

# South West Regional College

## Annual Report 2006



 **TAFEWA**  
south west regional

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19 February 2007

Hon Mark McGowan MLA  
Minister for Education and Training;  
Minister for the South West  
20<sup>th</sup> Floor, Governor Stirling Tower  
197 St Georges Terrace  
PERTH WA 6000

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Regional College

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Dear Minister

In accordance with Section 66 of the *Financial Administration and Audit Act 1985* we hereby submit for your information and presentation to Parliament, the report of the South West Regional College of TAFE for the year ending 31 December 2006.

The report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985* and Treasurer's Instructions.

In the administration of the South West Regional College of TAFE, I have complied with the Western Australian Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our Code of Conduct.

I have put in place procedures to ensure such compliance and conducted appropriate internal assessments to satisfy myself that this statement is correct.

The applications made for breach of standards review and correspondence outcomes are:

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

At the date of signing this document, we believe we have complied with all relevant laws of the Parliament of Western Australia that have bearing on the operations of this College and have no knowledge or information of any circumstances that would render this statement misleading or inaccurate.

Yours sincerely

Roseanne Pimm  
Governing Council Deputy Chairperson

Wendy Burns  
Managing Director



## AUDITOR GENERAL

### INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

#### **SOUTH WEST REGIONAL COLLEGE OF TAFE FINANCIAL STATEMENTS AND PERFORMANCE INDICATORS FOR THE YEAR ENDED 31 DECEMBER 2006**

##### **Audit Opinion**

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the South West Regional College of TAFE at 31 December 2006 and its financial performance and cash flows for the year ended on that date. They are in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions;
- (ii) the controls exercised by the South West Regional College of TAFE provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key effectiveness and efficiency performance indicators of the College are relevant and appropriate to help users assess the College's performance and fairly represent the indicated performance for the year ended 31 December 2006.

##### **Scope**

During the year the Governing Council was responsible for keeping proper accounts and maintaining adequate systems of internal control, for preparing the financial statements and performance indicators, and complying with the Financial Administration and Audit Act 1985 and other relevant written law. The Financial Administration and Audit Act 1985 was repealed and replaced by the Financial Management Act 2006 and the Auditor General Act 2006 from 1 February 2007. This did not impact on the agency's operations or the audit work conducted during the year ended 31 December 2006.

The financial statements consist of the Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and the Notes to the Financial Statements.

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

##### **Summary of my Role**

As required by the Auditor General Act 2006, I have independently audited the accounts, financial statements and performance indicators to express an opinion on the financial statements, controls and performance indicators. This was done by testing selected samples of the evidence. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

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

A handwritten signature in black ink, appearing to read 'C. Murphy'.

COLIN MURPHY  
ACTING AUDITOR GENERAL  
19 March 2007

4th Floor Dumas House 2 Havelock Street West Perth 6005 Western Australia Tel: 08 9222 7500 Fax: 08 9322 5664



# Chairman's Report

2006 marked the beginning of a new five year planning cycle for the College with a continued focus on providing quality services to the South West regional community. The plan particularly directs effort to vocational pathways for youth; indigenous participation; the opportunities for people living in smaller communities; and enhancing the achievements of students with disabilities and from culturally diverse backgrounds.

The College's strategic direction through to 2010 has been informed by the State and Commonwealth Government's priorities; local industry and community requirements; and the College's vision and quality assurance expectations.

The College's overarching vision is to work with industry and the community to advance the economic development and social prosperity of the region by delivering cost effective, world-class education and training services.

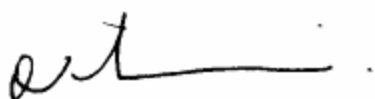
The South West region has enjoyed strong economic and social prosperity during 2006. An extremely buoyant job market combined with the raising of the school leaving age has resulted in record low unemployment levels. The context has provided a challenge for the South West Regional College, requiring management of growth in employment-based training and requests for programs for schools alongside a reduction in demand from individuals requiring training as a pathway to employment.

The specific skill and labour shortages arising from the resources boom and local business growth has focussed College effort on meeting the skill requirements of the South West region. Significant growth was evident in the College's apprenticeship and traineeship delivery and the provision of skill gap training and up-skilling of existing workers has assisted in addressing skill shortage issues within local industry sectors.

The other significant focus for the College during 2006 was youth participation in vocational education and training. An increased range of VET for school programs and programs such as the School Apprenticeship Link and Try-a-Trade enabled school students across the region to experience vocational training and explore pathways to regional employment. The College also delivered programs to students under the school leaving age who, for various reasons, experience difficulties in their engagement in education, training or employment.

As part of South West Regional College's commitment to excel in delivering outcomes that meet client expectations, display educational leadership and build community capacity, the College has adopted the five result areas of the new National Quality Framework for Excellence as key outcomes for its 2007 Annual Performance Plan.

2007 will see a strong focus on our clients – students, community and industry; organisational effectiveness; financial accountability; a focus on our people; and social and environmental commitment. These key outcomes provide a comprehensive and balanced view of the South West region's education and training requirements and consequently the College's future direction.



**Dan Perkins**  
**Governing Council Chair**

# Managing Director's Message

2006 has certainly been a particularly industrious year for the College. It was also a year in which we can be well satisfied, and indeed proud of the manner in which we have adapted to the ever changing context in which we operate.

This year our major foci were:

- the “skill shortages”;
- the “raising of the school leaving age”; and
- public sector efficiency and accountability, including transition of financial and human resource processes to the Education and Training Shared Services Centre.

The skills shortage focus has had significant implications ranging from the changes to apprenticeship qualifications, a notion of fast-tracking mature age recruits, a focus on attracting youth to trades and consequential stress on our resources, facilities and recruitment of lecturers. The reform of the WA apprenticeship system as reflected in the recent report from the Skills Formation Task Force has already resulted in many changes to the delivery of trade based training.

With vocational training a primary focus in retaining our youth in education, we have increased significantly the range of offerings for youth, particularly school students with the involvement of both public and private schools in Vocational Education and Training (VET) initiatives. Our strong connections to employers and industry has strengthened our position in developing and leading new initiatives to engage youth, to communicate changes to VET and ensure collaboration in planning for our services. Increasing awareness of the risks and obligations to the duty of care for minors has also raised expectations and requirements of TAFEWA colleges that we have only just begun to address.

We have not however forgotten our major client, our adult regional community and the wide range of training needs required, beyond the focus on trades. We have continued to improve our quality assurance process, with the formal recognition of qualification teams and development of many new training products. We have continued to develop our capacity to respond to the needs of particular clients, for flexible and work place delivery and in supporting students with disabilities. It is particularly pleasing that such a large proportion of our employees have participated in the Indigenous Cultural Awareness program this year. Whilst there are many aspects of social economic disadvantage in our community that we cannot address, we can ensure we are doing our best to be a responsive and inclusive service provider in providing pathways to employment.

Behind the scenes, we have demonstrated sound practice in the implementation of the Public Sector shared service arrangements for human resources and financial processing, and implemented a number of new business applications with minimal disruption to college business.

It has been a very busy and demanding year, and one in which every delivery team and every support unit has managed its way successfully through many new requirements.

I thank all employees for their patience and their commitment this year, in ensuring we continue to provide the best services we can to our community, whilst dealing with the expected and some times unexpected outcomes of VET changes.



**Wendy Burns**  
**Managing Director**

# 2006 Snapshot

Following is a brief snapshot of the achievements, challenges and issues that shaped the College's activities during 2006. Further details are provided within this report.

- The College's human resources and financial processes were transferred to the Education and Training Shared Services Centre, a shared services arrangement, during the latter part of 2006, and with it the College undertook a review of the associated internal policy and procedures, as well as introducing a number of new electronic business applications.
- Improving the retention and participation rates of 15 to 19 year olds remained a high priority for the College to ensure options for entry to employment, training and further education are available to our young people.
- There was a significant increase in apprenticeships and traineeships across the College from 1208 students in 2005 to 1584 students in 2006.
- A qualification team structure was implemented in all academic portfolios to provide support to lecturers through improved communication and co-ordination of educational planning and delivery.
- The Bunbury Ecohome was officially opened early in 2006 and the project entered a new phase where the home was tenanted and monitored for water and gas usage over a 12 month period. The College was awarded funding by the Sustainable Energy Development Office to conduct further research and promote sustainable housing.

## College Training Profile

### Effectiveness

The College achieved 97.6% of the Training College Profile set under the 2006 Delivery and Performance Agreement with the Department of Education and Training.

### Efficiency

The average cost per student curriculum hour for delivery training under the College Training Profile and fee-for-service was \$14.69 (excluding capital user charge), representing an increase of 30 cents from the 2005 cost of \$14.39.

## Awards

### College

- Gold Plate Award for Best Restaurant within a Training Establishment
- 2005 WS Lonnie Award for Reporting on Recordkeeping Compliance

### Staff

- Teacher of the Year Award for Excellence (Round 1) Linda Pilgrim, Hospitality Lecturer
- Teacher of the Year Award for Excellence (Round 2) Yvette Groenheide, Commerce Lecturer

**Students**

- Inaugural Cabinetmakers Association of WA Champions Challenge winner - Michael Welshman

**South West Regional College 2006 Annual Award Winners**

Aboriginal Academic Award	Stella	Day
Access & Participation Award	Janet	Davidson
Accounting Award	Josette	Fallas-Alfaro
Aged Care Award (Client/Patient Support Services)	Julie	Grubissa
Applied Science Award	Yukari	Kamiya-Sherwin
Art & Design Award	Alana	Grant
Automotive Pre-apprentice Award (Light Vehicle)	Caleb	Maddocks
Automotive (Heavy Duty) Apprentice Award	Jayden	Racco
Automotive (light Duty) Apprentice Award	Miles	Day
Automotive pre Apprenticeship Award (Heavy Vehicle)	Marcus	Zanotti
Automotive Road Transport Apprentice Award	Reece	Nitschke
Building Design & Technology Award	Jason	Shaw
Business Administration Award	Clare	Cook
Business Management Award	Sarah	Robinson
Business Traineeship Award	Sarah	Oldfield
Carpentry & Joinery Apprentice Award	Rhys	van Asselt
Cabinetmaking Apprentice Award	Michael	Welshman
Cabinetmaking Pre-Apprentice Award	Alesandr	Sokolov
Carpentry & Joinery Pre-apprentice Award	Sam	Mccoll
Childcare Traineeship Award	Laura	Posa
Children's Services Award	Ruth	Morgan
Civil/Structural Engineering Award	Meera	Shah
Cookery Apprentice Award	Jarrad	Parkinson
Commercial Cookery Award	Jessica	Mundt
Community Services (Youth) Award	Angela	Radford
Conservation Land Management Award	Kirke	Montgomery
Electrical/Instrumentation Apprentice Award	Bradley	Vandersteen
Electrical Mechanic Apprentice Award	David	Tassell
Electrical Pre-Apprentice Award	Shane	Ballingall
Enrolled Nursing Award	Kylie	Howell
Fashion Award	Elizabeth	Sparkes
Fitness Award	Stacey	Semini
Hairdressing Apprentice Award	Emma-Jayne	Tucker
Health Science (Massage) Award	Calvin	Rodgers
Hospitality Award	Gregory	Thomson
Horticulture Award	Tara	Ruane
Information Technology Award	Sean	Kenny
Inland Aquaculture Award	Leathan	Johnson
Interior Design Award	Lisa	Fleay



### South West Regional College 2006 Annual Award Winners

Mechanical Engineering Award	Glen	Blake
Mechanical Fitting & Machining Apprentice Award	Jason	Harding
Mechanical Fitting & Machining Pre-Apprentice award	Mark	Martella
Metals & Engineering Award	Christopher	Sills
Metal Fabrication Apprentice Award	Christopher	Sills
Metal Fabrication Pre-apprentice Award	Sharni	Lawler
Metalliferous Mining Award	Christopher	Ingate
Mortar Trades Pre-apprentice Award	David	Keeffe
Mortar Trades Apprentice Award	Lian	Birch
Process Plant Operations Award (Certificate II)	Timothy	Doig
Process Plant Operations Award (Certificate III)	Robert	Gracie
Small Business Management Award	Josette	van Kalmthout
Sport and Recreation Award	Taneika	Handley
Surveying Award	Ann Marie	Hammond
Tourism Award	Sandra	Goerling
Vocational Education & Training in Schools Award	Thomas	Dickison
Vocational Education & Training in Schools Award	Ryan	Hyder
Vocational Education & Training in Schools Award	Paul	Spagnolo
Wine Industry Award	Christopher	Smirke
Women in Non-traditional Trade Award	Sharni	Lawler

### Campus Award Winners

Collie Campus Student of the Year Award	Janet	Davidson
Harvey Campus Student of the Year Award	Jane	Dolan
Manjimup Campus Student of the Year Award	Naomi	Connor
Margaret River Campus Student of the Year Award	Michelle	Scott

### Student of the Year Award Nominees

Sandra Goerling  
 Kylie Howell  
 Yukari Kamiya-Sherwin  
 Sarah Oldfield  
 Christopher Sills  
 Jason Shaw

### South West Regional College 2006 Student of the Year

Christopher Sills

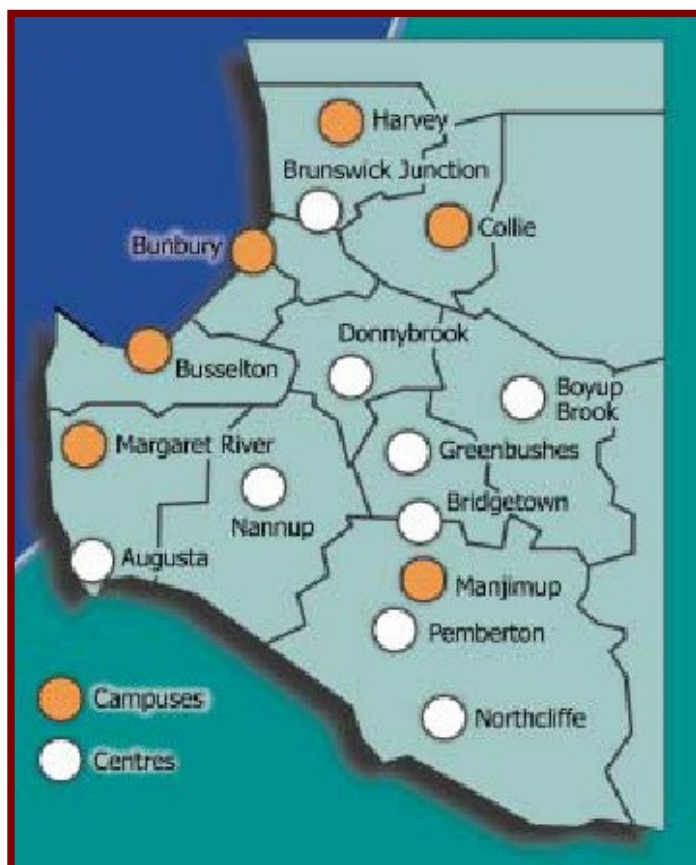
# Report on Operations

## College Overview

Covering an area of 23 970 square kilometres, the picturesque South West region of Western Australia currently has more than 140,000 people living in the region and with a growth rate twice that of the national average, has one of the fastest growing populations of regional Western Australia.

The South West Regional College of TAFE is a progressive, diverse and quality provider of vocational education and training in this regional environment. The main campus of the College is situated in Bunbury with regional campuses in Busselton, Collie, Harvey, Manjimup and Margaret River. The College provides training through annual arrangements with Telecentres across the region.

Since its inception in 1946, the College has recorded steady growth with a rapid increase in student numbers in response to the wider diversity of courses being offered. In 1985, the College was renamed the South West Regional College of TAFE and in 1997 achieved industry governance by the appointment of a Governing Council comprising ten key industry and community representatives. This new autonomy and industry representation has highlighted the College's responsiveness to local industry needs and its commitment to providing vocational education and training which ensures that student outcomes meet industry requirements.



