



2011 ANNUAL REPORT

Overview

About this Annual Report

This 2011 Annual Report provides information on the financial and operational performance of the South West Institute of Technology including identifying achievements and challenges for the year.

In line with State Government requirements, the South West Institute's Annual Report 2011 is published in an electronic format with limited use of graphics and illustrations to minimise download times.

The South West Institute of Technology encourages the use of recycled paper if a copy of this report is printed.

This work is subject to copyright and should not be reproduced without the consent of the South West Institute of Technology.

South West Institute of Technology

Robertson Drive

Bunbury Western Australia, 6230

Phone: (08) 9780-7000

Website: www.swit.wa.edu.au

Statement of Compliance

Hon Peter Collier MLC
Minister for Energy; Training and Workforce Development; Indigenous Affairs
11th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

Statement of Compliance for the Year Ended 31 December 2011

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

The annual report has been prepared in accordance with the provisions of the Financial Management Act 2006.

Yours sincerely



Dan Perkins

Chairperson
Governing Council



Wendy Burns

Managing Director
South West Institute of Technology

Table of Contents

| | |
|---|-----------|
| Overview | 2 |
| Statement of Compliance | 3 |
| Executive Summary | 5 |
| Statement from the Chair of the Governing Council | 7 |
| Managing Director's Report | 8 |
| Operational Overview | 9 |
| Campuses | 10 |
| Corporate Governance | 11 |
| Governing Council | 13 |
| Strategic Plan | 16 |
| Looking ahead major initiatives for 2012 | 18 |
| Agency Performance | 19 |
| 2011 Key Outcomes Priorities and Services | 19 |
| Performance Management Framework | 20 |
| Performance Measures | 21 |
| Western Australian Workforce Development | 23 |
| Client Satisfaction | 25 |
| Business Development | 27 |
| Our Capability | 29 |
| Social Responsibility | 31 |
| The Pursuit of Excellence | 34 |
| Key Performance Indicators | 36 |
| Certification of Key Performance Indicators | 36 |
| Desired Outcome | 37 |
| Effectiveness | 37 |
| Efficiency | 39 |
| Graduate Satisfaction | 41 |
| Response Rates 2011 | 43 |
| Disclosure and Legal Compliance | 44 |
| Employment and Industrial Relations | 45 |
| Disability Access and Inclusion Plans | 46 |
| Occupational Safety, Health and Injury Management | 49 |
| Risk Management | 55 |
| Environmental Sustainability | 56 |
| Financial Statements | 57 |
| Certification of Financial Statements | 57 |
| Independent Audit Opinion | 58 |
| 2012 Forward Financial Estimates | 92 |

Executive Summary

The South West Institute of Technology (SWIT) has been providing training in the South West for over 40 years and is the largest training provider in the region, operating a network of six campuses based in Collie, Harvey, Busselton, Manjimup and Margaret River with the main campus based in Bunbury. In 2011 the Institute catered for the training needs of over 7000 students and delivered in excess of two million Student Curriculum Hours (SCH) of teaching.

The Institute's Strategic Plan 2011-2013 has identified six strategic pillars or priorities that leverage all business activities:

- Workforce Development
- Client Satisfaction
- Business Development
- Capability
- Social Responsibility
- Pursuit of Excellence

The Institute's key performance indicators are aligned to the State Government Training Plan and the Delivery and Performance Agreement with the Department of Training and Workforce Development (DTWD). Each year our performance is measured against these benchmarks and 2011 was a particularly successful year across the board.

Delivery

The Institute met the contract with DTWD and the growth profile, and also resulted an additional 184,000 Student Curriculum Hours (SCH) of commercial delivery. The Institute broke the two million SCH benchmark for the first time in 2011, achieving its best ever performance with a total of 2,044,822 SCH for the year. Consistent with the parameters provided by the Department of Training and Workforce Development, the South West Institute of Technology exceeded the targets for offering higher level qualifications, engaging youth, students with disability and surpassed the benchmark for apprentice participation. More specifically the measures for each of these targets reflect the Institute's commitment to provide comprehensive and inclusive training across the region, up-skilling and equipping local people for the labour market.

Budget

The SWIT financial goal for 2011 was to create additional business, a better option than the alternative of cutting budgets. The focus on the strategic development of our business both in profile growth as well as fee for service is showing rewards, achieving \$1.3 million from growth activity. The preparation of sound business cases has also resulted in the Institute securing additional funding from DTWD.

E-Learning

The Institute continued to expand the number and range of units available online through the Moodle Learning Management System. Having training resources available at all times, has proved hugely beneficial for existing workers and enabled in-class students to access course materials. This approach is being used across many training teams to increase enrolments via flexible delivery modes in higher level qualifications.

Student Satisfaction

The outcomes of the student survey were very positive and provided us with vital feedback particularly relating to employment status after training. The connection between undertaking training and employment in the South West is higher than the National average of Australia. The South West Institute of Technology continues to perform at a level well above the State and National averages for both satisfaction and employment rates for graduate and module completers studying with our Institute.

Executive Summary

Capacity and Capability

Due credit must be given to the professional commitment of employees in taking on leadership roles and progressing opportunities to improve and grow the business. Connecting with employers and stakeholders, and making better use of what is available was quite evident throughout the year. Innovative use of technology for learning and business operations continues to strengthen the Institute's ability to meet expectations across the region.

Award Winners

Amanda Smith, Senior Lecturer in Commercial Cookery, Margaret River campus, took out the coveted prize of "Australian Trainer of the Year" award.

Our graduate hairdressing apprentice, Alexis Scott, was a bronze medalist winner at the International World Skills competition.

The Institute also achieved success in the World Skills competition at the State level.

Infrastructure and Facilities

The new South West Centre for Automotive Technology has progressed, with design specifications being developed, tender preparations complete and to proceed in early 2012, and construction thereafter.

The Diploma Building Design and Interior Design final year students have worked with the Health and Community Services portfolio as a "live works" project to develop the concept for a proposed new South West Health Academy. The Institute will work with DTWD next year to source the funding.

Statement from the Chair of the Governing Council



On behalf of the Governing Council, I am pleased to present the South West Institute of Technology's Annual Report for 2011 highlighting our key achievements and strategic priorities for the year.

The Institute's three year Strategic Plan 2011-2013 provided the key strategic directions for the Institute in fulfilling its primary role; ensuring the South West region of WA has the skilled workforce required for sustainable economic and social development over the next three years. Our commitment is aligned to the direction set by the Hon Peter Collier MLC, Minister for Training and Workforce Development and the State Training Board.

As with previous years, the student satisfaction survey continues to reflect levels above the state and national averages for all training providers. The Governing Council attributes the achievement to our dedicated and highly skilled staff, our most valuable asset. I would like to acknowledge and thank all of the staff for the way in which they have embraced the Institutes strategic approach, and contributed to the outstanding performance this year.

Commitment to the pursuit of excellence was also apparent in the number of awards our staff and students won during the year. The Council would particularly like to acknowledge Amanda Smith, the chef/lecturer at the Margaret River Campus as recipient of the prestigious national training award in the category of "Australian Trainer of the Year". Amanda's dedication to the pursuit of excellence is an inspiration to all, particularly in establishing models of best practice to engage students in learning and connecting to producers and employers in developing not just a skilled but also enthusiastic workforce.

The focus on business development enabled the Institute to exceed two million Student Curriculum Hours for the first time, through identifying and meeting regional training opportunities, connecting with employers and in the development of additional commercial business. The highlight in pursuing fee for service offerings in 2011 was the outstanding success of the Applied Science team in selection as the preferred provider for training development in process operations for a Saudi Arabia company.

Not only does this raise our profile internationally, it highlights our increasing capability to deliver flexible innovative training solutions as an Institute. Our business success has been underpinned by sound financial planning and performance.

Looking ahead to 2012, the Governing Council welcomes the progression of construction of the South West Centre for Automotive Technology and the additions to the Busselton campus to address the short term accommodation issues, pending planning for a substantial new facility in the future.

I would like to acknowledge the input of the members of the Governing Council many of whom come with industry background. This expertise helps to ensure the South West Institute of Technology continues to be responsive to industry needs. I would also like to extend a warm welcome to two new members of the council, Brenda Van Zalm and Colleen Neville both of whom bring a wealth of experience to the Council.

I would like to thank the Managing Director and the management team for another successful year delivering quality outcomes in 2011 and their continued commitment to driving excellence in training and education.

A handwritten signature in black ink, appearing to read 'Dan Perkins'.

Dan Perkins

Chairperson

Governing Council

Managing Director's Report

I am pleased to report that 2011 was a highly successful year. The Institute not only achieved its key targets; in many cases, it exceeded.

The achievements of the South West Institute of Technology in 2011, highlights the commitment of our staff to ensure we remain at the forefront of training and education in the South West region. In an already competitive marketplace, our customers have a choice. The Institute is cognisant of the need to not only continue to deliver responsive training, but also to meet expectations of quality service through all aspects of our business.



This year was the first stage of our progress towards our three year strategic plan as the South West Institute of Technology, the region's premier tertiary educational institution. The year's objectives were defined in the Annual Business Plan and every business unit had an aligned operational plan. Not only did the Institute meet and exceed the requirements of our contract with the Department of Training and Workforce Development, we also delivered significant commercial activity through international students, short courses and successful tender submissions.

Connecting with employers and other stakeholders by making better use of our resources was quite evident throughout the year. The contribution of staff stepping up professionally to enhance the student experience through Recognition of Prior Learning (RPL) and workplace assessment, together with leadership roles in progressing opportunities to improve and grow the business, was pivotal to our success.

Providing quality outcomes depends on the quality of our delivery. An important focus was the up skilling of our workforce with our lecturers exercising the opportunity to upgrade their teaching qualifications to the Certificate IV in Training and Assessment.

The Institute displayed best practice in so many areas, being innovative in the adoption of digital technology for both business administration and learning and demonstrating the quality of our service delivery with recognition gained through our staff and students. The efforts of teams and individuals to engage employers and industry have also raised our profile and led to business success.

Our achievement in 2011 was the sum of the contributions of every business unit. Individual initiatives and commitment of staff enhanced the quality of our business and our reputation, at the same time providing a collaborative, supportive and professional work place. It is a credit to all Institute staff who worked together to support each other in the planning and delivery of programs and support services and I would like to express my sincere appreciation for their commitment and professionalism.

A handwritten signature in black ink, which appears to read 'Wendy Burns'. The signature is fluid and cursive.

Wendy Burns
Managing Director

Operational Overview

The South West Institute of Technology services the training needs of the South West region across its network of campuses in Collie, Harvey, Bunbury, Busselton, Manjimup and Margaret River and through agreements with regional telecentres.

The Institute 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.

Covering an area of 23,998 square kilometres, the picturesque South West region of Western Australia currently has more than 162,000 people living in the region. The regional population has grown 81% in the last five years and is the only representative on the list of 25 recognised biodiversity “hotspots” in the world.

The West Australian economy is currently in a period of economic expansion, largely driven by the resources sector. The region supplies approximately a quarter of the world's alumina supply and nearly the entire world's supply of lithium, making the resources sector an important consideration for training needs of the community. 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.

Reflecting the diversity and training needs of the region, the Institute offers some 250 qualifications and 26 accredited courses covering a range of vocational occupations including art and design, applied science, automotive, building and construction, business management, commercial cookery, community services, education, child care, electrical studies, engineering, environmental studies, fashion, health and fitness, hospitality, metal trades, nursing, occupational safety, surveying, tourism and viticulture.

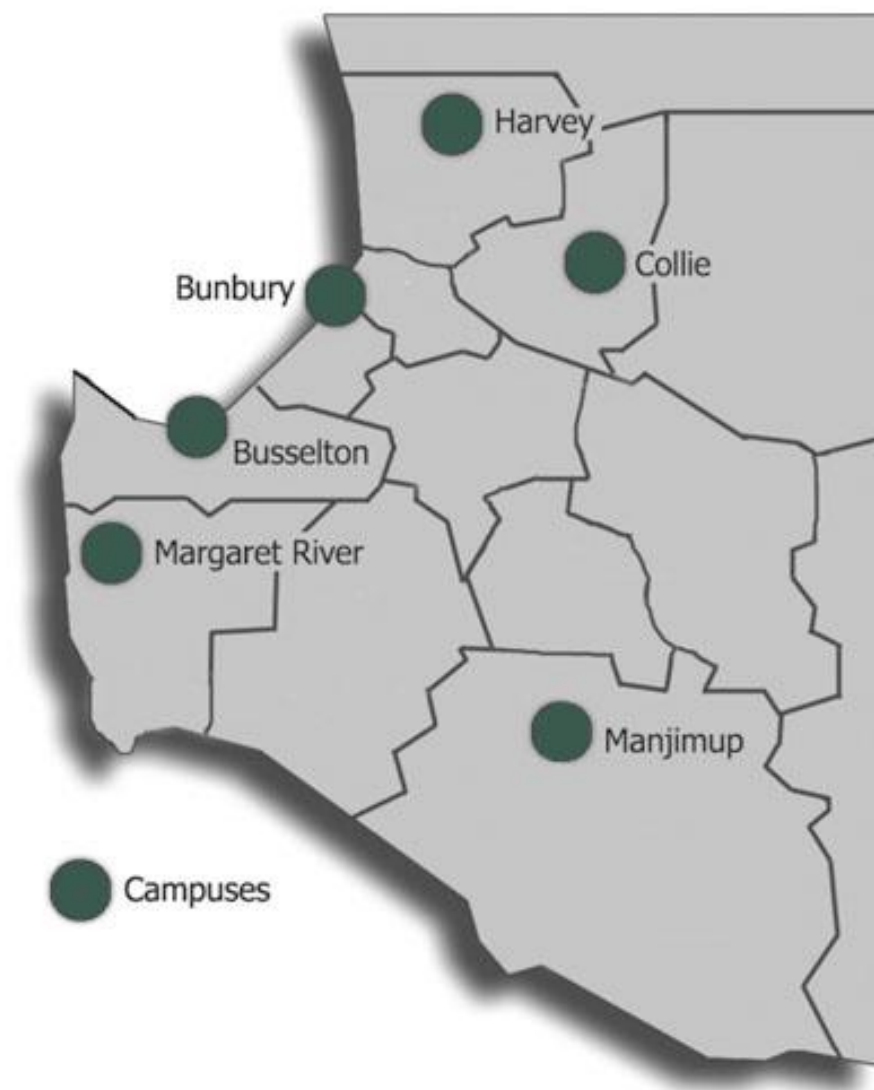
The Institute makes use of its expertise and experience in a commercial capacity to augment the funding package, by providing additional training and value adding services on a full cost recovery basis. The focus is delivery of quality, specialised training, complementing the activity of the small but active private provider sector, in what is a thin training market for many vocations. Our key commercial activities are based within the resources sector, particularly processing and maintenance as well as the community services and health sector.

The South West Institute of Technology also has a growing number of international students from across the globe choosing to study in a range of qualifications. These students contribute to the financial viability of the Institute through the fees that they pay and add a rich cultural diversity to our student community.

In order to capitalise on the increase in economic activity in the region and minimise skills shortages experienced during previous periods of economic growth, the South West Institute of Technology operates three directorates. The Directorate of Education and Training is responsible for the delivery of training throughout our six campuses. The Directorate of Corporate Services provides the financial, human resources, information technology infrastructure and facilities management functions of the Institute. The Directorate of Organisational Services provides all the service and support functions including, enrolments, marketing, pastoral care, library, bookshop, planning and reporting.

These three directorates whilst having clearly defined functions do not operate in isolation but provide an integrated support structure for our core business, the business of providing training in the South West region of Western Australia.

