



**WEST COAST INSTITUTE
OF TRAINING**

ANNUAL REPORT

2011

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Letter to the Minister

Hon. Peter Collier MLC
Minister for Training and Workforce Development
Level 11, Dumas House
2 Havelock Street
West Perth WA 6005

In accordance with the requirements of Section 54 of the Vocational Education Training Act 1996 and Section 61 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of West Coast Institute of Training for the year ended 31 December 2011.



RUSSEL PERRY
Governing Council Chair
12 March 2012



SUE A. SLAVIN
Managing Director
12 March 2012

Section One: West Coast Institute of Training Overview

Governing Council Report



It has been an exciting time in the Vocational and Education Training marketplace, with 2011 presenting many opportunities for the West Coast Institute of Training and this in turn has presented challenges to the Governing Council and staff of the Institute.

With a sound strategy for achieving the objectives articulated in the Institute's 2010-12 Strategic Plan and the 2011 Business Plan, Institute staff continued to deliver high quality and innovative training solutions on behalf of the State Government.

After experiencing solid growth throughout 2010, I am pleased to report that despite uncertain economic times, the Institute's overall training delivery increased in 2011. With an emphasis on developing innovative and tailored Recognition of Prior Learning (RPL) delivery, it is notable that RPL accounted for approximately 14% of the total profile training delivery.

The Institute delivered 41.7% of courses at Certificate IV and above, providing high end skills acquisition and skills deepening in order to increase the State's labour force productivity.

Ensuring the Institute's human resource sustainability and succession planning, a leadership program for aspiring leaders was implemented. This program enabled individuals to gain new skills in management, graduate with a Diploma of Frontline Management and provide them with an opportunity for entry into future supervisory and management positions.

The Institute continued to work with the Aboriginal Education Employment and Training Committee (AAETC) in addressing the needs of Indigenous clients. Through the Institute's Aboriginal Academy of Sport, Health and Education new partnerships were formed that have enabled greater access to these dedicated programs.

The Institute's various Councils of Industry Partners and Strategic Advisory Boards provide strategic

advice to our five Centres of Excellence and it is important to acknowledge the contributions made by the members of these bodies in providing invaluable insight and advice to ensure that the Institute is responsive to industry and enterprise needs.

The attendance by over 150 guests at the official opening on 10 March of the Institute's new trades training facility in Clarkson - Trades North, clearly demonstrated the need for such a facility in the northern corridor.

During the opening guests were able to take a tour of this unique facility and see the next wave of electricians, welders, carpenters, joiners, plasterers, bricklayers, blocklayers, floor and wall tilers in action.

With green principles embedded in the design of the building and in the training curriculum, Trades North at Clarkson is truly unique and is fast growing its reputation locally and internationally.

I would like to thank all Governing Council members; the Managing Director, Sue Slavin; the Corporate Executive leadership team; and the entire staff of West Coast Institute of Training, for their commitment to being a values driven organisation that delivers high quality and innovative training solutions in the challenging and changing vocational education and training market.

In 2012 the Council will be committed to fostering innovation and providing strategic guidance to ensure that the Institute remains focussed on working closely with industry to maintain training relevancy in this dynamic economic environment.

2012 will see the Institute continue to evolve, as it expands into new markets works with industry to provide innovative solutions to skill the Western Australian and International workforce.

Russel Perry
Governing Council Chair

Managing Director's Report



West Coast staff have again raised the bar in 2011 with an outstanding display of energy commitment and enthusiasm in a year filled with challenges.

I am proud to note that 2011 heralded an important milestone for West Coast, with a 10% increase in our government funded delivery over 2010, marking a 50% increase in government funded delivery since 2007. This reflects the strong demand for training in the north west corridor of the metropolitan area. This growth has been delivered at less than the CPI for the period, reflecting the Institute's management of the Government investment.

Working in collaboration with our valued stakeholders, community groups and industry partners the Institute continued to provide innovative training and workforce development solutions that contribute to the skilling of the workforce throughout the state and overseas.

The opening of the Institute's new trade training facility, Trades North at Clarkson, by the Minister for Training and Workforce Development, the Hon. Peter Collier MLC, on 10 March saw the return of trades training to the northern corridor.

Twelve months on and Trades North has seen over 300 students through its doors and has even hosted a group from the Universal College of Learning Institute of Technology, a New Zealand training organisation, who made a special trip to WA to get an in-depth understanding of how the staff at West Coast were able to bring this extraordinary facility to life.

The Institute continues to collaborate with enterprise in order to develop tailored training solutions. This was demonstrated in the case of St John of God Health Care which saw West Coast take a partnered approach to develop a leadership program, that was co-delivered by the two organisations, to 60 future leaders across multiple sites in Western Australia, Victoria and New South Wales. This approach enabled St John of God staff to utilise real work projects to contextualise their learning.

An active member in our local community, the Institute signed a memorandum of understanding with Capricorn Village Joint Venture that will see West Coast students take part in the development of the Capricorn Project at Yanchee through the

provision of landscaping, horticulture and environmental sustainability activities.

Our West Coast Academy of Hospitality and Tourism once again won numerous national and international awards, with the most prestigious being recognised by the World Association of Chefs Societies for excellence in culinary education.

This positions the Academy as the only Australian hospitality training organisation and one of only four „centres of excellence“ world-wide to receive this accolade and further demonstrates everything we are doing here is world-class.

The Aboriginal Academy of Sport, Health and Education (AASHE) continued to grow and achieve many milestones in 2011, including being shortlisted for a Premier's Award in the category – Improving Indigenous Outcomes.

Continuing to service the regional areas, the Minister opened two new Business Growth Centre offices in Geraldton (in partnership with Durack Institute and the Midwest Chamber of Commerce); and Kalgoorlie (in conjunction with the Kalgoorlie Boulder Chamber of Commerce).

To provide a comprehensive service to local small businesses in the Perth CBD the Business Growth Centre opened a city office in the Chamber of Commerce and Industry building.

I would like to thank our Governing Council Chair, Dr Russel Perry and Deputy Chair Graham Droppert for providing their ongoing invaluable leadership. I would also like to thank the members of the Governing Council, whose time and commitment is greatly appreciated.

Our Councils of Industry Partners and Strategic Advisory Boards continue to provide a wealth of knowledge, insight and commitment to ensuring that the Institute's Academies of Excellence and Centres of Specialisation lead the way in relevance to industry and enterprise. Their efforts are appreciated by all.

In the year ahead our commitment to remain relevant to individuals, the community, enterprise and industry; will see the Institute approach new challenges with enthusiasm and in collaboration with our key partners to ensure that our students have world class skills.

Sue A Slavin
Managing Director

Executive Summary

West Coast Institute of Training's vision is "*Our students have world class skills*". Guided by this statement, the Institute seeks to ensure that enterprise and industry have access to job ready graduates and importantly our students obtain relevant skills to assist them enter and prosper within the labour market.

In 2011, the Institute experienced considerable growth with total training delivery 10% higher than 2010 which was a remarkable achievement as the Institute commissioned its Clarkson campus in semester 1, 2011 and bedded down its increased scope of delivery and recruited and inducted new lecturers and administration staff.

Highlights in regards to the Institute's focus on addressing strategic issues were:

- 46% of its profile training in skill shortage areas and employment based training.
- Continued focus on the Recognition of Prior Learning (RPL) delivery with RPL representing approximately 14% of profile delivery.
- Consistent with State and Commonwealth Government agenda, a significant proportion of the Institute's profile delivery (78.3%) is at Certificate III or higher.
- Delivery at Certificate IV and above represents 41.7% of total profile delivery. This focus on the provision of high end skills serves to increase the productivity of the State and Region's labour force.

Maintaining sound financial controls and reflecting the Institute's drive for efficiencies, the cost per SCH for aggregate training delivery for 2011 was \$13.77 which is 6.71% below Section 40 estimates.

Achievements against Training WA; Planning for the future 2009-2018 include:

<p>1. Developing a skilled workforce</p>	<ul style="list-style-type: none"> • In 2011 West Coast Institute of Training (WCIT) has conducted activities designed to address workforce development issues. • 39% of delivery is workplace offsite and flexible. • 52.3% increase in Recognition of Prior Learning (RPL) over the 2009 benchmark. RPL delivery represents some 14.1% of WCIT delivery. • The Institute has ensured that over 78% of profile activity has been at the Certificate III and higher level. WCIT has focussed on ensuring that its students and industry/enterprise will benefit from this focus upon skills development and skills deepening. • Attained 101.8 % enrolments targets in Certificate IV and above. • The Institute continues to engage with industry via our Governing Council, two Council of Industry Partners, Strategic Advisory Boards and relationships with Industry Training Councils to ensure that training delivery remains relevant to industry requirements. • 50% of courses have sustainability principles embedded in the curriculum.
<p>2. Developing a contemporary apprenticeship and traineeship system.</p>	<ul style="list-style-type: none"> • Construction of the Institute's new trades training centres was completed in late 2010 and the Clarkson campus commenced operations in Semester 1 2011. • The Institute delivered apprenticeship trade training in the areas of baking, commercial cookery, bricklaying and blocklaying, carpentry and joinery, electrotechnology, metal fabrication, wall and floor tiling and plastering. • The Institute delivered traineeship programs in the areas of Allied Health, Beauty, Business, Children Services, Community Services, Environmental Sustainability, Finance, Hospitality, Information and Communication Technology, and Retail.
<p>3. Increasing individual participation in training.</p>	<ul style="list-style-type: none"> • The Institute conducted a variety of marketing activity throughout the year to targeted markets segments throughout Western Australia. Utilising a variety of print, electronic and social media the Institute was able to communicate to school leavers, return to work individuals, disengaged youths, employers and access and equity groups about the training opportunities at West Coast.

	<ul style="list-style-type: none"> • 94 students were enrolled in the Aboriginal Academy Sports, Health and Education and this represents a 46.9% increase over 2010 enrolments. • 47 Aboriginal students studied at Certificate III and higher in over 10 Industry sectors.
<p>4. Supporting regional communities.</p>	<ul style="list-style-type: none"> • A Regional BGC presence was established in three locations - Albany, Geraldton and Kalgoorlie, with over 100 one-on-one contacts made with small businesses in each of these regional areas. • Albany Office opened in May 2011 and has conducted two Green Business Skills workshops and has achieved 22 enrolments in formal training. • Geraldton Office. The Geraldton team have achieved 44 enrolments and conducted Green Business Skills workshop. The Geraldton BGC actively promoted services in outer areas including Morawa, Mingenew, Dalwallinu, Perenjori and Dongara. These were conducted in conjunction with the Mid West Chambers of Commerce and Industry and were well received. • Kalgoorlie Office. Minister Peter Collier officially opened the Kalgoorlie office on 9th September. • Two Aboriginal mentors were engaged. • Seven regional tourism training workshops, delivered in partnership with Visitor Centre Assoc of WA and Tourism Council WA, were held in Albany, Geraldton, Kalgoorlie, Kununurra, Broome, Busselton and Cocos Island. • Through the use of hi-tech viewing goggles, the Institute's Academy of Health Sciences enabled regional nursing students to complete required course tasks while recording from point-of-view glasses. The recorded information is then assessed by a lecturer in Perth.
<p>5. Creating a vibrant and diverse training market.</p>	<ul style="list-style-type: none"> • The Institute's focus on being resourceful, agile and partnered has seen it establish successful partnerships with a number of industry organisations (eg, St John of God Health Care) and education institutions (e.g. Edith Cowan University) to develop specific training programs and innovative delivery. • The Institute continues to collaborate with enterprises and industry to ensure that all courses remain relevant in the development of the Western Australian workforce.
<p>6. Expanding training system capability and capacity.</p>	<ul style="list-style-type: none"> • The Institute launched the Academy of Digital Technologies during the year as the Institute's face of emerging animation, industrial and creative technologies, in this growing industry. The Academy has a reputation for achieving excellence in delivering high quality training and producing award winning graduates in this highly dynamic and exciting industry. • The Institute's international arm, Western Australian Institute of Technology, continues to develop strategic partnerships in order to provide an alternative revenue base. Memorandums of Understanding were signed with three Vietnam Universities in the area of nursing; and one with the Santo Tomas University in Santiago, Chile. • The West Coast Academy of Hospitality & Tourism became the only Australian hospitality training organisation to be recognised by the World Association of Chefs Societies „centre-of-excellence“ for culinary education. This recognition of exceeding WACS“ Standards of Quality Culinary Education positions the Academy as one of only four „centres of excellence“ world-wide. • The International Academy of Law Enforcement and Security (IALES) continued to expand its awareness in the Middle East market and signed a Memorandum of Understanding with the Total Investment Security Solutions in the Maldives.

Corporate Governance

Governing Council 2011

Members

Ms	Sue	SLAVIN	Managing Director
Dr	Russel	PERRY	Chairperson
Mr	Graham	DROPPERT	Deputy Chairperson
Mr	Kim	ALLEN	Member
Ms	Catherine	BRODIE	Member
Ms	Zoe	CLUNE	Member
Mr	Gordon	COLE	Member
Mr	Gary	ELLIS	Member
Ms	Louis	KEAY-SMITH	Member
Mr	Laurie	KRUIZE	Member
Ms	Kristy	VAN DER WALT	Member
Ms	Joan	VARIAN	Member
Ms	Kareena	WATERS	Member

Functions

The functions of the Institute Governing Council are specified under Section 42 of the Vocational Education and Training Act 1996. The Governing Council is the governing body of the Institute, with authority in the name of the Institute to perform the functions of the Institute and govern its operations and affairs.

In performing its functions the Governing Council is to:

- Prepare the Institute training profile for the approval of the Minister as and when required.
- Develop and implement strategic and management plans for the Institute.
- Ensure the Institute courses, programs and services are responsive to, and meet the needs of, students, industry and the community.
- Ensure that the Institute's commitments, under its Resource Agreement and any other contractual agreements, are met.

Accountability and Transparency

The Accountable Authority for West Coast Institute of Training is the Governing Council. Members are expected to act honestly and to exercise due diligence in managing the business of the Institute. The Council has independence to determine policies and activities to the provisions made in the *Vocational Education and Training Act 1996* and other Statute Law. The Council conducted five meetings during the calendar year. All documentation produced by the Council is transparent and forms part of public record in compliance with provisions of the General Retention and Disposal Schedules, established by the Records Office of the State Archives Western Australia.

Behaviour and Ethics

The Governing Council places the highest value on ethical behaviour. It is guided by the Codes of Conduct and Ethics (3.5) outlined in the *„Guide for TAFE College Governing Councils'* and *'West Coast Institute of Training Code of Conduct'*. The adoption and application of the Governing Council codes and ethics reflects the Institute's commitment to honesty and integrity in all of its dealings and to its Institute values.