In assisting students to realise their career aspirations the South West Regional College of TAFE offers access to a wide range of exciting vocations including applied science, automotive, art and design, building and construction, business management, commercial cookery, community services, education, child care, electrical studies, engineering, fashion, health and fitness, horticulture and land management, hospitality, metal trades, nursing, personal services, surveying, tourism and viticulture across its network of campuses in Bunbury, Busselton, Collie, Harvey, Manjimup and Margaret River.

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

## **Vision/Mission**

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

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

***We seek to maximise the creative productivity of ourselves, our students and industry, through a process of continuous improvement that is:***

***Customer Focused  
Quality Driven  
Ethical  
Collaborative  
and  
Outcome Oriented***

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

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

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

## **Enabling Legislation**

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

The functions of the College are to:

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



### Legislation Impacting on South West Regional College's Activities

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

- Anti-Corruption Commission Act 1988
- Copyright Act 1968
- Criminal Code Act 1913
- Disability Discrimination Act 1992
- Disability Services Act 1993
- Equal Opportunity Act 1984
- Education Act 1928
- Evidence Act 1906
- Financial Administration and Audit Act 1985
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Higher School Leaving Age and Related Provisions Act 2005
- Industrial and Commercial Training Act 1975-80
- Industrial Relations Act 1979
- Limitations Act 1935-1978
- Library Board of Western Australia Act 1951
- Minimum Conditions of Employment Act 1993
- Occupational Health, Safety and Welfare Act 1984
- Public Interest Disclosure Act 2003
- Public Sector Management Act 1994
- Vocational Education and Training Act 1996
- Racial Discrimination Act 1975
- Salaries and Allowances Act 1975
- State Records Act 2000
- State Supply Commission Act 1991
- Workers Compensation and Assistance Act 1981
- Working with Children (Criminal Record Checking) Act 2004
- Workplace Agreement Act 1993

In the financial administration of the College, the requirements of the Financial Administration and Audit Act 1985 and every other relevant written law and have been complied with, and controls exercised which provide reasonable assurance that the receipt, expenditure and investment of monies, the acquisition and disposal of public property and incurring of liabilities have been in accordance with legislative provisions.

In addition to the above Acts, the College has been in compliance with the following:

- Relevant Public Sector Standards
- Equal Employment Opportunity Act
- Public Sector Code of Conduct
- Public Sector Code of Ethics

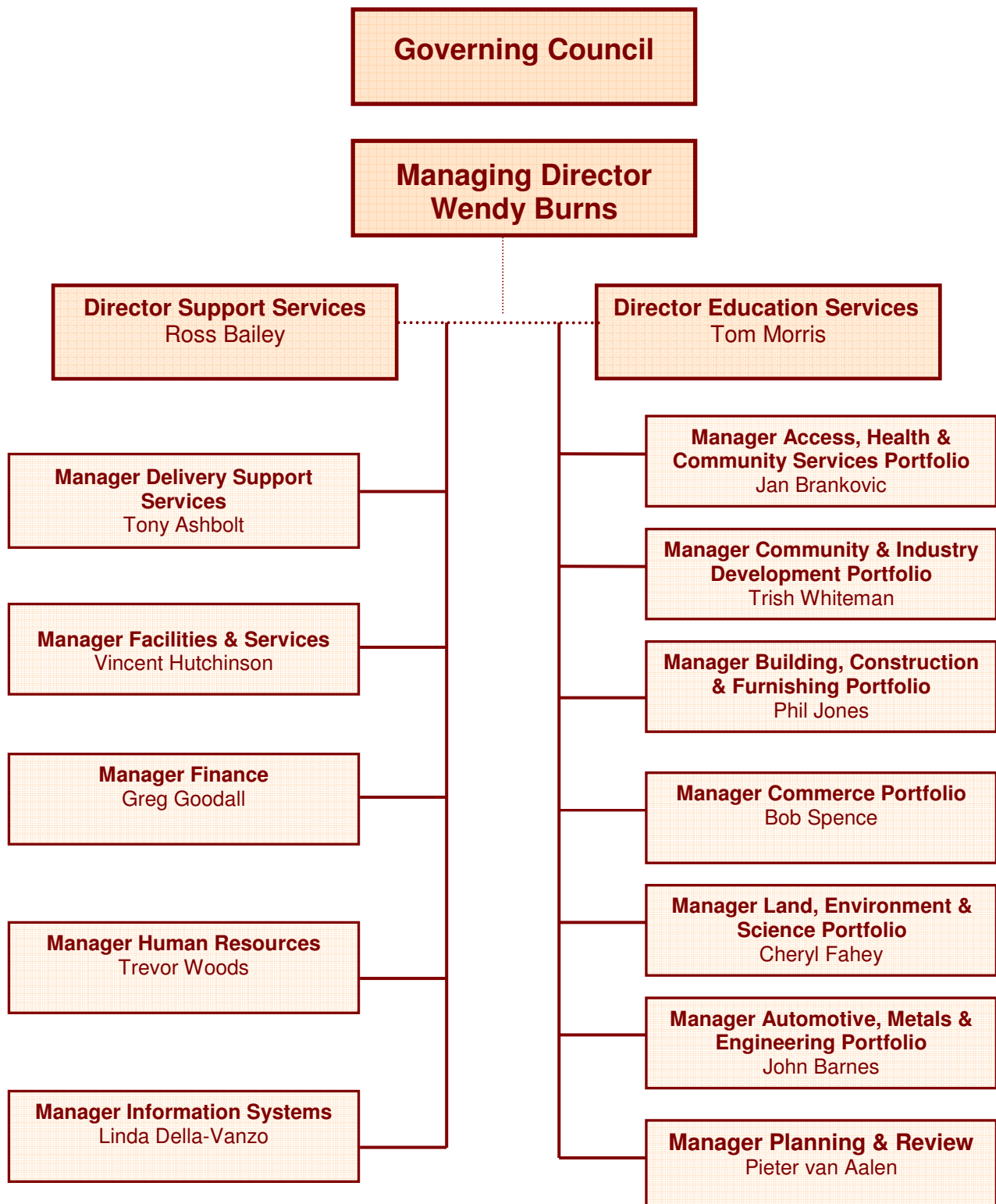
### Changes in Written Law

The implementation of the Working with Children (Criminal Record Checking) Act 2004, was addressed by the College during 2006. All TAFEWA Colleges adopted the Department of Education and Training criminal screening process and all existing employees obtained clearances in 2006.

### Ministerial Directives

There were no Ministerial directives during 2006.

# Management Structure



## Governing Council

The accountable authority of the College is the Governing Council, established under Section 39 of the Vocational Education and Training Act 1996. The Council comprises of a chairperson; a deputy chairperson and not less than 6 or more than 10 other members appointed by the Minister; and with the Managing Director governs the operations and affairs of the College. Governing Council members are appointed for their experience and expertise in education and training, industry or community affairs and for their ability to contribute to the strategic direction of the College.

### Functions and Powers of the Governing Council

The governing council performs the following functions:

- To prepare a College training profile for the approval of the Minister as and when required by the Minister.
- To approve and oversee the implementation of the strategic and operational management plans for the College.
- To monitor the College's performance and initiative improvements where necessary.
- To ensure the College's programs and services are response to and meet the needs of industry, students and the community.
- To ensure that the College's commitments under its Resource Agreement and any other contractual arrangements are met.

The Governing Council is ultimately responsible for:

- Delivery of vocational education and training programs and related services
- Client services related to the delivery of vocational education and training
- Management and administration of the College
- Commercial operations related to vocational education and training

Whilst the Council is the ultimate authority in the College, it is not practicable for it to undertake day-to-day management and as such, it delegates its powers and the employing authority and other powers relating to day-to-day management responsibilities to the Managing Director of the College.

### 2006 Overview

One new member, Ms Nikki Griffiths, was appointed to the Governing Council by the Minister for Education and Training in June 2006.

Throughout 2006 the Governing Council met for seven general meetings, one of which was held at the College's Busselton Campus where Council members took the opportunity to meet with industry and community members at an informal function to obtain a local perspective on the training and education needs of the Busselton community. The Governing Council also held a joint meeting with the Advisory Board of Edith Cowan University South West Campus (Bunbury) in May 2006, to progress the Memorandum of Understanding between the two institutions and explore opportunities for the maximisation of higher education opportunities for the people of the South West.

The Governing Council has representation on the College's Academic Board, which meets on a monthly basis and the Audit Committee, which meets bi-annually. Governing Council members also represented the College at official functions, participated in industry advisory groups and provided invaluable support to the College and its community through the provision of their time and expertise.



## **Profile of Council Members**

### **Dan Perkins (Chairman)**

Dan is Principal and Managing Director of Perkins Builders, President of the Master Builders Association of WA and a Master Builders Association of Australia Board Director. As an employer of building trades apprentices, Dan is actively involved in the process of bringing industry closer to training providers and determining the strategic direction of construction training.

**Appointed:** 1 October 1997  
**Current Term Expires:** 31 December 2008

### **Rosanne Pimm (Deputy Chairperson)**

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

**Appointed:** 1 October 1997  
**Current Term Expires:** 31 December 2008

### **Wendy Burns (Managing Director)**

Managing Director of the South West Regional College for four years, Wendy has extensive experience in the delivery of vocational training in regional areas. Wendy is the regional Managing Director representative on the Western Australian Teaching and Learning Assessment Group, the TAFEWA Quality Committee, the WestOne Board, the Curriculum Support Services Network Board and has taken the lead role on several TAFEWA academic projects.

**Appointed:** 30 January 2003  
**Current Term Expires:** 29 January 2008

### **Debra Bennell**

Debra Bennell is a part-time lecturer in the social work programme with Edith Cowan University and has extensive work experience in the Aboriginal services, particularly Indigenous health. Debra has a passion for providing improved access to further education and training for Aboriginal, mature age and young people.

**Appointed:** 1 January 2005  
**Current Term Expires:** 31 December 2007

### **Mike Fagan**

Dealer Principal of Bunbury Holden, Mike has over 25 years experience in the automotive industry and is an employer of apprentices and trainees in the local community. He is Chair of the College's Automotive Industry Reference Group, Chair of the South West Industry Training Advisory Board, a past Australian Holden Dealers Association member and past President of the Country Holden Dealers Association. Mike is a Director of Sanctuary Golf Resort and a Bunbury Turf Club Committee member.

**Appointed:** 5 March 2002  
**Current Term Expires:** 31 December 2007

### **Bronwyn Falconer**

Bronwyn has extensive experience and knowledge gained through appointments to Boards and Councils (government and private) for education and as President of the Hyden Resource and Telecentre. As a member of the WA State Council of the Isolated Children's Parents Association she worked towards the equity of education for rural and remote families. She also successfully operated a family business in the steel fabrication industry.

***Appointed:*** 10 August 2004

***Current Term Expires:*** 30 June 2007

### **Nikki Griffiths**

Nikki Griffiths has owned and managed six businesses in Perth and the South West region since the age of 23, including the award winning Glass House Graphic Design Studio. In 2005, Nikki was a State winner in the Telstra Business Women's Award and has twice won a WA Business News 40under40 award. She is the Vice President of the Busselton Chamber of Commerce and a Board member of the Geopraphe Bay Tourism Association.

***Appointed:*** 17 June 2006

***Current Term Expires:*** 30 June 2009

### **Denise Jenkins**

Denise is the Proprietor of Manjimup Jewellers. She is a Manjimup Shire councillor, Chairman of the Manjimup Business Enterprise Centre, and a past President of the Manjimup Chamber of Commerce. An active community member, Denise is very supportive of education and training in the Warren Blackwood region.

***Appointed:*** 1 October 1997

***Current Term Expires:*** 31 December 2008

### **Susan Kerr**

Susan is the Principal of Newton Moore Senior High School, and has over 20 years experience in rural communities, in particular the Goldfields. Previously, she has held a variety of roles in the Department of Education and Training. Susan is a member of the Interim Board of the Western Australian College of Teaching.

***Appointed:*** 19 January 2004

***Current Term Expires:*** 30 June 2009

### **Ian Pigott**

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

***Appointed:*** 30 May 1999

***Current Term Expires:*** 30 June 2009

**Don Punch**

Chief Executive Officer of the South West Development Commission, Don has extensive experience working in regional and remote Western Australian communities on the provision of infrastructure, identification and funding of community needs; and project management. Don is also a member of the Board of Management for the Centre for Regional Development and Research, Edith Cowan University (South West Campus).

***Appointed:*** 30 May 1999

***Current Term Expires:*** 30 June 2009

**Jill Scanlan**

With a background in adult education, Jill currently provides tutoring through the Department of Education, Science and Training, Aboriginal Tutoring Assistance Scheme.

***Appointed:*** 1 January 2005

***Current Term Expires:*** 31 December 2007

**Guy Truss**

Guy has extensive industry contact through his position as a Fitting and Machining Lecturer with the Automotive, Metals and Engineering Portfolio of the South West Regional College. He is also the College's delegate for the State School Teachers Union.

***Appointed:*** 5 March 2002

***Current Term Expires:*** 31 December 2007

**Contracts with Senior Officers**

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

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



## Staffing Overview

### Staff Profile

Staff Profile	2005	2006
Full-time Permanent	131	135
Full-time Contract	23	19
Part-time Permanent	93	93
Part-time Contract	15	16
<b>Total</b>	<b>262</b>	<b>263</b>

### Compliance with Public Sector Standards and Ethics

The compliance with standards is addressed in the College's current recruitment and selection policies and procedures and all selection outcomes are vetted for compliance. Existing policies and procedures as they apply to both the standards and code of ethics/conduct have undergone or are undergoing review for currency, and further and extensive panel training will be carried out as a consequence. The College's code of conduct in particular has been reviewed to ensure compliance with government objectives in the area of crime and corruption. All staff are made aware of the standards via induction processes, staff training and a dedicated human resources intranet site. Changes to staffing were managed internally, with no referrals to the Public Sector Management Office. No applications were made in relation to breach of standards in any area covered by the standards.

### Occupational Safety and Health and Workers Compensation

The College currently has 10 trained and registered representatives on the Occupational Safety and Health (OSH) Committee. During 2006, the OSH Committee undertook the following initiatives:

- A workshop was held to identify issues and develop focus points for action in 2006/7.
- The Bunbury campus workplace inspection procedure was reviewed and work commenced on modifying workplace inspections for other campuses.
- Chemwatch software training was completed enabling staff to identify and manage hazardous materials with a comprehensive on-line system.
- Collaboration with College management on the development of a policy and strategy for the prevention and management of workplace bullying and a work environment policy and procedure.
- The College's evacuation procedure was reviewed. Training on the new procedure will commence in 2007.
- A new policy on electrical testing of portable power equipment introduced and electrical testing and tagging was undertaken across the College.
- An Occupational Safety and Health Project Officer was engaged to review legislation, regulations and duty of care processes the College's performance in these areas.
- A case study commenced into the prevention of Hepatitis and HIV in the workplace in high risk areas such as Nursing and Hospitality.

Four new workers compensation claims were made during 2006 with five workers compensation claims carrying over from 2005.

# Strategic Overview

## 2006-2010 Strategic Priorities

### Overview

The College's 2006-2010 Strategic Priorities provides a significant focus on: employment-based delivery; 15-19 year old participation; and continued provision of life long vocational education and training. The College aims to achieve the following goals over the five year period:

- Appropriate regional and industry sector distribution of publicly funded training.
- New initiatives and innovation targeted to support priority industry skill sectors. Priority sectors include: metals and engineering; automotive; electrical; building and construction; engineering; hospitality and tourism; health and community services; and management.
- Increasing the quality and flexibility of training available, particularly to apprentices and trainees.
- Working with schools to provide year 11 and 12 students with access to accredited vocational education and training.
- Increased service provision to industry and the community through commercial activity.
- Providing targeted support to Indigenous students; people with disabilities; people living in remote and isolated circumstances; and people from culturally diverse backgrounds in the South West.

