



DURACK
INSTITUTE OF TECHNOLOGY
ASPIRE | ACHIEVE

2013 Annual Report



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Cover Page designed by Colin Sherman – Certificate IV in Digital Media Technologies

About this Annual Report

Welcome to our 2013 Annual Report that presents you with easy to read information on the operational, financial and service performance of Durack Institute of Technology for the 2013 calendar year.

This report also provides you with an insight into the services delivered to the Central West Region of Western Australia over the past 12 months. Not only does it highlight Durack's achievements against key strategic priorities, but also recognises and addresses the challenges and opportunities facing us in the future. We are committed to being a sustainable, transparent and responsive training organisation that continues to meet the needs of clients, community and industry.

As part of our continuous improvement approach we welcome any feedback you might have on this report and your queries on any aspects, or suggestions on how we can enhance the information we provide. This Annual Report is also available in alternative formats upon request.

Enquiries and feedback may be directed to:

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Visit our website

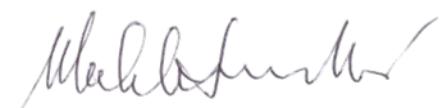
<http://www.durack.edu.au>

Statement of Compliance

Hon Dr Kim Hames, MLA
Minister for Training and Workforce Development
13th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

In accordance with Section 54 of the Vocational Education and Training Act 1996 and section 61 of the Financial Management Act 2006, I hereby submit for your information and presentation to Parliament the Annual Report for Durack Institute of Technology for the year ended 31 December 2013.

The Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006 and the Public Sector Commission's *Annual Reporting Framework (2012/2013)*.



Malcolm Smith
Chairperson
Durack Institute of Technology Governing Council
13 March 2014



Bert Beevers
Managing Director
Durack Institute of Technology
13 March 2014

Governing Council Chair's Report



In so many ways, 2013 was probably the most successful in the history of Durack in the Mid West, a history spanning 55 years of continuous operation.

Record student enrolments again exceeded all expectations. The Institute recorded the strongest financial performance ever, and a capital works program to establish three new centres of excellence was approved and funded.

These new facilities, costing more than \$25 million, include a new Health, Education and Community

Services building, an Aboriginal Learning Centre, and a new 7.5 hectare site for the construction of a new Centre for Resources Sector and Workforce Training at the Airport Technology Park.

A response to the ministerial review of Vocational Education and Training, conducted by Emeritus Professor Margaret Sears, was developed and submitted to the Review Committee in December 2013 for consideration following detailed discussion with Professor Sears in Geraldton.

Importantly, a whole of Institute Aboriginal Training Program was developed for implementation in 2014. Significant external factors, particularly the establishment of the Remote Jobs and Communities Program, have impacted on both the organisation's ability to provide training for Aboriginal people and for other groups to access vocational training. It is a credit to Directors and staff who have worked over and above to create a truly innovative and effective strategy and plan.

Once again it is a pleasure to mark the accomplishments and professionalism of all staff and, thank lecturers, management and directors whose combined efforts are the very reason for the success enjoyed by the Institute and the respect in which it is regarded in the Mid West, through its Managing Director Bert Beevers.

My thanks also to my fellow Councillors who give so generously to the work of the Governing Council and the Finance, Audit and Risk Management committee.

A handwritten signature in black ink, appearing to read "Malcolm Smith".

Malcolm Smith
Chairperson
Durack Institute of Technology Governing Council

Managing Director's Report



2013 was another year of strong enrolment growth and positive outcomes for Durack and in many ways, the Institute's most productive year ever.

With growth averaging 7% per year over the past four years, in 2013 Durack added a further 26 qualifications to its scope of delivery to meet the emerging opportunities to service regional clients through the provision of pathways to higher education programs and/or employment. In tandem, a comprehensive e-capability strategy began to be implemented during 2013.

Significant increases in workplace-based, online and Recognised

Prior Learning delivery were achieved, resulting in 43% of the Institute's delivery provided via flexible, client focussed training arrangements in 2013.

During 2013, Durack maintained its student completion, client satisfaction and graduate outcome indicators above the State average. Other significant achievements were winning two major awards. Firstly, Durack won the national Excellence in Industry Promotion Award at the Transport and Logistics Industry Skills Council Awards for Excellence. The second was at a state level where Durack won the Training Initiative Award at the Western Australia Training Awards.

With the strong possibility of significant demand for training and workforce development in many occupations associated with resources sector developments in the Midwest, particularly in the mining and gas extraction fields, Durack placed great emphasis on planning and developing strategic partnerships with key stakeholders during 2013. These efforts have brought to fruition a significant amount of related training and assessment in mining workplaces and the development of Memoranda's of Understanding with mining and gas companies and their service providers.

Such developments have resulted in Durack being awarded more than \$25 million to construct new training facilities for the Resources Sector, Health, Education and Community Services and an Aboriginal Learning Centre; a fantastic outcome for the whole of the Midwest and Gascoyne regions. Construction will commence in January 2014 with buildings being completed late 2014 through to early 2015.

A significant focus in 2013 has been in expanding and improving our education and training provision to Aboriginal people in our region. A very experienced Manager in Aboriginal relationship management, education and training was appointed which provides the impetus, direction and focus to re-engage with Aboriginal communities, employer groups and support agencies to raise awareness of the value and importance of vocational training for Aboriginal people in the Mid West and Gascoyne regions. Durack will be a significant player in this arena in 2014.

I thank and congratulate all Durack staff for their commitment and contributions during 2013; contributions that impacted positively on the lives of about 5,000 students and their families, friends and workplaces. The outcomes achieved are a credit to all Institute staff that worked together to plan and deliver a wide variety of programs and raise the profile of Durack.

I also extend my appreciation to our valued industry partners and sponsors for their support and investment in our students and this region. Their foresight is to be applauded.

Finally, I would like to acknowledge the efforts of the Chair of Durack's Governing Council Malcolm Smith and his dedicated Councillors for their invaluable input, expertise and guidance that ensures Durack Institute of Technology is responsive to this region's needs.

A handwritten signature in black ink, appearing to read "Bert Beevers".

Bert Beevers
Managing Director, Durack Institute of Technology

Overview

Executive Summary

Vision, Mission and Values

Vision

Aspire I Achieve

Mission

We will provide training opportunities that contribute to the development of individuals, enterprises and communities of the Central West region.

Our Organisational Values

Quality - we strive for improvement

Creativity - we value the creativity of our staff and embrace innovation

Customer Service - we provide excellence in training and services

Collaboration - we work together and communicate openly and honestly

Responsibility - we seek opportunities and take responsibility for our actions

Respect - we respect others and value the strength diversity brings

Our Commitment to Quality

Durack Institute of Technology is committed to continually improving its products, services and systems as a means to enhance outcomes for all stakeholders.

Our quality cycle of Understand, Collaborate, Respond, Review and Celebrate provides a framework for staff to focus their continuous improvement efforts, and integrates the Australian Quality Training Framework continuous improvement requirements for a registered training organisation. Durack's approach to quality is Institute-wide, embedding and supporting quality throughout the Institute's core business practices with the philosophy:

"Striving for excellence in our work, resulting in a positive outcome for our clients."

This approach assists Durack in achieving its Strategic Directions, Mission and Vision. It is important that the quality cycle at Durack becomes thoroughly embedded throughout the Institute in order to develop a culture of continuous quality improvement.

Strategic Directions

The Institute strives to deliver high quality training opportunities that ensure industry has access to a skilled and job ready workforce and that training provides individuals with the necessary skills to capitalise on the opportunities the region presents.

The Durack Institute of Technology *Strategic Plan 2010 – 2013, Aspire I Achieve: future opportunities* identifies seven strategic directions that assist in achieving this:

- Meeting the Training and Skills Needs of the Central West Region
- Develop Networks and Partnerships.
- Increase Opportunities for Aboriginal and Torres Strait Islander People through Training
- Provide Excellent Support Services.
- Value and Invest in Our People
- Seek Opportunities to Increase Revenue and Decrease Costs
- Assist Clients to Transition to Employment

2014-2016 Strategic Plan



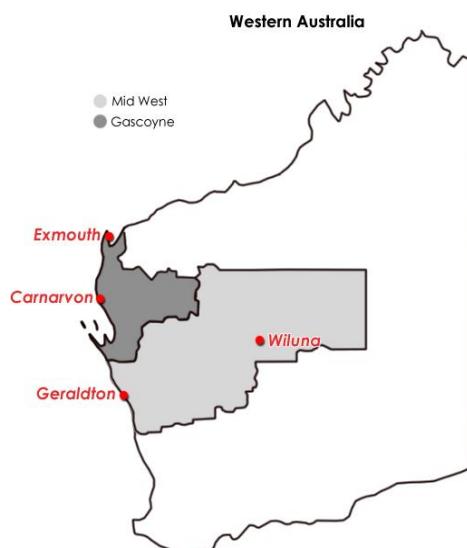
In 2013, Durack Institute of Technology undertook the next cycle of our strategic planning process with the development of the new 2014 – 2016 Strategic Plan. The Plan was developed through consultation with key stakeholders including industry, the community and Institute staff, and is reflective of industry development and the economic climate in the Mid West and Gascoyne regions. The three strategic goals respond to and ensure alignment with the strategic objectives of the organisation as well as meeting the Commonwealth and State Government's priorities for vocational education and training.

As the Institute moves into a more competitive environment these goals will capitalise on Durack's strengths and are aimed at building a more flexible and sustainable training system with the capacity to respond to existing and emerging issues. Each goal is supported by a number of key focus areas and success indicators that position the Institute to respond to the developing training market in the region and outline how programs and services will be enhanced to meet these training needs.

Campus Locations

The Midwest (includes Murchison), and Gascoyne regions collectively make up the Central West region of Western Australia, a large geographical area covering more than 640,000 square kilometres.

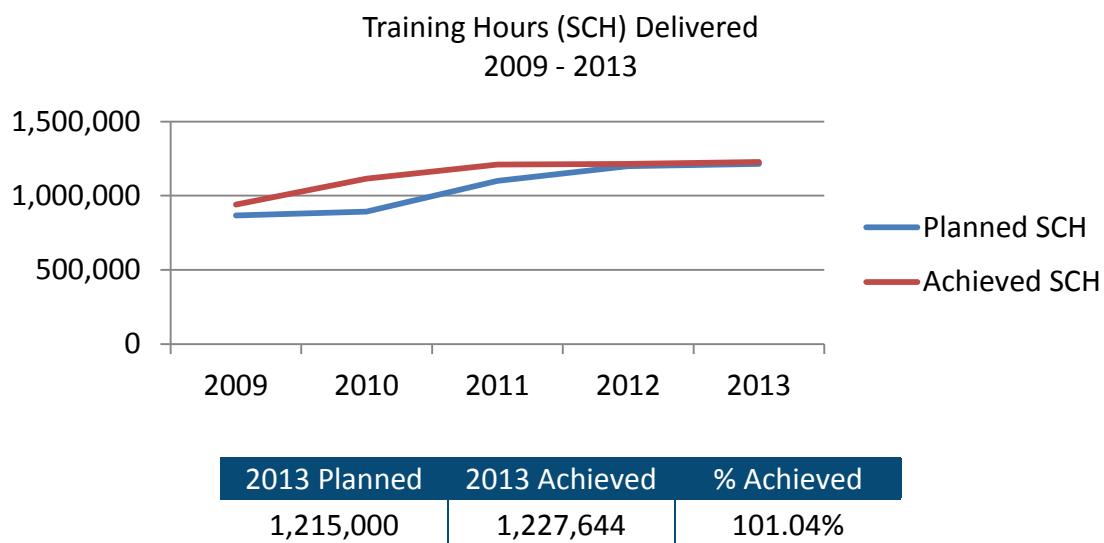
Durack Institute of Technology is the major provider of vocational education and training in the Central West region. Durack has two campuses in Geraldton, including the Batavia Coast Maritime Institute; and campuses at Carnarvon, Exmouth and Wiluna.



Training Delivery

In 2013 Durack Institute of Technology experienced significant growth for the third consecutive year. The number of hours of publicly funded training (Profile) being delivered has increased by 30.4% since 2009. Durack continues to address priority training and workforce development needs through the provision of flexible and responsive training and assessment. The Institute also increased the number of qualifications offered at Australian Qualifications Framework levels III and above, in line with government priorities to increase the skills base of the workforce.

Achievement of Training Delivery (Profile), counted as Student Curriculum Hours (SCH):



Highlights:

- Average 7% yearly growth over last 4 years
- 42.5% of training provided via Flexible Delivery
- 15.3% overall increase in Flexible Delivery
- 11.6% growth in Work Place Assessment

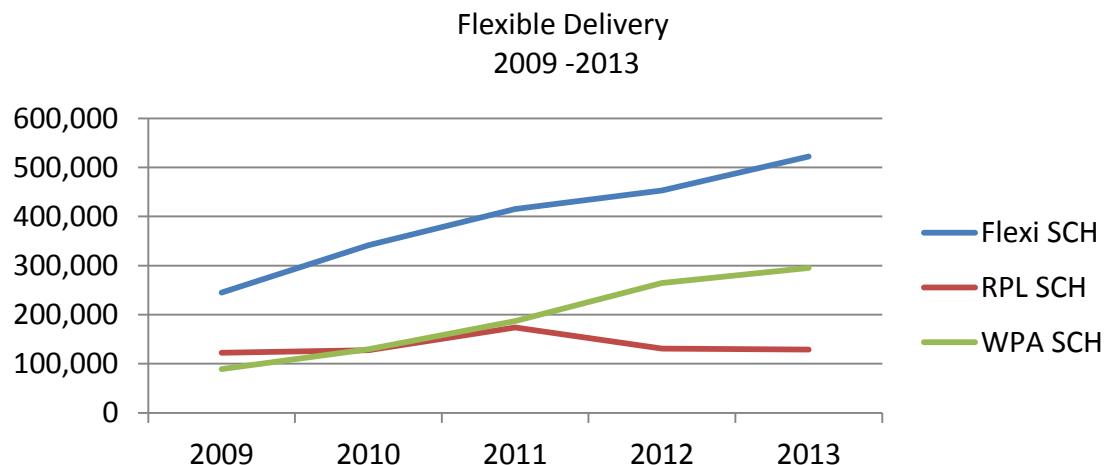
Achievement of non-profile training counted as Student Curriculum Hours (SCH) and expressed as a percentage of total Institute delivery.

2013 Non-Profile SCH	% of total Institute SCH
156,522	12.75%

Highlight:

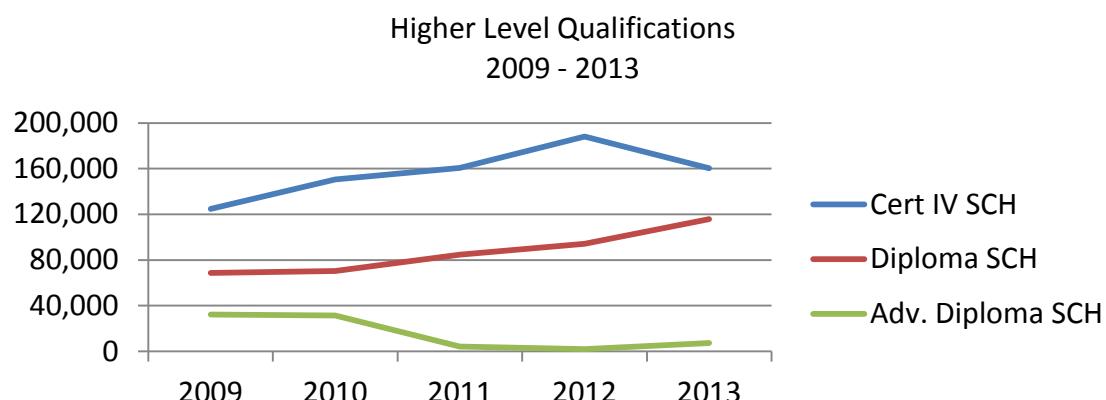
- 13.8% increase in the delivery of non-profile SCH.

Achievement of Flexible Delivery (Profile), counted as Student Curriculum Hours (SCH):



	2013 Achieved	% of total SCH (Profile)
Flexible Delivery (includes RPL & WPA)	522,335	42.55%
Recognised Prior Learning (RPL)	128,994	10.51%
Work Place Assessment (WPA)	295,156	24.04%

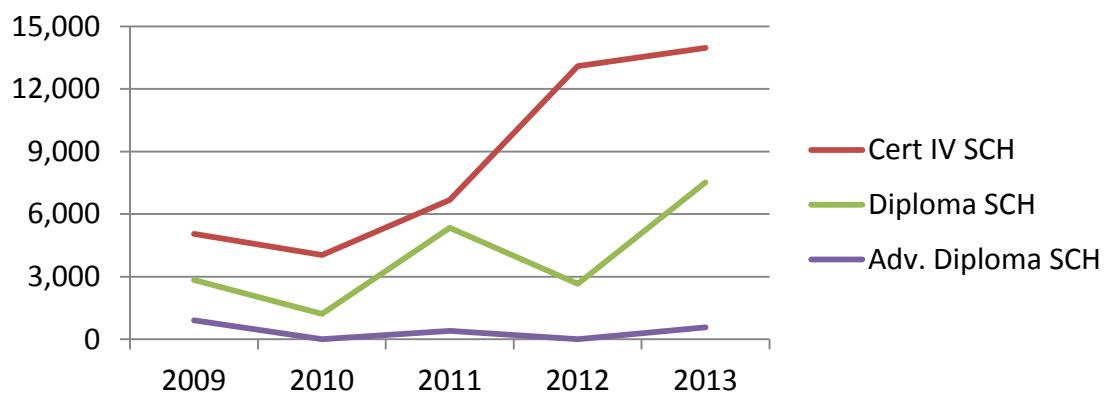
Achievement of Higher Level Qualifications (Profile), counted as Student Curriculum Hours (SCH):



Qualification	2013 Planned	2013 Achieved	% of total SCH (Profile)
Total Certificate IV and Above	246,015	283,430	23.33%

Achievement of Aboriginal Training (Profile), counted as Student Curriculum Hours (SCH):

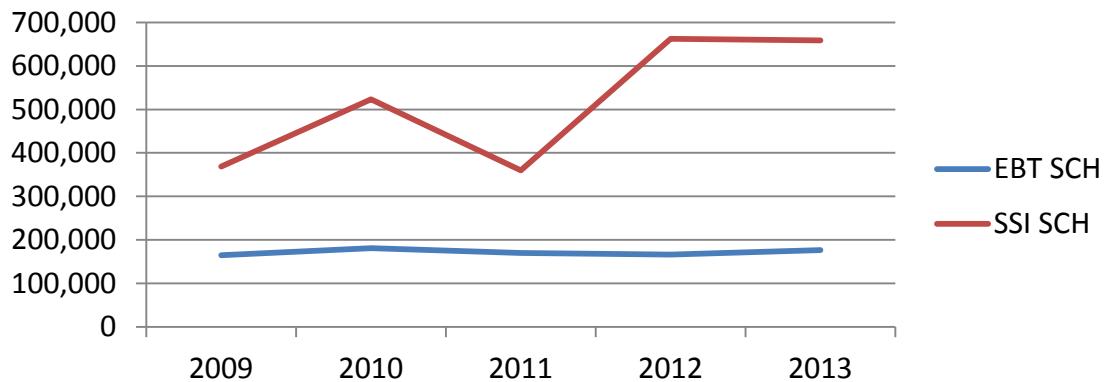
Aboriginal Training
2009 - 2013



Qualification	2013 Planned	2013 Achieved	% of total SCH (Profile)
All Qualifications	201,357	196,061	16.14%
Certificate IV and Above	NA	22,079	1.80%

Achievement of Employment Based Training and Skills Shortage Institutional (Profile), counted as Student Curriculum Hours (SCH):

EBT & SSI Delivery
2009 - 2013



	2013 Planned	2013 SCH	% of SCH (Profile)
Employment Based Training (EBT)	155,400	176,748	14.40%
Skills Shortage Institutional (SSI)	460,312	658,880	53.67%

Please Note: SSI targets can show a significant variance from year to year as they are primarily dependent on the number of qualifications listed in the Priority Institutional Qualifications List and also fluctuate based on student enrolments.

Client Satisfaction

Durack Institute of Technology values and actively seeks client feedback to inform the continuous improvement of training and assessment, client services, and management of operations. All Durack staff are responsible for utilising the feedback provided to inform and implement continuous improvement activities.

In 2013, methods for collecting feedback included:

- Quality Feedback Stations
- Feedback link on Institute website and student portal
- Student surveys
- Industry surveys
- Complaints
- Industry consultation

In the annual West Australian 2013 Student Satisfaction Survey, students were asked “Overall, how satisfied were you with your course?” 87.0% stated they were either “satisfied” or “very satisfied”. Durack continues to be above the State’s overall satisfaction score of 85.9%.

Source: 2013 WA TAFE Student Satisfaction Survey, conducted by Paterson Market Research for the Department of Training and Workforce Development.

Very positive client satisfaction results continue to be reported for Durack in the Learner Questionnaire. Results in key areas include:

Question	2011	2012	2013
Overall, I am satisfied with the training. ¹	97%	95%	95%
Trainers had an excellent knowledge of the subject content. ¹	97%	96%	96%
The training focused on relevant skills. ¹	97%	97%	95%
Training organisation staff respected my background and needs. ¹	95%	97%	96%

Notes:

¹ Percentage reported is those students responding either “strongly agree” or “agree”

Source: 2013 Learner Questionnaire, conducted internally by Durack Institute of Technology for the Training Accreditation Council.