Risk Management

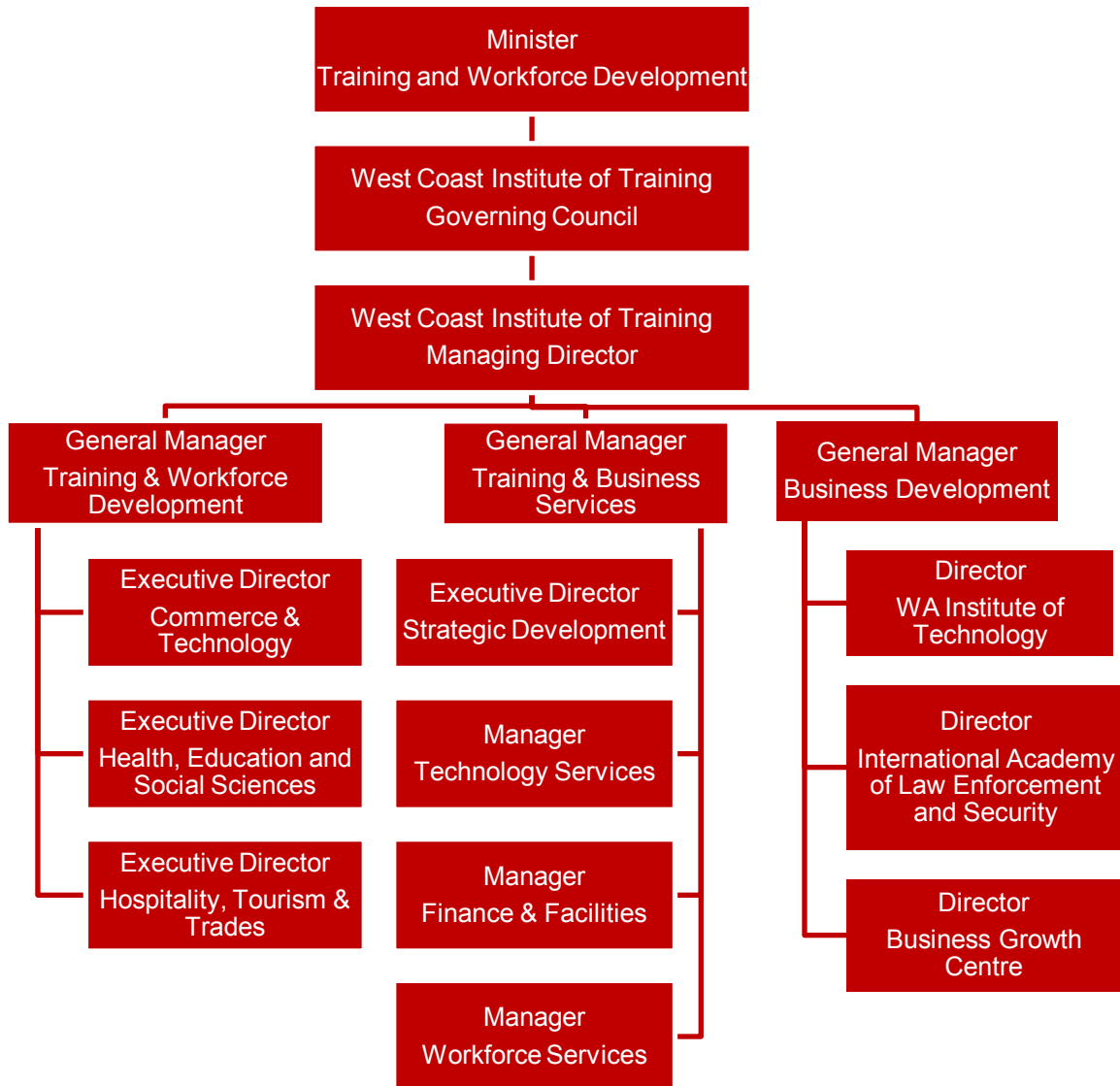
The Governing Council meets legislative and business requirements by progressively developing and reviewing risk management policies in accordance with Treasury Instruction 825.

Risk Management and Business Continuity Plans have been integrated into the ongoing business planning process with sections reviewing plans each year in consultation with the Institute's Risk Assessments Coordinator.

Conflict of Interest and Pecuniary Interest

The Council operates in accordance with the protocol for conflict of interest outlined in the *„Guide for TAFE College Governing Councils'*. While acting in the capacity of Council member, Council members place public interest above personal interest. If a matter being considered is identified as a potential conflict of interest, the member may not be present at the discussion of the matter and does not vote on the matter. This includes any case where a member or associated entity may benefit from the Council's decision. No conflict of interest was reported during 2011.

Organisational Structure



Senior Leadership



Sue Slavin, *Managing Director*

Sue Slavin has been the Managing Director of the Institute since 2003. Sue has considerable experience in the VET sector with over 18 years in leadership positions. Sue is a trained Early Childhood Education teacher and journalist and holds a Bachelor of Arts from the University of Western Australia. Sue Slavin is a former Western Australian finalist in the Telstra Businesswomen's Awards.



David Ryan, *General Manager – Training and Workforce Development*

David has over 40 years experience in vocational education and training, including 20 years in teaching and 20 years in various Director positions. David's qualifications include a Diploma in Management (WCIT), Units in MBA (UWA), Post Graduate Teaching (Secondary) and Post Graduate Science (Physics).



Russell Coad, *General Manager – Training and Business Services*

Russell has been the Institute's General Manager, Training and Business Services for the last 8 years and had a distinguished career in secondary education and was a Principal of an Independent School prior to moving to the VET Sector. Russell's qualifications include Bachelor of Science (Double Maths Major); Diploma of Education; Graduate Diploma Science Education; Teacher's Higher Certificate, Diploma Front Line Management and Train the Trainer.



Norman Baker, *General Manager – Business Development*

Norman has been employed by the Institute for five years in a number of roles. Currently he leads the Business Development Division charged with raising the commercial profile of the Institute. He has had extensive VET management experience both internationally and within WA. Norman is currently studying a Doctorate of Business at UWA and his professional interests include business model innovation and the application of technology to the learning process.

Overview

West Coast Institute's vision, *'Our students have world class skills'*, contributes to the Government's strategic goal to enhance the quality of life and wellbeing of all people throughout Western Australia and to the strategic outcomes of providing a world-class education system and lifelong learning opportunities for all.

The Institute, located in the fast growing North West Metropolitan Region of Perth, provides vocational education and training locally, nationally and internationally to meet the demands of industry, enterprise, schools, individuals and the community.

West Coast is scoped to deliver over 130 training qualifications, from Certificate I to Advanced Diploma, in the following specialty training areas:

• Access to Education	• Community Services & Youth Work	• Fitness & Sport	• Pharmacy
• Allied Health	• Conservation & Horticulture	• Hospitality	• Police Preparation
• Automotive	• Construction Trades	• Human Resources	• Project Management
• Beauty	• Education Support	• Information & Communication Technology	• Retail
• Business & Management	• English as a Second Language	• Marketing	• Tourism
• Carbon Management	• Events	• Nursing	• Training & Assessment
• Children's Services	• Finance & Accounting	• Occupational Safety & Health	

In 2011 West Coast Institute of Training:

- Opened and operated the Clarkson trades campus.
- Established a new Academy of Excellence, the Academy of Digital Technologies.
- Had approximately 305 full-time equivalent academic and support staff to help its students and clients meet their professional and personal goals.
- Had an operating budget of \$42.08 million.
- Delivered 3.055 million student curriculum hours (SCH).
- Continued to develop international partnerships with the Western Australian Institute of Technology signing a Memorandum of Understanding with three Universities in Vietnam and one in Chile. The International Academy of Law Enforcement and Security also signed a memorandum of understanding with a security provider in the Maldives.
- Participated as a member of the Joondalup Learning Precinct (JLP), comprising West Coast Institute of Training, the Western Australia Police Academy and Edith Cowan University.

Section Two: Strategic Plan 2010 - 2012

Our Vision:

Our students have world class skills.

Our Role:

Through industry and community partnerships, West Coast Institute of Training will provide world-class training for:

- Sustainable employment.
- Workforce development.
- Achieving personal aspirations.

Our Goals

West Coast Institute of Training's major goals are to;

- Enhance our customers' experience.
- Ensure our operations are sustainable.
- Develop our future capability.

Our Values

Ethics - We will behave in a manner that demonstrates respect for one another and display honesty, fairness and integrity in all that we do.

Accountability - We are responsible for our own actions. We will demonstrate social, financial and environmental responsibility to stakeholders.

Continuous Improvement - We believe in investment in technology, resources and people and do this in order for the Institute to evolve.

Customer Satisfaction - We believe in building and nurturing relationships that meet the needs and expectations of our internal and external customers.

The West Coast WAY

To achieve success, the Institute must continue to develop training that is characterised by being:

Resourceful - particularly in maximising the use of existing resources, such as existing industry equipment and facilities for the delivery of training products and services.

Agile - particularly, in finding ways of delivery of training products and services in a mode, manner and time to suit student and customer needs.

Partnered - delivery in partnership to improve the bottom line of all clients whether in industry, enterprise, the community or as an individual, frequently enhanced by other partnerships with other Institute Divisions, TAFEs, higher education institutions and private providers.

Section Three: Report on 2011 Business Plan

Changes to the VET Act in 2009 resulted in a requirement for an annual Business Plan and a three year Strategic Plan to be presented to the Minister for consideration and approval. The following provides an outline of activities undertaken against the approved 2011 Business Plan.

Positioning and Priorities

In considering its positioning for 2010-2012, the Institute has ensured that the six major strategies contained in *Training WA* (as outlined below) have been considered. These are:

- A skilled workforce.
- A contemporary apprenticeship and traineeship system.
- Individual participation in training.
- Support for regional communities.
- A vibrant and diverse training market.
- Training System capability and capacity.

Positioning

In considering its positioning for 2010-2012, the Institute has ensured that the six major strategies contained in *Training WA* have been considered.

1. Enhance our Customers' experience

The Institute will increase the availability of its on-line offerings to students and enhance the availability of on-line services to increase user friendliness.

Over 80% of courses were made available for on-line enrolling for Semester 1.

The Institute has successfully implemented electronic student records, enabling staff to view student records from any PC.

A variety of student forms have been made available online to allow students easier access to enrolment, resulting and withdrawal information.

The Institute will increase its usage of flexible delivery and assessment to provide students and enterprises a range of options designed to increase workforce productivity.

The Institute has continued to expand its flexible delivery and assessment modes including on-line delivery, unscheduled self-paced learning, external studies via correspondence, experiential workplace learning and RPL. In 2011 delivery by these modes increased by 33% over the previous year.

The Institute will continue to operate cross functional project teams to enhance customer service

The Institute's cross functional Customer Service Project (CSP) includes members from the business support and academic areas. Throughout 2011 the group met on a regular basis to improve all areas of customer service from front line delivery through to communication to prospective students.

As a result of the CSP the Institute recorded its highest customer satisfaction rating of 90%.

2. Ensure our operations are sustainable

The Institute will continue to ensure that TradesNorth@Clarkson will be an exemplar of environmental sustainability in built form.

The Clarkson campus was officially opened by the Minister for Training and Workforce Development on 10 March. Since its opening the staff at Trades North have been sought out by their peers as industry-leaders.

In November the Trades North staff hosted a group from Universal College of Learning (UCOL) Institute of Technology, a New Zealand training organisation, who made a special trip to WA just to see the new facility and now intend to implement some of Trades North's innovative practices into their own training delivery and infrastructure planning.

To ensure that sustainability awareness and practice is disseminated throughout the community, training delivery will have sustainability principles embedded within the curriculum.

All training areas of the Institute have either embedded environmental sustainability principles into each of their courses or have included a stand alone unit as part of the course requirements.

3. Develop our future capability

West Coast Institute of Training will:

Actively seek to prepare itself for a nationally competitive market place through reviewing, developing and refining its provision of training delivery.

Through dialogue and collaboration with industry partners and key stakeholders the Institute continues to review and refine its scope of delivery to ensure that it is prepared to compete in a national market. The continued development of the Institute's e-learning technology will have it well placed to service individuals and enterprises at a local, regional and national level.

Seek to systematically embed product, process and organisational innovation throughout its operations.

The Institute continues to utilise cross area project teams to address areas such as; enrolment, timetabling, student services, provision of information, behavioural management, to ensure that best practice and knowledge is disseminated throughout all areas of the Institute.

Explore avenues to enable it to exploit commercial opportunities that arise.

The establishment of the Business Development Division enabled the Institute to further explore and take advantage of commercial opportunities in the domestic and international markets via the Western Australian Institute of Technology, International Academy of Law Enforcement and Security and the Business Growth Centre.

New international opportunities in the Maldives and South America were explored throughout the year, with strong relationships being formed with key industry players in the resource, security and mining sectors.

Actively pursue partnerships for infrastructure development.

A ten year infrastructure planning for Northwest region was undertaken, with input/direction via the Department of Training and Workforce Development, outlining expectations for delivery and possible infrastructure needs through to 2020.

A Memorandum of Understanding (MoU) was signed with Capricorn Joint Venture. This MoU sets the framework for discussion in working towards establishing a strategic alliance for the future provision of vocational education and training opportunities for developers, residents and business enterprises of the Capricorn Village Estate at Yanchep.

Priorities

Focussing on the following high level strategic actions through 2011 the Institute believes it will enable it to meet strategic and operational objectives.

1. Enhance our Customers' experience

<p>Continuous review and improvement of processes and systems;</p> <ul style="list-style-type: none"> • Increase validation and moderation of assessments. • Development of new WCIT website. • Develop more on-line processes for customers.
<ul style="list-style-type: none"> • The Institute has developed a system of moderation and validation with trainers in St John of God Helathcare in the delivery of the Diploma of Management. This involves communication between trainers at WCIT and St John's to continually improve the usage of assessment tools and also to provide high quality feedback to participants who have submitted assignments for marking. • After a comprehensive website redevelopment scoping project and subsequent invitation for quotes, the Institute awarded the scope of works for the development of the new website. The launch of the new website will take place in May 2012. • The Institute successfully implemented electronic student records at the Joondalup and Clarkson campuses.
<p>Ensure flexible and responsive delivery and assessment;</p> <ul style="list-style-type: none"> • Increase workplace training and assessments. • Increase RPL and skills recognition. • Increase and Improve online assessment system for apprenticeship and traineeship on the job evaluation.
<ul style="list-style-type: none"> • WCIT has increased workforce participation by customising traineeship program's to meet employer's needs. Examples. IGA sisters group, Fraser's restaurant group, Brisbane Hotel Group. • By reviewing our systems and processes Institute staff have simplified the process undertaken for recognising skills of existing workers and providing them with a seamless application process. RPL activity has increased in all training areas throughout the domestic market and the Trades area has expanded into the offshore market at the request of Education and Training International. • Apprentices and external students are now enrolled and being assessed through online learning modules in Commercial Cookery and Hospitality certificates for the theoretical components of their courses. We also conduct Skype interviews and observational assessments for skills assessments for apprentices and overseas applicants.
<p>Provide accurate customer training/career advice;</p> <ul style="list-style-type: none"> • Improve career advice to promote and encourage participation in training. • Increase the availability of career counselling so that the emerging demands for vocational assessment and career counselling can be fulfilled. • Improve student satisfaction and increase MLCR.
<ul style="list-style-type: none"> • Marketing Services has developed a variety of marketing collateral that connects Institute qualifications to potential career vocations; this material is made available in print and electronic format. Institute information is disseminated to prospective students at the Skills West Expo (lecturers are also on hand to give face-to-face advice), at local high school presentations, at shopping centre information displays and through a variety of industry and business associations. • Career officers have established strong links with key Institute staff (lecturers, student services and Admissions) that refer students for counselling pre and post enrolment. In addition Career

Officers attend many class inductions and conduct class workshops on job applications and computerised career testing with various student groups. A promotional video to introduce all StudentCentro support services available for students including career support was created and made available on the Institute website.

- The Customer Service Project has initiated various strategies throughout 2011 to improve student satisfaction at various touch points. In 2011 the Institute recorded a student satisfaction rating of 90%.

