

DEPARTMENT OF TRAINING

FINAL FINANCIAL STATEMENTS

FOR THE PERIOD 1 JULY 2002 to 2 FEBRUARY 2003

DEPARTMENT OF TRAINING FINAL REPORT

Certification of Financial Statements

For The period 1 July 2002 to 2 February 2003

The accompanying financial statements of the Department of Training have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the period ending 2 February 2003 and the financial position as at 2 February 2003.

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

A handwritten signature in black ink, appearing to read 'Kevin Smith', with a stylized flourish at the end.

Kevin Smith
Director, Financial Management and Analysis

Department of Education and Training

(Reporting Officer)

17 June 2003



AUDITOR GENERAL

To the Parliament of Western Australia

DEPARTMENT OF TRAINING

FINANCIAL STATEMENTS FOR THE PERIOD JULY 1, 2002 TO FEBRUARY 2, 2003

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit opinion relates to the final financial statements of the Department of Training for the period July 1, 2002 to February 2, 2003 included on the Department of Education and Training's web site. The Director General of the Department of Education and Training is responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The audit opinion refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these statements. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Scope

I have audited the final accounts and financial statements of the Department of Training for the period July 1, 2002 to February 2, 2003 under the provisions of the Financial Administration and Audit Act 1985.

The Director General was responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rested with the Director General. Following the abolition of the Department with effect from February 3, 2003, the Treasurer appointed a Reporting Officer under the provisions of section 65A of the Act, who was responsible for preparing and presenting the final financial statements.

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

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

Department of Training

Financial statements for the period July 1, 2002 to February 2, 2003

Audit Opinion

In my opinion,

- (i) the controls exercised by the Department of Training provide reasonable assurance that the receipt and expenditure of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, Output Schedule of Expenses and Revenues and Summary of Consolidated Fund Appropriations and Revenue Estimates and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Department at February 2, 2003 and its financial performance and its cash flows for the period then ended.

A handwritten signature in black ink, appearing to read 'D D R Pearson', with a stylized, cursive script.

D D R PEARSON
AUDITOR GENERAL
June 26, 2003

**DEPARTMENT OF TRAINING FINAL REPORT
STATEMENT OF FINANCIAL PERFORMANCE
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

		1/7/02 - 2/2/03	2001/02
	Notes	\$'000	\$'000
COST OF SERVICES			
Expenses From Ordinary Activities			
Employee Expenses	4	18 376	30 556
Services and Supplies	5	22 647	35 270
Grants, Subsidies and Training Services	6	212 419	360 015
Borrowing Costs Expense	7	3	7
Depreciation Expense	8	1 651	2 754
Capital User Charge		1 826	3 938
Other Expenses from Ordinary Activities	11	293	207
Total Cost Of Services		257 215	432 747
Revenues From Ordinary Activities			
<i>Revenue from operating activities</i>			
User Fees and Charges	12	5 887	10 781
Commonwealth Grants and Contributions	13	53 053	103 372
Trading Profit	10	296	883
<i>Revenue from non operating activities</i>			
Net Profit on Disposal of Non Current Assets	9	1	12
Other Revenues from Ordinary Activities	14	1 549	1 511
Total Revenues From Ordinary Activities		60 786	116 559
NET COST OF SERVICES	32	(196 429)	(316 188)
REVENUES FROM GOVERNMENT			
Output Appropriations	15	194 930	316 904
Resources Received Free of Charge	16	123	104
Liabilities Assumed by the Treasurer	17	98	200
Total Revenues From Government		195 151	317 208
CHANGE IN NET ASSETS		(1 278)	1 020
Net Increase/(Decrease) in Asset Revaluation Reserve	31	884	626
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH WA STATE GOVERNMENT AS OWNERS		(394)	1 646

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

**DEPARTMENT OF TRAINING FINAL REPORT
STATEMENT OF FINANCIAL POSITION
AS AT 2 FEBRUARY 2003**

		As at 2/2/03	As at 30/6/02
	Notes	\$'000	\$'000
CURRENT ASSETS			
Cash Assets	18	23 190	20 759
Restricted Cash Assets	19	7 048	11 388
Receivables	20	2 843	2 298
Inventories	21	4 584	232
Amounts Receivable For Outputs	22	0	1 453
Other Assets	23	6 346	4 602
Total Current Assets		44 011	40 732
NON CURRENT ASSETS			
Amounts Receivable For Outputs	22	4 415	2 065
Property, Plant, Equipment and Vehicles	24, 25	14 014	13 423
Works of Art	26	117	117
Other Assets	23	0	61
Total Non Current Assets		18 546	15 666
TOTAL ASSETS		62 557	56 398
CURRENT LIABILITIES			
Payables	27	3 473	1 623
Provisions	28	4 817	4 833
Interest Bearing Liabilities	29	3	5
Other Liabilities	30	10 994	6 478
Total Current Liabilities		19 287	12 939
NON CURRENT LIABILITIES			
Provisions	28	1 628	1 422
Interest Bearing Liabilities	29	2	3
Total Non Current Liabilities		1 630	1 425
Total Liabilities		20 917	14 364
EQUITY			
Accumulated Surplus	31	29 357	30 635
Asset Revaluation Reserve	31	12 283	11 399
Total Equity		41 640	42 034
TOTAL LIABILITIES AND EQUITY		62 557	56 398

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

**DEPARTMENT OF TRAINING FINAL REPORT
STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

1/7/02 - 2/2/03

2001/02

	Notes	\$'000	\$'000
CASH FLOWS FROM GOVERNMENT			
Output Appropriations		192 580	313 386
Holding Account Drawdowns		1 453	0
NET CASH PROVIDED BY GOVERNMENT		194 033	313 386
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee Costs		(18 825)	(28 142)
Supplies and Services		(25 865)	(35 792)
Grants, Subsidies and Training Services		(210 086)	(359 297)
Capital User Charge		(1 732)	(3 555)
GST Payments on Purchases		(4 791)	(7 937)
Other Payments		0	(80)
Receipts			
User Fees and Charges		7 385	10 423
Commonwealth Grants and Contributions		53 172	103 139
Trading Activity and Other		1 379	2 988
GST Receipts		4 636	8 227
NET CASH PROVIDED BY / (USED IN) OPERATING ACTIVITIES	32 b	(194 727)	(310 026)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of Non-Current Physical Assets		(1 212)	(2 528)
Proceeds From Sale of Non-Current Physical Assets		0	6
NET CASH PROVIDED BY / (USED IN) INVESTING ACTIVITIES		(1 212)	(2 522)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance Lease Repayment of Principal		(3)	0
NET CASH PROVIDED BY / (USED IN) FINANCING ACTIVITIES		(3)	0
NET INCREASE (DECREASE) IN CASH HELD		(1 909)	838
Cash Assets At The Beginning Of The Financial Year		32 147	31 309
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	32 a	30 238	32 147

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

**DEPARTMENT OF TRAINING FINAL REPORT
OUTPUT SCHEDULE OF EXPENSES AND REVENUES
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