In the first year of this five year focus, the College established a performance plan to achieve key outcomes in four focus areas: students, community, industry and staff.

### Student Focus

#### Training Delivery and Student Assessment

Performance Measures	2006 Target	2006 Achievement
Students satisfied with the training they received	76%	89%
Students satisfied with quality of assessment during their course	76%	90%
Module Load Completion Rate (MLCR) proportion of industry skill areas above or equal to the State average	70%	76.9%

#### Student Support

Performance Measures	2006 Achievement
Objectives of the 2003 – 2005 Disability Services plan achieved	Existing services are continuously adapted to ensure they meet the needs of people with disabilities. Notetakers are merit-selected and trained in note taking. Improvements such as ramps, tactile markers, disabled toilets and doors were modified as part of a building improvement plan to facilitate easy access for students. Three lecturers attended a Mental Health First Aid course. The College responded to 140 requests for disability assistance. A Disability Services Plan for Access and Inclusion 2006-2008 has been implemented.

## Community Focus

### Facilities and Infrastructure

Performance Measures	2006 Achievement
<b>Student satisfaction with their access to Information Technology and support services.</b>	<ul style="list-style-type: none"> <li>84% of students were satisfied with their access to the equipment necessary for their training (3% higher than State average).</li> <li>Remote internet access was introduced that enabled students to externally access to their information on the College's network. Students at the College's Sylvan Way training annexe were connected to the College's network enabling them to access their files from this off-site facility.</li> <li>The College offers a range of services to students including an Information and Career Advisory Service, which provides a central source of advice to students on all matters relating to their studies and employment opportunities.</li> <li>The Student Association provides advice on financial matters, assists with Austudy enquiries, accommodation and hosts both on-campus activities and off-campus excursions.</li> <li>Excellent library facilities, open learning centre, a student residence, child care centre and bookshop are some of the other amenities available.</li> </ul>
<b>Objectives of the 2003-2006 Occupational Safety and Health Plan achieved.</b>	<ul style="list-style-type: none"> <li>A review of the Occupational Safety and Health policy, procedure and resources commenced in 2006 to enhance the information new and current staff members are required to access as part of their induction and their employee obligations. The Occupational Safety and Health 2007-2010 Plan will be developed early in 2007.</li> </ul>
<b>Staff satisfied that the tools and equipment are adequate to do their job.</b>	<ul style="list-style-type: none"> <li>The College received Department of Education and Training grants of \$450,000 for Automotive, Metals and Engineering and Applied Science for plant and equipment upgrades and replacement.</li> </ul>
<b>Staff satisfaction with their access to Information Technology and support services.</b>	<ul style="list-style-type: none"> <li>Remote internet access was introduced that enabled staff external access to files on the College's network.</li> <li>Staff at College's Sylvan Way were connected to the College's network enabling them to access their files from this off-site facility.</li> <li>Lecturers working in remote areas have been provided with access to the Internet through the Minimax system via a laptop.</li> </ul>



**Accountability**

Performance Measures	2006 Target	2006 Achievement
Delivery achieved as a proportion of the Delivery and Performance Agreement target.	100%	97.6%
College operates within budget.	Achieved	Achieved

**Organisational Effectiveness**

Performance Measures	2006 Target	2006 Achievement
Overall Student Satisfaction	88%	86%
Overall Staff Satisfaction rating	70%	Survey to be undertaken in 2007
South West College/ population participation rates 15-65yrs (15-19 yrs in brackets).	8.5% (25%)	8.3% (27.3%)
<b>Regional distribution of students by place of residence 15-65 yrs (15-19yrs in brackets):</b>		
Bunbury	43% (45%)	43% (41%)
Busselton	15% (15%)	16% (13%)
Collie/Harvey (Preston)	20% (20%)	21% (24%)
Manjimup (Blackwood)	11% (11%)	11% (13%)
Margaret River	8% (6%)	10% (8%)
Outside South West region	3% (3%)	6% (3%)
Distribution of South West students from outside the greater Bunbury area	53%	60.6%
Students identifying themselves as Indigenous	3%	2.5%
Students identifying themselves as of a diverse, cultural and linguistic background	4%	6.3%
Number of Indigenous students enrolled in qualifications at Certificate III and above.	100 students	79 students
15 to 17 year olds enrolled in the College as a proportion of the South West population in this age group.	24%	24.4%
18 and 19 year olds enrolled in the College as a proportion of the South West population in this age group.	26%	33%
Proportion of College students aged 15-19 years.	35%	35%

## Industry Focus

### Responding to Industry Requirements

Performance Measures	2006 Target	2006 Achievement
College delivery of Apprenticeships and Traineeships as a proportion of all such delivery in the South West.	50%	48.6%
Apprenticeship and Traineeship enrolments.	1,208 students	1,584 students
Commercial and competitively allocated State and Commonwealth funding.	\$1.05m	\$872,500
Non Delivery and Performance Agreement delivery as a proportion of total Student Curriculum Hours.	9%	9.6%

Performance Measures	2006 Achievement
Range of initiatives and innovations receiving direct industry support	<ul style="list-style-type: none"> <li>● The College's Aged Care industry reference group and other industry leaders ran an industry day, funded by the WA Health Department, for over 100 aged care workers attended workshops teaching them the value of laughing and massage skills to use with their clients.</li> <li>● In conjunction with its Children's Services industry reference group, corporate sponsors and the Department of Community Development, the College held its second "Good Beginnings Never End" Child Care Conference in October 2006.</li> <li>● The South West automotive industry continues to support the retention of youth in training through an automotive scholarship, and automotive VET-for-schools and pre-apprenticeship programs.</li> <li>● A new Metals School Apprenticeship Link program was introduced working through the South West Metal Fabricators cluster with many students obtaining apprenticeships.</li> <li>● Sponsored by Building and Construction Industry Training Fund, a 'Try-a-Trade' program provided over 200 Year 10 students from the Bunbury and Warren Blackwood districts with the opportunity to try four building trades over four days, informing their choice for future education and training opportunities within the sector. The Building School Apprenticeship Link continues to have the benefit of a strong industry steering group.</li> <li>● The Personal Services portfolio undertook extensive industry consultation through 2006 and implemented a range of initiatives to meet employer concerns in relation to apprenticeship training. As a result of this close consultation; industry took a positive role in the development of units for the implementation of a new Hairdressing Training package that will facilitate a reduction in the term of this apprenticeship. The proposal for the introduction of a School Apprenticeship Link in 2007 was welcomed.</li> <li>● Strong industry support enabled Fitness, Sport and Recreation students to gain relevant industry experience through involvement in community activities such as Primary and High School interschool sport carnivals, coaching, and fitness and holiday programs for special population groups. Strong community support has led to students gaining event management experience as well as assisting community groups with fitness and sporting programs.</li> <li>● In response to industry demand, Certificate IV in Surveying (Mining and Engineering) was introduced.</li> </ul>

## Industry Sector Distribution of Students

Performance Measures	2006 Achievement
<p><b>Industry Sector distribution of students that reflects the future employment opportunities, skill requirements and the needs of the South West regional distribution</b></p>	<ul style="list-style-type: none"> <li>● The Commerce portfolio extended its Small Business training program for business owners and managers throughout the region. Run in partnership with Small Business centres in Bunbury, Busselton, Margaret River, and Manjimup, the program introduced higher level qualifications to regional businesses and offered a flexible mode of delivery designed to accommodate the needs of small business owners/managers.</li> <li>● Certificate IV in Business Administration was introduced to meet industry demand for higher level qualifications in areas such as E-Business.</li> <li>● Demand for graduates from the Applied Science/Laboratory programs continued with students being offered employment, often before the end of the academic year. There has been a growth in traineeships with new places planned for 2007.</li> <li>● With rapid growth in the resources industry, the Commerce portfolio offered a range of external studies management courses to meet the anticipated requirement to up-skill administration staff within this industry. Higher level qualifications were introduced in Information Technology and for the first time Certificate III and IV in Business Administration.</li> <li>● The Metals and Electrical Industry Reference groups continued to focus upon meeting the training and skills shortage needs in the South West metals, electrical and minerals processing industries.</li> <li>● Significant growth in traineeships and the up-skilling of existing workers to address the skill shortage in the resource sector. Students undertaking entry level training at TAFE have successfully gained employment in the resource sector. New programs have been developed for the school sector and programs are planned for delivery in 2007.</li> <li>● The Health portfolio provided training to staff at SJOG Health Care; the WA Country Health Service and Bunbury Regional Hospital. Health delivery staff provided leadership through a Statewide project out of the Office of the Chief Nurse in 2006 to provide Skills Recognition for Certificate IV Enrolled Nurses to upgrade to the new Diploma of Enrolled Nursing.</li> <li>● New School Apprenticeship Link programs have been negotiated and approved for both the food and personal services areas in 2007, to inform school students on the training and career opportunities in these industries, both skill shortage areas.</li> <li>● The provision of RCC/RPL in Conservation and Land Management qualifications has enabled existing workers to gain recognition of skills developed in the workplace. Skill gap training has also been provided to existing workers at the Department of Environment and Conservation across the State.</li> </ul>

## Staff Focus

### Competent Staff

Performance Measures	2006 Achievement
Staff satisfied with staff development: support, induction, planning, and opportunities.	<p>A human resources project to develop a best practice human resource management framework at the South West Regional College by enhancing current human resource systems commenced during 2006 with the following outcomes to be implemented in 2007:</p> <ul style="list-style-type: none"> <li>Enhanced quality, clarity and relevance of human resource policy, procedure and resource documents within the College, including: recruitment, selection and appointment; induction and orientation; performance enhancement and career development; future workforce – planning and development.</li> <li>Development of a model to facilitate access for staff to human resource policy, procedure and resource documents and associated training.</li> <li>Empowerment of College staff with all the information they need to undertake human resource tasks or management.</li> <li>Development of a framework to enhance workforce planning and development.</li> <li>Facilitation of a model that enables College staff to easily access the newly revised documents.</li> </ul>
Staff satisfied with communication about future directions, decisions and events; and with the nature of communication between areas/departments and with their immediate manager.	
Staff satisfied with performance planning, measurement and accountability and with executive and line-management leadership.	

Performance Measures	2006 Target	2006 Achievement
Proportion of staff participating in some form of staff development each year.	67%	86%
Average expenditure on Staff Development; permanent and contract staff (full time equivalent).	\$325	\$160 The majority of training provided was internal, providing substantial cost savings.
Proportion of permanent and contract staff for which personal learning and development plans have been submitted to the College's Human Resources Unit.	100%	A review of the College's policy and procedures for career enhancement and development commenced in 2006 to facilitate transition to Shared Services in July 2007.

### College Plans

Performance Measures	2006 Achievement
Existence of College Strategic Plan ( <i>five year Strategic Priorities document and Annual Performance Plan</i> ).	2007 plan produced
Existence of work team action plans	2007 plans produced



# Contribution to the Strategic Planning Framework

In addition to the achievements highlighted within the College's Strategic Priorities section, this section of the Annual Report includes several obligatory reports which identify the College's efforts and accomplishments in relation to the five goals of the *Better Planning, Better Services, A Strategic Planning Framework for the Western Australian Public Sector*.

## Goal 1: People and Communities

The College's key focus of delivering world-class, cost effective, skills development and skills recognition services is closely aligned with the strategic objectives of this goal to provide a world class education system and lifelong learning opportunities for all.

### Disability Services

The South West Regional College's 2005-2007 Disability Services Plan confirms the College's commitment to ensuring people with disabilities have, as far as is practicable, equal opportunity to access services and to participate in the College's training programs.

Various communication formats are available to meet the needs of our clients. Qualification and general College information is available in written, electronic and verbal formats; interpreters are offered to assist if necessary. Information and Career Advisory Services staff are on hand to meet and discuss with students their specific needs and to assist in identifying how they can be supported to achieve their educational goals.

Adaptive technologies including an electrical adjustable desk and voice recording devices are available for student use. Customised equipment such as ergonomic chairs and keyboards are provided to assist in their learning environment. Lecturers impart assistance by identifying learning outcomes that can be adapted to support student needs.

To enhance the delivery of qualifications and facilitate a more effective service to clients, the following services are available:

- Learning Resource Centre provides collections of printed and audio visual reference material
- Bookshop supplying texts and equipment
- Childcare Centre
- Extensive computing facilities with 24 hour access
- Information and Career Advisory Service
- Student Association

In addition, the College ensures the needs of students are met by providing access to:

- Aboriginal Development Officer
- Disabilities Services officers
- Sexual Harassment contact officer
- Women's Programs officer
- Counselling service in partnership with St John of God Outreach program
- Fee waiver process
- Modifications to course delivery, assessment methods, furniture and equipment
- Notetakers who provide specific assistance to meet individual learning needs

The College provides facilities to enhance physical access for students such as:

- ACROD parking
- Universal access toilets
- Level entries
- Electric doors
- Student accommodation

As a result of an audit in 2005, areas identified for improvement such as ramps, tactile markers, disabled toilets and doors have now been modified to facilitate easy access for all students. 5.7% of students attending South West Regional College in 2006 identified themselves as having a disability. The College responded to 140 requests for disability assistance.

### Cultural Diversity and Language Service Outcomes

Wherever possible, the South West Regional College of TAFE has adopted the Language Services Policy commitment to ensure that language is not a barrier to services for people who require assistance in English. Initiatives undertaken by the College are:

- Provision of an Auslan interpreter, when requested, to assist Deaf/Hearing Impaired students.
- Qualifications in Auslan.
- Certificate I (Introductory) to Certificate III in General Education for Adults. These courses provide the opportunity for students to develop their English, reading, writing, maths and oral communication skills to the equivalent standard of Years 8 to 11.
- Brochures, flyers and desk cards to encourage students to request an interpreter if required.
- Database of language skills of staff who may be able to assist.

### Youth Outcomes

The South West Regional College seeks to respond to the diverse needs of young people in our community and is committed to promoting the aims of the vision of the “Plan for Young People”.

- The College has a unique arrangement in that it supports one of the few active Student Associations in the State. Throughout 2006, the association provided advice to the College on student expectations and contributed to policy development and review. The Association organises a wide range of social activities across the College to increase the atmosphere on campus as well as to provide cultural, social and recreational opportunities to students through a range of on and off campus events.
- Ngala Maya is a support unit for Aboriginal students and Torres Strait Islander people studying or training at the College. Run by Indigenous staff, Ngala Maya provides a friendly atmosphere that enables students to gain easy access to resources, academic and non-academic enquiries, support and information.
- The College provides on-site rental accommodation in fully self-contained split-level units for up to 40 students. In addition the Student Association maintains an accommodation register and notice board at all campuses.
- The College, in conjunction with St John of God Outreach Support Service provides crisis support to students as well as a free confidential counselling service to students and staff providing support in the areas of counselling, mediation, advocacy, provision of information, training and presentations on alcohol and other drugs, behaviour modification, child protection and self management.

- Throughout 2006 the College focussed particular attention on providing vocational education and training for youth and providing alternative pathways to recognise the diversity of young people. One project, conducted in collaboration with the Warren Blackwood District Education Office, involved students 'at risk' in the Busselton region in a Gaining Access to Education (GATE) program using the theme of "Theatre Arts". Youth workers supported the students to overcome barriers to learning to enable them to successfully complete the program and enable access to further training and employment.
- In addition to providing students with information on their study options, the College's Careers South West coordinates a range of job preparation workshops and seminars to assist students to enhance their employability through effective resume writing techniques, interview preparation skills; interfaces with reputable guest speakers representing industry, employers and recruitment agencies throughout the South West; and Information and assistance directly related to students accessing the job market .
- A funded bus service travelling daily between regional centres and the College's Bunbury campus at a maximum cost of \$1 per trip to eligible full-time students.