Campuses



Bunbury Campus

Robertson Drive
BUNBURY WA 6230

Busselton Campus

2-12 South Street
Busselton WA 6280

Manjimup Campus

PO Box 930
Graphite Road
Manjimup WA 6258

Harvey Campus

Cnr South West Highway and Uduc Road
Harvey WA 6220

Collie Campus

43 Wittenoom Street
Collie WA 6225

Margaret River Education Campus

PMB 1
Lot 272 Bussell Highway
Margaret River WA 6285

Corporate Governance

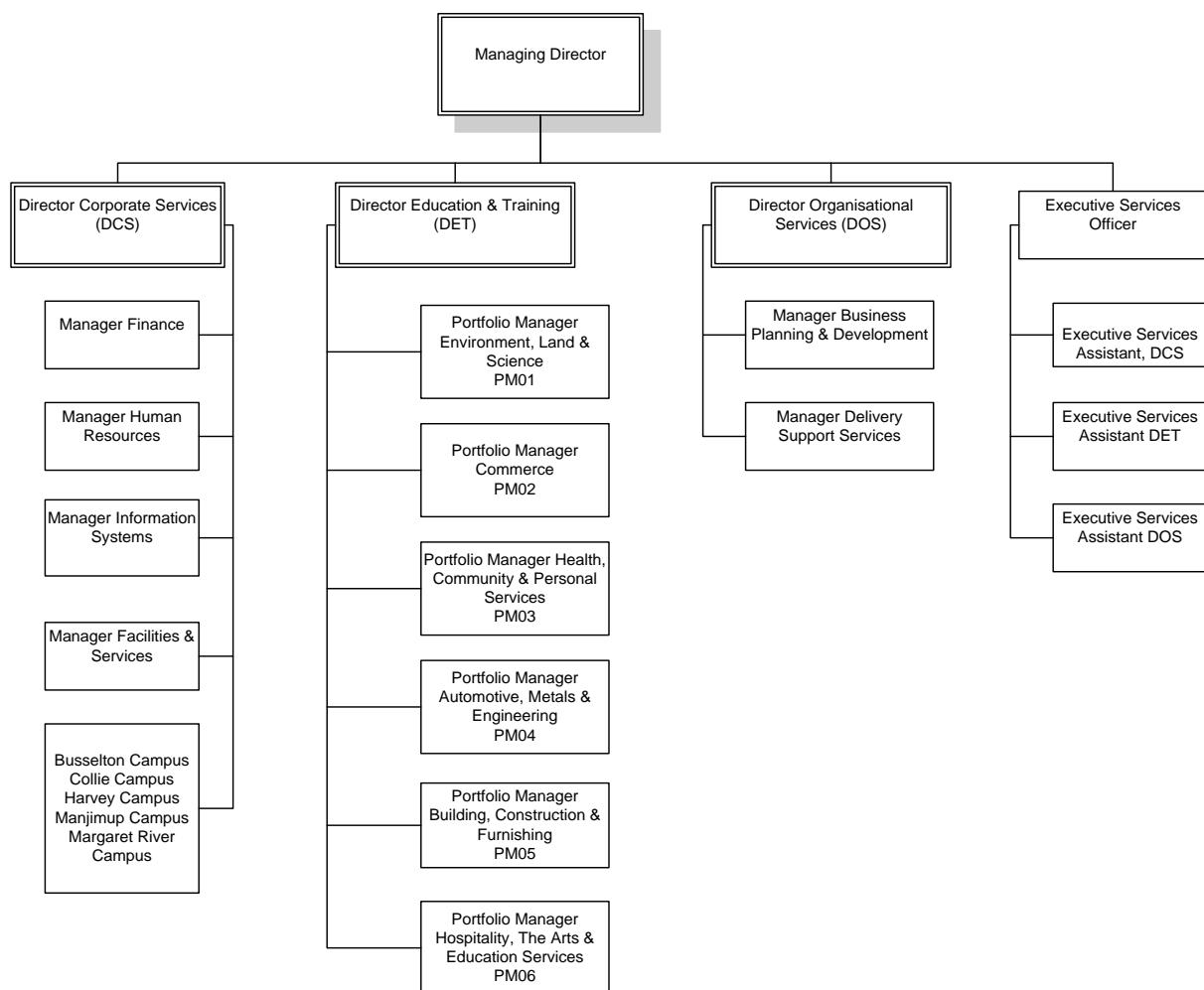
Organisational Structure

The South West Institute of Technology offers:

- publically funded Vocational Education and Training through Nationally recognised qualifications;
- articulated pathways to university programs;
- apprenticeship and traineeship training;
- commercial and customised training; and
- entry and bridging courses.

South West Institute of Technology Organisational Chart

The Institute's objectives are achieved through three directorates; Education and Training, Corporate Services and Organisational Services, with administrative support to the Managing Director and Executive team.



Corporate Governance

Responsible Minister

The Honourable Peter Collier MLC, Minister for Energy; Training and Workforce Development; Indigenous Affairs is responsible for training and workforce development.



Accountable Authority

The accountable authority of the South West Institute of Technology is the Managing Director, Wendy Burns.

Relevant Legislation

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

- Aboriginal and Torres Strait Islander Act 2005
- Acts Amendment (Higher School Leaving Age and Related Provisions) Act 2005.
- Building and Construction Industry Training Fund and Levy Collection Act 1990.
- Copyright Act 1968.
- Corruption and Crime Commission Act 2003.
- Criminal Code Act 1995.
- Disability Discrimination Act 1992.
- Disability Services Act 1993.
- Education Services for Overseas Students (Registration Charges) Amendment Bill 2000.
- Electoral Act 1907.
- Electronic Transactions Act 2003.
- Equal Opportunity Act 1984.
- Employment Dispute Resolutions Act 2008.
- Employment, Education and Training Amendment Act 2000.
- Evidence Act 1995.
- Financial Management and Accountability Amendment Act 2000.
- Financial Management Act 2006.
- Freedom of Information Act 1982.
- Immigration (Education) Act 1971.
- Immigration (Education) Charge Act 1992.
- Income Tax Assessment Act 1997.
- Industrial Relations and Other Legislation Amendment Act 1995.
- Training Legislation Amendment and Repeal Act 2008.
- Labour Relations Reform Act 2002.
- Library Board of Western Australia Act 1951.
- Limitation Act 2005.
- Minimum Conditions of Employment Act 1993.
- Occupational Safety and Health Act 1984.
- Public and Bank Holidays Act 1972.
- Public Interest Disclosure Act 2003.
- Public Sector Management Act 1994.
- Racial Discrimination Act 1975.
- Salaries and Allowances Act 1975.
- School Education Act 1999.
- SPAM Act 2003.
- State Records Act 2000.
- State Superannuation Act 2000.
- State Supply Commission Act 1991.
- Training Legislation Amendment and Repeal Act 2008.
- Trade Practices Act 1974-1975.
- Vocational Education and Training Act 1996.
- Vocational Education and Training (General) Regulations 2009.
- Western Australia Public Sector Code of Ethics 2008.
- Workers Compensation and Injury Management Act 1981.
- Working with Children (Criminal Record Checking) Act 2004.

The Institute complies with the requirements of the Financial Management Act 2006 and every other relevant written law. Controls that provide reasonable assurance of the receipting and expenditure of money and the acquisition and disposal of public property and incurring liabilities have been in accordance with legislative provisions.

Governing Council

Functions

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

The South West Institute's Governing Council comprises a Chair and eleven members, who are appointed by the Hon Minister for Energy, Training and Workforce Development; Indigenous Affairs 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 Institute.

The Institute's strong team of Council members ensures continued growth and success, applying a mix of business acumen and commitment to the Institute's long term vision, mission, values, goals and objectives. Each Council member brings a different set of skills and scope of professional experience to the Council.

The Council's role is to:

- set the strategic direction for the Institute;
- approve the Institute's strategic and operational plans and budgets;
- monitor financial and non-financial performance as set out in the Institute's Operational Plan; and
- ensure that regulatory and ethical standards are met and that compliance and risks are appropriate, mitigated and managed.

Profile of Council Members – 2011

Dan Perkins (Chairperson)



Dan is Managing Director of Perkins Builders, Past President of the Master Builders Association of WA and a Master Builders Association of Australia Board Director. Currently Treasurer and Executive Member of Master Builders Australia Ltd. Dan is a founding member and Chair of the Governing Council. 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.

Rosanne Pimm OAM (Deputy Chairperson)



Rosanne is a former Shire Councillor and Shire President, a high profile community leader and is a founding member of the Governing Council. She is a keen supporter of the importance of the regional campuses of the South West Institute of Technology and is often involved in Collie Campus activities. Rosanne is keen to see the expansion of Collie and Busselton campuses and the close working relationship with ECU and Manea Senior College.

Wendy Burns (Managing Director)



Managing Director of the South West Institute of Technology, Wendy was appointed for a second five year term in March 2008. Wendy has extensive experience in the delivery of vocational training in regional areas gained through 26 years service in the TAFE sector in South Australia and Western Australia. She holds a Masters of Administrative Studies, Bachelor of Education and is a Graduate of the Australian Institute of Company Directors.

Ian Pigott



Ian has had over 40 years experience in the mining industry. He has worked in a variety of roles, both in Australia and overseas. In the last 20 years he has held senior management positions in both the technical and business areas with a major regional mining company. He has been an active member on a number of governments, industry and community committees.

Don Punch



Don is the CEO of the South West Development Commission and is responsible for the coordination of the economic and social development of the South West region. He has worked throughout regional Western Australia on many infrastructure projects and has special expertise in community and economic planning, trade facilitation, internet marketing and online education, and community relations. He holds a Masters of Business Administration and primary qualifications in psychology and community planning and is a graduate of the Australian Institute of Company Directors.

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 Institute of Technology. Appointed to the Governing Council in March 2002, Guy has also been the Institute's delegate for the State School Teachers Union.

Profile of Council Members – 2011

Kevin O'Connell



Kevin became a business consultant after recently selling Total Telephone, a company he established over 20 years ago. During that time he was closely associated with training and development of young employees in the company. He is a Director of Group Training South West, on the committee rebuilding the Cathedral and is involved in mentoring young business people in the Bunbury District.

Laurie Uren



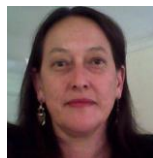
Laurie started his career in 1958 as an apprentice sheet metal worker and after 12 years in the industry, qualified as a Trade Lecturer, training apprentices in TAFE for 20 years. He later worked as a production manager, supervisor and sales representative in the metal work industry before completing his working career as a design & technology teacher in Agricultural Colleges and High Schools. Laurie also spent 10 years as an active member of the Building & Construction Industry Training Council.

Dennis Courtney



Dennis is the Managing Director of Demar Consulting, a South West management consultancy. Prior to establishing Demar Consulting in 2001 he was Manager, Human Resources and Public Relations for a major South West resources company. Dennis has been associated with the South West Institute of Technology for 30 years in developing innovative apprenticeship and traineeship programs. He is currently the Deputy Chair of South West Youth Driver Development Program Committee and a member of the Clifton Community Reserve Committee.

Brenda Van Zalm



Brenda has qualifications in Psychology and Teaching, and brings with her over 20 years extensive industry experience, in predominately service administration, training, education and customer service delivery across community agencies, state and federal government departments, and private corporate, and private small business operations.

Colleen Neville



Appointed to the Governing Council in November 2011, Colleen has extensive experience in the Community Services industry holding positions of CEO of services in the Aged and Disability fields. For six years she was the Senior Project Officer with the Australian Government with the Department of Health & Ageing, in the Office for Aboriginal and Torres Strait Islander Health. Part of this role included training and up-skilling services in good governance practices and risk management in organisations.

Mike Fagan

Dealer Principal of Bunbury Holden, Mike has over 32 years experience in the automotive industry and is an employer of apprentices and trainees in the local community. Appointed to the Governing Council in March 2002, he is a past Australian Holden Dealers Association member and past President of the Country Holden Dealers Association. Bunbury Holden is celebrating its 20th Anniversary. Mike is a Director of the Sanctuary Golf Resort.

Strategic Plan

Vision and Values

Working with industry and community, the South West Institute of Technology advances the economic development and social prosperity of the region through the delivery of nationally accredited vocational education and training services. The Institute seeks to maximise the creative productivity of its staff, our students and industry. The South West Institute of Technology strives to maintain the highest standard of Public Sector integrity, and to be innovative and collaborative in our approach to the delivery of vocational education and training services and in our business practice.

Strategic Outcomes

The achievement of the South West Institute of Technology strategic objectives will be measured by:

- contribution to the achievement of the goals of the WA State Training Plan as the region's public VET provider (RPL and workplace delivery);
- satisfaction of clients with all aspects of service provision;
- the Institute's success in developing and providing additional business activity and services;
- capability demonstrated by our innovation, flexibility adoption of new technology and partnering with industries;
- the inclusiveness of our service provision as indicated by community participation;
- excellence criteria in Australian Quality Training Framework (AQTF); and
- recognition of organisational achievement and business practice.

Strategic Pillars

1. Western Australian Workforce Development

Addressing the workforce development needs of the State of Western Australia particularly in the South West region

- 1.1. training is focused on regional workforce skill requirements for new entrants and existing workers;
- 1.2. the supply of skilled tradespeople is maintained through a contemporary approach to implementation of the WA Apprenticeship system in the region;
- 1.3. contributing to a highly skilled regional workforce through the provision of higher level qualifications and university pathways; and
- 1.4. service provision is inclusive and enhances the participation of those under represented in the regional workforce.

2. Client Satisfaction

Provision of training services to the South West community responds to the specific training and learning needs of individuals and enterprises

- 2.1. continued development of education and training solutions for regional communities and enterprises;
- 2.2. career and learning pathways are provided that fulfil the aspirations of individual students; and
- 2.3. contemporary learning environments are created that are conducive to the personal growth and skill development of all students.

Strategic Plan

Strategic Pillars

3. Business Development

To ensure the financial sustainability of the Institute and its continued service to the region, the development of public and private funded vocational education and training services to respond to local, national and international opportunities.

- 3.1. Increase commercial revenue through strategic targeting of training markets;
- 3.2. Extend our experience in international education to grow international student business and enhance regional skilled migration; and
- 3.3. Grow government funded training provision to meet current and future training needs of the South West region above and beyond.

4. Our Capability

The Institute develops the capacity and capability to embrace opportunities for future growth by investment in our people, technology and innovation.

- 4.1. Organisational culture provides an environment conducive to personal and professional development, effective working relationships and fosters innovation in work practice and service provision;
- 4.2. Institute staff have the skills and qualifications necessary to achieve the business objectives of the organisation whilst enhancing achievement of their own professional aspirations;
- 4.3. Investment in technological infrastructure and capacity provides for effective, efficient and quality service provision to our customers; and
- 4.4. An infrastructure master plan informs and targets investment associated with provision of emergent training needs.

5. Social Responsibility

In the conduct of our business activity, our approach is underpinned by our commitment to our values and high standards of performance developed in a framework of ethical, accountable and responsible governance and work practices.

- 5.1. All staff embrace the Institute's Code of Practice;
- 5.2. The Institute maintains practices that embrace the responsibilities of duty of care and equal opportunity;
- 5.3. Commitment to continuous improvement is demonstrated in all aspects of our business practice; and
- 5.4. The Institute demonstrates progressive adoption of environmental sustainable practices throughout operations as part of contributing to the quality of life for future generations.

6. The Pursuit of Excellence

The Institute meets and exceeds the regulated and legislated standards applicable to our operation and strives for excellence in all endeavours.

- 6.1. The Institute will achieve the highest WA standard of Occupational Safety and Health; and
- 6.2. Excellence in training provision against the Australian Quality Training Framework (AQTF) standards.

Looking ahead major initiatives for 2012

In line with the State Training Plan 2012-2015, the Institute will look to target growth in the overall participation in training, at the same time increasing the delivery of higher level qualifications, apprenticeships and traineeships, in particular enhancing the participation of groups that have been traditionally under-represented.

1. Improving Aboriginal Participation in Training

The West Australian Government sees improving Aboriginal Education and Employment outcomes as a priority as articulated in the State Training Plan; *Skilling WA – A workforce development plan for Western Australia and Training together – working together: Aboriginal Workforce Development Strategy*.

As an Institute, this is also an opportunity to develop a SWIT community of practice to address improving Aboriginal participation in training as part of the WA State government strategy.

In 2012 the Institute will look to further enhance Aboriginal employment outcomes through our engagement with the regional Aboriginal Workforce Development Centre and the development of inclusive strategies including:

- increasing awareness of how training links to future employment and prosperity within Aboriginal communities;
- identifying specific training needs within Aboriginal communities;
- promoting training options throughout Aboriginal communities in the South West;
- developing a collaborative pathway model engaging employers to ensure that there are jobs in the community for Aboriginal students who complete their training; and
- preparing these students for work readiness culminating in Aboriginal employment supported by ongoing mentoring and industry support.