Awards and Recognitions

Student Achievements

Durack recognises the importance of celebrating the success of their students, as student achievements reflect the success of the Institute. Outstanding students are presented with awards at the annual Durack Institute of Technology Graduation and Awards Events. A number of these award recipients went on to take part in the Vocational awards at the State level. Major Award winners in 2013 were:

Michelle McIntosh

2012 Aboriginal Student of the Year

Certificate IV in Environmental Monitoring and Technology

Sponsor: Rio Tinto

Rahim Yates

2012 Carnarvon Aboriginal Student of the Year

Certificate II in Rural Operations

Sponsor: Rio Tinto

Natasha Farr

2012 Vocational Student of the Year

Certificate IV Environmental Monitoring and Technology

Certificate IV in laboratory Techniques

Sponsor: Mid West Chamber of Commerce and Industry

Heidi Molloy

2012 Trainee of the Year

Certificate II in Hospitality (Kitchen Operations)

Sponsor: Karara Mining Limited

Rhyse Moroney

2012 Apprentice of the Year

Certificate III in Bricklaying/Blocklaying

Sponsor: Rotary Club of Geraldton

The following students were recognised through awards external to Durack:

Natasha Farr

2013 WA Training Awards

Winner of the Vocational Student of the Year Award

Benjamin Baytala

2013 WA Training Awards

Finalist in the Apprentice of the Year Award

Staff Achievements

Durack Institute of Technology's Quality Awards are presented to staff in recognition of excellent quality service or outstanding contribution to the quality culture of the organisation. For the first time, the Staff Awards was celebrated as a separate evening event and held during Professional Development week which allowed visiting staff from other regional campuses to attend.

Chrissy Lyne, Lecturer Mining

Lecturing Excellence Award

For being a leading lecturer in providing flexible delivery and assessment to meet the specific needs of the mining industry.

Thomas Brieden, Lecturer Automotive

Rising Star Lecturing Award

For his dedication to ensuring that his students receive the highest quality training through engaging and motivating teaching practices and outstanding industry relationships.

Diane Blair, Facilities Officer

Client Service Award

For providing exceptional support to all clients and her friendly, courteous, dedicated and unconditional approach to quality customer service.

Suresh Job, Training Director Marine, Applied and Environmental Science

Leadership Award

For growing the Batavia Coast Maritime Institute through building a diverse, creative and innovative team.

Re-registration Team

High Performing Team Award

For exceptional use of their team members' skills, knowledge and experience to achieve re-registration of Durack as a registered training organisation.

Other Achievements

Throughout 2013, Durack Institute of Technology's commitment to quality training and services were recognised through a variety of accolades:

Transport and Logistics Industry Skills Council Awards for Excellence

Durack was the winner of the *Excellence in Industry Promotion Award*. This award is in recognition of Durack's commitment to providing quality training outcomes to support Aboriginal employment in the maritime industry.

WA Training Awards

Durack was the winner of the *Training Initiative Award*. This award is in recognition of Durack's collaboration with key industry partners to develop a tailored course to encourage more Aboriginal people into the maritime industry.

Catering Institute of (WA) Gold Plate Awards.

Durack's training restaurant, the Zeewijk Restaurant, was a finalist in the 2013 Catering Institute of (WA) Gold Plate Awards in the category of 'Restaurant within a Training Establishment'.

Operational Structure

Organisational Structure

Durack Institute of Technology is a statutory authority delivering vocational education and training. The responsible Minister is the Hon Dr Kim Hames, MLA, Minister for Training and Workforce Development. The Governing Council is the Accountable Authority and the Managing Director is the Chief Executive Officer who is supported by a Corporate Executive.

Governing Council

The Durack Institute of Technology Governing Council comprises a Chair, Deputy Chair and members appointed by the Minister as representatives of the local industry and the community. Governing Council members as of 31 December 2013 were:

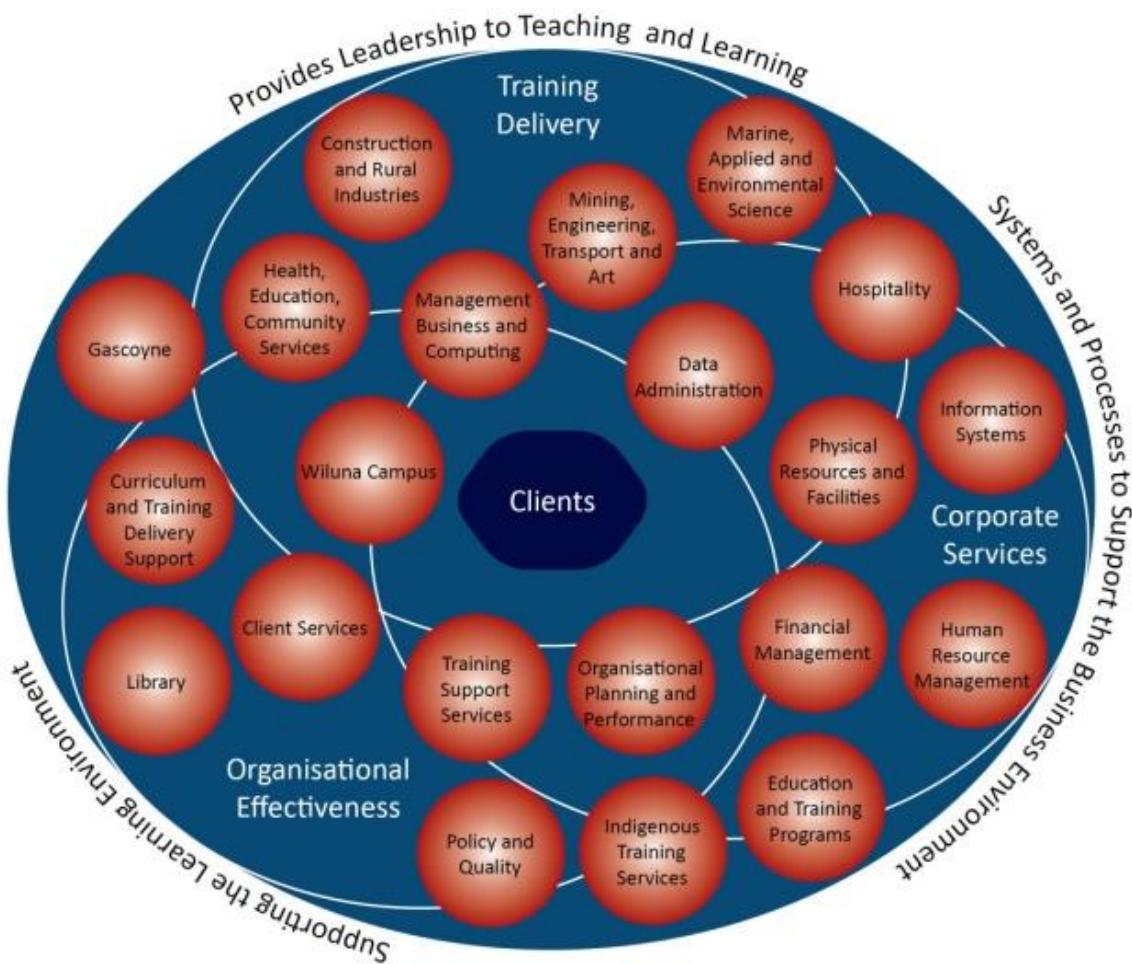
Mr Malcolm Smith (Chair) Consultant Community Representative	Mr Bill Headley Consultant Industry Representative
Ms Leanne Sice (Deputy Chair) WA Country Health Service Industry Representative	Mr Greg Kaeding Consultant Industry Representative
Mr Ron Ashplant Consultant Community Representative	Mrs Christine Rafanelli Proprietor Da Vinci's Tile Gallery Industry Representative
Ms Susan Shaw Principal Geraldton Grammar School Community Representative	Ms Yvonne Messina Consultant Community (Regional) Representative
Mr Bert Beevers Managing Director Durack Institute of Technology	Mr Steve Cooper Executive Officer Durack Institute of Technology
Ms Luci Bailey Consultant Community Representative	

Corporate Executive has overall responsibility for the day-to-day operations of the Institute and undertakes strategic planning for the future direction of the Institute. Corporate Executive consisted of the following members as at 31 December 2013.

Name	Position
Mr Bert Beevers	Managing Director
Ms Jo Payne	Director Training
Mr Steve Cooper	Director Planning and Partnerships
Mr David Cohen	Director Corporate Services

Durack's organisational chart illustrates the interconnectedness of Durack's three directorates and subsequent divisions. Durack has a team based organisational structure and a culture reflective of our values (refer to page 8 for Durack's Values) that encourage staff to develop flexible and innovative approaches to meeting client needs. This dynamic structure has provided Durack with the ability to continually respond to the changing needs of the region.

Durack Institute of Technology Organisational Chart



The roles of Durack's three directorates are as follows:

Training Directorate

The Training directorate develops and delivers a range of training and assessment programs that are designed to meet the needs of clients and the workforce development needs of the region's employers. There are seven training delivery portfolios within the Directorate.

Organisational Effectiveness Directorate

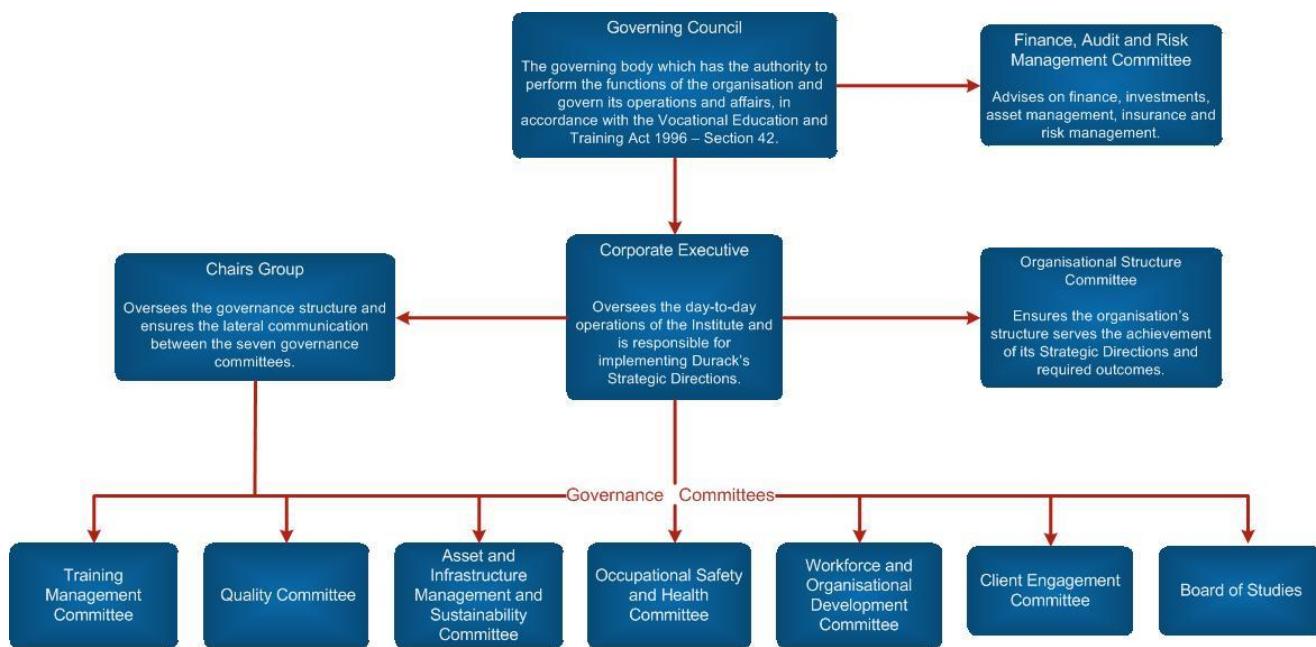
The Organisational Effectiveness directorate provides a range of services that engage and support clients, industry and the community throughout the Central West region. This area also provides organisational development through a range of strategic planning and performance management services, and maintains the organisation's quality culture.

Corporate Services Directorate

The Corporate Services directorate develops and implements systems and processes that support the business and administrative environment of the Institute, ensuring the organisation fulfils its statutory requirements and develops the capacity of Durack's workforce.

Governance Structure

The Institute has in place an effective corporate governance structure that focuses on achieving the Strategic Directions of the Institute and managing strategic risks.



The structure includes seven Governance Committees that cover all areas of the Institute's operations and are underpinned by sustainability principles, research and continuous improvement. The flow of information between Corporate Executive and the Governance Committees is two-way: Governance Committees are informed of key strategic information and advice through the Chairs Group and the Governance Committees disseminate information to Corporate Executive, the Chairs Committee and other committees as required.

Risk Management

Durack Institute of Technology recognises that risk is inherent in all business activities. The identification and management of risk is seen as an integral part of Institute planning, review and management practices. The Institute is committed to managing these risks to ensure our objectives are achieved whilst minimising any adverse impact to Institute operations.

The Finance, Audit and Risk Management (FARM) Committee is a sub-committee of the Governing Council and forms part of Durack's Governance Structure. This Committee strategically reviews the finance, audit and risks of the Institute and reports to Governing Council in a way that ensures Governing Council remains informed of progress towards required outcomes and any issues that arise.

Key Legislation

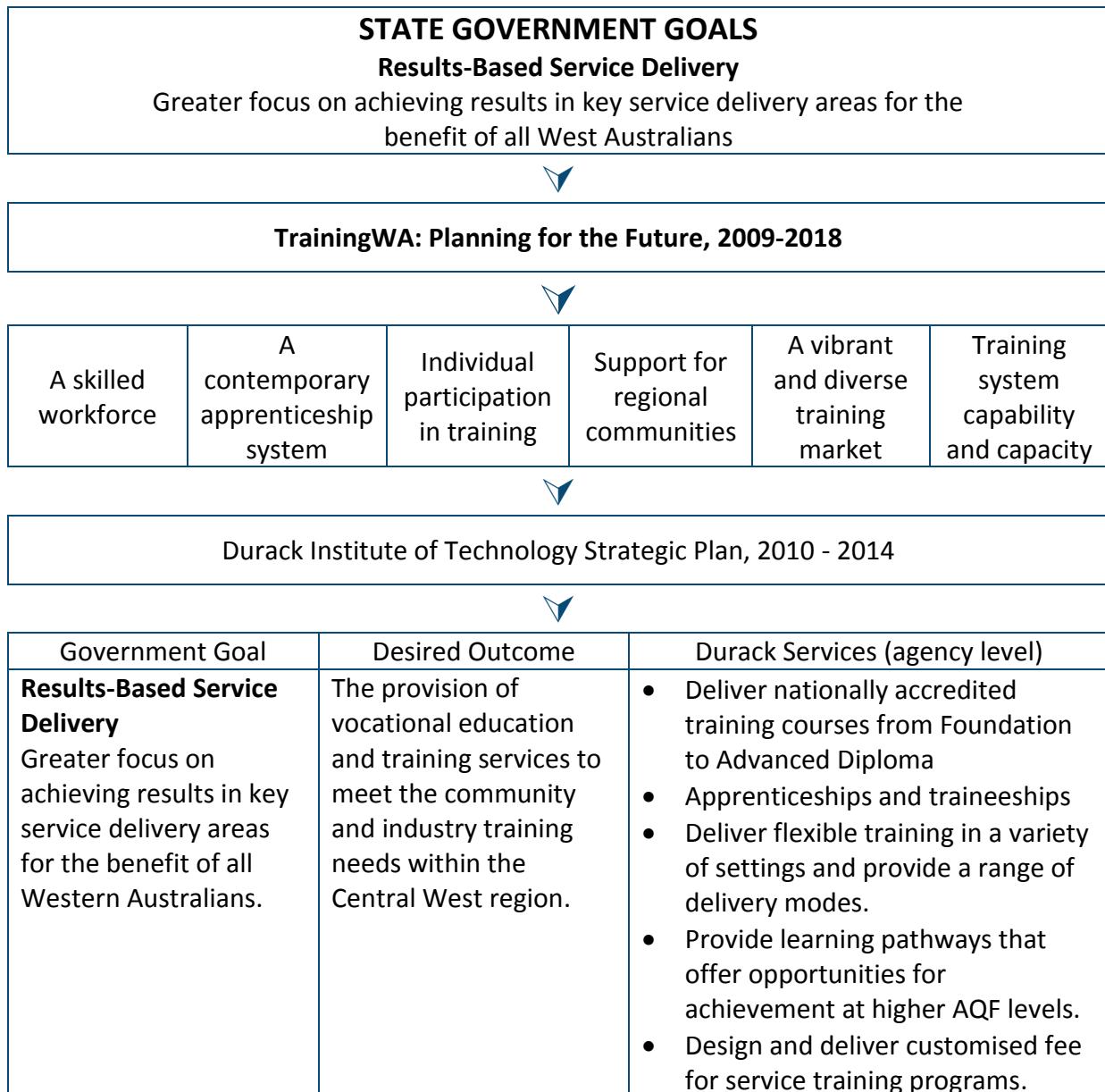
Durack Institute of Technology complies with the following legislation in carrying out its functions and activities:

A New Tax System (Goods And Services Tax) Act 1999	Privacy Act 1988; Public Interest Disclosure Act 2003;
Auditor General Act 2006	Public Sector Management Act 1994;
Copyright Act 1968;	Public and Bank Holidays Act 1972;
Constitution Act 1889, Commonwealth	Sex Discrimination Act 1984;
Corruption and Crime Commission Act 2003;	Skilling Australia's Workforce Act 2005
Disability Services Act 1993;	State Records Act 2000;
Equal Opportunity Act 1984;	State Supply Commission Act 1991;
Education Act 2004;	Racial Discrimination Act 1975;
Electoral Act 1907;	Vocational Education and Training Act 1996;
Fair Work Act 2009	Workers' Compensation and Injury Management Act 1981; and
Financial Management Act 2006;	Working with Children (Criminal Record Checking) Act 2004.
Freedom of Information Act 1992;	
Industrial Relations Act 1979;	
Industrial Training Act 1975;	
Legal Deposit Act 2012	
Minimum Conditions of Employment Act 1993;	
Occupational Safety and Health Act 1984;	

Performance Management Framework

Outcome Based Management Framework

The following table shows the relationship between the relevant State Government Goal, the strategies contained within Training WA: Planning for the Future 2009-2018 and the services and outcomes we deliver in order to achieve this Goal.



Changes to Outcome Based Management Framework

Durack Institute of Technology's Outcome Based Management Framework did not change during 2013.

Shared Responsibilities with Other Agencies

Durack receives its annual funding allocation from the State Government through a resource agreement (Delivery and Performance Agreement) with the Department of Training and Workforce Development. The Institute reports to the Department for outcomes under that Agreement.

Agency Performance

Report on Operations

Actual Results versus Budget Targets

Summary of Financial Targets

Further details are provided in the Financial Statements commencing on page 44.

	2013 Target	2013 Actual	Variation	Reason for Significant Variation
Total cost of services (Source: Statement of Comprehensive Income)	\$34,118,294	\$31,363,299	\$2,754,995 ↓	Estimated expenditure for supplies and services were not fully spent. For example, only \$19,000 of the \$2m Batavia Coast Maritime Institute remediation spent in 2013 therefore will continue into 2014.
Net cost of services (Source: Statement of Comprehensive Income)	\$29,378,643	\$25,766,416	\$3,612,227 ↓	Coupled with reasons above, Fee for Service and Student Fees and Charges revenue have increased by \$700,000
Total equity (Source: Statement of Financial Position)	\$44,476,148	\$47,641,098	\$3,164,495 ↑	Higher than expected cash reserves at the end of 2013.
Net increase/ (decrease) in cash held (Source: Cash Flow Statement)	\$17,841	\$3,021	\$14,820 ↓	Nil, variance not significant.
Approved full time equivalent (FTE) staff level	216	226	10 ↑	In 2013 there was a significant increase in the amount of commercial activity undertaken by the Institute. This necessitated the increase in staff numbers to meet this demand. The salaries for the additional FTE were covered by the commercial revenue.

Summary of Key Performance Indicators

Further details are provided in the Key Performance Indicators commencing on Page 93.

Indicators	2013 Target	2013 Actual	Variation	Reason for Significant Variation
Key Effectiveness Indicators: Student Satisfaction (Source: WA Student Satisfaction Survey)	90.0%	87.0%	3.0% 	The overall satisfaction score decreased however Durack continues to be above the State average overall satisfaction of 85.9%.
Graduate Satisfaction Achieved main reason for doing course. Overall quality of training. (Source: Student Outcomes Survey NCVER)	93.0% 93.0%	88.7% 89.8%	4.3%  3.2% 	The graduate's satisfaction scores decreased however Durack continues to be above the state average.
Graduate Employment (after training) Employed Unemployed Not in Labour Force (Source: Student Outcomes Survey NCVER)	82.0% NA% NA%	87.0% 6.9% 5.4%	5.0% 	
Achievement of Profile % of Profile Achieved	1,215,000 SCH	1,227,644 SCH	12,644  SCH	Durack negotiated two addendums to the DPA. The final target agreed was 1,225,000 SCH. The percentage achieved against the revised target was 100.22%.
Key Efficiency Indicator: Average Cost per SCH	\$24.37	\$22.66	\$1.71 	Actual total cost of services were \$2.7m less than estimated and actual SCH was more than estimated, producing a lower cost per SCH.

