

PUBLIC
EDUCATION
ENDOWMENT
TRUST

ANNUAL REPORT 2011



ENRICHING THE LIVES OF
WESTERN AUSTRALIAN STUDENTS

**TRUSTEES OF THE
PUBLIC EDUCATION ENDOWMENT**

**2011
ANNUAL REPORT**

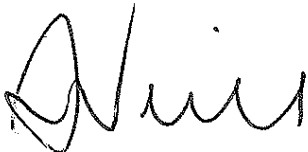
Statement of Compliance

For year ended 30 June 2011

HON ELIZABETH CONSTABLE
MINISTER FOR EDUCATION

In accordance with Section 63 of the *Financial Management Act 2006*, I hereby submit for your information and presentation to Parliament, the Annual Report of the Public Education Endowment Trust for the year ended 30 June 2011.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and Section 14 of the *Public Education Endowment Act 1909-81*.



Sharyn O'Neill
Trustee
Public Education Endowment Trust



Keith Punch
Trustee
Public Education Endowment Trust

16 September 2011

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Operational Structure

1. Enabling Legislation

The Act governing the Trust in Western Australia is the *Public Education Endowment Act, 1909-81*.

Under section 9 of this Act, the Trustees may disburse money derived as income of real and personal property and investments towards the improvement of such property, and the payment of salaries and other expenditure in carrying out the provisions of the Act, relating to public education, in force for the time being.

Responsible Minister

The Hon Dr Elizabeth Constable MLA, Minister for Education

Organisational Structure

Mission

To support educational initiatives that will lead to long-term benefits for Western Australian school students.

2. Objectives and Functions

The role of the Trust is to maintain investment funds in order to finance specific educational projects that are presented to the Trustees from time to time. The Trustees grant funding for educational projects that benefit as many Western Australian students as possible.

The Trust generates revenue from:

- (a) interest on investments; and
- (b) sale of land.

The Trustees meet periodically to deal with administration, finance and matters affecting Trust land.

3. Administrative Structure

The Trust membership, in accordance with the provisions of Section 2 of the *Public Education Endowment Act 1909-81*, consists of the Hon Minister for Education (Chairperson), the Director-General, Education Department of Western Australia – (ex-officio) and three other Trustees appointed for a term of three years by His Excellency the Governor.

The membership of the Trust from 1 July 2010 to 30 June 2011 is:

Hon Dr Elizabeth Constable	Minister for Education (Chairperson)
Ms Sharyn O'Neill	Director-General, Department of Education
Ms Norma Jeffery	Trustee - appointment expires 21 November 2011
Prof Keith Punch	Trustee - appointment expires 21 November 2012
Mr Colin Pettit	Trustee – resigned 18 February 2011.

The Trustees met on four occasions to consider Trust business. These meetings were held on:

- 2 December 2010
- 28 January 2011
- 19 April 2011
- 8 June 2011

4. Legislation Impacting on the Trust's Activities

In performance of its functions, the Public Education Endowment Trust complies with the following relevant written laws:

- *Auditor General Act 2006;*
- *Contaminated Sites Act 2003*
- *Disability Services Act 1993*
- *Equal Opportunity Act 1984;*
- *Financial Management Act 2006;*
- *Freedom of Information Act 1992;*
- *Industrial Relations Act 1979;*
- *Minimum Conditions of Employment Act 1993;*
- *Occupational Safety and Health Act 1984;*
- *Public Sector Management Act 1994;*
- *Salaries and Allowances Act 1975;*
- *State Records Act 2000; and*
- *State Supply Commission Act 1991.*

In the financial administration of the Public Education Endowment Trust, we have complied with the requirements of the *Financial Management Act 2006* and every other relevant written law, and exercised controls which provide reasonable assurance that the receipt and expenditure of monies and the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

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

5. Operations

Metropolitan Land

FREMANTLE - Reserve No.11384; Lots 1186-1192, 1197-1200, 1207-1208, 1213-1215, and 1725. BP Australia Ltd leased this property until 28 February 2006. The land was re-valued on 1 July 2010 and is now valued at \$8 600 000.

6. Trust Income

(Leasing of Trust Land)

The Trust did not receive any income from the Fremantle land for the period ending 30 June 2011. The lessee vacated the property on 28 February 2006.

Investment of Trust Funds

The Trust has one account at the Commonwealth Bank of Australia, which combines the Trust's Investment and Operating accounts.

The Commonwealth Bank of Australia Account earned interest of \$578 456 for the period ending 30 June 2011.

Utilisation of Trust Finance

Expenditure was authorised during the financial year to fund education projects and administration expenses.

7. Projects

No funding was approved in 2011 as the Trustees reviewed the funding directions towards research based projects. The Hon Dr Elizabeth Constable, Minister for Education (Chairperson) announced the opening of grant program applications at the launch of the new grant program on 8 June 2011.

8. Land Holdings

Freehold land vested in the Trust as at 30 June 2011 totals 3.0152 hectares and has a fair value of \$8 600 000.

9. Internal Audit

The scope of the audit conducted by Braxford Consultancy Pty Ltd was to ensure that the service delivery:

- Satisfied the responsibilities of the Accountable Officer as defined in the *Financial Management Act 2006* (FMA).
 - Satisfied the requirements of the Treasurer's Instruction 1203.
 - Included an effective audit of systems relating to information processing.
 - Provided a value for money approach that incorporates best practice.
- Identified the risks inherent in the operation of the Public Education Endowment Trust.

The internal audit for the 2010-11 financial year has been completed.

10. Management/Development of Trust Land

Land Corp has been commissioned by the Trust to advise the Trustees on all matters affecting Public Education Endowment land.