2. Progressing the Digital Transition

Resources will be invested in the development of a three year plan for enhancement of our IT systems and applications within the organisation.

Digital learning platforms are becoming increasingly important in the delivery of training across the country.

Technology also offers advantageous means for improving business processing and knowledge management.

Further development of digital means for the delivery and support to our business will ensure the Institute continues with current training trends and remains relevant for the future.

3. Major capital works project

The Institute looks forward to the commencement of construction on the new South West Centre for Automotive Technology. This will see the relocation and consolidation of both heavy plant mechanics and light automotive training facilities and service to a purpose design facility on the Bunbury campus.

Agency Performance

2011 Key Outcomes Priorities and Services

Shared Responsibilities with Other Agencies

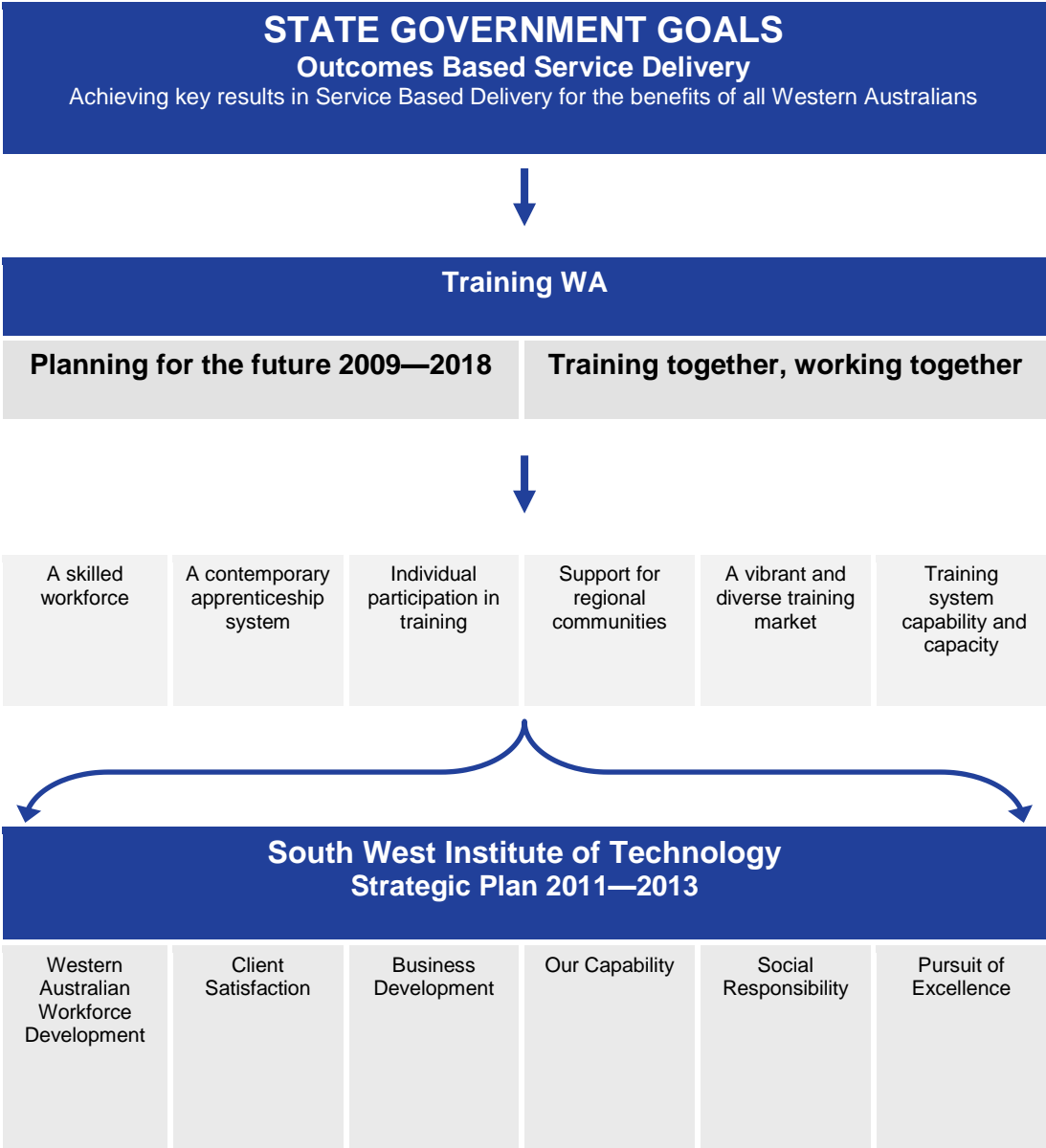
- The South West Institute of Technology provides regional clients with pathways to University through our Diploma and Advanced Diploma qualifications. This enables students to stay in the region to gain applied and practical skills locally, while offering them advanced standing when they pursue university studies.
- The South West Institute of Technology currently has strategic partnerships with Curtin University and Edith Cowan University in Bunbury and Margaret River. In addition, the Institute has secured pathway arrangements with Universities in the West Australian metropolitan area for students who wish to study in Perth.
- The Margaret River Education Campus is a collaborative initiative between the South West Institute of Technology, Curtin University of Technology, Edith Cowan University, Margaret River Senior High School and the Department of Training and Workforce Development. The campus provides education pathways that allow students to cross seamlessly between secondary, vocational and tertiary learning.
- The Institute has a collaborative arrangement with St John of God Alcohol and Drug Unit Bunbury to provide confidential counselling support services for our students. The free service is based at the Bunbury campus and provides crisis support to students as well as, provision of information and referrals on abuse of alcohol and other drugs, behaviour modification, relationships, housing, financial hardship and self-management. In 2011 they conducted a series of workshops on alcohol and drug awareness to help staff identify the appropriate response towards students in a training environment and outline subsequent steps for referring students at risk.
- Partnership with the Bunbury and Warren-Blackwood District Education offices enables the Institute to provide vocational pathways for both government school students and local private school students.
- The South West Institute of Technology is situated within an educational precinct that incorporates Manea Senior College and Edith Cowan University.

Students from Manea Senior College, who have chosen a vocational pathway, spend two days of their school week engaged in vocational courses within the Institute environment.

On completion of their vocational course, Institute students may find they have entry into/or credit towards a degree course with Edith Cowan University. For example, students completing the Certificate IV in Health Science Foundations or the Diploma of Enrolled Nursing will be able to go on to a Bachelor of Science (Nursing) offered by the Bunbury Regional Campus of Edith Cowan University.

Performance Management Framework

In May 2009, the State Government released the “Training WA: planning for the future 2009-2018” publication, which provided a clear blueprint for training providers in setting goals and identifying key deliverables for 2009 and beyond. This forms the basis of our reporting framework in 2011.



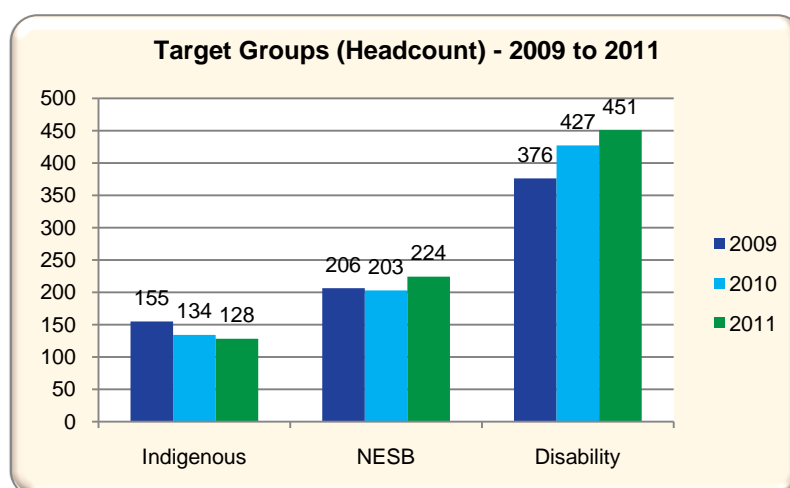
Performance Measures

The Institute provides services to a wide range of stakeholders across the South West region and uses a range of demographic based performance indicators to monitor service distribution, based upon the 2009 ABS population data. The Institute has provided services to its community relative to its target market; 15-64 year olds that are eligible for the workforce, with particular attention to the inclusion of youth and the Indigenous community.

| Performance Measures | Target | Achieved |
|--|--------|----------|
| Distribution of South West Institute students from outside the greater Bunbury area | 61% | 56.80% |
| Students of a diverse, cultural and linguistic background | 8% | 4.30% |
| Students identifying themselves as Indigenous | 160 | 128 |
| | 3% | 2.10% |
| Indigenous students enrolled in qualifications Certificate III and above | 79 | 73 |
| Module Load Completion Rate (MLCR) for students identifying themselves as Indigenous | 75% | 66.10% |

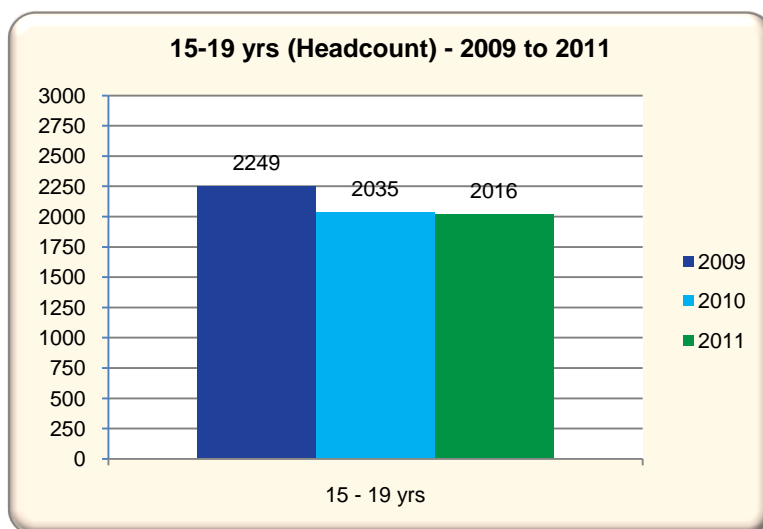
Source: South West Institute of Technology 2011 AVETMISS collection

Performance Measures

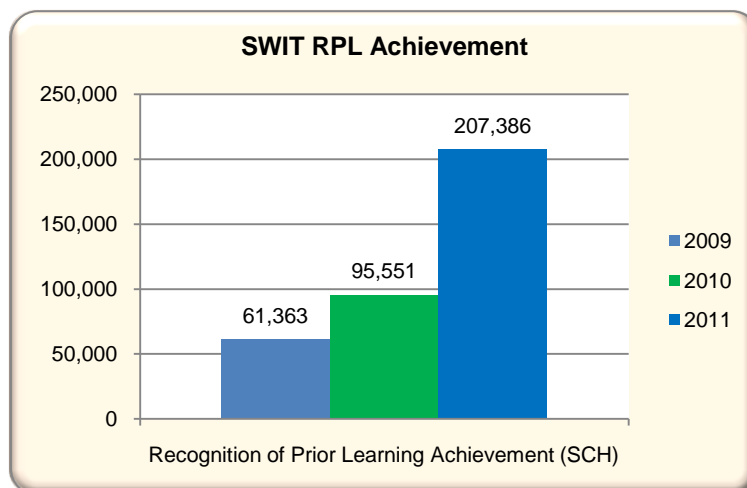


Source: South West Institute of Technology 2011 AVETMISS collection

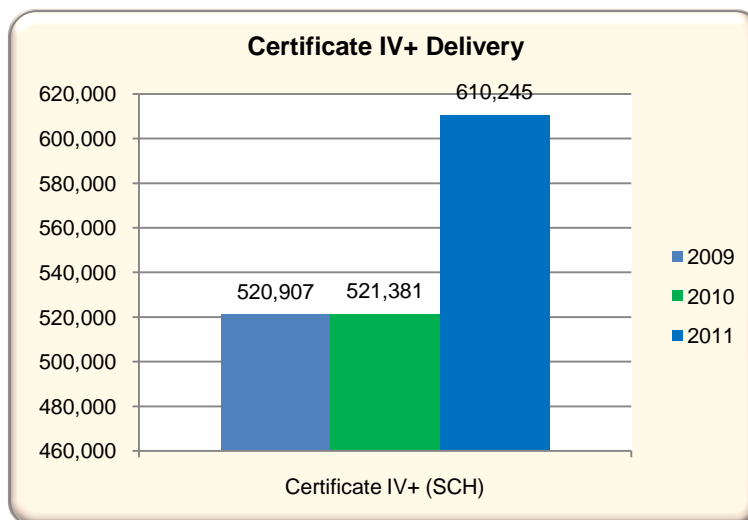
Performance Measures



Source: South West Institute of Technology 2011 AVETMISS collection



Source: South West Institute of Technology 2011 AVETMISS collection



Source: South West Institute of Technology 2011 AVETMISS collection

Western Australian Workforce Development

The first of the Institute's strategic priorities addressing the "Western Australian Workforce Development" needs in the region is of prime importance not only to SWIT, but also to industry.

As identified in the State Training Plan, the growth in the resources sector continues to be a major economic force in Western Australia. Responding to the sectors' demand to up-skill existing workers and new employees, the mining/resources team has increased delivery of traineeships and workplace assessment at mine sites and processing plants. The successful process plant traineeship programs at Worsley Alumina and Alcoa Alumina refineries have led to an expansion of training for employees working at mine-sites in surface extractive operations and resource processing qualifications. Experienced employees are completing Recognition of Prior Learning (RPL) assessments to gain full qualifications as part of the industry's move to align vocational qualifications as a key competency requirement for supervisory and promotional positions.

The Institute's highly successful Certificate II in Resource & Infrastructure Work Preparation course expanded into three locations in 2011 – Bunbury, Busselton and Collie. It is one of the most exciting programs run at the South West Institute of Technology, as participants gain skills that are highly regarded by the mining, resource and construction sectors. Most participants are now working in roles which would have been unattainable prior to up-skilling through the course.

The laboratory science team have also responded to industry demands by supporting and increasing the number of on-the-job traineeships. In particular, employees in the pathology and resources sectors are benefiting from regular workplace visits by the lecturing team, and having the ability to progress study through Moodle, the Institute's online learning management system.

The take-up of Certificate IV in Occupational Health and Safety training through flexible delivery has continued to increase, particularly from full-time workers seeking to broaden their knowledge and skills. New traineeships in this qualification have commenced and there have been increased enrolments in RPL assessments and the five day safety representatives training courses.

Fitness, sport and recreation students have continued to have a strong presence within the community, assisting in organised events and activities that have enabled the students to put their learning into practice. These activities include:

- coaching & officiating for sporting associations, faction and interschool sporting carnivals;
- running fitness circuits; and
- continued involvement in the Dardanup Healthy Chain Gang project.

In conjunction with the local financial services industry, Small Business Enterprise Centres and the Bunbury Chamber of Commerce, the financial services units focussed on providing pathways for higher qualifications, whilst at the same time supporting industry with a skilled workforce. This required a major re-write of assessment and delivery material, the key difference being, the vertical integration of business and accounting units with business administration, small business and information technology. The intended outcome was to ensure students have the flexibility to choose a number of pathways, access subject experts and look at value adding in further certification across the three faculties in the region.

The major growth area in financial services, business and accounting has been in flexible delivery. Many students work full and part-time jobs in industry and use the services the Institute provides to maintain licensing requirements, thus keeping abreast of legislative changes, especially in the area of taxation law. As a result, a large number of experienced bookkeepers have gained or are working towards Certificate IV in Accounting to gain ATO registration as BAS agents.

Western Australian Workforce Development

The State Training Plan 2012-2015 identified health and community services as a high growth area. The Health and Community Services portfolio continues to be proactive in developing the needs demanded by the community. In 2011 the portfolio obtained funding under the Aged Care Workforce Vocational Education and Training 2011 for 25 places to support the specific workforce development needs of the aged care sector. This included direct care workers, home and community care workers, leisure, health, coordination and managerial roles across ten agencies in the region. This project continues until June 2014, and has enabled lecturing staff to work collaboratively to deliver accredited training with a consistent high level of quality. This is managed at regional site level by existing lecturers with strong industry reputations, further enhancing the Institute's capacity and role in the region as the largest Vocational Education Training (VET) provider.