		Training Services		Employment Programs		TOTAL	TOTAL
		1/7/02 - 2/2/03	2001/02	1/7/02 - 2/2/03	2001/02	1/7/02 - 2/2/03	2001/02
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Notes							
COST OF SERVICES							
Expenses From Ordinary Activities							
Employee Expenses	4	14 472	23 536	3 904	7 021	18 376	30 556
Services and Supplies	5	19 886	29 766	2 761	5 503	22 647	35 270
Grants, Subsidies and Training Services	6	199 795	340 578	12 624	19 437	212 419	360 015
Borrowing Costs Expense	7	2	6	1	1	3	7
Depreciation Expense	8	1 436	2 417	215	337	1 651	2 754
Capital User Charge		1 552	3 347	274	591	1 826	3 938
Other Expenses from Ordinary Activities	11	265	191	28	16	293	207
Total Operating Expenses		237 408	399 841	19 807	32 906	257 215	432 747
Revenues From Ordinary Activities							
<i>Revenue from operating activities</i>							
User Fees and Charges	12	5 881	10 535	6	246	5 887	10 781
Commonwealth Grants and Contributions	13	52 978	102 201	75	1 171	53 053	103 372
Trading Profit	10	296	883	0	0	296	883
<i>Revenue from non operating activities</i>							
Net Profit on Disposal of Non Current Assets	9	1	10	0	2	1	12
Other Revenues from Ordinary Activities	14	1 533	1 511	16	0	1 549	1 511
Total Revenues From Ordinary Activities		60 689	115 140	97	1 419	60 786	116 559
NET COST OF SERVICES	32	(176 719)	(284 701)	(19 710)	(31 487)	(196 429)	(316 188)
REVENUES FROM GOVERNMENT							
Output Appropriations	15	175 423	285 402	19 507	31 502	194 930	316 904
Resources Received Free Of Charge	16	110	90	13	14	123	104
Liabilities Assumed by The Treasurer	17	88	153	10	47	98	200
Total Revenues From Government		175 621	285 645	19 530	31 563	195 151	317 208
CHANGE IN NET ASSETS		(1 098)	944	(180)	76	(1 278)	1 020

The Output Schedule of Expenses and Revenue should be read in conjunction with the accompanying notes.

**WESTERN AUSTRALIAN DEPARTMENT OF TRAINING
FINAL REPORT - SUMMARY OF CONSOLIDATED FUND
APPROPRIATIONS AND REVENUE ESTIMATES**

FOR THE PERIOD ENDING 2 FEBRUARY 2003

ANNUAL REPORT - SUMMARY OF CONSOLIDATED FUND APPROPRIATIONS AND REVENUE ESTIMATES				1/7/02-2/2/03			2001-02			
FOR THE PERIOD ENDING 2 FEBRUARY 2003				Note	ANNUAL ESTIMATE \$' 000	ACTUAL (a) \$' 000	VARIANCE \$' 000	ESTIMATE \$' 000	ACTUAL \$' 000	VARIANCE \$' 000
PURCHASE OF OUTPUTS										
Item 58 - Net Amount appropriated to purchase outputs					324,299	194,811	129,488	326,082	316,712	9,370
Amount Authorised by Other Statutes										
Salaries and Allowances Act 1975					192	119	73	192	192	-
Total appropriations provided to purchase outputs					324,491	194,930	129,561	326,274	316,904	9,370
Details of Expenditure by Outputs										
1 Vocational Education and Training Services					409,746	237,408	172,338	409,667	399,841	9,826
2 Employment programs					37,802	19,807	17,995	46,509	32,906	13,603
Total cost of outputs					447,548	257,215	190,333	456,176	432,747	23,429
Less Retained Revenue					(122,413)	(60,786)	(61,627)	(121,810)	(116,559)	(5,251)
Net Cost of Outputs					325,135	196,429	128,706	334,366	316,188	18,178
Adjustment for movement in cash balances and other accrual items					(644)	(2,952)	2,308	(9,545)	716	(10,261)
Total appropriations provided to purchase outputs					324,491	193,477	131,014	324,821	316,904	7,917
CAPITAL										
Holding account draw-downs					-	1,453	(1,453)	1,453	-	1,453
Total capital expenditure										
GRAND TOTAL OF APPROPRIATIONS					324,491	194,930	129,561	326,274	316,904	9,370
Details of Revenue Estimates										
Revenues disclosed as Operating Revenues										
Other					-	-	-	-	-	-
Total Revenue Estimates					-	-	-	-	-	-

Note (a) The Department of Training was abolished 2 February 2003 and merged with Education Department effective 3 February 2003 to become the new Department of Education and Training. The actual shown for 2002-03 is for the period 1 July 2002 to 2 February 2003. A budget transfer under section 25 of the FAAA was made 3 February 2003 of \$129.561m to the new Department of Education and Training.

(b) An explanatory statement relating to significant variations would not be meaningful as the comparative reporting period and the budget estimates are for 12 months and the final report actual results represent a 7 month period ending 2 February 2003.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

Final Report of the Department

The Department of Training was abolished 2 February 2003 and merged with Education Department effective 3 February 2003 to become the new Department of Education and Training. This is the Final Report of the Department of Training and is prepared in accordance with section 65A of the Financial Administration and Audit Act.

The financial result reported for 2002-03 is for the period 1 July 2002 to 2 February 2003.

Accounting Policy Notes

1 Departmental Mission and Funding

The Department's mission is to strategically manage, develop, and grow the State's investment in the employment and training of Western Australians.

The Department's role is principally assisting the Minister in the administration of the Vocational Education and Training (VET) Act 1996.

The Department is predominantly funded by Parliamentary appropriations. The Institutions within the Department deliver some training courses on a fee-for-service basis determined by prevailing market forces. The financial statements encompass all Funds through which the Department controls resources to carry on its functions.

The financial statements of the Department incorporate the institutions established under the VET Act 1996, the Office of the State Training Board and the Training Accreditation Council.

In the process of reporting on the Department as a single entity, all intra-entity transactions and balances have been eliminated.

2 Significant Accounting Policies

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

General Statement

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

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

Basis of Accounting

The financial statements have been prepared in accordance with Accounting Standard AAS 29.

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

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

(a) Output Appropriations

Output appropriations are recognised as revenues in the period in which the Department gains control of the appropriated funds. The Department gains control of the appropriated funds at the time those funds are deposited into the Department's bank account or credited to the holding account held at the Department of Treasury and Finance. Refer to note 15 for further commentary on output appropriations.

(b) Net Appropriation Determination

Pursuant to section 23A of the Financial Administration and Audit Act, the net appropriation determination by the Treasurer provides for retention of the following moneys received by the Department.

- Commonwealth specific purpose grants and contributions:
- proceeds from fees and charges:

Retained revenues may only be applied to the outputs specified in the 2002-2003 Budget Statements.