Achievement against Strategic Directions

The following provides information regarding Durack's Strategic Directions and achievements in the key focus areas identified for 2013. Institute achievements contribute to the State Government Goals.

Strategic Direction 1 – Meeting the Training and Skills Needs of the Central West Region

Informed by consultation with businesses and communities the Institute will provide contemporary vocational training and assessment services that meet the needs of the Central West region and ensures an appropriately skilled and job ready workforce.

In 2013 Durack continued to ensure that strong communication links with industry and the community were maintained through a number of different forums that provided advice on industry directions and training needs. This communication has informed the following outcomes:

The provision of high quality training facilities

Durack recognises the need to increase its capacity to deliver training throughout the regions. It does so in order to

- address increasing student numbers;
- maintain the required delivery environment; and
- respond to opportunities generated by new industry areas.

The following provides an update of a number of major building projects for 2013.

These projects have been funded through State Government's Royalties for Regions

- *Centre for Resources Sector and Workforce Training (CRSWT)*

Durack staff worked closely with the project architects and sub consultants to design the CRSWT. The CRSWT Schematic Design phase was signed off in March 2013 and Design Development was approved in May 2013. The tender for the CRSWT is due to be advertised in February 2014 and awarded in April 2014 with completion of building in April/May 2015.

- *Health, Community Services, Education and Aboriginal Learning Centre*

The tender for the new Health, Community Services, Education and Aboriginal Learning Centre at the Geraldton Campus were advertised in August 2013, and were officially awarded in January 2014. In 2013, Durack staff were heavily involved throughout the schematic and design development stages of the project. The buildings are due to be constructed in 2014, with completion and occupancy for the 2015 training year.

Durack staff have been working closely with the Shire of Exmouth and the Gascoyne Development Commission in the design of the \$30 million Ningaloo Centre. The Centre will include a new multi-purpose community hub, Exmouth Multi-Purpose Community Centre and the Exmouth Visitor Centre. Importantly for Durack, the Ningaloo Centre will also house a new training centre that will replace Durack's existing training facilities in Exmouth.

Support Needs of Young Students

Language Literacy and Numeracy

Durack recognises the recurring concern with student's low levels of language, literacy and numeracy (LLN) and is committed to improving these for all of our student cohorts. There is also a need to support the employability skills of young students in the context of their

behaviour, social and life skills as well as the Workplace Health and Safety (WSH) issues relating to this behaviour.

In September 2012 the Standing Council on Tertiary Education Skills and Employment released its “National Foundation Skills Strategy for Adults”. This strategy is a 10 year strategy focusing on improving outcomes for working age Australians (aged 15–64 years) A target that by 2022, two thirds of working age Australians will have literacy and numeracy skills at ACSF Level 3 or above.

In response to this strategy Durack formed a working group to guide the development of an implementation plan for the Institute to better support the literacy, language and numeracy needs and employability needs of students. The working group focused on the following issues:

- High quality and accessible support services
- Raising awareness and commitment of staff industry and community
- Workforce development to build capacity to support LLN skills
- Accessible information and resources

The key achievements of the working group for 2013 included:



- A fully developed strategy to support language, literacy and numeracy.
- A comprehensive policy and procedure for LLN support and referral processes including a team planning and teaching model. Industry areas where a need has been identified have been allocated specific LLN resources.
- 70% of lecturing staff have attended “A Question of Literacy” workshop and LLN specialists are currently participating in a professional development program “Teach Me Grammar”.
- Development and trial of the Durack Institute of Technology LLN predictor tool aligned to the ACSF. Development of policy guidelines for the full implementation of the LLN predictor tool.

In Geraldton the Midwest Football Academy students from the Geraldton Secondary College have participated in a program that has been specifically adapted to meet the requirements of this group. The Keys for Life pre-driver education program has a focus on literacy and contributes towards students completing their WACE and those completing the Certificate I in General Education for Adults (CGEA).

The lecturer commented “...I adapt it and add learning experiences to address the varying literacy needs and syllabus items for the combined group. I also incorporate the use of digital literacy to fulfil requirements in that area. The variations and choice in the resource...is perfect for my client/student group.”

Development and implementation of a flexible and diverse range of training and assessment services

Durack continues to address priority training and workforce development needs through the provision of flexible and responsive training and assessment. In 2013 the Institute also increased the number of qualifications offered at AQF levels III and above, in line with government priorities to increase the skills base of the workforce.

Clients, particularly industry and businesses, demand more flexible approaches to training. Durack has addressed this by increasing the provision of training and assessment conducted on-site and in time frames that suit the client. Delivery and assessment materials have been customised to suit the needs of specific industry clients, whilst maintaining quality standards. In addition to workplace assessment Recognition of Prior Learning (RPL) is offered allowing clients the opportunity to gain formal recognition for skills gained in the workplace or through experience.

Individual students have also benefitted from a greater choice of study options with the development of a greater range of flexible and online training programs now being offered in the areas of Community Services; Business and Management; Sustainability; Workplace Health and Safety; Maritime; and Training and Assessment.

As a result, in 2013 there has been a further increase in flexible delivery with approximately

- 43% of Durack's overall training delivered via flexible delivery methods.
- Workplace assessment has shown growth again with an 11.65% increase in SCH from 2012 to 2013.
- Notably, since 2008 the delivery via flexible methods has had a significant growth with an increase of 243%.

Changes to Government Policy

In August 2013 the State Government introduced the Future Skills WA (FSWA) policy that will shape future delivery and student course selection over the next few years. The policy recognises that as the WA economy grows and diversifies, the outlook for jobs is constantly changing. FSWA is about investing in training that equips people to take up jobs that are, or will be, in high demand in Western Australia. To do this FSWA through the Training Entitlement Model (TEM), guarantees training in State priority courses to eligible students. By encouraging people to train in these vital areas, employers have access to the skilled workers they need today and in the future.

With the introduction of new fee arrangements, the Institute has implemented a range of strategies to inform clients about the new arrangements and remains committed to consulting with our clients to determine the best training options to meet their needs. Planning has also been undertaken to further develop a range of fee for service training options to clients where this represents the best training solution.

Strategic Direction 2 – Develop Networks and Partnerships

Networks and partnerships with businesses, employers of trainees and apprentices, service providers and communities play an integral role in enabling the Institute to provide training and assessment services that meet the needs of the Central West region. The Institute is committed to maintaining and growing networks and partnerships to ensure continued high quality and innovative service provision throughout the region.

In parallel with Durack's commitment to consult with stakeholders, and in order to provide both a physical training environment of excellence and a teaching and learning environment that reflects new and innovative approaches, 2013 highlighted continued growth of new and established partnerships. These partnerships contribute to the achievement of Durack priorities across all Strategic Goals.

Training and Education

Partnerships with industry are illustrated in the delivery of dedicated training programs such as the Certificate III in Resource Processing programs delivered for Karara Mining Ltd (KML) where participants were trained to meet the particular site specific requirements of KML. The innovative training program was conducted in Geraldton at their port operations. KML plans to extend the program to mine site operations, giving more employees the opportunity to achieve nationally recognised accreditation.

Similar projects were initiated with BHP Billiton and Tronox Pty Ltd. These programs ensure that delivery demonstrably meets industry standards and are customised to the needs of the on-site operations. Delivery in close cooperation with industry also ensures the continuing professional development and maintenance of industry competencies by delivery staff, as well as assisting in the workforce development programs of specific industry sectors.

Some partnerships for delivery have also resulted in lasting, mutually beneficial results for the community. For example students in the Conservation and Land Management area have undertaken training projects that have contributed to dune restoration and rehabilitation of local river systems in partnership with the City of Greater Geraldton. In Carnarvon a work readiness program now in its second year has contributed to the development of the Carnarvon Heritage Precinct in conjunction with the Shire of Carnarvon and Rio Tinto. Students' experience real life learning experiences where they can see the skills they acquire through training being put to work. Importantly students in all these situations are exposed to real workplaces where they meet and work alongside potential employers, thereby increasing their employability skills and future work prospects.

Work Ready Programs

Programs aimed at providing employment opportunities for the unemployed have been delivered in Carnarvon for a number of years. Durack, in partnership with employers and community groups, continues to provide successful programs that prepare students for employment opportunities in the mining industry.

Students participated in a number of live works activities throughout the program. One program in particular involved completing the first stage of the boardwalk project at Carnarvon's Heritage Precinct. Supported by Rio Tinto three groups of students have completed the program resulting in 21 graduates gaining fulltime employment.

Durack successfully develops training programs to meet the needs of different participant groups or fulfil the requirements of specific industry sectors. Processes are developed and designed that integrate workplace practice with theoretical knowledge and skills acquisition. This experience and ability is recognised by the number of commendations and awards that Durack successfully nominated for in 2013.

- Winner of the *Training Initiative Award* at the 2013 WA Training Awards. This award is in recognition of Durack's collaboration with key industry partners to develop a tailored course to encourage more Aboriginal people into the maritime industry.
- Durack's training restaurant, the Zeewijk Restaurant, was a finalist in the 2013 Catering Institute of (WA) Gold Plate Awards in the category of 'Restaurant within a Training Establishment' for the second year in a row. The Zeewijk restaurant is a fully operational restaurant, providing training for students in commercial cookery and front of house Hospitality qualifications. Students gain real workplace experience in restaurant service ranging from casual to fine dining, with Zeewijk opening its doors to the public twice a week.

Strategic Relationships

Durack also built strategic relationships on Advisory and Steering committees for projects that are yet to reach fruition. A proposal for membership with the Australian Academic Research Network was submitted in 2013 and is undergoing evaluation. Additionally Durack holds positions on Commonwealth, State and local Boards of Management such as Regional Development Australia, Wiluna Regional Partnership Agreement Steering committee, Carnarvon Tourism Alliance and other community committees.

Strategic Direction 3 – Increase Opportunities for Aboriginal and Torres Strait Islander People through Training

The Institute is committed to working with Aboriginal¹ people to narrow the gap in the attainment of skills through the provision of training that increases retention of young people in education and training and leads to greater employment outcomes for all Aboriginal students. The Institute seeks to be a best practice provider of training for Aboriginal clients and to deliver training that increases life opportunities for Aboriginal people.

While Durack's major campuses are in Geraldton, an equal focus is placed in the regions; in communities; with industry and small businesses; and with Commonwealth and State agencies. Durack recognises that employment opportunities are not always available in more remote settings but that the individual and the community grows and prospers through training programs designed to suit cultural requirements and meet the communities needs.

Towards the end of 2013, Durack successfully developed a Memorandum of Agreement with agencies in the Mid West and Gascoyne regions contracted under the Commonwealth Remote Jobs and Communities Program (RJCP). Through this innovative proposal, Durack will provide a brokerage, advisory and training delivery role to RJCP. This will assist in the provision of a wider and more appropriate range of training and employment development opportunities for Aboriginal people as well as all others registered with their local provider. Durack believes that this will also build significantly on the already active and fruitful partnerships with Job Services Australia service providers.

1 The use of the word 'Aboriginal' throughout this document respectfully refers to Aboriginal and Torres Strait Islander people of Western Australia.

Working in the Regions

An essential precept of working with Aboriginal people is collaboration and communication. Durack continues to foster an environment of working closely with communities to identify culturally appropriate ways of improving access to training and employment opportunities.

Durack has been working collaboratively with the Carnarvon Community College and their Work Readiness Program which is in its foundation year. The program had its first set of graduates from the Certificate I in Automotive Studies with seven students completing the qualification. One part of the course involved students travelling to the Geraldton Campus to complete some of their training using the full automotive facilities in the workshops. This allowed students to participate in a number of different activities including automotive, welding and first aid.

Students from the more remote regions of the Mid West and Gascoyne commenced training in Certificate III in Education Support in Semester 2, 2013. This program has involved a combination of face to face workshops, online support through Blackboard CE9 and discussions via telephone and/or email.

Lecturers have worked with school Registrars, Teachers and Aboriginal Islander Education Officers to develop positive relationships. This course will be completed half way through 2014.

School students in towns with a predominantly Aboriginal population such Carnarvon, Murchison, Cue, Meekatharra and Mt Magnet were again prominent in programs delivered by Durack lecturers in their schools.

A Focus on Diversity

Durack has achieved significant progress in increasing both the range and number of training qualifications and programs that are offered to Aboriginal people in the Mid West and Gascoyne regions. While some of these programs are targeted and focussed on the specific needs of the client group, others require training delivery and program content that is appropriate to cultural needs.

A particular goal for Durack is to provide places in higher level qualifications, particularly for Aboriginal people seeking to develop higher level skills in the workplace. In 2013 a Diploma of Management course was completed where all participants were Aboriginal, currently employed or had relevant experience. Course content and delivery style was modified, mentors and tutors selected and input from supervisors and employers welcomed. Due to the excellent outcomes a similar program is planned for 2014.

As importantly to Durack, is the recognition shown to the Institute by Aboriginal communities, individuals and agencies. This is evidenced by a willingness to work with the institute to develop shared plans and goals. The number of partnerships that have been developed in order to provide industry specific programs illustrates the level of employer confidence that Durack can support the training programs required by industry sectors.

Successful Aboriginal Training Program

Offshore Marine Services Alliance and Mermaid Marine Australia Ltd are two of Australia's largest Maritime contractors to the offshore oil and gas industry and their ongoing commitment to working in partnership with Durack Institute of Technology on Aboriginal Maritime training and employment programs is testament to the excellence and innovation of the training initiative.

Durack worked closely with these two industry partners, as well as, Job Services Australia providers, the local Aboriginal Workforce Development Centre, the WA Department of Training and Workforce Development and the Australian Department of Education, Employment and Workplace Relations to develop and deliver a training program designed to prepare Aboriginal employees for employment in the maritime industry. The programs focus was on the offshore oil and gas sector and was specifically tailored to meet the needs of Aboriginal participants and primarily those who were unemployed.

While the focus was on developing the participants' marine-based skills, the course also prepared participants for employment in land-based industries such as Local Government, Mining and Construction.

The success of the first Aboriginal Maritime program has led to further programs and has also helped promote the broader application of the training initiative. The program has provided a model for a holistic approach to work readiness training that can be readily transferred to other delivery locations and across other industry sectors.

Excellence in Aboriginal Training Programs

In 2013 Durack was the winner of the *Excellence in Industry Promotion Award* at the national Transport and Logistics Industry Skills Council Awards for Excellence. This award was in recognition of Durack's commitment to providing quality training outcomes to support Aboriginal employment in the maritime industry. The program successfully demonstrated an innovative approach and excellence in implementation beyond what was required in the Australian Quality Training Framework.

Strategic Direction 4 – Provide Excellent Support Services

Excellence in learning and assessment is underpinned by excellence in business practices and client services. Durack Institute of Technology will optimise the quality and opportunities of its delivery and assessment services through effective and efficient provision of corporate and client support services.

In 2013, Durack continued to develop a strong and positive quality culture that focused on client outcomes and continuous improvement. As a team based organisation Durack complements excellence in training and delivery with excellence in support services. The Institute has a number of strategies to inform Durack of continual improvement and client satisfaction. Data is monitored by the Quality Committee and forms part of the Quality Committee's key performance indicators. Quality Indicator results are reported from the Quality Committee to Corporate Executive.

Business Practice

e-Capability

In 2013 Durack commenced the development and implementation of the e-capability strategy. The Institute's Leadership Development Network participated in workshops to engage in the development of this strategy and establish an e-Capability working group and from this recognised that a steering committee and associated working groups with a focus on what training and Information and Communications Technology needs would best meet the organisation's requirements. This will establish a better alignment between the e-capability strategy and Durack's Information Technology Roadmap.

Significant development of the Roadmap has resulted in increased student and staff Storage Area Virtualised network and disaster recovery equipment throughout the campuses, funded through Royalties for Regions.

The continued development and implementation of the e-capability strategy will remain a major project for Durack in 2014.

Client Service

Marketing, Communications and Promotion

Durack consistently reviews and develops its range of marketing, communication and promotional activities to inform stakeholders and the general community of its training and services.

The Institute has a commitment to providing consistent marketing, communications and promotional support across its brand. The following are some examples of major promotional events in 2013.

Student Graduation and Award Ceremonies

The annual graduation and award ceremonies in Geraldton, Carnarvon and Exmouth offer the opportunity to present the previous year's (2012) graduating students with their academic awards. Four major student awards were presented, with attendance by special guests from each sponsoring organisation including:

- Aboriginal Student of the Year sponsored by Rio Tinto
- Apprentice of the Year sponsored by Rotary Club of Geraldton
- Trainee of the Year sponsored by Karara Mining Ltd; and
- Vocational Student of the Year sponsored by the Mid West Chamber of Commerce.

In addition to the major awards, outstanding achievement/encouragement awards for individual courses were presented to selected students, donated by local industry.

Mid West Career Expo

In August 2013, Durack once again hosted the Mid West Careers Expo, principally sponsored by the Geraldton Iron Ore Alliance (GIOA). Over 50 exhibitors representing local industry attended the expo and showcased careers available within their organisations. Various levels of sponsorship to the event were offered to industry and participating organisations. Around 2,000 visitors attended the Expo, of which approximately 1,500 were school students from the Mid West.

Industry Functions Hosted On Campus

Durack hosted the Chamber of Mineral and Energy (CME) sundowner function in the Zeewijk Training Restaurant - the event catering and staffing was coordinated by the lecturers and students. CEO Reg Howard-Smith attended from the CME and gave a short presentation in collaboration with Durack's Managing Director Bert Beevers.

Durack hosted the Mid West Chamber of Commerce and Industry (MWCCI) Business After Hours function in partnership with Everything Geraldton. Event catering and staffing was once again coordinated by the staff and students from the Zeewijk Training Restaurant. This event was an important forum for Durack to provide information to Chamber members about changes to government policy outlined in Future Skills WA

Other Campus Events

Durack held its annual Art Exhibition with approximately 200 attendees. Artwork produced by past and present students was on display. The Institute acquired a variety of artwork for its collection which is displayed throughout all five campuses.

Aurora Algae celebrated the official opening of their research and testing facility at the Batavia Coast Maritime Institute. The CEO and visiting delegates from Aurora Algae in the USA attended the event which was promoted widely in local, state, national and international media.

In 2013, Durack facilitated the Department of Education's Mid West and Gascoyne VETiS Awards for the first time. Durack organised the promotion, documentation, application and judging process for the award event which was held in early October. The event attracted the most applications for student and employer awards in its history.

Student Scholarship Program

A review of the promotion, and advertising of the annual scholarship program resulted in a significant increase in the number of applications received. Scholarship recipients were invited to the Mid West Career Expo to meet their sponsors and receive their certificates. In Carnarvon, Managing Director Bert Beevers cut the ceremonial ribbon for the official opening of the Mangrove Boardwalk project at the Carnarvon Heritage Precinct, in conjunction with Rio Tinto representatives.

Media Relations

In 2013 Durack transformed the way it communicates with students by implementing a social media policy to support the use of the online medium. Marketing of Durack's products and services now incorporates relevant information on the Durack website and regular posts on the branded Facebook and Twitter accounts. The policy provides the same support and risk management as those policies used to communicate with our stakeholders.

Publications

Durack provides a series of selected publications to students. Key documents include the Student Diary, the annual Course and Career Guide, and the respective Semester One/Two Course Lists for Geraldton and the Gascoyne regions.

Durack is a consistent editorial contributor to the Department of Training and Workforce Development's Training Matters magazine, in which key articles about Durack were published and distributed throughout WA.

Strategic Direction 5 – Value and Invest in Our People

Through a teams-based organisational culture the Institute seeks to further develop its capacity to respond to the challenges of the changing VET market by developing a flexible, skilled workforce and creating an effective working environment that encourages innovation and excellence.

Strategies for Retention of Staff

Approximately 60% of lecturing staff at Durack continued on Flexible Hours Arrangements. This has contributed to Durack achieving above its target for Student Curriculum Hours. By planning training delivery in advance, including locations, hours and mode of delivery staff have been able to work together to develop effective and innovative ways for meeting the training needs of varied client groups both within the regional centres and further afield. Durack continues to provide staff development from employment commencement. A comprehensive induction program coupled with relevant on the job training enables new staff members to quickly gain the necessary skills and knowledge to undertake their job.

All staff have access to ongoing professional development and this has been identified as a contributory element in the retention of staff. The Durack Wellness Program which includes financial wellness, has been an annual feature at Durack and again staff value this program as it assists in their well-being both at work and at home.

Provision of Staff Service Awards, a gift to the individual after each period of 5 years of service, is considered a rewarding gesture by staff. In 2013 this was publicly presented at a dedicated Staff Awards night which was well attended and enjoyed by all staff.

Professional Development

Durack is committed to developing a workforce with the skills required to respond effectively to the changing nature of the VET environment. A budget is allocated to staff professional development and managed by the Workforce and Organisational Development Committee.