The health team secured further Australian Government funding under the Department of Health and Ageing's *Supporting a Professional Aged Care Workforce Program*, Enrolled Nurse Training 2010-2011. This provided an opportunity for six aged care workers to undertake training, leading to registration as an enrolled nurse with the Australian Nursing and Midwifery Accreditation Council. This project continues until June 2014 providing further opportunities within the sector.

Commercial revenue has greatly increased within the health portfolio with targets exceeded. This related to delivery in the Administration of Medication Competency for Enrolled Nurses, a program designed to respond to the need of industry to increase the competence and confidence of enrolled nurses to provide safe and effective drug administration.

Lecturing staff have been proactive in their brokering of RPL, including the processing of 130 applications for existing education support workers at Certificate III and IV levels and five Aboriginal Education Support workers. This work was primarily brokered by one of the Institute's enterprise champions across the Bunbury region.

Our student numbers in Automotive, Metals and Engineering continue to climb, approaching almost 1000. This is due to strong industry support, reflective in the increased apprentice sign-ups encouraged by the employment of our pre-apprentice students. The team has supported regional industry by hosting industry training linked to the release of new model vehicles. Faculty staff upgraded their skills on new automotive technology by participating in the training programs in order to remain relevant to the industry.



The Building, Construction and Furnishing team adopted a drive toward actively demonstrating flexible, quick, and responsive approaches to meet the needs of their industry and community clients. Workforce development has been enhanced with the addition of three new offerings this year (in carpentry, building studies, and general construction) and a new plumbing pre-apprenticeship for next year. The new offerings range from industry entry level, to Certificate III, and a Diploma skill set. Institutional skills shortage in 2011 was well over the target Student Curriculum Hours (SCH), at around 113%, largely due to surveying. Flexible delivery in residential drafting is now firmly established with five units of competency (UOC) available and an efficient tracking system for nearly forty clients (Enrolment Mode 4).

The electrical trades continue to stand out as a skills shortage area. The popularity of the Electrical Pre-Apprenticeship has seen competition for pre-apprentice places remain higher than actual available places. A regional Industry Reference Group has been set up for the local electrical industry to be kept abreast of training, licensing and industry issues.

Client Satisfaction

It is critical the Institute responds to the specific training and learning needs of individuals and enterprise in the region. The second of SWIT's strategic priorities is "Client Satisfaction".

The Horticulture team responded to both industry and student demand for increased training in landscaping and garden construction skills. Over the past two years new project work in paving, building timber features, stonework and block-laying has transformed the horticulture grounds into an attractive showcase of students' skills and achievements.

Positive feedback from the fitness, sport and recreation industry has encouraged the development of new Diploma qualifications in Fitness and Sport and Recreation Administration and a new Certificate II in Sport and Recreation. These qualifications will cater for school students.

Based at Manjimup and Margaret River campuses, lecturing staff in horticulture, production horticulture and rural operations have also maintained strong industry connections to support workplace assessment of traineeships and RPL of existing workers ensuring the Institute always looks to satisfy our customer needs.

The Institute's training at Margaret River has responded to the wine industry's focus on safety, hygiene and customer service with a range of short courses offerings including; Forklift, Enter Confined Space, Wine Appreciation and Responsible Service of Alcohol. International students continue to join with locals in learning the techniques of wine grape growing and wine production with structured work placements complementing in-class learning.

Structured work placements are pivotal in enabling our students to put their "learning into practice". The Institute achieved this real world application across a number of industry sectors including; Conservation and Land Management, Horticulture, Laboratory Science, Fitness and Sport Development qualifications. Many of these work placements have led to ongoing employment with host companies, thus endorsing the quality of learning outcomes.

Working with the Vet in Schools (ViS) group, Commerce had a midyear intake/enrolment for Certificate I in Retail for a group of ten school students who were at risk of not graduating. The outcomes were focused on finding specific career and learning pathways with a strong emphasis on employment. As a result of this program, eight of the nine students who engaged in training now have part time work in the Busselton region.

The Commerce team started delivering Certificate I in Retail for the Geographe Education Support Year 10/11 - 12/13 students at Busselton High School as a part of their learning program for life skills/being work ready. These students attended both the retail class and workplace once a week. The outcomes of this program were very successful, as the students have either interacted and or gained employment from casual to fulltime in a wide range of industries. One of the Institute's retail trainees was nominated for Dux of school in 2011 and is now highly sought after by an international insurance company to join their public relations team.

A Blood Aware representative from HepatitisWA attended the Institute during the year speaking to Nursing, Community Services, and Massage students as part of the 2010 National Hepatitis C Strategy. In addition, lecturing staff have disseminated the Australian Government Aged Care Education and Incentive Program to all current enrolled students, many of whom have been eligible to receive funding to cover the cost of their enrolment.

Despite the construction industry going through a period of slow and flat activity, employment outcomes have been excellent for the pre-apprentices in trades. This indicates that industry approves of the quality of South West Institute of Technology training for completing work ready students. All completing Surveying students have been employed by industry, as have the Building Design and Drafting students.

Client Satisfaction

Student feedback has been acted upon with positive responses in all cases. The CAD (Computer Assisted Design) rooms enjoyed updated hardware to handle the very high end software in response to student and lecturer feedback.

The Hospitality Arts and Education Services portfolio delivered a series of Certificate I in Leadership Development courses at various district high schools in the Bunbury region. The project based courses were delivered flexibly and revolved around particular events chosen by the students. Newton Moore Senior High School year 10 students successfully managed the whole National Aborigines and Islanders Day Observance Committee (NAIDOC) day celebrations. Completion rates were above average and feedback from the stakeholders has been very positive.

The Student Services team coordinates support for students including Aboriginal and international students, students with disabilities, minors and the student counselling service. A database developed by the team has improved the coordination of support and ensures that all issues are addressed in an agreed timeframe. This tool has also assisted in monitoring student outcomes. Over 3300 student contacts were recorded in 2011.

The Course Information team has continued to use the Client Relationship Management database to record course enquiries. This team also processes applications for full-time study via the State Training Admissions system, both online and paper-based. Students who are unable to provide copies of school reports or do not meet the minimum literacy and numeracy levels are given the opportunity to sit the 10T test in Bunbury. Students who do not meet the minimum entrance requirements for their chosen qualifications are counselled into other training options that will provide pathways into industry.

St John of God Alcohol and Drug Unit continued to provide an outreach service to students of the South West Institute of Technology. The free support service has been provided on Bunbury campus three days per week, with a phone service available five days per week. Students have sought assistance with issues including alcohol and drug usage, financial hardship, accommodation, relationships, domestic violence, stress and grief management. Information sessions have also been provided to staff and many class groups outlining the services provided and managing behaviours.

Aboriginal mentors were employed to assist Indigenous students with cultural and family matters that may be impacting on their ability to attend courses and complete qualifications. The male and female mentors met regularly with Indigenous students, liaised with lecturers and administrative staff and provided support and encouragement on issues including Centrelink and financial issues, housing, family relationships, community issues, transport, alcohol and drugs, and communication with lecturers and employers. They encourage students to seek assistance with course work directly from tutors.

An Aboriginal Cultural Day was held in November 2011. Entertainment and music was provided by local school students, displays by Aboriginal agencies showcasing students work, a guided 'bush-tucker' walk and the chance to taste kangaroo stew and damper was a feature. The event was attended by staff, students and members of the community and has assisted in improved understanding and cooperation. New staff to SWIT are encouraged to attend in-house Aboriginal Cultural Awareness training gaining an overview of the history and shared experiences of Noongar elders and how these events and government policies have impacted on contemporary issues.



Business Development

The Institute's third strategic priority "Business Development" is vital for ensuring the ongoing financial viability of the Institute with strategic targeting of commercial businesses and higher number of tenders throughout 2011. A key highlight is the Institute securing a major international project to design, develop and deliver an alumina processing training course in the Kingdom of Saudi Arabia. The project will run over the next two years and involve close liaison with the joint venture partners Ma'aden Alumina Project and Alcoa to teach the inaugural intake of process plant employees.

More than 40 new qualifications were added to the Institute's scope of training delivery in 2011. These qualifications include the Diploma of Sustainability, Diploma of Laboratory Technology, Certificate IV in Surface Extraction Operations, Certificate IV in Resource Processing and Certificate II in Asset Maintenance (Fire Protection Equipment). New training packages for Horticulture and Conservation and Land Management have also been an opportunity for widespread industry consultation and the Institute is updating all training programs and progressing new qualifications in Landscaping, Arboriculture and Parks and Gardens.

The release of the new national Sustainability training package has opened up the opportunity to provide Certificate IV and Diploma level training in Sustainable Operations. The Institute will be one of the first training providers in Australia delivering these qualifications in 2012 via a fully-flexible program that is linked to workplace projects.

Feedback from major resource industry customers has opened the door for new training opportunities at mine sites with BHP Iron Ore, in addition to expanding the South West Institute of Technology's delivery of qualifications, such as Training and Assessment, OHS, Frontline Management and trades apprenticeships. Renewed investment in training is expected by coal producers near Collie following changes in ownership in 2011.

Recognising the need for strong community development and engagement, Commerce has continued to develop strong ties with business communities within the South West. The Certificate IV in Small Business Management continues to be invaluable to businesses throughout the region. Following on from the success in 2010 of a South West Institute of Technology student winning the award for best small business of the year with five employees or fewer, Bunbury City Glass took out the prestigious Business award of the year for a business with between 10 and 20 employees. Once again this demonstrates the value of this qualification to businesses and individuals within the South West.

The Certificate IV in Frontline Management and the Diploma of Management continues to be in high demand with organisations like WA Plantation Resources (WAPRES) engaging the department in training all of their middle management with these qualifications. In 2012 the Institute is looking to expand the delivery of these programs into the Margaret River region and it is anticipated to have excellent take-up in the future.

Customised skill sets have continued to be commercially delivered in palliative care and manutention across the aged care sector throughout the year. A customised delivery of manutention was provided to support the needs of educators working with children with disabilities. Feedback was supportive of the Institute's flexible response, providing a venue at the Collie campus to ensure the majority of practitioners could attend after working hours. This will be extended in 2012 to include other regional primary and secondary providers.

Building on the success of the Specimen Collection Skill Set course which teaches people how to collect blood and handle medical samples, and in response to demand from the pathology laboratory sector, the full Certificate III in Pathology qualification has been developed and will commence in 2012.

Business Development

Another highlight for the year was the formation of a strategic alliance with the Master Builders Association (MBA) for the delivery of Certificate III in Micro Business. This alliance is important as it enables every registered member to gain training at little or no cost to individuals once completed. It is anticipated that the Institute will succeed in gaining the right to train with all the MBA construction workers within the state, wishing to further develop their business skills. ABN Group Dale Alcock have validated our study plan for bricklaying with great enthusiasm and will venture into onsite training in Carpentry and Joinery in 2012.

The trade association in Wall and Ceiling Lining partnered with the South West Institute of Technology keeping the lines of communication open looking at future business. The Institute also hosted a meeting for the regional MBA group earlier this year, and had the opportunity to promote a skill set for project supervisors and validate the LAS for the new Carpentry qualification. As a result the portfolio has been in discussions with the state training manager of MBA and has been approached for a costing on required delivery at Diploma level.

The Kickstart School Apprenticeship Link (SAL) program in semester one resulted in three students obtaining apprenticeships. Taster programs increased toward the end of the year with four school visits showcasing wall and ceiling and painting. Plumbing has been added to trades as an on-campus visit enabling students to experience training first hand. International student numbers dropped slightly this year, intake next year is already expected to increase by up to 50%. The portfolio continues to pursue tender submission funding to assist e-learning programs and an entry level program for those currently out of work.



The Automotive and Engineering Training Council in conjunction with the automotive and metals faculties, has surveyed regional industry to identify viable training opportunities. The survey covered the whole of regional WA. Early indications are that the Automotive Electrics Apprenticeship training may now be viable. The portfolio is placing Automotive Electrics on scope and future delivery will be linked to viable student numbers.

The Automotive and Engineering portfolio ran three Kickstart SAL programs in 2011. The programs involved Automotive Light, Automotive Heavy and Electrical run over 18 months. There is room to increase the volume of students requiring welding to a coded standard. The portfolio is providing staff development training to up-skill lecturers and is endeavouring to upgrade welding machines.

The Hospitality portfolio managed and delivered over a quarter of a million dollars in various tenders throughout 2011. Consultation with local Industry in 2011 will see the addition of the following higher level qualifications for our scope of delivery:

- Certificate III in Hairdressing;
- Certificate IV in Hairdressing;
- Certificate IV in Beauty Therapy; and
- Certificate III in Commercial Cookery (Patisserie).

A diverse range of short courses have been strongly supported by industry throughout the South West. Delivered as one and two day workshops, these courses cover key employment skills such as training in the operation of a forklift, tractor or chainsaw, enter confined spaces, chemical safety (ChemCert), Responsible Service of Alcohol and abseiling instructor training.

Our Capability

Future growth for the Institute is predicated on developing SWIT's "Capacity and Capability" - the fourth strategic priority. Staff development initiatives for lecturers throughout 2011 increased their capability and skills to deliver industry responsive flexible training. A large number of lecturers actively engaged in gaining the new Certificate IV in Training and Assessment qualifications which is the industry-recognised standard across Australia.

This year trades staff continued with completing the Worksafe "High Risk" certification to comply with regulations for trainers as part of their professional development. Other staff are completing training as identified in their Performance Enhancement and Career Development (PECD) plan. Several lecturers up-skilled to deliver high risk training in Forklift Operations and other courses that are in demand by industry including: Enter Confined Space and ChemCert. Technical staff that support training delivery have completed excellent work to finalise risk assessments of hazardous chemicals and updated the Institute's Chemwatch database.

The Institute experienced increased enrolments in response to the Department of Education, Employment and Workplace Relations, Early Year Learning Framework and the Department for Communities, Compliance and Enforcement Framework requirements for all children's education and care staff to have qualifications by 2014.

A new Pesticide Spraying course was introduced in 2011 with great success. This course meets the Health Department requirements for contractors and employees who spray chemicals. This course was previously available only in Perth.

The Institute continues to lead the State in the implementation of on-line technologies relevant to the training industry. One of our principal lecturers assisted the Institute to roll out the modern e-learning platforms Moodle and Elluminate. In addition, systems such as e-Beam, Turning Point and Articulate programs have been trialled and are now being rolled out across the Institute. To support this initiative, key staff have up-skilled in developing e-Learning training programs by using Moodle, Elluminate and other supportive software including Articulate. Training has supported lecturers to conduct Recognition of Prior Learning (RPL) assessments, and to better understand Occupational Health and Safety (OH&S) and Risk Management requirements and procedures.



For Certificate IV and Diploma in Web Development all students will be allocated a high capacity hard drive in 2012, as well as access to new state-of-art desktop PCs. The Information Technology team have also been developing their capacity to embrace opportunities for future growth and, as a result, offer state-of-the-art training in Information Technology. Highlights include:

- professional development;
- organisational change;
- investment in training infrastructure; and
- focus on the needs and priorities of our local industry.

Local industry feedback dictates our students have capacity in the development and implementation of wireless technology and support of hand-held smart technology. As a result, the team focussed on the implementation of a new training package which required a major re-write of assessment and delivery material with the support and feedback from industry.

Our Capability

The new training package is to be implemented in 2012 with fresh elements embedded in the training, bringing it up to date with:

- multi-media devices;
- wireless technology;
- the sustainable use of technology; and
- professional skills in corporate networking.

As part of the updated courses on offer, the Institute has invested in new technology including:

- professional digital cameras;
- HD video cameras;
- HD television;
- data projection equipment
- wireless devices; and
- iPods and other wireless capable equipment.