2. Ensure our operations are sustainable

Environmental sustainability is embedded in operational and training practices;

- Embed sustainability principles within all training delivery areas.
- Provide a campus wide waste management process to minimise the environmental impact of waste and disposal.
- Develop and implement an energy management plan.

- All training areas in the Institute have either a discrete module or have integrated sustainability principles into their training delivery activities.
- A new waste management process was introduced in 2011 throughout the two Institute campuses and specialist training locations.
- An energy management plan was introduced in 2011 which resulted in the Institute decreasing its consumption by 31% from 2006. A carbon management plan was also developed during the year.

Focus on financial sustainability through continued efficiencies in our operations;

- Leverage investments in current technology.
- Electronic records management trialled at Clarkson.
- Develop values scorecard performance reporting.
- With the installation of the photovoltaic cells, the Institute has continued its sustainability focus to introduce an energy management plan that resulted in a comprehensive energy audit to be undertaken and the development of a new building management system providing the Institute with greater ability to monitor and change its energy usage.
- Electronic student records were implemented successfully at the Clarkson campus and will be rolled out to the Joondalup campus in 2012.
- Due to unforeseen circumstances in the availability of human resources this activity was not completed in 2011.

<p>Ensure our services contribute to the social sustainability of our community;</p> <ul style="list-style-type: none"> • Increase community involvement with the Yellagonga Meeting Place. • Improve access pathways to enhance participation through partnerships. • Case manage students at academic risk.
<ul style="list-style-type: none"> • A brochure was made advertising the availability of the meeting place to community groups and promoted at NAIDOC events attended at Mirrabooka, Joondalup, Wanneroo and Bassendean. The Institute's Aboriginal Support Officer has made contact with known community groups which resulted in the room being utilised by organisations such as Catalyst and Departmental Aboriginal and Islander Education Officers. • The Institute has worked with schools, both private and public, to increase the range of training offered to students with a view to making connections to industry and the VET sector. • StudentCentro's specialist support services assists students at academic risk with a range of services designed to overcome the identified challenges.

3. Develop our future capability

<p>Increase Commercial activity;</p> <ul style="list-style-type: none"> • Develop workforce solution brokers. • Introduction of International training in Trades. • Increase Auspice Arrangements for state and private schools.
<ul style="list-style-type: none"> • The Institute is actively working to provide training solutions to clients at the Corporate and Small and Medium Enterprises levels. We have a number of Workforce Development Consultants who actively engage with industry and provide customised and flexible training options to industry. The Institute has a number of business advisors to engage with Small Business and promote the Small Business Health Check. This results in the provisioning of accredited training to the Small Business sector. • For the first time international students were able to undertake training at the new Trades North facility in Clarkson in the areas of; solid plastering, wall and floor tiling, brick and blocklaying, carpentry and joinery. Trades staff has also travelled overseas to conduct white card training in the Philippines. • In 2011 the number of Fee For Service arrangements with Public Schools increased while the number with Private Schools decreased. The net impact resulted in a reduction to the commercial revenue from schools.

<p>Build reputation and partnerships;</p> <ul style="list-style-type: none"> • Establish pathways to Universities. • Ongoing engaging and collaboration with Australian Apprenticeship centres (AAC), the Apprenticentre and other stakeholders. • Regular communication with Clients.
<ul style="list-style-type: none"> • The Institute has signed formal agreements for articulation with advanced standing from over 30 of its Diplomas and advanced Diplomas to a wide range of Bachelor Degree courses at ECU and Curtin University. • The International Academy of Law Enforcement has continued talks with Edith Cowan University and University of South Australia to develop university pathways for students. The Institute formalised diploma to university pathway with Edith Cowan University. • Institute staff are in constant contact with Staff from the Australian Apprenticeship Centres and Apprenticentre inviting them to visit and tour the Trades North facility. Increased dialogue and MOU agreements with similar organisations such as the Construction Training Fund have been conducted in order to promote construction trade work experience programs for Trades North students.

- The Institute's stakeholder newsletter, West Coast Way, was developed to become more e-friendly. Easier navigation and onscreen readability has enabled the Institute to disseminate the newsletter via various forms of social platforms, formal email channels and online portals to all Institute clientele, stakeholders and members of the public.

Develop world class skills in our staff;

- Build the capacity of our workforce to ensure currency of skills.
 - Implement actions from Climate Survey (employee) feedback.
 - All lecturing staff are AQTF qualified to deliver training.
- The Institute ran its first Leadership Program for over 20 staff who are in leadership roles or who display the required attributes of a leader. The program provided them with an opportunity to further their knowledge and abilities in a variety of management skills. The program also provided participants with an opportunity to gain a formal qualification in the Diploma of Frontline Management.
 - After tabling and analysing the results from the employee client survey, meetings were held in each division to provide feedback about the results of the survey. Each General Manager then led their respective divisions in implementing actions to address key issues identified in the survey.
 - The Institute ensured that all lecturing staff obtained the appropriate qualifications and industry memberships to ensure that they are AQTF qualified to deliver training.

Compliance Reporting

Staff Development

Professional and staff development needs are aligned with Institute and Directorate business plans. Staff relate their developmental need to the Institute's Strategic Plan and the Business Plan for their Branch and give effect to these needs through the performance development and public sector compliance processes. This allows commitment to staff training to be strategic and relevant and ensures that training resource expenditure is monitored.

To enable the Institute to meet its public sector obligations a number of professional development and compliance programs were conducted for staff in 2011, these include:

- Staff selection skills for panel members.
- Senior first aid.
- Manual handling.
- Fire warden and extinguisher training.
- CCC sessions on understanding misconduct.
- EEO and bullying training.
- OSH Awareness.
- Accountable & Ethical Decision Making.

The Facilitating Learning and Networking (FLAN) program provided a focused staff development opportunity and encouraged participation in Institute-wide Professional Development Programs. In 2011 FLAN focused on a range of developmental activities centred on the themes of:

- Sustainability and Innovation.
- Training and assessment.
- Developing approaches and technical skills for e-learning.

Legislative Environment

West Cost Institute of Training complies with the following relevant legislation:

- Archive Act 1983, Commonwealth.
- Classification Enforcement Act 1996.
- Commercial Tenancy (Retail Shops) Agreements Act 1985.
- Copyright Act 1968, Commonwealth.
- Corruption and Crime Commission Act 2003.
- Disability Services Act 1993.
- Education Service Providers (Full Fee Overseas Students) Registration Act 1991.
- Education Services for Overseas Students Act 2000, Commonwealth.
- Electoral Act 1907.
- Equal Opportunity Act 1984.
- Financial Management Act 2006.
- Freedom of Information Act 1992.
- Government Employees Superannuation Act 1987.
- Higher Education Support Act 2003, Commonwealth.
- Income Tax Assessment Act 1997.
- Industrial Relations Act 1979.
- Industrial Training Act 1975.
- Library Board of Western Australia Act 1951.
- Minimum Conditions of Employment Act 1993.
- Occupational Safety and Health Act 1984.
- Privacy Act 1988, Commonwealth.
- Public Interest Disclosure Act 2003.
- Public Sector Management Act 1994.
- Spam Act 2003, Commonwealth.
- State Records Act 2000.
- State Supply Commission Act 1991.
- Statutory Corporations (Liability of Directors) Act 1996.
- Vocational Education and Training Act 1996.
- Workers' Compensation and Injury Management Act 1981.
- Working with Children (Criminal Record Checking) Act 2004.
- Workplace Relations Act 1996, Commonwealth.

Industrial relations

The Institute through its Joint Staff Consultative Committee, in accordance with the WA TAFE Lecturers' Certified Agreement 2008 and the Government Officers Salaries, Allowances and Conditions General Agreement 2008, has provided opportunity for the discussion and resolution of matters that impact on workplace issues. A number of matters have been resolved through consultation and negotiation.

Amendments to various policies, targeted training activities, including computer skills, compliance with Working with Children checks and improvements to the Induction process, have been made.

Public Sector Standards and Ethical Codes

The Institute is committed to ensuring compliance and „best practice“ requirements of the Public Sector Standard in Human Resource Management, the Public Sector Code of Ethics and the Institute's Code of Conduct.

Human Resources (HR) policies and procedures are regularly reviewed and updated to ensure compliance with Public Sector Standards.

All staff have access to HR policies and procedures – including policies that relate to recruitment, selection and appointment, transfer, secondment, temporary deployment and grievance resolution – through the Institute Intranet and via email communication from the Workforce Services Branch.

Maintaining awareness of the Public Sector Standards and Code of Conduct is achieved through staff training, newsletters, staff meetings, email communication and the Institute Intranet. The Institute Code of Conduct was reviewed in 2010. All new staff complete an on-line induction program, including information concerning the Code of Conduct and Ethics through the Accountable and Ethical Decision Making (AEDM) awareness modules. Further, an Induction Workshop now provides additional supporting information about the importance of compliance related issues.

As required under Section 31 of the Public Sector Management Act 1994, the Institute has complied in 2011 with its reporting requirements to the Office of Public Sector Standards in relation to Public Sector Standards, Codes of Ethics and its Code of Conduct.

One breach claim was lodged (Employment standard) under Public Sector Human Resource standards but was not upheld. There were no applications made for breach of Public Sector Code of Ethics or Grievance during the reporting period. There were no allegations made by staff under the Institute's Code of Conduct.

Actions taken to monitor, improve and ensure compliance included:

- Information about Standards and Codes are included on agency intranet and in induction materials.
- A continued cultural transformation process has been implemented to engage staff in working with shared values in an organisation that is Values Driven.
- The Institute participated in the Public Sector Commission agency survey in July 2011.
- Continued implementation of Accountable and Ethical Decision Making (AEDM) on-line awareness modules.

Public Disclosures

The Public Interest Disclosure Act 2003 came into effect on 1 July 2003, requiring the Institute to:

- Facilitate the disclosure of public interest information.
- Provide protection for those making disclosures.
- Provide protection for those who are the subject of a disclosure.

In accordance with the Act, the Institute appointed a Public Interest Disclosure (PID) Officer and has published internal policies and procedures related to its obligations. There were no PID applications received for the reporting period.

Corruption Prevention

In line with the Institute's policy and procedures for staff, relating to fraud and corruption, a training program, Accountable and Ethical Decision Making on-line awareness modules, were introduced. In addition, training sessions were presented to managers and staff on misconduct processes.

There were two reported incidents and investigation of alleged misconduct during the reporting period. These allegations were reported to the Crime and Corruption Commission.

Risk Management

West Coast meets its legislative and business requirements with regard to Business Continuity Planning (BCP) and business risks.

The BCP was tested in 2011 and the plan will be amended to reflect the lessons learned from that exercise. Several sections have input their risks to Risk Base and by the end of 2012 all sections will have recorded their risks on the database.

The Risk Management framework has been reviewed and policies and procedures will be updated accordingly. Risk Management plans have been integrated into the business planning process with sections reviewing plans each year with assistance from the Institutes Risk Management Coordinator as required.

Staff Profile

Table: Staffing numbers comparison from 2008 to 2011.

	2008	% Total FTE	2009	% Total FTE	2010	% Total FTE	2011	% Total FTE
FTE for year	301.97		250.15		271.93		309.11	
Academic Delivery	167.94	55.61	139.21	55.65	145.76	53.60	166.53	53.87
Academic Support Services	70.16	23.24	49.8**	19.91	48.9	17.98	52.7	17.05
Corporate Services	60.87	20.87	55.14	22.04	69.27	25.47	81.78	26.46
Unattached/Redeployees	3.00	0.99	2.00	0.79	2.00	0.74	0.5	0.16
Host Funded Positions Small Business	0	0	4.00***	1.58	6.00***	2.21	7.6***	2.46

Workforce Data taken from West Coast Institute of Training Electronic Information Management System and Empower HRMIS

*** Includes Department funded positions.

NB: Information provided as at December 2011. FTE figures can vary across the year by +/- 10% due to training demand fluctuations.

Occupational Safety & Health (OSH)

West Coast Institute of Training is committed to the safety and health of staff and visitors and the management of injuries to staff. This is demonstrated by providing information to staff through induction, on our intranet, by formal and informal training and meetings. Policies and procedures provide guidance on staff and management roles and responsibilities.

West Coast introduced a new Incident Report Form in 2011 which simplified the process for reporting of accidents, hazards and near misses. The reports are investigated and follow up action identified.

West Coast has a central OSH Committee, a network of OSH Representatives and provides safety induction quarterly to new staff. The OSH Representatives conduct regular inspections and report these to management.

West Coast is committed to injury management through clear policy and guidelines. The Education and Training Shared Services Centre provides Workers Compensation and rehabilitation services for injured workers. A recent Internal Audit identified the Institute's Workers Compensation and Injury Management processes as being compliant with appropriate Acts.

There were 50 accidents reported in 2011 with 19 being staff and 31 students. Seven staff members lodged compensation claims and two others required medical treatment. The others were attended by first aid officers

with little or no treatment required. The main student incidents were fainting in class or pre-existing medical conditions (11).

A self evaluation was conducted and the Institute is working towards improving its safety systems. The introduction of the Trades North initiative in 2011 provided an opportunity to further enhance our processes.

A Wellness Program was introduced in 2011, making available a variety of practical options for staff to improve their health and well being. These were well attended and more are planned for 2012.

A summary of findings is:

- **Management Commitment:** All managers have received training in the past two years on their responsibilities and are working with OSH Representatives to continue providing OSH education to all staff in their areas.
- **Planning:** An OSH Business Plan provides a planned approach to the Institute.
- **Consultation:** An OSH Committee, a network of OSH Representatives and ongoing induction training provides a good consultative mechanism within West Coast.
- **Hazard Management:** ChemWatch was introduced in 2011 and staff have been provided training in the system and hazard identification. Hazard reports are investigated and follow up action identified.
- **Training:** A range of training courses were identified and carried out during the year. These included specific, job related training and general wellbeing sessions.

Workers Compensation

Table: Occupational Safety and Health Performance Indicators - Workers compensation Results.

Indicator	Target	2010	2011
Number of Fatalities	Zero (0)	0	0
Lost Time Injury/disease Rate	Zero (0)	4	7
Lost Time Injury severity rate	Zero or 10% improvement on previous year	0	42.86
Percentage of injured workers returned to work within 28 Days	Actual Percentage result to be reported	100%	86%
Percentage of Managers trained in OSH and Injury management responsibilities	Greater than or equal to 50%	50%	Over 90%

Equal Employment Opportunity, Equity, Access & Diversity.

The Institute continues to address the Government's priority to enhance diversity within the Public Sector. During the reporting period the Institute met its reporting obligations under equity based legislative and public sector management requirements. Developing an understanding and appreciation of cultural diversity and ethics is achieved through staff induction and professional development training.

A range of policies and documentation including access to training and development guidelines, access and equity policy, grievance management processes, our Code of Conduct and performance management systems have all had equity and diversity principles embedded in their scope.

As part of the Institute's EEO management, it has complied with the Department of Premier and Cabinet's reporting requirements under Minimum Obligatory Information Requirements.

Substantive Equality

In accordance with the Government's Policy Framework for Substantive Equality the Institute has structures in place to monitor the impact of policies and processes that impact Aboriginal persons, people with disabilities and ethnic minorities. With an objective of substantive equality the Institute has committed and deployed significant human resources to give effect to substantive equality. This is undertaken through the roles of our Aboriginal Liaison Officer and Disability Services Officer.