An annual professional development training plan is aligned to the Institute's strategic priorities as well as the Teaching, Learning and Assessment Professional Development Program priorities for lecturer skills development. The Committee coordinates a monthly training calendar, oversees Professional Development days and reviews individual staff applications for training. Through these initiatives, professional development opportunities are provided for both lecturers and non-teaching staff to address priority skills development needs and to enhance their own career development pathways.

Major professional development initiatives during 2013 are detailed below.

Professional Development Days

Professional Development Days, held in April, titled *Aspire and Achieve – Embracing Change* featured a range of professional development sessions for training delivery and support staff, presented by both internal and external presenters. Workshops included development of skills and knowledge in the following key areas:

- Assessment compliance
- E-learning
- Time management
- Conflict resolution
- Peer coaching
- Addressing LLN needs of students
- MS Office programs
- Visual communication
- Presenting using Prezi
- Personal and professional boundaries
- At risk behaviours
- Presentations

Integrated into the Professional Development Days program was a specific day that had a key focus of sharing of best practice and identifying opportunities for improvements in key support processes. The quality improvement forums were attended by all lecturing and support staff. The aims were:

- to identify areas of continuous improvement for core delivery support functions, and
- share information in regards to best practice in teaching and assessment practices.

Professional Development for Lecturers' Industry Skills

Throughout the year, lecturers participated in industry specific professional development including Hairdressing and Beauty, Automotive, Nursing, Business and Management, Education and Equity, Science, Sport and recreation, Media and Information Technology, Occupational Health and Safety, Community Services, Hospitality, Tourism, Mining and Children's Services.

Literacy, Language and Numeracy

Durack commenced a professional development program in response to the requirement for all lecturers to have the unit of competence *TAELLN411 Address language Literacy and Numeracy Skills* by July 2015. Durack hosted “*A Question of Literacy*” workshop attended by 104 lecturers. The workshop focused on a general understanding of literacy and how to identify literacy needs for apprentice and pre-apprentice students.

Lecturers assessed the literacy and numeracy requirements of their Training Packages to ascertain the Australian Core Skills Framework (ACSF) level and to compare the ACSF level requirements to their own assessment tools and handouts. Lecturers developed strategies to address any identified gaps and looked at ways to provide better assistance to students with specific LLN needs. They also redeveloped learning and assessment activities to better meet students' needs.

The 57 lecturers that submitted their required assessment evidence and were deemed competent in the unit of competence TAELLN401A have now become Durack's literacy specialists. The literacy specialist lecturers continued to develop their specialist skills by participating in a professional development program “Teach me grammar” funded by the Department of Workforce Development and Training (DTWD).

Innovation and e-Learning

Innovation and e-learning was again a major focus for professional development throughout 2013. A series of workshops were provided to staff to support them in developing their skills in e-learning and innovative practices. Workshop topics included instructional design concepts and skills, instructional e-tools, e-learning design, Moodle, mobile devices, Collaborate for web conferencing, social media in delivery and YouTube. Workshops were provided through traditional face-to-face delivery, e-learning using Collaborate and ePD workshops provided by DTWD's Sector Capability Team.

A significant focus for 2013 was the use of mobile devices such as iPads for learning and assessment. The project “*No more pencils no more books*” was trialled in Certificate II in Automotive course. In addition, the Institute funded the development of an on-line LLN predictor tool that can be used to identify students with specific language, literacy and numeracy needs so that they may be supported adequately to achieve their qualification. This tool was trialled with the “*No more pencils no more books*” participants. It has since been trialled with three other learning areas to ensure portability across all industry areas and AQF levels.

Sustainability in Training and Assessment

Lecturers attended the 2013 WA Training Providers Forum in Perth to update their knowledge in workforce development. Durack staff members presented a session on Stepping up to Sustainability – Awareness + Action = Change.

Sustainability has been a focus and ongoing commitment at Durack Institute of Technology for many years. There has been a significant emphasis and effort placed on implementing technologies, practices and a culture that enables students, staff and our community to develop, while reducing the negative environmental impacts of our activities.

Through this approach, the Institute has become an organisation that showcases the benefits that flow from a focus on renewable energy, water efficiency, and waste reduction initiatives, not only for our staff and students, but also the community and local business at large.

Durack recognises that education and training is the core of what we do, and is where our leadership can affect the whole community. Durack is investing in professional development for staff, new training for our students, and more support so that both our staff and students have the skills, knowledge and practical experience of Sustainability. Durack staff have been intrinsically involved in developing the Durack sustainability action plan for each of our core functional areas. This includes the embedding of education for sustainability into all our delivery and assessment.

Communities of Practice

Two Advanced Skills Lecturer network meetings were conducted to identify communities of practice to share best practice and identify opportunities for improvement. Communities of Practice are in the early stages of development in the areas of:

- Recognised Prior Learning
- Assessment validation
- Supporting LLN
- e-learning and technology
- VET in Schools
- Sustainability

Connecting Cultures Cultural Awareness Training

A workshop was conducted at the Bundiyarra Aboriginal Community Aboriginal Corporation to provide an opportunity for staff to improve and enhance their knowledge about Aboriginal people and develop a respect for cultures. Local trainers shared the local history and culture to:

- Assist trainers with relating and working more effectively with Aboriginal people in the Midwest, Murchison and Gascoyne regions.
- Help build partnerships based on mutual respect, understanding, cooperation and trust.
- Promote a knowledge and understanding of cultures and experiences of Aboriginal people.
- Help build partnerships based on mutual respect, understanding, cooperation and trust.

All participants received a Certificate of participation “Connecting Cultures”.

Cognitive Peer Coaching Workshops

The first of three workshops on cognitive coaching conversations was conducted late in 2013. This program provided participants, audit team members, Advance Skills Lecturers and mentors, with the skills to plan, be reflective and problem solve with peers regarding workplace programs. The intent is to utilise these methods when conducting validations, audits and mentoring new staff. Further workshops are planned for early 2014.

Training and Assessment Qualifications

Durack is committed to establishing an efficient and responsive workforce through encouraging trainers to continue to develop their vocational education and training knowledge and skills. In accordance with National Skills Standards Council's Standards for Trainers and Assessors², Durack has adopted a number of initiatives to provide lecturing staff with the opportunity to up-skill to the latest training and assessment qualification. All lecturing staff at Durack completed up-skilling to the new *TAE40110 Certificate IV in Training and Assessment*. Thirty-six lecturing staff also enrolled in the new Diploma of Vocational Education and Training.

In partnership with the Charles Stuart University, Durack Institute of Technology supports its lecturers to complete the Associate Degree in Adult and Vocational Education. This Associate Degree allows lecturers to enhance their skills in teaching and learning preparing them with skills in the assessment of student learning and the evaluation of training programs. The course also provides lecturers with an understanding of the broad socio-economic and political context in which adult and vocational education and training is located. Participants also develop expertise in communication in face-to-face and digital teaching and learning environments and the capacity to design and manage vocational education and training programs.

Leadership Development

Certificate IV in Frontline Management

Leadership has been identified within the Public Sector as an area that needs to be addressed by employers to ensure the ongoing provision of services. Durack offered the Certificate IV Frontline Management Program to staff in second semester 2013. The aim of the program was to develop and prepare emerging leaders for future opportunities within the organisation. The program included:

- Showing leadership in the workplace
- Implement Operational Plans
- Promote team effectiveness
- Make a presentation
- Identify risk and apply risk management

Leadership Program

As part of the Institute's workforce development plan the Australian Applied Management Colloquium was contracted to deliver a leadership program. This program was facilitated using a blended learning methodology based around peer knowledge-sharing, experiential exercises, practical workplace application and reflection.

Ten members from the Leadership Development Network were selected to participate in the program. Throughout the program, learnings were related back to the workplace day-to-day realities and challenges of each participant. This process was enhanced through participant-generated discussions that unlocked the existing skills and experience of participants. The program consisted of a 360° Survey, interactive management workshops, and one-to-one coaching.

Prior to the commencement of the program, each participant completed a 360° feedback survey on core leadership and management competencies. Findings from the survey

² National Skills Standards Council. (December 2011). Communiqué 3.

facilitated the development of an individual action plan that assisted each participant to extract optimal value from the program.

Throughout the program, the following themes were addressed:

- Leadership and authenticity
- Team dynamics
- Driving performance
- Communication, presence and influence
- Leading innovation and change
- Strategic thinking and organisational learning
- Purpose, priorities and professional development

Building Diversity

The application of the principles of Equal Opportunity is seen as an important part of Durack's culture including ensuring the provision of a workplace that is free from harassment or discrimination.

Durack ensures all staff are aware of and provided with comprehensive information relating to Equal Opportunity through formal induction sessions for new staff, formal training sessions, presentations at team meetings and awareness raising sessions on staff development days.

The Equity and Diversity Management Plan 2012-2015 contains revised targets. The employment of Aboriginal people remains a priority area for Durack even though the Institute has consistently reported staffing levels higher than the Public Sector average; the proportion of Aboriginal people in the Central West region is however markedly higher than the state average. This is seen as an opportunity to create a workforce that reflects community representation and its client profile.

Achievements against the Plan during 2013 included:

- Cultural and disability awareness training during staff inductions,
- Management training to improve knowledge of diversity including Cultural Awareness and Diversity,
- Online learning for all staff covering four modules: Discrimination, Bullying, Sexual Harassment and Liability,
- Inclusion of equity and diversity criteria in job description forms as they were reviewed,
- Publishing of the Equal Employment Opportunity statistics "How Do We Compare" on the staff intranet,
- Professional Development for staff included Understanding Mental Health, Disability Awareness, Drug and Alcohol Awareness.

Achievement of Staff Equity and Diversity statistics in 2013 is represented in the following table:

% Representation	2010	2011	2012 Achieved	2013 Target	2013 Achieved
Equity Index for Women	62.0%	71.2%	75.6%	76%	73.7%
Women Tiers 2 & 3	47.0%	71.2%	50.0%	50%	86.2%
Indigenous Australians	4.2%	5.0%	4.6%	5.5%	4.4%
People with Disabilities	1.2%	2.5%	1.0%	1.5%	2.6%
People from Culturally Diverse Backgrounds	6.7%	7.0%	6.0%	6.0%	5.1%
Youth (< 25 years)	2.7%	4.7%	2.4%	2.8%	2.9%

Strategic Direction 6 – Seek Opportunities to Increase Revenue and Decrease Costs

Durack operates in a competitive training environment and is committed to diversifying its revenue streams and operating efficiently. Any profits generated through Institute activities are reinvested into the provision of high quality services to all clients throughout the Central West region.

Durack, like all other public sector agencies, is continually balancing the demands of:

- increasing cost of service provision,
- more specialised industry and employment requirements,
- commitment to community development, and
- a desire to maintain its place in the forefront of technology and curriculum design.

Good fiscal management and innovation in delivery is required in order to provide a realistic and viable alternative to employers to assist in their workforce development strategies, offer assistance with access to state and national funding opportunities and ensure that quality standards of equipment, training environment and expertise are maintained.

Commercial Training Activities

In 2013 Durack expanded the range and number of commercial training, and training related services provided. Fee for Service delivery was provided in a range of specialised industrial and professional areas enabling industry and organisations access to customised and focussed training. Key commercial activities included:

- Fee for Service training in a range of industrial short courses, many of which lead to licenses or certification allowing participants' access to work opportunities.
- Customised programs for industry clients that meet their specific workplace requirements for skills development.
- Programs in collaboration with industry and other partners such as local government and Jobs Services providers that provide additional support and services for students, particularly in work readiness training programs.
- Auspicing arrangements to quality assure delivery by industry partners and schools.
- International students enrolled in a variety of qualifications across various industry areas.
- Research and development opportunities in conjunction with industry that provide students exposure to leading edge industry practice and practitioners.

Competitively Allocated Funding

Durack continues to address training and development opportunities supported by external funding, allocated through the competitive process. Fewer such programs were available in 2013 however the Institute continued to access funding to deliver the Aboriginal School Based Training program in Geraldton and Carnarvon and in late 2013 acquired funding through the At Risk Students Attraction and Retention Strategy for three programs involving around thirty disengaged young people in Geraldton and Carnarvon.

Strategic Direction 7 – Assist Clients to Transition to Employment

The Institute will expand its services to clients to include advice and assistance in undertaking training and assessment that leads to employment outcomes and assist in the transition to employment. Durack will increase its capacity in this area through partnerships and collaboration with other appropriate stakeholders.

With the introduction of Future Skills WA in August 2013 the Department of Training and Workforce Development has placed an even greater emphasis on the role of Durack as a state training provider, linking graduates, job seekers and industry. Durack is confident that it already has excellent and fruitful partnerships and representation however 2013 provided opportunities for greater achievement.

Durack is represented on the Mid West Workforce Development Alliance by the Managing Director and is also represented on the Gascoyne Workforce Development Alliance that held its first meeting in 2013.

Primarily the new opportunities provided in Durack's Memorandum of Agreement with Job Services Australia and Remote Jobs and Communities Program providers will provide new avenues for pre-employment, employment and up skilling opportunities for registered participants. Late in 2013 agreements were made with several large employers in the mining, oil and gas sectors to provide targeted pre-employment training with employer commitments to job provision.

As a strategy to assist employers to increase their productivity, up-skill and multi-skill existing employees and encourage growth in employment opportunities for new employees, Durack has formed significant partnerships to conduct workplace training and assessment conjunction with work teams and supervisors. In 2013 delivery in workplace based assessment increased by 11.6% from 2012.

Durack continues to work closely with the Aboriginal Workforce Development Centre (AWDC) to enhance training opportunities for Aboriginal people to improve their chances of employment in the region.

To ensure training and employment needs are informed by local knowledge, Durack works in consultation and in partnership with local Aboriginal people and organisations. Mechanisms for this include the Aboriginal Education, Employment and Training Committee (AEETC), revitalised for 2014 operations, at the Geraldton and Carnarvon campuses.

Significant Issues Impacting the Agency

Current and Emerging Issues and Trends

Amplification of Issues Raised in 2012

It is important to note that significant issues raised in Durack's 2012 Annual Report will continue to amplify and not decrease in 2014 and in the years ahead. These include:

Industrial Relations

The current Flexible Hours Arrangement in place for lecturing staff, while providing for flexibility in delivery, has also enabled Durack to undertake activities that enhance and complement delivery. Such as, industry partnerships and workplace delivery, course development, quality improvements and applied research and development activities with local, interstate and international companies. Durack sees the development of a far more contemporary Agreement that recognises the need for flexibility in terms of both the duties performed by lecturers and the ability to remunerate lecturers according to the circumstances in which they are delivering training, as a key reform necessary for institutes to operate in the new environment.

Managing staff allocations requires some greater flexibility in capacity to employ and relocate staff as well as the capacity to remunerate staff sufficiently well, to provide incentives to travel to other regions.

Changes to the Training Market

Durack anticipates there will be a number of changes, including increased competition in the training market in Western Australia arising from reforms in the Vocational, Education and Training sector, including the introduction of a Training Entitlement Model in 2013.

Economic Constraints

Ongoing State Government budget initiatives applied to agencies, including Durack, have influenced the outcomes of the Institute. In real terms, the organisation's funding barely remains abreast of CPI increases. Given the pressures on external labour costs in the Central West region, costs for services have generally increased well in excess of CPI.

Durack's role in implementing Government policy and direction and the expectations of training targets, flexibility, and innovation and timely response to industry are becoming much harder to maintain in the light of funding adjustments. The current climate of reduced funding and restrictive salary caps impacts on the Institute's capacity to extend business opportunities into the commercial field. The potential increase in non-government funding through commercial activity is essential for Durack to meet the training needs of the Mid West region and assist in the effective operations of the Institute.

In order to embrace and effect the changes required in the National Training Reform Agenda Durack has implemented successful initiatives at its own cost, such as extended professional development for lecturing staff where qualification levels are increasing.

At Durack staff retention is amongst the highest across all STPs, with many staff on the highest increments of pay for their position level. Flexible training is now at 43% of all training delivery, however this comes at a cost in terms of resourcing, innovation, and the relative inflexibility of staff awards and conditions, particularly where good practice and flexibility should be negotiated and rewarded, not expected.

The cost of providing training to remote locations that are not supported by campuses unlike the towns of Geraldton, Carnarvon, Exmouth and Wiluna, continues to be an issue. This, coupled with rising operational costs of the centres themselves and a decreasing revenue base as provided by the Department of Training and Workforce Development (DTWD), makes the cost of training provision in remote areas, though very important, very expensive.

Provider Autonomy

Despite ongoing discussions with the DTWD it is still not clear as to the level of autonomy State Training Providers have. At times providers are required to be very connected to DTWD, particularly in terms of resourcing, staffing, policy, reporting and accountability, yet these are the very areas where increased autonomy is required to respond to the new training agenda.

Curriculum Support

Durack recognises the essential nature of industry involvement and input into the development of nationally recognised and industry endorsed training qualifications. It is becoming more apparent that, the regional institutes, in particular, are struggling to cope with the increasing and frequently changing expectations contained within Training Packages. Demands on lecturers and curriculum support staff to interpret, comment, design, plan and assess is increasing at the risk of adversely affecting the quality and consistency of training. Within regional institutes there is limited funding and, in some situations, limited expertise to interpret, resource and implement the constant changes to Training Packages. Further, the risk in not complying with Australian Quality Training Framework standards is greater.

Looking Ahead – Major Initiatives in 2014

Capital Works

In 2014 two significant buildings will be built at the Geraldton campus, the Health, Education and Community Services Centre and the Aboriginal Learning Centre. The total amount of this construction is valued at \$16.72 million. Construction of a new Resources Sector and Workforce Training facility will also commence in Geraldton and is expected to be completed mid-2015. The cost for this building project is some \$9 million. Durack will also be working with the Shire of Exmouth to plan a new training facility in the town of Exmouth.

Information and Communications Technology Upgrade

ICT upgrades will continue at Durack in 2014 and into 2015. A new website will be realised by April, closely followed by an upgrade to the intranet. Other projects include a migration to the Microsoft environment and system upgrades in finance, customer relations, Empower and Executive Information Systems.

Business Continuity Plan

A Business Continuity Plan will be developed and implemented in 2014 and will include all campuses; Geraldton, Batavia Coast Maritime Institute, Carnarvon, Exmouth and Wiluna.

Increased Training for Aboriginal People

The establishment in late 2013 of the Remote Jobs and Communities Program and subsequent negotiations and response by Durack will result in a significant increase in training for Aboriginal people in 2014, particularly those in remote communities.

Sector Reforms

- National Training Reform Agenda
- Response to the Independent Review of the Vocational Education and Training Sector in Western Australia.

In 2013 Durack provided a submission to the taskforce reviewing the WA Vocational Training Sector, final report due in April 2014. We also follow with interest the federal review of the Training Sector, also due in 2014. It is likely that the impact for regional institutes will be significant.

Health, Education and Community Services Building (H Block)



Centre for Resources Sector and Workforce Training



Disclosures and Legal Compliance



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

DURACK INSTITUTE OF TECHNOLOGY

Report on the Financial Statements

I have audited the accounts and financial statements of the Durack Institute of Technology.

The financial statements comprise the Statement of Financial Position as at 31 December 2013, 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 Durack Institute of Technology at 31 December 2013 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 Durack Institute of Technology during the year ended 31 December 2013.

Controls exercised by the Durack Institute of Technology are those policies and procedures established by the Governing Council to ensure 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.

Governing Council's Responsibility for Controls

The Governing Council is responsible for maintaining an adequate system of internal control to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the Financial Management Act 2006 and the Treasurer's Instructions, and other relevant written law.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the adequacy of controls to ensure that the Institute complies with the legislative provisions. The procedures selected depend on the auditor's judgement and include an evaluation of the design and implementation of relevant controls.

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

Opinion

In my opinion, the controls exercised by the Durack Institute of Technology 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 during the year ended 31 December 2013.

Report on the Key Performance Indicators

I have audited the key performance indicators of the Durack Institute of Technology for the year ended 31 December 2013.

The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide information on outcome achievement and service provision.

Governing Council's Responsibility for the Key Performance Indicators

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 and for such controls as the Governing Council determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

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 and Assurance Standards.

An audit involves performing procedures to obtain audit evidence about the key performance indicators. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments the auditor considers internal control relevant to the Governing Council's preparation and fair presentation of the key performance indicators in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the relevance and appropriateness of the key performance indicators for measuring the extent of outcome achievement and service provision.

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

Opinion

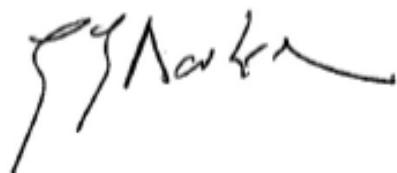
In my opinion, the key performance indicators of the Durack Institute of Technology are relevant and appropriate to assist users to assess the Institute's performance and fairly represent indicated performance for the year ended 31 December 2013.

Independence

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

Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Durack Institute of Technology for the year ended 31 December 2013 included on the Institute's website. The Institute's management is responsible for the integrity of the Institute's website. This audit does not provide assurance on the integrity of the Institute's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



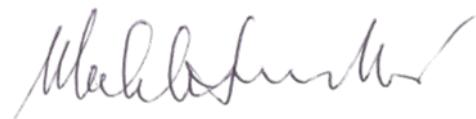
GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
11 March 2014

Financial Statements

Certification of Financial Statements 2013

The accompanying financial statements of Durack Institute of Technology 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 year ended 31 December 2013 and the financial position as at 31 December 2013.