A key focus on implementing new training courses within the Environment, Land and Science portfolio has resulted in the release of updated national training packages. The Laboratory Operations (MSL09) training package has been fully implemented in 2011. Around two thirds of the portfolio's qualifications changed last year and lecturers have invested considerable time in updating training materials to be ready for 2012. In particular, teams have conducted extensive industry consultation in implementing the new "mega" training packages of Fitness, Sport and Recreation (SIS10), and the updated Horticulture, Conservation and Land Management, Production Horticulture, Agriculture and Rural Operations (AHC10) courses.

The Fitting and Machining portfolio implemented delivery and assessment in the workplace for a group of apprentices employed at Geographe Enterprises. The trial required strong support from the employer to provide apprentice's time at work to be trained and assessed. The team actively engaged innovative strategies to cater for Rio Tinto's fly in-fly out apprentices. Flexible arrangements were used to enable these apprentices to catch up during their fly-out periods.

Possession of the Certificate IV in Training and Assessment has been embraced by all contract and permanent staff with many having already completed the course. Casual staff are also proceeding with, or already have the TAE qualification.

Certificate III Community Services was delivered in Busselton, with staff coordinating delivery across both Bunbury and Busselton, providing a transitional pathway into Certificate IV in Youth Work.

Delivery modifications have resulted in Certificate III in Youth Work being delivered in a flexible blended model including scheduled classroom, individual study activities, group work and case study based discussion. Certificate IV in Aged Care, Certificate IV in Education Support and Certificate IV in Leisure and Health have utilised Moodle as the primary source of interface between students and lecturing staff, which has supported thin market enrolments while responding to regional demands.

Social Responsibility

The business of training also carries with it “Social Responsibility”, the Institutes fifth strategic priority. SWIT is committed to supporting a key strategic goal of Skilling WA which is to increase participation in the workforce, and the strategies outlined in *Training Together - Working Together* and *Building Diversity and Equity in Training 2010–2018*, to include:

- people with disabilities;
- people from Culturally And Linguistically Diverse (CALD) backgrounds;
- Aboriginal Western Australians;
- residents in regional and remote areas;
- women with dependents; and
- young people.

The exciting collaboration project to recover threatened native orchids is making excellent progress with Institute staff applying research knowledge from Kings Park into the field. A series of workshops were held in 2011 with 16 orchid enthusiasts learning a range of methods to grow native orchids to a stage where they can be re-planted in South West nature reserves. For the first time, germination techniques identified by Kings Park Science were successfully applied outside of Perth, and ongoing links with the Leschenault Community Nursery will increase the number of plants that can be grown. From the enthusiasm generated by the workshops, a South West Native Orchid Propagation and Restoration Group is being formed that will work with the Institute to study orchid habitats and ecology as part of higher level STP training.

The Conservation and Land Management team maintained strong links with Woolkabunning Kiaka Incorporated at Roelands to establish a native plant nursery which will supply Alcoa Australia with native seed for minesite rehabilitation. Lecturers and students are providing advice and practical assistance to local industry and other enterprises including setting up a native garden at South Bunbury Primary School and a bush foods interpretive garden at Adam Road Primary School. Working together with The City of Bunbury and Department of Environment and Conservation, students constructed a fence on the Leschenault Peninsula at Belvedere and for the Council on the Back Beach. A Certificate IV student also completed two revegetation plans for the City of Bunbury, and her reports were praised for their detail and practical recommendations to guide the restoration of degraded sand dunes along the City’s coastline.

The Environment, Land and Science portfolio coordinated a Taster program for Aboriginal people in November 2011 to sample a range of the training options available at the Bunbury campus. Participants had a taste of programs in Sport and Fitness, Horticulture, Art and Commercial Cookery with the aim of encouraging Aboriginal people to enrol in 2012 courses.



Social Responsibility

The Fitness, Sport and Recreation team have strengthened relationships with the Clontarf Academy and have up-skilled Aboriginal staff in the sport and recreation industry to create lasting benefits for new generations of sporting participants. These existing leaders within the community will act as mentors for future students and on the sporting field. The team have continued to customise and encourage RPL assessment of employees in the industry and this was extended to South West Sport Development officers and the South West Academy of Sport.

Industry partnerships and interagency opportunities resulted in strong networks with the South West Aboriginal Medical Service and accessed via the Department of Health, the support of Aboriginal Health Scholarships. Enrolments in the Institute have resulted with 2 students enrolling in Certificate IV Mental Health and 1 in Diploma of Nursing. 2012 will see a number of additions to scope in this portfolio namely; Certificate II in Health Support Services (orderlies, cleaners, ground persons and the like) and Certificate II in Health Services Assistance (personal care assistants). These programs are aimed at people under-represented in employment and/or under employed and will provide opportunities for equity and diversity.

The Commerce Portfolio has been developing practices to embrace its duty of care responsibilities and equal opportunity. The major area of focus for continuous improvement in business practice in 2011 was the support and growth of business activity and the development of relationships with local industry to underpin employment of youth through traineeships and higher level qualifications.

This year the team completed a number of traineeships in Asset Maintenance from within industry and the full quota of SCH for the Bunbury Prison. The portfolio had a number of trainees in the prison, including an Indigenous trainee who, upon release, used his qualification to join the work force in the mining and construction industry. A number of released prisoners have also secured gainful employment state-wide within the mining and construction industry's cleaning sector.

The Institute's highly successful Certificate II in Resource and Infrastructure Work Preparation course is running at the pre-release unit of the Bunbury Regional Prison. This training program is an important part of developing skills that are leading directly to employment outcomes for inmates after their release.

Our inclusive strategy for disadvantaged groups has seen improved Indigenous apprentice participation in 2011. A group of Indigenous youth have toured the workshops where entry methods into courses were explained. Places in pre-apprentice courses have been quarantined for Indigenous students. An Indigenous trainee at BHP Billiton Mt Keith Operations successfully completed a Certificate IV in Business.

Planning is well underway to deliver an entry set level in construction in 2012 for Indigenous people who are not engaged with work or study. The delivery will be at the NEEDAC Bunbury site as live works and as a short course. Discussions have also commenced with Goomburrup Aboriginal Corporation in regard to providing pathways to whole qualifications across our range of study areas.

A female apprentice attending the Institute and employee of John Holland Group has enjoyed outstanding success after being nominated 2011 Apprentice of the Year across all disciplines by her employer. She also won the prestigious Crystal Vision Award for women in industry and participated in a one day national John Holland "Workshop for Women". The national workshop provided strategies designed to encourage women into the company.

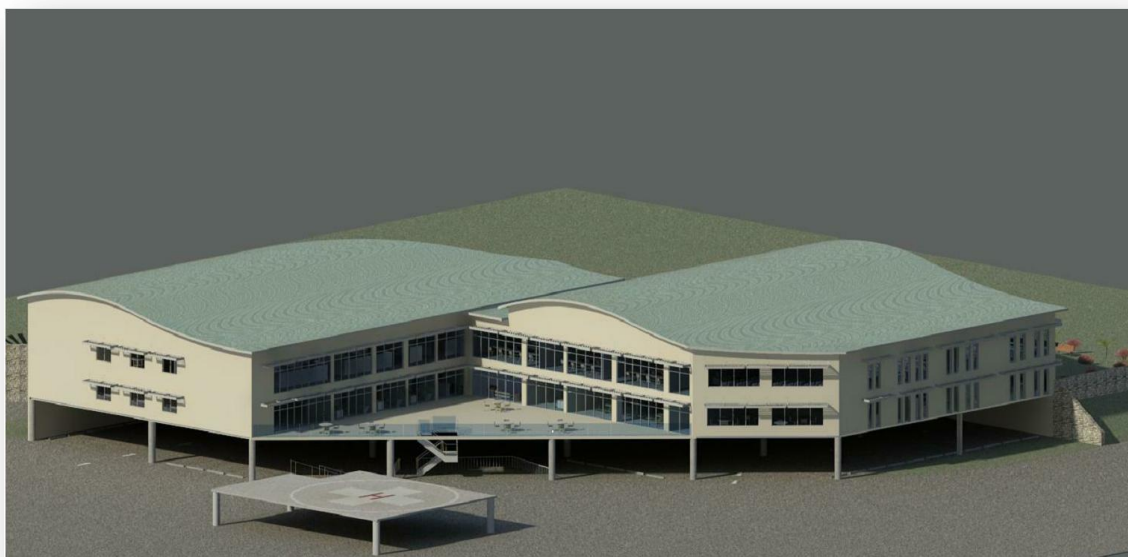
Community projects are being taken on in full or part as community engagement projects for student input. The surveying students recently took part in the archaeological project, managed by the Museum of WA, to investigate a whaler vessel buried at the car park near the mangroves at Koombana Drive, Bunbury. All students gained tremendous practical experience in application of their skills on a live project.

Social Responsibility

Mid 2011, the South West Institute of Technology entered into agreement with Polytechnic West to deliver the Adult Migrant Education Program to students in Bunbury and Busselton regions. Delivery of the AMEP program locally allows student to better access the Institute's facilities and familiarise themselves with vocational training courses. At least four of the students who completed their AMEP program used this as a pathway to enrol in VET courses.

The award winning "Growing Towards Wellness" program has continued its success in supporting people with mental illness to re-engage with training and their local community. In 2011, the program has enabled more than 45 people to progress horticulture studies in nationally recognised qualifications, undertake practical work experience at community and industry sites, and also be mentored into paid work with garden maintenance and landscaping jobs. The innovative program is a partnership between the Institute and Growing Towards Wellness Pty Ltd, a not-for-profit community-based organisation, and it operates in Bunbury, Busselton, Mandurah, Rockingham and Perth's southern metropolitan area. Participants have greatly benefited from the expansion of the program to two days per week through inaugural funding from the WA Premier's Social Innovation Grants initiative. The Growing Towards Wellness program won the education and training category of the West Australian 2011 "Count Me In Awards" which recognises work that supports people with disabilities. In addition, the program was selected as a finalist at the 2011 National Disability Awards and the WA 2011 Mental Health Good Outcomes Awards.

According to the State Training Plan, industries forecast to experience the greatest jobs growth in health care and social assistance. In order for the Institute to meet the future demand for qualified health professionals, an upgrade to our teaching and training facilities is required. A highlight for the year was to engage the final year Diploma Building Design and Interior Design students to work with the Health and Community Services portfolio as a "live works" project, to develop the concept for a proposed new South West Health Academy. The designs were presented to Executive and the preferred design is featured below. The Institute will work with the Department of Training and Workforce Development next year to source the funding for this much needed facility.



The Pursuit of Excellence

The final of the Institutes six strategic priorities is the “Pursuit of Excellence”.

Awards and Recognition: Staff



Western Australia and Australia Trainer of the Year

Amanda Smith, Chef Lecturer at the Margaret River campus.

Amanda was named winner of the Australian Trainer of the Year Award. The Australian Training Awards are the peak, national awards for the Vocational Education and Training (VET) sector, recognizing and rewarding organizations and individuals for their outstanding contribution to skilling Australia. Amanda's passion and industry focused flexible programs including “paddock to plate” were the keys to her success.

Portfolio of Commerce lecturer, Charlotte Brown, was one of four finalists in the WA Training Awards. Charlotte's industry focused and flexible program of the Certificate IV in Small Business was acknowledged. This award recognises innovation and excellence in the delivery of training across the whole the training sector in Western Australia.

Momento Pro 2011 Photo Book of the year Award

Sam Harris Photography Lecturer

Curtin Health Innovation Research Institute Aboriginal and CALD Mental Health Award

Jenny Dean Community Services Lecturer

Three of the Institute's Sport and Fitness lecturers have all received scholarships and have gained Level II AFL coaching accreditation – a remarkable achievement given there are only five women across Australia holding this accreditation. All three lecturers are applying their skills to support the women's AFL team in the South West and other local players. The Level II coaching accreditation is at an extremely high standard – the current level held by a West Australian Football League (WAFL) coach - and is just one step below the level required by national AFL coaches. One of these lecturers has also received the prestigious female Coach of the Year award in 2011 from the WA Football Commission and has been named the State's Under 18's Female Football Coach for 2012. Another of these lecturers was team captain of the WA Seniors Hockey team and has been selected to join the national seniors Hockey team for a world competition in London in 2012.

A Horticulture lecturer based at Margaret River was selected as an AgriFood Skills Ambassador last year and throughout 2012 they will be promoting the agriculture industry and training and looking at ways to increase entry into the industry and also the high school sector. The lecturer attended the Ambassador Program's launch conference in Canberra last year and was also a panellist at the AgriFood Skills National Conference in Brisbane.

Two of our lecturers, Amanda Read and Darryl Nelson, were invited to attend an interstate lecturers' forum held at Notre Dame on 21 October 2011. At these workshops representatives from NSW, VIC, SA and WA workshopped the implementation of the new Financial Services training package, including new resources, on-line delivery techniques, assessment strategies and moderation activities. In this regard the South West Regional Institute of Technology has had input to this implementation on a national stage.

The Pursuit of Excellence

Awards and Recognition: Students

A number of our students were successful at the State and International World Skills Championships. Worldskills provides an opportunity for students to showcase their chosen trade and promotes a culture of respect for their skills by celebrating excellence.

International Worldskills

Alexis Scott

Bronze International World Skills Award



State Worldskills

Our State Worldskills Winners

Fabrication:

Philip Harper

Ben Prowse

Toby Russell

Gold

Silver

Bronze



Yeyan Dela Cruz, Riestel Mabalhin and Ann Cesario romped home in the Worldskills hospitality category winning gold, silver and bronze medals



Fitting and Machining students Cameron Green, Daniel Ohm and Ashley Carbone won gold, silver and bronze medals



Aimme Couanon and Jessamy Mooney distinguished themselves as participants first and third place respectively in the hairdressing category



Caitlin Bower is the recipient of the silver medal for beauty therapy

Laminex Group Travelling Scholarship for Interior Design and Decoration

Carol Ransom

SKAL International Tourism Award (Bunbury-Margaret River Chapter)

Michelle Durrant

Student of the Year



Sarah Bayliss-Higgins

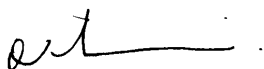
Each year the Institute holds an awards evening to celebrate the success of our students. Six students are nominated for "Student of the Year". These students are interviewed by a panel of judges from which one student is named "Student of the Year".

Key Performance Indicators

Certification of Key Performance Indicators

For the year ending 31 December 2011

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



Dan Perkins
Chairman
Governing Council



Wendy Burns
Managing Director

Desired Outcome

The South West Institute of Technology has developed the following Key Performance Indicators (KPIs) to provide an overall indication of the Institute's operations as prescribed in the Vocational Education and Training Act 1996 and program objectives as embodied in the Institute's vision/mission statement.

The desired outcome of the Institute is the provision of vocational education and training services to meet community and industry training needs.

Effectiveness

Annual VET Institute Training Profile Target Achievement

The following table indicates the effectiveness of the Institute in meeting its target mix for training delivery under the Institute 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.

Note:

The Institute renegotiated the Delivery and Performance Agreement in September Addendum to align with local demands, resulting in an amended DPA figure of 1,840,053 SCH.

Variances in Excess of 10%

The Delivery and Performance Agreement (DPA) allows for flexibility in shifting delivery between industry groups within agreed tolerances. Where WADOT Groups reflect actual results which vary by 10% or more from the original planned SCH the following explanations apply:

- change in Industry WADOT group classifications;
- original SCH allocation under the DPA insufficient to meet local demand in respective WADOT group;
- SCH shifts across profile to meet local demands for training; and
- reflective of Department funding of programs for Recognition of Prior Learning and Skill Shortage areas (e.g. Childcare).