Performance Management Framework

New Outcome Based Management Structure

The Trust's performance management framework changed during 2010-11. The new Outcome Based Management (OBM) structure was developed in conjunction with the Department of Treasury and the Office of the Auditor General. The number of services was reduced to one to better focus on the core business of the Trust. The new OBM structure ensures that the Trust is able to measure and report on the Trust's desired outcome within the broader Government goals.

Government Goal	Agency Level Government Desired Outcome	Service
Outcomes Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.	Enhancement of the public education of Western Australian students.	Grants – providing grants for public education purposes, for projects that will benefit the education of Western Australian students.

The Trust's key effectiveness indicators provide information on the extent to which the outcome has been achieved through the delivery of the agreed service. The Trust's efficiency indicator demonstrates the efficiency with which the Trust delivers the agreed service.

Performance against key effectiveness and efficiency indicators is detailed on page 36.

Shared Responsibility with other Agencies

The Trust did not share any responsibilities with other agencies in 2010-11.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

TRUSTEES OF THE PUBLIC EDUCATION ENDOWMENT

Report on the Financial Statements

I have audited the accounts and financial statements of the Trustees of the Public Education Endowment.

The financial statements comprise the Statement of Financial Position as at 30 June 2011, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Trustees' Responsibility for the Financial Statements

The Trustees are responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards and the Treasurer's Instructions, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements based on my audit. The audit was conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Trustees, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the Trustees of the Public Education Endowment at 30 June 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Trustees of the Public Education Endowment

Report on Controls

I have audited the controls exercised by the Trustees of the Public Education Endowment. The Trustees are responsible for ensuring that adequate control is maintained over the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the controls exercised by the Trustees based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the controls exercised by the Trustees of the Public Education Endowment are sufficiently adequate to 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.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Trustees of the Public Education Endowment. The Trustees are responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of the Trustees of the Public Education Endowment are relevant and appropriate to assist users to assess the Trust's performance and fairly represent indicated performance for the year ended 30 June 2011.

Independence

In conducting this audit, I have complied with the independence requirements of the Auditor General Act 2006 and the Australian Auditing Standards, and other relevant ethical requirements.



COLIN MURPHY
AUDITOR GENERAL
16 September 2011

Disclosures and Legal Compliance


Financial Statements

Certification of Financial Statements

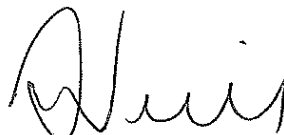
For the year ended 30 June 2011

The accompanying financial statements of Public Education Endowment Trust 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 ending 30 June 2011 and the financial position as at 30 June 2011.

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



Kerry Spencer
Chief Finance Officer
Public Education Endowment Trust



Sharyn O'Neill
Trustee
Public Education Endowment Trust



Hon Elizabeth Constable
Chairperson
Public Education Endowment Trust

9 September 2011

Statement of Comprehensive Income

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
COST OF SERVICES			
Expenses			
Land Expenses		-	5,080
Supplies and Services	4	57,313	24,037
Employee Expenses	5	29,208	64,223
Accommodation Expenses	6	2,516	2,817
Loss on Disposal of Non-current Assets	7	-	62
Other Expenses	8	145	3,962
Total Cost of Services		89,182	100,181
Income			
<i>Revenue</i>			
Interest Revenue	9	578,456	444,135
Other Revenue	10	394,095	632,569
Total Revenue		972,551	1,076,704
NET COST OF SERVICES		883,368	976,523
Income from State Government	11	-	-
Resources received free of charge		6,664	
Total Income from State Government		6,664	
SURPLUS/(DEFICIT) FOR THE PERIOD		890,032	976,523
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		890,032	976,523

The Statement of Comprehensive Income should be read in conjunction with the accompanying notes

Statement of Financial Position

As at 30 June 2011

	Note	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and Cash Equivalents	19	11,666,342	11,218,284
Receivables	12	146,956	126,912
Other Current Assets	13	6,985	6,798
Total Current Assets		11,820,283	11,351,994
Non-Current Assets			
Investment Property	15	8,600,000	8,205,905
Total Non-Current Assets		8,600,000	8,205,905
TOTAL ASSETS		20,420,283	19,557,899
LIABILITIES			
Current Liabilities			
Project Expenses		15,000	26,499
Payables	17	20,593	36,742
Total Current Liabilities		35,593	63,241
TOTAL LIABILITIES		35,593	63,241
NET ASSETS		20,384,690	19,494,659
EQUITY			
	18		
Contributed Equity		5,388,902	5,388,902
Reserves		5,724,500	5,724,500
Accumulated Surplus		9,271,288	8,381,256
TOTAL EQUITY		20,384,690	19,494,658

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

Statement of Changes in Equity

For the year ended 30 June 2011

	Note	Contributed equity	Reserves	Accumulated surplus/ (deficit)	Total equity
		\$	\$	\$	\$
Balance at 1 July 2009	18	5,388,902	5,724,500	7,404,733	18,518,135
Changes in accounting policy or correction of prior period errors					
Restated balance at 1 July 2009		5,388,902	5,724,500	7,404,733	18,518,135
Total comprehensive income for the year		-	-	976,523	976,523
Balance at 30 June 2010		5,388,902	5,724,500	8,381,256	19,494,658
 Balance at 1 July 2010		 5,388,902	 5,724,500	 8,381,256	 19,494,658
Total comprehensive income for the year		-	-	890,032	890,032
Balance at 30 June 2011		5,388,902	5,724,500	9,271,288	20,384,690