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



Malcolm Smith
Chairperson, Governing Council
Durack Institute of Technology

6 March 2013



Bert Beevers
Managing Director
Member, Governing Council
Durack Institute of Technology

6 March 2013



Serena Cruickshank
Chief Finance Officer
Durack Institute of Technology

6 March 2013

Durack Institute of Technology STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2013		Notes	2013	2012
			\$	\$
COST OF SERVICES				
Expenses				
Employee benefits expense	6	20,164,031	19,338,603	
Supplies and services	7	7,618,482	7,879,561	
Depreciation and amortisation expense	8	1,401,380	1,398,234	
Grants and subsidies	9	53,017	58,356	
Cost of sales	14	311,163	372,080	
Other expenses	10	1,815,226	1,836,779	
Total cost of services		31,363,299	30,883,613	
Income				
Revenue				
Fee for service	11	1,701,043	1,149,699	
Student fees and charges	12	2,058,434	1,819,985	
Ancillary trading	13	260,997	226,491	
Sales	14	379,038	427,437	
Commonwealth grants and contributions	15	146,894	73,244	
Interest revenue	16	374,109	394,437	
Other revenue	17	538,402	551,170	
Total revenue		5,458,917	4,642,463	
Gains				
Gain on disposal of non-current assets	18	137,966	5,821	
Total gains		137,966	5,821	
Total income other than income from State Government		5,596,883	4,648,284	
NET COST OF SERVICES		25,766,416	(26,235,329)	
INCOME FROM STATE GOVERNMENT	19			
Service appropriation		24,244,585	24,617,785	
Services received free of charge		767,709	1,331,742	
Total income from State Government		25,012,294	25,949,527	
SURPLUS/(DEFICIT) FOR THE PERIOD		(754,122)	(285,802)	
OTHER COMPREHENSIVE INCOME				
Items not reclassified subsequently to profit or loss				
Changes in asset revaluation surplus	30,31	762,850	1,698,750	
Total other comprehensive income		762,850	1,698,750	
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE PERIOD		8,728	1,412,948	

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

Durack Institute of Technology STATEMENT OF FINANCIAL POSITION		2013	2012
AS AT 31 DECEMBER 2013	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	31	7,491,659	7,544,448
Restricted cash and cash equivalents	20,31	579,036	-
Inventories	21	44,499	58,987
Receivables	22	946,366	624,792
Other current assets	23	247,381	218,052
Total Current Assets		9,308,941	8,446,279
Non-Current Assets			
Restricted cash and cash equivalents	20, 31	-	523,226
Property, plant and equipment	24	43,609,542	43,685,352
Other non-current assets	23	202,015	27,500
Total Non-Current Assets		43,811,557	44,236,078
TOTAL ASSETS		53,120,498	52,682,357
LIABILITIES			
Current Liabilities			
Payables	27	1,571,853	1,241,518
Provisions	28	2,839,775	2,895,030
Other current liabilities	29	99,080	64,587
Total Current Liabilities		4,510,708	4,201,135
Non-Current Liabilities			
Provisions	28	968,692	1,084,934
Total Non-Current Liabilities		968,692	1,084,934
TOTAL LIABILITIES		5,479,400	5,286,069
NET ASSETS		47,641,098	47,396,288
EQUITY	30, 31		
Contributed equity		23,469,352	23,233,270
Reserves		10,067,878	9,305,028
Accumulated surplus/(deficit)		14,103,868	14,857,990
TOTAL EQUITY		47,641,098	47,396,288

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

Durack Institute of Technology

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2013

	Notes	2013	2012
		\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation - Department of Training and Workforce Development		24,600,256	24,546,696
Net cash provided by State Government		24,600,256	24,546,696
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(20,210,693)	(18,666,611)
Supplies and services		(6,859,550)	(6,572,573)
Grants and subsidies		(53,017)	(58,356)
GST payments on purchases		(804,141)	(774,826)
Other payments		(2,115,872)	(2,153,796)
Receipts			
Fee for service		1,485,005	1,408,104
Student fees and charges		1,970,657	1,829,558
Ancillary trading		260,997	226,491
Commonwealth grants and contributions		133,173	91,756
Interest received		389,372	406,804
GST receipts on sales		228,855	191,751
GST receipts from taxation authority		460,533	570,826
Other receipts		920,650	1,043,497
Net cash provided by/(used in) operating activities	31	(24,194,031)	(22,457,375)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(586,235)	(530,106)
Receipts			
Proceeds from sale of non-current physical assets		183,031	49,418
Net cash provided by/(used in) investing activities		(403,204)	(480,688)
Net increase/(decrease) in cash and cash equivalents		3,021	1,608,633
Cash and cash equivalents at beginning of period		8,067,674	6,459,041
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	31	8,070,695	8,067,674

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

Durack Institute of Technology		Contributed Equity	Reserves	Accumulated Surplus / (Deficit)	Total Equity
STATEMENT OF CHANGES IN EQUITY		Notes	\$	\$	\$
Balance at 1 January 2012	30	20,533,270	7,606,278	15,143,792	43,283,340
Surplus/(deficit)		-	-	(285,802)	(285,802)
Other comprehensive income		-	8,072,750	-	8,072,750
Adjustment to other comprehensive income (a)			(6,374,000)		(6,374,000)
Total comprehensive income for the period			1,698,750	(285,802)	1,412,948
 Transaction with owners in their capacity as owners:					
Capital appropriations					2,700,000
Total					2,700,000
 Balance at 31 December 2012		23,233,270	9,305,028	14,857,990	47,396,288
 Balance at 1 January 2013		23,233,270	9,305,028	14,857,990	47,396,288
Surplus/(deficit)		-	-	(754,122)	(754,122)
Other comprehensive income			762,850	-	762,850
Total comprehensive income for the period			762,850	(754,122)	8,728
 Transaction with owners in their capacity as owners:					
Other contributions by owners					236,082
Total					236,082
 Balance at 31 December 2013		23,469,352	10,067,878	14,103,868	47,641,098

(a) Balances have been restated due to error in land and building valuation. See Note 5(e) and 24(a) for details.

Durack Institute of Technology
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

1. Australian Accounting Standards

(a) General

The Institute's financial statements for the year ended 31 December 2013 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard 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 2013.

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 Institute is a not-for-profit reporting entity that prepares general purpose financial statements 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 2006* and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over the Australian 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 (\$).

Note 3 'Judgements made by management in applying accounting policies' discloses judgements that have been made in the process of applying the Institute's accounting policies resulting in the most significant effect on amounts recognised in the financial statements.

Note 4 'Key sources of estimation uncertainty' discloses 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

(c) Reporting entity

The reporting entity comprises the Institute only.

(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 by TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

The transfers of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 30 'Equity'.

(e) Income

Revenue recognition

Revenue is recognised and 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.

The following specific recognition criteria must also be met before revenue is recognised for the major business activities as follows:

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership 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.

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 to the bank account.

State funds

The funds received from the Department of 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 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 19 'Income from State Government'.

Gains

Realised and 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) Property, plant and equipment

Capitalisation/expensing of assets

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. 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. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct 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 are initially recognised at cost.

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

Subsequent measurement

Subsequent to initial recognition as an asset, the revaluation model is used for the measurement of land and buildings and historical cost for all other property, plant and equipment. Land and buildings are carried at fair value less accumulated depreciation (buildings only) 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 values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, 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 buildings 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 determined on the depreciated replacement cost basis, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Fair value for restricted use land is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land less estimated rehabilitation costs (low restricted use land).

Land and buildings are independently valued annually by the Western Australian Land Information Authority (Valuation Services) and recognised annually 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 and judgements 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 24 'Property, plant and equipment' for further information on revaluations.

Derecognition

Upon disposal or derecognition 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 24 '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.

Depreciation is calculated using the straight line method, using rates which are reviewed annually.

Estimated useful lives for each class of depreciable asset are:

Buildings	40 years
Motor vehicles, caravans and trailers	6 years
Plant, furniture and general equipment	5, 10, 15 years
Computing, communications and software ^(a)	5 or 15 years
Marine craft	6 years

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

Land is not depreciated.

(g) 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. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is

recognised as a revaluation decrement in other comprehensive income. 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 asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at 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 26 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(m) 'Receivables' and note 22 'Receivables' for impairment of receivables.

(h) Leases

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

(i) Financial instruments

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

- 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
- Term Deposits

Financial liabilities

- Payables

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

(j) 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.

(k) Accrued salaries

Accrued salaries (see note 27 '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 fair value.

The accrued salaries suspense account (see note 20 '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.

(l) Inventories

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

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

See note 21 'Inventories'.

(m) Receivables

Receivables are recognised at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written-off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the 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(i) 'Financial instruments' and note 22 'Receivables'.

(n) Payables

Payables are recognised 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 settlement is generally within 30 days. See note 2(i) 'Financial instruments' and note 27 'Payables'.

(o) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period. See note 28 '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

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability 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 defer settlement of the liability for at least 12 months after the end of 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 that is 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.

An actuarial assessment of long service leave was undertaken by Pricewaterhouse Coopers Actuaries as at 31st December 2013.

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 leave is reported as a current provision as employees can leave the scheme at their discretion at any time.

Superannuation

The Government Employees Superannuation Board (GESB) and other funds administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

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

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The Institute makes contributions to GESB or other funds providers on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. Contributions to these accumulation schemes extinguish the Institute's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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 Scheme or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS 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 the GESB.

The 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(p) '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 10 'Other expenses' and note 28 'Provisions'.)

(p) Superannuation expense

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

(q) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost that the Institute would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. 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.

(r) 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.

Operating Lease Commitments

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

4. Key sources of estimation uncertainty

Key estimates and assumptions concerning the future are based on historical experience 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.

Long Service Leave

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 2013 that impacted on the Institute.

6. Disclosure of changes in accounting policy and estimates

(a) 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 2013 that impacted on the Institute.

AASB 13	<p>Fair Value Measurement</p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires additional disclosures for fair value measurements for non-financial assets and liabilities. There is no financial impact.</p>
AASB 119	<p>Employee Benefits</p> <p>This Standard supersedes AASB 119 (October 2010), making changes to the recognition, presentation and disclosure requirements.</p> <p>The Institute assessed employee leave patterns to determine whether annual leave is a short-term or other long-term employee benefit. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.</p>
AASB 2011-8	<p>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 Int 2, 4, 12, 13, 14, 17, 19, 131 & 132]</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 September 2011. There is no financial impact.</p>
AASB 2011-9	<p>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]</p> <p>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). There is no financial impact.</p>
AASB 2011-10	<p>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Int 14]</p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. The resultant discounting of annual leave liabilities that were previously measured at the undiscounted amounts is not material.</p>
AASB 2012-2	<p>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</p> <p>This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements,</p>

	<p>including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. There is no financial impact.</p>
AASB 2012-5	<p>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</p> <p>This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. There is no financial impact.</p>
AASB 2012-6	<p>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</p> <p>This Standard amends the mandatory effective date of AASB 9 Financial Instruments to 1 January 2015 (instead of 1 January 2013). Further amendments are also made to numerous consequential amendments arising from AASB 9 that will now apply from 1 January 2015. There is no financial impact.</p>
AASB 2012-9	<p>Amendment to AASB 1048 arising from the Withdrawal of Australian Int 1039</p> <p>The withdrawal of Int 1039 <i>Substantive Enactment of Major Tax Bills in Australia</i> has no financial impact for the Institute during the reporting period and at balance date. Measurement of tax assets and liabilities continues to be measured in accordance with enacted or substantively enacted tax law pursuant to AASB 112.46-47.</p>
AASB 2012-10	<p>Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments [AASB 1, 5, 7, 8, 10, 11, 12, 13, 101, 102, 108, 112, 118, 119, 127, 128, 132, 133, 134, 137, 1023, 1038, 1039, 1049 & 2011-7 and Int 12]</p> <p>The Standard introduces a number of editorial alterations and amends the mandatory application date of Standards for not-for-profit entities accounting for interests in other entities. There is no financial impact.</p>

(b) Voluntary changes in accounting policy

There have been no voluntary changes in accounting policy.

(c) 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.

Operative for reporting periods beginning on / after		
Int 21	Levies	1 Jan 2014
	This Interpretation clarifies the circumstances under which a liability to pay a government levy imposed should be recognised. There is no financial impact for the Institute at reporting date.	
AASB 9	Financial Instruments	1 Jan 2015
	This Standard supersedes <i>AASB 139 Financial Instruments Recognition and Measurement</i> , introducing a number of changes to accounting treatments. The mandatory application date of this Standard was amended to 1 January 2015. The Institute has not yet determined the application or the potential impact of the Standard.	
AASB 10	Consolidated Financial Statements	1 Jan 2014
	This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> and Int 112 <i>Consolidation – Special Purpose Entities</i> , introducing a number of changes to accounting treatments. Mandatory application was deferred by one year for not-for-profit entities by <i>AASB 2012-10 Amendments to Australian Accounting Standards – Transition Guidance and Other Amendments</i> . The adoption of the new Standard has no financial impact for the Institute as it doesn't impact accounting for related bodies and the Institute has no interests in other entities.	
AASB 11	Joint Arrangements	1 Jan 2014
	This Standard, issued in August 2011, supersedes AASB 131 <i>Interests in Joint Ventures</i> , introducing new principles for determining the type of joint arrangement that exists, which are more aligned to the actual rights and obligations of the parties to the arrangement. Mandatory application of the Standard was deferred by one year for not-for-profit entities by <i>AASB 2012-10</i> . There is no financial impact for the Institute as the new standard will continue to require proportional consolidation of the Institute's rights to assets and liabilities for the unincorporated joint operation.	
AASB 12	Disclosure of Interests in Other Entities	1 Jan 2014
	This Standard, issued in August 2011, supersedes disclosure requirements under AASB 127 <i>Consolidated and Separate Financial Statements</i> , AASB 128 <i>Investments in Associates</i> and AASB 131 <i>Interests in Joint Ventures</i> . Mandatory application was deferred by one year for not-for-profit entities by <i>AASB 2012-10</i> . There is no financial impact.	

AASB 127	Separate Financial Statements This Standard, issued in August 2011, supersedes AASB 127 <i>Consolidated and Separate Financial Statements</i> , removing the consolidation requirements of the earlier standard whilst retaining accounting and disclosure requirements for the preparation of separate financial statements. Mandatory application was deferred by one year for not-for-profit entities by AASB 2012-10. There is no financial impact.	1 Jan 2014
AASB 128	Investments In Associates and Joint Ventures This Standard issued in August 2011, <i>supersedes AASB 128 Investments in Associates</i> , introducing a number of clarifications for the accounting treatments of changed ownership interest. Mandatory application was deferred by one year for not-for-profit entities by AASB 2012-10. The adoption of the new Standard has no financial impact for the Institute as it doesn't hold investments in associates or and the accounting treatments for joint operations is consistent with current practice.	1 Jan 2014
AASB 1055	Budgetary Reporting This Standard specifies the nature of budgetary disclosures, the circumstances in which they are to be included in the general purpose financial statements of not-for-profit entities within the General Government Sector. The Institute will be required to disclose additional budgetary information and explanations of major variances between actual and budgeted amounts, though there is no financial impact.	1 Jul 2014
AASB 2009-11	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 Int 10 & 12] [modified by AASB 2010-7]	1 Jan 2015
AASB 2010-7	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 Int 2, 5, 10, 12, 19 & 127] This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jan 2015
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Int 5, 9, 16 & 17] This Standard gives effect to consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate</i>	1 Jan 2014

Financial Statements and AASB 128 Investments in Associates and Joint Ventures. The Institute has undertaken an analysis of the suite of Consolidation and Joint Arrangements Standards and determined that there is no financial impact arising from adoption of the various Standards.

AASB 2012-3	Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132] This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of “currently has a legally enforceable right of set-off” and that some gross settlement systems may be considered equivalent to net settlement. The Institute does not routinely hold financial assets and financial liabilities that it intends to settle on a net basis, therefore there is no financial impact.	1 Jan 2014
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets. This Standard introduces editorial and disclosure changes. There is no financial impact.	1 Jan 2014
AASB 2013-4	Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting [AASB 139] This Standard permits the continuation of hedge accounting in circumstances where a derivative, which has been designated as a hedging instrument, is novated from one counterparty to a central counterparty as a consequence of laws or regulations. The Institute does not routinely enter into derivatives or hedges; therefore there is no financial impact.	1 Jan 2014
AASB 2013-8	Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities – Control and Structured Entities [AASB 10, 12 & 1049].	1 Jan 2014

(d) Changes in Accounting Estimates

There have been no changes in accounting estimates.

(e) Correction of Prior Period Errors

During the revaluation process for Land and Buildings in 2013, Landgate picked up an error in the depreciated replacement cost value for the Wiluna Annexe building. As a result of this error, buildings had been overvalued in 2012. The correction in the opening reserves and reserves and accumulated surplus reported in the 2012 annual financial statements have been restated to reflect the correct fair values of the buildings of the Institute. Further information on this error is included in Note 24 'Property, plant and equipment'.

The following table shows the restatement of the Institute's Financial Statements as a result of the correction of the error:

31 December 2012	Actual 2012 \$	Correction \$	Revised 2012 \$
STATEMENT OF COMPREHENSIVE INCOME (EXTRACT)			
Other Comprehensive Income			
Changes in Asset Revaluation Surplus	8,072,750	(6,374,000)	1,698,750
Total Comprehensive Income /(Deficit) for the period	7,767,360	(6,354,412)	1,412,948
STATEMENT OF FINANCIAL POSITION (EXTRACT)			
Non-Current Assets			
Property, plant and equipment	50,059,352	(6,374,000)	43,685,352
Total Non-Current Assets	50,610,078	(6,374,000)	44,236,078
Total Assets	59,056,357	(6,374,000)	52,682,357
Net Assets	53,770,288	(6,374,000)	47,396,288
Equity			
Reserves	15,679,028	(6,374,000)	9,305,028
Total Equity	53,770,288	(6,374,000)	47,396,288

Durack Institute of Technology
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

	2013 \$	2012 \$
6 Employee benefits expense		
Wages and salaries (a)	18,444,073	17,736,524
Superannuation - defined contribution plans (b)	1,719,958	1,602,079
	20,164,031	19,338,603

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

(b) Defined contribution plans include West State, and Gold State and GESBS and other eligible funds.

Employment on-costs expenses, such as workers' compensation insurance, are included at note 10 'Other expenses'.

Employment on-costs liability is included at note 28 'Provisions'.

7 Supplies and services

Consumables and minor equipment	1,470,778	1,275,753
Communication expenses	131,011	122,554
Utilities expenses	627,309	499,861
Consultancies and contracted services	2,970,441	3,391,819
Minor works	992,047	1,080,923
Repairs and maintenance	240,476	275,647
Operating lease and hire charges	302,945	305,049
Travel and passenger transport	320,535	420,322
Advertising and public relations	194,462	155,613
Supplies and services - other	368,478	352,020
	7,618,482	7,879,561

8 Depreciation and amortisation expense

Depreciation

Buildings	914,850	894,750
Motor vehicles, caravans and trailers	145,827	173,481
Plant, furniture and general equipment	255,458	243,133
Computers and communication network	82,819	84,707
Marine craft	2,426	2,163
Total depreciation	1,401,380	1,398,234

9 Grants and subsidies

Recurrent

Payments to non-TAFE providers for VET service delivery	-	1,315
Apprentices and trainees (travel, accommodation and other off-the-job assistance)	42,346	35,401
Other	10,671	21,640
	53,017	58,356

10 Other expenses		
Building maintenance	619,315	749,350
Doubtful debts expense	49,190	61,429
Employment on-costs	1,085,263	992,529
Donations	1,770	1,690
Student prizes and awards	33,967	21,486
Losses and write-offs	25,721	10,295
	1,815,226	1,836,779

The on-costs liabilities associated with the recognition of annual and long service leave liabilities are included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

11 Fee for service		
Fee for service - general	960,478	674,282
Fee for service - Department of Training and Workforce Development	548,324	213,367
Fee for service - Government (other than Department of Training and Workforce Development)	67,367	175,365
International division fees	124,874	86,685
	1,701,043	1,149,699

12 Student fees and charges		
Tuition fees	1,342,987	1,163,615
Enrolment fees	-	(3,202)
Resource fees	679,569	619,092
Other college fees	35,878	40,480
	2,058,434	1,819,985

13 Ancillary trading		
Live works (not a trading activity)	251,662	186,674
Contracting and consulting	-	36,369
Other ancillary revenue	9,335	3,448
	260,997	226,491

14 Trading profit/(loss)		
(a) Bookshop:		
Sales	62,797	70,167
Cost of sales:		
Opening inventory	(24,943)	(43,770)
Purchases	(62,182)	(107,964)
	(87,125)	(151,734)
Closing inventory	15,094	24,943
Cost of goods sold	72,031)	(126,791)
Trading profit/(loss) - Bookshop	(9,234)	(56,624)

(b) Cafeteria (non-training related)		
Sales	313,618	352,796
Cost of sales:		
Opening inventory	(26,314)	(24,195)
Purchases	(235,488)	(247,408)
	<u>(261,802)</u>	<u>(271,604)</u>
Closing inventory	22,670	26,314
Cost of goods sold	(239,132)	(245,289)
Trading profit/(loss) - Cafeteria	74,486	107,507
(c) Other trading		
Sales	2,623	4,474
Trading profit/(loss) - Other trading	2,623	4,474
	67,875	55,356

See note 2(l) 'Inventories' and note 22 'Inventories'.