(c) Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the Department obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

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

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

(d) Revenue Recognition

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

(e) Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental cost directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

(f) Depreciation of Non-Current Assets

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

Depreciation is calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Buildings	40 - 50 years
Motor Vehicles, Marine Crafts and Trailers	4 - 8 years
Plant, Furniture, General Equipment	4 - 14 years
Computing, Communications & Software	2 - 14 years

Works of Art controlled by the Department are classified as heritage assets. They are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

(g) Revaluation of Land and Buildings

The Department has a policy of valuing land, buildings and infrastructure at fair value. These are based on the following methods:

- * Land: 'Current Existing Use' valuation basis for primarily all Crown Land and 'Current Market Valuation' basis for freehold title land.
- * Buildings: Estimated Replacement Cost based on building area and Market Valuation.
The basis of depreciation at a rate of 2-4% straight line per annum, calculated on the remaining useful life of the building. Effective age is the estimated equivalent age of the building taking into account the year the buildings were built and subsequent maintenance renovation and extensions.

The annual revaluations of the Department's land and buildings undertaken by the Valuer General Office are recognised in the financial statements.

(h) Leases

The Department's rights and obligations under finance leases, which are leases that effectively transfer to the Department substantially all of the risks and benefits incident to ownership of the leased items, are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed as plant, equipment and vehicles under lease and are depreciated to the Statement of Financial Performance over the period during which the Department is expected to benefit from use of the leased assets. Minimum lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

The Department has entered into a number of operating lease arrangements for the rent of the office building where the lessor effectively retains all of the risks and benefits incident to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(i) Cash

For the purpose of the Statement of Cash Flows, "cash" includes cash on hand and amounts in suspense, cash at bank and restricted cash.

(j) Accrued Salaries

The accrued salaries suspense account consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur in that year instead of the normal 26. No interest is received on this account.

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of financial year end. The Department considers the carrying amount of accrued salaries to be equivalent to the net fair value.

(k) Inventories

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

(l) Receivables

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

Collectability of accounts receivable is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where doubts as to collection exists.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

(m) Payables

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

(n) Employee Benefits

Annual Leave

This benefit is recognised at the reporting date in respect to employees' service up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provision for employee benefits and is measured at the nominal amounts expected to be paid when the liability are settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

The method of measurement of the liability is consistent with the requirements of Accounting Standard AASB 1028 "Employee Benefits"

Superannuation

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

All of these schemes are administered by the Government Employees Superannuation Board (GESB).

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme; and
- (ii) employer contributions paid to the Gold State Superannuation Scheme and the West State Superannuation Scheme.

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

A revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The Department is funded for employee contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

Employee Benefit On-Costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses.

(o) Resources Received Free of Charge or For Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses as appropriate at fair value.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDING 2 FEBRUARY 2003**

(q) Capital User Charge

A capital user charge rate of 8% has been set by the Government and represents the opportunity cost of capital invested in the net assets of the Department used in provision of outputs. The charge is calculated on the net assets adjusted to take into account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.

(r) Comparative Figures

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

Also, comparative figures for notes, 36 *"Resources provided free of charge"*, 37 *"Related and Affiliated Bodies"* and 41 *"Financial Instruments"* have been slightly amended to reflect correct balances.

(s) Rounding

Amounts in the financial statements have been rounded to the nearest thousand dollars.

3 Outputs of the Department

Information about the Department's outputs and, the expenses and revenues which are reliably attributable to those outputs is set out in the Outputs Schedule.

The two key outputs of the Department:

Output 1: Vocational Education and Training Services

The strategic management of the investment of government resources in the State VET system including the planning, purchasing and monitoring of VET services.

Output 2: Employment Programs

To improve the employment environment in WA through a number of initiatives that assist job-seekers, industry and the community in general.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS**

	1/7/02 - 2/2/03 \$'000	2001/02 \$'000
4 Employee Expenses		
Salaries (a)	15 884	25 882
Change in employee entitlements provision	396	1 415
Other Staffing Costs	516	796
Superannuation	1 580	2 463
	<u>18 376</u>	<u>30 556</u>

(a) This also includes oncosts relating to superannuation and WorkCover premiums associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee entitlement liabilities at Note 28.

	Expenses incurred \$'000	Resources received free of charge \$'000	TOTAL 1/7/02 - 2/2/03 \$'000	TOTAL 2001/2 \$'000
5 Services and Supplies				
Communications	2 143	0	2 143	2 818
Energy and Water Costs	139	0	139	194
Fees and Charges	13 873	92	13 965	22 648
Repairs and Maintenance	1 101	0	1 101	2 053
Travel and Transport	1 498	0	1 498	1 277
Rent and Operating Lease Charges	2 186	30	2 216	3 284
Consumable Supplies and Minor Equipment	1 545	0	1 545	2 892
Minor Capital Works	13	0	13	67
Finance Charges	27	0	27	38
	<u>22 525</u>	<u>122</u>	<u>22 647</u>	<u>35 270</u>

6 Grants, Subsidies and Training Services

This expenditure item reflects grants, subsidies and contract service payments for the delivery of training and employment initiatives made by the Department to private training providers and the autonomous public training providers.

Mainstream Delivery of Training and Employment Services	197 185	330 246
Other Operating Grants and Subsidies	5 051	6 686
Capital Grants (a)	10 183	23 083
	<u>212 419</u>	<u>360 015</u>

(a) Capital grants are monies granted to public and private providers and capital works expenditure incurred by the Department on behalf of the public providers.

7 Borrowing Costs Expense

Finance lease finance charges	<u>3</u>	<u>7</u>
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8 Depreciation Expense

Buildings	219	349
Plant, Furniture & General Equipment	197	328
Computer, Communications Equipment & Software	1 234	2 073
Leased Plant, Furniture & General Equipment	1	4
Total	<u>1 651</u>	<u>2 754</u>

9 Net Profit (Loss) on Disposal of Non-Current Assets

Plant, Furniture & General Equipment	0	1
Computer, Communications Equipment & Software	1	11
	<u>1</u>	<u>12</u>

Proceeds from disposal of non-current assets	0	6
Trade-in value from disposal of non-current assets	1	7
Total proceeds on disposal of non-current assets	<u>1</u>	<u>13</u>

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10 Trading Profit

Publications	296	883
Trading Profit	<u>296</u>	<u>883</u>
 Sales	 610	 1 176
Less: Cost of goods sold	314	293
Trading Profit	<u>296</u>	<u>883</u>

11 Other Expenses From Ordinary Activities

Student Prizes / Awards	171	25
Provisions, Losses and Write-offs	17	54
Bad and Doubtful Debts	89	10
Miscellaneous (a)	16	118
	<u>293</u>	<u>207</u>

Write-offs expensed in the Statement of Financial Performance, will differ from the amounts above as most bad debts are written off against the provision for doubtful debts. Amounts written off in accordance with section 45 of the Financial Administration and Audit Act:

By Accountable Officer	17	32
By Minister	0	134
By Executive Council	0	0
	<u>17</u>	<u>166</u>

Losses of public moneys and public and other property through theft or default	17	1
Amount recovered	0	(1)
	<u>17</u>	<u>0</u>

(a) Gifts of Public Properties
Miscellaneous includes Gifts of Public Properties provided by the Department

1	19
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12 User Fees and Charges

Fees and Charges	736	575
Fee For Service	5 151	10 206
	<u>5 887</u>	<u>10 781</u>

13 Commonwealth Grants and Contributions

Recurrent	42 901	89 281
Capital	10 152	14 091
	<u>53 053</u>	<u>103 372</u>

14 Other Revenues from Ordinary Activities

Interest Received	390	639
Recoveries, Refunds and Recoups	858	551
Donations	0	4
Miscellaneous Revenue	301	317
	<u>1 549</u>	<u>1 511</u>

15 Output Appropriations

Appropriation Revenue received during the year:

Output Appropriations (a)	194 930	316 904
	<u>194 930</u>	<u>316 904</u>

(a) Output Appropriations are accrual amounts, reflecting the full cost of outputs delivered. The appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increased in leave liability during the year.

