-Current Assets			
Property, plant and equipment	22	55,065,642	50,264,258
Total Non-Current Assets		55,065,642	50,264,258
TOTAL ASSETS		58,211,607	54,554,616
LIABILITIES			
Current Liabilities			
Payables	24	723,525	335,310
Provisions	25	1,082,902	1,167,196
Other current liabilities	26	455,820	-
Total Current Liabilities		2,262,247	1,502,506
Non-Current Liabilities			
Provisions	25	1,586,884	1,348,726
Other non-current liabilities	26	6,773	6,161
Total Non-Current Liabilities		1,593,657	1,354,887
TOTAL LIABILITIES		3,855,904	2,857,393
NET ASSETS		54,355,703	51,697,223
EQUITY			
Contributed equity	27	5,885,794	5,722,794
Reserves	28	29,626,808	24,109,846
Accumulated surplus/(deficit)	29	18,843,101	21,864,583
TOTAL EQUITY		54,355,703	51,697,223

The Balance Sheet should be read in conjunction with the accompanying notes.

Financial Statements

Statement of Changes in Equity for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
Balance of equity at start of period		51,697,223	40,949,808
CONTRIBUTED EQUITY	27		
Balance at start of period		5,722,794	5,722,794
Capital contributions		163,000	-
Other contributions by owners		-	-
Distributions to owners		-	-
Balance at end of period		<u>5,885,794</u>	<u>5,722,794</u>
RESERVES	28		
Asset Revaluation Reserve			
Balance at start of period		24,109,847	12,756,882
Changes in accounting policy or correction of prior period errors		-	-
Restated balance at start of period		24,109,847	12,756,882
Gains/(losses) from asset revaluation		5,516,961	11,352,964
Balance at end of period		<u>29,626,808</u>	<u>24,109,846</u>
ACCUMULATED SURPLUS	29		
Balance at start of period		21,864,583	22,470,132
Change in accounting policy or correction of prior period errors		10,380	(728,940)
Restated balance at start of period		21,874,963	21,741,192
Surplus/(deficit) for the period		(3,031,862)	123,391
Gains/(losses) recognised directly in equity			
Balance at end of period		<u>18,843,101</u>	<u>21,864,583</u>
Balance of equity at end of period		<u>54,355,703</u>	<u>51,697,223</u>
Total income and expenses for the period (a)		<u>2,485,099</u>	<u>11,476,355</u>

The Statement of Changes in Equity should be read in conjunction with the accompanying notes.

- (a) The aggregate net amount attributable to each category of equity is: deficit (\$3,031,862) plus gains from asset revaluation reserve of \$5,516,961 (2007 surplus \$123,391 plus gains from asset revaluation of \$11,352,964).

Financial Statements

Cash Flow Statement for the year ended 31 December 2008

	Notes	2008 \$	2007 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service Appropriation - Department of Education and Training		20,263,826	23,847,857
Capital Contributions - Department of Education and Training			
Net cash provided by State Government		20,263,826	23,847,857
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(16,858,589)	(15,813,354)
Supplies and services		(6,314,603)	(7,193,827)
Grants and subsidies		-	(88,301)
Capital user charge		-	(2,658,947)
GST payments on purchases		(663,433)	(832,670)
GST payments to taxation authority			
Other payments		(1,645,783)	(1,461,518)
Receipts			
Fee for service		619,665	697,705
Student fees and charges		2,512,989	2,595,257
Ancillary trading		87,045	51,532
Commonwealth grants and contributions			
Interest received		248,868	255,610
GST receipts on sales		696,118	167,460
GST receipts from taxation authority		-	622,725
Other receipts		812,961	690,744
Net cash provided by/(used in) operating activities	30	(20,504,762)	(22,967,584)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		71,234	244,045
Purchase of non-current physical assets		(926,832)	(1,550,474)
Net cash provided by/(used in) investing activities		(855,598)	(1,306,429)
Net increase/(decrease) in cash and cash equivalents		(1,096,534)	(426,156)
Cash and cash equivalents at beginning of period		3,644,571	4,070,727
CASH AND CASH EQUIVALENTS AT END OF PERIOD	30	2,548,037	3,644,571

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

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

1 Australian equivalents to International Financial Reporting Standards

(a) General

The College's financial statements for the year ended 31 December 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the College has adopted, where relevant to its operations, new and revised standards and interpretations from their operative dates as issued by the Australian Accounting Standards Board (AASB) and formerly the Urgent Issues Group (UIG).

(b) Early adoption of standards

The College cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No standards and interpretations that have been issued or amended but are not yet effective have been early adopted by the College for the annual reporting period ended 31 December 2008.

2 Summary of significant accounting policies

(a) General statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the TIs. Several of these are modified by the TIs to vary application, disclosure, format and wording.

The Financial Management Act and the TIs are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for certain assets and liabilities which are measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar (\$).

(c) Reporting entity

The reporting entity comprises the College and entities listed at note 38 'Related bodies'.

(d) Contributed equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) are designated as contributions by owners per TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies is designated as contributions by/distributions to owners to where the transfers are non-discretionary and non-reciprocal. See note 27 'Equity'.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

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 contributions.

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the College obtains control over the assets comprising the contributions, usually upon their receipt.

Other non-reciprocal contributions that are not contributions by owners 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.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

State funds

The funds received from the Department of Education and Training in respect of the delivery of services forming part of the Delivery Performance Agreement is included in State funds, disclosed under 'Income from State Government'. They are the result of training successfully tendered for under competitive tendering arrangements. This revenue is recognised at nominal value in the period in which the College meets the terms of the Agreement.

See note 17 'Income from State Government'.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Property, plant and equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5,000 are recognised as an expense in the Income Statement (other than where they form part of a group of similar items which are significant in total).

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Initial recognition and measurement

All items of property, plant and equipment are initially recognised at cost. For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

After recognition as an asset, the revaluation model is used for the measurement of land and buildings and the cost model for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation on buildings and accumulated impairment losses. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Landgate) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The College's land and buildings has been revalued at 31 December 2008 using Landgate data.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets. Refer to Note 22 'Property, Plant and Equipment' for further information on revaluations.

Derecognition

Upon disposal or derecognition of an item of property, plant and equipment and infrastructure, any revaluation relating to that asset is retained in the asset revaluation reserve.

Asset Revaluation Reserve

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets as described in note 22 'Property, Plant and Equipment'.

Depreciation

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

Land is not depreciated. Depreciation on other assets is based on the straight line method over its useful life, using rates which are reviewed annually.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Estimated useful lives for each class of depreciable asset are:

Buildings	2 to 95 years
Motor vehicles, caravans and trailers	4 to 23 years
Plant, furniture and general equipment	4 to 28 years
Computing, communications and software ^(a)	1 to 15 years

^(a) Software that is integral to the operation of any related hardware.

(g) Intangible assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$5,000 or more, are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are recognised as an expense in the Income Statement.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful live) on the straight line basis using rates which are reviewed annually. All intangible assets controlled by the College have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Licences	up to 6 years
Research and development costs	2 to 6 years
Software	2 to 6 years
Web site costs	2 to 6 years

^(a) Software that is not integral to the operation of any related hardware.

Licences

Licences have a finite useful life and are carried at cost less accumulated amortisation and accumulated impairment losses.

Computer Software

Software that is an integral part of the related hardware is treated as property, plant and equipment. Software that is not an integral part of the related hardware is treated as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

Property, plant and equipment, and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the College is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is significant change in useful life.

Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration or assets' future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured.

See note 23 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(n) 'Receivables' and note 20 'Receivables' for impairment of receivables.

(i) Leases

The College has entered into operating lease arrangements for photocopiers and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased photocopiers and motor vehicles.

(j) Financial instruments

In addition to cash, The College has two categories of financial instruments:

- Loans and receivables; and
- Finance liabilities measured at amortised cost.

These have been disaggregated into the following categories:

Financial assets

- Cash and cash equivalents (including restricted cash and cash equivalents)
- Receivables
- Term deposits
- Amounts receivable for services

Financial liabilities

- Payables
- Amounts due to the Treasurer

Initial recognition and measurement of financial instruments is at fair value. Usually the transaction cost or face value is equivalent to fair value and subsequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

(k) Cash and cash equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents include restricted cash and cash equivalents. These are comprised of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(l) Accrued salaries

Accrued salaries (see note 24 'Payables') 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. Accrued salaries are settled within a few days of the financial year end. The College considers the carrying amount to be equivalent net fair value.

(m) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

See note 19 'Inventories'.

(n) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The provision for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the College will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(j) 'Financial instruments' and note 20 'Receivables'.

(o) Payables

Payables are recognised at the amounts payable when the College becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(j) 'Financial instruments' and note 24 'Payables'.