Non Profile Delivery

Includes:

- competitively Allocated Training both State and Non State Funded;
- domestic and International Fee for Service Delivery; and
- delivery for Credit transfers and Recognition of Prior Learning.

| Institute Training Profile | | | | | |
|----------------------------|--|------------------|------------------|------------------|--------------------|
| | WADOT Group Description | 2010 Achieved | 2011 Planned | 2011 Achieved | % Achieved to Plan |
| 01A | Recreation Sports and Entertainment | 61,682 | 56,900 | 62,235 | 111.1% |
| 01B | Visual and Performing Arts | 54,065 | 63,877 | 53,120 | 83.2% |
| 01C | Design | 7,324 | 13,140 | 11,253 | 85.6% |
| 02A | Automotive | 91,981 | 110,210 | 103,007 | 93.5% |
| 03A | Building and Construction | 139,346 | 152,892 | 146,624 | 95.9% |
| 03B | Surveying and Building | 61,924 | 62,173 | 58,523 | 94.1% |
| 04A | Community Service Workers | 37,255 | 45,880 | 45,195 | 98.5% |
| 04B | Education and Childcare | 218,827 | 196,830 | 296,000 | 150.4% |
| 04C | Health | 125,970 | 122,276 | 140,415 | 114.8% |
| 04D | Library Workers | 0 | 0 | 0 | 0.0% |
| 05A | Finance Insurance Property Service Workers | 3,461 | 6,000 | 4,443 | 74.1% |
| 06A | Food Trades and Processing | 8,880 | 11,450 | 2,090 | 18.3% |
| 07A | Clothing Footwear and Soft Furnishings | 9,885 | 9,636 | 12,440 | 129.1% |
| 07B | Furniture Manufacture | 20,790 | 14,688 | 21,516 | 146.5% |
| 08A | Communications | 0 | 0 | 0 | 0.0% |
| 08B | Printing & Publishing | 0 | 0 | 0 | 0.0% |
| 09A | Engineering and Drafting | 18,046 | 19,152 | 18,096 | 94.5% |
| 09B | Metal and Mining | 112,354 | 106,520 | 93,611 | 87.9% |
| 10A | Animal Care | 0 | 0 | 0 | 0.0% |
| 10B | Forestry, Farming and Landcare | 38,183 | 43,070 | 45,213 | 105.0% |
| 10C | Fishing | 0 | 0 | 0 | 0.0% |
| 10D | Horticulture | 79,748 | 67,730 | 61,662 | 91.0% |
| 11A | Process Manufacturing | 16,721 | 20,720 | 28,919 | 139.6% |
| 12A | Personal Service | 57,781 | 62,148 | 53,087 | 85.4% |
| 12B | Retail | 9,913 | 8,708 | 8,064 | 92.6% |
| 13A | Cooking | 33,288 | 35,227 | 40,647 | 115.4% |
| 13B | Hospitality | 24,856 | 25,861 | 18,161 | 70.2% |
| 13C | Tourism | 30,420 | 28,728 | 21,795 | 75.9% |
| 14A | Transport Trades, Storage & Associated | 7,340 | 7,820 | 7,100 | 90.8% |
| 15A | Electrical and Electronic Engineering | 4,596 | 7,200 | 0 | 0.0% |
| 15B | Electrical Trades | 53,124 | 54,600 | 66,798 | 122.3% |
| 16A | Accounting and Other Business Services | 63,755 | 56,500 | 59,220 | 104.8% |
| 16B | Management | 36,775 | 39,800 | 30,050 | 75.5% |
| 16C | Office and Clerical | 152,525 | 139,955 | 140,805 | 100.6% |
| 17A | Computing | 65,745 | 66,980 | 65,310 | 97.5% |
| 18A | Science and Technical Workers | 44,436 | 49,830 | 49,610 | 99.6% |
| 19A | ACE | 0 | 0 | 0 | 0.0% |
| 19B | Adult Literacy/ESL | 87,730 | 84,171 | 83,570 | 99.3% |
| 19C | Languages | 0 | 0 | 0 | 0.0% |
| 19D | Miscellaneous | 0 | 0 | 0 | 0.0% |
| 19E | Targeted Access & Participation | 17,165 | 18,500 | 34,490 | 186.4% |
| | Profile Delivery | 1,795,891 | 1,809,172 | 1,884,089 | 104.1% |
| | Non Profile Delivery | 190,645 | | 185,585 | |
| | TOTAL INSTITUTE PROFILE DELIVERY | 1,986,536 | 1,809,172 | 2,069,674 | |

Source: South West Institute of Technology 2011 AVETMISS collection

Efficiency

Delivery Cost per Student Curriculum Hour

The following table indicates the cost efficiency of the Institute in training delivery under the Institutes Training Profile and fee-for-service. The table presents the average cost per SCH for all delivery.

| Calendar | Total Cost | Total SCH | Average Cost / SCH |
|----------|--------------|-----------|--------------------|
| 2011 | \$34,149,038 | 2,069,674 | \$16.50 |
| 2010 | \$34,643,944 | 1,986,628 | \$17.44 |
| 2009 | \$31,719,970 | 1,933,077 | \$16.41 |
| 2008 | \$30,856,604 | 1,962,236 | \$15.73 |
| 2007 | \$29,088,363 | 1,856,801 | \$15.66 |

Reasons for Variance:

Delivery in excess of the DPA agreement to meet local demands for training.

- Increases in salaries costs due to GOSAC and Lecturers' wage increases
- Increase in supplies and services due to general increases in costs including increases in utilities, contracted services, repairs and maintenance expenses
- i. **Source:** The 2011 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. **Capital User Charge:** The charge was a levy applied by Government for the use of its capital. In 2007, the final year in which the charge was levied, a single payment was made equal to the appropriation for 2007 less any adjustment relating to 2006. (Refer Disclosures and Legal Compliance point 8).

Effectiveness

Student Satisfaction

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

The usable State population was established as 56,990 with 10,741 usable returns received (response rate of 18.8%). From a usable population of 3,984 at South West Institute of Technology 663 usable returns were received (response rate of 16.6%).

The survey findings for the Institute stated that a high proportion of students were Satisfied or Very Satisfied overall. The table below shows the Institute and State Student Satisfaction percentages. The figures include apprentices and trainees in the survey (there were 1,085 apprentices and trainees in 2011).

| Overall Student Satisfaction | | | | | |
|------------------------------|------|------|-------|-------|-------|
| | 2007 | 2008 | 2009 | 2010 | 2011 |
| SWIT | 88% | 88% | 86.2% | 91.1% | 89.3% |
| State | 87% | 85% | 85.6% | 86.7% | 88.4% |

- i. **Source:** Patterson Market Research conducted the Survey on behalf of the WA Department of Training and Workforce Development in 2010 and 2011. Colmar Brunton was the contracted agency for the WA Department of Training and Workforce Development Student Satisfaction Surveys conducted from 2003 to 2009. All students responding were assured of complete confidentiality (i.e. no information would be released to the Institute that would identify any individual).
- ii. **Definition:** The surveys were administered to full-time and part-time 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 methodology used by Patterson Market Research utilised two data collection techniques; online (emails with a link to the survey, website availability) and postal (hardcopy questionnaire mail outs or completed at the Institute).

Graduate Satisfaction

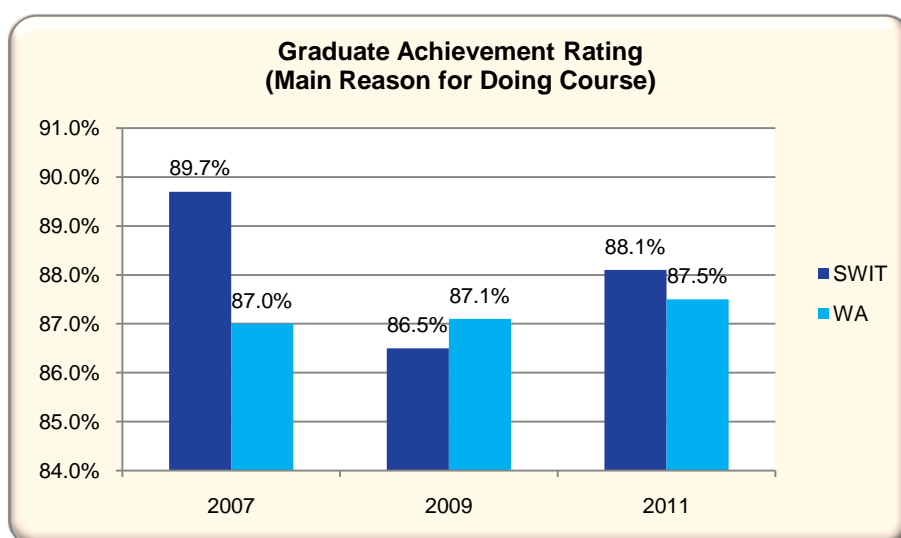
Disclosure Statement

The National 2011 Student Outcomes Survey focuses on graduate outcomes and satisfaction with VET. Information was collected on personal and training characteristics, employment outcomes, further study activity, satisfaction with the training, whether they achieved their main reason for undertaking the training, and how relevant the training was to their current job. The Student Outcomes Survey carried out bi-annually by an independent third party organisation (NCVER), targeted students with Australian residential addresses who completed recognised vocational training in 2010 with an Institute, Skills Institute, Polytechnic, private provider or an Adult and Community Education provider in Australia.

Note: Graduate outcome tables shown below use the base number of responses as the denominator in percentage calculations, instead of the number of valid responses that has been used in previous reporting periods. This was changed for 2011 reporting to provide a base level statistic that includes all survey responses, and the revised formula applied to previous years' percentages to allow comparisons of data.

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

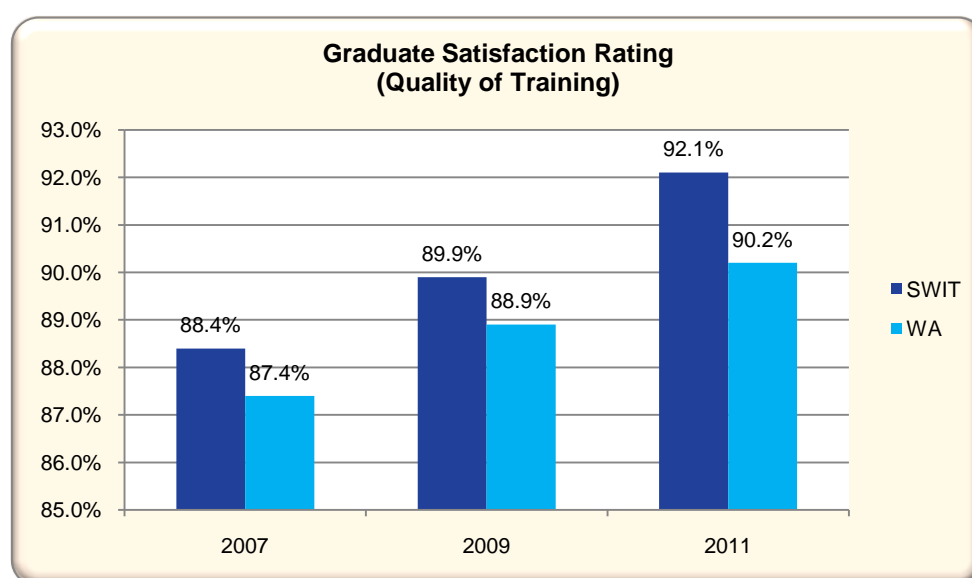
| | SWIT | WA | Australia |
|-------------|-------|-------|-----------|
| 2011 | 88.1% | 87.5% | 85.8% |
| 2009 | 86.5% | 87.1% | 85.9% |
| 2007 | 89.7% | 87.0% | 86.4% |
| 2005 | 86.8% | 84.0% | 85.0% |
| 2003 | 80.0% | 77.0% | 78.0% |



Graduate Satisfaction

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 5 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)

| | SWIT | WA | Australia |
|------|-------|-------|-----------|
| 2011 | 92.1% | 90.2% | 89.7% |
| 2009 | 89.9% | 88.9% | 89.2% |
| 2007 | 88.4% | 87.4% | 89.1% |
| 2005 | 87.4% | 87.0% | 88.0% |
| 2003 | 87.0% | 82.0% | 82.0% |



Measure (c): Graduate Employment Rate: In the 2011 survey, graduates from the South West Institute of Technology achieved better labour outcomes compared to the Western Australia and the National averages.

| South West Institute Performance | | | | | SWIT | WA% | Aust.% |
|----------------------------------|--------|--------|--------|--------|--------|--------|--------|
| | 2003 | 2005 | 2007 | 2009 | 2011 | 2011 | 2011 |
| Graduates Employed | 78.00% | 80.30% | 86.10% | 78.80% | 82.40% | 79.70% | 77.10% |
| Graduates Unemployed | 10.00% | 9.00% | 4.60% | 9.20% | 8.50% | 9.90% | 12.00% |
| Not in Labour | 10.00% | 11.00% | 9.30% | 11.70% | 8.80% | 10.00% | 10.60% |

Graduate Satisfaction

Notes:

Source: The Social Research Centre for the National Centre for Vocational Education Research (NCVER) on behalf of the Department of Education, Employment and Workplace Relations (DEEWR), who also funded the survey.

Definition: The 2011 Student Outcomes Survey targeted students with Australian residential addresses who completed recognised vocational training in 2010 with a TAFE Institute, Skills Institute, Polytechnic, private provider or an Adult and Community Education provider in Australia.

Derivation: The 2011 graduate survey employment status was measured for each category (employed, unemployed and not in labour force) as at 27 May 2011. The performance measure was obtained by calculating the ratio of graduates in each category compared to total respondents and these are expressed as a percentage.

Response Rates 2011

| South West Institute of Technology | 2003 | 2005 | 2007 | 2009 | 2011 |
|--------------------------------------|-------|-------|--------|-------|-------|
| Number of questionnaires distributed | 1,381 | 1,052 | 764 | 1,222 | 1207 |
| Number of responses received | 762 | 481 | 322 | 682 | 542 |
| Response Rate | 58% | 46% | 42.10% | 56% | 44.9% |

The sample error for 2011: +- 3.8, (Source: NCVER Graduate Outcomes Survey)

Disclosure and Legal Compliance

Pricing Policies of Services Provided

Fees and charges for students undertaking publicly funded vocational education and training in Western Australia must be collected in accordance with the provisions of the:

- *Vocational Education and Training Act 1996;*
- *Vocational Education and Training Regulations 1996; and*
- *Policy Guidelines for Publicly Funded Registered Training Organisations.*

The Institute's fees are set by the Western Australia Department of Training and Workforce Development and are indexed by CPI each year.

Advertising (Electoral Act 1907) section 175ZE

In compliance with section 175ZE of the Electoral Act 1907, the Institute 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.

| Advertising Activity | | Comments |
|--|-------------------------|------------------------|
| Marketing Agencies | Market Force ex Press | \$24,793.34 incl. GST |
| Market Research Organisations | | NIL |
| Polling Organisations | | NIL |
| Direct Mail Organisations | | NIL |
| Media Advertising Organisations | Optimum Media Decisions | \$118,787.23 incl. GST |

Employment and Industrial Relations

Staff Profile

| | 2009 | 2010 | 2011 |
|---------------------------|------|------|------|
| Full Time Permanent Staff | 158 | 151 | 146 |
| Full Time Contract Staff | 54 | 54 | 22 |
| Part Time Permanent Staff | 80 | 117 | 67 |
| Part Time Contract Staff | 30 | 46 | 26 |



Disability Access and Inclusion Plans

A Review of the Disability Support Services provided by the South West Institute of Technology was completed in March 2011. This included consultation with stakeholders on the current achievements and challenges. The feedback from the review was used as the basis for the preparation of the new Disability Access and Inclusion Plan 2011-2015.

Outcome 1

The Accessible Events checklist is available to all Institute staff on the intranet and was used when planning for public events including - Enrolment days, International student orientations and information sessions, Annual Student Awards Night, Aboriginal Cultural Day, Future Possibilities Youth Conference, and TASTE showcase.

Outcome 2

People with disabilities have the same opportunities as other to access people the buildings and other facilities of the College.

Accessible parking, paths and toilet facilities are available at all campuses. All students can access the 24/7 Learning Resource Centre in Bunbury which includes student PCs with access to Moodle, all library databases, internet access and printing. These same resources are available remotely for all students from their home PC. Wireless access for laptops was also made available to students at many locations on the Bunbury campus. The roll-out of this service will be completed at the other campuses for the start of 2012.

Outcome 3

People with disabilities receive information from the Institute in a format that will enable them to access the information as readily as other people are able to access it.

The Institute website continues to meet functionality and accessibility requirements of clients including accessible fonts, contrast, colour, an enlargement option and a printer friendly option.

Course info sheets have been made available on the website for all full-time and part-time qualifications. The information is updated regularly and is in a printer friendly format. On-line brochures, short course and external study options are also available on the website. Further information can be provided by phone, email or post by the Course Information team.