15 Commonwealth grants and contributions

Commonwealth specific purpose grants and contributions

146,894	73,244
146,894	73,244

These grants include DEEWR Creche and Department Health funding.

16 Interest revenue

Interest revenue (CBA operating account, Bankwest online cash management account, CBA term deposit)

374,109	394,437
374,109	394,437

17 Other revenue

Rental and facilities fees	416,368	289,776
Other direct grants and subsidy revenue	-	113,376
Sponsorship and donations revenue	71,129	55,229
Miscellaneous revenue	50,905	92,789
	538,402	551,170

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

Proceeds from disposal of non-current assets

Motor vehicles, caravans and trailers	171,160	41,418
Plant, furniture and general equipment	11,871	8,000
Total proceeds from disposal of non-current assets	183,031	49,418

Costs of disposal of non-current assets

Motor vehicles, caravans and trailers	(36,239)	(32,917)
---------------------------------------	----------	----------

Plant, furniture and general equipment	(3,485)	(10,680)
Computers and communication network	(5,341)	-
Total cost of disposal of non-current assets	(45,065)	(43,597)
 Net gain/(loss)	 137,966	 5,821

See note 24 'Property, plant and equipment'.

19 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)	24,210,344	24,135,168
Superannuation (b)	(71,089)	71,089
Other recurrent funds	105,330	411,528
Total State funds	24,244,585	24,617,785

Services received free of charge from other State government agencies during the financial period:

Department of Training and Workforce Development

- Corporate systems support	384,703	439,310
- Marketing and publications	12,896	22,247
- Human resources, and industrial relations support	15,441	16,950
- Other	161,605	853,235
	574,645	1,331,742
Other Government (Department of Education)	193,064	-
	767,709	1,331,742

Total income from State Government

25,012,294

25,949,527

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liability during the year.

(b) The accrued income for 2013 relates to superannuation arrears from 2012 that were received in 2013 as part of the Delivery and Performance Agreement (DPA).

20 Restricted cash and cash equivalents

Current

Accrued salaries suspense account (27th Pay provision) - payable 31st December 2014

579,036	-
579,036	-

Non-current

Accrued salaries suspense account (27th Pay provision)

-	523,226
-	523,226

21 Inventories

Inventories not held for resale:

Other (at cost)	6,736	7,729
	6,736	7,729
Inventories held for resale:		
Bookshop (at cost)	15,094	24,944
Cafeteria (at cost)	22,669	26,314
	37,763	51,258
Total	44,499	58,987

See also note 2(l) 'Inventories' and note 14 'Trading profit/(loss)'.

22 Receivables

Current

Receivables - trade	404,974	188,936
Receivables - students	329,067	244,724
Accrued revenue	118,884	205,237
Allowance for impairment of receivables	(67,638)	(55,010)
GST receivable	161,079	40,905
Total current	946,366	624,792

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	(55,010)	(86,471)
Doubtful debts expense	(49,190)	(61,429)
Amount written off during the period	36,562	92,890
Balance at end of period	(67,638)	(55,010)

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

See also note 2(m) 'Receivables' and note 36 'Financial instruments'.

23 Other assets

Current

Prepayments	247,381	217,932
Other current assets (a)	-	120
Total current	247,381	218,052

Non-current

Other non-current assets (b)	202,015	27,500
Total non-current	202,015	27,500

(a) other current asset - purchasing card disputed transactions

(b) other non-current asset - accrued expense for asset purchase

24 Property, plant and equipment

<u>Land</u>		
At fair value (a)	5,550,000	5,650,000
	5,550,000	5,650,000
<u>Buildings</u>		
At fair value (a)	36,542,000	36,594,000
	36,542,000	36,594,000
<u>Motor vehicles, caravans and trailers</u>		
At cost	846,456	1,202,181
Accumulated depreciation	(579,974)	(858,463)
	266,482	343,718
<u>Plant, furniture and general equipment</u>		
At cost	3,202,071	3,029,902
Accumulated depreciation	(2,133,938)	(2,090,204)
	1,068,133	939,698
<u>Computer equipment, communication network</u>		
At cost	845,227	751,691
Accumulated depreciation	(677,007)	(599,488)
	168,220	152,203
<u>Marine craft</u>		
At cost	1,689,916	1,678,516
Accumulated depreciation	(1,675,209)	(1,672,783)
	14,707	5,733
	43,609,542	43,685,352

(a) Land and buildings were revalued as at 1 July 2013 by the Western Australian Land Information Authority (Landgate Valuation Services). The valuations were performed during the year ended 31 December 2013 and recognised at 31 December 2013. In undertaking the revaluation, fair value was determined by reference to depreciated replacement cost values for land: \$5,550,000 (2012: \$5,650,000) and buildings: \$36,542,000 (2012: \$36,594,000). For the remaining balance fair value of buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land). See note 2(f) 'Property, plant and equipment'.

During the 2013 revaluation of Land and Buildings, Landgate identified an error in the previously disclosed fair values that impacted on 2012 balances. AASB 108(42) requires an entity to correct material prior period errors retrospectively. The fair value has been adjusted for the error and the 2012 comparatives have been restated accordingly. See Note 5(e) for details.

Information on fair value measurements is provided in Note 25.

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

	2013	Land	Buildings	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Marine craft	Total
Carrying amount at start of year		\$ 5,650,000	\$ 36,594,000	\$ 343,718	\$ 939,698	\$ 152,203	\$ 5,733	\$ 43,685,352
Additions		-	-	104,830	387,377	98,836	11,400	602,443
Other Disposals		-	-	(36,239)	(3,484)	-	(39,723)	
Revaluation increments/(decrements)		(100,000)	862,850	-	-	-	-	762,850
Depreciation		-	(914,850)	(145,827)	(255,458)	(82,819)	(2,426)	(1,401,380)
Carrying amount at end of period		\$ 5,550,000	36,542,000	266,482	1,068,133	168,220	14,707	43,609,542

	Land	Buildings	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Marine craft	Total
2012	\$	\$	\$	\$	\$	\$	\$
Carrying amount at start of year	2,950,000	35,790,000	369,845	818,756	188,979	7,896	40,125,477
Additions	2,700,000	-	180,271	375,782	47,931	-	3,303,984
Transfers (b)	-	-	-	(1,027)	-	-	(1,027)
Other Disposals	-	-	(32,917)	(10,680)	-	-	(43,597)
Revaluation increments/(decrements) (c)	-	1,698,750	-	-	-	-	1,698,750
Depreciation	-	(894,750)	(173,481)	(243,133)	(84,707)	(2,163)	(1,398,234)
Carrying amount at end of period	5,650,000	36,594,000	343,718	939,698	152,203	5,733	43,685,352

(b) The Department of Lands is the only agency with the power to sell Crown land. The land is transferred to the Department of Lands for sale and the Authority accounts for the transfer as a distribution to owner.

Information on fair value measurements is provided in Note 25.

(c) Revaluation increment/decrement have been restated due to error in building valuation report. See Note 5(e) and 24(a) for details.

25 Fair value measurements

Assets measured at fair value:	Level 1	Level 2	Level 3	Fair Value At end of period
	\$	\$	\$	\$
2013				
Land (note 24)	-	5,550,000	-	5,550,000
Buildings (Note 24)	-	36,542,000	-	36,542,000
	<hr/>	<hr/>	<hr/>	<hr/>
	-	42,092,000	-	42,092,000

There were no transfers between Levels 1, 2 or 3 during the period.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of Non-current assets held for sale, Land and Buildings (Office Accommodation) are derived using the market approach.

Market evidence of sales prices of comparable land and buildings (office accommodation) in close proximity is used to determine price per square metre.

Reconciliations of the opening and closing balances are provided in Notes 24.

Basis of Valuation

In the absence of market-based evidence due to the specialised nature of the assets, non-financial assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the Institute's enabling legislation.

26 Impairment of assets

There were no indications of impairment to property, plant and equipment or intangible assets at 31 December 2013.

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

All surplus assets as at 31 December 2013 have either been classified as assets held for sale or written off.

27 Payables

Current

Trade payables	8,895	-
GST payable	192	-

Accrued expenses	878,103	627,802
Accrued salaries and related costs	676,078	609,751
Paid parental leave payable	8,585	3,965
Total current	1,571,853	1,241,518

See also note 2(n) 'Payables' and note 36 'Financial Instruments'.

28 Provisions

Current

Employee benefits provision

Annual leave ^(a)	841,110	909,629
Long service leave ^(b)	1,547,637	1,479,487
Superannuation	-	68,115
Deferred Salary Scheme ^(c)	55,600	58,049
	2,444,347	2,515,280

Other provisions

Employment on-costs ^(d)	395,428	379,750
	395,428	379,750
Total current	2,839,775	2,895,030

Non-current

Employee benefits provision

Long service leave ^(b)	820,312	936,135
	820,312	936,135

Other provisions

Employment on-costs ^(d)	148,380	148,799
	148,380	148,799
Total non-current	968,692	1,084,934

(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 end of 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	703,141	720,146
More than 12 months after the end of the reporting period	137,969	189,483
	841,110	909,629

(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 the end of 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	598,775	556,982
More than 12 months after the end of the reporting period	1,769,174	1,858,640
	2,367,949	2,415,622

(c) Deferred salary scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Actual settlement of the liabilities is expected to occur as follows:

Within 12 months of the end of the reporting period	55,600	58,049
	55,600	58,049

(d) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance.

The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 10 '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 period	528,549	424,217
Additional provisions recognised	15,259	104,332
Carrying amount at end of period	543,808	528,549

29 Other liabilities

Current

Income received in advance ^(a)	25,616	42,653
Grants and advances (State Government capital works funding)	48,500	-
Money/deposits held in trust	24,964	21,625
Other	-	309
Total current	99,080	64,587

(a) Income received in advance comprises:

Other Government (Commonwealth/Local	20,648	18,512
Student fees and charges	-	3,125
Other	4,968	21,016
	25,616	42,653

30 Equity

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

Contributed equity

Balance at start of period	23,233,270	20,533,270
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Other contributions by owners

Capital Appropriation	236,082	-
Transfer of net assets from other agencies ^(a) (Batavia Coast Maritime Institute land)	-	2,700,000
Total contributions by owners	236,082	2,700,000
Balance at end of period	23,469,352	23,233,270

(a) Transfer of net assets from other agencies

AASB 1004 'Contributions', requires transfers of net assets as a result of a restructure of administrative arrangements 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.

Reserves

Asset revaluation surplus

Balance at start of period	9,305,028	7,606,278
Net revaluation increments/(decrements):		
Land	(100,000)	-
Buildings (b)	862,850	1,698,750
Balance at end of period	10,067,878	9,305,028

Accumulated surplus/(deficit)

Balance at start of period	14,857,990	15,143,792
Result for the period	(754,122)	(285,802)
Balance at end of period	14,103,868	14,857,990
Total Equity at end of period	47,641,098	47,396,288

(b) Prior year balances have been restated due to revaluation increment/decrement error in building valuation report. See Note 5(e) and 24(a) for details.

31 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 on hand	7,004	9,420
Cash advances	-	26,980
Cash at bank	2,200,766	1,799,639

Short term deposits (Treasury at call, Bankwest online at call, Commonwealth Bank 1 month term deposit)	5,283,889	5,708,409
	7,491,659	7,544,449
Restricted cash and cash equivalents (refer to note 20 'Restricted cash and cash equivalents')	579,036	523,226
	8,070,695	8,067,674

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

Net cost of services	(25,766,416)	(26,235,329)
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Non-cash items:

Depreciation and amortisation expense (note 8 'Depreciation and amortisation expense')	1,401,380	1,398,234
Doubtful debts expense (note 10 'Other expenses')	49,190	61,429
Resources received free of charge (note 19 'Income from State Government')	767,709	1,331,742
Fringe Benefits Tax and Fuel Offset from GST Receipts	-	33,242
Net (gain)/loss on sale of property, plant and equipment (note 18 'Net gain/(loss) on sale of non-current assets')	(137,966)	(5,821)
Losses and write-offs (excludes cash shortages/thefts of money) (note 10 'Other expenses')	25,721	10,295

(Increase)/decrease in assets:

Current receivables (a)	(302,698)	248,963
Current inventories	14,488	22,988
Other current assets	(29,329)	(89,071)
Other non current assets	(174,515)	(120,815)

Increase/(decrease) in liabilities

Current payables (a)	330,143	208,868
Current provisions	(55,255)	607,083
Other current liabilities	34,493	33,782
Non-current provisions	(116,242)	47,995
Net GST receipts/(payments) (b)	(114,753)	(21,184)
Change in GST in receivables/payables (c)	(119,982)	10,224

Net cash provided by/(used in) operating activities	(24,194,031)	(22,457,375)
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(a) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included in these items as they do not form part of the reconciling items.

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

(c) This reverses out the GST in receivables and payables

At the end of the reporting period, the Institute had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

32 Commitments

Other expenditure commitments

Other expenditure commitments [motor vehicle lease, Exmouth campus lease] contracted for at the end of the reporting period date but not recognised as liabilities are payable as follows:

Within 1 year	135,447	167,145
Later than 1 year and not later than 5 years	188,134	168,357
Later than 5 years	11,523	10,071
	335,104	345,573

33 Contingent liabilities and contingent assets

Contingent liabilities

The Governing Council is not aware of any contingent liabilities or contingent assets as at balance date.

Contaminated sites

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

The Governing Council is not aware of any contaminated sites on any of the properties under its control as at balance date.

Contingent assets

The Governing Council is not aware of any contingent assets as at balance date.

34 Events occurring after the reporting period

The Governing Council is not aware of any other matters or circumstances that have arisen since the end of the financial year to the date of this report which have significantly affected or may significantly affect the activities of the Institute, the results of those activities or the state of affairs of the Institute in the ensuing or any subsequent years.

35 Explanatory statement

Significant variations between estimates and actual results for 2013 and between actual results for 2012 and 2013 are shown below. Significant variations are considered to be those greater than 10% or \$250,000.

Significant variances between estimated and actual result for the financial year 2013

	2013 Estimate \$	2013 Actual \$	Variation \$	Variation %
Income				
Fee for service	1,275,317	1,701,043	425,726	33%
Student fees and charges	1,773,106	2,058,434	285,328	16%
Ancillary trading	211,346	260,997	49,651	23%
Sales	456,779	379,038	(77,741)	-17%
Commonwealth grants and contributions	205,389	146,894	(58,495)	-28%
Other revenue	393,176	538,402	145,226	37%
Gain on disposal of non-current assets	26,000	137,966	111,966	431%
Service appropriation	26,043,642	24,244,585	(1,799,057)	-7%
Services received free of charge	2,847,000	767,709	(2,079,291)	-73%
Expense				
Employee benefits expense	19,264,810	20,164,031	899,221	5%
Supplies and services	11,175,073	7,618,482	(3,556,591)	-32%
Grants and subsidies	85,545	53,017	(32,528)	-38%
Cost of Sales	382,091	311,163	(70,928)	-19%

Fee for service

An increase in international students, competitively allocated training and general fee for service revenue including indigenous training programs.

Student fees and charges

An increase in profile delivery and student curriculum hours delivered.

Ancillary trading

An increase in live works in hairdressing, hospitality, automotive and Batavia Coast Maritime Institute live works (ornamental fish sales, NATA lab testing).

Sales

Anticipated increase in training and delivery did not correspond with an increase in canteen and bookshop sales.

Commonwealth grants and contributions

Durack did not receive Indigenous maritime course funding from the Commonwealth.

Other revenue

An increase in equipment and facility hire, debt collection and insurance recoveries, rental income, proceeds on disposal of attractive assets and sponsorship revenue.

Gain on disposal of non-current assets

Auction sale of prime mover truck, trailer and caravan.

Service appropriation

Included \$1.8m of superannuation funding that is now funded as part of the Department of Training's Delivery and Performance Agreement.

Services received free of charge

Batavia Coast Maritime Institute remediation not sourced as services received free of charge, sourced as a reimbursement of expenditure. Royalties for Regions funding for information technology not sourced as services received free of charge, sourced as a reimbursement of expenditure.

Employee benefits expense

Increase in training and delivery and therefore associated salaries. Accrued salaries overestimation.

Supplies and services

Offset for Services received free of charge for Batavia Coast Maritime Institute remediation and Royalties for Regions funding for information technology.

Grants and subsidies

A decrease in financial assistance to students through scholarships awards.

Cost of Sales

Anticipated increase in training and delivery did not correspond with an increase in canteen and bookshop sales therefore a decrease in expenditure also.

Significant variances between actual results for 2012 and 2013

	2013 \$	2012 \$	Variance \$	Variance %
Income				
Fee for service	1,701,043	1,149,699	551,344	-32%
Student fees and charges	2,058,434	1,819,985	238,449	-12%
Ancillary trading	260,997	226,491	34,506	-13%
Sales	379,038	427,437	(48,399)	13%
Commonwealth grants and contributions	146,894	73,244	73,650	-50%
Gain on disposal of non-current assets	137,966	5,821	132,145	-96%
Service appropriation	25,012,294	25,949,527	(937,233)	4%
Services received free of charge	767,709	1,331,742	(564,033)	73%
Expense				
Employee benefits expense	20,164,031	19,338,603	825,428	-4%
Supplies and services	7,618,482	7,879,561	(261,079)	3%
Cost of sales	311,163	372,080	(60,917)	20%

Fee for service

An increase in international students, competitively allocated training and general fee for service revenue including indigenous training programs.

Student fees and charges

An increase in profile delivery and student curriculum hours delivered.

Ancillary trading

A continued increase in live works in hairdressing, hospitality, automotive and Batavia Coast Maritime Institute live works (ornamental fish sales, NATA lab testing).

Sales

Anticipated increase in training and delivery did not correspond with an increase in canteen and bookshop sales.

Commonwealth grants and contributions

An increase in Commonwealth funding from Department of Health for Aged Care training and delivery.

Gain on disposal of non-current assets

Auction sale of prime mover truck, trailer and caravan.

Service appropriation

Included ICT funding as grant from Department of Training instead of allocating to equity as contribution by owner.

Services received free of charge

Batavia Coast Maritime Institute remediation not sourced as services received free of charge, sourced as a reimbursement of expenditure. Royalties for Regions funding for information technology not sourced as services received free of charge, sourced as a reimbursement of expenditure.

Employee benefits expense

Increase in training and delivery and therefore associated salaries. Accrued salaries overestimation.

Supplies and Services

A decrease in contracted services, specifically the fire service upgrade in 2012.

Cost of Sales

Anticipated increase in training and delivery did not correspond with an increase in canteen and bookshop sales therefore a decrease in expenditure also.

36 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, loans and receivables, payables, WATC/Bank borrowings and finance leases. The Institute has limited exposure to financial risks. The Institute's overall risk management program focuses on managing the risk 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 allowance for impairment as shown in the table at note 36(c) 'Financial instruments disclosures' and note 22 'Receivables'.

Credit risk associated with the Institute's financial assets is minimal because the Institute trades only with recognised, creditworthy third parties. The Institute has policies in place to ensure that sales of products and services are made to customers with an appropriate

credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Institute's exposure to bad debt is minimal. At the end of the reporting period there are no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Institute is unable to meet its financial obligations as they fall due.

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

The Institute has appropriate procedures to manage cash flows including drawdowns 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 Institute's income or the value of its holdings of financial instruments. The Institute does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes). The Institute's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations.

All borrowings are due to the Western Australian Treasury Corporation (WATC) and are repayable at fixed rates with varying maturities. Other than as detailed in the Interest rate sensitivity analysis table at Note 36(c), the Institute is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings other than WATC borrowings and finance leases (fixed interest rate).

(b) Categories of financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are :

	2013 \$	2012 \$
Financial Assets		
Cash and cash equivalent	7,491,659	7,544,448
Restricted cash and cash equivalent	579,036	523,226
Receivables (a)	785,287	583,887
Financial Liabilities		
Payables	1,571,853	1,241,518

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

(c) Financial instrument disclosures

Credit Risk

The following table discloses the Institute's maximum exposure to credit risk 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.