Disability Services

West Coast Institute of Training followed its Disability Access and Inclusion Plan to ensure that people with disabilities were given equal opportunity to participate and contribute to the activities provided within the Institute. West Coast Institute of Training is committed to bringing about systematic change that seeks to eliminate any discrimination on the grounds of disability.

The progress made towards the six outcomes of the Disability Access and Inclusion Plan are as follows:

Outcome one

To ensure that existing services are adapted to meet the needs of people with disabilities.

- Adaptations were made to West Coast Institute of Training's feedback forms to ensure that people with disabilities are able to provide feedback about existing services.
- A needs analysis was undertaken to establish vocational requirements.

Outcome Two

To improve access to facilities and buildings.

- An access audit was conducted using Disability Service Commissions access checklist on all campuses and identified access issues were passed on to Facilities for action.
- Improved tactile markers were installed throughout the Institute.
- Accessible drink fountains were installed.

Outcome Three

To provide information about programs and services in formats that acknowledge the communication needs of people with disabilities.

- An information access audit was undertaken using Disability Services Commission's checklist. All future materials are being monitored to ensure they meet standards.
- All information provided by West Coast Institute of Training is available in alternative formats on request.

Outcome Four

People with disabilities receive the same level and quality of service from staff of a public authority as other people receive from staff of that public authority.

- Disability Awareness training sessions were provided to staff to ensure they are aware of the needs of people with disabilities.
- Deaf Awareness training sessions were conducted.

Outcome Five

People with disabilities have the same opportunities as other people to make complaints to a public authority.

- Customer feedback forms are available in alternative formats on request.
- Information about support services are available in StudentCentro and staff are able to assist students if they wish to lodge a complaint. Student diaries issued to all students include information detailing the available support.

Outcome Six

To provide an environment for people with disabilities to participate in relevant decision-making processes within the college.

- Feedback from students with disabilities was reviewed and necessary changes made.
- Students invited to be members of the Institute's Disability Access Committee.

Recordkeeping Plan

The Department of Training and Workforce Development (DTWD) and the State Training Providers (STP) had a joint Recordkeeping Plan (RKP) which was to be reviewed and updated in 2011. Permission was sought from the State Records Office for the DTWD and STPs to submit individual RKPs which was granted. The STP plan was submitted at the end of 2011.

In accordance with Standard 2, principle 6 of the RKP, the Institute ensures that staff are aware of their record keeping responsibilities through the online induction program and on an as needs basis as staff become users of the record keeping document management systems (TRIM). 2011 saw the expansion of the roll out of electronic document management and the formation of a project team to incorporate the whole Institute.

Energy and Carbon Management

The Institute continues to address the Government's priority to enhance energy management. During the reporting period the Institute met its reporting obligations under *Energy Smart Government* policy and national greenhouse and energy reporting legislation and national carbon off-set standards.

The Institute has been able to record particular successes in reducing energy consumption, with a reduction of consumption by 31% from 2006 as a result of operational energy management. Further results have been achieved under the Institute's *Energy Management Plan*. The Institute has a dedicated Energy Management team to oversee the Plan, noting the following key highlights achieved in 2011:

- A comprehensive Energy Audit with actions taken in de-lamping and investigation into further efficiencies.
- Stage 3 (A Block East) of the Photovoltaic Cells Programme completed and commitment to Stage 4 (D Block) in 2012.
- Building Management System on-line analysis development through more extensive metering of the Joondalup campus.

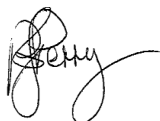
2011 also saw the development and Implementation of the *Carbon Management Plan*, Greenhouse Gas (GHG) Inventory and Carbon Footprint measurement, with the release of the *GHG Inventory and Emissions (Carbon Footprint) 2010-2011* report. This determined the Institute's gross GHG emissions to be 2,484 tonnes CO₂-e and net (after off-set) to be 2,460 tonnes CO₂-e.

Electoral Act 1907 Section 175ZE

Pursuant to the requirements of section 175ZE of the Electoral Act 1907, the following expenditures were incurred by, or on behalf of, the Institute as shown in the table below.

Table: Expenditure for Advertising and Media Organisations

Class of organisation	Total Expenditure in 2011	Organisation	Amount ex GST
Advertising agencies	\$11,417	Linc Integrated AsOne Advertising	\$26,750 \$847
Market Research Organisations	Nil		Nil
Polling Organisations	Nil		Nil
Direct Mail Organisations	\$45,060	Student Edge PMP Distribution Zipform	\$14,800 \$30,260
Media advertising agencies	\$248,516	Mitchell and Partners Adcorp Marketing	\$215,633 \$32,883



RUSSEL PERRY
Governing Council Chair
12 March 2012



SUE A. SLAVIN
Managing Director
12 March 2012



Auditor General

Independent Auditor's Report

To the Parliament of Western Australia

WEST COAST INSTITUTE OF TRAINING

Report on the Financial Statements

I have audited the accounts and financial statements of the West Coast Institute of Training. The financial statements comprise the Statement of Financial Position as at 31 December 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.

Governing Council's Responsibility for the Financial Statements

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 and the Treasurer's Instructions, and for such internal control as the Governing Council determines 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 Institute'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 Governing Council, 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 West Coast Institute of Training at 31 December 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.

Report on Controls

I have audited the controls exercised by the West Coast Institute of Training. The Governing Council is 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 Governing Council based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the controls exercised by the West Coast Institute of Training 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 West Coast Institute of Training. The Governing Council is 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 West Coast Institute of Training are relevant and appropriate to assist users to assess the Institute's performance and fairly represent indicated performance for the year ended 31 December 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
20 February 2012

Section Four: Key Performance Indicators

Certification of Performance Indicators for the Year Ending 31 December 2011

We hereby certify that the performance indicators are based on proper records and are relevant and appropriate for assisting users to assess West Coast Institute of Training's performance. They fairly represent the performance of West Coast Institute of Training for the financial year ended 31 December 2011.



RUSSEL PERRY
Governing Council Chair

12 March 2012



SUE A. SLAVIN
Managing Director

12 March 2012

Key Performance Indicators

Desired Outcome

1. Effectiveness Indicators

The effectiveness indicators measured in 2011 were:

- Student satisfaction.
- Achievement of college profile.

Student Satisfaction Survey

The 2011 Student Satisfaction Survey was conducted by Patterson Market Research on behalf of the Department of Training and Workforce Development (DTWD). A summary of the results is available in the publication, 2011 Student Satisfaction Survey West Coast Institute of Training Report, January 2012. The survey measured student perception of the:

- Quality of training.
- Quality of assessment.
- Student Experiences with training.
- Student Experiences with quality of resources.

A multiple data collection technique was employed, namely mail, online and Computer Assisted Telephone Interviewing. The process involved a two-stage mail-out, and a promotional campaign was undertaken to raise awareness of the survey, and encourage completion.

The response rates achieved for West Coast Institute of Training in 2011 are outlined in the table below. The response rate is in line with other similar surveys (NCVER etc) to this target group (e.g students) and as such, is considered reliable.

Table: Student Satisfaction Response Rates 2011

	West Coast Institute
Population (Usable Records)	4095
Responses achieved	772
% of students responding	18.9%
Overall margin of error	2.2%

1.1 Overall Student Satisfaction

This information is available in the publication, 2011 Student Satisfaction Survey West Coast Institute of Training Report, January 2012. The key objective of the Institute is to improve student satisfaction with their course experience. The student satisfaction performance indicator compares the number of very satisfied respondents with those who are satisfied, which is expressed as a proportion of the total survey respondents.

Table: Student Satisfaction Rate Trends

	2007	2008	2009	2010	2011	State 2011
Satisfied	49%	45%	47%	46%	48%	46%
Very Satisfied	38%	37%	36%	43%	38%	42%
Total	87%	82%	83%	89%	86%	88%

The Institute's student satisfaction target was 85-89% and in 2011 this was achieved. The variance between 2011 and 2010 occurred with neutral responses increasing by 4%.

Graduate Employment Status

Given the Institute's vision „Our students have world class skills“ it is appropriate to use measures of employment status as an indicator of success.

Table: Graduate Employment Status Response Rates 2011

	West Coast Institute
Population (Usable Records)	3,305
Responses achieved	523
% of students responding	15.8%
Overall margin of error	+or- 4.5%

No targets for this indicator have been set as graduate destination is beyond the influence and control of the Institute.

Table: Graduate Employment Status Trends.

	2007	2008	2009	2010	2011
Employed	83%	NA	75%	NA	80%
Unemployed	7%	NA	13%	NA	11%
Not in Labour Force	10%	NA	12%	NA	9%

Note: Statistically valid Institute level data was not available for 2008 and 2010. The survey is conducted biennially. Figures have been rounded up.

1.2 Graduate Satisfaction

Graduate satisfaction trends for West Coast Institute, WA and Australia.

Table: Satisfied with the overall quality of training

	2007	2008	2009	2010	2011
West Coast Institute of Training	87%	NA	85%	NA	91%
Western Australia	87%	NA	89%	NA	90%
Australia	89%	NA	89%	NA	90%

Note: Statistically valid Institute level data was not available for 2008 & 2010. The survey is conducted biennially. Figures have been rounded up.

Table: Fully or partly achieving their main reason for training

	2007	2008	2009	2010	2011
West Coast Institute of Training	85.9%	NA	85%	NA	84%
Western Australia	87.6%	NA	88%	NA	88%
Australia	86.7%	NA	86%	NA	86%

Note: Statistically valid Institute level data was not available for 2008 and 2010. The survey is conducted biennially. Figures have been rounded up.

1.3 *Annual Institute Profile Target Achievement*

The 2011 Delivery and Performance Agreement (DPA) funded the Institute to deliver **2,227,369** Student Curriculum Hours (SCH) distributed amongst the State-defined Industry Groups. This purchased delivery by the State from West Coast Institute of Training took into consideration the needs of the state as defined in the State Training Profile and the needs of the key stakeholders of the Institute. The diversity of delivery indicates the extent to which the Institute is required to meet the strategic training needs of the local community, and the training plans of industry and individuals.

Measure A: Percentage of Achieved Delivery Against Profile Delivery.

This performance indicator shows the percentage of SCH achieved for profile funded VET delivery activities as contracted with WA Department of Training and Workforce Development through the Delivery and Performance Agreement (DPA).

The Institute's 2011 profile delivery (2,331,249 SCH) was 10.6% higher than 2010 (2,107,026 SCH) and continued to reflect the strong demand for training in the northwest metropolitan area of Perth.

Table: Profiled Student Curriculum Hours by Purchasing Matrix Classification

Industry Group Description	2010 DPA	2010 Actual	2011 DPA	2011 Actual
01A Recreation Sports & Entertainment	134,960	131,375	136,890	147,610
01B Visual and Performing Arts	6,980	3,010	3,135	3,495
01C Design				
02A Automotive	76,702	73,701	72,638	65,268
03A Building and Construction	44,262	69,436	129,972	109,135
04A Community Service Workers	131,130	113,910	129,605	161,185
04B Education and Childcare	297,680	336,967	361,155	369,149
04C Health	251,170	211,114	241,860	225,730
06A Food Trades and Processing	16,340	6,714	18,560	20,188
09B Metal and Mining			17,856	14,455
10B Forestry, Farming and Landcare	34,220	28,982	23,028	34,240
10D Horticulture	34,466	22,976	26,346	41,796
12A Personal Services	47,509	71,023	62,941	58,005
12B Retail	37,411	22,943	17,693	18,505
13A Cooking	93,378	82,439	88,314	75,557
13B Hospitality	142,965	119,987	114,991	116,311
13C Tourism	24,056	35,945	32,231	25,735
13D Travel Agents			0	12,870
15A Electrical and Electronic Engineering			28,800	64,852
15B Electrical Trades			8,392	972
16A Accounting and Other Business Services	77,920	90,530	80,593	84,085
16B Management	143,662	106,135	95,905	137,075
16C Office and Clerical	80,350	106,445	93,564	116,911
17A Computing	124,548	187,150	185,232	159,420
18A Science and Technical Workers	104,700	124,440	104,698	107,280
19B Adult Literacy/ESL	105,300	112,085	93,500	103,380
19E Targeted Access and Participation Courses	59,160	49,719	59,470	58,080
Total Profile SCH	2,068,869	2,107,026	2,227,369	2,331,249
Percentage of Profile Achieved		101.84%		104.66%

It should be noted that during the course of the year, in May, September and December, West Coast Institute of Training varied the delivery profile with DTWD to better reflect student demand and labour market conditions.

A small increase in delivery funding was provided by DTWD to the Institute via Productivity Program Places, this saw a marked increase in the areas of 4A Community Service Workers. 16B Management and Office and Clerical (Industry group 16C) delivery largely reflected a strong demand for higher level qualification delivery at the Diploma level and a desire by workers to up skill with Frontline Management qualifications being highly sought.

In the planning for the start up phase of the Clarkson trades campus a number of assumptions were made in regards to projected levels of activity. 15A Electrical and Electronic Engineering experienced considerable more activity than initially planned and this reflected strong demand for pre-apprenticeship delivery in the electrical trade area and the obverse to this demand was a reduction in delivery activity within 03A Building and Construction.

17A Computing saw demand at the Certificate IV level in Programming, Multimedia and Network Management being less than anticipated and this resulted in a significant decrease in delivery versus planned delivery.

Variations in 2011 Actual SCH compared to the initial DPA occurred in a number of industry areas and reflected labour market conditions. Accordingly, the variation depicted in the table above is based on forecasts made in December 2010 and not the final agreed DPA.

Increases and decreases in actual SCH delivered represent unanticipated upturns and downturns in demand for training in various industry areas. Some of these variations were significant due to the volatile economic conditions affecting employment in 2011. These variations highlight the willingness and ability of WCIT to accommodate changes in client demand in a volatile economic climate.

The distribution of SCH is an effectiveness measure that indicates the extent to which the Institute is meeting its contractual obligations, as well as the training needs of the local community, individuals and industry. The Institute's SCH delivery is translated through a range of courses that directly align with purchasing matrix cells that represent occupational classifications.

The Industry Group Description is a classification of courses based on the occupation or outcome the course is intended to serve.

Table: Trend data for SCH Achievement.

DPA	2007	2008	2009	2010	2011
% SCH Achieved	100.2%	106.3%	124.0%	101.8%	104.6%

Attainment of % SCH achieved has correlated to supply and demand issues within the labour market.

2. Efficiency Indicators

The efficiency indicator is a measure that shows the average cost of training delivery per student curriculum hour (SCH).

2.1 Overall Cost per SCH

The overall cost per SCH shows the aggregate unit cost of delivery output per SCH, based on the delivery costs (Total Cost of Services) as detailed in the 2011 Financial Statements.

The cost per SCH for aggregate Institute delivery for 2011 was **\$13.77** and the variation between actual and estimate is largely explained by the increase in SCH delivered.

Table: Overall Cost per SCH.

	2007	2008	2009	2010	2011	2011 Section 40 Targets
Total cost of services	\$34,442,622	\$36,098,074	\$31,489,223	\$36,992,977	\$42,084,450	\$40,578,756
Total SCH Delivered	2,769,931	2,895,835	2,724,437	2,770,353	3,055,780	2,750,000
Total Cost per SCH delivered	\$12.43	\$12.47	\$11.56	\$13.35	\$13.77	\$14.76

The commissioning of new Trades campus at Clarkson resulted in abnormal expenditure with equipment purchases at the new Clarkson campus and ICT equipment of \$1,559,104 in 2011.