Moodle is an online learning management system and use of this tool is being used by a large number of qualifications and skills sets. This enables students to work online at their own pace, on campus or remotely. Learning resources are available in a range of formats and assistive technology e.g. WYNN Wizard is also available on request. Digital note takers and 'smart pens' are also available on request for students to record lectures.

Outcome 4

People with disabilities receive the same level and quality of service from staff of the Institute.

The Student Services team provides support for students with disability across the six campuses. Individual learning support plans are prepared for many students based on their identified needs. These plans are reviewed and modified regularly to ensure the best outcomes for the student. A database of student contacts and actions has improved the timeliness of responses and monitoring of student outcomes.

The SWIT in-class assistants were provided with refresher training on taking notes and scribing on behalf of a student and given an overview on new technologies including digital note takers and smart pens.

Disability Access and Inclusion Plans

Outcome 5

People with disabilities have the same opportunities to make complaints to the Institute.

A customer feedback system COMBIT gives all students the opportunity to provide feedback on services provided. The system is available via the Institute's website or hardcopy forms are available in every campus. All complaints are handled confidentially and equitably.

Outcome 6

People with disabilities have the same opportunities as other people to participate in any public consultation by the Institute.

The Institute prepared a new Disability Access and Inclusion Plan 2011-2015. A review of disability support was completed for the SWIT Executive in March 2011. This included consultation via focus groups, questionnaires and individual meetings with a wide range of internal and external stakeholders, students and representatives from disability support agencies. The feedback for this review was incorporated into the new DAIP.

All students are encouraged to complete the Learner Questionnaires each semester and the Student Satisfaction Survey. The surveys are available both online and in hardcopy or students can seek assistance when completing the survey.

The Institute continues to be an active participant in the South West Disability Focus Group with representatives from all disability related organisations in the region. The group focuses on identifying and resolving barriers to accessing training and employment in the region. The group again conducted a very successful Future Possibilities Youth Conference.

Compliance with Public Sector Standards and Ethical Codes

The Institute reaffirms our commitment to the practices and principles of Public Sector integrity, in accordance with the Public Sector Commission (PSC) Public Sector standards and ethical codes.

We continue to strive towards best practice in human resources management, in accordance with the Act, the Code of Ethics and our Employee Code of Conduct.

The South West Institute of Technology's Employee Code of Conduct was reviewed and rewritten in 2010-2011 to reflect the PSC Code of Ethics statements of Justice, Respect for Persons and Responsible Care.

Our revised Code of Conduct forms the basis of our new online induction and professional development program, whereby our employees work through interactive modules of the code and answer quizzes and questions to test their engagement. This mode of interaction with the Code ensures our employees can understand and give effect to our shared values, behaviours, attitudes and accountabilities. At the conclusion of the program, our employees are asked to declare they understand and will adhere to the Code. The revised Code of Conduct and online interactive modules will be officially launched early in 2012.

Compliance with Public Sector Management Act Section 30 (1)

The Institute continues to review the establishment's policies and procedures to ensure we are compliance with the Act. There were no recorded breaches of the *Equal Opportunity Act 1984* or *Occupational Safety and Health Act 1984* in 2011.

In August 2011, the EOC attended the Institute at our invitation and conducted three full day workshops for staff and managers. Topics covered were: *EO in Service Delivery and Substantive Equality* and *Recruitment and Selection (Are you getting it right?)*.

In October 2011, the Institute underwent a restructure and recruited a permanent OSH Officer to support and articulate our obligations and initiatives.

Compliance with the Working with Children (Criminal Record Checking) Act 2004

The Institute had a 100% compliance rate at 31 December 2010 and the renewal process ensures continued compliance. No breaches or instances of non-compliance were reported in 2011.

Record Keeping Plans

The Institute participates as a member of the TAFEWA Records Management Network and operates within a sector-wide Record Keeping Plan.

The Institute's records management policies and procedures are reviewed annually to ensure compliance with legislative requirements and to reflect changes to processes due to advancements in record keeping practices. Record keeping systems are monitored regularly and reviewed annually to ensure their efficiency and effectiveness.

Freedom of Information

The South West Institute of Technology allows supervised access to records on request.

Applications for information under the Freedom of Information Act are submitted for approval and administered under direction by the Records Management Coordinator. The FOI Statement is on the Institute's Business System. A single Freedom of Information request was received during 2011.

Record Keeping Training Program

The Institute conducts the following record keeping training:

- refresher courses for long-serving staff;
- awareness training for senior management;
- a reminder session to staff on how to use existing systems; and
- in-house training sessions conducted for groups and individuals on a needs basis.

The Institute's induction program addresses employees' roles and responsibilities with regard to their compliance with the Institute's Record Keeping Plan and State Records requirements. Records Awareness Training will also be incorporated as a part of the Institutes online induction program commencing in 2012.

Upon review of the efficiency and effectiveness of the Institute's record keeping training, it has been recognised that a more formalised training program should be developed and implemented in 2012.

Occupational Safety, Health and Injury Management

Statement of Commitment OSH

The Occupational Safety and Health Policy recognises that the safety and health of all Institute employees, students and visitors is the responsibility of Institute management and staff. In fulfilling this responsibility, management and staff have a duty to provide and maintain, so far as practicable, a working environment that is safe and without risk to health. This responsibility includes:

- providing and maintaining safe plant and systems of work;
- making and monitoring arrangements for the safe use, handling, storage and transport of plant and substances;
- maintaining the workplace in safe and healthy conditions; and
- providing appropriate information, training and supervision for all employees, contractors and visitors, enabling them to work in a safe and healthy manner.

All managers and staff are responsible for the implementation of the policy within their workplace and organisational area of responsibility. The Director of Corporate Services will provide for the appropriate monitoring of this policy with the assistance of our Occupational Safety and Health Committee. In fulfilling the objectives of this policy, management is committed to regular consultation with employees to ensure that the policy operates effectively and that safety and health issues are regularly reviewed.

The Strategic Goals for OSH in 2011 were to:

1. reduce the impact of workplace injuries and illnesses by using consistent, recognizable, quality based safety and health systems at all Institute campuses;
2. raise the awareness of the effective use of risk management and reduced incidents by active elimination of hazards;
3. enhance the profile and practice of safety, health, and wellbeing at all levels of South West Institute of Technology through effective communication and consultation; and
4. enhance the safety and health knowledge and behaviours of staff through targeted OSH training.

Occupational Safety, Health and Injury Management

The Targets for OSH were:

- to work towards the attainment of the highest WA standard of Occupational Safety and Health;
- to improve the level of communication and understanding of safety and health in the workplace by employees; and
- to achieve 100% of the objectives and strategies of the OSH Management Plan for 2011.

Statement of Commitment Injury Management

The South West Institute of Technology will ensure that injured employees will be treated with dignity and respect. The Institute is committed to:

- providing assistance to injured employees as soon as possible to facilitate their return to work;
- providing for the injury management of all employees who have sustained a work-related injury or illness that is subject to compensation; and
- consultation with the employee and his or her medical practitioner to develop and maintain a return to work program.

Where practicable and required by medical certification the South West Institute of Technology will make provision for the placement of injured employees who have accepted workers' compensation claims and are unable to return to their original duties.

Formal Mechanism for consultation with employees on Occupational Safety and Health matters

The Occupational Safety and Health (OSH) Committee form the key to OSH consultation within South West Institute of Technology. The OSH committee is a combination of staff elected representatives and management representatives. The member's appointment, location and details are communicated to all staff via the Institute intranet and via electronic communication. The members are accessible and effectively utilised by both management and employees in the discussion and resolution of occupational safety and health issues.

The committee meets monthly to discuss and resolve OSH issues, review hazard and incident reports and:

- to facilitate consultation and co-operation in relation to the Institute's safety and health policy and procedures;
- to provide for the development and review of the Institute's safety and health policy, procedures and practices;
- to promote increased understanding and awareness of safety and health issues; and
- to review progress against the OSH Management Plan.

The agenda and minutes of the OSH Committee are communicated to all staff via the Institute intranet and via electronic communication.

Occupational Safety, Health and Injury Management

The Occupational Safety and Health Committee convened meetings throughout 2011. The committee reviewed and approved a range of new and updated Occupational Safety and Health procedures and guidelines and reviewed the operation of the South West Institute of Technology OSH Management Plan. Procedures reviewed and approved for implementation included:

- Strategic Plan 2011 – 2013;
- OSH Management Plan 2011;
- Working in Isolation Guidance Note;
- Personal Protective Equipment Policy;
- Electrical Safety;
- First Aid Procedure;
- Work Placement Safety;
- OSH Planning and Reporting Processes; and
- guidance note on the preparation of JSAs, SWPs and SOPs.

A range of air monitoring testing was conducted, evaluated and actioned. The air monitoring ascertained the level of exposure Institute staff and students were encountering in the Mortar Trades Workshop, Painting and Decorating Workshop and Beauty Therapy Salon. A range of measures were implemented as a result of the monitoring to enhance existing safe guards.

The South West Institute of Technology trialled and evaluated an online OSH Management System – MY OSH in 2011. The online system was trialled in terms of its ability to streamline incident and near miss reporting and act as an early warning system of trends in accidents and incidents. During the trial incident and hazard reporting increased by 100% over similar reporting periods in previous years.

Training

A range of training and awareness programs opportunities were provided for staff in 2011. A total of 139 staff were trained in areas such as:

- ergonomics;
- manual handling;
- safe storage and handling of chemicals in the workplace;
- use and management of Chemwatch;
- fire equipment familiarisation training;
- OSH Representative Training; and
- OSH Risk Assessments including Chemical risk Assessment.

During 2011 a range of training programs were run to up skill staff and provide them with the relevant licence requirements to enhance and meet the requirements for their delivery:

- demolition training;
- basic scaffolding;
- working at heights; and
- Occupational Safety, Health and Injury Management.

Occupational Safety, Health and Injury Management

Projects

A number of OSH minor works projects were undertaken in 2011 to address urgent OSH issues across all campuses and facilities. Some of the projects included:

- upgrading gas infrastructure system for Bunbury Campus;
- upgrading machine guards on lathes, mills and drill presses;
- upgrading emergency stops on grinders, brick saws, sanders and bandsaws; and
- upgrading emergency eyewash facilities in the Mortar, Fabrication and Automotive Trades area.

A Statement of Compliance with the Injury Management Requirements

The Injury Management Procedures for injury management and workers' compensation meets the requirements of the Workers Compensation and Injury Management Act 1981. All staff are informed at Induction and via the Institute's Business System on the process for accessing the Workers Compensation or Injury Management process. The Institute seeks to ensure that all claims will be transparent, follow legislative requirements, ensure appropriate confidentiality and demonstrate procedural fairness. The Institute consults with the employee and his or her medical practitioner to develop and maintain a return to work program which is developed in accordance with the Workers Compensation and Injury Management Act of 1981.



Occupational Safety, Health and Injury Management

Self Evaluation of Occupational Safety and Health Management System

Based on the requirements of the WorkSafe Plan Assessment Tool, an external review of the safety management system within the South West Institute of Technology was conducted in October 2009.

The review was carried out at the Bunbury, Collie and Margaret River sites and involved:

- interviews with staff, contractors, students, and visitors;
- review of the South West Institute of Technology policies, procedures and other documentation relating to the management of safety and health within the organisation; and
- observations in the workplace.

A summary of the findings indicated that the majority of policies and procedures underpinning the Occupational Safety and Health (OSH) Management Systems at the South West Institute of Technology have been in operation for a substantial period; however they needed ongoing review and/or evaluation, which took place throughout 2010 and 2011.

Management Commitment: There was anecdotal and documented evidence supporting the commitment by management to a safe and healthy work environment. This key element resulted in a rating of 36.6%.

Planning: Undertaken primarily via the OSH Committee attracted 40.8%.

Consultation: The consultative process was also in evidence, engineered through the efforts of the OSH Committee (in particular the safety and health representatives) and attracted 51.4%.

Hazard Management: Hazard management systems at the time, were not well established and were poorly documented, therefore rated at 47.86%.

Training: Concentrated primarily in areas such as first aid and emergency procedures. The induction for staff, contractors and visitors at the Bunbury Campus was sufficient; however OSH training for lecturers needed more focus. Further, analysis of training needs and the recording of data resulted in a relatively modest 38.75%.

Self Evaluation in 2011

In response to the 2009 audit, the Institute has since employed a full-time OSH Officer to assist the Institute to review and update its OSH Management System and aid Institute management to raise the profile of OSH.

The outcomes to date are:

- an annual review and update of the Institutes' OSH Policy and OSH KPI's;
- a quarterly OSH reporting process developed and implemented;
- an annual OSH Management Plan to identify key OSH activities for the year;
- a range of Self Audit tools have been developed to assist the Institute in ongoing improvement of its OSH Management System;
- a range of internal audits to assess key OSH risks have been conducted and corrective actions undertaken to remedy identified issues;
- a range of hazard identification and risk assessment tools have been developed and rolled out across the Institute to assist with the management of the Institutes major OSH risks;
- a new OSH reporting tool has been trialed to encourage and promote a strong culture of reporting and managing hazards, dangerous occurrences, accidents, injuries and exposures. This tool provides ongoing support to staff with implementing the corrective actions and tracking progress on mitigation of identified risks; and
- a yearly review of OSH training programs has been developed to raise awareness to all staff of their OSH roles and responsibilities.

Occupational Safety, Health and Injury Management

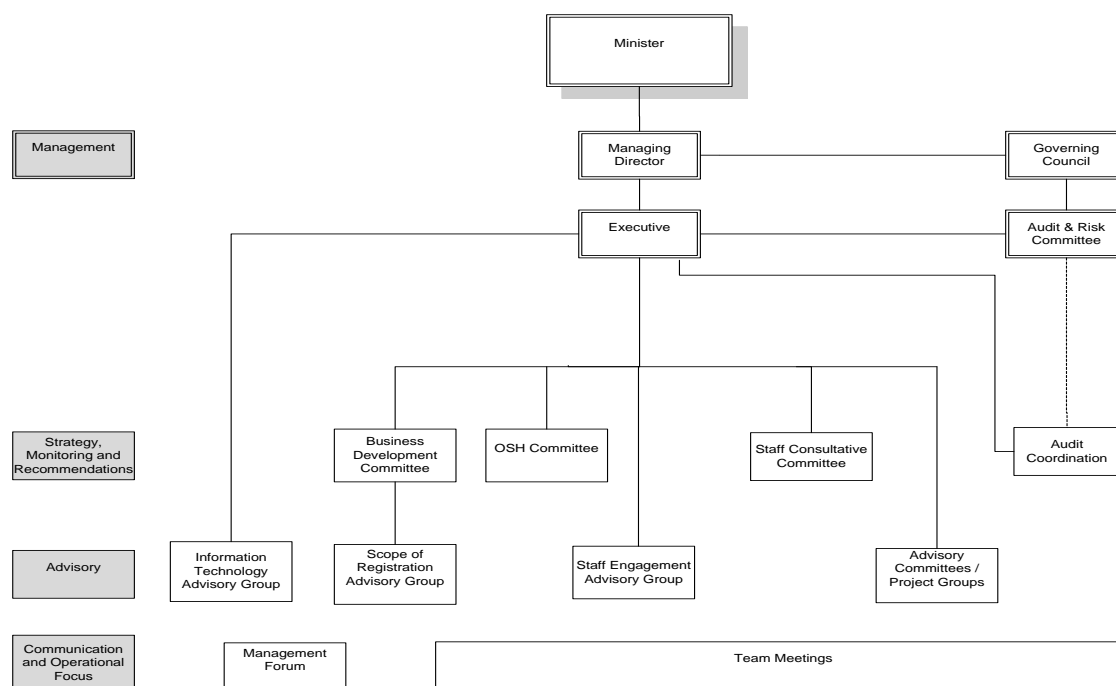
Performance Data Report

| Indicator | Actual Results | | Results against Target | |
|---|----------------|------|--|--------------|
| | 2010 | 2011 | Target | Comment |
| Number of fatalities | 0 | 0 | 0 | Achieved |
| Lost time injury/disease incidence rate | .568 | .694 | Zero (0) or 10% reduction on previous year | Not Achieved |
| Lost time injury severity rate | 50 | 50 | Zero (0) or 10% reduction on previous year | Not Achieved |
| Percentage of injured workers returned to work within 28 weeks | 100% | 100% | Actual Percentage | Achieved |
| Percentage of managers trained in occupational safety and health and injury management responsibilities | 7% | 0% | Greater than or equal to 50% | Not Achieved |

Risk Management

As part of our commitment to meeting the requirements of the Governance Framework for State Training Providers, in 2011 the South West Institute of Technology Executive reviewed our arrangements for engagement in corporate planning, development and decision making.