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

Statement of Cash Flows

For the year ended 30 June 2011

	Note	2011 \$	2010 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Administration		(17,537)	(30,326)
Employee benefits		(45,541)	(67,834)
Land expenses		-	(5,080)
Supplies and services		(34,123)	(5,711)
Project expenses		(11,500)	(155,086)
GST payments on purchases		(9,707)	(26,801)
GST payments to taxation authority		-	(2,042)
Receipts			
Interest received		558,412	405,535
GST receipts from taxation authority		8,054	23,391
Other receipts			2,069
Net cash provided by/(used in) operating activities	19	<u>448,058</u>	<u>138,115</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Expense payments from sale of non-current physical assets		-	(4,562)
Receipts			
Proceeds from sale of non-current physical assets		-	49,500
Net cash provided by/(used in) investing activities		<u>-</u>	<u>44,938</u>
Net increase/(decrease) in cash and cash equivalents		448,058	183,053
Cash and cash equivalents at the beginning of period		<u>11,218,284</u>	<u>11,035,231</u>
CASH AND CASH EQUIVALENT ASSETS AT THE END OF PERIOD	19	<u>11,666,342</u>	<u>11,218,284</u>

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

Notes to the Financial Statements

For the year ended 30 June 2011

Note 1. Australian Accounting Standards

General

The Public Education Endowment Trust's financial statements for the year ended 30 June 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations issued by the Australian Accounting Standards Board (AASB).

The Trust has adopted any applicable, new and revised Australian Accounting Standards from their operative dates.

Early adoption of standards

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No Australian Accounting Standards that have been issued or amended but not operative have been early adopted by the Trust for the annual reporting period ended 30 June 2011.

Note 2. Summary of Significant Accounting Policies

(a) General statement

The financial statements constitute general purpose financial statements that have been prepared in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary application, disclosure, format and wording.

The *Financial Management Act* and the Treasurer's instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board.

Where modification is required and has had 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 land and buildings which have been 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 are all rounded to the nearest dollar (\$).

(c) Reporting entity

The reporting entity comprises of Trust. There are no related bodies.

(d) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities as follows:

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Trust obtains control over the assets comprising the contributions, usually when cash is received.

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.

(e) Investment Property

Investment property, principally comprising freehold land, is held for long term rental yields and is not occupied by the Trust. Investment property is carried at fair value, as mandated by TI 954, representing open market value determined annually by external valuers. Changes in fair value are recorded in the Statement of Comprehensive Income as part of other income or other expense.

(f) Impairment of assets

Property and plant and equipment are tested for any indication of impairment at the end of each reporting period. 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 Trust 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.

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 a 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 of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

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. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

(g) Leases – Accommodation expense

Operating leases are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased accommodation.

(h) Loans and Receivables

In addition to cash the Trust has two categories of financial instrument:

- Receivables; and
- Financial liabilities measured at amortised cost.

Financial instruments have been disaggregated into the following classes:

- Financial Assets
 - Cash and cash equivalents
 - Receivables
- Financial Liabilities
 - Payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or the face value.

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.

(i) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise 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.

(j) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. 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 allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Trust 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.

(k) Payables

Payables are recognised at the amounts payable when the Trust 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.

(l) Resources received free of charge or for nominal value

Resources received free of charge or for nominal cost that can be readily measured are recognised as income at fair value.

Assets or services are received from other State Government agencies are separately disclosed under Income from State Government in the Statement of Comprehensive Income.

(m) Comparative figures

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

Note 3. Disclosure of Changes in Accounting Policy and Estimates

Future impact of Australian Accounting Standards not yet operative

The Trust cannot early adopt an Australian Accounting Standard unless specifically permitted by TI 1101 *Application of Australian Accounting Standards and Other Pronouncements*. Consequently, the Trust has not applied early any of the following Australian Accounting Standards that have been issued that may impact the Trust. Where applicable, the Trust plans to apply these Australian Accounting Standards from their application date.

		Operative for reporting periods beginning on/after
AASB 2009-11	<i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].</i>	1 Jan 2013
	The amendment to AASB 7 Financial Instruments: Disclosures requires modification to the disclosure of categories of financial assets. The Trust does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.	

AASB 2009-12	<p><i>Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 and 1031 and Interpretations 2, 4, 16, 1039 and 152].</i></p> <p>This Standard introduces a number of terminology changes. There is no financial implication resulting from the application of this revised Standard.</p>	1 Jan 2011
AASB 1053	<p>Application of Tiers of Australian Accounting Standards</p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on the Trust. However it may affect disclosures in the financial statements of the Trust if the reduced disclosure requirements apply. DTF has not yet determined the application or the potential impact of the new Standard for agencies.</p>	1 July 2013
AASB 2010-2	<p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i></p> <p>This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on the Trust. However this Standard may reduce some note disclosures in financial statements of the Trust. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 Jul 2013
AASB 2011-2	<p><i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence project – Reduced Disclosure Requirements [AASB 101 and AASB 1054].</i></p> <p>This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or potential impact of the amendments to these Standards for agencies.</p>	1 July 2011
AASB 2010-5	<p><i>Amendments to Australian Accounting Standards [ASSB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 and 1038 and Interpretations 112, 115, 127, 132 and 1042] (October 2010)</i></p> <p>This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.</p>	1 Jan 2011
AASB 2010-6	<p><i>Amendments to Australian Accounting Standards - Disclosures on Transfers of Financial Assets [AASB 1 and AASB 7]</i></p> <p>This Standard makes amendments to the Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets.</p> <p>This Standard is not expected to have any financial impact on the Trust. DTF has not yet determined the application or the potential impact on the amendments to these Standards for agencies.</p>	1 July 2011

AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i>, introducing a number of changes to accounting treatments.</p> <p>The Standard was reissued on 6 Dec 2010 and the Trust is determining the impact of the Standard. DTF has not yet determined the application or potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 and 1038 and Interpretations 2, 5, 10, 12, 19 and 127]</i></p> <p>This Amending Standard makes consequential adjustments to other Standards as a result of issuing AASB 9 <i>Financial Instruments</i> in December 2010. DTF has not yet determined the application or potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 1054	<p><i>Australian Additional Disclosures</i></p> <p>This Standard in conjunction with AASB 2011-11 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project</i>, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.</p>	1 July 2011
AASB 2011-1	<p><i>Amendments to Accounting Standards arising from the Trans-Tasman Convergence project [AASB 1, 5, 101, 107, 108, 121, 128, 132 and 134 and Interpretations 2, 112 and 113].</i></p> <p>This Standard in conjunction with AASB 1054 <i>Australian Additional Disclosures</i>, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.</p>	1 July 2011

Changes in accounting estimates

There were no changes in accounting estimates that will have an effect on the current reporting period.

Note 4. *Supplies and Services*

	2011	2010
	\$	\$
Consultants and Contractors	17,660	21,439
Consumables	39,653	2,598
	<u>57,313</u>	<u>24,037</u>

Note 5. *Employee Expenses*

	2011	2010
	\$	\$
Salary and Wages	26,093	56,274
Superannuation – defined benefit plans	2,301	6,276
Long Service Leave	814	1,673
	<u>29,208</u>	<u>64,223</u>

Note 6. *Accommodation Expenses*

	2011	2010
	\$	\$
Lease Rentals	2,516	2,817
	<u>2,516</u>	<u>2,817</u>

Note 7. *Net gain/(loss) on disposal of non-current assets*

	2011	2010
	\$	\$
<u>Costs of Disposal of Non-Current Assets</u>		
Land	-	40,500
<u>Proceeds from Disposal of Non-Current Assets</u>		
Land	-	40,438
Net gain/(loss)	<u>-</u>	<u>(62)</u>

Note 8. Other expenses

	2011	2010
	\$	\$
Revaluation Expenses	145	3,962
	145	3,962

Note 9. Interest Revenue

	2011	2010
	\$	\$
Commonwealth Bank of Australia Account	578,456	444,135
	578,456	444,135

Note 10. Other Revenue

	2011	2010
	\$	\$
Net gain for fair value adjustment	394,095	590,000
Project Refunds	-	2,069
Non Reciprocal Discretionary Land Transfer	-	40,500
	394,095	632,569

Note 11 Income from State Government

	2011	2010
	\$	\$
Resources received free of charge (a)		
Determined on the basis of the following estimates provided by agencies;	6,664	-
Department of Education	6,664	-

(a) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contributions of assets or services in the nature of contributions by owners are recognised direct to equity.

Note 12. *Receivables*

	2011	2010
	\$	\$
<u>Current</u>		
Accrued Revenue	146,956	126,912
Total current	146,956	126,912

The Trust does not hold any collateral as security or other credit enhancements relating to receivables.

Note 13. *Other Current Assets*

	2011	2010
	\$	\$
<u>Current</u>		
GST Receivable	6,985	6,798
Total current	6,985	6,798

Note 14. Non-current Assets held for Sale

	2011	2010
	\$	\$
<u>Opening balance</u>		
Land	-	-
Less write-down from cost to fair value less selling costs	-	-
	-	-
<u>Assets classified as held for sale</u>		
Land	-	40,500
Less write-down from cost to fair value less selling costs (a)	-	4,562
	-	35,938
<u>Total assets classified as held for sale</u>	-	
Land	-	40,500
Less write-down from cost to fair value less selling costs	-	4,562
	-	35,938
<u>Less assets sold</u>		
Land	-	40,500
Less write-down from cost to fair value less selling costs	-	4,562
	-	35,938
<u>Closing balance</u>		
Land	-	-
Less write-down from cost to fair value less selling costs	-	-
	-	-
(a) Disclosed as Other expenses		

Note 15. Investment Property

	2011	2010
	\$	\$
<u>Land</u>		
Land at fair value (a)	8,600,000	8,205,905
	8,600,000	8,205,905

Reconciliations of the carrying amount of the investment property at the beginning and end of the reporting period is set out in the table below.

	Land
	\$
2011	
Carrying amount at start of year	8,205,905
Additions	-
Net gain from fair value adjustment (a)	394,095
Disposals	-
Depreciation	-
Carrying amount at end of year	8,600,000

	Land
	\$
2010	
Carrying amount at start of year	7,615,905
Additions	-
Net gain from fair value adjustment (a)	500,000
Depreciation	-
Carrying amount at end of year	8,205,905

(a) Freehold land was re-valued as at 1 July 2010 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 30 June 2011 and recognised at 30 June 2011. The fair value of all land has been determined by reference to recent market transactions.

(b) Recognised in the Statement of Comprehensive Income.

Note 16. *Impairment of Assets*

There were no indications of impairment to property, plant and equipment at 30 June 2011.

The Trust held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

All surplus assets at 30 June 2011 have either been classified as assets held for sale or written-off.

Note 17. *Payables*

	2011	2011
	\$	\$
<u>Current</u>		
Accrued Expenses	20,333	18,516
Accrued Salaries	260	18,226
Total current	20,593	36,742

Note 18. Equity

Equity represents the residual interest in the net assets of the Trust. The Government holds the equity interest in the Trust on behalf of the community. The asset revaluation surplus represents that portion of equity resulting from the revaluation of non-current assets.