Employee expenses variances are due primarily to the increased staffing requirement at the new Trades campus at Clarkson. There was also a requirement to increase administration positions to support the additional delivery.

Additional depreciation was required to be recognised on the new Trades campus at Clarkson as well as the new capital equipment purchased to support the delivery to students.

There was an increase in consumables and equipment purchases, contracted services (including cleaning, security and gardening) and utility charges as a result of the operation of the new Trades campus at Clarkson. Also, the renewal of several contracts for cleaning, gardening and security at existing sites in 2011 saw substantial increases.

Section Five: Financial Statements

Certification of Financial Statements for the Year Ending 31 December 2011

The accompanying financial statements of West Coast Institute of Training 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 2011 and the financial position as at 31 December 2011.

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.



RUSSEL PERRY
Governing Council Chair
12 March 2012



SUE A. SLAVIN
Managing Director
12 March 2012



DAVID SAVILL
Chief Finance Officer
12 March 2012

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 (\$)	2010 (\$)
COST OF SERVICES			
Expenses			
Employee benefits expense	6	28,231,166	24,852,057
Supplies and services	7	9,845,145	8,526,291
Depreciation and amortisation expense	8	1,578,497	1,185,251
Cost of sales	13	405,028	432,714
Loss on disposal of non-current assets	17	7,055	3,191
Other expenses	9	2,017,559	1,993,473
Total cost of services		42,084,450	36,992,977
Income			
Revenue			
Fee for service	10	5,369,108	6,746,552
Student fees and charges	11	2,596,902	2,402,379
Ancillary trading	12	497,386	684,759
Sales	13	582,861	670,649
Commonwealth grants and contributions	14	148,844	100,000
Interest revenue	15	1,226,831	966,555
Other revenue	16	472,690	980,796
Total revenue		10,894,622	12,551,690
Total income other than income from State Government		10,894,622	12,551,690
NET COST OF SERVICES		(31,189,827)	(24,441,287)
INCOME FROM STATE GOVERNMENT			
Service Appropriation	18	30,616,478	26,835,940
Resources received free of charge	18	606,407	510,386
Total income from State Government		31,222,885	27,346,326
SURPLUS / (DEFICIT) FOR PERIOD		33,058	2,905,039
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	29	236,244	(2,239,083)
Gains / losses recognised directly in equity		-	-
Total other comprehensive income		236,244	(2,239,083)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		269,302	665,956

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

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2011

	Notes	2011 (\$)	2010 (\$)
ASSETS			
Current Assets			
Cash and cash equivalents	30	4,427,566	3,681,915
Restricted cash and cash equivalents	19,30	879,709	853,913
Inventories	20	70,491	88,972
Receivables	21	1,262,649	1,855,989
Other financial assets	22,30	14,427,456	14,275,437
Other current assets	22	237,228	165,492
Total Current Assets		21,305,099	20,921,718
Non-Current Assets			
Property, plant and equipment	23	79,132,295	60,762,822
Intangible assets	24	24,583	49,114
Total Non-Current Assets		79,156,878	60,811,936
TOTAL ASSETS		100,461,977	81,733,654
LIABILITIES			
Current Liabilities			
Payables	26	1,497,273	1,470,456
Provisions	27	4,286,290	3,227,915
Other current liabilities	28	875,546	1,511,966
Total Current Liabilities		6,659,108	6,210,337
Non-Current Liabilities			
Provisions	27	1,448,618	1,962,313
Total Non-Current Liabilities		1,448,618	1,962,313
Total Liabilities		8,107,726	8,172,650
NET ASSETS		92,354,251	73,561,004
Equity			
Contributed equity	29	29,445,085	10,921,140
Reserves	29	32,011,251	31,775,007
Accumulated surplus	29	30,897,915	30,864,857
TOTAL EQUITY		92,354,251	73,561,004

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

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Contributed equity \$	Reserves \$	Accumulated surplus / (deficit) \$	Total Equity \$
Balance at 1 January 2010	29	10,921,140	34,014,090	27,959,818	72,895,049
Changes in accounting policy		-	-	-	-
Restated balance at 1 January 2010		10,921,140	34,014,090	27,959,818	72,895,049
Surplus/(deficit)				2,905,039	2,905,039
Other comprehensive income			(2,239,083)		(2,239,083)
Total comprehensive income for the year			(2,239,083)	2,905,039	665,956
Balance at 31 December 2010		10,921,140	31,775,007	30,864,857	73,561,005
Balance at 1 January 2011		10,921,140	31,775,007	30,864,857	73,561,005
Surplus/(deficit)				33,058	33,058
Other comprehensive income			236,244		236,244
Total comprehensive income for the year			236,244	33,058	269,302
Transactions with owners in their capacity as owners					
Capital appropriations		18,523,944			18,523,944
Total		18,523,944			18,523,944
Balance at 31 December 2011		29,445,085	32,011,251	30,897,915	92,354,251

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

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2011

	Notes	2011 (\$)	2010 (\$)
CASH FLOWS FROM STATE GOVERNMENT			
Recurrent state funding - Department of Training and Workforce Development		27,515,270	25,111,336
Net cash provided by State Government		27,515,270	25,111,336
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(25,199,016)	(21,975,029)
Supplies and services		(9,197,524)	(7,796,745)
GST payments on purchases		(1,032,410)	(1,555,205)
GST payments to taxation authority		(51,061)	(217,213)
Other payments		(2,400,138)	(2,408,564)
Receipts			
Fee for service		5,721,190	5,507,594
Student fees and charges		2,556,142	2,472,565
Ancillary trading		482,500	612,886
Commonwealth grants and contributions		148,844	100,000
Interest received		1,371,808	734,635
GST receipts from sales		395,070	1,195,079
GST receipts from taxation authority		651,241	571,266
Other receipts		1,115,479	1,615,738
Net cash used in operating activities	30	(25,437,875)	(21,142,994)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of non-current physical assets		-	142
Purchase of non-current physical assets		(1,153,929)	(1,631,709)
Net cash used in investing activities		(1,153,929)	(1,631,567)
Net increase / (decrease) in cash and cash equivalents		923,466	2,336,775
Cash and cash equivalents at the beginning of period		18,811,265	16,474,490
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	30	19,734,731	18,811,265

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

1. Australian Accounting Standards

(a) General

The Institute's financial statements for the year ended 31 December 2011 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' refers to Standards and Interpretations made by the Australian Accounting Standards Board (AASB).

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

(b) Early adoption of standards

The Institute cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 '*Application of Australian Accounting Standards and Other Pronouncements*'. There has been no early adoption of Australian Accounting Standards that have been issued or amended [but not operative] by the Institute for the annual reporting period ended 31 December 2011.

2. Summary of significant accounting policies

The following accounting policies have been adopted in the preparation of these financial statements. Unless otherwise stated, these policies are consistent with those adopted in the previous year.

(a) General Statement

The financial statements constitute general purpose financial statements 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 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 the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

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 all values are rounded to the nearest dollar (\$).

The judgements that have been made in the process of applying the Institute's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 3 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed at note 4 'Key sources of estimation uncertainty'.

(c) Reporting Entity

The reporting entity comprises the Institute and there are no related or affiliated entities (see also note 38 'Related and Affiliated bodies').

(d) Contributed Equity

AASB Interpretation 1038 „Contributions by Owners Made to Wholly-Owned Public Sector Entities’ requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, 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 appropriations have been 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, other than as a result of a restructure of administrative arrangements, are designated as contributions by/distributions to owners to where the transfers are non-discretionary and non-reciprocal (see note 29 ‘Equity’).

Repayable capital appropriations are recognised as liabilities. See Note 18 „Income from State Government” for further commentary on the application of TI 955.

(e) Income**Revenue Recognition**

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

The majority of operating revenue of the Institute 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.

Provision of services

Revenue is recognised by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues. The effective interest method which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset is used where applicable.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Institute 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.

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.

Service appropriations

Service appropriations are recognised as revenues at fair value in the period in which the Institute gains control of the appropriated funds. The Institute gains control of appropriated funds at the time those funds are deposited into the bank account or credited to the „Amount receivable for services” (holding account) held at Treasury.

State funds

The funds received from the Department Training and Workforce Development in respect of the delivery of services forming part of the Delivery Performance Agreement are included in State funds, disclosed under „Income received 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 Institute meets the terms of the Agreement. See note 18 „Income from State Government“.

Gains

Realised or unrealised gains 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) Borrowing Costs

Borrowing costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the Institute's outstanding borrowings during the year, in this case 6.3% (2010: 6.3%)

(g) Property, Plant and Equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment and infrastructure costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Where applicable in accordance with TI 1101, the capitalisation threshold has been applied to the aggregate value of a group or network of assets where the cost of individual item may be below the threshold but collectively the cost of the items in the group or network exceeds the threshold. An example of this is the Institute Library Collection where individual items are below the capitalisation threshold but the collection has a long useful life and a material value.

Items of property, plant and equipment costing less than \$5,000 are immediately expensed directly to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

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

Subsequent measurement

Subsequent to initial recognition of 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 re-valued 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.

In the absence of market-based evidence, 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.

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the end of the reporting period.

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 23 'Property, plant and equipment' for further information on revaluations.

De-recognition

Upon disposal or de-recognition of an item of property, plant and equipment, any revaluation surplus relating to that asset is retained in the asset revaluation surplus.

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 23 „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 that reflects the consumption of their future economic benefits.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method over its useful life, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are:

Buildings	5 to 40 years
Plant, furniture and general equipment	2 to 15 years
Computing, communications and software ^(a)	3 to 15 years
Leasehold improvements	5 years
Motor vehicle, caravans and trailers	6.67 years

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

Artworks and Library Collections

Artworks

The Institute's artworks collection recorded on the Artworks Register is not classified as property, plant and equipment due to the value (currently at 1993 historical cost of \$2,973) being immaterial to total property, plant and equipment, and a more current value not being reliably established. Similarly, no depreciation of these is recognised as the useful lives of these items are anticipated to be very long / indefinite, and their service potential has not, in any material sense, been consumed during the reporting period.

Library Collection

The Institute recognised the Library Collection as a grouped asset from 31 December 2006, requiring the first 100% depreciation of the first year's (2003) purchases as at 31 December 2009, and following years' depreciation in subsequent reporting periods. 2010 was the first year where purchases were de-recognised in accordance with the „rolling depreciation“ methodology (see note 23). Future years will be treated using the same methodology.

(h) Intangible Assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets 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 immediately expensed directly to the Statement of Comprehensive Income.

All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, 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 life which is reviewed annually) on the straight line basis using rates which

are reviewed annually. All intangible assets controlled by the Institute have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software ^(a) 2 to 5 years

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

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.

Licences

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

Research and Development Costs

Research costs are expensed as incurred. Development costs incurred for an individual project are carried forward when the future recoverability can reasonably be regarded as assured and the total project costs are likely to exceed \$5,000. Other development costs are expensed as incurred.

Website costs

Website costs are charged as expenses when they are incurred unless they relate to the acquisition or development of an asset when they may be capitalised and amortised. Generally, costs in relation to feasibility studies during the planning phase of a website, and ongoing costs of maintenance during the operating phase are expensed. Costs incurred in building or enhancing a website, to the extent that they represent probable future economic benefits that can be reliably measured, are capitalised.

(i) Impairment of Assets

Property, plant and equipment, and intangible assets 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 Institute 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 assets' future economic benefits and to evaluate any impairment risk from falling replacement costs or a significant change in useful life.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of 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. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

See note 25 „Impairment of assets“ for the outcome of impairment reviews and testing. See note 2(p) „Receivables“ and note 21 „Receivables“ for impairment of receivables.

(j) Non-current Assets (or Disposal Groups) Classified as Held for Sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Statement of Financial Position. Assets classified as held for sale are not depreciated or amortised.

(k) Leases

The Institute has no finance leases. The Institute has a number of operating lease arrangements for motor vehicles and accommodation. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(l) Financial Instruments

In addition to cash and bank overdraft, the Institute has two categories of financial instrument:

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

These have been disaggregated into the following classes:

Financial Assets

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

Financial Liabilities

- Payables

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

(m) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, 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.

(n) Accrued Salaries

Accrued salaries (see note 26 '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 fortnight of the financial year end. The Institute considers the carrying amount of accrued salaries to be equivalent to its net fair value.

The accrued salaries suspense account (see note 19 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of ten financial years to largely meet the additional cash outlay in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

(o) Inventories

Inventories are measured at the lower of cost and the net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on an average cost 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 20 „Inventories“.

(p) Receivables

Receivables are recognised and carried 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 Institute 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(l) „Financial Instruments“ and note 21 „Receivables“.

A provision for impairment of receivables can only be raised if there is objective evidence of impairment.

(q) Payables

Payables are recognised at the amounts payable when the Institute 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 3(l) „Financial Instruments“ and note 26 „Payables“.

(r) Provisions

Provisions are liabilities of uncertain timing and 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 obligation. Provisions are reviewed at the end of each reporting period. See note 27 „Provisions“.

(i) Provisions - employee benefits

All annual leave and long service leave provisions are in respect of employees' services up to the end of the reporting period.

Annual Leave

The liability for annual leave expected to be settled within 12 months after the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Annual leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

The provision for annual leave is classified as a current liability as the Institute does not have an unconditional right to the deferred settlement for at least 12 months after the reporting period.

Long Service Leave

The liability for long service leave expected to be settled within 12 months after the end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Long service leave not expected to be settled within 12 months after the end of the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

When assessing expected future payments consideration is given to expected future wage and salary levels including non salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting

period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Unconditional long service leave provisions are classified as current liabilities as the Institute does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the Institute has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

Deferred leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred salary is reported as a non-current provision until the fifth year.

Superannuation

The Government Employees Superannuation Board (GESB) administers public sector superannuation arrangements in Western Australia in accordance with legislative requirements.

Eligible employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members since 1987, or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members since 1995.

The GSS is a defined benefit scheme for the purposes of employees and whole of government reporting. However, it is a defined contribution plan for Institute purposes because the concurrent contributions (defined contributions) made by the Institute to GESB extinguishes the Institute's obligations to the related superannuation liability.

The Institute has no liabilities under the Pension or the GSS Schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Institute to GESB through the Department of Training and Workforce Development. The concurrently funded part of the GSS is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS obligations.

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

GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share. See also note 2(s) „Superannuation expense“.

(ii) Provisions -Other

Employment On-Costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of „Other expenses“ and are not included as part of the Institute's „Employee benefits expense“. The related liability is included in „Employment on-costs provision“ (see note 9 „Other expenses“ and note 27 „Provisions“).

(s) Superannuation Expense

The superannuation expense in the Statement of Comprehensive Income comprises of employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

(t) 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 at fair value. Where the resource received represents a service that the authority would otherwise pay for, a corresponding expense is recognised. Receipts of assets are recognised in the Statement of Financial Position.

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

(u) Comparative Figures

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

3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The Institute evaluates these judgements regularly.

The judgements that have been made in the process of applying accounting policies that have the most significant effect on the amounts recognised in the financial statements include:

Operating lease commitments

The Institute has entered into several commercial leases and has determined that the lessor retains substantially all the significant risks incidental to ownership of the property. Accordingly, the leases have been classified as operating leases.

Valuation of Land and Buildings

Fair value has been determined on a current use valuation for land and depreciated replacement cost valuation for buildings. The Institute has adopted these valuations rather than market values on the assumption that the land and buildings will continue to be used as a State Training Provider.

4. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experiences and various other factors that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Valuation of Long Service Leave Liability

Several estimations and assumptions in calculating the Institute's long service leave provision include expected future salary rates, discount rates, employee retention rates and expected future payments. Changes in these estimations and assumptions may impact on the carrying amount of the long service leave provision.

5. Disclosure of changes in Accounting Policy and Estimates**Initial application of an Australian Accounting Standard**

The Institute has applied the following Australian Accounting Standards effective for annual reporting periods beginning on or after 1 January 2011 that impacted on the Institute:

- AASB 2009-12 *Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052]*
This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.
- AASB 2010-4 *Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]*
The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets that would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.
The amendments to AASB 101 clarify the presentation of the statement of changes in equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity is no longer required. There is no financial impact.
- AASB 2010-5 *Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]*
This Standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact..

The following Australian Accounting Standards are considered as not being applicable to the public sector as they have no impact or do not apply to not-for-profit agencies:

- | | |
|---|---|
| AASB 124 | <i>Related Party Disclosures</i> |
| Interpretation 19 | <i>Extinguishing Financial Liabilities with Equity Instruments</i> |
| AASB 2009-13
19 [AASB 1] | <i>Amendments to Australian Accounting Standards arising from Interpretation 19 [AASB 1]</i> |
| AASB 2010-1
Comparative AASB 7
7] | <i>Amendments to Australian Accounting Standards – Limited Exemption from Disclosures for First-time Adopters [AASB 1 & AASB 7]</i> |
| AASB 2010-3 | <i>Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 3, AASB 7, AASB 121, AASB 128, AASB 131, AASB 132 & AASB 139]</i> |
| AASB 2009-14 | <i>Amendments to Australian Interpretation – Prepayments of a Minimum Funding Requirement [Interpretation 14]</i> |

Voluntary changes in Accounting Policy

There are no voluntary changes in Accounting Policy for the year ending 31 December 2011.

Future impact of Australian Accounting Standards not yet operative

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

Note 5 continued

Title	Operative for reporting periods beginning on / after
<p>AASB 9 <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. The Standard was reissued in Dec 2010. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 10 <i>Consolidated Financial Statements</i></p> <p>This Standard supersedes requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> and Interpretation 112 <i>Consolidation – Special Purpose Entities</i>, introducing a number of changes to accounting treatments. The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 11 <i>Joint Arrangements</i></p> <p>This Standard supersedes AASB 131 <i>Interests in Joint Ventures</i>, introducing a number of changes to accounting treatments. The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 12 <i>Disclosure of Interests in Other Entities</i></p> <p>This Standard supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> and AASB 131 <i>Interests in Joint Ventures</i>. The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 13 <i>Fair Value Measurement</i></p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.</p>	1 Jan 2013
<p>AASB 119 <i>Employee Benefits</i></p> <p>This Standard supersedes AASB 119 <i>Employee Benefits</i>, introducing a number of changes to accounting treatments. The Standard was issued in Sep 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 127 <i>Separate Financial Statements</i></p> <p>This Standard supersedes requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i>, introducing a number of changes to accounting treatments. The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 128 <i>Investments In Associates and Joint Ventures</i></p> <p>This Standard supersedes AASB 128 <i>Investments in Associates</i>, introducing a number of changes to accounting treatments. The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013

Note 5 continued

Title	Operative for reporting periods beginning on / after
<p>AASB 1053 <i>Application of Tiers of Australian Accounting Standards</i> This standard establishes a differentiated financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements. The standard does not have any financial impact on the Institute. However it may affect disclosures in the financial statements of the Institute if the reduced disclosure requirements apply. Treasury has not yet determined the application or potential impact of the new Standard for agencies.</p>	
<p>AASB 1054 <i>Australian Additional Disclosures</i> This Standard, in conjunction with AASB 2011-1 <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. There is no financial impact.</p>	1 Jul 2011
<p>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> This Standard is superseded by AASB 2010-7.</p>	1 Jan 2013
<p>AASB 2010-2 <i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]</i> 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. The Standard is not expected to have any financial impact on the Institute. However this Standard may reduce some note disclosures in the financial statements of the Institute. Treasury has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 July 2013
<p>AASB 2010-6 <i>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]</i> The amendments to AASB 7 introduce additional disclosure relating to transfers of financial assets. There is no financial impact.</p>	1 Jul 2011
<p>AASB 2010-7 <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 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]</i> This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in Dec 2010. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 2011-1 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretations 2, 112 & 113]</i> This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.</p>	1 Jul 2011

Note 5 continued

Title	Operative for reporting periods beginning on / after
<p>AASB 2011-2 <i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i></p> <p>This 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. Treasury has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 July 2013
<p>AASB 2011-5 <i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, 128 & 131]</i></p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity are not-for-profit entities that comply with Australian Accounting Standards. There is no impact.</p>	1 Jul 2011
<p>AASB 2011-6 <i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</i></p> <p>This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no impact.</p>	1 Jul 2013
<p>AASB 2011-7 <i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]</i></p> <p>This Standard gives effect to many consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i>. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
<p>AASB 2011-8 <i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i></p> <p>This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in Sep 2011. There is no financial impact.</p>	1 Jan 2013

AASB 2011-9	<i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</i>	1 Jul 2012
	This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). Treasury has not yet determined the application or the potential impact of the Standard for agencies.	
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]</i>	1 Jan 2013
	This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing <i>AASB 119 Employee Benefits</i> in Sep 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies	
AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i>	1 Jul 2013
	This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for <i>AASB 119</i> (Sep 2011). Treasury has not yet determined the application or the potential impact of the Standard for agencies.	

Treasury considers the following Australian Accounting Standards as not being applicable to the public sector as they have no impact or do not apply to not-for-profit entities:

	Title	Operative for reporting periods beginning on/after
AASB 2010-8	<i>Amendments to Australian Accounting Standards - Deferred Tax: Recovery of Underlying Assets [AASB 112]</i>	1 Jan 2012
AASB 2010-9	<i>Amendments to Australian Accounting Standards - Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters [AASB 1]</i>	1 July 2011
AASB 2010-10	<i>Further Amendments to Australian Accounting Standards - Removal of Fixed Dates for First-time Adopters [AASB 2009-11 & AASB 2010-7].</i>	1 Jan 2013
AASB 2011-3	<i>Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]</i>	1 Jul 2012
AASB 2011-4	<i>Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124]</i>	1 Jul 2013

Changes in accounting estimates

No Changes have occurred in accounting policies or estimates for the year ended 31 December 2011.

	2011 (\$)	2010 (\$)
6. Employee benefits expense		
Wages and salaries ^(a)	25,885,128	22,690,121
Superannuation - defined contribution plans ^(b)	2,346,038	2,161,936
Total	28,231,166	24,852,057

(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component, leave entitlements including superannuation contribution component.

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

Employment on-costs such as worker's compensation insurance are included at note 9 "Other Expenses".

The employment on-costs liability is included at note 27 "Provisions".

7. Supplies and services

<u>Consumables</u> ^(a)	2,032,626	1,510,623
<u>Communication expenses</u>	319,056	299,538
<u>Utilities expenses</u>	669,182	634,815
<u>Consultancies and contracted services</u> ^(a)	3,132,943	2,648,473
<u>Minor works</u> and equipment	1,769,952	1,593,374
<u>Repairs and maintenance</u>	18,465	51,625
<u>Operating lease and hire charges</u>	442,963	417,538
<u>Travel and passenger transport</u>	329,100	270,537
<u>Advertising and public relations</u>	639,597	637,640
Supplies and services - other	491,261	462,128
Total	9,845,145	8,526,291

(a) See note 34 Explanatory Statement for commentary on increases in 2011 for these expense items.

8. Depreciation and amortisation expense

Depreciation

Buildings	1,020,244	821,517
Motor Vehicles	21,882	13,684
Plant, furniture and general equipment	218,797	127,280
Computers and communication network	251,613	164,774
Library Collection ^(a)	39,886	34,543
	1,552,422	1,161,798

(a) Third year of rolling depreciation of the Institute Library Collection (See note 2 (g)).

Amortisation

Software	26,075	23,453
	26,075	23,453
Total	1,578,497	1,185,251

	2011 (\$)	2010 (\$)
9. Other expenses		
Building Maintenance	264,986	434,964
Doubtful Debts Expense	9,833	15,835
Employment on-costs ^(a)	1,701,178	1,511,388
Donations	12	72
Student Prizes & Awards	14,549	14,215
Losses and write-offs	112	(34)
Other ^(b)	26,889	17,033
Total	2,017,559	1,993,473

(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 27 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) Includes Stamp Duty tax paid on Institute insurance (\$1,110), a provision set aside to provide training to the WA Police as part of the International Academy of Law Enforcement and Security (IALES) agreement (\$10,987) and recognition of unearned revenue relating to ticket sales at a conference in 2010 (refer note 12).

10. Fee for service

Fee for service - general	1,060,725	1,286,348
Fee for service – Department of Training and Workforce Development	112,782	25,867
Fee for service – other Government	998,236	1,146,908
Adult Community Education fees	19,484	15,387
International Division fees	3,177,881	4,229,905
Fee for service – other (International Students Study Tour)	-	42,137
Total	5,369,108	6,746,552

See note 34 Explanatory Statement for commentary on decrease in 2011 for fee for service activity.

11. Student fees and charges

Course and enrolment fees	1,761,203	1,660,018
Enrolment fees	9,050	8,875
Resource fees	725,921	645,170
Other Institute fees	100,728	88,316
Total	2,596,902	2,402,379

12. Ancillary trading

Live works (not a trading activity) ^(a)	497,386	556,436
Contracting and consulting	-	25,786
Other ancillary revenue ^(b)	-	102,537
Total	497,386	684,759

(a) The outcome of training delivery can provide goods and services which, on occasions, are able to be passed on for recovery of some of the inputs of labour and materials in the delivery. These 'live works' are not a trading activity.

(b) The amount for 2010 relates to ticket sales to the inaugural "Inforce" held in November 2010, an international conference on Law Enforcement and Security.

	2011 (\$)	2010 (\$)
13. Trading Profit / (Loss)		
Bookshop		
Sales	335,209	368,759
<i>Cost of sales</i>		
Opening inventory	(81,988)	(72,594)
Purchases	(215,282)	(267,716)
	<u>(297,269)</u>	<u>(340,310)</u>
Closing inventory (See also note 20)	65,553	81,988
<i>Cost of goods sold</i>	<u>(231,716)</u>	<u>(258,322)</u>
Trading Profit / (Loss) - Bookshop	103,493	110,437
Diner		
Sales	247,652	301,890
<i>Cost of sales</i>		
Opening inventory	(6,984)	(8,873)
Purchases	(171,266)	(172,503)
	<u>(178,250)</u>	<u>(181,376)</u>
Closing inventory (See also note 20)	4,938	6,984
<i>Cost of goods sold</i>	<u>(173,312)</u>	<u>(174,392)</u>
Trading Profit / (Loss) – Diner	74,340	127,498
Total	177,833	237,935
14. Commonwealth grants and contributions		
Commonwealth specific purpose grants and contributions ^(a)	148,844	-
Commonwealth capital grants and contributions ^(b)	-	100,000
	<u>148,844</u>	<u>100,000</u>

(a) Represents a payment from Austrade for the Export Market Development Grant (\$98,944) and from the Department of Education, Employment and Workplace Relations for the “Early Years Learning Framework for Family Day Care Providers” project (\$49,900).

(b) Represents Better TAFE Facilities funding received from the Commonwealth Government being a non-reciprocal grant as part of its Economic Stimulus package.

15. Interest Revenue

Interest Revenue ^(a)	<u>1,226,831</u>	<u>966,555</u>
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(a) Interest Revenue is earned on the Institute's operating bank account, term deposits and Investment at Treasury account.

	2011 (\$)	2010 (\$)
16. Other revenue		
Rental and facilities fees	105,165	83,876
Other direct grants and subsidies revenue ^(a)	3,100	4,743
Sponsorship and donations revenue	32,342	21,705
General revenue ^(b)	332,083	870,472
Total	472,690	980,796

(a) Represents grants from City of Wanneroo to support training delivery to Indigenous students.

(b) Includes reimbursement of insurances costs from RiskCover (\$72,788), recovery of operating costs from the Department of Training and Workforce Development and Department of Education (\$146,999) and recovery of expenditure related to the running of the Edith Cowan University training restaurant (\$60,504)

17. Net gain / (loss) on disposal of non-current assets

Costs of disposal of Non-Current Assets

Plant, furniture and general equipment	(1,240)	(3,329)
Computers and communication network	(6,329)	(4)
	<u>(7,569)</u>	<u>(3,333)</u>

Proceeds from Disposal of Non-Current Assets

Plant, furniture and general equipment	515	142
	<u>515</u>	<u>142</u>

Net gain / (loss)

	<u>(7,055)</u>	<u>(3,191)</u>
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See also notes 23 'property, plant and equipment'

18. Income from State Government

Appropriation received during the year

Service Appropriation ^(a) (State Funds received from Department of Training and Workforce Development)

Delivery and Performance Agreement (DPA)	24,830,032	21,891,773
Superannuation	2,346,038	2,161,936
Other recurrent funds	3,363,119	2,745,442
Capital works transferred	77,289	36,789
Total Service Appropriation	30,616,478	26,835,940

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

Department of Training and Workforce Development

Corporate systems support	265,041	482,280
Human resources, industrial relations support	16,586	8,778
Other	184,596	13,602
	<u>466,223</u>	<u>504,660</u>

Note 18 continued

	2011 (\$)	2010 (\$)
Department of Treasury (Building Management and Works)	6,295	5,411
Department of Education	101,341	-
Other Government (State Solicitor's Office)	32,548	315
	140,184	5,726
Total resources received free of charge	606,407	510,386
Total income from State Government	31,222,885	27,346,326

(a) Service appropriations are accrual amounts reflecting the net cost of services delivered.

(b) Where assets or services have been received free of charge or for nominal cost are recognised as revenues 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. Contribution of assets or services in the nature of contributions by owners, are recognised direct to equity.

19. Restricted cash and cash equivalents

Restricted cash and cash equivalents represent cash resources the uses of which are restricted, wholly or partially, by regulations or other externally imposed requirements.

Current

West Coast Institute Scholarship Trust Fund ^(a)	14,831	14,916
Specific capital equipment and minor works ^(b)	316,503	427,984
27 th Pay allocation for 2015 ^(c)	548,375	411,013
Total	879,709	853,913

(a) The West Coast Institute Scholarship Trust Fund was privately donated and is used for student scholarships.

(b) The amount for 2011 represents the value of not yet expended against a grant from the Department of Training and Workforce Development for the purchase of equipment for the new Trades Campus at Clarkson. The amount for 2010 represents the value of funds not yet expended against \$1,900,000 received in 2009 from the Department of Training and Workforce Development for the Commonwealth Government Better TAFE Facilities initiative. This amount was fully expended in 2010.

(c) The 27th Pay allocation is a yearly provision and adjustment to cover the unfunded additional pay which occurs every 11 years, the next being in 2015.

20. Inventories

Inventories held for resale ^(a):

Bookshop (at cost)	65,553	81,988
Cafeteria (at cost)	4,938	6,984
	70,491	88,972
Less: Provision for obsolete stock ^(b)	-	-
Total	70,491	88,972

(a) See also note 13 Trading Profit / (Loss).