(p) Provisions

Provisions are liabilities of uncertain timing and/or amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See note 25 'Provisions'.

(q) Provisions - employee benefits

Annual leave and long service leave

The liability for annual and long service leave expected to be settled within twelve months after the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than twelve months after the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the College does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

A liability for long service leave is recognised after an employee has completed four years of service.

Superannuation

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation (GSS) Scheme, a defined benefit lump sum scheme also closed to new members. Both schemes are administered by the Government Employees Superannuation Scheme (GESB).

The College has no liabilities for superannuation charges under those schemes, as the liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the College to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super (GESBS) Scheme. Both of these schemes are accumulation schemes. The College makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension Scheme and the GSS Scheme transfer benefits and is recouped by the Treasurer for the employer's share. See also note 2(r) 'Superannuation expense'.

(ii) Provisions - other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as expenses and liabilities-when the employment, to which they relate, has occurred. Employment oncosts are included as part of 'Other expenses' and are not included as part of the College's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See note 9 'Other expenses' and note 25 'Provisions'.)

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

(r) Superannuation expense

The following elements are included in calculating the superannuation expense in the Income Statement:

(i) Defined benefit plans

For 2007, the change in the unfunded employer's liability (i.e. current service cost and actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that scheme to the GSS Scheme; and

(ii) Defined contribution plans

Employer contributions paid to the WSS Scheme, GESBS Scheme and the equivalent of employer contributions to the GSS Scheme.

Defined benefit plans – For 2007, the movements (i. e. current service cost and actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS Scheme transfer benefits are recognised as expenses directly in the Income Statement. As these abilities are assumed by the Treasurer (refer note 2(q)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under 'Income from State Government' in the Income Statement (see note 17 'Income from State Government').

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the College in the current year.

The GSS Scheme is a defined benefit scheme for the purposes of employees and whole-of-government reporting. However, apart from the transfer benefit, it is a defined contribution plan for agency purposes because the concurrent contributions (defined contributions) made by the College to GEST extinguish all of the College's obligations to the related superannuation liability.

(s) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income and as assets or expenses, as appropriate, at fair value.

(t) Comparative figures

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

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

3 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The College has not applied any new or revised Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 January 2008.

DTF considers the following Australian Accounting Standards and Interpretations are considered to have no impact.

Future impact of Australian Accounting Standards not yet operative

The College cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the College has not applied the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued but are not yet effective. Where applicable, the college plans to apply these Standards and Interpretations from their application date:

1. AASB 101 'Presentation of Financial Statements'. This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The College does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2009.

2. Review of AAS 27 'Financial Reporting by Local Governments', 29 'Financial Reporting by Government Departments' and 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29, and AAS 31:

AASB 1004 'Contributions' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1050 'Administered Items' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1051 'Land Under Roads' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1052 'Disaggregated Disclosure' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (revised)' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

The existing requirements in AAS 27, AAS 29, AAS 31 have been transferred to the above new and existing topic-based standards and interpretations. These requirements remain substantively unchanged. AASB 1050, AASB 1051, and AASB 1052 do not apply to Statutory Authorities. The other Standards and Interpretations make some modifications to disclosures and provide additional guidance (for example, Australian Guidance to AASB 116 'Property, Plant and Equipment' in relation to heritage and cultural assets has been introduced), otherwise, there will be no financial impact.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

4 Employee benefits expense

Wages and salaries (a)	16,642,171	15,395,113
Superannuation - defined contribution plans (b)	1,308,111	1,193,899
Superannuation - defined benefit plans (c)(d)	187,768	214,591
Long service leave (e)	330,750	403,016
Other	89,529	125,472
	18,558,329	17,332,091

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component.

(b) Defined contribution plans include West State, and Gold State and GESB Super Scheme (contributions paid).

(c) Defined benefit plans include the Pension and the Gold State Scheme (pre-transfer benefit).

(d) An equivalent notional income is also recognised (see note 17 'Income from State Government'). Commencing in 2008, the reporting of notional superannuation expense and equivalent notional income has been discontinued.

Employment on-costs such as workers' compensation insurance are included at note 9 'Other Employment on-costs liability is included at note 25 'Provisions'.

5 Supplies and services

Consumables and minor equipment	1,615,097	1,243,021
Communication expenses	200,299	212,314
Utilities expenses	581,438	576,912
Consultancies and contracted services	2,638,980	2,856,677
Minor works	1,514,605	839,724
Repairs and maintenance	117,869	-
Operating lease and hire charges	409,156	449,965
Travel and passenger transport	500,338	411,802
Advertising and public relations	174,966	223,534
Supplies and services - other	300,037	331,338
	8,052,785	7,145,287

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

6 Depreciation and amortisation expense

Depreciation

Buildings	1,033,300	789,445
Leasehold improvements - buildings	243,111	243,111
Motor vehicles, caravans and trailers	127,435	141,823
Plant, furniture and general equipment	232,367	165,156
Computers and communication network	130,953	218,861
Total depreciation and amortisation	1,767,166	1,558,396

7 Grants and subsidies

Other	-	88,301
	-	88,301

8 Capital user charge

Capital user charge expense	-	874,159
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The charge was a levy applied by Government for the use of its capital. The final charge was levied in 2006/2007.

9 Other expenses

Building maintenance	305,682	334,048
Doubtful debts expense	142,888	1,922
Employment on-costs (a)	1,105,783	1,025,331
Student prizes and awards	4,997	4,748
Losses and write-offs	33,502	26,921
Other (b)	195,820	74,679
	1,788,672	1,467,649

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 25 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) Includes grant expenditure for the auto trade area that will be expensed in 2009.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$
10 Fee for service		
Fee for service - general	721,967	544,036
Fee for service - Department of Education and Training	59,952	11,603
	781,919	555,639
11 Student fees and charges		
Tuition fees	1,828,532	1,528,960
Enrolment fees	16,908	194,477
Resource fees	742,911	702,213
Other College fees	7,988	10,615
	2,596,339	2,436,265
12 Ancillary trading		
Live works (not a trading activity)	87,005	51,532
Other ancillary revenue	40	-
	87,045	51,532
13 Trading profit/(loss)		
<u>(a) Bookshop:</u>		
Sales	725,992	692,930
Cost of sales:		
Opening inventory	(207,132)	(174,716)
Purchases	(612,107)	(687,279)
	(819,239)	(861,995)
<u>Closing inventory</u>	(129,587)	(207,132)
Cost of goods sold	(689,652)	(654,863)
Trading profit/(loss) - Bookshop	36,340	38,067
See note 2(m) 'Inventories' and note 19 'Inventories'		
14 Interest Revenue		
Interest Revenue (disclosure sources)	248,868	253,933

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$
15 Other revenue		
Rental and facilities fees	492,111	533,703
Sponsorship and donations revenue	4,740	20,647
Miscellaneous revenue	202,227	118,284
	699,078	672,634
16 Net gain/(loss) on disposal of non-current assets		
<u>Costs of disposal of non-current assets</u>		
Land		
Buildings		
Motor vehicles, caravans and trailers	(48,625)	(184,454)
Plant, furniture and general equipment	-	(2,928)
Computers and communication network	-	(1,164)
Total cost of disposal of non-current assets	(48,625)	(188,546)
<u>Proceeds from disposal of non-current assets</u>		
Motor vehicles, caravans and trailers	71,234	236,772
Plant, furniture and general equipment	-	7,273
Total proceeds from disposal of non-current assets	71,234	244,045
Net gain/(loss)	22,609	55,499
17 Income from State Government		
<u>State funds (received from Department of Education and Training)</u>		
Delivery and Performance Agreement (DPA)	20,021,360	18,543,397
Other recurrent funds	1,738,345	4,288,495
Capital user charge funding	-	874,159
Total State funds	21,759,705	23,706,051

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

18 Resources received free of charge determined on the basis of the following estimates provided by agencies (c)

Department of Education and Training

Corporate systems support	697,011	700,065
Marketing and publications	18,795	8,310
Human Resources and industrial relations support	46,838	110,434
Other	140,543	845
Total resources received free of charge	903,187	819,654
Total income from State Government	22,662,892	24,525,705

- (a) The assumption of the superannuation liability by the Treasurer is notional income to match the notional superannuation expense reported in respect of current employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme. (The notional superannuation expense is disclosed at note 4 'Employee benefits expense'). Commencing in 2008, the reporting of the notional superannuation expense and equivalent notional income has been discontinued. Where the Treasurer or other entity has assumed a liability, the Authority recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.
- (b) Discretionary transfers of assets between State Government agencies are reported as assets assumed/ (transferred) under Income from State Government. Non discretionary non reciprocal transfers of net assets (i.e. restructuring of administrative arrangements) have been classified as Contributions by Owners (CBOs) under TI 955 and are taken directly to equity.
- (c) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contribution of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.