### **Substantive Equality**

The College has committed to the provision of inclusive services to our community by enhancing the capabilities of our own employees to plan and deliver services appropriately by:

- Embodying the commitment to substantive equality into existing diversity plans and policy.
- Clearly defining both College and Government expectations and goals over the period 2007-2009, as they apply to diversity and equality, and substantive equality.
- Ensuring adequate monitoring and reporting mechanisms are in place, including upgraded customer feedback strategies.
- Actively seeking to increase permanent indigenous staffing in mainstream College structures.
- Development and presentation of an "Indigenous Cultural Awareness" package that has been presented to the vast majority of staff over 2006.
- Inclusion of "Cultural Awareness" in an in-house induction process.
- Inclusion of the principles of equity and diversity in all job and person specifications.

### **Goal 2: The Economy**

The South West Regional College has annual reporting obligations under the Financial Administration and Audit Act, Financial Administration Regulations and Treasurer's Instructions. These reports are included within the Performance Indicators and Financial Statements.

### **Goal 3: The Environment**

The College is committed to providing an effective contribution to global efforts to reduce greenhouse emissions, and developing strategies that minimise waste and effectively recover and recycle resources where possible to achieve its strategic priority of being recognised as an environmentally responsible and energy efficient College.

### Waste Paper Recycling

At the South West Regional College of TAFE, staff are aware that conserving resources and recycling is an important element of conservation practices.

The introduction of new photocopiers with double-side printing and copying has greatly reduced paper use across the College. Printed paper is reused to print draft documents, as notices on notice boards, or cut and stapled into message pads. Paper is also donated to the College Child Care Centre. Continued implementation of a records management system in the College has reduced duplication and multiple copies of documents.

Confidential bins are located in every business area and in each campus. The contents of these bins are shredded and recycled by a local company.

### Energy Smart Government Program

In 2006 the College continues to contribute to the energy Smart Government policy by striving to achieve efficiencies in energy usage.

The College did not achieve the full 10% targeted reduction for 2005/2006, this again is attributed to the growth in technical areas at Bunbury and Busselton and the nature of joint activities and programs at Collie and Margaret River.

<b>Energy Consumption</b> GJ	<b>8045</b>
<b>Greenhouse Gas Emissions</b> Tonnes CO <sub>2</sub>	<b>1,698</b>
<b>Energy Cost</b> \$	<b>290,373</b>
<b>Variation in Energy Consumption</b> % reduced	<b>4.1</b>

During the 2005/2006 the following energy saving initiatives were undertaken:

- Setting student computers to sleep mode after short period of inactivity.
- Continued promotion of energy reduction awareness to staff through newsletters, wall posters and switch stickers.
- Incorporated the reverse cycle air conditioning into the energy management system.
- After hours power usage was managed at Bunbury Campus through night wardens switching off lighting and heating.

During 2007 it is proposed to negotiate with co-tenants of the Margaret River Campus to achieve energy reductions. The College will also network its energy management system to Margaret River to enable a better control than is currently available.



## **Bunbury Eco Home**

The Bunbury Ecohome, a sustainable 'live-in-model' house that demonstrates ecologically sustainable design and high energy efficiency, designed and constructed by College students in collaboration with industry, was officially opened early in 2006 and opened for display to the public. Following the display period, the project entered a new phase where the home is monitored for water and gas usage over 12 months while it is tenanted, to provide conclusive evidence that well-designed homes reduce water and energy consumption by the occupant, whilst providing a comfortable living environment. The College was awarded funding by the Sustainable Energy Development Office to undertake a promotional campaign to publicise the Bunbury ecoHOME. The campaign will involve the distribution of printed materials and DVD's and the presentation of educational forums, expos and seminars. The project will also include market research to identify the best methods of promoting energy efficient housing and to identify the barriers to its wider uptake.

## **Goal 4: The Regions**

The South West Regional College complies with the underpinning principles of the four goals of the '*Regional Development Policy*' and has particular focus on the goals of Education, Health, Safe and Supportive Communities and Growing a Diversified Economy.

## **Goal 5: Governance**

### **Customer Service Charter**

The South West Regional College of TAFE has developed a charter specific to the needs of our clients. The charter acts as our service level agreement for our customers. Our customers are invited to evaluate our performance based on the service outlined in this document. The Charter is readily available throughout the College and is specifically highlighted during the College student orientation sessions.

An electronic complaints management system has been investigated and will be implemented in 2007 in association with Swan TAFE to improve information collection, track resolution and enhance information provision for performance improvement.

### **Corruption Prevention**

The College is committed to developing and maintaining effective measures for the promotion of ethical practice and corruption prevention, and in the fair dealing with matters related to the occurrence of corruption. It is an expectation that South West Regional College staff conduct themselves in an honest, ethical and professional manner. The College acknowledges that all staff are entitled to a work environment that reflects their high ethical standards.

The College is committed to raising awareness and education about corruption prevention with the aim of ensuring high ethical standards and practice, and the prevention of corruption within the workplace. Corruption prevention is in the College's long-term interests because it promotes loyalty and trust in staff, clients, stakeholders and the communities in which our staff work.

The College has developed Corruption Control Plan 2007-2009 and its associated Corruption Detection and Prevention Policy to formalize the above principles. The presentation of the Policy will be presented to College management and staff throughout 2007.

### Advertising and Sponsorship (Electoral Act 1907 Section 175ZE)

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

<b>A. Advertising Agencies</b>	Market Force Productions	\$98,103
<b>B. Market Research Organisations</b>		Nil
<b>C. Polling Organisations</b>		Nil
<b>D. Direct Mail Organisations</b>		Nil
<b>E. Media Advertising Organisations</b>	Media Decisions	\$59,796

### Corporate Information Statement

The South West Regional College of TAFE allows supervised access to records on request. Applications for information under the Freedom of Information Act are submitted to the Manager Planning and Review for approval and administered under direction by the Records Management Coordinator. No Freedom of Information requests were received during 2006.

The following South West Regional College publications were made available to the public during 2006:

- SWRC of TAFE Annual Report
- Interface Newsletter
- Course brochures
- SWRC of TAFE Handbook
- Student Diary
- Ngala Maya 'Our Place' brochure
- Customer Service Charter brochure
- Workplace Assessment for Industry and Business brochure
- Building Educational Pathways General Brochure
- Building Educational Pathways Business Brochure
- Options for Skills Recognition Service brochure
- Training Options – Fulltime brochure
- SWRC of TAFE Pre-enrolment Information brochure
- Student Code of Conduct brochure
- Disability Services SWRC brochure
- SWRC of TAFE Equal Opportunity and Diversity Policy
- Strategic Priorities 2006-2010
- Award Ceremony Program 2006
- Childcare brochure
- Return to Learn brochure
- Children's Week brochure
- Paterson House brochure
- Completing Assessment on Time

These publications are available through the College's Client Services section or are located on the South West Regional College website at <http://swrc.tafe.wa.edu.au>.

## **Records Keeping Compliance**

Sections 12 and 61 of the State Records Act 2000 require each government agency to have a record-keeping plan approved by the State Records Commission that describes how records are created, maintained, managed and disposed of in accordance with the Commission's Standards and Principles. A single plan was submitted to the State Record Commission in March 2004 on behalf of Department of Education and Training, the Curriculum Council, the Department of Education Services, the Public Education Endowment Trust and the TAFEWA colleges.

The following documents were jointly constructed by TAFEWA Colleges Records Management Officers in 2006 for submission and all have been approved by the State Records Office for implementation into colleges.

- Overarching Operating Procedures Manual
- TAFE Retention and Disposal Schedule
- TAFE Thesaurus
- Key Performance Indicators
- Online Induction Package

The Generic TAFE Thesaurus, Retention and Disposal Schedule and the Overarching Operating Procedures Manual will be implemented in the SWRC in 2007. Key Performance Indicators will be implemented into the SWRC record system in 2007. The Online Induction Package is available for all colleges to implement. This will be in place for 2007.

### **The efficiency and effectiveness of the organisation's recordkeeping system is evaluated not less than once every five years**

- Regular records management awareness is delivered to all staff along with their record keeping responsibilities.
- Updated and precise records management policies and procedures were focused on in 2006 that were highlighted from the survey in 2005. Modifying and improving these policies and procedures led to the Generic Policy and Procedures Manual which became a joint venture between all TAFEWA colleges. This was submitted and approved for implementation into all TAFEWA colleges late 2006. South West Regional College to implement in 2007.
- All student file creators were highlighted and these people were trained to competently create all student files in their areas. Reports and feedback will be a focus in 2007.
- The main focus is to initiate and implement a feedback system on all records management/record keeping procedures/policies to ensure that proper and efficient systems are in place and achieving "best practice results". This will be in operation in 2007.

### **The organisation conducts a recordkeeping training program**

- 2006 saw training provided to all appointed administration assistants in creating student files/corporate files and training of recordkeeping practices. There are now competent and dedicated staff creating files in each campus. This was achieved mid 2006.
- Refresher training of individual areas/units will be conducted in early 2007 with focus on lecturing staff, providing legislation requirements which govern Records Keeping Plans and their day to day records management responsibilities. Focus is on getting the message to individuals on their records management responsibilities as government officers.
- Regular group training sessions are conducted and individual sessions are provided on demand.
- Updates and information on recordkeeping, records management and training are relayed to staff through the weekly staff newsletter and e-mails. Records Management Association Australasia produced posters on Records Management which have been placed up around the College for staff to see.

- In-house training sessions have been conducted for groups and individuals. Records management staff are offered more frequent and more specialised training as required.

### **The efficiency and effectiveness of the recordkeeping training program is reviewed from time to time**

- 2006 focus was on hardcopy training manuals - their readability and ease of understanding. Modification of some manuals was introduced with a feedback form on the back, highlighting any changes/improvements within the manual.
- With the focus in 2007 on an effective and efficient feedback system, training within the College will be highlighted and assessed and any appropriate changes or modification can be made immediately without any disruption to the individual.

### **The organisation's induction program addresses employees' roles and responsibilities with regards to their compliance with the organisation's recordkeeping plan**

- All new staff are required to participate in inductions at which time they are apprised of their responsibilities with respect to records management.
- Promoting sound record keeping as the responsibility of all staff ensures compliance with regulatory protocols.
- On-line Induction was implemented in December 2006 with an online full questionnaire. Full administrator's rights were granted to the Records Management Officer. The Records Management Officer will have a better understanding of how staff are grasping records management concepts and providing an overall picture of any other training required in the future by that individual. This will be in full operation in early 2007.

## **Equal Employment Opportunity**

The South West Regional College of TAFE continued to make significant improvements in its management of Equal Employment Opportunity (EEO) over the 2006 calendar year and remains committed to equity and diversity principles. Staff understanding of equity and diversity principles is reinforced at induction, and all related policy and procedures are set out on the College's dedicated Human Resources intranet site.

A project to develop a best practice human resource management framework that will enhance the quality, clarity and relevance of human resources policy, procedure and resources, commenced during 2006. Updated procedures will be implemented in 2007 and will include: recruitment, selection and appointment; induction and orientation; performance enhancement and career development; future workforce planning and development.

Throughout 2006, approximately 75% of all college staff undertook cultural awareness training. Developed and delivered by local Noongar community members and College Aboriginal staff the program briefed staff on Aboriginal people's traditional values, belief systems, behaviours and ways of living, understanding how such traditional culture has adapted and evolved and how the future is about accepting differences and working together.

The College has an active Aboriginal Employment, Education and Training Committee and this group participated with College management in an intensive planning workshop to produce a whole-of-college strategy to provide for Indigenous delivery.

The College performed very well against Government performance objectives during 2006, as indicated in the table below.

TARGET GROUP	2006 TARGETS	ACTUAL ACHIEVEMENT
Equity index for women	66.9%	73%
Management tier 1	25%	100%
Management tier 2 & 3	36%	50%
Indigenous Australians	3.2%	3.2%
People with Disabilities	2.1%	2.9%
People CALD	8.1%	10.3%
Youth under 25	5.4%	6.3%

There were no Equal Employment Opportunity complaints lodged for the calendar year.

### Evaluation of Programs

The South West Regional College of TAFE is a customer-focused organisation that values feedback from our internal and external customer base. The College has a number of processes in place to gather customer feedback, resolve issues, and promote positive and supportive comment and to include all feedback in our continuous improvement process that ultimately shape the College's strategic goals and priorities. Our customer feedback process has two levels.

The first level includes a number of opportunities for internal and external customers to let the College know whether or not it is achieving the level of customer service outlined in our Customer Service Charter. Information is gathered from the following sources:

- Customer Feedback Forms – available across the College for customers to complete and submit on a needs basis.
- Unit Feedback Forms – distributed by faculty managers to gather specific feedback about delivery and assessment at a Unit of Competency and Qualification level.
- Process Improvement Requests - Used mainly by internal customers to suggest improvements to our current policies, procedures or work practices.
- Verbal feedback received from customers to lecturers, administration staff and faculty managers.
- Written feedback received from customers to lecturers, administration staff and faculty managers.
- Qualification Survey – distributed via mail to customers with their qualification certificates and results asking them for feedback on the whole of the course completed.

Information gathered from the customer feedback forms and process improvement requests are entered on a database, analysed and reported to the Executive Committee and used to drive the College's continuous improvement system. Unit managers are expected to reply to customer feedback forms within five working days.

The manager dealing with written feedback is required to attach the information to a customer feedback form, outline his/her actions on the form and file it in the customer feedback form system for later analysis.



Unit feedback is gathered at a faculty level, analysed by portfolio managers and findings are reported to the executive committee, with issues being identified and utilized in the College's continuous improvement system.

Information from verbal feedback is dealt with by listening to the customer, identifying the specific issues, offering explanation and/or solutions and inviting the customer to complete a feedback form to formalise the process.

Any issues that are specifically identified as:

- academic appeals;
- occupational safety and health;
- equal opportunity; or
- sexual or racial harassment;

are dealt with as per the specific policy and procedures within the College.

The second level of our customer feedback system is the complaint process. A complaint is any expression of dissatisfaction or concern made that has not been dealt with at the first level of our customer feedback process to the satisfaction of the customer. There is a separate and specific complaint process for students and a process for staff at the College. Both processes are managed directly by the Managing Director of the South West Regional College of TAFE.

In collaboration with Swan TAFE, the College has researched an appropriate application and will be implementing an electronic customer management system in 2007.

### Public Interest Disclosures

The Public Interest Disclosure Act 2003 provides an avenue for people to raise concerns about matters of public interest, to provide protection for those who make disclosures of public interest and for those who are the subject of disclosures.

In compliance with its obligations under the Act, the College has appointed a Public Interest Disclosures officer and in accordance with the Public Interest Disclosure Act 2003 Code of Conduct and Integrity, has developed and implemented procedures and guidelines providing information to staff regarding their responsibilities and rights under the Act.

The College recognises the value and importance of contributions of staff to enhance administrative and management practices and strongly supports disclosures being made by staff regarding corrupt or other improper conduct. The College will take all reasonable steps to provide protection to staff who make public interest disclosures from any detrimental action in reprisal for the making of a disclosure. The College does not tolerate any of its officers, employees or contractors engaging in acts of victimisation or reprisal against those who make public interest disclosures.

There were no Public Interest Disclosures made during 2006.

### Pricing Policies on Outputs

The College adhered to Government Policies and Guidelines for Buying Wisely and observed within the College's exemption level. Department of Treasury and Finance Common Use Arrangements were utilised where possible. The Buy Local Policy has been followed by the College.