(b) No provision has been made for obsolete stock due to none being recognised in either stock for 2011 or 2010.

	2011 (\$)	2010 (\$)
21. Receivables		
Current		
Receivables – trade	465,304	822,930
Receivables - students	84,447	83,586
Accrued income ^(a)	634,489	887,045
Allowance for impairment of receivables	(47,892)	(58,586)
GST receivable	126,301	121,014
Total	1,262,649	1,855,989

(a) Accrued income includes \$214,790 from Education & Training International for student fees, \$116,059 for completed WELL (Workplace English Literacy and Numeracy) projects not yet invoiced, \$98,944 for an Export Market Development Grant from Austrade, \$1,184 for Working With Children Checks not reimbursed by the Department of Training and Workforce Development and \$192,148 in accrued interest income on the Institute's various operating and investment accounts.

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of year	(58,586)	(58,794)
Doubtful debts expense recognised in the Statement of Comprehensive Income	(9,833)	(15,835)
Amount written off during the year	22,439	19,166
Amount recovered during the year	(1,912)	(3,123)
Balance at end of year	(47,892)	(58,586)

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

See also note 2(p) Receivables and note 35 Financial Instruments.

22. Other assets

Current		
Prepayments	237,228	165,142
Cash investments ^(a)	14,427,456	14,275,437
Other current assets ^(b)	-	350
Total	14,664,684	14,440,929

(a) Cash investments balance represents four term deposits:

- \$7,241,470 with a 5 month term and a maturity date of 12 April 2012 held with the Commonwealth Bank.
- \$2,691,801 with a 6 month term and a maturity date of 24 June 2012 held with the Commonwealth Bank.
- \$3,189,686 with a 6 month term and a maturity date of 2 March 2012 held with the Bank of Queensland.
- \$1,304,499 with a 4 month term and a maturity date of 28 January 2012 held with the Bank of Queensland

(b) Represents the value of a dishonoured cheque from a customer repaid to the Institute in 2011.

23. Property, plant and equipment

Land

At fair value ^(a)	29,500,000	29,500,000
	29,500,000	29,500,000

Note 23 Property Plant and Equipment continued

	2011 (\$)	2010 (\$)
Buildings		
At cost		-
At fair value ^{(a) (b)}	47,215,134	29,821,000
Accumulated depreciation	-	-
	47,215,134	29,821,000
<p>(a) The valuation of land and buildings for 2011 was based on an independent valuation performed by Landgate for reporting on and from 31 December 2011. Fair value has been determined on a current use valuation for land and depreciated replacement cost valuation for buildings. The previous valuation of land and buildings was performed by Valuation Services in July 2010.</p> <p>(b) In 2011 a new campus was constructed for the delivery of Trades training at Clarkson. This was transferred from the Department of Training and Workforce Development on 1 July 2011. As at the reporting date the land value for Clarkson has not been transferred as it still held by the Department of Education as part of its value for Clarkson Senior High School. It is expected that the land will be transferred in 2012.</p>		
Work in Progress		
Construction costs – building improvements	278,465	-
Deposit for Electrotechnology Training System	-	111,320
	278,465	111,320
Motor vehicles, caravans and trailers		
At cost	171,277	89,301
Accumulated depreciation	(76,382)	(54,500)
	94,895	34,801
Plant, furniture and general equipment		
At cost	1,702,053	982,128
Accumulated depreciation	(651,503)	(455,911)
	1,050,550	526,217
Computer equipment, communication network		
At cost	1,742,263	1,290,000
Accumulated depreciation	(1,072,247)	(820,634)
	670,016	469,366
Institute Library Collection		
At cost	397,664	370,080
Accumulated depreciation ^(a)	(74,429)	(69,962)
	323,235	300,118
Total	79,132,295	60,762,822

Note 23 Property Plant and Equipment continued

(a) See note 2 (g) for information regarding recognition of the third year's depreciation of the Institute Library Collection.

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

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

2011	Land	Buildings	Work in Progress	Motor Vehicles	Plant, furniture and general equipment	Computer equip, comm. Network	Library Collection	Total
Carrying amount at start of year	29,500,000	29,821,000	111,320	34,801	526,217	469,366	300,118	60,762,822
Additions		18,178,134	278,465	81,976	633,050	452,263	63,003	19,686,891
Transfers			(111,320)		111,320			-
Disposals					(24,445)		(35,419)	(59,864)
Revaluation Increments/ (decrements)		236,244						236,244
Depreciation expense		(1,020,244)		(21,882)	(218,797)	(251,613)	(39,886)	(1,552,422)
Depreciation write back on disposal					23,205		35,419	58,624
Carrying amount at end of year	29,500,000	47,215,134	278,465	94,895	1,050,550	670,016	323,235	79,132,295
2010	Land	Buildings	Work in Progress	Motor Vehicles	Plant, furniture and general equipment	Computer equip, comm. Network	Library Collection	Total
Carrying amount at start of year	31,000,000	30,630,325	15,142	48,485	244,404	378,327	256,972	62,573,655
Additions		736,133	111,320		412,422	255,815	77,689	1,593,379
Transfer to		15,142	(15,142)					-
Disposals					(24,081)	(51,317)	(40,072)	(115,470)
Revaluation Decrements	(1,500,000)	(739,083)						(2,239,083)
Depreciation expense		(821,517)		(13,684)	(127,280)	(164,774)	(34,543)	(1,161,798)
Depreciation write back on disposal					20,752	51,315	40,072	112,139
Carrying amount at end of year	29,500,000	29,821,000	111,320	34,801	526,217	469,366	300,118	60,762,822

	2011 (\$)	2010 (\$)
24. Intangible assets		
Computer software		
At cost	134,960	140,630
Accumulated amortisation	(110,377)	(91,516)
Total	24,583	49,114

Reconciliation

Carrying amount at start of year	49,114	34,240
Additions	7,873	38,330
Impairment losses recognised in the Statement of Comprehensive Income	(6,329)	(4)
Amortisation Expense	(26,076)	(23,452)
Carrying Amount at end of year	24,583	49,114

25. Impairment of Assets

There were no indications of impairment of property plant, equipment and intangibles as at 31 December 2011.

The Institute held no goodwill or intangible assets with an indefinite useful life during the reporting period and at the end of the reporting period there were no intangible assets not yet available for use. All surplus assets as at 31 December 2011 have either been classified as assets held for sale or written off.

26. Payables**Current**

Trade payables	66,908	(13,989)
GST payable ^(a)	14,367	46,241
Accrued expenses	526,020	692,711
Accrued salaries and related costs	889,978	745,493
Total	1,497,273	1,470,456

(a) GST payable reflects both normal GST payments to ATO and recoverable amounts from customers.

See also note 2 (q) 'Payables' and Note 35 'Financial Instruments'

27. Provisions**Current**Employee benefits provision

Annual leave ^(a)	1,113,087	1,022,276
Long service leave ^(b)	2,578,325	1,715,509
Superannuation	300,482	200,083
Salary deferment	38,715	73,762
	4,030,609	3,011,630

Other provisions

Employment on-costs (c)	255,681	216,285
	255,681	216,285

Total Current	4,286,290	3,227,915
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Note 27. Provisions continued **2011 (\$)** **2010 (\$)**

Non-current

Employee benefits provision

Long service leave ^(b)	1,245,813	1,718,313
Superannuation	116,516	108,254
	1,362,329	1,826,567

Other provisions

Employment on-costs ^(c)	86,289	135,746
	86,289	135,746

Total Non-Current

1,448,618	1,962,313
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(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	859,871	812,758
More than 12 months of the end of the reporting period	253,216	209,518
Total	1,113,087	1,022,276

(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 reporting date. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	1,042,124	1,271,025
More than 12 months of the end of the reporting period	2,782,014	2,162,797
Total	3,824,138	3,433,822

(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including payroll tax and workers compensation insurance. The provision is the present value of expected of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is included at 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	352,031	316,175
Additional provisions recognised	109,008	166,611
Payments/other sacrifices of economic benefits	(119,069)	(130,755)
Carrying amount at end of year	341,970	352,031

28. Other liabilities

Current

Income received in advance (a)	403,905	380,060
Grants and advances (b)	447,310	1,118,449
Money / deposits held in trust	24,097	13,009
Other	234	448
Total	875,546	1,511,966

Note 28. Other Liabilities continued

	2011 (\$)	2010 (\$)
(a) Income received in advance comprises:		
Fee for service	269,980	236,700
Student fees and charges	116,737	138,058
Prepaid enrolments by Department of Corrective Services	6,588	5,302
Other (student award donations for 2012)	10,600	-
	403,905	380,060
(b) Grants and advances include:		
Unearned revenue from Delivery and Performance Agreement (see note 18)	419,408	253,099
Grants from the Department of Training and Workforce Development	-	862,250
City of Wanneroo Indigenous Enrolments grant	-	3,100
Grants from Challenger Institute of Training for Aboriginal Health support	27,902	-
	447,310	1,118,449

29. Equity

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

Contributed equity

Balance at start of year	10,921,140	10,921,140
<u>Contributions by owners</u>		
Capital contribution ^(a)	18,523,945	-
Transfer of net assets from other agencies ^(b)	-	-
Balance at end of year	29,445,085	10,921,140

(a) Treasurer's instruction TI 955 „Contributions by Owners Made to Wholly Owned Public Sector Entities" designates Capital Appropriations as contributions by owners in accordance with AASB. Interpretation 1038 „Contributions by Owners Made to Wholly-Owned Public Sector Entities". A Capital Contribution of \$18,523,944 in 2011 was from the Department of Training and Workforce Development being the transfer of the value of the new Trades campus in Clarkson.

(b) AASB 1004 „Contributions", requires transfers of net assets as a result of a restructure of administrative arrangements are to be accounted for as contributions by owners and distributions to owners. Where activities are transferred from one agency to another agency as a result of a restructure of administrative arrangements, AASB 1004 (paragraph 57) requires the transferee agency to disclose the expenses and income attributable to the transferred activities for the reporting period, showing separately those expenses and income recognised by the transferor agency during the reporting period. Furthermore, AASB 1004 (paragraph 58) requires disclosures by class for each material transfer of assets and liabilities in relation to a restructure of administrative arrangements, together with the name of the counterparty transferor/transferee agency. In respect of transfers that are individually immaterial, the assets and liabilities are to be disclosed on an aggregate basis.

TI 955 designates non-discretionary and non-reciprocal transfers of net assets between state government agencies as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary and non-reciprocal transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners.

Note 29. Equity continued	2011 (\$)	2010 (\$)
<u>Reserves</u>		
Asset Revaluation Reserve		
Balance at start of year	31,775,007	34,014,090
Net revaluation increments / (decrements)		
Land	-	(1,500,000)
Buildings	236,244	(739,083)
Balance at end of year	32,011,251	31,775,007
<u>Accumulated surplus / (deficit)</u>		
Balance at start of year	30,864,857	27,959,818
Result for the period	33,058	2,905,039
Balance at end of year	30,897,915	30,864,857
Total equity at end of period	92,354,251	73,561,005

30. 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:

Cash and cash equivalents	4,427,566	3,681,915
Restricted cash and cash equivalents	879,709	853,913
Other financial assets	14,427,456	14,275,437
	19,734,731	18,811,265

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

Net Cost of Services	(31,189,827)	(24,441,288)
Non-cash items:		
Depreciation and amortisation expense	1,578,497	1,185,251
Doubtful debts expense	11,745	(209)
Superannuation expense	2,346,038	2,161,937
Resources received free of charge	606,407	510,386
Capital Works transferred from DTWD	77,289	36,789
Net (gain) / loss on sale of property, plant and equipment	7,055	3,191
(Increase) / decrease in assets:		
Current receivables ^(c)	588,066	(220,263)
Current inventories	18,480	(7,504)
Other current assets	(71,734)	5,587

Note 30. Notes to the Statement of Cash Flows continued	2011 (\$)	2010 (\$)
Increase / (decrease) in liabilities		
Current payables ^(c)	42,316	(775,413)
Income received in advance	29,403	(137,755)
Current provisions	1,058,374	508,231
Other current liabilities	10,873	(414)
Non-current Provisions	(513,695)	34,553
Other non-current liabilities		
Net GST receipts / (payments) ^(a)	(637,341)	(360,126)
Change in GST in receivables / payables ^(b)	600,181	354,053
Net cash provided by / (used in) operating activities	(25,437,873)	(21,142,995)

(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 ATO receivable /payable in respect in respect of the sale/purchase of non-current assets are not included in these items as they are not reconciling items.

31. Commitments

Capital expenditure commitments

Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:

Within 1 year	529,896	536,930
Later than 1 year	-	-
Total	529,896	536,930
The capital commitments include amounts for ^(a) :		
Plant and equipment	95,408	536,930
Buildings	434,488	-
	529,896	536,930

(a) Capital expenditure commitments including installation of new solar panels and other building improvements at the Joondalup Campus.

Lease commitments

Commitments in relation to leases contracted for at the end of the reporting period but not recognised in the financial statements, are payable as follows ^(a):

Within 1 year	144,949	224,906
Later than 1 year and not later than 5 years	109,451	241,655
Later than 5 years	-	-
Total	254,400	466,561
Representing:		
Non-cancellable operating leases	254,400	466,561
	254,400	466,561

(a) The Institute has motor vehicle leases and property leases.

Note 31. Commitments continued	2011 (\$)	2010 (\$)
<u>Other expenditure commitments contracted for at the end of the reporting period but not recognised as liabilities, are payable as follows:</u>		
Within 1 year	775,259	844,966
Later than 1 year	-	-
Total	775,259	844,966

32. Contingent liabilities and contingent assets

No contingent liabilities or contingent assets exist as at 31 December 2011.

33. Events occurring after the reporting period

There are no significant events occurring after the reporting period that materially impact the financial statements as at 31 December 2011.

Treasury funding to WCIT for the Business Growth Centre program will discontinue in 2012; this determination being made in January 2012. Whilst some expenses will be recognised in 2012 in finalising the program there is no impact on the final statements as at 31 December 2011.

34. Explanatory Statement

Significant variations between estimates and actual results for expenses and income are shown below. Significant variations are considered to be those greater than \$500,000 or exceeding 10% of the estimated or preceding year's figure where it is considered of material value or additional disclosure supports reported results.

Significant variations between estimated and actual results for 2011.

	Estimate 2011 (\$)	Actual 2011 (\$)	Variation \$
Income			
Fee for service	6,308,158	5,369,108	939,050
Interest revenue	845,102	1,226,831	(381,729)
Service appropriation	26,530,898	30,616,478	(4,085,580)
Sales	709,388	582,861	126,527
Commonwealth grants and contributions	-	148,844	(148,844)
Expense			
Employee expenses	26,158,223	28,231,166	(2,072,943)
Depreciation expense	2,107,227	1,578,497	528,730
Cost of Sales	495,443	405,028	90,415
Other expenses	1,881,027	2,017,559	(136,532)

Fee for service

International student numbers decreased more significantly in 2011 than initially estimated. Other offshore delivery initiatives such as the International Academy of Law Enforcement and Security (IALES) did not see the same level of activity as estimated due to the high Australian dollar making it less competitive in a global market.

Interest revenue

The Institute took a very conservative view of the revenues it would earn on its bank account and term deposits. The view at the time was that the Institute's bank balance would be drawn upon for various building improvements at the Joondalup and McLarty campuses and for start up costs at the new Clarkson campus. These improvements were not started until late 2011 resulting in the Institute continuing to have a larger cash balance on which interest was earned throughout 2011.