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16 Resources Received Free of Charge

Resources received free of charge have been determined on the basis of the following estimates provided by agencies:

Office of the Auditor General - external audit services	66	82
Department of Industry and Technology	22	0
Department of Housing and Works - property management services *	8	4
Education Department - accommodation and associated charges	0	1
Department of Land Administration - valuation and associated services	1	2
Crown Solicitor's Office - legal services	26	15
	123	104

Where assets or services have been received free of charge or for nominal consideration, the Department recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

17 Liabilities Assumed by the Treasurer

Superannuation	98	200
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Where a liability has been assumed by the Treasurer or other entity, the Department recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability. For 2002/03, the balance relates to the Pension Scheme.

From 1 July 2001 employer contributions were paid to the GESB in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. The associated funding for these contributions is included under Output Appropriations (under Revenues from Government) at Note 15.

18 Cash Assets

Cash on Hand and other amounts in suspense	30	18
Operating Bank Account	23 160	20 741
	23 190	20 759

19 Restricted Cash Assets

Commonwealth Specific Purpose Funds	2 953	5 934
Capital Program Trust Account (a)	2 095	3 658
Income Tax Deductions Account	282	48
Salaries Deduction Account	1	31
Accrued Salaries Suspense Account (b)	1 717	1 717
	7 048	11 388

- (a) Capital Funds comprise Commonwealth and State Funds designated for Capital Works Program.
(b) Amount held in suspense account is only to be used for the purpose of meeting the 27th pay in a financial year that occurs every 11 years

20 Receivables

Receivables includes general debtors, student debtors and over paid salaries.

Receivables	1 823	1 355
Provision for doubtful debts	(91)	(2)
GST Receivable	1 111	945
Net Receivables	2 843	2 298

21 Inventories

Non Trading Inventory - Equipment	4 417	27
Trading Inventory - Publications	167	205
	4 584	232

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22 Amounts Receivable For Outputs

Current	0	1 453
Non-current	4 415	2 065
	4 415	3 518

This represents the non-cash component of output appropriations. It is restricted in that it can only be used for asset replacement or payment of leave liability.

23 Other Assets

Current		
Prepayments	3 813	3 950
Accrued Income	2 533	652
	6 346	4 602
Non Current		
Prepayments	0	61

24 Non Current Assets

Property, Plant, Equipment and Vehicles

Land		
At Fair Value (a)	3 570	3 574
	3 570	3 574
Buildings		
At Fair Value (a)	15 000	14 005
Accumulated Depreciation	(9 219)	(8 893)
Written Down Value	5 781	5 112

(a) The revaluation of land and buildings was performed in July 2002 in accordance with an independent valuation by the Valuer General's Office.

Fair value has been determined on the following basis:

- * Land: 'Current Existing Use' valuation basis for primarily all Crown Land and 'Current Market Valuation' basis for freehold title land.
- * Buildings: Estimated Replacement Cost based on building area and Market Valuation.
The basis of depreciation at a rate of 2-4% straight line per annum, calculated on the effective age of the building. Effective age is the estimated equivalent age of the building taking into account

Plant, Furniture & General Equipment - At Cost	2 668	2 505
Accumulated Depreciation	(1 539)	(1 372)
Written Down Value	1 129	1 133
Computer, Communications Equipment & Software - At Cost	12 959	12 657
Accumulated Depreciation	(9 433)	(9 063)
Written Down Value	3 526	3 594
Leased Plant, Furniture & General Equipment	21	21
Accumulated Depreciation	(13)	(11)
Net Value	8	10
Total Property, Plant, Equipment and Vehicles	14 014	13 423

25 Reconciliations

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current financial year are set out below.

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26 Works of Art

At Valuation

117 117

The valuation of works of art is in accordance with an independent valuation which was undertaken by

27 Payables

Accounts Payable for Goods and Services Received
Payroll Related Deductions Suspense Accounts

3 190	1 545
283	78
3 473	1 623

28 Provisions

Employee Entitlements

(a) Current

Annual Leave
Long Service Leave

2 001	2 148
2 816	2 685
4 817	4 833

(b) Non Current

Long Service Leave

1 628	1 422
1 628	1 422

total

6 445	6 255
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The settlement of annual and long service liabilities give rise to the payment of employment on-costs including superannuation and WorkCover premiums. The liability for such on-costs is included here. The associated expense is included under Salaries (under Employee Expenses) at Note 4.

29 Interest Bearing Liabilities

(a) Current

Leased Plant, Furniture & General Equipment

3	5
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(b) Non Current

Leased Plant, Furniture & General Equipment

2	3
5	8

30 Other Current Liabilities

Current

Income Received in Advance
Accrued Expenses for Goods and Services Received
Accrued Salaries
Other

4 296	2 713
6 498	2 447
104	1 260
96	58
10 994	6 478

31 Equity

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

(a) Accumulated Surplus

Opening balance
Change in net assets
Closing balance

30 635	29 615
(1 278)	1 020
29 357	30 635

(b) Asset Revaluation Reserve

Opening balance
Revaluations During the Year (i)

11 399	10 773
884	626
12 283	11 399

(i) Revaluations recognised during the year were in respect of:

Land
Buildings

(4)	349
888	277
884	626

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32 Notes to the Statement of Cash Flows

a) 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 Assets (Note 18)	23 190	20 759
Restricted Cash Assets (Note 19)	7 048	11 388
Total cash as at year end	30 238	32 147

b) Reconciliation of Net Cash Flows Provided by / (Used in) Operating Activities to the Net Cost of Services:

Net cash provided by / (used in) operating activities	(194 727)	(310 026)
<i>Change in Operating Assets and Liabilities</i>		
Increase/(Decrease) in receivables	379	(654)
Increase/(Decrease) in inventories	3 453	(5)
Increase/(Decrease) in prepayments	(179)	836
(Increase)/Decrease in payables	(591)	422
(increase)/Decrease in liability for employee entitlements	(396)	(1 415)
(Increase)/Decrease Income Advances	(1 582)	313
(Increase)/Decrease in other current liabilities and accrued expenses	(2 933)	(275)
Increase/(Decrease) in accrued income	1 881	(1 928)
<i>GST Cashflows recoverable from ATO</i>	155	(291)
<i>Adjustments for non cash items</i>		
Profit / (Loss) on disposal on non-current assets	1	12
Depreciation Expense	(1 651)	(2 753)
Write-off and losses	(106)	(64)
(Add) / Less prior year & non cash adjustments	87	(56)
Resources received free of charge	(122)	(104)
Notional superannuation (liability assumed by the Treasurer)	(98)	(200)
Net cost of services as per statement of financial performance	(196 429)	(316 188)