Ageing analysis of financial assets

Financial Assets	Past due but not impaired						More than 5 years \$	Impaired Financial Assets \$
	Not past due and not impaired	Up to 1 month	1-3 months	3 months to 1 year	1-5 Years			
	Carrying Amount \$	\$	\$	\$	\$			
2013								
Cash and cash equivalents	7,491,659	7,491,659	-	-	-	-	-	-
Restricted cash and cash equivalents	579,036	579,036	-	-	-	-	-	-
Receivables (a)	785,287	-	-	717,649	-	-	67,638	-
	8,855,982	8,070,695	-	717,649	-	-	67,638	-
2012								
Cash and cash equivalent	7,544,448	7,544,448	-	-	-	-	-	-
Restricted cash and cash equivalent	523,226	523,226	-	-	-	-	-	-
Receivables (a)	583,887	-	-	528,877	-	-	55,010	-
	8,651,561	8,067,674	-	528,877	-	-	55,010	-

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

Liquidity risk and interest rate exposure

The following table details the Institute's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount	Fixed Interest Rate	Variable Interest Rate	Non- Interest Bearing	Nominal Amount	Maturity dates				
							Interest rate exposure		Up to 1 month	1-3 months	3 months to 1 year
							\$	\$			
2013											
Financial Assets											
Cash and cash equivalent	2.95%	7,491,659	-	7,484,655	7,004	-	-	-	-	-	-
Restricted cash and cash equivalent	2.95%	579,036	-	579,036	-	-	-	-	-	-	-
Receivables (a)	nil	785,287	-	785,287	-	-	-	-	-	785,287	-
		8,855,982	-	8,063,691	792,291	-	-	-	-	785,287	-
Financial Liabilities											
Payables	nil	1,571,853	-	1,571,853	-	1,571,853	-	1,571,853	-	-	-
		1,571,853	-	1,571,853	-	1,571,853	-	1,571,853	-	-	-

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

	Weighted Average Effective Interest Rate %	Carrying Amount	Interest rate exposure			Maturity dates				
			Fixed Interest Rate	Variable Interest Rate	Non- Interest Bearing	Nominal Amount	Up to 1 month	1-3 months	3 months- 1 year	1-5 Years
2012		\$	\$	\$	\$	\$	\$	\$	\$	\$
Financial Assets										
Cash and cash equivalent	3.64%	7,544,448	-	7,508,048	36,400	-	-	-	-	-
Restricted cash and cash equivalent	3.64%	523,226	-	523,226	-	-	-	-	-	-
Receivables (a)	nil	583,887	-	583,887	-	-	-	-	583,887	-
	8,651,561	-	8,031,274	620,287	-	-	-	-	583,887	-
Financial Liabilities										
Payables	nil	1,241,518	-	1,241,518	-	1,241,518	-	1,241,518	-	-
	1,241,518	-	-	1,241,518	-	1,241,518	-	1,241,518	-	-

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

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Institute's financial assets and liabilities at the end of the reporting period 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.

				- 100 Basis Points	+ 100 Basis Points
				\$	\$
2013					
<u>Financial Assets</u>					
Restricted cash and cash equivalent	8,063,691	(80,637)	(80,637)		80,637
Total Increase/(Decrease)		(80,637)	(80,637)		80,637
2012					
<u>Financial Assets</u>					
Restricted cash and cash equivalent	8,031,274	(80,313)	(80,313)		(80,313)
Total Increase/(Decrease)		(80,313)	(80,313)		(80,313)

Fair values

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

37 Remuneration of members of the Institute and senior officers

Remuneration of members of the Institute

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

\$	2013	2012
\$0 - \$10,000	3	8
\$10,001 - \$20,000	3	1
\$20,001 - \$30,000	1	1
\$40,001 - \$50,000	1	1
\$210,001-\$220,000	1	1
\$230,001-\$240,000		1
\$	\$	\$
Base remuneration and superannuation	355,053	246,742
Annual leave and long service leave accruals (a)	400	898
Total remuneration of the members of the Institute	355,453	247,640

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

(a) An adjustment to the 2012 annual leave and long service leave accruals to reflect current year accruals only.

Remuneration of senior officers

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

\$	2013	2012
\$0 - \$10,000	4	2
\$10,001 - \$20,000		3
\$20,001 - \$30,000	1	1
\$30,001 - \$40,000	2	2
\$50,001 - \$60,000	2	2
\$90,001 - \$100,000	2	1
\$100,001 - \$110,000	1	1
\$110,001 -\$120,000		2
\$120,001 -\$130,000	3	4
\$130,001 - \$140,000	1	1
\$140,001 - \$150,000	1	1
\$160,001 - \$170,000	3	2
\$170,001 - \$180,000		1
\$180,001 - \$190,000	1	1
\$	\$	\$
Base remuneration and superannuation	1,715,761	1,568,243
Annual leave and long service leave accruals (a)	25,818	47,674
Other benefits	8,039	1,366
The total remuneration of senior officers	1,749,618	1,617,283

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

(a) Prior period figures have been restated to only include current year annual leave and long service leave.

No senior officers are members of the Pension Scheme.

38 Remuneration of auditor

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

	2013	2012
	\$	\$
Auditing the accounts, financial statements and performance indicators	71,300	61,600

39 Related bodies

The Institute has no related bodies.

40 Affiliated bodies

The Institute has no affiliated bodies.

41 Supplementary financial information

	2013	2012
	\$	\$
(a) Write-Offs		
Public property written-off by the Executive Council during the financial year	8,309	10,295
Bad debts	36,562	92,890
Inventory	17,412	-
	62,283	103,185

(b) Losses through theft, defaults and other causes

Losses of public money and public and other property through theft or default.

Amounts recovered

50	-
-	-
50	-

42 Schedule of income and expenditure by service

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

Annual Estimates

Durack Institute of Technology

S40 SUBMISSION

Statement of Comprehensive Income

	2014 Estimate \$
COST OF SERVICES	
Expenses	
Employee benefits expense	18,226,956
Supplies and services	9,544,098
Depreciation and amortisation expense	1,441,132
Finance costs	0
Grants and subsidies	66,826
Payments to Non TAFE Providers for VET Delivery	0
Loss on disposal of non-current assets	1,774
Cost of sales	324,387
Other expenses	1,931,982
Total Cost of Services	31,537,155
Income	
Revenue	
Fee for service	1,251,151
Student charges and fees	3,101,000
Ancillary trading	269,587
Sales	359,124
Commonwealth grants and contributions	76,430
Interest revenue	358,479
Other revenue	367,325
Total Revenue	5,783,096
Gains	
Gain on disposal of non-current assets	0
Other gains	0
Total Gains	0
Total income other than income from State Government	5,783,096
NET COST OF SERVICES	(25,754,059)
INCOME FROM STATE GOVERNMENT	
State funds	26,610,260
Assets assumed/(transferred)	0
Resources received free of charge	1,000,000
Royalties for regions	0
Total income from State Government	27,610,260
SURPLUS (DEFICIT) FOR THE PERIOD	1,856,201
OTHER COMPREHENSIVE INCOME	
Changes in asset revaluation reserve	0
Gains/(losses) recognised directly in equity	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	1,856,201

Durack Institute of Technology**S40 SUBMISSION****BALANCE SHEET**

	2014 Estimate \$
ASSETS	
Current Assets	
Cash and cash equivalents	11,338,949
Restricted cash and cash equivalents	0
Inventories	56,433
Receivables	1,263,062
Amounts receivable for services	0
Other current assets	205,000
Non-current assets classified as held for sale	0
Total Current Assets	12,863,444
Non-Current Assets	
Restricted cash and cash equivalents	0
Inventories	0
Receivables	0
Amounts receivable for services	0
Property, plant and equipment	49,279,915
Intangible assets	0
Other non-current assets	0
Total Non-Current Assets	49,279,915
TOTAL ASSETS	62,143,359
LIABILITIES	
Current Liabilities	
Payables	745,524
Borrowings	0
Amounts due to the Treasurer	0
Provisions	1,779,387
Other current liabilities	69,701
Liabilities directly associated with non-current assets classified as held for sale	0
Total Current Liabilities	2,594,612
Non-Current Liabilities	
Payables	0
Borrowings	0
Provisions	2,175,182
Other non-current liabilities	0
Total Non-Current Liabilities	2,175,182
TOTAL LIABILITIES	4,769,795
NET ASSETS	57,373,565
EQUITY	
Contributed Equity	23,233,270
Reserves	15,679,029
Accumulated surplus/(deficiency)	18,461,266
TOTAL EQUITY	57,373,565

Durack Institute of Technology**S40 SUBMISSION****CHANGES IN EQUITY STATEMENT**

	2014 Estimate \$
Balance of equity at start of period	55,517,364
CONTRIBUTED EQUITY	
Balance at start of period	23,233,270
Capital contribution	0
Other contributions by owners	0
Distributions to owners	0
Balance at end of period	23,233,270
RESERVES	
Asset Revaluation Reserve	
Balance at start of period	15,679,029
Changes in accounting policy or correction of prior period errors	0
Restated balance at start of period	15,679,029
Gains/(losses) from asset revaluation	0
Balance at end of period	15,679,029
ACCUMULATED SURPLUS (RETAINED EARNINGS)	
Balance at start of period	16,605,065
Changes in accounting policy or correction of prior period errors	0
Restated balance at start of period	16,605,065
Surplus/(deficit) or profit/(loss) for the period	1,856,201
Gains/(losses) recognised directly in equity	0
Balance at end of period	18,461,266
Balance of equity at end of period	57,373,565
Total income and expense for the period	1,856,201

Durack Institute of Technology

S40 SUBMISSION

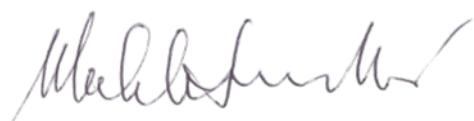
CASH FLOW STATEMENT

	2014 Estimate \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	26,610,260
Capital contributions	0
Holding account drawdowns	0
Royalties for Regions Fund	0
Net cash provided by State Government	26,610,260
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	(18,745,126)
Supplies and services	(8,549,310)
Finance costs	0
Grants and subsidies	(66,826)
GST payments on purchases	(807,142)
GST payments to taxation authority	0
Other payments	(2,254,119)
Receipts	
Fee for service	1,240,363
Student fees and charges	3,089,834
Ancillary trading	269,587
Commonwealth grants and contributions	76,430
Interest received	358,479
GST receipts on sales	187,653
GST receipts from taxation authority	563,335
Other receipts	726,949
Net cash provided by/(used in) operating activities	(23,909,894)
CASH FLOWS FROM INVESTING ACTIVITIES	
Payments	
Proceeds from sale of non-current physical assets	(1,058,417)
Receipts	
Purchase of non-current physical assets	32,698
Net cash provided by/(used in) investing activities	(1,025,719)
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from borrowings	0
Repayment of borrowings	0
Other proceeds	0
Other repayments	0
Finance lease repayment of principal	0
Net cash provided by/(used in) financing activities	0
Net increase/(decrease) in cash held and cash equivalents	1,674,647
Cash and cash equivalents at the beginning of the period	9,664,301
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	11,338,949

Key Performance Indicators

Certification of Key Performance Indicators 2013

We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Durack Institute of Technology's performance, and fairly represent the performance of the Durack Institute of Technology for the financial year ended 31 December 2013.



Malcolm Smith
Chairperson, Governing Council
Durack Institute of Technology

6 March 2014



Bert Beevers
Managing Director
Member, Governing Council
Durack Institute of Technology

6 March 2014

Government Goal

Greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.

Desired Outcome

A skilled workforce that meets the needs of Western Australia.

Durack Institute of Technology's Desired Outcome

"The provision of vocational education and training services to meet the community and industry training needs within the Central West region".

Durack Institute of Technology has developed key performance indicators to report performance relating to the effectiveness and efficiency with which the above outcome has been achieved. The Institute uses the indicators in reviewing its performance and in its ongoing commitment to improve its programs and services.

Effectiveness Indicators

The effectiveness indicators measure the achievement of vocational education and training in meeting community and industry needs via student and graduate satisfaction, labour force status of graduates and profile achievement.

1.1 Student Satisfaction

The 2013 WA Student Satisfaction Survey was administered on behalf of the Western Australian Department of Training and Workforce Development (DTWD) by Patterson Market Research. The aim of the survey is to gain an understanding of students' training requirements and to measure the quality of the delivery of training and services provided by Durack Institute of Technology. In 2013 the methodology for the survey included a mail out of survey forms, the availability of the survey online and emails including the online survey link. At Durack Institute of Technology survey forms were also supplied to Aboriginal and Torres Strait Islander Services staff for distribution directly to Aboriginal and Torres Strait Islander clients.

The overall student satisfaction rating calculates the number of 'satisfied' and 'very satisfied' respondents. The results provide an overall expression of how satisfied students are with various services provided by the Institute. Students were asked to respond to the question 'Overall, how satisfied were you with your course?' on a five point scale where one is 'very satisfied' and five is 'very dissatisfied'. Table One shows the proportion of respondents who were either very satisfied or satisfied overall with their course(s).

Table One: Overall Student Satisfaction Rate

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Target	2013 Actual
Durack Institute of Technology	89.2%	86.5%	90.9%	87.6%	90.0%	87.0%
Western Australia	85.6%	86.7%	88.4%	86.3%	NA	85.9%

Notes:

- a. **Source:** Paterson Market Research (2010-2013) Student Satisfaction Survey and Colmar Brunton (2009), Student Satisfaction Survey

- b. **Derivation:** The standard error was calculated at 1.7% with a confidence interval of ± 3.2% and a confidence level of 95%.
- c. **Comments:** The sample comprised students who had undertaken training during either first or second semester of 2013. The usable population size for the Institute was 2,183, and a total of 348 usable surveys were returned. This represents a response rate of 16%. The responses were mainly collected using online and postal research methodologies.

The overall satisfaction score at Durack Institute of Technology decreased by 0.6% from the previous year to 87% however Durack continues to be above the State's overall satisfaction score of 85.9%.

1.2 Graduate Outcomes

The Social Research Centre conducts the annual Student Outcomes Survey on behalf of the National Centre for Vocational Education and Research (NCVER). The aim of the survey is to measure vocational education and training students' employment status, further study and the opinions of the training undertaken. Questionnaires were sent to a stratified randomly selected sample of Durack Institute of Technology graduates who successfully completed a qualification or module in the previous reporting period.

NCVER conducts surveys with appropriate sample design to produce statistically reliable Institute level data in alternative years (commencing from 2005). Durack Institute of Technology may elect to pay for a data top up to ensure data availability. In 2010 and 2012 no data was sourced for the Institute.

1.2.1 Graduate Satisfaction

Durack Institute of Technology aims to contribute to the development of individuals through the provision of education and training courses that give students skills, knowledge and attitudes relevant to their employment and personal development needs.

The measure is derived from the proportion of graduates who indicated they had fully or partly achieved their main reason for doing the training and from their overall satisfaction with the quality of training, both expressed as a percentage of the representative population.

Table Two: Graduate Satisfaction

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Target	2013 Actual
Fully or partly achieved main reason for doing the training						
Durack Institute of Technology	91.8%	NA	92.6%	NA	93.0%	88.7%
Western Australia STPs	87.1%	85.0%	87.5%	NA	NA	85.8%
Australia TAFE Providers	85.9%	84.0%	85.8%	84.5%	NA	83.8%
Satisfied with the overall quality of training						
Durack Institute of Technology	90.1%	NA	93.0%	NA	93%	89.8%
Western Australia STPs	88.9%	89.1%	90.2%	NA	NA	89.5%
Australia TAFE Providers	89.2%	88.7%	89.7%	89.4%	NA	88.0%

Notes:

- a. **Source:** Student Outcomes Survey 2013, National Centre for Vocational Education Research (NCVER).
- b. **Derivation:** A confidence interval of ± 3.5 and ± 3.5 respectively and a confidence level of 95%.
- c. **Comments:** The sample comprised students who completed their vocational education and training during 2012. The estimated population size for the Institute's graduates was 1,050, and a total of 399 surveys were returned.

88.7 % of Durack Institute of Technology graduates indicated that they had achieved or partly achieved their main reason for doing the course. This represents a decrease of 3.90% from 2011 however Durack continues to be above the State's overall satisfaction score of 85.8% and the Australian average of 83.8%.

1.2.2 Proportion of Graduates in Employment

The proportion of graduates in employment is a key performance indicator which shows the extent to which the Institute is providing relevant quality training that improves student employability and meets the workforce development requirements of industry.

Graduate labour force status was derived according to the standard definitions of the Australian Bureau of Statistics of 'employed', 'unemployed' and 'not in the labour force'. This measure indicates respondents' work situation as at the end of May 2013 and is expressed as a percentage of the representative population.

Table Three: Graduate Employment after Training

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Target	2013 Actual
Graduates Employed						
Durack Institute of Technology	80.1%	NA	81.7%	NA	82%	87.0%
Western Australia STPs	78.0%	NA	79.7%	NA	NA	80.4%
Australia TAFE	77.1%	NA	77.1%	76.1%	NA	77.1%
Graduates Unemployed						
Durack Institute of Technology	6.6%	NA	8.8%	NA	8%	6.9%
Western Australia STPs	10.1%	NA	9.9%	NA	NA	10.8%
Australia TAFE	11.3%	NA	12.0%	NA	NA	13.2%
Graduate not in Labour Force						
Durack Institute of Technology	13.0%	NA	9.2%	NA	9%	5.4%
Western Australia STPs	11.8%	NA	10.0%	NA	NA	8.5%
Australia TAFE	11.1%	NA	10.6%	NA	NA	9.6%

Notes:

- a. **Source:** Student Outcomes Survey, National Centre for Vocational Education Research (NCVER).

Please Note:

- i) The 2010 Actual figures have been amended to NA to reflect the unavailability of the data in this year.

- b. **Derivation:** Graduate labour force status was derived according to the standard definitions of the Australian Bureau of Statistics of employed, unemployed and not in the labour force.
- c. **Comments:** 87.0% of Durack graduates indicated they were employed at the time of the survey. This represents an increase of 5.3% from 2011 and compares favourably with the Western Australian average of 80.4% and Australian average of 77.1%.

1.3 Achievement of Profiled Delivery

This performance indicator reports the effectiveness of Durack Institute of Technology in meeting targets in the Delivery and Performance Agreement (DPA), through which the Institute is resourced to deliver training purchased by Government. Purchased delivery takes into consideration the needs of the local community, individuals and the workforce development requirements of industry. Through this delivery the Institute is able to assist clients to achieve their desired training outcomes.

1.3.1 Achievement of Profiled Delivery by Industry Group

This measure indicates the target (ie amount purchased) and actual achievement of Student Curriculum Hours (SCH) in the profiled Department of Training and Workforce Development Industry Group categories. The classification of these Industry Groups is based on the occupation or outcome the course is intended to serve, and highlights the Institute's performance in achieving industry delivery targets.

Table Four: Achievement of 2013 Profile by Department Of Training and Workforce Development Industry Group

Industry Group	2011 Achieved SCH	2012 Achieved SCH	2013 Target SCH	2013 Achieved SCH
01A - Recreation Sports and Entertainment	12,085	6,060	8,700	16,885
01B - Visual and Performing Arts	32,372	26,677	18,100	18,794
02A - Automotive	55,915	50,921	61,724	60,365
03A - Building and Constructions	167,548	212,716	168,389	176,918
03B - Surveying and Building	0	0	600	0
04A - Community Service Workers	46,790	56,575	47,600	56,170
04B - Education and Childcare	86,570	115,375	92,400	120,300
04C - Health	65,325	41,843	50,400	48,095
05A - Finance Insurance Property Service Workers	1,308	684	600	3,442
06A - Food Trades and Processing	0	0	0	0
07A - Clothing Footwear and Soft Furnishings	600	2,380	1,000	2,530
07B - Furniture Manufacture	1,618	378	400	0
09B - Metal and Mining	60,425	107,599	98,425	147,416
10A - Animal Care	28,700	20,560	18,950	21,805
10B - Forestry, Farming and Landcare	104,278	87,982	90,958	87,584
10C - Fishing	32,632	18,790	18,250	20,218
10D - Horticulture	10,917	15,346	18,422	10,722
11A - Process Manufacturing	10,348	5,558	500	2,576
12A - Personal Service	33,071	32,519	26,015	26,887

12B - Retail	4,465	3,660	2,050	3,410
13A - Cooking	24,119	23,413	25,811	27,915
13B - Hospitality	13,874	12,984	18,302	18,495
13C - Tourism	3,275	1,415	4,300	5,675
14A - Transport Trades, Storage and Associated	44,353	37,468	36,500	35,471
15A - Electrical and Electronic Engineering	16,579	0	0	0
15B - Electrical Trades	23,236	41,901	52,870	39,405
16A - Accounting and other Business Services	10,605	5,030	15,429	7,290
16B - Management	19,015	6,990	21,060	22,495
16C - Office and Clerical	90,055	70,605	67,425	59,380
17A - Computing	30,485	40,370	42,020	20,640
18A - Science and Technical Workers	43,107	49,885	56,800	58,685
19B - Adult Literacy/ESL	90,139	86,505	101,350	64,456
19E - Targeted Access and Participation Courses	45,915	32,560	49,650	43,620
Total	1,209,724	1,214,749	1,215,000	1,227,644
Less breaches in ceilings on delivery (if any)	Nil	Nil		Nil
Total counted SCH as at census date	1,209,724	1,214,749	NA	1,227,644

Notes:

- a. **Source:** Durack Institute of Technology Delivery and Performance Agreement
- b. **Derivation:** Data represents the actual achievement of SCH in respective years. Target data is obtained from the DPA and achieved SCH from the College Management Information System (CMIS). Achieved SCH is recorded using “end of study” data, ie the date student’s study is completed.
- c. **Comments:** In 2013 the Institute delivered above its initial profile target of 1,215,000. Variances between the planned and achieved figures reflect changes in demand for training within an industry group. These changes may be due to changes in government priorities for training or the changing nature of the industry itself. Changes within the industry group are also reflective of a diverse regional training environment.