19 Inventories

Inventories held for resale

Bookshop (at cost)	129,587	207,132
Total	129,587	207,132

See also note 2(m) 'Inventories' and note 13 'Trading profit/(loss)'.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

20 Receivables

Current

Receivables - trade	332,240	169,986
Receivables - students	270,499	187,149
Accrued income	51,590	88,136
Allowance for impairment of receivables	(313,571)	(170,683)
GST receivable	32,401	65,086
Total current	373,159	339,674

Reconciliation of changes in the allowance for impairment of receivables

Balance at start of year	(170,683)	(168,761)
Doubtful debts expense recognised in the Income Statement	(142,888)	(1,922)
Balance at end of year	(313,571)	(170,683)

Ageing of receivables past due but not impaired based on the information provided to senior management as at the balance sheet date

Not more than 3 months	223,314	169,014
More than 3 months but less than 6 months	24,881	82,241
More than 6 months but less than 1 year	332,240	170,966
More than 1 year	-	-
	580,435	422,221

See also note 2(n) 'Receivables and note 35 'Financial instruments'.

21 Other Assets

Current

Prepayments	95,182	98,981
Total current	95,182	98,981

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$
22 Property, plant and equipment		
<u>Land</u>		
At fair value (a)	4,480,000	2,800,000
	4,480,000	2,800,000
<u>Buildings</u>		
At fair value (a)	48,099,000	45,981,160
Accumulated depreciation	(2,048)	(607,759)
	48,096,952	45,373,401
<u>Buildings under construction</u>		
Construction costs	522,991	378,754
Total current	522,991	378,754
<u>Motor vehicles, caravans and trailers</u>		
At cost	733,895	758,687
Accumulated depreciation	(321,396)	(222,209)
	412,499	536,478
<u>Plant, furniture and general equipment</u>		
At cost	2,614,144	1,914,166
Accumulated depreciation	(1,271,518)	(1,039,151)
	1,342,626	875,015
<u>Computer equipment, communication network</u>		
At cost	1,331,165	1,290,247
Accumulated depreciation	(1,120,591)	(989,637)
	210,574	300,610
	55,065,642	50,264,258

(a) Freehold land and buildings were revalued as at 31 December 2008 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 31 December and recognised at 31 December. The fair value of all land and buildings was determined by reference to market values. See note 2(f) 'Property, plant and equipment'.

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the reporting period are set out below.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

2008	Land	Buildings	Buildings under construction	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
Carrying amount at start of year	2,800,000	45,373,401	378,754	536,478	875,015	300,610	50,264,258
Additions	-	163,000	144,237	70,262	699,978	40,917	1,118,394
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	(66,806)	-	-	(66,806)
Classified as held for sale	-	-	-	-	-	-	-
Revaluation increments	1,680,000	3,836,962	-	-	-	-	5,516,962
Impairment losses (a)	-	-	-	-	-	-	-
Impairment losses reversed (a)	-	-	-	-	-	-	-
Depreciation expense	-	(1,276,411)	-	(127,435)	(232,367)	(130,953)	(1,767,166)
Carrying amount at end of year	4,480,000	48,096,952	522,991	412,499	1,342,626	210,574	55,065,642

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

2007	Land	Buildings	Buildings under construction	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
Carrying amount at start of year	3,080,000	34,772,992	-	303,326	615,872	1,064,508	39,836,698
Additions	-	-	378,754	591,598	572,644	7,480	1,550,476
Transfers	-	-	-	(28,531)	28,531	-	-
Disposals	-	-	-	(184,454)	(2,928)	(1,164)	(188,546)
Classified as held for sale	-	-	-	-	-	-	-
Revaluation increments	(280,000)	11,632,965	-	-	-	-	11,352,965
Depreciation expense	-	(1,032,556)	-	(141,823)	(165,156)	(218,861)	(1,558,396)
Assets threshold change - net adjustment	-	-	-	(3,638)	(173,948)	(551,353)	(728,939)
Carrying amount at end of year	2,800,000	45,373,401	378,754	536,478	875,015	300,610	50,264,258

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

23 Impairment of assets

There were no indications of impairment of property plant, and equipment as at 31 December 2008.

The College held no goodwill or intangible assets with indefinite useful lives during the reporting period and at balance sheet date there were no intangible assets not yet available for use.

24 Payables

Current

Trade payables	144	22,657
Accrued expenses	475,181	116,101
Accrued salaries and related costs	248,200	196,552
Total current	723,525	335,310

25 Provisions

Current

Employee benefits provision

Annual leave (a)	481,330	568,300
Long service leave (b)	457,060	443,135
	938,390	1,011,435

Other provisions

Employment on-costs (c)	144,512	155,761
Total current	1,082,902	1,167,196

Non-current

Employee benefits provision

Annual leave

Long service leave (b)	1,375,116	1,168,740
	1,375,116	1,168,740

Other provisions

Employment on-costs (c)	211,768	179,986
Total non-current	1,586,884	1,348,726

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

- (a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	481,330	568,300
More than 12 months after balance sheet date	-	-
	481,330	568,300

- (b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of balance sheet date	457,060	443,135
More than 12 months of balance sheet date	1,375,116	1,168,470
	1,832,176	1,611,605

- (c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 9 'Other expenses'.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

Employment on-cost provision

Carrying amount at start of year	335,747	340,327
Payments/other sacrifices of economic benefits	(20,533)	(4,580)
Carrying amount at end of year	315,214	335,747

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$
26 Other liabilities		
Current		
Grants – Auto Trade Grant and Plumbing Gas Project Grant. Expenditure will occur in 2009.	405,820	-
Other – Workers Compensation settlement to occur in 2009	50,000	-
	455,820	-
<u>Non-current</u>		
Other	6,773	6,161
Total non-current liabilities	6,773	6,161
 (a) Income received in advance comprises:		
Department of Education and Training - competitive allocation tendering	405,820	-
	405,820	-
 27 Equity		
Equity represents the residual interest in the net assets of the College. The Government holds the equity interest in the net assets of the College. The Government holds the equity interest in the College on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.		
<u>Contributed equity</u>		
Balance at start of year	5,722,794	5,722,794
Capital contributions	163,000	-
Balance at end of year	5,885,794	5,722,794
 28 Reserves		
Balance at start of year	24,109,847	12,756,882
Gain from revaluation of Land	1,680,000	-
Loss from revaluation of Land	-	(280,000)
Gain from revaluation of Buildings	3,836,961	11,632,964
Balance at end of year	29,626,808	24,109,846

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

29 Accumulated surplus/(deficit)

Balance at start of year	21,864,583	21,741,192
Result for the period	(3,031,862)	123,391
Change in accounting policy or correction of prior period errors (a)	10,380	-
Balance at end of year	18,843,101	21,864,583

(a) Computer equipment was not identified in 2007 stocktake.

30 Notes to the Cash Flow Statement

Reconciliation of cash

Cash at the end of the financial year, as shown in the Cash Flow Statement is reconciled to the Balance Sheet as follows:

Cash on hand	(7,700)	(7,300)
Cash advances		
Cash at bank	(1,040,337)	(1,137,271)
Short term deposits (Provide details of terms and conditions)	(1,500,000)	(2,500,000)
	(2,548,037)	(3,644,571)

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	(25,694,756)	(24,402,315)
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Non-cash items:

Depreciation and amortisation expense	1,767,167	1,558,396
Doubtful debts expense	142,888	1,922
Superannuation expense	1,495,879	1,408,490
Resources received free of charge	903,187	819,654
Net (gain)/loss on sale of property, plant and equipment	(22,609)	(55,499)
Write down of non-current assets classified as held for sale	-	-
Losses and write-offs (excludes cash shortages/thefts of money)	-	-
Asset revaluation decrement	-	-

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$
(Increase)/decrease in assets:		
Current receivables (c)	(245,604)	287,166
Current inventories	77,545	(32,416)
Other current assets	-	(3,872)
Prepayments	40,345	(224)
Increase/(decrease) in liabilities:		
Current payables (c)	388,217	(327,378)
Current provisions	(84,294)	69,953
Other current liabilities	455,820	(2,169,518)
Non-current provisions	238,158	(104,270)
Other non-current liabilities	610	53
Net GST receipts/(payments) (a)	-	-
Change in GST in receivables/payables (b)	32,685	(17,726)
Net cash provided by/(used in) operating activities	(20,504,762)	(22,967,584)

(a) This is the net GST paid/received, i.e. cash transactions.

(b) This reverses out the GST in receivables and payables.

(c) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included as they are not reconciling items.

31 Resources provided free of charge

During the year no resources were provided to other agencies free of charge for functions outside the normal operations of the College.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007
	\$	\$

32 Commitments

Nil events occurring after the balance sheet date.