33 Lease Commitments

(a) Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities are payable:

Within 1 year	2 041	2 254
Later than 1 year and not later than 5 years	2 694	2 925
	4 735	5 179

Representing:

Cancellable operating leases	17	0
Non-cancellable operating leases	4 718	5 178
Future finance charges on finance leases	0	1
	4 735	5 179

(b) Finance Lease Commitments

At the reporting date, the Department had the following obligations under finance leases (these obligations are recognised as liabilities, refer to note 29)

Not later than 1 year	3	5
Later than 1 year and not later than 5 years	2	3
Later than 5 years	0	0
Minimum lease payments	5	8
Less future finance charges	0	(1)
Finance lease liabilities	5	7

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Included in the financial statements as:

Current (Note 29)	3	5
Non-current (Note 29)	2	3

(c) Non-Cancellable Operating Lease Commitments

At the reporting date, the Department had the following obligations under non-cancellable operating leases (these obligations are not recognised as liabilities).

Not later than 1 year	2 024	2 254
Later than 1 year and not later than 5 years	2 694	2 925
Total	4 718	5 179

34 Expenditure Commitments

General expenditure commitments (a)

Within 1 year	223 953	125 191
Later than 1 year and not later than 5 years	425	3
	224 378	125 194

(a) Includes commitments for 2003 College resource agreements of approximately \$201M

Capital expenditure commitments

Within 1 year	7 579	5 454
Later than 1 year and not later than 5 years	0	3 170
	7 579	8 624

Total	231 957	133 818
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The capital commitments include amounts for:

Buildings	7 579	8 624
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35 Remuneration of Senior Officers

Remuneration

The Senior Officers include the Director General, General Managers of the Department, the Managing Director of Tafe International WA and the General Manager of WestOne. The number of Senior Officers whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

	7 months No.	12 months No.
\$70,001 - \$80,000	6	0
\$110,001 - \$120,000	0	4
\$120,001 - \$130,000	0	2
\$150,001 - \$160,000	1 *	0
\$230,001 - \$240,000	0	1
	\$'000	\$'000

The total remuneration of Senior Officers is:	599	954
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The superannuation included here represents the superannuation expense incurred by Department in respect of senior officers.

No senior officers are members of the Pension Scheme.

* Remuneration excludes a termination payment made to the outgoing Director General on 28 February 2003 of \$110 834, which included accrued leave of \$53 659.

**DEPARTMENT OF TRAINING FINAL REPORT
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36 Resources Provided Free of Charge

The following types of services are provided to other government agencies free of charge for functions outside the normal operations of the Department:

- Marketing & Publications
- Delivery Support Systems - Wide Area Network
- College Management Information Systems Support
- Accounting Services
- Asset & Building Management Services
- Industrial Relations Support
- Fees, Taxes and other expenses incurred on behalf of Colleges

The estimated value of these services provided to the following agencies are:

Central Metropolitan College	1 589	2 757
Central West College	365	436
Challenger TAFE	905	1 508
CY O'Connor College	217	318
Eastern Pilbara College	169	321
Great Southern Regional College	244	423
Kalgoorlie Campus of Curtin University	11	20
Kimberley College	170	320
Midland College	426	718
South East Metropolitan College	813	1 411
South West Regional College	377	654
* Swan TAFE	1	0
West Coast College	874	1 335
West Pilbara College	132	211
	<hr/>	<hr/>
	6 293	10 432

* As from 31 December, 2002 South East Metro and Midland Colleges ceased and merged to become Swan TAFE effective from 1 January, 2003.

Note: Comparative figures for 2001-02 have been amended as the value of these resources has been re-estimated.
Previous balance for 2001/02 was \$8.078m.

37 Related and Affiliated Bodies

A related body is a body which receives more than half of its funding and resources from the Department and is subject to operational control by the Department. As such, the Department has no related bodies for 2002/2003 and 2001/2002.

An affiliated body is a body which receives more than half of its funding and resources from the Department but is not subject to operational control by the Department. Due to the number of agencies funded by the Department, rather than identifying which bodies are non-government affiliated bodies, the Department has decided to disclose all non-government bodies to which the Department has provided assistance to in the form of grants and subsidies during the reporting period. Details are as listed below.

5 Star Training Resources Pty	13	0
Abmusic	555	930
Aboriginal Group Training	0	78
Academie ACCOR	3	13
Aged Care Speech and Pathology Education Services	2	0
Agtrain Services	13	10
AISWA	321	287
Albany & Districts Skills Training Committee	0	34
Albany Business Centre	0	73
Albany Worklink Inc	282	313
Alexander College	8	48
AMA Services (WA) Pty Ltd	299	0
Ang. Health/Welfare Ser - Anglicare	9	0
Anglicare WA	244	467
Apprenticeship and Traineeship Company - Midwest, The	82	0
Apprenticeship and Traineeship Company - South West, The	148	200
AQIS Training Services	222	330
Armadale Community Family Centre	0	1
Armadale/Kelmscott Joblink	71	154
Arts, Sport & Recreation ITC	146	230
ASCET TAFE Pty Ltd	2	3
Association for the Blind of Western Australia (Inc)	60	76
ATC - Midwest	0	0
ATS Arrow Training Services	54	0

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Atsim Bible College	68	31
Augusta Telecentre Inc	0	14
Austral Training and Human Resources Pty Ltd	18	0
Australasian Hotel Services Pty Ltd	74	144
Australian Asian Association	36	0
Australian Child Care Academy	1	1
Australian College of Hair Design and Beauty	0	1
Australian Institute of Legal Secretaries	1	2
Australian Medical Association of WA	2	0
Australian Nail Academy	0	1
Australian Open Learning Institute	3	0
Australian Qualifications Framework Advisory Board	0	38
Australian Red Cross (WA Division)	7	27
Australian Retailers Association	13	0
Australian School of Tourism and Hotel Management	265	815
Automotive Training Australia	90	149
Automotive Training and Technology Centre	28	25
Avon Catchment Council	0	88
Avon Personnel and Training	3	13
Balga Joblink	560	173
Bateman Primary School P&C Asso	2	10
Beacon Telecentre	5	0
Bedford Workforce	99	110
Bega Gambirringu Health Services Aboriginal Corporation	52	32
Belmont BEC Inc	0	78
Bencubbin Telecentre	5	0
Bennett Brook Catchment Group	0	10
Beverley Community Resource & TC	7	0
Bloodwood Tree Association	171	203
Boogularri Community House Inc	12	22
Boyup Brook Telecentre	0	16
Brandrill Limited	15	0
Bremer Bay Telecentre	5	0
Bridgetown Telecentre Inc	10	0
Bridging the Gap Rockingham/Kwinana	287	583
Bridging the Gap South	96	196
Broadening Horizons	0	19
Brookman Primary P & C Assoc	1	0
Broome C.I.R.C.L.E. Inc	5	0
Broome Enterprise Centre	0	28
Building & Construction ITC	98	177
Bunbury Wellington Economic Alliance	15	0
Business Horizon	6	0
Business Starters Training and Advice Centre	64	82
Busselton Dunsborough Business Enterprise Centre	0	41
Busselton Hospice Care	0	1
Career Pursuits	4	0
Catholic Education Office WA	550	446
Catholic Migrant Resource Centre Employment Project	105	116
CCI Skills Centre	0	3
CCI Training Services	343	919
Central Area Regional Training Scheme Inc	430	402
Central Coastal Districts Business Enterprise Centre	0	18
Central Great Southern BEC	0	22
Central Midlands Business Enterprise Centre	0	24
Central Wheatbelt Enterprise Centre Inc	7	6
Centrecare Skills Training Centre	141	277
Clontarf Aboriginal Football	109	77
Coastal & Rural Training	151	74
Cockburn Vocational Centre Inc	7	0
College of Electrical Training Inc (C.E.T.)	520	851
College of Retail Training	188	216
Colley Muir & Associates	0	1
Collie & District Enterprise Agency Inc	13	18
Combined Team Services	80	0
Community & Youth Training Services	42	111
Community Arts Network (WA) Inc	0	8
Community Development Fdn	24	0
Community Housing Coalition of WA Inc	0	147
Community Services, Health and Education ITC	107	216