All State Supply Commission reports were provided as requested.

## Sustainability

In addition, reporting against the Governance goal provides agencies with an excellent opportunity to demonstrate their commitment to sustainability and to expand on how they are delivering actions within the State Sustainability Strategy. In this regard, the way strategic outcomes and sustainability considerations inform planning and decision-making is particularly relevant.

The South West Regional College of TAFE has actively embraced the integration of environmental protection, social advancement and economic prosperity in its response to the Western Australian State Sustainability Strategy through the implementation of its *“2005-2007 Sustainability Action Plan”*.

The College has achieved the following outcomes in support of the sustainability framework:

- The College wide Strategic Performance Planning framework identifies key sustainability goals for the organisation.
- Business Unit Action Plans address sustainability principles.
- A Sustainability Committee has been established to promote and monitor sustainability activities within the College.
- Involvement in cross-agency (Government & private) service provision; resource sharing; collaborative initiatives; and strategic alliances with industry.
- Energy Management targets have been established.
- Introduction of multi-functional devices across the College to improve efficiency in photocopy, printing, faxing and scanning.
- College Occupational Safety and Health Steering Committee established to oversee and monitor occupational safety and health issues within the College.
- Elluminate and Moodle online technologies are increasingly used as an alternative to travel for meetings and teaching distance students.
- Achievement of Government Fleet Policy of 25% gas vehicle requirement. The College fleet also includes an alternative fuel (hybrid electrical) vehicle.
- College facilities staff and wardens have energy management responsibilities included within their position descriptions.
- Key policy and related procedures within the College's quality business system were identified and reviewed for sustainability and included in Quality Unit Business Plan. Internal audits review progress against action plan outcomes.
- AQTF standards reviewed and mapped against policies and procedures within the College's Business System. Ongoing monitoring of standards against policy are reviewed through the internal audit process.
- Updates on the progress of the implementation of the Sustainability Plan provided to staff through the College's weekly newsletter.

# Performance Indicators

## Certification of Key Performance Indicators



19 February 2007

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Regional College

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### CERTIFICATION OF PERFORMANCE INDICATORS FOR THE YEAR ENDING 31 DECEMBER 2006

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the South West Regional College of TAFE's performance, and fairly represent the performance of the South West Regional College of TAFE for the financial year ended 31 December 2006.

Rosanne Pimm  
Deputy Chair  
Governing Council

Wendy Burns  
Managing Director

## Desired Outcome

The South West Regional College of TAFE has developed the following key performance indicators (KPI) to provide an overall indication of the College's operations as prescribed in the Vocational Education and Training Act 1996 and program objectives as embodied in the College's vision/mission statement. The desired outcome of the College is the provision of vocational education and training services to meet community and industry training needs.

## Effectiveness

### Student Satisfaction

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

The survey findings for the College stated that a high proportion of students were Satisfied or Very Satisfied overall. The table below shows the College and State Student Satisfaction percentages. The figures include Apprentices and Trainees in the survey (there were 1584 Apprentices and Trainees in 2006 WADET TRS).

OVERALL STUDENT SATISFACTION							
	2000	2001	2002	2003	2004	2005	2006
SWRC	79.5%	89.0%	86.0%	87%	84%	86%	86%
STATE	79.3%	88.0%	83.0%	85%	84%	85%	86%

- I. Source: Colmar Brunton on behalf of the WA Department of Education and Training conducted the Student Satisfaction surveys. All students responding were assured of complete confidentiality (i.e. no information would be released to the College that would identify any individual).
- II. Definition: The surveys were administered to full-time and part-time TAFE/VET students who were enrolled in an award course in first semester of that year.
- III. Derivation: The survey asked students to rate their overall degree of satisfaction with their course. The measure compares the number of Very Satisfied and Satisfied respondents as a proportion of respondents.
- IV. Explanation: The student survey distribution differed in that it was a multi-staged approach. An initial 30,000 surveys were sent followed by another 10,500 surveys targeted at groups that exhibited lower response rates during initial stages. This method was augmented with an online version of the survey and Computer Assisted Telephone Interviewing (CATTI). This approach was aimed at increasing the students' sample and increasing the response rate. Response rates and sample error calculations for the South West Regional College of TAFE are outlined below.
- V. Definition: Usable Records are those responses considered "valid" and eligible for inclusion in the final survey sample. This ensured that questionnaires over 50% complete, and that contained key data required for KPI tracking, were eligible for inclusion and thus usable.

RESPONSE RATES 2006 – SOUTH WEST REGIONAL COLLEGE OF TAFE						Sample Error
INSTITUTIONAL BASED STUDENTS			EMPLOYER BASED STUDENTS			Overall
Population (Usable Records)	Individual Students Contacted	% of Students Responding	Population (Usable Records)	Individual Students Contacted	% of Students Responding	% + or -
3470	1278	23%	940	352	15%	4.03%

## Graduate Satisfaction

### Disclosure Statement

The College is unable to provide an update of the Key Performance Indicator as statistically valid College level data is not available in 2006. The College has reported on the results of the 2005 Student Outcomes survey for its performance indicators for the period ended 31 December 2006.

As from 2003, the National Centre for Vocational Education Research commenced conducting surveys in alternative years to enable an appropriate sample design to produce statistically reliable College level data.

The aim of the national 2005 Student Outcomes Survey was to measure Vocational and Training Graduates' employment, further study destinations and opinions of the training undertaken. The survey was sent to students (with Australian residential addresses) who had completed an Award course in a publicly funded TAFE institute in Australia.

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

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

	SWRC	WA	AUSTRALIA
2005	86.8%	84.5%	85.3%
2003	79.5%	78.0%	78.8%
2002	76.4%	77.0%	78.0%
2001	78.2%	76.3%	79.0%
2000	79.1%	79.2%	79.6%

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

	SWRC	WA	AUSTRALIA
2005	87.4%	86.9%	87.7%
2003	87.6%	83.2%	83.1%



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

	SWRC	WA	AUSTRALIA
2002	60.6%	56.0%	62.4%
2001	63.6%	60.4%	66.2%
2000	64.4%	61.2%	65.8%
1999	61.0%	55.8%	61.7%

**Measure (c): Graduate Employment Rate:** In the 2005 survey, graduates from the College achieved better labour outcomes compared to the averages recorded for Western Australia and improved upon the College's result compared to 2003.

	SOUTH WEST REGIONAL COLLEGE						WA	AUSTRALIA
	1999	2000	2001	2002	2003	2005	2005	2005
Graduates Employed	74.9%	73.9%	71.5%	74.6%	76.9%	80.3%	78.3%	79.5%
Graduates Unemployed	9.2%	11.3%	14.3%	11.0%	10.3%	8.0%	8.4%	9.2%
Not in labour force	15.9%	14.2%	14.2%	14.0%	11.0%	11.3%	12.9%	10.7%

Notes:

- I. Source: NCS Australasia on behalf of the National Centre for Vocational Education Research (NCVER). The Australian National Training authority (ANTA) funded the survey.
- II. Definition: The 2005 survey was administered to all graduates at a publicly funded TAFE Institute in Australia who, in 2005, had completed a Certificate, Advanced Certificate, Associate Diploma, Diploma or Advanced Diploma and had an Australian address as their usual residence.
- III. Derivation: The 2005 graduate survey employment status was measured for each category (employed, unemployed and not in labour force) as at 27th May 2005. Obtained by calculating the ratio of graduates in each category compared to total respondents and expressed as a percentage.
- IV. Survey distribution and response information:

SOUTH WEST REGIONAL COLLEGE	2001	2002	2003	2005
Number of questionnaires distributed	902	998	1,381	1,052
Number of responses received	445	545	762	481
Response Rate	49%	55%	58%	46%

The sample error for 2005 was 3.7% (2003: 3.5%)

## College Training Profile

### Efficiency

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

CALENDAR YEAR	TOTAL COST	TOTAL SCH	AVERAGE COST/SCH
2006	\$29,896,177 (Includes Capital User Charge)	1,839,676	\$16.25
2006	\$27,035,730 (Excludes Capital User Charge)	1,839,676	\$14.69
2005	\$27,540,036 (Includes Capital User Charge)	1,757,237	\$15.67
2005	\$25,292,441 (Excludes Capital User Charge)	1,757,237	\$14.39
2004	\$26,640,406 (Includes Capital User Charge)	1,772,627	\$14.89
2004	\$24,143,933 (Excludes Capital User Charge)	1,772,627	\$13.62
2003	\$25,119,508 (Includes Capital User Charge)	1,909,768	\$13.15
2003	\$22,928,784 (Excludes Capital User Charge)	1,909,768	\$12.00
2002	\$23,847,038 (Includes Capital User Charge)	1,943,052	\$12.27
2002	\$21,730,165 (Excludes Capital User Charge)	1,943,052	\$11.18
2001	\$20,965,228 (Includes Capital User Charge)	1,713,438	\$12.23
2001	\$19,956,501 (Excludes Capital User Charge)	1,713,438	\$11.65
2000	\$19,629,794	1,691,661	\$11.60
1999	\$18,125,776	1,615,160	\$11.22
1998	\$17,470,271	1,481,060	\$11.79

- I. Source: The 2006 SCH figures were derived from the AVETMISS Survey as extracted from the CMIS. In addition to the AVETMISS Survey figures, separate records for Lifestyle course delivery were added.
- II. Definition: The SCH is the sum of the SCH extracted from the AVETMISS Survey (CF funded delivery) plus the total of non-profile (fee-for-service) SCH.
- III. Explanation: The AVETMISS Survey has been adjusted to allow for the “no show” students under the “one attendance” rule criteria. It should be noted that the one attendance criteria implies that the curriculum hours for a module/subject are included in the total SCH provided the student attends at least one class, even if they subsequently withdraw or cease attending a unit.
- IV. The total cost for 2001-2006 has been shown both inclusive and exclusive of the capital user charge to enable comparison to prior years.

## Effectiveness

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

COLLEGE TRAINING PROFILE WADT GROUP	2005 SCH		2006 SCH	
	ACHIEVED	ACHIEVED	PLANNED	% ACHIEVED OF PLANNED
01A - Recreation Sports and Entertainment	39,800	53,899	35,347	152.5%
01B - Visual and Performing Arts	53,480	43,315	52,966	81.8%
02A - Automotive	66,740	82,752	87,485	94.6%
03A - Building and Constructions	96,304	108,716	107,958	100.7%
03B - Surveying and Building	37,960	46,370	46,269	100.2%
04A - Community Service Workers	85,040	85,773	82,839	103.5%
04B - Education and Childcare	143,738	149,012	147,204	101.2%
04C - Health	53,156	62,276	47,148	132.1%
04D - Library Workers	0	0	0	
05A - Finance Insurance Property Service Workers	5,078	4,744	4,580	103.6%
06A - Food Trades and Processing	34,475	26,819	34,183	78.5%
07A - Clothing Footwear and Soft Furnishings	9,357	7,808	10,276	76.0%
07B - Furniture Manufacture	41,839	37,684	41,028	91.8%
08A - Communications	0	0	0	
08B - Printing and Publishing	0	0	0	
09A - Engineering and Drafting	36,866	31,520	32,773	96.2%
09B - Metal and Mining	114,374	120,372	114,885	104.8%
10A - Animal Care	0	0	0	
10B - Forestry, Farming and Landcare	59,400	59,145	56,293	105.1%
10C - Fishing	0	0	0	
10D - Horticulture	29,883	25,163	27,949	90.0%
11A - Process Manufacturing	23,418	41,337	33,442	123.6%
12A - Personal Service	21,667	22,406	27,009	83.0%
12B - Retail	13,055	14,879	15,427	96.4%
13A - Cooking	34,123	33,461	35,034	95.5%
13B - Hospitality	24,310	18,523	26,326	70.4%
13C - Tourism	29,265	27,240	27,486	99.1%
14A - Transport Trades, Storage and Associated	0	0	0	
15A - Electrical and Electronic Engineering	0	0	0	
15B - Electrical Trades	44,225	50,809	50,047	101.5%
16A - Accounting and Other Business Services	74,655	72,960	75,935	96.1%
16B - Management	60,970	54,480	69,389	78.5%
16C - Office and Clerical	71,330	75,280	76,438	98.5%
17A - Computing	111,360	87,295	103,391	84.4%
18A - Science and Technical Workers	43,480	37,400	39,635	94.4%
19A - ACE	0	0	0	
19B - Adult Literacy/ESL	91,566	62,640	79,195	79.1%
19C - Languages	2,759	2,320	2,372	97.8%
19D - Manually Added	17,115	15,700	24,763	63.4%
19E - Targeted Access and Participation Courses	64,626	88,513	75,307	117.5%
<b>TOTAL</b>	<b>1,635,414</b>	<b>1,650,611</b>	<b>1,690,379</b>	<b>97.6%</b>

# Financial Statements

## Certification of Financial Statements



19 February 2007

South West  
Regional College

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### CERTIFICATION OF FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2006

The accompanying financial statements for the South West Regional College of TAFE 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 year ending 31 December 2006 and the financial position as at 31 December 2006.

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

Rosanne Pimm  
Deputy Chair  
Governing Council

Wendy Burns  
Managing Director

Greg Goodall  
Chief Financial Officer



## 2006 Financial Statements

SOUTH WEST REGIONAL COLLEGE OF TAFE			
INCOME STATEMENT		2006	2005
FOR THE YEAR ENDED 31 DECEMBER 2006			
	Notes	\$	\$
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	4	15,978,780	15,284,253
Supplies and services	5	6,463,361	5,877,723
Depreciation and amortisation expense	6	1,864,676	1,671,804
Grants and subsidies	7	192,492	180,167
Capital user charge	8	2,860,447	2,247,595
Cost of sales	13	683,151	717,034
Loss on disposal of non-current assets	17	15,851	-
Other expenses	9	1,837,419	1,561,459
<b>Total cost of services</b>		<b>29,896,177</b>	<b>27,540,036</b>
<b>Income</b>			
<b>Revenue</b>			
Fee for service	10	872,221	1,323,628
Student fees and charges	11	2,399,218	1,993,566
Ancillary trading	12	93,378	103,718
Sales	13	676,319	786,217
Commonwealth grants and contributions	14	-	12,375
Interest revenue	15	211,621	201,380
Other revenue	16	620,838	738,317
<b>Total revenue</b>		<b>4,873,594</b>	<b>5,159,201</b>
<b>Gains</b>			
Gain on disposal of non-current assets	27	-	16,239
<b>Total Gains</b>		<b>-</b>	<b>16,239</b>
<b>Total income other than income from State Government</b>		<b>4,873,594</b>	<b>5,175,440</b>
<b>NET COST OF SERVICES</b>		<b>(25,022,583)</b>	<b>(22,364,597)</b>
<b>INCOME FROM STATE GOVERNMENT</b>			
State funds	18	22,790,596	21,293,072
Liabilities assumed by the Treasurer	19	(549,255)	(47,226)
Resources received free of charge	20	1,082,903	640,380
<b>Total income from State Government</b>		<b>23,324,244</b>	<b>21,886,225</b>
<b>SURPLUS/DEFICIT FOR PERIOD</b>		<b>(1,698,339)</b>	<b>(478,371)</b>