Contributed equity

	2011	2010
	\$	\$
Balance at start of period	5,388,902	5,388,902
Balance at end of period	5,388,902	5,388,902

Reserves

	2011	2010
	\$	\$
<u>Asset revaluation surplus</u>		
Balance at start of year	5,724,500	5,724,500
Net revaluation increments/(decrements):		
Land		
Balance at end of year	5,724,500	5,724,500

Accumulated Surplus/(deficit)

	2011	2010
	\$	\$
Balance at start of year	8,381,256	7,404,733
Result for the period	890,032	976,523
Balance at end of year	9,271,288	8,381,256

Note 19. Notes to the Statement of Cash Flows

Reconciliation of cash

Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2011	2010
	\$	\$
Cash and cash equivalents	11,666,342	11,218,284
	<u>11,666,342</u>	<u>11,218,284</u>

Reconciliation of Net Cost of Services to net cash flows provided by/(used in) operating activities

	2011	2010
	\$	\$
Net Cost of Services	883,604	976,523
<u>Non-cash items:</u>		
Net (gain)/loss on sale of property, plant and equipment	-	-
Net (gain)/loss on fair value adjustment to property, plant and equipment	(394,095)	(590,000)
Non reciprocal discretionary land transfer		(40,500)
Resources received free of charge	6,664	
<u>(Increase)/decrease in assets:</u>		
Current Receivables ^(c)	(20,044)	(38,600)
<u>Increase/(decrease) in liabilities:</u>		
Current Payables ^(c)	(16,149)	(5,491)
Project Expenses	(11,500)	(155,087)
Other Current Liabilities	-	-
Net GST Receipts/(payments) ^(a)	1,629	(5,452)
Change in GST in Receivables/Payables ^(b)	(1,817)	(3,340)
Net cash provided by/(used in) operating activities	<u>448,058</u>	<u>138,115</u>

(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 in these items as they do not form part of the reconciling items.

Note 20. Contingent Liabilities and Contingent Assets

Contingent Liabilities

In addition to the liabilities included in the financial statements, there are the following contingent liabilities:

Contaminated Sites

Under the *Contaminated Sites Act 2003*, the Public Education Endowment Trust is required to report known and suspected contaminated sites to the Department of Environment and Conservation (DEC). In accordance with the Act, DEC classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as *contaminated – remediation required* or *possibly contaminated – investigation required*, the Trust may have a liability in respect of investigation or remediation expenses.

In 2007 DEC classified the Trust's Fremantle site as *contaminated - remediation required*. However the long term user (the polluter) of the site is appealing the classification and the Trust is unable to assess the likely outcome of the classification appeal and accordingly it is not practicable to estimate the potential financial effect or to identify the uncertainties relating to the amount or timing of outflows.

Contingent Assets

There were no contingent assets for the period ending 30 June 2011.

Note 21. Events Occurring After the End of the Reporting Period

There are no events occurring after 30 June 2010, which would materially impact these financial statements.

Note 22. Explanatory statement

Significant variations between estimates and actual results for income and expense as presented in the financial statement titled 'Summary of Consolidated Account Appropriations and Income Estimates' are shown below: Significant variations are considered to be those greater than 10% or \$5000.

Significant variances between estimate and actual for the financial year

	2011 Estimate	2011 Actual	Variance
	\$	\$	\$
<u>Income</u>			
Interest Revenue	508,750	578,456	69,706
Other Revenue	-	394,095	394,095
<u>Expenses</u>			
Project Expenses	11,500	-	(11,500)
Employee Expenses	48,326	29,208	(19,118)
Supplies and Services	39,740	57,313	17,573
Accommodation Expenses	3,226	2,516	(710)

Interest Revenue

The variance is due to the fact that at the time of preparing the estimates, the increase in interest rate was not expected and therefore not taken into consideration.

Other Revenue

The variation is due to there being no expected increase in valuation of the Fremantle land at the time of preparing the estimate.

Project Expenses

The variance is due to the fact that at the time of preparing the estimates an allocation was made for projects but no projects were approved in the 2011 financial year.

Supplies and Services

The variance is due to the fact that at the time of preparing the estimates the additional expenses for marketing and promoting the new grant program were under estimated.

Employee Expenses

The variance is due to the fact that at the time of preparing the estimates, the Trust did not expect the position to be vacant for a period of time.

Accommodation Expenses

The variance is due to lower than expected costs for accommodation expenses.

Significant variances between actual results for actual and prior year actual

	2011	2010	Variance
	\$	\$	\$
<u>Income</u>			
Interest Revenue	578,456	444,135	134,321
Other Revenue	394,095	632,569	(238,474)
<u>Expense</u>			
Land Expenses	-	5,080	(5,080)
Supplies and Services	57,313	24,037	33,276
Employee Expenses	29,208	64,223	(35,015)
Accommodation Expenses	2,516	2,817	(301)
Loss on Disposal of Non-current Assets	-	62	(62)
Other Expenses	145	3,962	(3,817)

Interest

The variance is due to an increase in investment interest rates in 2010-11 provided by the Department of Treasury.

Other Revenue

The variation is due there being no disposal of non-current assets this financial year and a lower net gain in the revaluation of the Fremantle land.

Land Expenses

The variation is due to there being no land sale expenses.

Supplies and Services

The variance is due to the additional expenses for marketing and promoting the new grant program.

Employee Expenses

The variance is due to the Executive Officer position being vacant for a period of time.

Accommodation Expenses

The variance is due to small decrease in utility costs.

Loss on Disposal of Non-current Assets

The variance is due to there being no disposal of non-current assets this financial year.