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CorpfIt Training Services	0	0
Corrigin Community Telecentre	0	20
Co-Scope Joblink	81	182
Council of the Ageing (WA) Inc	0	20
Cunderdin and Districts Telecentre	0	1
Cyber Joblink	55	192
Dandenong Business College Ltd	7	0
Daqua Training Services	0	34
Daughters of Charity WA Ltd	7	0
Denmark Environment Centre	3	0
Denmark Telecentre	0	12
Dental Nursing Australia	183	426
Derby Enterprise Centre	0	15
Derby Senior Citizens Association Inc	0	1
Derby/West Kimberley Skillshare	22	32
Dillon Whitelaw & Associates Pty Ltd	198	369
DOMÉ Inc	198	226
Donnybrook Community Telecentre	0	12
Duncraig SHS P & C Assoc Inc	11	0
E G Green & Sons Pty Ltd	133	0
Earthworks Training & Assessment	3	0
East Kimberley Business Enterprise Centre	0	23
Eastern Districts Business Centre	11	10
Ed French & Associates	1	16
Edge Training Solutions	25	175
Education Au Limited	0	83
Electrical Group Training Ltd	117	198
Empower Education	47	53
Esperance Business Enterprise Centre	0	54
Esperance Com. College SerMgtCom	12	17
Esperance Group Training Scheme Inc	481	287
Essential Personnel	0	22
Ethnic Communities Council of WA Inc	60	0
Ethnic Child Care Resource Unit	0	1
Express Train	0	26
Fairbridge Western Australia Inc	25	74
Farm Information Services Pty Ltd	28	55
Finance, Property & Business Services ITC	109	198
Fletcher International WA	33	395
Flowers Design School	47	50
Food & Beverage ITC	94	176
Foremost Aged Care Training Services	10	0
Forest Heritage Centre Inc	132	329
Forest Industries Training Services (FITS Training)	61	0
Friends of Villa Maria	2	0
FutureStaff Limited	12	16
Gascoyne Business Enterprise Centre	0	14
Geraldton Regional Community Education Centre	23	11
Geraldton Streetwork	34	73
Gingin District Telecentre Inc	3	0
Gnowangerup Aboriginal Corporation	0	4
Gnowangerup Telecentre	0	1
Goldfields Business Enterprise Centre	0	65
Goldfields Group Training	71	238
Goldfields Job Link	0	327
Goldfields Women's Health Care Ass	6	17
Goolari Media Enterprises Pty Ltd	39	63
Goomalling Telecentre	0	16
Gosnells Armadale Business Development Organisation	73	0
Gosnells Women's Health Service Inc	0	12
Goulburn Ovens Institute of TAFE	7	12
Grape Grower's Association of WA	0	25
Greaghlonge Bell Pty Ltd	0	0
Great Southern Group Training Inc	41	65
Green Skills Inc	39	0
Greenbushes Telecentre	0	12
Greenskills	52	228
Group Training Australia	0	22
Halls Creek Telecentre	0	0
Harold Hawthorn - Carlisle Seniors	9	0
Harvest Highway Training Program	0	0
Headquarters - Youth Recreation, Cultural and Arts Centre	0	118
Health Training Australia	91	45

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Hedland Business Information Centre	0	19
Herdsmen Neighbourhood Centre	0	1
Hills Community Support Group Inc	6	166
Holmesglen Institute of TAFE	0	6
Hospitality & Tourism ITC	105	212
Hospitality Group Training WA Inc	230	697
HRD Consulting Pty Ltd	6	0
HTC Vocational Institute Pty Ltd	4	161
Hyden Resource and Telecentre	0	2
IE Learning & Development	2	2
Indian Ocean Group Training Association	41	67
Industryi Pty Ltd - Customised Training Centre	83	0
Interactive Training Network	17	1
ISHAR Multicultural Centre	0	8
Italian Australian Apprentice of the Year Award	0	11
Jerramungup BEC	0	22
Jerramungup Telecentre	0	1
Job Generation Inc	0	208
Joblink Enterprises	228	189
Joblink Joondalup	68	227
Joblink Midwest	406	715
Joblink Midwest Inc	0	0
Jobs Australia Ltd	2	37
Jobs South West	634	696
Jobs West	186	259
Joondalup Business Association	37	33
Joondalup Com. Church of Christ	10	0
Kalamunda U3A Inc	8	0
Kalannie Community Telecentre Inc	3	0
Kambalda Telecentre	5	15
Kangan Bateman TAFE	0	7
Kan-Work Option Centre	57	139
Karratha Business Enterprise Centre Inc	11	10
Karrayili Adult Education	246	689
Kensington Police and Citizens' Youth Club	52	163
KETE	0	86
KIC Excellence in Education	0	36
Kimberley Group Training	128	324
Kojonup Telecentre	0	11
Kondinin Telecentre	0	1
Koorda Telecentre	0	19
KRSP Pty Ltd t/as Kimberley Regional Service Providers	76	196
Kulbardi Aboriginal Centre	0	44
Kuljak Aboriginal Employment and Cultural Centre	108	104
Kununurra Neighbourhood House	0	1
Lakes Link Telecentre	5	0
Lamp Lighter Ministries	1	0
Lancelin Telecentre	0	10
Laverton Leonora Cross Cultural Association	220	97
Learning Centre Link	87	112
Leinster Telecentre	0	1
Leschenault Business Enterprise Centre	1	261
Light Manufacturing ITC	96	211
Lower Great Sthern Com. Living Ass.	8	10
M and EJ Whitby Operator Trainer and Assessor	170	98
Malaga Business Enterprise Centre	0	67
Mandurah Joblink	339	655
Manjimup Chamber of Commerce	3	0
Margaret River Community Resource Centre	0	7
Margaret River Enterprise Centre	0	35
Marine Farmers Association Incorporated	1	0
Marr Mooditj Aboriginal Health College	166	423
Marra Worra Worra	32	54
Master Cleaners Guild of WA (Inc)	3	111
Materials Institute of WA	0	1
McFarleane House Learning Centre Inc	0	1
Meekatharra Telecentre	6	0
Meerilinga Training College	7	19
Men of the Trees	0	3
MercyCare Training	19	0
Merredin Telecentre Inc	8	7
Metals Manufacturing & Services ITC	100	226
Midland Joblink	548	482