Lease commitments

Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements, are payable as follows:

Within 1 year	358,971	152,267
Later than 1 year and not later than 5 years	1,107,746	610,628
Later than 5 years	446,360	-
	1,913,077	762,895

Representing:

Cancellable operating leases

Non-cancellable operating leases	1,913,077	762,895
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Future finance charges on finance leases	-	-
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	1,913,077	762,895
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The College has entered a five year lease with a local company for approximately 30 photocopiers, commencing April 2008, for five years.

The College is in the process of replacing its fleet of motor vehicles with leased vehicles through the State Fleet.

The College has a lease agreement for Sylvan Way, Beddingfield and Harvey Campuses.

The College pays 54% of the land lease at Margaret River Campus.

33 Contingent liabilities and contingent assets

Nil

34 Explanatory Statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$250,000.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Significant variations between estimated and actual results for 2008

	2008 Estimate	2008 Actual	Variation
	\$	\$	\$
Employee expenses	17,995,249	18,558,329	(563,080)
Supplies and services	7,309,537	8,052,786	(743,249)
Other expenses	1,499,465	1,788,672	(289,207)
Service appropriation from state government	21,063,422	21,759,705	(696,283)
Resources provided free of charge	819,654	903,187	(83,533)

Employee expenses

Increase in employees expenses due to salary increases for all staff and increases in superannuation. College achieving profile delivery.

Supplies and services

Increase in expenditure for Sylvan Way Auto Trade area at the end of 2008 than estimated.
Increase in contracted service charges of cleaning and gardening.

Other expenses

Greater DPA under delivery in skills shortage Institutional areas over estimates. Greater grant expenditure to be carried into 2009 for the Auto Trade area over estimates.

Service appropriation for state government

Additional funding above estimates that was provided late in 2008 through Addendums for increase in salaries and increase in delivery by the College.

Resources provided free of charge

This is a nominal fee charged by the DET and has slightly increased due to capital works provided to the College over estimates.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Significant variations between actual results for 2008 and 2007

	2008	2007	Variance
	\$	\$	\$
Income			
Fee for service	781,919	555,639	226,280
Ancillary trading	87,045	51,532	35,513
State Funds	21,759,705	23,706,051	(1,946,346)
Resources received free of charge	903,187	819,654	83,533
Expense			
Employee expenses	18,558,329	17,332,091	1,226,238
Supplies and services	8,052,785	7,145,287	907,498
Depreciation	1,767,166	1,467,649	299,517
Capital User Charge	-	874,159	(874,159)
Grants and Subsidies	-	88,301	(88,301)
Other expenses	1,788,672	1,467,649	321,023

Fee for service

The \$226k increase between 2008 and 2007 can be contributed to a greater number of commercial training projects with businesses.

Ancillary trading

An increase in the operation of the Epicure Training Restaurant in 2008. In 2007 the restaurant traded on a reduced basis due to difficulty in obtaining commercial cookery lecturers.

State funds

Actual results in 2007 included a special purpose grant for the Auto Trade area from the Department of Education and Training.

Resources received free of charge

This is a nominal fee charged by the DET and has slightly increased due to capital works provided for the College.

Employee expenses

Increase in employee expenses due to salary increases for all staff and increases in superannuation. College achieving profile delivery in 2008.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007	Variance
	\$	\$	\$

Supplies and services

Increase in expenditure for Sylvan Way Auto Trade area and Plumbing and Establishment grant expenditure. Increases in contracted services charges of cleaning and gardening.

Depreciation

Increase in depreciation due to new Margaret River Campus buildings.

Capital user charge

The Treasury ceased this charge as from July 2007.

Grant and subsidies

Reduction in grants in 2008.

Other expenses

Grant expenditure to be carried into 2009 for the Auto Trade area.

35 Financial instruments

(a) Financial risk management objectives and policies

Financial instruments held by the College are cash and cash equivalents, restricted cash and cash equivalents, loans, finance leases, borrowings and receivables and payables. The College has limited exposure to financial risks. The College's overall risk management program focus on managing the risk identified below:

Credit risk

The College trades only with recognised, creditworthy third parties. The College has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Receivable balances are monitored on an ongoing basis with the result that the College's exposure to debt is minimal. There are no significant concentrations of credit risk.

Liquidity risk

The College has appropriate procedures to manage cash flows including draw downs of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

	2008	2007	Variance
	\$	\$	\$

Market risk

The College does not trade in foreign currency and is not materially exposed to other price risks (for e.g. equity securities or commodity price changes). The College's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations. The College's borrowings are all obtained through the Western Australian Treasury Corporation (WATC) and are at fixed rates with varying maturities. The risk is managed by WATC through portfolio diversification and variation in maturity dates. Other than as detailed in the interest rate sensitivity analysis table at Note 35(c), the College is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and a portion of restricted cash are non-interest bearing and it has no borrowings other than WATC borrowings and finance leases (fixed interest rate).

(b) Categories of financial instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008 \$'000	2007 \$'000
Financial assets		
Cash and cash equivalent	2,548,037	3,644,571
Loans and advances	95,182	88,136
Financial liabilities		
Payables	723,526	335,309

(c) Financial instrument disclosures

Credit risk, liquidity risk and interest rate risk exposures

The following table details the College's maximum exposure to credit risk, and the exposure to liquidity risk and interest rate risk as at the reporting date, based on information provided to senior management of the College. The contractual maturity amounts in the table are representative of the undiscounted amounts as at the balance sheet date. An adjustment for discounting has been made where material.

The College does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The College does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

2008	Weighted Average Effective Interest Rate	Variable Interest Rate \$	Contractual maturity dates				Non-Interest Bearing \$	Total \$
			Within 1 year \$	1-2 Years \$	4-5 Years \$	More than 5 years \$		
Financial Assets								
Cash and cash equivalent	7.30%	1,040,337	1,500,000	-	-	-	7,700	2,548,037
Receivables		-	-	-	-	-	635,140	635,140
Loans and advances	7.30%	-	-	-	-	-	51,590	51,590
		1,040,337	1,500,000	-	-	-	694,430	3,234,767
Financial Liabilities								
Payables		-	-	-	-	-	144	144
Employee benefits		-	-	-	-	-	2,669,786	2,669,786
Other liabilities	7.30%	-	-	-	-	-	730,115	730,115
		-	-	-	-	-	3,400,045	3,400,045

2007	Weighted Average Effective Interest Rate	Variable Interest Rate \$	Contractual maturity dates				Non-Interest Bearing \$	Total \$
			Within 1 year \$	1-2 Years \$	4-5 Years \$	More than 5 years \$		
Financial Assets								
Cash and cash equivalent	4.25 %	1,137,271	2,500,000	-	-	-	7,300	3,644,571
Restricted cash and cash equivalent		-	-	-	-	-	422,221	422,221
Receivables		-	-	-	-	-	98,981	98,981
Loans and advances	4.25%	-	-	-	-	-	-	-
		1,137,271	2,500,000	-	-	-	528,502	4,165,773
Financial Liabilities								
Payables		-	-	-	-	-	22,657	22,657
Employee benefits		-	-	-	-	-	2,515,922	2,515,922
Other liabilities	4.25%	-	-	-	-	-	318,814	318,814
		-	-	-	-	-	2,857,393	2,857,393

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the College's financial assets and liabilities at the balance sheet date on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

2008	Carrying amount	- 1% change		+1% change	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$

Financial Assets

Restricted cash and cash equivalent	2,540,337	(25,403)	(25,403)	25,403	25,403
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2007	Carrying amount	- 1% change		+1% change	
		Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$

Financial Assets

Restricted cash and cash equivalent	3,637,271	(36,373)	(36,373)	36,373	36,373
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Fair values

All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.

36 Remuneration of members of the College and Senior Officers

Remuneration of members of the College

The number of members of the College whose total of fees, salaries, superannuation, non-benefits and other benefits for the financial year, fall within the following bands are :

\$	2008	2007
\$150,000 - \$160,000	-	1
\$160,000 - \$170,000	1	-

The total remuneration of the members of the College are:

\$165,105	\$156,041
------------------	------------------

Total remuneration includes the superannuation expense incurred by the College in respect of members of the College.

Financial Statements

Notes to the Financial Statements for the year ended 31 December 2008

Remuneration of Senior Officers

The number of senior officers other than senior officers reported as members of the College, whose total of salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are :

\$	2008	2007
\$100,001 - \$110,000	-	1
\$110,001 - \$120,000	1	1
\$120,001 - \$130,000	1	-

The total remuneration of senior officers is:

\$239,741	\$223,007
------------------	------------------

The total remuneration includes the superannuation expense incurred by the College in respect of senior officers other than senior officers reported as members of the College.

No senior officers are members of the Pension Scheme.

37 Remuneration of auditor

Remuneration payable to the Auditor General for the financial year is as follows:

	2008	2007
Auditing the accounts, financial statements and performance indicators.	\$40,000	\$35,000

The expense is included in note 9 'Other expenses'.