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



SOUTH WEST REGIONAL COLLEGE OF TAFE			
BALANCE SHEET			
AS AT 31 DECEMBER 2006		2006	2005
	Notes	\$	\$
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	21	4,070,727	3,734,331
Inventories	22	174,716	96,574
Receivables	23	610,812	651,627
Other current assets	24	2,045,403	194,992
<b>Total Current Assets</b>		<b>6,901,659</b>	<b>4,677,524</b>
<b>Non-Current Assets</b>			
Property, plant, equipment and vehicles	25	39,836,699	41,159,556
<b>Total Non-Current Assets</b>		<b>39,836,699</b>	<b>41,159,556</b>
<b>TOTAL ASSETS</b>		<b>46,738,358</b>	<b>45,837,080</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	27	350,035	133,220
Provisions	28	1,097,243	985,460
Other current liabilities	29	2,882,168	793,300
<b>Total Current Liabilities</b>		<b>4,329,446</b>	<b>1,911,980</b>
<b>Non-Current Liabilities</b>			
Provisions	28	1,452,996	1,273,050
Other non-current liabilities	29	6,108	3,904
<b>Total Non-Current Liabilities</b>		<b>1,459,104</b>	<b>1,276,954</b>
<b>Total Liabilities</b>		<b>5,788,550</b>	<b>3,188,934</b>
<b>NET ASSETS</b>		<b>40,949,808</b>	<b>42,648,146</b>
<b>Equity</b>			
Contributed equity	30	5,722,794	5,722,794
Reserves	31	12,756,882	12,756,882
Accumulated surplus/(deficit)	32	22,470,132	24,168,472
<b>TOTAL EQUITY</b>		<b>40,949,808</b>	<b>42,648,146</b>

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

SOUTH WEST REGIONAL COLLEGE OF TAFE			
STATEMENT OF CHANGES IN EQUITY			
FOR THE YEAR ENDED 31 DECEMBER 2006			
	Notes	2006 \$	2005 \$
<b>Balance of equity at start of period</b>		<b>42,648,146</b>	<b>25,686,172</b>
<b>CONTRIBUTED EQUITY</b>			
Balance at start of period	30	5,722,794	417,025
Capital contributions		-	5,305,769
Other contributions by owners		-	-
Distributions to owners		-	-
Balance at end of period		<b>5,722,794</b>	<b>5,722,794</b>
<b>RESERVES</b>			
<b>Asset Revaluation Reserve</b>			
Balance at start of period	31	12,756,882	622,304
Changes in accounting policy or correction of prior period errors		-	-
Restated balance at start of period		12,756,882	622,304
Gains/(losses) from asset revaluation		-	12,134,578
Balance at end of period		<b>12,756,882</b>	<b>12,756,882</b>
<b>Other Reserves</b>			
Balance at start of period	32		
Transfer to/from accumulated surplus			
Other adjustments during the year			
Balance at end of period		-	-
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>			
Balance at start of period		24,168,472	24,646,843
Net adjustment on transition to AIFRS		-	-
Change in accounting policy or correction of prior period errors		-	-
Restated balance at start of period		24,168,472	24,646,843
Surplus/(deficit) for the period		(1,698,339)	(478,371)
Gain /(losses) recognised directly in equity			
Balance at end of period		<b>22,470,132</b>	<b>24,168,472</b>
<b>Balance of equity at the end of period</b>		<b>40,949,808</b>	<b>42,648,148</b>
<b>TOTAL INCOME AND EXPENSES FOR THE PERIOD</b>		<b>(1,698,339)</b>	<b>(478,371)</b>

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

SOUTH WEST REGIONAL COLLEGE OF TAFE			
CASH FLOW STATEMENT			
FOR THE YEAR ENDED 31 DECEMBER 2006			
	Notes	2006 \$	2005 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Recurrent state funding - Department of Education and Training		19,807,787	20,279,662
Capital state funding - Department of Education and Training			
Net cash provided by State Government		19,807,787	20,279,662
<b>Utilised as follows:</b>			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(14,867,307)	(14,125,118)
Supplies and services		(4,908,819)	(5,141,115)
Grants and subsidies		(192,492)	(180,167)
Cost of goods sold			(708,654)
Capital user charge		(1,075,659)	(2,247,595)
GST payments on purchases		(581,238)	(623,926)
Other payments		(1,839,187)	(1,561,459)
<b>Receipts</b>			
Fee for service		1,076,901	1,145,862
Student fees and charges		2,109,823	1,899,198
Ancillary trading		93,378	103,718
Interest received		194,661	219,270
Commonwealth grants and contributions		-	12,375
GST receipts on sales		195,203	201,993
GST receipts from taxation authority		345,150	473,548
Other receipts		535,864	1,518,248
<b>Net cash provided by/(used in) operating activities</b>	33	(18,913,722)	(19,013,822)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from sale of non-current physical assets		97,724	16,239
Purchase of non-current physical assets		(655,393)	(1,062,718)
<b>Net cash provided by/(used in) investing activities</b>		(557,669)	(1,046,479)
<b>Net increase/(decrease) in cash and cash equivalents</b>		336,396	219,361
Cash and cash equivalents at the beginning of period		3,734,331	3,514,970
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		4,070,727	3,734,331

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

# Financial Statements Notes

## 1 Australian equivalents to International Financial Reporting Standards

The College's financial statements for the year ended 31 December 2006 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework), Australian Accounting Standards and the Urgent Issues Group (UIG) Interpretation. In preparing these financial statements the College has adopted, where relevant to its operations, new and revised Standards and interpretations from their operative dates as issued by the Australian Accounting Standard Board (AASB) and UIG

## 2 Significant accounting policies

### (a) General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the framework, statements of accounting concepts and other authoritative pronouncements of the Australian Accounting Standards Board, as applied by the Treasurer's Instructions. The Treasurer's Instructions may modify or clarify their application, disclosure, format and wording to provide certainty and to ensure consistency and appropriate reporting across the public sector. For example, AASB 116 requires land and buildings to be measured at cost or fair value; TI 954 mandates the fair value option. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, UIG Interpretations and other authoritative pronouncements of the Australian Accounting Standards Board. Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

### (b) Basis of Preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, modified by the revaluation of land, buildings, plant equipment 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.

### (c) Reporting Entity

The reporting entity comprises the College and entities listed at note 43 'Related bodies'.

### (d) Contributed Equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) are designated as contributions by owners by Treasurer's Instruction (TI) 955 'Contributed by Owners made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity. Transfer of net assets to/from other agencies are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal. See note 30 'Equity'.

### (e) Income

#### Revenue

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

The funds received from the Department of Education and Training in respect of the delivery of services forming part of the Delivery Performance Agreement have been disclosed as State Funds under 'Revenues from State Government'. This revenue is recognised in the period in which the College meets the terms of the Agreement.

The majority of operating revenue of the College represents revenue earned from student fees and charges, fee for service, ancillary services, trading activities and Commonwealth grants and subsidies, as well as revenue received from the Department of Education and Training as a result of training successfully tendered for under competitive tendering arrangements. Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the College has passed control of the goods or other assets, or delivery of the service to the customer.

### *Sale of goods*

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

### *Rendering of services*

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

### *Interest*

Revenue is recognised as the interest accrues.

### *Grants, donations, gifts and other non-reciprocal contributions*

Revenue is recognised at fair value when the College obtains control over the assets comprising the contributions, usually when cash is received. Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated. Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

### *Gains*

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

## **(f) Borrowing Costs**

Borrowing costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. Other borrowing costs are expensed when incurred.

## **(g) Property, Vehicles, Plant and Equipment**

### *Capitalisation/expensing of assets*

Items of property, plant and equipment and infrastructure costing over \$1,000 are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment and infrastructure costing less than \$1,000 are immediately expensed direct to the Income Statement (other than where they form part of a group of similar items which are significant in total).

### *Initial recognition and measurement*

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



*Subsequent measurement*

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

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transaction, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount. Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost.

Where the fair value buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

Independent valuation of land and buildings are performed independently on an annual basis by the Department of Land Information (Valuation Services). With sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets. 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 25 'Property, plant and equipment' for further information on revaluations.

*Depreciation*

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their future economic benefits. Land is not depreciated. Depreciation on other assets is calculated using the straight line method, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are based on percentages as follows:

Buildings	2.50%
Motor Vehicles, Caravans and Trailers	5% to 25%
Plant, Furniture and General Equipment	12.5% to 25%
Computing, Communications and Software	12.5% to 25%

**(h) Intangible Assets***Capitalisation/Expensing of assets*

Acquisition of intangible assets costing over \$1,000 and internally generated intangible assets costing over \$1,000 are capitalised. The cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Income Statement. All acquired and internally developed intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal consideration, the cost is their fair value at the date of acquisition.

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

The carrying value of intangible assets is reviewed for impairment annually when the asset is not yet in use or more frequently when an indicator of impairment arises during the reporting period indicating that the carrying value may not be recoverable

### *Licences*

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

### **(i) Impairment of Assets**

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

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated or where the replacement cost is falling. 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 each balance sheet date 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 impairments at each balance sheet date.

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

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

### **(k) Leases**

Finance lease rights and obligations are initially recognised as assets and liabilities equal in amount to the fair value of the lease item or if lower, the present value of the minimum lease payments, determined at the inception of the lease. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated over the period during which the College is expected to benefit from their use. Minimum lease payments are apportioned between finance charge and reduction of the outstanding lease liability, according to the interest rate implicit in the lease. The College has entered into an operating lease arrangement for photocopiers. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the properties.

### **(l) Financial Instruments**

The College has two categories of financial instrument:

- Loans and receivables (includes cash and term deposits); and
- Non trading financial liabilities (finance leases, payables, Treasurer's advance)

Initial recognition and measurement is at fair value. Usually the transaction cost or face value is equivalent to fair value and subsequent measurement is at amortised cost using the effective interest method. Short-term receivables and payables with no stated interest rate are measured at transaction cost/face value if the effect of discounting is immaterial.

**(m) Cash and cash equivalents**

For the purpose of the Cash Flow Statement, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdraft.

**(n) Accrued Salaries**

Accrued salaries (see note 29 'Other Liabilities') represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a few days of the financial year end. The College considers the carrying amount to be equivalent net fair value.

**(o) Inventories**

Inventories are measured at the lower of cost and the net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis. Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

**(p) Receivables**

Receivables are recognised and carried at original invoice amount less an allowance of any provision for uncollectible amounts (impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off. The provision for uncollectible amounts (doubtful debts) is raised when collectability is no longer probable. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(l) 'Financial Instruments' and note 23 'Receivables'.

**(q) Payables**

Payables are recognised at the amounts payable when the College becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(l) 'Financial Instruments' and note 27 'Payables'.

**(r) Borrowings**

All loans are initially recognised at cost, being the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method.

**(s) Provisions**

Provisions are liabilities of uncertain timing and amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and can be measured reliably. Provisions are reviewed at each balance sheet date. See note 28 'Provisions'.

***(i) Provisions - Employee benefits******Annual Leave and Long Service Leave***

The liability for annual and long service leave expected to be settled within 12 months after the end of the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than 12 months after the end of the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in by employees up to the balance sheet date.

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

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

All annual leave and unconditional long service leave provisions are classified as current liabilities as the College does not have an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

### *Superannuation*

The Government Employees Superannuation Board (GESB) administers the following superannuation schemes. Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation Scheme (GSS), a defined benefit lump sum scheme also closed to new members.

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

Employees who are not members of either the Pension or the GSS Schemes become non contributory members of the West State Superannuation (WSS) Scheme, an accumulation scheme. The College makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish all liabilities in respect of the WSS Scheme. The GESB makes all benefit payments and is recouped by the Treasurer for the employer share in respect of the Pension and GSS Scheme transfer benefits. See also note 2(t) 'Superannuation expense'.

### *(ii) Provisions -Other Employment On Costs*

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised as separate liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are not included as part of the College's 'Employee benefits expense' and the related liability is included in employment on-costs provision. (See note 9 'Other expenses' and note 28 'Provisions').

### **(t) Superannuation Expense**

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

- a)** Defined benefit plans - Change in the unfunded employer's liability (i.e. current service cost and actuarial gains and losses) assumed by the Treasurer in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme (GSS); and
- b)** Defined contribution plans - Employer contributions paid to the GSS and the West State Superannuation Scheme (WSS).

Defined benefit plans - in order to reflect the true cost of services, the movements in the liabilities in respect of the Pension Scheme and the GSS transfer benefits are recognised as expenses. As these liabilities are assumed by the Treasurer (refer note 2(s)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under Income from State Government in the Income Statement (See note 18 'Income from State Government').

### **(u) 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.

**(v) Jointly Controlled Operations**

Interests in joint venture operations have been reported in the financial report including the share of assets employed in the joint ventures, the share of liabilities incurred in relation to the joint ventures and the share of any expenses incurred in relation to the joint ventures in their respective classification categories. The interest in assets is disclosed in Note 40 'Jointly controlled operations'.

**(w) Comparative Figures**

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

**3 Disclosure of changes in Accounting Policy and Estimates**

The College has applied the following Australian Accounting Standards and UIG Interpretations effective for annual reporting periods beginning on or after 1 January 2006

1. AASB 119 'Employee Benefits' as issued in December 2004, AASB 2004-3 'Amendments to Australian Accounting Standards' and AASB 2005-3 'Amendments to Australian Accounting Standards' [AASB 119]. The revisions to AASB 119 and the amending Standards deal with options regarding the recognition of actuarial gains and losses associated with defined benefit plans and changes to disclosures for defined benefit plans. The College is not affected by these changes and as a result there is no financial impact in applying these Standards.
2. AASB 2005-9 'Amendments to Australian Accounting Standards' [AASB 4, AASB1023, AASB 139 & AASB 132] (Financial guarantee contracts). The amendment deals with the treatment of financial guarantee contracts, credit insurance contracts, letters of credit or credit derivative default contracts as either an 'insurance contracts' under AASB 4 'Insurance Contracts' or as a "financial guarantee contract" under AASB 139 'Financial Instruments: Recognition and Measurement'. The College does not currently undertake these types of transactions, resulting in no financial impact in applying the Standard.
3. UIG Interpretation 4 'Determining whether an Arrangement Contains a Lease'. This Interpretation deals with arrangements that comprise a transaction or a series of linked transactions that may not involve a legal form of a lease but by their nature are deemed to be leases for the purposes of applying AASB 117 'Leases'. At balance date, the College has not entered into any arrangements as specified in the Interpretation, resulting in no impact in applying the Interpretation.

The following accounting standards and interpretations are not applicable to the College as they have no impact:

2005-1	Amendments to Australian Accounting Standards' (AASB 139 - Cash Flow hedge accounting of forecast intragroup transactions)
2005-5	Amendments to Australian Accounting Standards' [AASB 1 and AASB 139]
2006-1	Amendments to Australian Accounting Standards' [AASB 121]
2006-2	Amendments to Australian Accounting Standards' [AASB 1]
2006-3	Amendments to Australian Accounting Standards' [AASB 1045]
UIG 5	Rights to Interest arising from Decommissioning, Restoration and Environmental Rehabilitation Funds'.
UIG 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment'.

The College cannot early adopt an Australian Accounting Standard or UIG Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'.



Consequently, the College as not applied the following Australian Accounting Standards and UIG Interpretations that have been issued but are not yet effective. These will be applied from their application date:

1. AASB 7 'Financial Instruments: Disclosures' (including consequential amendments in AASB 2005-10 'Amendments to Australian Accounting Standards [AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 1, AASB 4, AASB 1023 & AASB 1038]. This Standard requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the College's exposure to risks, enhanced disclosure regarding components of the College's financial position and performance, and possible changes to the way of presenting certain items in the financial statements. The College does not expect any financial impact when the Standards is first applied. The Standard is required to be applied to annual reporting periods beginning or after 1 January 2007.
2. AASB 2005-10 'Amendments to Australian Accounting Standards (AASB 132, AASB 101, AASB 114, AASB 117, AASB 133, AASB 139, AASB 1, AASB 4, AASB 1023, & AASB 1038)'. The amendments are as a result of the issue of AASB 7 Financial Instruments: Disclosure', which amends the financial instrument disclosure requirements in these standards. The College does not expect any financial impact when the Standard is first applied. This Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.
3. UIG 9 'Reassessment of Embedded Derivatives'. This Interpretation requires an embedded derivative that has been combined with a non-derivative to be separated from the host contract and accounted for as a derivative in certain circumstances. At balance sheet date, the College has not entered into any contracts as specified in the Interpretation resulting in no impact when the Interpretation is first applied. The Interpretation is required to be applied to annual reporting periods beginning on or after 1 June 2006.
4. AASB 101 'Presentation of Financial Statements'. This Standard was revised and issued in October 2006 so that AASB 101 has the same requirements as IAS 1 'Presentation of Financial Statements' (as issued by the IASB) in respect of for-profit entities. The College is a not-for-profit entity and consequently does not expect any financial impact when the Standards are first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2007.