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Midland Women's Health Care Place Inc	0	22
Midwest Business Enterprise Centre	0	63
Midwest TAB	0	0
Midwest Training Group (ATC)	8	128
Milligan Foundation Housing Association	7	14
Milligan House, Bunbury	0	3
Mingenew Community Telecentre	0	13
Mirima Council Aboriginal Corporation	0	35
Mission Australia	63	26
Moora Telecentre Inc	0	21
Morawa Community Telecentre Inc	0	20
Morley Training Centre	20	18
Morrison Consulting and Training	7	65
Motor Industry Training Association of WA Inc	602	1 409
Mount Lawley SHS P&C Association	6	15
MPA Skills	727	0
MPA Skills (Formerly Plumbing & Painting Training)	101	0
MTC Consultancy Pty Ltd t/as Core Solutions International	2	0
Mukinbudin Telecentre	0	15
Mullewa Telecentre	0	11
Multicultural Services Centre of Western Australia	141	0
Mundaring Sharing	7	0
Murray Joblink	45	98
Muslim Women Support Centre	2	0
Nannup Telecentre Incorporated	5	1
Narembeen Telecentre	0	22
Narrogin Business Enterprise Centre	0	17
National Corporate Training	1	18
National Insurance Brokers Association of Australia	2	0
Nationwide Transport Training	19	163
Nefarious Films	0	74
Neil Headford and Associates Pty Ltd	55	74
Newdegate Telecentre Inc	0	7
Newman Emp. Taskforce (Jobmate)	0	0
Newman Employment Taskforce	122	118
Newman Jobmate	0	0
Newman YMCA Youth Services Inc	0	4
Ngaanyatjarra Community College	105	23
Ngaanyatjarra Council (corp) Ngaanyatjarra College	234	182
Ngaanyatjarra Health Service	10	55
Ngaanyatjarra Services	0	275
Nindilingarri Cultural Health	0	55
Nirrumbuk Aboriginal Corporation	83	61
Noongar Employment and Enterprise Development Aboriginal Corporation (NEEDAC)	87	53
Norseman District High School	5	0
North Eastern Wheatbelt Local Enterprise Program Inc	11	17
North Midlands Enterprise Agency Inc	0	18
North Perth Migrant Resource Centre	0	191
Northam District BEC	0	39
Northcliffe Telecentre Inc	5	0
Northern Agricultural Catchments Council Inc	0	94
Northern Group Training Ltd t/as NGT Perth	34	8
Northern Suburbs - Stirling Joblink	0	513
Northern Suburbs Career Options	24	312
Northern Suburbs Employment G.S.	12	10
Northern Suburbs Migrant Resource Centre Inc	0	108
Northern Suburbs Youth Options	60	116
Nullagine Telecentre	3	0
Nursery & Garden Industry Australia Ltd	32	37
Ocean Reef Primary School P&C	0	8
Ongerup District Telecentre Inc	0	8
Onslow Employment Project	64	75
Onslow Telecentre	5	0
Outcare Employment and Training	0	0
Outcare Inc	138	76
Over 50's Recreation Ass Albany	6	11
P J MacDonald & Associates	6	86
Peel Area Consultative Committee	0	4
Peel Business Enterprise Centre	35	32
Peel Training & Employment Inc	112	159
Pemberton Community Telecentre	0	1
Pep Employment Services (Inc) (Pep)	356	598
Perenjori Telecommunications & Resource Centre	0	1

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS**

	1/7/02 - 2/2/03 \$'000	2001/02 \$'000
Performance Edge Systems Pty Ltd	0	0
Perth Employment and Enterprise Development Corporation (PEEDAC)	74	0
Perth Harmony Chorus	0	1
Pharmacy Guild of Australia - National Secretariat	162	123
Phone Forward Pty Ltd	4	0
Pilbara Employment Information	0	0
Pingelly Telecentre	0	2
Plumbing and Painting Training Co Inc	0	1 421
Pre-Press Skills Pty Ltd	0	29
Primary ITC	108	203
Process Manufacturing ITC	87	157
Progressive Training	9	20
RAAFA Meadowsprings Computer Group	0	19
Radcliffe Holdings Pty Ltd t/as Satterthwaite Consulting	48	169
Rainbow Coast Neighbourhood Centre	0	19
Ravensthorpe Land Conservation District Committee	3	3
Ravensthorpe District Telecentre	4	10
Read Write Now Rockingham Kwinana Mandurah	0	1
Regional Training Services	206	323
Richardson Business Developers	12	10
Roberta Jule Community Care Association	0	1
Rockingham Business Development Centre	0	89
Rockingham Women's Health and Information	0	10
Rocky Bay Inc	0	126
Rosaflora Academy in Floristry	1	2
Salesforce Australia Pty Ltd	1	0
Security Training Services	0	1
Serbo Australian Information Welfare Centre Inc	6	0
Serco Australia Pty Ltd	213	0
Serpentine Jarrahdale Telecentre	10	0
Services Job Link	39	85
Sevenoaks Senior College P&C Ass	0	0
Shark Bay Community Res Centre	0	0
Shearing Industry Consultants	0	0
Shenton Park Senior Citizen's Ass	4	0
Sir James McCusker Training Foundation Inc	31	59
Skill Hire	4	15
South Coast Regional Initiatives	157	0
South East Metropolitan Business Enterprise Centre	0	67
South East Metropolitan Youth Action -Willetton	150	198
South Metropolitan Migrant Resource Centre	112	165
South Metropolitan Youth Link	365	797
South Perth Learning Centre	3	3
South West Area Consultative Committee Inc	4	0
South West Environment Centre	0	2
Southern Avon Enterprise Agency	0	12
Southern Cross Cleaning Service	0	1
St John Ambulance Australia	0	4
State of Queensland through Wide Bay Institute of TAFE	6	8
STEPS Incorporated	45	197
Sterling Business College Pty Ltd	28	0
Stirling Business Enterprise Centre	0	67
Stirling Job Link	180	513
Stirling Skills	0	0
Subiaco BEC	0	67
Swan Education Industry (Training Association)	0	6
Swan Region Business Enterprise Centre	0	133
Swan Valley Tourism Council	0	10
Swinburne University of Technology	0	1
Taggart Bushland Services	3	0
Taylor Weir School of Hairdressing	235	715
Texskill Ltd	29	48
The Calix Group	85	113
The Caterpillar Institute (WA) Pty Ltd	136	123
The Churchill Clinic	12	0
The Film and Television Institute (WA)	37	199
The Gowrie (WA) Inc.	32	79
The Isolated Childrens' Parents Associaion	0	8
The Lake Joondalup Baptist	181	150
The Royal Life Saving Society Australia (WA Branch)	36	62
The School Volunteer Program Inc	5	0
The Training and Skills Co.	398	614
The University of Notre Dame	319	418