38 Related Bodies

The College has no related bodies.

39 Affiliated Bodies

The College has no affiliated bodies.

40 Supplementary Financial Information

Write-Offs

Bad debts	33,401	26,917
Other – cash shortage	101	-
	33,502	26,917

41 Schedule of Income and Expenditure by Service

The College provides only one service (as defined by Treasurer's Instruction 1101 (9) and that that is Vocational Education and Training Delivery.

Key Performance Indicators

23 February 2009

Certification of Key Performance Indicators for the Year Ending 31 December 2008

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the South West Regional College of TAFE's performance, and fairly represent the performance of the South West Regional College of TAFE for the financial year ended 31 December 2008.



Dan Perkins
Chairman
Governing Council
Date:



Wendy Burns
Managing Director
Date:

Key Performance Indicators

Desired Outcome

The South West Regional College of TAFE has developed the following key performance indicators (KPIs) to provide an overall indication of the College's operations as prescribed in the Vocational Education and Training Act 1996 and program objectives as embodied in the College's vision/mission statement.

The desired outcome of the College is: the provision of vocational education and training services to meet community and industry training needs.

Effectiveness

Student Satisfaction

Student satisfaction is a performance indicator measuring the extent to which the courses provided by the College met the needs of students. Student satisfaction was measured through the Student Satisfaction Survey, carried out by an independent organisation (Colmar Brunton), aimed at students who were undertaking studies at the College. The survey asked students about themselves and their level of satisfaction with the qualifications and broad areas of teaching, student support and advisory services, and the facilities of the College.

The survey findings for the College stated that a high proportion of students were Satisfied or Very Satisfied overall. The table below shows the College and State Student Satisfaction percentages. The figures include apprentices and trainees in the survey (there were 1628 apprentices and trainees in 2008).

OVERALL STUDENT SATISFACTION							
	2002	2003	2004	2005	2006	2007	2008
SWRC	86.0%	87%	84%	86%	86%	88%	88%
Target							88%
STATE	83.0%	85%	84%	85%	86%	87%	85%

- I. Source: Colmar Brunton on behalf of the WA Department of Education and Training conducted the Student Satisfaction surveys. All students responding were assured of complete confidentiality (i.e. no information would be released to the College that would identify any individual).
- II. Definition: The surveys were administered to full-time and part-time TAFE/VET students who were enrolled in an award course in first semester of that year.
- III. Derivation: The survey asked students to rate their overall degree of satisfaction with their course. The measure compares the number of Very Satisfied and Satisfied respondents as a proportion of respondents.

Key Performance Indicators

- IV. Explanation: The methodology used multiple data collection techniques; mail, on-line and Computer Assisted Telephone Interviewing Techniques (CATI). Response rates and sample error calculations for the South West Regional College of TAFE are outlined below.
- V. Definition: Usable Records are those responses considered "valid" and eligible for inclusion in the final survey sample. Questionnaires over 50% complete, and that contained key data required for KPI tracking, were eligible for inclusion and thus usable.

RESPONSE RATES 2008 - SWRC						Sample Error
INSTITUTIONAL BASED STUDENTS			EMPLOYER BASED STUDENTS			Overall
Population (Usable Records)	Individual Students Contacted	% of Students Responding	Population (Usable Records)	Individual Students Contacted	% of Students Responding	% + or -
3087	809	26%	1353	455	11%	3.9%

Graduate Satisfaction

Disclosure Statement

The aim of the national 2007 Student Outcomes Survey was to measure Vocational and Training Graduates' employment, further study destinations and opinions of the training undertaken. The Student Outcomes Survey, carried out by an independent third party organisation (NCVER), targeted at students who completed a course with a Technical and Further Education Institute in Australia in 2007. The survey was sent to students (with Australian residential addresses) who had completed an Award course in a publicly funded TAFE institute in Australia.

Note: Graduate outcome tables now use the number of valid responses as the denominator in percentage calculations instead of the base number as was the case before 2001. As a result, prior year comparisons will not be accurate.

Measure (a): Achieved Aim: Respondents who reported they achieved, or partially achieved, their main reason for doing the course:

	SWRC	TARGET	WA	AUSTRALIA
2007	90.1%	88%	87.4%	86.6%
2005	86.8%		84.5%	85.3%
2003	79.5%		78.0%	78.8%
2002	76.4%		77.0%	78.0%
2001	78.2%		76.3%	79.0%
2000	79.1%		79.2%	79.6%

Key Performance Indicators

Measure (b): Course quality: The 2005 survey changed the focus and the scoring of this question. The question now asks candidates to rate the overall quality of the course on a scale of 1 to five against the statement, "Overall, I was satisfied with the quality of this course." Candidates who indicated they **agree** or **strongly agree** were counted as satisfied. (1 - Strongly disagree, 2 - Disagree, 3 - Neither agree nor disagree, 4 - Agree, 5 - Strongly agree)

	SWRC	TARGET	WA	AUSTRALIA
2007	89.3%	88%	88.0%	88.9%
2005	87.4%		86.9%	87.7%
2003	87.6%		83.2%	83.1%

Previously candidates were asked to rate of the overall quality of the course. Respondents with 8 or above were considered satisfied with the course quality (1 being poor and 10 excellent).

	SWRC	TARGET	WA	AUSTRALIA
2002	60.6%		56.0%	62.4%
2001	63.6%		60.4%	66.2%

Measure (c): Graduate Employment Rate: In the 2007 survey, graduates from the College achieved better labour outcomes compared to the averages recorded for Western Australia and the Nation.

	SOUTH WEST REGIONAL COLLEGE						WA	AUSTRALIA
	2000	2001	2002	2003	2005	2007	2007	2007
Graduates Employed	73.9%	71.5%	74.6%	76.9%	80.3%	84.4%	82.5%	81.0%
Graduates Unemployed	11.3%	14.3%	11.0%	10.3%	8.0%	15.6%	16.6%	19.0%
Not in labour force	14.2%	14.2%	14.0%	11.0%	11.3%	10.3%	11.3%	10.4%

- Notes:
- Source: NCS Australasia on behalf of the National Centre for Vocational Education Research (NCVER). The Australian National Training authority (ANTA) funded the survey.
- Definition: The 2007 survey was administered to all graduates at a publicly funded TAFE Institute in Australia who, in 2007, had completed a Certificate, Advanced Certificate, Associate Diploma, Diploma or Advanced Diploma and had an Australian address as their usual residence.

Key Performance Indicators

- Derivation: The 2007 graduate survey employment status was measured for each category (employed, unemployed and not in labour force) May 2007. Obtained by calculating the ratio of graduates in each category compared to total respondents and expressed as a percentage.
- Survey distribution and response information:

Response Rates 2008

SOUTH WEST REGIONAL COLLEGE	2002	2003	2005	2007
Number of questionnaires distributed	998	1,381	1,052	764
Number of responses received	545	762	481	322
Response Rate	55%	58%	46%	42.1%

The sample error for 2007: +- 3.5, (Source NCVER)

Key Performance Indicators

College Training Profile

Efficiency

Delivery Cost per Student Curriculum Hour

The following table indicates the cost efficiency of the College in delivery training under the College Training Profile and fee-for-service. The table presents the Average Cost per SCH for all delivery.

CALENDAR YEAR	TOTAL COST	TOTAL SCH	AVERAGE COST/SCH
2008	\$30,852,256	1,962,236	\$15.72
2007	\$29,088,363	1,856,801	\$15.66
2006	\$29,896,177	1,839,676	\$16.25
2005	\$27,540,036	1,757,237	\$15.67
2004	\$26,640,406	1,772,627	\$14.89

Delivery cost per student curriculum hour target = \$16.79

Reasons for Variance:

- Delivery in excess of DPA agreement to meet local demands for training.
- Increases in fixed and variable costs in 2008.
 - I. Source: The 2008 SCH figures were derived from the AVETMISS Survey as extracted from the CMIS. In addition to the AVETMISS Survey figures, separate records for Lifestyle course delivery were added.
 - II. Definition: The SCH is the sum of the SCH extracted from the AVETMISS Survey (CF funded delivery) plus the total of non-profile (fee-for-service) SCH.
 - III. Explanation: The AVETMISS Survey has been adjusted to allow for the “no show” students under the “one attendance” rule criteria. It should be noted that the one attendance criteria implies that the curriculum hours for a module/subject are included in the total SCH provided the student attends at least one class, even if they subsequently withdraw or cease attending a unit.
 - IV. Capital User Charge: The charge was a levy applied by Government for the use of its capital. In 2007, the final year in which the charge was levied, a single payment was made equal to the appropriation for 2007 less any adjustment relating to 2006. (Refer Disclosures and Legal Compliance point 8).