Other Expenses

The variance is due to there being no Net Loss for Fair Value Adjustment of the Trust land.

Note 23. Financial Instruments

(a) Financial Risk Management Objectives and Policies

Financial instruments held by the Trust are cash and cash equivalents and cash equivalents, receivables, and payables. The Trust has limited exposure to financial risks. The Trust's overall risk management program focuses on managing the risks identified below.

Credit risk

Credit risk arises when there is the possibility of the Trust's receivables defaulting on their contractual obligations resulting in financial loss to the Trust.

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 23(c) 'Financial instruments disclosures' and note 12 'Receivables'.

The Trust has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Trust's exposure to bad debts is minimal. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Trust is unable to meet its financial obligations as they fall due. The Trust is exposed to liquidity risk through its trading in the normal course of business.

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

The Trust has appropriate procedures to manage cash flows by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Trust's income or the value of its holdings of financial instruments. The Trust does not trade in foreign currency and is not materially exposed to other price risks. The Trust's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations.

(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 end of the reporting period are as follows:

	2011	2010
	\$	\$
<u>Financial Assets</u>		
Cash and cash equivalents	11,666,342	11,218,284
Loans and receivables ^(a)	146,956	126,912
<u>Financial Liabilities</u>		
Financial liabilities measured at amortised cost	35,593	63,241

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial Instrument Disclosures

Credit risk and interest rate exposures

The following table discloses the Trust's maximum exposure to credit risk, interest rate exposures and the ageing analysis of financial assets. The Trust's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Trust.

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

The Trust 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.

Interest rate exposure and ageing analysis of financial assets^(a)

	Weighted Average Effective Interest Rate	Carrying Amount	<u>Interest rate exposure</u>	
			Variable	Non-interest
			interest rate	bearing
	%	\$	\$	\$
<u>Financial Assets</u>				
2011				
Cash and cash equivalents	5.046	11,666,342	11,666,342	-
Receivables ^(a)	-	146,956	-	146,956
		11,813,298	11,666,342	146,956
2010				
Cash and cash equivalents	4.535	11,218,284	11,218,284	-
Receivables ^(a)	-	126,912	-	126,912
		11,345,197	11,218,284	126,912

(a) The amount of receivables excludes the GST recoverable from the ATO (statutory receivable).

Liquidity risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts at the end of the reporting period. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	Carrying Amount	<u>Interest rate exposure</u>	
			Variable	Non-interest
			interest rate	bearing
	%	\$	\$	\$
<u>Financial Liabilities</u>				
2011				
Payables	-	35,593		35,593
		35,593		35,593
2010				
Payables	-	63,241	-	63,241
		63,241	-	63,241

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Trust's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 100 basis point in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
2011					
<u>Financial Assets</u>					
Cash and cash equivalent	11,666,342	(116,663)	(116,663)	116,663	116,663
Total Increase/(Decrease)		(116,663)	(116,663)	116,663	116,663

		-100 basis points		+100 basis points	
	Carrying amount	Surplus	Equity	Surplus	Equity
2010					
<u>Financial Assets</u>					
Cash and cash equivalent	11,218,284	(112,183)	(112,183)	112,183	112,183
Total Increase/(Decrease)		(112,183)	(112,183)	112,183	112,183

Fair values

All financial assets and liabilities recognised in the Statement of Financial Position, 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

Note 24. Remuneration of Members of the Accountable Authority and Senior Officers

Remuneration of Members of the Accountable Authority

One of the members of the Trust received any remuneration in this financial year.

	2011	2010
\$		
0 – 10,000	1	3
The total remuneration of members of the accountable authority	1	-

Remuneration of Senior Officers

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

	2011	2010
\$		
0 - 10,000-	2	
10,000 - 20,000		
20,001 – 30,000	1	
30,001 – 40,000		
40,001 – 50,000		
50,001 – 60,000		
60,001 – 70,000		1
70,001 – 80,000		-
The total remuneration of senior officers	29,208	64,223

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

Note 25. Remuneration of Auditor

Remuneration paid or payable to the Auditor General in respect of the audit for the current financial year is as follows:

	2011	2010
	\$	\$
Auditing the accounts, financial statements and performance indicators	17,050	17,930
	<u>17,050</u>	<u>17,930</u>

Note 26. Supplementary Financial Information

(a) Write-offs

During the financial year, nil (\$2010: nil) was written off the Trust's asset register under the authority of:

	2011	2010
	\$	\$
The Accountable Officer	-	-
The Minister	-	-
Executive Council	-	-
	<u>-</u>	<u>-</u>

(b) Losses through theft, defaults and other causes

	2011	2010
	\$	\$
Losses of public moneys and public and other property through theft or default	-	-
Amounts recovered	-	-
	<u>-</u>	<u>-</u>

(c) Gifts of Public Property

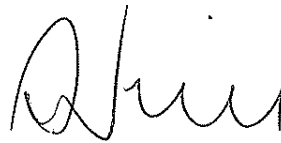
	2011	2010
	\$	\$
Gifts of public property provided by the Trust	-	-
	-	-

Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Public Education Endowment Trust's performance, and fairly represent the performance of the Trust for the financial year ended 30 June 2011.



Hon Elizabeth Constable
Chairperson
Public Education Endowment Trust



Sharyn O'Neill
Trustee
Public Education Endowment Trust

9 September 2011

Detailed Information in Support of Key Performance Indicators

Government Goal - Outcomes Based Service Delivery: Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

Desired Outcome - Enhancement of the public education of Western Australian students.