The following Accounting Standards and Interpretations are not applicable to the College as they will have no impact:

AASB 1049	Financial Reporting of General Government Sectors by Governments'
2006-2	Amendments to Australian Accounting Standards (AASB 1)
2006-3	Amendments to Australian Accounting Standards (AASB 1045) [As per advice by DTF verbally - 21 Nov 2006]
UIG 7	Applying the Restatement Approach under AASB 129 <i>Financial Reporting in Hyperinflationary Economics</i> '.
UIG 8	Scope of AASB 2'
UIG 10	Interim Financial Reporting and Impairment'.

	2006 \$	2005 \$
<b>4 Employee benefits expense</b>		
Wages and salaries	14,983,017	13,879,652
Superannuation - defined contribution plans (West State)	1,121,301	1,005,335
Superannuation - defined benefit plans (Gold State)	(304,441)	211,626
Other	178,903	187,640
	<b>15,978,780</b>	<b>15,284,253</b>
<b>5 Supplies and services</b>		
Consumables and minor equipment	1,187,365	1,132,425
Communication expenses	209,470	217,476
Utilities expenses	478,405	488,549
Consultancies and contracted services	2,496,822	1,985,781
Minor works	442,557	486,692
Repairs and maintenance	55,998	97,619
Operating lease and hire charges	414,618	401,195
Travel and passenger transport	594,558	586,052
Advertising and public relations	212,945	164,173
Supplies and services - other	370,623	317,760
	<b>6,463,361</b>	<b>5,877,723</b>
<b>6 Depreciation and amortisation expense</b>		
Depreciation		
Buildings	787,937	673,330
Leasehold improvements - buildings	243,111	121,538
Motor vehicles, caravans and trailers	112,711	94,849
Plant, furniture and general equipment	194,256	215,779
Computers and communication network	526,662	566,308
Total depreciation and amortisation	<b>1,864,676</b>	<b>1,671,804</b>
<b>7 Grants and subsidies</b>		
Apprentices and trainees (travel, accommodation and other off the job assistance)	192,492	180,167
	<b>192,492</b>	<b>180,167</b>
<b>8 Capital user charge</b>		
Capital user charge expense	<b>2,860,447</b>	<b>2,247,595</b>
The Government applies a levy for the use of its capital for the delivery of services. It is applied at 8% per annum on the net assets of the College, excluding exempt assets, and is paid to the Department of Treasury and Finance quarterly. (2005 rate 8%)		
<b>9 Other expenses</b>		
Building Maintenance	338,452	241,587
Doubtful debts expense	153,610	(45,270)
Employment on-costs	1,315,682	1,208,662
Student prizes and awards	5,778	6,203
Losses and write-offs	23,096	150,277
Other	800	-
	<b>1,837,419</b>	<b>1,561,459</b>

	2006 \$	2005 \$
<b>a)</b> Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		
<b>10 Fee for service</b>		
Fee for service -general	740,391	1,052,501
Fee for service -Department of Education and Training	131,830	271,127
	<b>872,221</b>	<b>1,323,628</b>
<b>11 Student fees and charges</b>		
Tuition fees	1,510,485	1,299,513
Enrolment fees	185,987	176,917
Resource fees	690,911	494,786
Other college fees	11,835	22,350
	<b>2,399,218</b>	<b>1,993,566</b>
<b>12 Ancillary trading</b>		
Live works (not a trading activity)	93,163	103,718
Other ancillary revenue	215	-
	<b>93,378</b>	<b>103,718</b>
<b>13 Trading Profit/(Loss)</b>		
<b>(a) Bookshop:</b>		
Sales	676,319	786,217
Cost of sales:		
Opening inventory	(96,574)	(104,955)
Purchases	(761,293)	(708,654)
	(857,868)	(813,609)
Closing inventory	(174,716)	(96,574)
Cost of goods sold	(683,151)	717,034
Trading Profit (Loss) - Bookshop	<b>(6,832)</b>	<b>69,182</b>
<b>14 Commonwealth Grants And Contributions</b>		
Commonwealth specific purpose grants and contributions	-	12,375
	<b>-</b>	<b>12,375</b>
<b>15 Interest Revenue</b>		
Interest Revenue (From Term Deposits with ANZ and Treasury and interest on cheque account with ANZ)	<b>211,621</b>	<b>201,380</b>
<b>16 Other revenue</b>		
Rental and facilities fees	446,697	476,262
Sponsorship and donations revenue	5,770	10,963
Miscellaneous revenue	168,371	251,092
	<b>620,838</b>	<b>738,317</b>

	2006 \$	2005 \$
<b>17 Net gain/(loss) on disposal of non-current assets</b>		
<u>Costs of disposal of non-current assets</u>		
Motor vehicles, caravans and trailers	(102,159)	(150,407)
Plant, furniture and general equipment	(6,841)	(14,979)
Computers and communication network	(4,575)	(3,042)
	<b>(113,575)</b>	<b>(168,428)</b>
<u>Proceeds from disposal of non-current assets</u>		
Motor vehicles, caravans and trailers	81,790	161,253
Plant, furniture and general equipment	-	8,810
Computers and communication network	15,934	14,604
	97,724	184,667
Net gain/(loss)	<b>(15,851)</b>	<b>16,239</b>
<b>18 Income from State government</b>		
State funds (received from Department of Education and Training)		
Delivery and Performance Agreement (DPA)	17,712,169	16,532,252
Other recurrent funds	2,217,980	2,513,225
Capital User Charge funding	2,860,447	2,247,595
	<b>22,790,596</b>	<b>21,293,072</b>
<b>19 Liabilities assumed by the Treasurer</b>		
The following liabilities have been assumed by the Treasurer during the financial year.		
Superannuation Pension Fund	(549,255)	(47,226)
Total Liabilities assumed by the Treasurer	<b>(549,255)</b>	<b>(47,226)</b>
<b>a)</b> The assumption of the superannuation liability by the Treasurer is a nominal income to match the notional superannuation expense reported in respect of current employees who are members of the Pension Scheme and current employees who have a transfer benefit entitlement under the Gold State Superannuation Scheme.		
<b>b)</b> Where the Treasurer or other entity has assumed a liability, the College recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.		
<b>20 Resources received free of charge</b>		
Department of Education and Training		
* Corporate systems support	862,047	509,381
* Marketing and publications	92,111	130,999
* Human resources, industrial relations support	164	-
* Other	128,581	-
	<b>1,082,903</b>	<b>640,380</b>
<b>a)</b> Where assets or services have been received free of charge or for nominal consideration, the College recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the College shall make a direct adjustment to equity) 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.		

	2006 \$	2005 \$
<b>21 Cash and cash equivalents</b>		
Cash on hand	7,100	7,030
Cash at bank	1,063,627	1,227,301
Short term deposits	3,000,000	2,500,000
	<b>4,070,727</b>	<b>3,734,331</b>
<b>22 Inventories</b>		
Inventories held for resale:		
Bookshop (at cost)	174,716	96,574
	<b>174,716</b>	<b>96,574</b>
<b>23 Receivables</b>		
Current		
Receivables - trade	317,370	517,607
Receivables - students	326,931	37,536
Allowance for impairment of receivables	(168,761)	(15,151)
GST receivable	47,360	33,931
	522,900	573,923
Prepayments	87,912	77,704
Total current	<b>610,812</b>	<b>651,627</b>
<b>24 Other assets</b>		
Current		
Accrued income	2,045,403	194,992
Total current	<b>2,045,403</b>	<b>194,992</b>
<b>25 Property, plant, equipment and vehicles</b>		
Freehold Land		
At fair value	3,080,000	3,080,000
Buildings		
At fair value	31,577,818	31,432,000
Accumulated depreciation	(1,180,837)	(392,900)
	30,396,981	31,039,100
Buildings under construction		
Construction costs	-	103,823
	-	103,823
Leasehold improvements		
At cost	4,740,660	4,740,660
Accumulated depreciation	(364,649)	(121,538)
	4,376,011	4,619,122
Motor vehicles, caravans and trailers		
At cost	654,160	669,976
Accumulated depreciation	(350,833)	(273,746)
	303,327	396,230
Plant, furniture and general equipment		
At cost	2,001,047	1,906,222
Accumulated depreciation	(1,385,175)	(1,197,080)
	615,872	709,142
Computer equipment, communication network		
At cost	2,800,049	2,632,996
Accumulated depreciation	(1,735,541)	(1,420,856)
	1,064,508	1,212,139
	<b>39,836,699</b>	<b>41,159,556</b>
Freehold land and buildings were revalued as at 1 July 2005 by the Department of Land Information (Valuation Services). The valuations were performed during the year ended 31 December 2005 and recognised at 1 July 2005. The fair value of all land and buildings was determined by reference to market values. See note 2(g) 'Property, vehicles, plant and equipment'.		



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

2006	Land	Buildings	Buildings Under Construction	Leasehold Improvements	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
Carrying amount at start of year	3,080,000	31,039,100	103,823	4,619,122	396,230	709,142	1,212,139	41,159,556
Additions	-	145,818	-	-	121,966	107,827	383,605	759,216
Transfer	-	-	(103,823)	-	-	-	-	(103,823)
Disposal	-	-	-	-	(137,783)	(13,002)	(212,566)	(363,350)
Classified as held for sale	-	-	-	-	-	-	-	-
Revaluation Increments	-	-	-	-	-	-	-	-
Impairment losses	-	-	-	-	-	-	-	-
Impairment losses reversed (a)	-	-	-	-	-	-	-	-
Depreciation expense	-	(787,937)	-	(243,111)	(77,086)	(188,095)	(318,670)	(1,614,901)
Carrying amount at end of year	3,080,000	30,396,981	-	4,376,011	303,327	615,872	1,064,508	39,836,698

2005	Land	Buildings	Buildings Under Construction	Leasehold Improvements	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
Carrying amount at start of year	680,000	21,129,386	-	-	372,334	628,895	1,523,176	24,333,791
Additions	-	290,820	103,823	5,298,306	269,152	311,005	258,313	6,531,419
Disposals	-	-	-	-	(150,407)	(14,979)	(3,042)	(168,428)
Classified as held for sale	-	-	-	-	-	-	-	-
Revaluation Increments	2,400,000	10,292,224	-	(557,646)	-	-	-	12,134,578
Impairment losses	-	-	-	-	-	-	-	-
Impairment losses reversed (a)	-	-	-	-	-	-	-	-
Depreciation expense	-	(673,330)	-	(121,538)	(94,849)	(215,779)	(566,308)	(1,671,804)
Write-off of Assets destroyed by earthquake	-	-	-	-	-	-	-	-
Carrying amount at end of year	3,080,000	31,039,100	103,823	4,619,122	396,230	709,142	1,212,139	41,159,556

	2006 \$	2005 \$
<b>26 Impairment of Assets</b>		
There were no indications of impairment of property plant, equipment and intangibles as at 31 December 2006. The College held no goodwill or intangible assets with indefinite useful life during the balance sheet period and at reporting date there were no intangible assets not yet available for use.		
<b>27 Payables</b>		
Current		
Trade payables	350,035	133,220
Total current	<b>350,035</b>	<b>133,220</b>
<b>28 Provisions</b>		
Current		
Employee benefits provision		
Annual leave(a)	437,097	487,445
Long service leave(b)	513,720	357,816
	950,817	845,261
Employment on-costs	146,426	140,199
Total current	<b>1,097,243</b>	<b>985,460</b>
Non-current		
Employee benefits provision		
Long service leave	1,259,095	1,077,000
Other provisions		
Employment on-costs	193,901	196,050
Total non current	<b>1,452,996</b>	<b>1,273,050</b>
<b>a)</b> Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date.		
<b>b)</b> Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date.		
<b>c)</b> The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including payroll tax and workers compensation premiums. The provision is the present value of expected future payments and is disclosed in note 9 'Other expenses'.		
<b>29 Other liabilities</b>		
Current		
Income received in advance	5,318	6,818
Accrued expenses	2,820,283	736,877
Accrued salaries and related costs	56,567	49,605
Total current liabilities	<b>2,882,168</b>	<b>793,300</b>
Non-current		
Other		
Total non-current	<b>6,108</b>	<b>3,904</b>
(a) Income received in advance comprises:		
Department of Education and Training	-	6,818
Other	5,318	-
	<b>5,318</b>	<b>6,818</b>
<b>30 Equity</b>		
<b>Contributed equity</b>		
Balance at start of year	5,722,794	417,025
<b>Contributions by owners</b>		
Capital contribution		5,305,769
Total contributions by owners	<b>5,722,794</b>	<b>5,722,794</b>

	2006 \$	2005 \$
<b>31 Reserves</b>		
Asset Revaluation Reserve Balance at start of year	12,756,882	622,304
Net revaluation increments/(decrements)		
Land		2,400,000
Buildings		9,734,578
Balance at end of year	<b>12,756,882</b>	<b>12,756,882</b>
<b>32 Accumulated surplus/(deficit) (Retained Earnings)</b>		
Balance at start of year	24,168,472	24,646,843
Result for the period	(1,698,339)	(478,371)
Balance at end of year	<b>22,470,132</b>	<b>4,168,472</b>
<b>33 Notes to the Cash Flow Statement</b>		
<u>Reconciliation of cash</u>		
Cash at the end of the financial year, as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash on hand	7,100	7,030
Cash at bank	1,063,627	1,227,301
Short term deposits	3,000,000	2,500,000
	<b>4,070,727</b>	<b>3,734,331</b>
<u>Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities</u>		
Net Cost of Services	<b>(25,022,583)</b>	<b>(22,364,597)</b>
Non-cash items:		
Depreciation and amortisation expense	1,864,676	1,671,804
Superannuation expense	816,860	1,169,735
Resources received free of charge	1,082,903	640,380
Net (gain) / loss on sale of property, plant and equipment	15,851	(16,239)
Doubtful debts expense	153,610	(45,270)
(Increase)/decrease in assets:		
Current receivables (c)	(89,158)	(113,298)
Current inventories	(78,142)	8,381
Other current assets	(7,795)	295,206
Prepayments	(10,208)	2,954
Non-current inventories		
Increase/(decrease) in liabilities:		
Current payables (c)	216,815	(406,335)
Current provisions	111,783	(9,236)
Other current liabilities	1,862,946	197,118
Non-current Provisions	179,946	(1,365)
Other non-current liabilities	2,204	(500)
Net GST receipts/(payments) (a)		(33,931)
Change in GST in receivables/payables (b)	(13,430)	(8,629)
Net cash provided by/(used in) operating activities	<b>(18,913,722)</b>	<b>19,013,822)</b>
<b>a)</b> This is the net GST paid/received, i.e. cash transactions		
<b>b)</b> This reverses out the GST in receivables and payables		
<b>c)</b> Note that the ATO receivable /payable in respect in respect of the sale/purchase of non-current assets are not included in these items as they are not reconciling items		
<b>34 Resources provided free of charge</b>		
During the year, no resources were provided to other agencies free of charge for functions outside the normal operations of the College.		