Key Performance Indicators

Effectiveness

Annual VET College Profile Target Achievement

The following table indicates the effectiveness of the College in meeting its target mix for training delivery under the College Training Profile, as a measure of the extent to which it has provided relevant training and skills formation opportunities to the community, in accordance with the training needs of the State.

COLLEGE TRAINING PROFILE	2007 SCH	2008 SCH	2008 SCH	2008 SCH
WADT GROUP	ACHIEVED	PLANNED	ACHIEVED	% ACHIEVED OF PLANNED
01A - Recreation Sports and Entertainment	58,345	50,518	56,638	112.1%
01B - Visual and Performing Arts	46,617	50,540	52,068	103.0%
01C – Design		0	7,210	
02A - Automotive	96,565	96,858	98,760	101.9%
03A - Building and Constructions	124,042	106,378	166,570	156.5%
03B - Surveying and Building	53,354	55,240	49,022	88.7%
04A - Community Service Workers	75,750	89,085	73,915	82.9%
04B - Education and Childcare	136,422	145,070	140,753	97.0%
04C - Health	80,443	49,890	53,133	106.5%
04D - Library Workers	0	0	0	0
05A - Finance Insurance Property Service Workers	3,167	7,308	3,069	41.9%
06A - Food Trades and Processing	37,738	28,722	19,324	67.2%
07A - Clothing Footwear and Soft Furnishings	6,044	9,600	9,810	102.1%
07B - Furniture Manufacture	34,489	45,211	26,440	58.4%
08A - Communications	0	0	0	0
08B - Printing and Publishing	0	0	0	0
09A - Engineering and Drafting	25,020	38,071	30,180	79.2%
09B - Metal and Mining	112,283	110,538	120,584	109.1%
10A - Animal Care	0	0	0	0
10B - Forestry, Farming and Landcare	47,557	54,020	63,018	116.6%
10C - Fishing	0	0	0	0
10D - Horticulture	58,694	33,556	34,694	103.3%
11A - Process Manufacturing	38,391	43,900	43,100	98.1%
12A - Personal Service	32,566	37,485	56,457	150.6%
12B - Retail	14,652	7,362	16,992	230.8%
13A - Cooking	33,143	48,663	31,800	65.3%
13B - Hospitality	12,917	19,606	20,739	105.7%
13C - Tourism	22,211	21,540	23,603	109.5%

Disclosures and Legal Compliance

COLLEGE TRAINING PROFILE		2007 SCH	2008 SCH	2008 SCH	2008 SCH
WADT GROUP		ACHIEVED	PLANNED	ACHIEVED	% ACHIEVED OF PLANNED
14A - Transport Trades, Storage and Associated		0	0	200	0
15A - Electrical and Electronic Engineering		0	0	0	0
15B - Electrical Trades		61,519	53,608	58,893	109.8%
16A - Accounting and Other Business Services		54,715	70,225	58,390	83.14%
16B - Management		42,590	62,866	51,010	81.14%
16C - Office and Clerical		95,165	121,153	133,045	109.8%
17A - Computing		75,730	58,492	67,070	114.6%
18A - Science and Technical Workers		40,560	34,040	54,570	160.3%
19A - ACE		0	0	0	0
19B - Adult Literacy/ESL		94,730	69,884	109,775	157.0%
19C - Languages		3,157	2,400	479	19.9%
19D - Manually Added		0	0	0	0
19E - Targeted Access and Participation Courses		66,815	69,410	30,520	43.9%
Profile Delivery		1,685,391	1,691,229	1,761,831	104.1%
Non Profile Delivery		0	0	200,405	0
Total College Profile Delivery		0	0	1,962,236	0

Variances in excess of 10%

The Delivery and Performance Agreement (DPA) allows for flexibility in shifting delivery between industry groups within agreed tolerances. Where WADOT Groups reflect actual results which vary by 10% or more from the original planned SCH the following explanations apply.

- Raising of School Leaving Age.
- Original SCH allocation under the DPA insufficient to meet local demand in respective WADOT group.
- Increased targets for delivery in skills shortage and employment based training areas.
- SCH shifts across profile to meet local demands for Training.

Non Profile Delivery

Includes:

- Competitively Allocated Training both State and Non State Funded.
- Domestic and International Fee for Service Delivery.
- Delivery for Credit transfers and Recognition of Prior Learning.

Ministerial Directives

In accordance with Section 74 of the Public Sector Management Act 1994, new arrangements were determined in the manner and circumstances in which communication between the office of the Minister for Energy; Training and the South West Regional College of TAFE would occur.

Other Financial Disclosures

Pricing Policies of Services Provided

Fees and charges for students undertaking publicly funded vocational education and training in Western Australia must be collected in accordance with the provisions of the *Vocational Education and Training Act 1996*, *Vocational Education and Training Regulations 1996*. The College's fees are set by the Western Australia Department of Education and indexed by CPI each year.

Capital Works Projects

The College has commenced Building and Plumbing capital works projects which are expected to be completed by end June 2009. The extensions to Hospitality training included as part of the Manea Senior College development are expected to be completed early in 2009. This will accommodate increased delivery for VET in schools, pre apprenticeships and apprenticeships in the areas of Plumbing and Hospitality in 2009.

The auto equipment grants required application of part of the grant to capital works to accommodate the new equipment including the DEGEM laboratory. This will allow students to experience state of the art electronic fault analysis equipment in Heavy Duty Auto Mechanics. Three transportable (classrooms) are scheduled to be completed by 1 semester 2009 and the machinery shed by March 2009.

The addition of a new Childcare Centre and Store Shed has had an impact on utilities and maintenance cost for this College financial year as will the Building and Plumbing capital works programs once completed.

Employment and Industrial Relations

Staff Profile

	2007	2008
Full Time Permanent Staff	120	146
Full Time Contract Staff	17	32
Part Time Permanent Staff	55.4	93
Part Time Contract Staff	18.8	29

Staff Development

The SWRC recognises the importance of people to the College and invests in activities that add to the store of human capital. It starts its investment by reinforcing the relationship between the person and their line manager, from the moment they walk into the College (releasing a new induction manual and process during 2008) to re-affirming the need to a continual review of what needs to be done, through performance management (via PECD requiring collaboration to produce a training and development plan for the individual every cycle).

Other Financial Disclosures

Staff Development

The College plans and provides pathways to meet training and development needs of its employees. New communication techniques have been introduced, to enable staff to source information, share ideas and develop best practise. Business system documentation and procedures are being modified to simplify, clarify and improve accessibility. The connection for teaching staff to subject experts is also being strengthened with visits, published links and creative use of technology.

Professional development days specifically allocated for planning and development activities continue to be held to develop capability for individuals and work teams. Topics covered included: risk management, duty of care, working with children, occupational, safety and health, procurement and corruption prevention. Leadership groups including Principal Lecturers, Campus Managers and Business Unit Managers have received general public sector and technical training to develop capability. The College invested in educating staff and its management group on key public sectors initiatives for risk management and integrity. The College is also working with Shared Services staff in the TAFEWA implementation of the public sector reform initiative on Accountability and Ethical Decision Making.

The College has also implemented measures to co-ordinate, document and reflect on feedback and quality of training through the new Education and Training Shared Services Centre Training and Development processes.

Workers Compensation Claims

Two compensation claims and one matter were carried over from 2007.

Two claims are progressing to settlement.

Six claims arose during 2008. These included 3 for minor injury requiring treatment and all staff have returned to work. A total of 3 mental health claims were received. Of those two have received assistance and returned to normal duties. The remaining claim was declined by the College as it arose from disciplinary action.

The administration function for workers compensation was transitioned to the Education and Training Shared Services Centre. ETSSC staff now process claims and provide additional advice to the College.

Governance Disclosures

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment of service, no Senior Officers, or firms of which Senior Officers are members, or entities in which Senior Officers have substantial interests had any interests in existing or proposed contracts with the South West Regional College (SWRC).

Governing council member, Mr Michael Fagan is Principal Dealer of Bunbury Holden, through which the College purchased some of the vehicles for its fleet.

Governing council chairperson, Dan Perkins is Principal of Perkins Builders and has been successful in winning the tender to construct the new Building and Construction facility for the SWRC. However the tender process was conducted by DHW. Being the third party client as such, the College was not a party to the selection of the successful tender.

Other Legal Requirements

Advertising (Electoral Act 1997)

In compliance with section 175ZE of the Electoral Act 1907, the College is required to report on expenditure, incurred during the financial year in relation to advertising agencies, market research organisations, polling organisations, direct mail organisations and media advertising organisations.

A. Marketing Agencies	Market Force Productions	\$27,129.42
B. Market Research Organisations	Nil	
C. Polling Organisations	Nil	
D. Direct Mail Organisations	Nil	
E. Media Advertising Organisations	Media Decisions	\$74,949.43

2009 Forward Financial Estimates

In accordance with Section 40 of the Financial Management Act 2006, TAFEWA Colleges are required to prepare and submit annual estimates of the annual operations of the College for the following year to the Minister for Education and Training for approval by 30 September each year.