The Trust has the following set of key performance indicators to assist in the measurement of the efficiency and effectiveness with which the Trust pursues its organisational outcome. These indicators report against the Outcome Based Management structure for the Trust and have been developed by the Trustees in conjunction with the Minister for Education and the Department of Treasury.

Effectiveness Indicators

The effectiveness indicators measure the achievement of the Trust in meeting the needs of Western Australian students by providing grants for educational initiatives.

KPI 1 – Annual Grant Feedback Survey

The grant feedback survey is designed to be administered annually to measure the extent to which grant funded projects achieve their objectives in terms of educational benefits to Western Australian students. The survey is designed to measure the perceptions of external stakeholders including the grant program manager, school principals and relevant Regional Offices. The survey will measure whether external stakeholders perceive the funded projects to have been either: a) very effective; b) effective; c) ineffective or d) very ineffective.

The target for this Key Performance Indicator is for the Trust to achieve survey results that show that at least 80% of external stakeholders perceive the funded projects that effect them are either Very Effective or Effective.

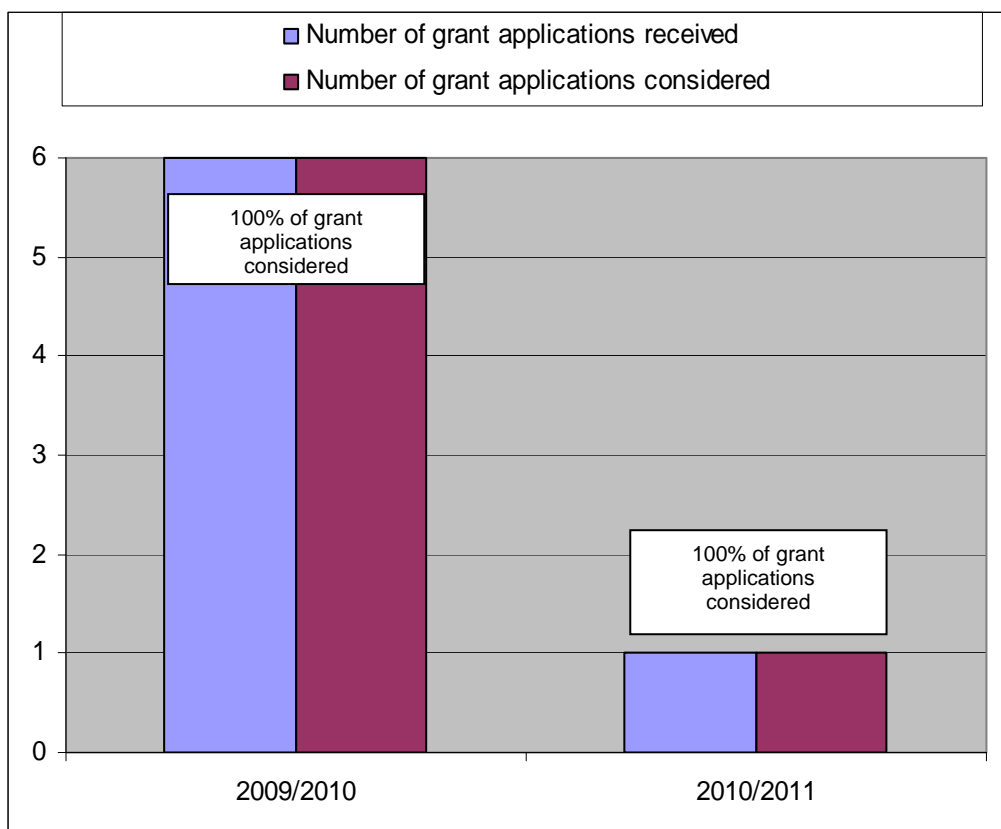
As funded projects often span a period of two or three years, this indicator is not restricted to completed projects. The external stakeholders of all projects that are ongoing and those that have received grants within the accounting period will be included in the survey.

No grants were administered in the 2009-2010 or 2010-2011 periods. Therefore, no survey of stakeholders has been undertaken during these periods.

KPI 2 – Consideration of Grant Applications

Considering grant applications forms a major part of the Trust's core business. The target for this Key Performance Indicator is for the Trust to consider 100% of applications for grants to benefit the public education of Western Australian students.

One grant application was received in the 2010-2011 periods. The application was considered at a meeting of the Trustees held on 2 December 2010.



Efficiency Indicator

This efficiency indicator measures the efficiency with which the Trust delivers its core service: providing grants for public education purposes, for projects that will benefit the education of Western Australian students.

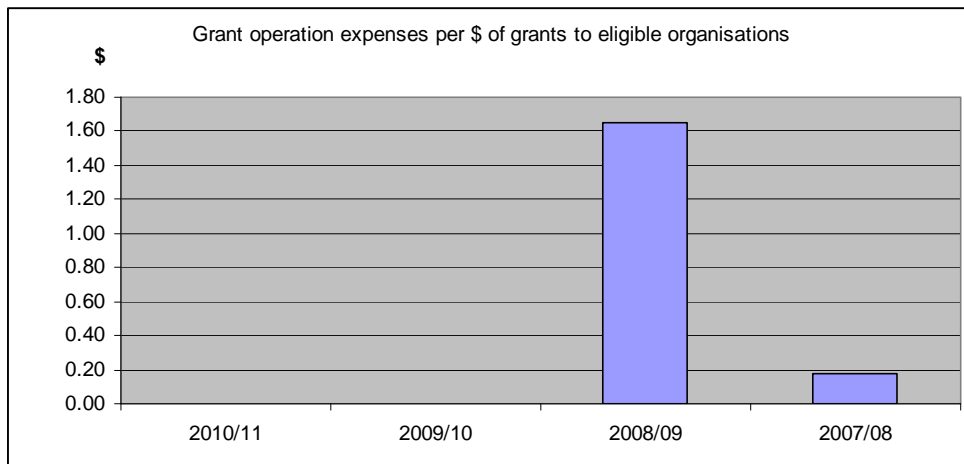
KPI 3 – Grants Operations Expenses per \$ of Grants Provided to Eligible Organisations

This efficiency indicator is calculated by dividing the cost of service, as reported in the Income Statement, less the grants paid, less land expenses, by the value of the grants provided.