	2006 \$	2005 \$
<b>35 Commitments</b>		
<b>Capital expenditure commitments</b>	Nil	
<b>Lease commitments</b>		
Commitments in relation to leases contracted for at the balance sheet date but not recognised as liabilities, are payable :		
Within 1 year	73,641	129,850
Later than 1 year and not later than 5 years	-	75,746
Later than 5 years	-	-
	<b>73,641</b>	<b>205,596</b>
<b>36 Contingent liabilities and contingent assets</b>		
Contingent Liabilities	Nil	
<b>37 Events occurring after balance sheet date</b>		
The College is transferring to an asset capitalisation limit of \$5000 from 1 January 2007. The change has been approved for all TAFE Colleges by the Department of Treasury and Finance, the Office of the Auditor General and the College's Governing Council. This change will have an effect on the College's finances in 2007.	Nil	
<b>38 Explanatory Statement</b>		
Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$250,000.		

Significant variations between estimated and actual results for 2006	2006 Estimate \$	2006 Actual \$	Variation \$
<b>Income Statement Expenses</b>			
<b>Employee expenses</b>	17,155,600	15,978,780	1,176,820
Payroll tax of \$850k was included in the 2006 estimate, but is included in Other Expenses in the 2006 actuals. Employee oncosts of \$340k were included in the 2006 estimate, but are included in Other Expenses in the 2006 actuals.			
Grants and subsidies	320,000	192,492	127,508
Grants and subsidies paid to apprentices and trainees were less than anticipated.			
<b>Other expenses</b>	200,000	1,691,477	(1,491,477)
2006 estimate did not include payroll tax \$850k and employee oncosts \$340k, which were included in the estimates in Employee expenses.			
<b>Income Statement Revenue</b>			
Fee for service	1,420,597	872,221	548,376
Less Department of Education and Training commercial tenders won in 2006 and less general commercial fee for service work undertaken.			
Student fees and charges	2,130,473	2,399,218	(268,745)
There were more trades students, including apprentices in 2006 than forecast and these have higher student resource fees than other courses, due to the type of materials used in the trade areas.			
<b>Sales</b>	818,436	676,319	142,117
Bookshop sales were \$142k less than forecast, primarily due to more internet usage negating the need for students to purchase some textbooks.			
<b>Interest income</b>	135,000	211,621	(76,621)
The College's capital works and equipment purchases were delayed in 2006, enabling the College to gain more interest on Term Deposits than was forecast.			
<b>Other income</b>	880,000	620,838	259,162
A change in student debtors write off processes has reduced bad debt recovery by approximately \$90k against estimate.			
<b>Resources received free</b>	670,000	1,082,903	(412,903)
The Department of Education and Training has increased its notional charges, reflected in Supplies and Services by approximately \$400k and the notional revenue is reflected in Income from State Government.			
<b>Liabilities Assumed by the Treasurer</b>	30,000	(549,255)	579,255
The Pension Super Fund, administered by the Treasury and the Government Employees Super Board, has had a reduction in liability of \$549k in 2006, due to resignations from the College of long term employees in 2006.			

Significant Variances between actual results for 2006 and 2005	2006 \$	2005 \$	Variance \$
<b>Income Statement</b>			
<b>Expense</b>			
Employee expenses	15,978,780	15,284,253	694,527
Pay increases of 3.6% for lecturers and 4% for Gosac, from 28 February 2006, account for approximately \$450k of the difference, with the balance being an increase in provisions in 2006 of \$250k.			
<b>Supplies and services</b>	6,463,361	5,877,723	585,638
An increase in resources received free of charge from the Dept of Education and Training, in the Contracted Services section of Supplies and Services, amounting to \$400k is the major factor in the increase from 2005 to 2006.			
<b>Depreciation and amortisation</b>	1,864,676	1,671,804	192,872
The full effect of the depreciation on buildings revalued 1 July 2005, is felt in 2006 with increased depreciation on buildings for the full year of 2006.			
<b>Capital User Charge</b>	2,860,447	2,247,595	612,852
The higher net asset base, after the 1 July 2005 revaluation of the College's buildings has resulted in a higher Capital User Charge for 2006.			
<b>Income</b>			
<i>Fee for service</i>	872,221	1,323,628	(451,407)
Less Department of Education and Training commercial tenders won in 2006 and less general commercial fee for service work undertaken.			
<i>Student fees and charges</i>	2,399,218	1,993,566	405,652
There were more trades students, including apprentices in 2006 than forecast and these have higher student resource fees than other courses, due to the type of materials used in the trade areas. In addition, a CPI increase of 2.5% was approved by the Department of Education and Training.			
<i>Sales</i>	676,319	786,217	(109,898)
Bookshop sales were \$142k less than forecast, primarily due to more internet usage negating the need for students to purchase some textbooks.			
<i>Other revenue</i>	620,838	738,317	(117,479)
A change in student debtors write off processes has reduced bad debt recovery by approximately \$90k from 2005 to 2006.			
<i>State Funds</i>	22,790,596	21,293,072	1,497,524
Besides the pay increases in 2006, equating to approximately \$850k, the Dept of Education and Training advanced the College a capital works grant of \$450k.			
<i>Liabilities assumed by the Treasurer</i>	(549,255)	(47,226)	(502,029)
The Pension Super Fund, administered by the Treasury and the Government Employees Super Board, has had a reduction in liability of \$549k in 2006, due to resignations from the College of long term employees in 2006.			
<i>Resources received free of charge</i>	1,082,903	640,380	442,523
The Department of Education and Training has increased its notional charges, reflected in Supplies and Services by approximately \$400k and the notional revenue is reflected in Income from State Government, in 2006.			

### 39 Financial Instruments

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

#### Interest Rate Risk Exposure

The following table details the College's exposure to interest rate risk at reporting date.



## Financial Statements

	2006	Weighted Average Effective Interest Rate %	Variable Interest Rate \$	Within 1 year \$	Fixed Interest Rate Maturity					Non-Interest Bearing \$	Total \$
					1-2 Years \$	2-3 Years \$	3-4 Years \$	4-5 Years \$	More than 5 years \$		
Financial Assets											
Cash and cash equivalent		5.50%	1,063,627	3,000,000	-	-	-	-	-	7,100	4,070,727
Restricted cash and cash equivalent			-		-	-	-	-	-	-	-
Receivables			-		-	-	-	-	-	691,661	691,661
Other financial assets			-		-	-	-	-	-	2,045,403	2,045,403
			<u>1,063,627</u>	<u>3,000,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,744,164</u>	<u>6,807,791</u>
Financial Liabilities											
Payables			-		-	-	-	-	-	350,035	350,035
Employee benefits			-		-	-	-	-	-	2,550,239	2,550,239
WATC/Bank Borrowings			-		-	-	-	-	-	-	-
Other borrowings			-		-	-	-	-	-	-	-
Other liabilities			-		-	-	-	-	-	2,888,276	2,888,276
			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,788,550</u>	<u>5,788,550</u>

	2005	Weighted Average Effective Interest Rate %	Variable Interest Rate \$	Within 1 year \$	Fixed Interest Rate Maturity					Non-Interest Bearing \$	Total \$
					1-2 Years \$	2-3 Years \$	3-4 Years \$	4-5 Years \$	More than 5 years \$		
Financial Assets											
Cash and cash equivalent		5.30%	1,227,301	2,500,000	-	-	-	-	-	7,030	3,734,331
Restricted cash and cash equivalent			-		-	-	-	-	-	-	-
Receivables			-		-	-	-	-	-	589,074	589,074
Loans and advances			-		-	-	-	-	-	194,992	194,992
			<u>1,227,301</u>	<u>2,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>791,096</u>	<u>4,518,397</u>
Financial Liabilities											
Payables			-		-	-	-	-	-	133,220	133,220
Employee benefits			-		-	-	-	-	-	2,258,510	2,258,510
WATC/Bank Borrowings			-		-	-	-	-	-	-	-
Other borrowings			-		-	-	-	-	-	-	-
Other liabilities			-		-	-	-	-	-	797,204	797,204
			<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,188,934</u>	<u>3,188,934</u>

### 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.

### 40 Jointly controlled operations

Nil.

	2006 \$	2005 \$
<b>41 Remuneration of Members of the Accountable Authority and Senior Officers</b>		
<b>Remuneration of members of the Accountable Authority</b>		
The number of members of the Accountable Authority whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:		
\$10,001 - \$150,000	1	
\$180,001 - \$190,000	-	1
The total remuneration of the members of the Accountable Authority is:	<b>148,235</b>	<b>188,199</b>
The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the Accountable Authority. No members of the Accountable Authority are members of the Pension Scheme.		
<b>Remuneration of Senior Officers</b>		
The number of Senior Officers other than senior officers reported as members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits receivable for the financial year, fall within the following bands are:		
\$10,001 - \$20,000	-	1
\$20,001 - \$30,000	-	1
\$90,001 - \$100,000	1	1
\$100,001 - \$110,000	-	-
\$110,001 - \$120,000	1	-
\$120,001 - \$130,000	-	-
\$130,001 - \$140,000	-	1
The total remuneration of senior officers is:	<b>213,250</b>	<b>271,561</b>
The total remuneration includes the superannuation expense incurred by the Authority in respect of members of the Accountable Authority. No Senior Officers are members of the Pension Scheme.		
<b>42 Remuneration of auditor</b>		
Remuneration to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators	<b>27,000</b>	<b>26,400</b>
The Expense is included in note 9 'Other expenses'		
<b>43 Related Bodies</b>		
The College has no related bodies.		
<b>44 Affiliated Bodies</b>		
The College has no affiliated bodies.		
<b>45 Supplementary Financial Information</b>		
<b>Write-Offs</b>		
Public property		
Bad Debts	22,819	150,204
Inventory		
Other	110	42
<b>Losses Through Theft, Defaults And Other Causes</b>		
Losses of public and other moneys and public and other property through theft, default or otherwise. Amount recovered:	167	30
<b>Gifts of Public Property</b>		
Gifts of Public Property provided by the College	-	-
<b>46 Schedule of Income and Expenditure by Service</b>		
The college provides only one service (as defined by Treasurer's Instruction 1101 (2) (viii)) and that is Vocational Education and Training Delivery		

## Forward Financial Estimates

INCOME STATEMENT	
	2007 \$
<b>COST OF SERVICES</b>	
Expenses	
Employee benefits expense	17,309,400
Supplies and services	7,507,000
Depreciation and amortisation expense	1,744,000
Grants and subsidies	100,000
Capital user charge	1,414,900
Loss on disposal of non-current assets	
Other expenses	1,750,000
Cost of sales	688,000
<b>Total Cost of Services</b>	<b>30,513,300</b>
<b>INCOME</b>	
<b>Revenue</b>	
Fee for service	916,100
Student charges and fees	2,434,600
Sales	692,300
Ancillary trading	100,000
Commonwealth grants and contributions	0
Interest revenue	215,000
Other revenue	1,020,000
<b>Total Revenue</b>	<b>5,378,000</b>
<b>GAINS</b>	
Gain on disposal of non-current assets	0
<b>Total Gains</b>	<b>0</b>
<b>TOTAL INCOME OTHER THAN INCOME FROM STATE GOVERNMENT</b>	<b>5,378,000</b>
<b>NET COST OF SERVICES</b>	<b>(25,135,300)</b>
<b>INCOME FROM STATE GOVERNMENT</b>	
State funds	22539540
Liabilities assumed by the Treasurer	
Resources received free of charge	970000
<b>Total income from State Government</b>	<b>23,509,540</b>
	<b>(1,625,760)</b>

BALANCE SHEET	
	2007 \$
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	3,100,000
Inventories	150,000
Receivables	650,000
Other current assets	200,000
<b>Total Current Assets</b>	<b>4,100,000</b>
<b>Non-Current Assets</b>	
Property, plant and equipment	37,497,673
<b>Total Non-Current Assets</b>	<b>37,497,673</b>
<b>TOTAL ASSETS</b>	<b>41,597,673</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Payables	550,000
Provisions	1,200,000
Other current liabilities	850,000
<b>Total Current Liabilities</b>	<b>2,600,000</b>
<b>Non-Current Liabilities</b>	
Provisions	1,550,000
Other non-current liabilities	6,000
<b>Total Non-Current Liabilities</b>	<b>1,556,000</b>
<b>TOTAL LIABILITIES</b>	<b>4,156,000</b>
<b>NET ASSETS</b>	<b>37,441,673</b>
<b>EQUITY</b>	
Contributed Equity	5,722,794
Reserves	12,756,882
Accumulated surplus/(deficiency)	18,961,997
<b>TOTAL EQUITY</b>	<b>37,441,673</b>

CASH FLOW STATEMENT	
	2007 \$
<b>CASH FLOWS FROM STATE GOVERNMENT</b>	
State funds	22,539,540
<b>Net cash provided by State Government</b>	<b>22,539,540</b>
<b>Utilised as follows:</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>Payments</b>	
Employee benefits	(17,200,000)
Supplies and services	(7,000,000)
Capital User Charge	(1,414,900)
Grants and subsidies	(100,000)
GST payments on purchases	(600,000)
Other payments	(1,600,000)
<b>Receipts</b>	
Fee for service	916,100
Student fees and charges	2,434,600
Ancillary trading	100,000
Commonwealth grants and contributions	
Interest received	200,000
GST receipts on sales	200,000
GST receipts from taxation authority	400,000
Other receipts	753,933
<b>Net cash provided by/(used in) operating activities</b>	<b>(22,910,267)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of non-current physical assets	100,000
Purchase of non-current physical assets	(700,000)
<b>Net cash provided by/(used in) investing activities</b>	<b>(600,000)</b>
<b>Net increase/(decrease) in cash held and cash equivalents</b>	<b>(970,727)</b>
Cash and cash equivalents at the beginning of the period	4,070,727
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>3,100,000</b>



CHANGES IN EQUITY			
			2007
			\$
<b>Balance of equity at start of period</b>			
<b>CONTRIBUTED EQUITY</b>			
Balance at start of period			5,722,794
Capital contribution			
Other contributions by owners			
Distributions to owners			
Balance at end of period			5,722,794
<b>RESERVES</b>			
<b>Asset Revaluation Reserve</b>			
Balance at start of period			12,756,882
Changes in accounting policy or correction of prior period errors			
Restated balance at start of period			
Gains/(losses) from asset revaluation			
Balance at end of period			12,756,882
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>			
Balance at start of period			22,795,757
Net adjustment on transition to AIFRS			
Changes in accounting policy or correction of prior period errors			(2,208,000)
Restated balance at start of period			
Surplus/(deficit) or profit/(loss) for the period			(1,625,760)
Gains/(losses) recognised directly in equity			
Balance at end of period			18,961,997
<b>Balance of equity at end of period</b>			37,441,673
Total income and expense for the period			(1,625,760)

## Postal Address

PO Box 1224  
BUNBURY WA 6231

## Campuses

### Bunbury

Robertson Drive

BUNBURY WA 6230  
Telephone: 61 8 9780 7000  
Facsimile: 61 8 9780 7100

### Busselton

2 South Street  
BUSSELTON WA 6280  
Telephone: 61 8 9752 6600  
Facsimile: 61 8 9754 6603

### Collie

43 Wittenoom Street (PO Box 268)  
COLLIE WA 6225  
Telephone: 61 8 9734 9900  
Facsimile: 61 8 9734 4218

### Harvey

Corner Uduc Road and South Western  
Highway (PO Box 215)  
HARVEY WA 6220  
Telephone: 61 8 97807051  
Facsimile: 61 8 9729 1611

### Margaret River

Bussell Highway (RMB 1)  
Margaret River WA 6285  
Telephone: 61 8 9780 5800  
Facsimile: 61 8 9780 5818

### Manjimup

Graphite Road, (PO Box 930)  
MANJIMUP WA 6258  
Telephone: 61 8 9771 7600  
Facsimile: 61 8 9771 7602

## Website

[www.swrc.tafe.wa.edu.au](http://www.swrc.tafe.wa.edu.au)