During 2013 Durack negotiated two addenda to the DPA allowing for the increase in delivery above the initial planned total. Through the May and September Addenda the final target agreed with the Department of Training and Workforce Development for 2013 was 1,225,000 SCH. The percentage achieved against this revised target was 100.22%.

1.3.2 Overall Achievement of Profiled Delivery

This performance indicator shows the overall percentage of Student Curriculum Hours (SCH) achieved for training purchased by the Department of Training and Workforce Development and summarises the data in Table Five.

Table Five: Achievement of 2013 Profile, Planned Vs Achieved SCH

	Planned SCH	Achieved SCH	% Achieved
2009	866,000	941,055	108.67%
2010	894,000	1,114,519	124.67%
2011	1,100,000	1,209,724	109.97%
2012	1,200,000	1,214,749	101.23%
2013	1,215,000	1,227,644	101.04%

Notes:

- a. **Source:** Durack Institute of Technology Delivery and Performance Agreement.
- Please Note:** Planned SCH figures are the initial targets set in the Delivery & Performance Agreement prior to any addenda.
- b. **Derivation:** Planned data is obtained from the DPA and achieved SCH from the College Management Information System (CMIS).
- c. **Comments:** In 2013 Durack Institute of Technology delivered 101.04% of its initial planned profile delivery of 1,215,000 SCH. This is a continuation of the increases the Institute has been experiencing since 2009. The above table also provides a comparison with achieved SCH in previous years.

Efficiency Indicators

2.1 Average Cost per Student Curriculum Hour (SCH)

The overall cost per SCH demonstrates the efficiency with which Durack Institute of Technology manages its resources to enable the provision of vocational education and training programs. The aggregate unit cost is calculated by determining the total cost of services, as reported in the Institute's Statement of Financial Performance, and divided by the achieved SCH delivered for profile and non-profile activities.

Table Six: Cost Per Student Curriculum Hour (\$/SCH)

	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Target	2013 Actual
\$ Per SCH	\$23.13	\$22.44	\$21.27	\$22.84	\$24.37	\$22.66

Notes:

- a. **Source:** Financial Statements and the College Management Information system (CMIS).
- b. **Derivation:** The total delivery cost per SCH is calculated by dividing the total cost of services measured on an accrual basis by the total SCH delivered. The total SCH is the total number of enrolments multiplied by the hourly duration of these units as registered in the College Management Information System in accordance with the Australian Vocational Education and Training Management Information Statistical Standard. Delivery from all funding sources is included. The total cost of services figure is obtained from the annual Financial Statements.
- c. **Comments:** The cost per SCH has decreased by \$0.18 from 2012 and is \$1.71 lower than the Institute target. The above table also provides a comparison with \$/SCH in previous years.

Other Financial Disclosures

Pricing Policy

Durack Institute of Technology adheres to the Department of Training and Workforce Development's Fee Policy for all non-commercial enrolments. All commercial enrolments are charged out after a full costing is completed by the Institute under the costing template in line with the State's Competitive Neutrality Policy.

Capital Works

Capital Project Incomplete

The Centre for Health Industries Training and Workforce Development has been jointly funded through the State Government's Royalties for Regions and the Department of Training and Workforce Development to the value of \$16.72 million. The funding provided will construct three separate facilities at the Geraldton Campus on Fitzgerald Street, Geraldton.

The larger of the three facilities, the Health, Education and Community Services building (H Block) will be a two storey facility replacing D, E and F Block demountables at the Geraldton Campus. This facility will encompass Nursing, Allied Health, Aged Care, Community Services, Children's Services, Sport and Recreation, Fitness, Literacy and Numeracy and Targeted Access and Participation. Office accommodation is also required for up to thirty staff currently operating within the Portfolio that will be accommodated within this facility.

The second facility will include a purpose designed and built Aboriginal Learning Centre (J Block) to be located between I and K Block, where the old and vacant Aquaculture facility and storage sheds are currently located. It is envisaged that this new space will cater for social, cultural and training activities throughout the year for Aboriginal and non-Aboriginal people and will offer an ideal opportunity to promote sharing of cultures. This facility will accommodate the Institute's Aboriginal Training Services staff, and will serve as a focal point for training and workforce development in the wider communities within the Midwest and Murchison regions to significantly increase the capacity of Durack to work with Aboriginal people to improve their own social, economic and cultural circumstances.

The extension to the existing B Block will aim to increase the capacity of the Hairdressing and Beauty Therapy delivery areas. In essence, the extension will double the capacity of the current hairdressing salon and increase the number of beauty therapy treatment areas. The extension will also include a centralised reception and retail area, to cater for the customer and retail aspects of their relevant training packages.

The Centre for Resources Sector Workforce Training (CRSWT) funded by the State Government through Royalties for Regions funding, to the value of \$9 million, is to be located on a portion of the 7.5 hectares of land allocated for this new campus, at the City of Greater Geraldton's Airport Technology Park

The CRSWT is envisaged to be a "Centre of Excellence" for the oil, gas and mining sector in the Midwest and Gascoyne regions. The CRSWT will enable Durack Institute of Technology to build on its expertise established at its existing facilities at Fitzgerald Street Geraldton in the areas of Heavy Duty Automotive training, Civil Construction, Mining, Occupational Health and Safety, Transport and Logistics.

The initial \$9 million will be used to construct a large Heavy Duty Automotive Workshop, classrooms, storage areas, wash down bay and dangerous goods store with associated roads, car parks and hardstands. An administration block will also be constructed consisting

of a reception area, office space for up to 15 staff, commercial training rooms, ablution facilities and student and staff amenities.

This project also includes a full master plan for the future development of the 7.5 hectare site, with a future vision to relocate all trades training to the Airport Technology Park over the next 20 to 25 years, including training related to other technology park resident companies, as they emerge.

Capital Projects Completed

No capital projects were completed during 2013.

Employment and Industrial Relations

Staff Profile

Durack Institute of Technology employs staff in lecturing roles and non-lecturing support roles. Non-lecturing roles include a diverse range of positions in areas such as canteen, administration support, and student accommodation. Durack is one of the largest employers in the region with an average of 226 full time equivalent (FTE) staff employed during 2013.

The number of FTE employed during 2013 was as follows:

Category	2012	2013	Campus	2012	2013
Full-time permanent	101.98	101.78	Geraldton	198.87	208.94
Part-time permanent	18.06	18.09	Carnarvon	13.47	12.38
Full-time contract	60.76	66.84	Exmouth	3.50	3.43
Part-time contract	20.89	18.54	Wiluna	1.13	1.02
On secondment	0.53	2.03	TOTAL	216.97	225.77
Casual	14.76	18.50			
TOTAL	216.97	225.77			

Notes

- a. **Source:** Human Resource Management Information System
- b. **Comments** The FTE for 2013 has increased in response to the sustained annual SCH growth and the increase in commercial activity.

Staff Development

Durack is committed to developing a workforce with the skills required to respond effectively to the changing nature of the Vocational, Education and Training environment. A significant budget is allocated to staff professional development, managed by Human Resources and the Principal Lecturers, and overseen by the Workforce and Organisational Development Committee. Human Resources and the Principal Lecturers coordinate a detailed induction program and essential staff training. The Committee ensures development of annual training plans, a monthly training calendar, coordination of professional development days, and coordination of individual staff applications for professional development

Training in Accountable and Ethical Decision Making was ongoing in 2013 with 86.90% of staff completing the training. These figures are influenced by staff turnover, where

terminated staff that have completed the training are removed and new starters who have not completed the training are added. This accounts for fluctuations in achievement rates.

Training in Equal Employment Opportunities was undertaken by identified employees, which has provided confidence to both the trained officers and the staff in the speedy resolution of any personal issues that may arise in the workplace. In 2013 10 Durack Managers who completed the training, 7 staff completed the Contact Officer Training and 4 staff upgraded to Grievance Officer. The Institute now holds a contingent of 7 Contact Officers (previously 3) and 7 Grievance Officers (previously 4).

In 2013, Human Resources also continued the promotion of online learning tools in the areas of discrimination, bullying, sexual harassment and workplace liability. These training modules have been undertaken by the majority of staff.

A highlight in 2013 was an extensive Leadership Development Program for senior staff. This included a 360 degree survey, coaching and extensive workshops that covered a range of topics. This program was put in place to further prepare managers to move into more senior roles in the organisation. In addition to the program for managers and directors, a Front Line Management Program was also conducted for emerging leaders, which involved in-house projects as a means of developing the identified skills.

Durack has a range of staffing policies including policies for recruitment to ensure compliance with Standards in Human Resource Management. Training has also been provided to staff on recruitment and selection processes and use of the Recruitment Advertising Management System (RAMS) for online recruitment management.

Industrial Relations

No major industrial relations issues are reportable for the 2013 year.

Workers Compensation

One workers compensation claim was recorded during the 2013 year.

Governance Disclosures

Contracts with Senior Officers

In accordance with the requirements of the Treasurer's Instruction 903(14) on disclosure of interest of senior officers:

- no senior officer has had any shareholding in the Institute; and
- to the best of our knowledge, no senior officer has any interest in contracts made or proposed with the Institute.

Other Legal Requirements

Advertising

In accordance with s175ZE of the Electoral Act 1907, the Institute incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2013 was \$73,025.75.
2. Expenditure was incurred in the following areas:

Media Advertising Organisations	
Carat Australia	\$16,803.00
Farm Weekly	\$565.00
Geraldton News	\$9851.07
Great Southern	\$735.00
Market Creations	\$2,840.00
Midwest Chamber of Commerce	\$618.19
Mitchell and Partners	\$35,341.74
Morawa Community	\$13.64
Northern Guardian	\$1,043.07
Orana Cinemas	\$3,054.54
Redwave Media	\$626.50
Sensis Pty Ltd	\$1,084.00
Western Australian Newspapers	\$450.00
Sub Total	\$73,025.75

Advertising Agencies	Nil
Market Research Organisations	Nil
Polling Organisations	Nil
Direct Mail Organisations	Nil
Total	\$73,025.75

Disability Access and Inclusion Plan Outcomes

Durack Institute of Technology continues to ensure that all students have appropriate access to all of the Institute's facilities and services and are provided with the opportunity to participate in all aspects of training.

Students disclosing medical conditions, a disability or a learning difficulty that may impact their learning are supported by the Client Services – Equity and Access Inclusion Officer. Whilst all staff are responsible for providing a learning program and environment that facilitates participation for all students, the Equity and Access Inclusion Officer provides a point of contact for students, disability service agencies and staff, and advises staff on appropriate support strategies to assist students with disabilities.

Specific initiatives taken in 2013 to adhere to the six outcomes of the Disability Access and Inclusion Plan are provided below.

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

- Adapted accredited training is provided for people with disabilities that promote pathways to further education, training and employment including Certificates in Gaining Access to Training and Employment.
- Mentors are provided to support students to complete training delivered by Durack Institute of Technology throughout the six training portfolios.

- Individualised support for students with disabilities has been created through the introduction of case management in 2013.
- The part time role of Disability Liaison Officer has evolved to a full-time position of the Equity and Access Inclusion Officer commencing July 2013.
- Durack continues to provide equal access and inclusion principles to services and events organised through measures such as development and implementation of event access checklists.

Outcome 2: People with disabilities have the same opportunities as other people to access the buildings and other facilities of a public authority.

- A stronger focus on the safety of students with disabilities and the environment has been addressed in 2013 with increased consultation with the campus Occupational Safety and Health Coordinator in planning and implementation of activities and access to buildings.
- In 2013, Durack staff worked closely with the project designers, architects and consultants to ensure that new facilities being constructed in 2014, meet the relevant Australian Standards, Building Codes and Durack's Disability Access and Inclusion Plan (DAIP). A copy of Durack's DAIP was provided to the designers, architects and consultants to ensure compliance.

Outcome 3: People with disabilities receive information from Durack Institute of Technology in a format that will enable them to access the information as readily as other people.

- The Institute website displays a notation regarding availability of documents in alternative format.
- Principal Lecturers and lecturers continue to adapt projects, training resources and materials to suit a variety of abilities in consultation with the Equity and Access Inclusion Officer.

Outcome 4: People with disabilities receive the same level and quality of service from the staff of Durack Institute of Technology as other people.

- During staff induction, new lecturers are made aware of the need to incorporate the specific needs of learners with disabilities into their course delivery planning through a Learning & Assessment strategy.
- Durack provides professional development and ongoing support for staff to improve their skills in working with people with disabilities.

Outcome 5: People with disabilities have the same opportunities as other people to make complaints to Durack Institute of Technology.

- The Institute continues to review its complaints management process and to make changes to policies and procedures to streamline the processes involved.
- The student induction program includes information to students on how to make a complaint about Institute services or performance.

Outcome 6: People with disabilities have the same opportunities as other people to participate in any public consultation by Durack Institute of Technology.

- The Institute continues to network and create pathways into the local community to seek a broad range of views on disability and access issues.
- The re-establishment of interagency partnerships with relevant local service providers and stakeholders has created open communication and feedback processes from those who advocate for people with a disability in the community.

Compliance with Public Sector Standards and Ethical Codes

The Public Sector Standards in Human Resource Management, the Public Sector Standards Code of Ethics and the Durack Institute of Technology Staff Code of Conduct form an integral part of Durack's operations. Durack is committed to ensuring compliance and best practice in all aspects of these standards and ethical codes. Durack ensures staff awareness of these codes through the induction of new staff and encouraging discussion and communication between current and new staff at team meetings and open forums.

Specific activities undertaken during 2013 included:

- Accountable and Ethical Decision Making training was provided to staff;
- Recruitment, Selection and Candidate Management training was provided for managers and other staff involved in recruitment processes;
- Code of Conduct Training, Social Media Training and Personal and Professional Boundary Training was provided to staff
- Code of Conduct, Code of Ethics and Public Interest Disclosure were promoted to staff.

The current policies and procedures relating to the Public Sector Standards in Human Resource Management can be easily accessed by all staff through the intranet or via communication with their supervisor or Human Resources section.

There were one request for review against the Employment Standard during the reporting period.

Recordkeeping Plans

It is a requirement under the State Records Act 2000 for government agencies to have systems in place for the appropriate management of records. In accordance with Section 19 of the Act, the Institute is required to have a Record Keeping Plan (RKP) approved by the State Records Commission (SRC). The State Training Provider Records Management Network, of which Durack is a member, previously submitted a Record Keeping Plan to the SRC and Durack has continued to implement and comply with the expectations and goals of this Plan.

The following provides a list of key activities and outcomes achieved at Durack against four key areas.

The efficiency and effectiveness of the record keeping system

All aspects of the recordkeeping system at Durack Institute of Technology are regularly reviewed and evaluated to ensure continual improvement and compliance. Durack, as part of the State Training Providers Network, continues to monitor and maintain recordkeeping key performance indicators. A records business plan is monitored and reviewed on a regular basis to ensure effectiveness and efficiency whilst providing a quality recordkeeping system. Durack has records management policies and procedures in place, and these are communicated to staff through provision of regular training and induction sessions for all staff. Durack staff have access to recordkeeping information via our Records section. The Records section was audited by our external auditors (*Global 2020*) and no non-compliance findings were found. The audit covered:

- Review of Institute record management policies and procedures,
- Review of Recordkeeping Plan,
- Perform State Records Office self-evaluation checklists in consultation with Records Manager.

Durack is now in the process of working through and preparing a project plan for the implementation of digitisation at Durack. This will identify risks, reduce the use of cardboard boxes and paper storage thereby being more environmentally friendly and will reduce the need for storage space.

Recordkeeping training program

A records awareness training program was carried out throughout 2013. A high number of staff attended the records awareness and induction training session including some records refresher training. Feedback from all sessions was utilised to evaluate the effectiveness of the training and to identify opportunities for continuous improvement.

To align with Durack's paper saving strategy, records staff will continue to place all recordkeeping training information and instructions on Durack's intranet pages.

Training was delivered to all levels of staff and included staff at Geraldton, Carnarvon and Exmouth campuses. This resulted in a continued overall improvement in the uptake and correct usage of the records system.

The efficiency and effectiveness of the recordkeeping training program

Recordkeeping training is reviewed regularly by the records team, particularly after each training session and an overall review is made on an annual basis. Amendments are made to the training when and where required.

The organisation's induction program

The records management induction for new staff is fully integrated into Durack's formalised induction program. This session addresses employees' roles and responsibilities with regards to compliance, mail management, file management, archival management and overall records management. All information relevant to record keeping at Durack Institute of Technology is available to staff via the Institute's intranet or through the records staff.

Government Policy Requirements

Occupational Safety, Health and Injury Management

Statement of commitment to occupational safety and health, and injury management.

Durack Institute of Technology recognises and accepts its statutory obligations under the Western Australian Occupational Safety and Health Act 1984. The Institute is committed to providing a safe and healthy environment for all employees, students, volunteers, visitors and contractors ensuring they are not exposed to hazards which may result in injury or harm to their health. The Institute is committed to maximising opportunities for continuous improvement and reviewing its safety performance.

Durack management are responsible for the implementation of the Occupational Safety and Health (OSH) Policy within their workplace and organisational area. This responsibility includes:

- integrating OSH into all aspects of work practices,
- planning, developing, implementing and monitoring safe systems of work to maximise opportunities for continuous improvement in safety performance,
- managing risks as far as practicable within the working environment,
- providing adequate information, training and supervision for all staff, contractors and visitors to ensure they are able to work in a safe and healthy working environment.

Occupational Safety and Health - for Managers

Durack provided annual training sessions in Occupational Safety and Health for managers and supervisors that updated legislative knowledge, provided examples of best practice and outlined the responsibilities in promoting and ensuring a safe workplace.

Formal mechanism for consultation with employees on occupational safety and health matters.

The Institute actively seeks consultation with employees on occupational safety and health matters through the following systems:

- OSH Policy Statement – Outlining management and staff commitment to consult and cooperate on OSH matters and support and promote OSH in the workplace.
- OSH Committee – Membership representation consists of management and OSH Representatives from a large cross section of Durack staff. Outlined in the Terms of Reference the OSH Committee takes a consultative and collaborative approach to meet its outcomes and objectives, reporting and making recommendations on OSH matters to the Institute's Corporate Executive and Managing Director. The OSH Committee meets monthly, holding ten meetings per year. Each of the four members of Corporate Executive will attend one meeting annually.
- OSH Representatives – Elected by their colleagues, OSH Representatives provide an invaluable role offering advice and support on workplace safety concerns from staff and management. Every departmental area is represented, including each of the regional campuses.
- Regular Workplace Inspections – Conducted in conjunction with the elected OSH Representative and area Director, regular inspections ensure compliance and standards are met and adhered to.
- Accident/Incident and Near Miss/Hazard Reporting – Reporting methods are available to all staff, students, visitors and contractors. Each report is investigated by management and OSH Representative. All reports are tabled at the OSH Committee meetings and outcomes are communicated back to the person who originally submitted the report.
- OSH Working Groups – Consisting of management and staff representatives formed when necessary to develop new policies, procedures and systems of work.

Statement of compliance with injury management requirements of the Workers' Compensation and Injury Management Act 1981

Durack is committed to injury management support to all workers who sustain a work related injury or illness in accordance with the Workers' Compensation and Injury Management Act 1981. The Institute is committed to providing a safe return to meaningful work and supporting the injured employee. Durack will provide assistance to ill or injured employees to facilitate their return to work as soon as practicable.

The injury management system is an established process for coordinating and managing the aspects of injury management in order to facilitate the return of an injured employee to meaningful employment. Durack will facilitate the Injury Management System Policy through an Injury Management Guide.

The injury management system supports the Policy for Injury Management and Workers Compensation (HR013P) and outlines the steps to be taken to assist an injured employee return to work following a work related injury or illness. Injury management aims to achieve:

- Return to the same position, or modified position/role.

- Where unable to return to the same position, deployment to another position within the organisation.
- Re-training for a position within another organisation.

The injury management system is implemented at the time a worker reports a work related injury or illness and continues until a full return to work has been achieved or is no longer a realistic goal. This is determined in consultation with the injured employee, the treating medical practitioner, Durack Institute of Technology, RiskCover and where engaged a vocational rehabilitation service provider. The documentation associated with the injury management system will be a Return to Work Plan.

Assessment of occupational safety and health management systems

In 2013 the Institute purchased an OSH software program, MyOSH Classic. This program will enable the Institute to better maintain records and monitor safety in the workplace.

In November 2011 Durack engaged an external consultant to conduct a 'WorkSafe Audit of the Workplace'. Recommendations for improvement were provided and Durack has currently completed 100 (73%) of the 140 recommendations. The implementation of MyOSH will assist with the finalisation of a substantial number of audit items.

The following table summarises OSH and Injury Management Performance for 2013:

Indicator	Actual Results			2013 Target	Results against Target Comment on results
	2011	2012	2013		
Number of fatalities	0	0	0	Zero (0)	Achieved
Lost time injury/disease (LTI/D) incidence rate	1.44%	0.46%	2%	Zero (0) or 10% improvement on previous three (3) years	Not Achieved
Lost time injury severity rate	33%	0%	31.5%	Zero (0) or 10% improvement on previous three (3) years	Not Achieved
Percentage of injured workers returned to work within: (i) 13 weeks (ii) 26 weeks				≥ 80% return to work within 26 weeks	Not Achieved
Percentage of managers trained in occupational safety, health and injury management responsibilities	90%	67%	89%	≥ 80%	Target Achieved