The South West Regional College submitted its 2009 financial estimates to the Minister for Energy; Training on 24 September 2008.

Other Legal Requirements

2009 Forward Financial Estimates

INCOME STATEMENT	\$
COST OF SERVICES	
Expenses	
Employee benefits expense	18,895,011
Supplies and services	7,528,823
Depreciation and amortisation expense	1,776,053
Other expenses	1,514,460
Cost of sales	600,000
Total Cost of Services	30,341,347
Income	
Revenue	
Fee for service	750,000
Student charges and fees	2,600,000
Sales	730,000
Ancillary trading	65,000
Interest revenue	230,000
Other revenue	670,000
Total Revenue	5,045,000
Gains	
Gain on disposal of non-current assets	30,000
Total Gains	30,000
Total income other than income from State Government	5,075,000
NET COST OF SERVICES	(25,239,347)
INCOME FROM STATE GOVERNMENT	
State funds	21,418,255
Resources received free of charge	819,654
Total income from State Government	22,237,909
SURPLUS (DEFICIT) FOR THE PERIOD	(3,001,438)

Other Legal Requirements

2009 Forward Financial Estimates

BALANCE SHEET	\$
ASSETS	
Current Assets	
Cash and cash equivalents	638,221
Inventories	180,000
Receivables	300,000
Total Current Assets	1,118,221
Non-Current Assets	
Property, plant and equipment	49,071,269
Intangible assets	
Other non-current assets	
Total Non-Current Assets	49,071,269
TOTAL ASSETS	50,189,490
LIABILITIES	
Current Liabilities	
Payables	400,000
Provisions	1,250,000
Other current liabilities	480,000
Total Current Liabilities	2,130,000
Non-Current Liabilities	
Payables	
Provisions	1,630,000
Other non-current liabilities	6,131
Total Non-Current Liabilities	1,636,131
TOTAL LIABILITIES	3,766,131
NET ASSETS	
EQUITY	
Contributed Equity	5,722,794
Reserves	24,109,846
Accumulated surplus/(deficiency)	16,590,719
TOTAL EQUITY	46,423,359

Other Legal Requirements

2009 Forward Financial Estimates

CASH FLOW STATEMENT	\$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	21,418,255
Net cash provided by State Government	21,418,255
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	(18,171,262)
Supplies and services	(6,973,953)
Grants and subsidies	
GST payments on purchases	(800,000)
Other payments	(1,500,000)
Receipts	
Fee for service	750,000
Student fees and charges	2,690,000
Ancillary trading	65,000
Interest received	230,000
GST receipts on sales	200,000
GST receipts from taxation authority	400,000
Other receipts	670,000
Net cash provided by/(used in) operating activities	(22,440,215)
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of non-current physical assets	100,000
Purchase of non-current physical assets	(1,000,000)
Net cash provided by/(used in) investing activities	(900,000)
Net increase/(decrease) in cash held and cash equivalents	(1,921,960)
Cash and cash equivalents at the beginning of the period	2,560,181
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	638,221

Other Legal Requirements

2009 Forward Financial Estimates

CHANGES IN EQUITY	\$
Balance of equity at start of period	49,424,797
CONTRIBUTED EQUITY	
Balance at start of period	5,722,794
Balance at end of period	5,722,794
RESERVES	
Asset Revaluation Reserve	
Balance at start of period	24,109,846
Restated balance at start of period	24,109,846
Gains/(losses) from asset revaluation	
Balance at end of period	24,109,846
ACCUMULATED SURPLUS (RETAINED EARNINGS)	
Balance at start of period	19,592,157
Restated balance at start of period	19,592,157
Surplus/(deficit) or profit/(loss) for the period	-3,001,438
Balance at end of period	16,590,719
Balance of equity at end of period	46,423,359
TOTAL INCOME AND EXPENSE FOR THE PERIOD	(3,001,438)

Other Legal Requirements

Disability Access and Inclusion Plans

The South West Regional College of TAFE is committed to achieving the six desired outcomes of its Disability Access and Inclusion Plan 2007-2010.

Outcome 1. People with disabilities have the same opportunities as other people to access the services of, and any events organised by the College.

- A successful student market day was held that was accessible to all students. Improvements for future outdoor events have been identified.
- Adaptive technologies are available for student use as well as customized equipment such as ergonomic chairs, adjustable desks, specialised keyboards, wrist supports, vertical mouse and anti-glare screens.
- E-learning techniques and blogs are being trialled in several study areas to improve student recording of training progress, encourage group participation and communication skills.

Outcome 2. People with disabilities have the same opportunities as other people to access the buildings and other facilities of the College.

- Improvements were made at the Manjimup campus including an automatic door and a contract has been awarded for the construction of a ramp from the alternative emergency exit door.
- All contractors have completed an induction program including their obligations under disability legislation and Australian standards for disability access.
- The Project Officer reviewed each campus using the Disability Services Commission Audit checklist with a particular emphasis on public transport, parking, pathways, ramps, signage, toilets, public counters and general lecture areas. Recommendations will be considered in future capital works and facilities improvement programs.

Outcome 3. People with disabilities receive information from the College in a format that will enable them to access the information as readily as other people are able to access it.

- The DAIP 2007-2010 is available in print and on the College website and several copies were provided in alternative formats.
- Students enrolled in Certificate III Disability completed a class project on the types of information required by prospective students, particularly those with physical, learning and intellectual disabilities. Their findings have been included in a review on 'Improving the information provision to enrolling and potential students'.
- Guidelines on new formats for print and web based publications have been developed and will be implemented in 2009.

Outcome 4. People with disabilities receive the same level and quality of service from the staff of the College.

- Lecturing and administrative staff participated in three disability awareness training sessions on Professional Development days in April and October to improve their understanding and support for students with disability. Presenters included representatives from Disability Services Commission, Advocacy South West, WA Deaf Society, South West Mental Health Service, St John of God Outreach Service and a person with hemiplegic cerebral palsy who has worked as a teachers' assistant in Manjimup.

Other Legal Requirements

Disability Access and Inclusion Plans (*continued*)

- Plans are being developed to expand the disability awareness training in 2009 and 2010.
- Specific training was provided to notetakers on duty of care, OSH and emergency procedures, use of assistive equipment, improving the learning spaces, techniques for encouraging disclosure and empowerment for students with a disability.

Outcome 5. People with disabilities have the same opportunities as other people to make complaints to the College.

- The College customer feedback process was reviewed and a new COMBIT system was developed to include electronic lodgement of complaints. Training has been provided to managers and staff and the system will commence in early 2009. All complaints will be handled confidentially and equitably.

Outcome 6. People with disabilities have the same opportunities as other people to participate in any public consultation by the College.

- The DAIP 2007-2010 was publicised via all community newspapers as well as the website and feedback was obtained.
- The Disability Project Officer consulted with student groups including students with a disability on College inclusivity practices.
- Families, carers and where required disability service providers were consulted about individual learning needs of students.

Compliance with Public Sector Standards and Ethical Codes

The South West Regional College (SWRC) continues to respond to increasing standards for integrity within the WA public sector. It has pursued strategies to improve education, increase accountability, enhance audit activity including enforcement action and improve its understand of current and emergent risk.

Key College committees (including Audit, Staff Consultative and Managers Consultative Forum) have also continued to work on matters including concerns expressed by staff, reinforcing decision making pathways, increased the availability or amount of literature and the refinement of policies and processes.

Other Legal Requirements

Compliance with Public Sector Management Act Section 31(1)

The SWRC values sound practise for human resource management and we have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct. The College is constantly improving its business system documentation, covering changes to policy and procedure in order to provide the best and most current view of key issues. Procedures have also been designed to ensure such compliance includes conducting appropriate internal assessments to have confidence of compliance.

The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

Number lodged:	One
Number of breaches found, including details of multiple breaches per application:	Nil
Number still under review:	Nil

Record Keeping Plans

Measures to ensure compliance with the State Records Commission – Standard 2 Record Keeping plans: Principle 6 – include:

The efficiency and effectiveness of the organisation's recordkeeping system is evaluated not less than once every 5 years.

Regular records management awareness and up-to-date information is delivered to all staff in the College throughout the year.

An upgrade to our records management software has taken place with the impressive and user friendly TRIM Context 6R2 being rolled out to all users. Later in 2009, we will be introducing electronic document management to capture e-mails, documents coming into the College externally and internally.

Training was implemented on the new upgrade and an audit will be conducted throughout next year on the efficiency and use of the new software e.g. regular health checks.

The organisation conducts a recordkeeping training program.

Ad hoc in-house training sessions are conducted for groups or individuals. Records management staff are offered more frequent and more specialised training as required.