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS**

	1/7/02 - 2/2/03 \$'000	2001/02 \$'000
Thornlie Primary School P & C Inc	3	0
TOIA Training Brokers	0	2
Toodyay Community Resource Centre	0	13
Total Corrosion Control Skills Training & Assessment Centre	32	13
Trades and Labour Council	278	0
Training Administration	0	0
Training Synergies Australia	10	11
Transport & Storage ITC	95	170
Transport Forum WA Inc	20	18
Transport Workers Union of Australia WA Branch	25	5
Trees South West	2	3
Tri Training Services	17	0
Utilities, Electrotechnology and Printing ITC	0	212
Victoria Park Jobmate Inc	732	907
Voak and Associates	0	11
Volona Nominees Pty Ltd ATF the Helen Marie's Family Trust	41	0
WA College of Construction	0	48
WA Community Advisory Group on Mental Health	0	1
WA Information, Electrotechnology & Utilities ITC	115	212
WA Skills Training	0	9
WA Telecentre Kununurra	5	74
Wagin Telecentre	0	1
Walpole Community Resource TC	1	0
Wangaka Maya	0	11
Warren Blackwood Business Assistance Centre	0	39
Werribee Creek	0	1
West Arthur Telecentre	0	1
West Australian Group Training Scheme Inc, The	73	144
West Coast Institute of Management and Technology Pty Ltd	0	5
West Coast TAB	0	0
West Stirling Neighbourhood House	0	1
Westcoast Community Centre Inc	6	0
Western Australian Police Service	69	0
Western Australian Turf Club	32	0
WESTN (Waneroo Employ Skill Train Netwrk) Employment Services Inc	10	22
Westnet Employment Services	43	104
Westonia Telecentre	11	0
Westrain Plant Operator Training and Recruitment Services Pty Ltd	73	0
Wholesale, Retail & Personal Services	125	202
Wickepin District Resource and Telecentre	0	17
Wila Gutharra Community Aboriginal Corporation	27	39
Williams Telecentre	0	6
Winjan Aboriginal Corporation	0	35
Winterfold Primary School P&C	0	3
Womens Healthworks	0	7
Wooden Boat Works	92	308
Workplace Employment and Training Services (Inc)	73	174
WorldMark Pty Ltd	20	0
Wyndham Action Group	75	39
XLT Industrial Training Pty Ltd	273	543
York Telecentre	0	1
Young Adults Support Scheme	0	1
Yulella Aboriginal Corporation	3	0
	24 077	40 739

38 Events Occurring After Reporting Date

The Department of Training was abolished 2 February 2003 and merged with Education Department effective 3 February 2003 to become the new Department of Education and Training. The actual shown for 2002-03 is for the period 1 July 2002 to 2 February 2003. A budget transfer under section 25 of the FAAA was made 3 February 2003 of \$129.561m to the new Department of Education and Training. The net assets of the Department of Training were transferred to the new Department of Education and Training on 3 February 2003.

39 Contingent Liabilities

The Department is not aware of any contingent liabilities.

**DEPARTMENT OF TRAINING FINAL REPORT
NOTES TO THE FINANCIAL STATEMENTS**

**1/7/02 - 2/2/03
\$'000**

**2001/02
\$'000**

40 Explanatory Statement

As the Department was abolished on 2 February 2003, the financial statements represent only seven months transactions. Explanations for variations between actual and budget and between actual and actual prior year figures were not prepared as they would not be considered meaningful.

DEPARTMENT OF TRAINING
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 2 FEBRUARY 2003

25 Non Current Assets Reconciliation

1/7/02 - 2/2/03

	Land	Buildings	Plant, Furniture & General Equipment	Computer, Communications Equipment & Software	Leased plant, furniture & General Equipment	TOTAL
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount at start of year	3 574	5 112	1 133	3 595	9	13 423
Additions	0	0	193	1 193	0	1 386
Disposals	0	0	0	(28)	0	(28)
Additions through acquisitions	0	0	0	0	0	0
Revaluation increments	0	888	0	0	0	888
Revaluation decrements	(4)	0	0	0	0	(4)
Depreciation and amortisation	0	(219)	(197)	(1 234)	(1)	(1 651)
Carrying amount at end of year	3 570	5 781	1 129	3 526	8	14 014

**DEPARTMENT OF TRAINING
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 2 FEBRUARY 2003**

41 Financial Instruments

Interest Rate Risk Exposure

The Department's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments are:

	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest rate maturities			Non Interest Bearing	Total
			1 year or less	1 to 5 years	over 5 years		
2 February 2003	%	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Assets							
Cash Resources	5.00%	14 906				8 284	23 190
Restricted Cash Resources						7 048	7 048
Receivables						2 843	2 843
Total Financial Assets		14 906	0	0	0	18 175	33 081
Financial Liabilities							
Payables						3 473	3 473
Provisions						6 445	6 445
Interest Bearing Liabilities	8.33%		3	2			5
Other						6 698	6 698
Total Financial Liabilities		0	3	2	0	16 616	16 621

Receivables

Debtors are carried at nominal values due less any provision for doubtful debts. Student fees are payable within eight weeks of enrolment and a failure to pay by the due date will result in cancellation of enrolment.

Payables

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

Credit Risk Exposure

Except as detailed in the following table, the carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the department's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained:

Financial Assets	Maximum Credit Risk	
	2003	2002
	\$'000	\$'000
Recognised Financial Assets		
<i>Debtors</i>		
Western Australian Government agencies	1 387	861
Government agencies of other jurisdictions	54	82
Total	1 441	943

Other financial instruments

The Department had no further financial instruments as at balance date.

Net Fair Values

The carrying amount of financial assets and financial liabilities recorded in the financial statements are not materially different from their net fair values, determined in accordance with the accounting policies disclosed in note 2 to the financial statements.

**DEPARTMENT OF TRAINING
NOTES TO THE FINANCIAL STATEMENT
FOR THE YEAR ENDED 2 FEBRUARY 2003**

	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest rate maturities			Non Interest Bearing	Total
			1 year or less \$'000	1 to 5 years \$'000	over 5 years \$'000		
30 June 2002	%	\$'000				\$'000	\$'000
Financial Assets							
Cash Resources	4.84%	11 669				9 090	20 759
Restricted Cash Resources						11 388	11 388
Receivables						2 298	2 298
Total Financial Assets		11 669	0	0	0	22 776	34 445
Financial Liabilities							
Payables						1 623	1 623
Provisions						6 255	6 255
Interest Bearing Liabilities	8.33%		5	3			8
Other						3 765	3 765
Total Financial Liabilities		0	5	3	0	11 643	11 651