This measure shows the extent to which the Trust has maximised grant funding to eligible organisations while containing its operations expenditure related to distributing grants.

The number of grants provided in each year is highly variable. No grants were provided in the 2009-2010 or 2010-2011 periods. Therefore, no efficiency indicator calculation is possible within this period. The significant comparison of the efficiency indicator between 2007-08 and 2008-09 is due to both lower costs and a higher value of grant payments in 2007-08.

History Graph/Table



Ministerial Directives

No Ministerial directives were received during the financial year.

Other Financial Disclosures

Employment and Industrial Relations

Staff Profile

	2011	2010
Full-time permanent	1	1

Governance Disclosures

Contracts with Senior Officers

At the date of reporting, other than normal contracts of employment of service, no Trustees or Senior Officers, or firms of which Senior Officers or Trustees are members, or entities in which Senior Officers or Trustees have substantial interests had any interests in existing or proposed contracts with the Public Education Endowment Trust, Trustees and Senior Officers.


Insurance Premiums Paid to Indemnify Members of the Board

Riskcover has confirmed that for the 2010-11 financial year the Public Education Trust is included under the Department of Education's policy.

Compliance with *Public Sector Management Act* Section 31 (1)

1. In the administration of the Public Education Endowment Trust, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct.
2. I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statement made in 1. is correct.
3. The applications made for breach of standards review and the corresponding outcomes for the reporting period are:

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



Sharyn O'Neill
Trustee
Public Education Endowment Trust

9 September 2011

ELECTORAL ACT 1907 Section 175ZE requirements

Section 175ZE of the Electoral Act 1907 requires government agencies to report expenditure with advertising agencies and market research, polling, direct mail and media advertising organisations. Only total expenditures per category of more than \$2100 are reported.

Trust expenditure on advertising agencies, 2010–11 ^(a)

Category	Provider	2010–11 (\$)
Advertising agencies ^(b)	Vinten Browning Spun Communications Pro copy	
Total		5 792

(a) There was no expenditure by the Trust in relation to media advertising organisations, or to polling, market research, or direct mail organisations in 2010–11.

(b) Advertising agencies provide a full range of creative services not limited to advertising, including graphic design, printing, video production and related services.

Other Legal Requirements – Annual Estimates

Estimate of Statement of Comprehensive Income

For the year ended 30 June 2012

	Note	2012 Estimate \$	2011 Actual \$
COST OF SERVICES			
Expenses			
Project Expenses		500,000	-
Supplies and Services		43,014	57,313
Employee Expenses		80,765	29,208
Accommodation Expenses		3,000	2,516
Loss on Disposal of Non-current Assets			-
Other Expenses			145
Total Cost of Services		626,779	89,182
Income			
<i>Revenue</i>			
Interest Revenue		503,044	578,456
Other Revenue	1	172,000	394,095
Total Revenue		675,044	972,551
NET COST OF SERVICES		48,265	883,368
Income from State Government			
Resources received free of charge		11,000	6,664
Total Income from State Government		11,000	6,664
SURPLUS/(DEFICIT) FOR THE PERIOD		59,265	890,032
Other Comprehensive Income		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		59,265	890,032

Estimate of Statement of Financial Position

For the year ended 30 June 2012

	Note	2012 Estimate \$	2011 Actual \$
ASSETS			
Current Assets			
Cash and Cash Equivalents		11,585,035	11,666,342
Receivables		100,000	146,956
Other Current Assets	2	20,620	6,985
Total Current Assets		11,705,655	11,820,283
Non-Current Assets			
Non-current Assets held for Sale			
Investment Property		8,772,000	8,600,000
Total Non-Current Assets		8,772,000	8,600,000
TOTAL ASSETS		20,477,655	20,420,283
LIABILITIES			
Current Liabilities			
Project Expenses		15,000	15,000
Payables	3	18,700	20,593
Total Current Liabilities		33,700	35,593
TOTAL LIABILITIES		33,700	35,593
NET ASSETS		20,443,955	20,384,690
EQUITY			
Contributed Equity		5,388,902	5,388,902
Reserves		5,724,500	5,724,500
Accumulated Surplus		9,330,553	9,271,288
TOTAL EQUITY		20,443,955	20,384,690

Notes to the Annual Estimates

For the year ended 30 June 2012

Note 1 Other Revenue

	2012	2011
	Estimate	Actual
	\$	\$
Net gain for fair value adjustment	172,000	394,095
	172,000	394,095

Note 2 Other Current Assets

Income earned but not received at balance date is detailed as follows

	2012	2011
	Estimate	Actual
	\$	\$
Interest on Commonwealth Bank Account	100,000	146,956
GST Receivable	20,620	6,961
	120,620	153,917

Note 3 Payables

Expenditure accrued but not paid at balance date

	2012	2011
		Estimate
	\$	\$
Project Payment	15,000	15,000
Accrued Expenses	18,700	20,333
	33,700	35,333

The page features several abstract geometric shapes in maroon and olive green. These shapes are scattered across the page, with some appearing as simple polygons and others as layered, 3D-like blocks. A central maroon rectangle contains the website address.

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