In 2009, additional in-house training sessions will be conducted for;

- refresher course for long-serving staff
- awareness training for senior management
- a quick update or reminder session to staff on how to use existing systems
- In-house training sessions have been conducted for groups and individuals
- Training in group and individual sessions are provided on demand

The organisation's induction program addresses employees' roles and responsibilities with regard to their compliance with the organisation's recordkeeping plan.

Other Legal Requirements

The introduction of the Records Awareness Training System (RATS) has been implemented to all staff throughout the College. There has been positive feedback and staff are more proficient in their understanding of records management and the importance of having a good recordkeeping system.

A records management website will be introduced next year for staff to browse and FAQ's with better recordkeeping and records management practices attached.

Freedom of Information

A more improved and concise FOI Policy was developed for the College in 2008 which was placed on the College's intranet. The South West Regional College of TAFE allows supervised access to records on request. Applications for information under the Freedom of Information Act are submitted to the Freedom of Information Officer.

No Freedom of Information requests were received during 2008.

Government Policy Requirements

Corruption Prevention

The College leadership has continued to promote consistent messages with respect to required behaviours. Work is progressing on inclusion of ethical decision making in staff induction and professional development programs.

Another key prevention activity was the adoption of risk management as a work tool for all staff and work teams within the College. The Risk Co-ordinator has been used as an educator and consultant to help people/teams embed risk assessment into their everyday work. Every new activity or review of existing activity requires a risk assessment and treatment plan, enabled by the timely release of the new Risk Cover assessment tool. It assists staff to identify potential risk before implementation and to manage the risk to an acceptable level.

Staff have also been encouraged to positively challenge and question behaviour, to support transparency and reduce the likelihood of unconscious behaviour. These themes were replayed with literature posted on notice boards and group email.

A significant training program for procurement was completed for all staff and managers. All financial delegations will be recast at the start of 2009 and non financial delegates reminded of their responsibilities at the 2009 orientation day.

Work also commenced to incorporate recent integrity initiatives, to assist induction of new staff, and improve access to documentation on the business system. Changes have also been enacted to clarify allegations, investigations and discipline.

The College makes use of external agencies and third parties for advice as required including the DET Standards and Integrity Unit.

Government Policy Requirements

Sustainability

The Western Australian Government's, Better Planning: Better Futures, framework for strategic management (September 2006) drew attention to the *responsibility* of public sector agencies to "make decisions for tomorrow, not just today". Directly reflecting the need for both immediate and longer term action in support of sustainability, the College continued in 2008 to address its environmental footprint (and prescribed targets), while seeking to take a longer term view of the drivers of sustainability in relation to the College's core business namely the delivery of training and assessment services.

This longer term view of sustainable core business has resulted in the identification of three, 'over the horizon', strategic planning themes. An overview of these three themes and progress to date is presented below. This is followed by an overview of the College's progress in minimising its environmental 'foot print' in relation to energy use, vehicle fleet, fuel consumption, risk management, water use and procurement.

Better planning for a sustainable future

The College has continued the three key themes for achieving sustainability identified in 2007, embedding and supporting decision making on the basis of these three themes is ongoing. The three themes are: TAFEWA Collaboration; skills recognition and workplace training; and the inclusion of under represented target groups.

The key academic leaders, the Principal Lecturers, within the College have provided the direction and guidance to achieve outcomes for the College in these three areas in particular the following:

1. TAFEWA Collaboration

The SWRC of TAFE has continued to support collaboration across the TAFE sector forwarded through the State wide agreement for sharing of developing records that has the full endorsement of all Managing Directors. This is being embedded in the College through a communication plan ensuring cascading communication for all staff.

2. Recognition and Workplace Training

The College worked with a TAFEWA state wide initiative to increase Recognition of Prior Learning and is developing and implementing a training program for all staff including lunch time tool box meetings. A review of RPL policy and procedure has occurred within the College.

A number of successful workplace assessment programs have been further developed during 2008 particularly in the Health Sector and Business Management and subsequently promoted as best practice across the College.

3. Inclusion of under represented target groups

Indigenous students have received a new level of support during 2008 with the two student support officers providing an important link and support to both lecturers and students as we seek to deliver relevant qualifications whilst removing barriers that impact on the achievement of criterias.

The sport and recreation team's work with the Indigenous program at Clontarf Football Academy has continued with students completing units towards a Certificate II in Community Recreation.

Government Policy Requirements

At enrolment 218 students identified that they had some form of disability. Students were enrolled in 63 different qualifications from Certificate I to Diploma level qualifications. A total 8950 hours of notetaking support was provided during 2008 at a value of \$179,000.

Horticulture training for high school students with an intellectual disability has continued to offer rewards for students and trainers. VET in Schools training at the entry-level of Certificate I is running successfully at Harvey and Manjimup.

The College's environmental 'footprint'

Energy and Water Use

There was an increase of 2% in greenhouse emissions and an 8% increase in energy consumption for 2008. This was due largely to the building expansions at the Bunbury Campus and the Sylvan Way/Beddingfield Annex with the overall floor space of the College increased by 21%. (Community Childcare Centre, Corporate Shed, and three Transportable Classrooms). As a consequence, the College did not reach its Energy Smart Government initiative target for 2008.

Whilst it did not reach its target, three of the six campuses recorded a reduction in both emission and energy consumption. (Busselton, Collie and Harvey)

In 2009 the College will conduct a review of the energy management system with the view to expanding its effectiveness at the Bunbury Campus and introducing it to the other campuses.

The College has reduced water usage in line with the Water Corporation sprinkler use restrictions.

Vehicle Fleet and Fuel Consumption

In January 2008, the management of the College's motor vehicle fleet was outsourced to a fleet manager in accordance with the Government's requirement for agencies and the established Fleet Management Contract.

Currently 7 of the College's 18 motor vehicles are leased. The remaining 11 vehicles will be replaced in due course with lease vehicles during 2009.

The College fleet composition was reviewed at the commencement of 2008 and the College found that the current composition of its fleet continues to provide a good balance and is fit for purpose to meet College needs.

In appointing a fleet manager, the College is looking to achieve an improved level of service and measurable savings in vehicle operational costs by way of:

- reduction in cost of repairs and maintenance through the negotiation of favourable terms for vehicle maintenance
- reduction in costs of overheads and administration
- fleet rationalisation to achieve better utilisation and improved fleet performance
- management of other peripheral automotive related functions
- provision of timely and accurate information
- payment of all fleet costs, including fuel
- improved monitoring of costs on new vehicle acquisitions
- Improved negotiation of and disposal of vehicles and change of vehicles on time

Government Policy Requirements

Procurement

In line with the Department of Treasury and Finance directive in 2007, all government departments are required to increase purchasing via corporate credit card to 40% by 2008 and up to 80% by 2010. The College has revamped its purchasing policies and procedures in 2008 to foster the increased use of corporate credit cards for minor purchases under \$5,000. The College's current rate of 43% is up by 4% on the 2007 rate and indicates that that we are moving towards meeting the targets set by the Department of Treasury and Finance.

The first National Australia Bank Flexi-purchase module (Electronic Statements) was introduced in the first quarter of 2008 reducing stationery costs and improving work efficiencies. The second module is currently on hold until the release of Oracle in 2010.

The South West Regional College has implemented the new purchasing policy changes as outlined by the State Supply Commission. As a result of the purchasing changes the College developed and delivered a new Purchasing Training program to ensure that staff with a purchasing role are kept up to date with current practices. The changes in purchasing policy will ensure that the College is well placed to meet the 2010 target of 80%.

Risk Management

In 2008 the College reviewed and rewrote its new Risk Management Plan. The major elements of the Risk Management Plan are:

- To provide for improved reporting on the ongoing effectiveness of the Risk Management Program.
- To rewrite the Risk Management Administrative Guidelines so that they are clear and easy to follow.
- Develop and implement a method of identifying and reporting risks on an on-going basis, utilising a database that has the capability to tailor reports, enabling risks of various levels to be reported to appropriate management for action.
- Conduct comprehensive risk identifications, assessments and reviews on a rolling basis of three to five years.
- Work with business units to develop risk assessment templates which are easy to use and understand and promote engagement in risk assessment.
- Monitor, review and update College Risk Treatment/Action Plans.
- Ensure that all staff receive adequate and up-to-date risk management training appropriate to their role.
- Implement an internal audit schedule to review each sections level of Risk Management activity.

Throughout 2008 the College has continued to provide training opportunities for staff in Risk Management. The College has also begun to implement the new Riskbase Database offered through Riskcover. This application will enhance the College's ability to capture risk information in a structured and logical way which will improve tracking and recording of Risk Assessments and Risk Management. Moreover, the Risk Management tool will better enable the College to become efficient and effective in identifying and responding to any major risks.