Sales

There was decreased activity in both the Bookshop and Diner for 2011. Initial estimates had estimated an increase by CPI plus additional activity with the increased student population due to the opening of the new Clarkson campus. For the Bookshop, training areas that generally have high textbook requirements showed a reduction in student numbers. For the Diner increased competition both on-site and off-site has resulted in decreased sales against the estimates.

Commonwealth grants and contributions

No provision was made for in the estimates for 2011 for any grants from the Commonwealth Government. Both grants provided (Austrade and Early Years Learning Framework project) were agreed to in mid to late 2011 and are not of a recurrent nature.

Service Appropriation

The initial estimates for 2011 assumed that superannuation would no longer be paid for directly by the Department of Training and Workforce Development with additional funding included in the Delivery and Performance Agreement from April onwards instead. The expected shortfall from this new arrangement was \$718K. The change did not in fact start until the first pay in 2012.

The provision of additional funding from the Department of Training and Workforce Development for equipment purchases at the new Clarkson campus, ICT equipment and International students of \$1,559,104 was not included in the estimates for 2011.

The increased delivery of SCH against initial targets provided for in the 2011 estimates by ~11% resulted in increased Delivery and Performance Agreement funding over that estimated.

Employee expenses

Increased employee expenses above the estimates relates to the increased staffing levels as a result of increased student delivery for state-funded places above and beyond that originally budgeted for.

There was also increased staffing levels to support new or expanded programs including the Business Growth Centre and International Academy of Law Enforcement and Security.

Depreciation Expense

This positive variance is a result of the delay in the transfer of the new Clarkson Campus from the Department of Training and Workforce Development. It was estimated that this would be in operation by February 2011 with estimated depreciation of \$570k. The actual transfer date was 1 July 2011 with only \$229K in depreciation expense recognised for the year.

Other Expenses

As outlined under Employee expenses, increased staffing costs also resulted in an increase in associated employment on-costs (payroll tax and workers compensation insurance).

Note 34. Explanatory Statement continued**Significant Variances between actual results for 2011 and 2010**

	2011	2010	Variation
	Actual	Actual	
	\$	\$	\$
Income			
Fee for service	5,369,108	6,746,552	(1,377,444)
Student fees and charges	2,596,902	2,402,379	194,524
Ancillary trading	497,386	684,759	(187,373)
Commonwealth grants and contributions	148,844	100,000	48,844
Interest revenue	1,226,831	966,555	260,276
Sales	582,861	670,650	(87,788)
Other revenue	472,690	980,796	(508,106)
Service Appropriation	30,616,478	26,835,940	3,780,538
Expense			
Employee expenses	28,231,166	24,852,057	3,379,109
Depreciation expense	1,578,497	1,185,251	393,246
Supplies and services	9,845,145	8,526,291	1,318,854

Fee for service

This negative variance is due substantially to a decrease in International student numbers in 2011. This reduced revenues by \$1,018,640 in 2011 over 2010's figures. Also, the Adult Migrant Education program was transferred to Polytechnic West in June 2010, this generated revenues of \$410,772 in 2010, no revenue was earned for this in 2011.

Student fees and charges

This positive variance is due to increased student numbers as a result of the opening of the new Trades campus at Clarkson in 2011.

Ancillary trading

In 2010 the Institute held an international conference in Law Enforcement and Security which generated revenues of \$102,766. There was not a similar conference in 2011. There was also a decrease in revenues earned by the Pavilion Restaurant (a live works activity for Hospitality students) in 2011.

Commonwealth grants and contributions

The 2010 amount was a final payment for the Better TAFE Facilities initiative. In 2011 the Institute was able to tender successfully for a grant for the Early Years Learning Framework project (\$49,900) and was also able to draw upon the Austrade Export Market Development funds for costs incurred for overseas delivery (\$98,944).

Interest Revenue

The substantial increase is due to the maintenance of a healthy cash and investment balance and stable interest rates throughout 2011.

Sales

There was decreased activity in both the Bookshop and Diner for 2011. For the Bookshop, student numbers dropped for courses that generally have high textbook requirements. For the Diner increased competition both on-site and off-site has resulted in decreased sales against the estimates.

Other revenue

In 2010, the Institute received an amount of \$560,000 from the State Government for staff redundancies, there were no redundancies offered to Institute employees in 2011.

Service Appropriation

With the opening of the new Trades campus at Clarkson, there was a significant increase in delivery of the Institute in state funded places. The student curriculum hours delivered increased by 10.4% over 2010's delivery.

There was also the provision of additional funding from the Department of Training and Workforce Development for equipment purchases at the new Clarkson campus, ICT equipment and International students of \$1,559,104 in 2011.

Employee Expenses

Employee expenses variances are due primarily to the increased staffing requirement at the new Trades campus at Clarkson. There was also a requirement to increase administration positions to support the additional delivery.

Depreciation

The variance is due to the additional depreciation that was required to be recognised on the new Trades campus at Clarkson as well as the new capital equipment purchased to support the delivery to students.

Supplies and Services

There was an increase in consumables and equipment purchases, contracted services (including cleaning, security and gardening) and utility charges as a result of the operation of the new Trades campus at Clarkson. Also, the renewal of several contracts for cleaning, gardening and security at existing sites in 2011 saw substantial increases

35. Financial Instruments

(a) Financial risk management objectives and policies

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

Credit Risk

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

The maximum exposure to credit risk at the 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 35(c) "Financial Instruments Disclosures" and Note 21 "Receivables".

The Institute measures credit risk on a fair value basis and monitors risk regularly. The Institute trades only with recognised, creditworthy third parties. The Institute has policies and procedures in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivables balances are monitored regularly to ensure that the Institute's debts are collected in a timely manner. At the end of the reporting period there were no significant concentrations of credit risk.

Liquidity Risk

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

The Institute 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.

Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Authority's income or the value of its holdings of financial instruments. The Authority does not trade in foreign currency and is not materially exposed to other price risks (*for example, equity securities or commodity prices changes*). Other than as detailed in the Interest rate sensitivity analysis table at Note 35, the Institute is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and restricted cash are non-interest bearing and have no borrowings.

(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:

Financial Assets	2011 (\$)	2010 (\$)
Cash and Cash Equivalents	4,427,566	3,681,915
Restricted Cash and Cash Equivalents	879,709	853,913
Loans and Receivables ^(a)	1,136,348	1,734,975
Cash investments	14,427,456	14,275,437
Financial Liabilities		
Payables	1,482,906	1,424,215

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

(c) Financial instrument disclosureCredit risk and interest rate exposures

The following table discloses the Institute's maximum exposure to credit, interest rate exposures and the ageing analysis of financial assets. The Institute'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 Institute.

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

The Institute 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.

Note 35. Financial Instruments continued**Interest rate exposures and ageing analysis of financial assets ^(a)**

	Weighted Average Effective Interest Rate	Interest rate exposure				Past due but not impaired				Impaired financial assets
		Carrying Amount	Variable Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Up to 3 months	3 – 6 months	6 – 12 months	More than 1 year	
<u>Financial Assets</u>	%	\$	\$	\$	\$	\$	\$	\$	\$	
2011										
Cash assets	5.47%	18,855,022	18,048,372	800,241	6,409					
Restricted cash assets	4.27%	879,709	14,831	864,878						
Receivables ^(a)		1,136,348			1,136,348	617,775	84,194	2,559	6,978	
		20,871,079	18,063,203	1,665,119	1,142,757	617,775	84,194	2,559	6,978	
2010										
Cash assets	5.64%	17,957,352	17,075,437	875,335	6,580					
Restricted cash assets	4.51%	853,912	14,916	838,996						
Receivables ^(a)	-	1,734,975			1,734,975	342,041	13,586	1,865	2,325	
		20,546,239	17,090,353	1,714,331	1,741,455	342,041	13,586	1,865	2,325	

(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.

Interest rate exposure and maturity analysis of financial liabilities

	Weighted Average Effective Interest Rate	Interest rate exposure				Maturity dates			
		Carrying Amount	Variable Interest Rate	Fixed Interest Rate	Non-Interest Bearing	Up to 3 months	3 – 6 months	6 – 12 months	More than 1 year
<u>Financial Liabilities</u>	%	\$	\$	\$	\$	\$	\$	\$	
2011									
Payables	-	1,482,906			1,482,906	1,482,906			
		1,482,906			1,482,906	1,482,906			
2010									
Payables	-	1,424,215			1,424,215	1,424,215			
		1,424,215			1,424,215	1,424,215			

The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities

Note 35. Financial Instruments continuedInterest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Institute'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.

	Carrying amount	- 100 Basis Points		+ 100 Basis Points	
		Surplus	Equity	Surplus	Equity
2011	\$	\$	\$	\$	\$
Financial Assets					
Cash Assets	18,855,023	(188,550)	(188,550)	188,550	188,550
Restricted Cash and cash equivalent	879,709	(8,797)	(8,797)	8,797	8,797
	Carrying amount	- 100 Basis Points		+ 100 Basis Points	
		Surplus	Equity	Surplus	Equity
2010	\$	\$	\$	\$	\$
Financial Assets					
Cash Assets	17,957,352	(179,573)	(179,573)	179,573	179,573
Restricted Cash and cash equivalent	853,912	(8,539)	(8,539)	8,539	8,539

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 values unless otherwise stated in the applicable notes.

36. Remuneration of Members of the Accountable Authority and Senior OfficersRemuneration of members of the Accountable Authority

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

\$	2011	2010
\$ 0 - \$ 10,000	9	13
\$230,001 - \$240,000	-	1
\$260,001 - \$270,000	1	-
	\$	\$

The total remuneration of the members of the Accountable Authority is: **277,939** **252,348**

The superannuation included here represents the superannuation expense incurred by the Institute in respect of members of the Institute.

No members of the Accountable Authority are members of the Pension Scheme.

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 receivable for the financial year, fall within the following bands are:

\$	2011	2010
\$70,001 - \$80,000 ^(a)	-	1
\$120,001 - \$130,000	-	1
\$130,001 - \$140,000	1	-
\$140,001 - \$150,000	2	-
\$150,001 - \$150,000	-	-
\$160,001 - \$170,000	3	3
\$170,001 - \$180,000	2	3
\$180,001 - \$190,000	1	1
\$200,001 - \$210,000	-	1
\$210,001 - \$220,000	2	-

	\$	\$
The total remuneration of senior officers is:	1,894,488	1,598,192

(a) Relates to a senior officer commencing part-way through 2010.

The superannuation included here represents the superannuation expense incurred by the Institute in respect of senior officers other than senior officers reported as members of the Institute. Other benefits include accrued annual and long service leave as at 31st December.

No Senior Officers are members of the Pension Scheme.

37. Remuneration of auditor

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

Auditing the accounts, financial statements and performance indicators.	88,000	92,000
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The expense is included in note 7 „Supplies and services“.

38. Related and Affiliated Bodies**2011 (\$)****2010 (\$)**

The Institute has no related or affiliated bodies as at the end of the reporting period.

39. Supplementary Financial InformationWrite-Offs

Public property	22,806	29,500
Bad Debts	22,439	20,017
Total	45,245	49,517

Losses Through Theft, Defaults And Other Causes

Losses of public and other moneys and public and other property through theft, default or otherwise	22,876	29,610
Amount recovered	(1,344)	(3,559)
Total	21,532	26,051

Gifts of Public Property

No gifts of public property were provided to the Institute in the years to 31 December 2011 and 2010.

40. Schedule of Income and Expenditure by Service

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

Appendix 1

Section 40 Estimates - 2012

Statement of Comprehensive Income

	2012
for the 12 Months to 31 December 2012	\$
COST OF SERVICES	
Expenses from ordinary activities	
Employee Expenses	31,160,898
Depreciation and amortisation expense	1,776,443
Supplies and services	7,932,838
Cost of Sales	374,506
Loss on disposal of non-current assets	10,000
Other expenses from ordinary activities	2,175,139
Total Cost of Services	<u>43,429,824</u>
Income	
Revenue	
Fee for service	5,122,426
Student fees and charges	2,608,344
Sales	626,943
Ancillary trading	552,235
Commonwealth grants and contributions	50,000
Interest revenue	987,000
Other revenue	286,000
Total Revenue	<u>10,232,948</u>
NET COST OF SERVICES	<u>(33,196,876)</u>
INCOME FROM STATE GOVERNMENT	
State funds	29,709,269
Resources received free of charge	557,000
Total revenues from State Government	<u>30,266,269</u>
SURPLUS (DEFICIT) FOR THE PERIOD	<u>(2,930,607)</u>
OTHER COMPREHENSIVE INCOME	
Changes in asset revaluation reserve	1,183,800
Gains / (Losses) recognised directly in equity	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>(1,746,807)</u>

Balance Sheet

as at 31 December 2012	2012 \$
Current Assets	
Cash and cash equivalents	1,904,066
Restricted and cash equivalents	15,000
Inventories	87,808
Receivables	1,416,410
Other assets	12,200,000
Total Current Assets	15,623,284
Non-Current Assets	
Restricted and cash equivalents	560,000
Property, plant and equipment	89,185,225
Total Non-Current Assets	89,745,225
Total Assets	105,368,509
Current Liabilities	
Payables	1,546,873
Provisions	3,270,378
Other liabilities	439,587
Total Current Liabilities	5,256,838
Non-Current Liabilities	
Provisions	2,860,174
Total Non-Current Liabilities	2,860,174
Total Liabilities	8,117,012
NET ASSETS	97,251,497
Equity	
Contributed Equity	35,762,232
Asset revaluation reserve	33,261,542
Accumulated surplus	28,227,723
TOTAL EQUITY	97,251,497

Changes in Equity Statement

	2012
<u>As at 31 December 2012</u>	<u>\$</u>
Balance of equity at start of financial year	98,998,304
Contributed equity	
Balance at start of financial year	35,762,232
Capital Contribution	<u>-</u>
Balance at end of financial year	<u>35,762,232</u>
Reserves	
Asset revaluation reserve	
Balance at start of financial year	32,077,742
Gains / (losses) from asset revaluation	<u>1,183,800</u>
Balance at end of financial year	<u>33,261,542</u>
Accumulated surplus (retained earnings)	
Balance at start of financial year	31,158,330
Surplus for the financial year	<u>(2,930,607)</u>
Balance at end of financial year	<u>28,227,723</u>
Balance of equity at end of financial year	97,251,497

Cash Flow Statement

for the 12 Months to 31 December 2012	2012 \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds Recurrent	29,709,269
Capital Contributions	
Net cash provided by State Government	29,709,269
Utilised as follows:	
CASHFLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	(30,864,774)
Supplies and services	(7,349,931)
GST payments on purchases	(1,000,666)
GST payments to taxation authority	(65,000)
Other payments	(2,537,696)
Receipts	
Fee for service	5,082,177
Student fees and charges	2,608,528
Ancillary trading	552,235
Commonwealth grants and contributions	50,000
Interest received	987,000
GST receipts on sales	630,000
GST receipts from taxation authority	445,000
Other receipts	927,511
Net cash used in operating activities	(30,535,616)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current physical assets	(3,500,000)
Net cash used in investing activities	(3,500,000)
Net increase/(decrease) in cash held	(4,326,347)
Cash and cash equivalents at the beginning of the financial year	18,805,413
Cash and cash equivalents at the end of the financial year	14,479,066

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