Our adopted framework below is designed to ensure all employees are aware of the range of recognised forums available in the organisation to carry out planning and facilitate effective communication and delivery of our core business activities. It also clarifies the intent and purpose of each group and ensures each committee, advisory group, task group forum and team meeting has a very clear focus for its contribution to the Institute's decision making and operational activity.



This framework is supported by guidelines on the conduct of meetings and the responsibilities of participants to ensure we maximise the use of time, the contributions of participants, the articulation of outcomes and communication to stakeholders.

As a key part of the decision making process is risk and in line with this context in 2011 the Institute also developed a Risk Appetite Statement which it submitted to its Governing Council for its approval. The statement forms part of the Institute's Risk Management Policy and Procedure framework which encompasses all levels of management in establishing and maintaining independent and objective risk assessment, risk mitigation and monitoring.

Its aim is to help the Institute accomplish its objectives by bringing a systematic, disciplined approach to the design, evaluation and improvement of effective risk identification and management, educational quality, systems of control and governance processes.

It details individual roles and responsibilities within the organisation, audit methodology, governance oversight and Institute Specific Risk Tolerances.

The objectives of the framework are to allow the Institute to improve the effectiveness of its business operations through attention to the monitoring, review and improvement of the systems of control, including the communication and implementation of policy and procedures, in order to support the activity of its employees in undertaking their duties in a manner that enhances productivity and responsiveness whilst maintaining the integrity of our performance.

Environmental Sustainability

Environmental sustainability is a key focus of our lecturers as they consistently look at ways of recycling within their portfolios. The Automotive Metals and Engineering portfolio recycles all its used oil. In addition a number of local industries give us access to their surplus and scrap metals which is a significant saving for the Institute. Used metal from the portfolio is also on-sold to a scrap metal dealer resulting in funds returned to portfolio accounts. We also have in place a program of waste metal recycling which plumbing (copper) and metal fabrication (steel) have undertaken as part of their normal business activities.

The Building Construction and Furnishing Portfolio also encourages recycling within its teachings units. Plumbing recycles all of its water they use in teaching, the Mortar Trades, Wall and Fixing areas recycle their building materials on a regular basis.

We currently have in place 4 x 3 metre recycle bins in and around the Institute. Included are two yellow lid bins for the recycling of paper and cardboard products together with two black lid bins for mixed recyclables. For 2012 we are looking to expand recycling opportunities and subsequently will be investigating a range of additional recycling options to include Eco Waste Station rubbish bins for office recycling, along with the placement of more recycling bins around the campus grounds.

The Institute installed a solar hot water system within the K Block and it supplies hot water to the building including the Epicure Restaurant. This is significant as the Hairdressing and Commercial Cookery teaching units are located in this building. The Solar hot water system not only contributes to environmental sustainability, it helps save power for the Institute thus contributing to cost savings initiatives.

In 2011 we had installed a series of photovoltaic power cells that allows us to feed power into the electricity grid. These initiatives are in line with our Energy Management Plan.

Financial Statements

Certification of Financial Statements

For the year ended 31 December 2011

The accompanying financial statements of the South West Institute of Technology have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the financial year ended 31 December 2011 and the financial positions as at 31 December 2011.

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



Dan Perkins
Chairperson
Governing Council



Wendy Burns
Managing Director



Jenny Duncan
Manager Finance

Independent Audit Opinion



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

SOUTH WEST INSTITUTE OF TECHNOLOGY

Report on the Financial Statements

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

The financial statements comprise the Statement of Financial Position as at 31 December 2011, the Statement of Comprehensive Income, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

Governing Council's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the financial position of the South West Institute of Technology at 31 December 2011 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Independent Audit Opinion

South West Institute of Technology

Report on Controls

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

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

Opinion

In my opinion, the controls exercised by the South West Institute of Technology are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Report on the Key Performance Indicators

I have audited the key performance indicators of the South West Institute of Technology. The Governing Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions.

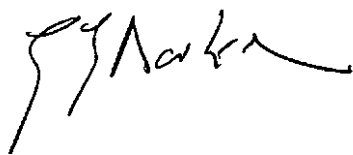
As required by the Auditor General Act 2006, my responsibility is to express an opinion on the key performance indicators based on my audit conducted in accordance with Australian Auditing Standards.

Opinion

In my opinion, the key performance indicators of the South West Institute of Technology are relevant and appropriate to assist users to assess the Institute's performance and fairly represent indicated performance for the year ended 31 December 2011.

Independence

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



GLEN CLARKE

ACTING AUDITOR GENERAL

27 February 2012

Statement of Comprehensive Income for Year Ended 31 December 2011

| | Notes | 2011 \$ | 2010 \$ |
|---|-------|---------------------|---------------------|
| <u>Expenses</u> | | | |
| Employee benefits expense | 6 | 22,795,303 | 21,969,147 |
| Supplies and services | 7 | 7,462,289 | 9,099,289 |
| Depreciation and amortisation expense | 8 | 1,706,569 | 1,833,841 |
| Grants and subsidies | 9 | 10,452 | 6,306 |
| Cost of sales | 14 | 538,666 | 528,444 |
| Loss on disposal of non-current assets | 18 | - | - |
| Other expenses | 10 | 1,635,759 | 1,206,916 |
| Total cost of services | | 34,149,038 | 34,643,943 |
| <u>Income</u> | | | |
| <u>Revenue</u> | | | |
| Fee for service | 11 | 1,138,323 | 1,049,286 |
| Student fees and charges | 12 | 3,360,478 | 2,992,654 |
| Ancillary trading | 13 | 109,180 | 125,346 |
| Sales | 14 | 571,513 | 621,618 |
| Commonwealth grants and contributions | 15 | 27,750 | 34,500 |
| Interest revenue | 16 | 383,614 | 289,746 |
| Other revenue | 17 | 583,668 | 614,948 |
| Total revenue | | 6,174,526 | 5,728,099 |
| <u>Gains</u> | | | |
| Gain on disposal of non-current assets | 18 | 4,136 | 27,078 |
| Total gains | | 4,136 | 27,078 |
| Total income other than income from State Government | | 6,178,662 | 5,755,178 |
| NET COST OF SERVICES | | (27,970,376) | (28,888,765) |
| INCOME FROM STATE GOVERNMENT | | | |
| Service appropriation | 19 | 27,367,897 | 25,457,991 |
| Resources received free of charge | | 657,625 | 373,054 |
| Total income from State Government | | 28,025,522 | 25,831,045 |
| SURPLUS / (DEFICIT) FOR PERIOD | | 55,146 | (3,057,720) |
| OTHER COMPREHENSIVE INCOME | | | |
| Changes in asset revaluation surplus | 30 | 7,895,096 | (1,471,989) |
| Total other comprehensive income | | 7,895,096 | (1,471,989) |
| TOTAL COMPREHENSIVE INCOME FOR THE PERIOD | | 7,950,242 | (4,529,709) |

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

Statement of Financial Position for Year Ended 31 December 2011

| | Notes | 2011 \$ | 2010 \$ |
|---------------------------------------|-------|-------------------|-------------------|
| ASSETS | | | |
| <u>Current Assets</u> | | | |
| Cash and cash equivalents | 31 | 7,029,776 | 3,565,439 |
| Inventories | 21 | 161,103 | 130,390 |
| Receivables | 22 | 329,247 | 318,611 |
| Other financial assets | 23 | - | 1,000,000 |
| Other current assets | 24 | 80,604 | 96,924 |
| Total Current Assets | | 7,600,730 | 5,111,364 |
| <u>Non-Current Assets</u> | | | |
| Restricted cash and cash equivalents | 20 | 235,533 | 104,994 |
| Property, plant and equipment | 25 | 55,207,401 | 48,835,183 |
| Total Non-Current Assets | | 55,442,934 | 48,940,177 |
| TOTAL ASSETS | | 63,043,664 | 54,051,541 |
| LIABILITIES | | | |
| <u>Current Liabilities</u> | | | |
| Payables | 27 | 735,417 | 615,571 |
| Provisions | 28 | 3,315,119 | 2,571,141 |
| Other current liabilities | 29 | 182,172 | 128,389 |
| Total Current Liabilities | | 4,232,708 | 3,315,101 |
| <u>Non-Current Liabilities</u> | | | |
| Provisions | 28 | 1,081,103 | 961,318 |
| Other non-current liabilities | 29 | 8,592 | 9,105 |
| Total Non-Current Liabilities | | 1,089,695 | 970,423 |
| TOTAL LIABILITIES | | 5,322,403 | 4,285,525 |
| NET ASSETS | | 57,721,261 | 49,766,017 |
| Equity | | | |
| Contributed equity | 30 | 8,205,794 | 8,205,794 |
| Reserves | | 32,247,983 | 24,336,943 |
| Accumulated surplus/ (deficit) | | 17,267,484 | 17,223,281 |
| TOTAL EQUITY | | 57,721,261 | 49,766,018 |

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

Statement in Changes in Equity for the Year Ended 31 December 2011

| | Note | Contributed Equity \$ | Reserves \$ | Accumulated surplus / (deficit) \$ | Total Equity \$ |
|--|-----------|-----------------------------|-------------------|---|--------------------|
| Balance at 1 January 2010 | | 5,885,794 | 25,808,932 | 20,281,001 | 51,975,726 |
| Changes in accounting policy or correction of prior period errors | | - | - | - | - |
| Restated balance at 1 January 2010 | | 5,885,794 | 25,808,932 | 20,281,001 | 51,975,726 |
| Total comprehensive income for the year | | - | (1,471,989) | (3,057,720) | (4,529,709) |
| Transaction with owners in their capacity as owners | | | | | |
| Capital appropriations | | 2,320,000 | - | - | 2,320,000 |
| Other contribution by owners | | - | - | - | - |
| Distribution to owners | | - | - | - | - |
| Total | | 2,320,000 | - | - | 2,320,000 |
| Balance at 31 December 2010 | | 8,205,794 | 24,336,943 | 17,223,280 | 49,766,017 |
| Changes in accounting policy or correction of prior period errors | | - | 15,944 | (10,942) | 5,002 |
| Restated Balance at 1 January 2011 | | 8,205,794 | 24,352,887 | 17,212,338 | 49,771,019 |
| Total comprehensive income for the year | | - | 7,895,096 | 55,146 | 7,950,242 |
| Transactions with owners in their capacity as owners | | | | | |
| Capital appropriations | | - | - | - | - |
| Other contribution by owners | | - | - | - | - |
| Distribution to owners | | - | - | - | - |
| Total | | - | - | - | - |
| Balance at 31 December 2011 | 30 | 8,205,794 | 32,247,983 | 17,267,484 | 57,721,261 |

Statement of Cash Flows for the Year Ended 31 December 2011

| | Notes | 2011 \$ | 2010 \$ |
|--|-------|---------------------|---------------------|
| CASH FLOWS FROM STATE GOVERNMENT | | | |
| Service appropriation–Dept of Training & Workforce Development | | 25,551,172 | 23,760,813 |
| Net cash provided by State Government | | 25,551,172 | 23,760,813 |
| Utilised as follows: | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Payments | | | |
| Employee benefits | | (20,033,704) | (19,292,259) |
| Supplies and services | | (6,712,659) | (10,357,485) |
| Grants and subsidies | | (10,452) | (6,306) |
| Finance costs | | - | - |
| GST payments on purchases | | (729,424) | (125,214) |
| GST payments to taxation authority | | - | - |
| Other payments | | (1,644,132) | (1,426,067) |
| Receipts | | | |
| Fee for service | | 1,099,044 | 1,103,640 |
| Student fees and charges | | 3,410,870 | 3,207,407 |
| Ancillary trading | | 109,180 | 125,346 |
| Commonwealth grants and contributions | | 27,750 | 34,500 |
| Interest received | | 374,288 | 289,334 |
| GST receipts from on sales | | 130,969 | 7,461 |
| GST receipts from taxation authority | | 590,016 | 104,400 |
| Other receipts | | 616,515 | 708,124 |
| Net cash provided by / (used in) operating activities | 31 | (22,771,739) | (25,627,119) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from sale of non-current physical assets | | 4,136 | 145,708 |
| Purchase of non-current physical assets | | (188,693) | 152,158 |
| Purchase of investment | | 1,000,000 | (1,000,000) |
| Net cash provided by / (used in) investing activities | | 815,443 | (702,134) |
| Net increase / (decrease) in cash and cash equivalents | | 3,594,859 | (2,568,440) |
| Cash and cash equivalents at the beginning of period | | 3,670,433 | 6,238,873 |
| CASH AND CASH EQUIVALENTS AT THE END OF PERIOD | 31 | 7,265,309 | 3,670,433 |

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

Statement of Cash Flows for the Year Ended 31 December 2011

1. Australian equivalents to International Financial Reporting Standards

(a) General

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

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

(b) Early adoption of standards

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

2. Summary of significant accounting policies

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

(a) General Statement

The financial statements constitute a general purpose financial statement which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the TIs. Several of these are modified by the TIs to vary application, disclosure, format and wording.

The Financial Management Act and the TIs are legislative provisions governing the preparation of financial statements and take precedence over the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land, buildings and infrastructure which have been measured at fair value.

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars (\$) and all values are rounded to the nearest dollar (\$).

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

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

(c) Reporting entity

The reporting entity comprises the Institute only.

(d) Contributed equity

AASB Interpretation 1038 '*Contributions by Owners Made to Wholly-Owned Public Sector Entities*' requires transfers, other than as a result of a restructure of administrative arrangements, 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 appropriations have been designated as contributions by owners per TI 955 '*Contributions by Owners Made to Wholly Owned Public Sector Entities*' and have been credited directly to Contributed Equity.

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

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 2 Continued

Repayable capital appropriations are recognised as liabilities. See Note 19 'Income from State Government' for further commentary on the application of TI 955. Transfers of net assets to/from other agencies as a result of a restructure of administrative arrangements are to be accounted for as distributions to owners and contributions to owners respectively. Refer to Note 30 'Equity'.

(d) Contributed equity

AASB Interpretation 1038 '*Contributions by Owners Made to Wholly-Owned Public Sector Entities*' requires transfers, other than as a result of a restructure of administrative arrangements, 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 appropriations have been designated as contributions by owners per TI 955 '*Contributions by Owners Made to Wholly Owned Public Sector Entities*' and have been credited directly to Contributed Equity.

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

Repayable capital appropriations are recognised as liabilities. See Note 19 'Income from State Government' for further commentary on the application of TI 955. Transfers of net assets to/from other agencies as a result of a restructure of administrative arrangements are to be accounted for as distributions to owners and contributions to owners respectively. Refer to Note 30 'Equity'.

(e) Income

Revenue recognition

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

The majority of operating revenue of the Institute represents revenue earned from student fees and charges, fee for service, ancillary services, trading activities and Commonwealth grants and contributions.

Sale of goods

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

Provision of services

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

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Institute obtains control over the assets comprising the contributions, usually upon their receipt.

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 end of the reporting period, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

Service appropriations

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

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 2 Continued

State funds

The funds received from the Department of Training and Workforce Development in respect of the delivery of services forming part of the Delivery Performance Agreement are included in State funds, disclosed under 'Income from State Government'. They are the result of training successfully tendered for under competitive tendering arrangements. This revenue is recognised at nominal value in the period in which the Institute meets the terms of the Agreement. See note 19 'Income from State Government'.

Gains

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) Property, plant and equipment and infrastructure

Capitalisation/Expensing of assets

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

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

Initial recognition and measurement

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

Subsequent measurement

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

Where market-based evidence is available, the fair value of land and buildings is determined on the basis of current market buying values determined by reference to recent market transactions. When buildings are revalued by reference to recent market transactions, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

In the absence of market-based evidence, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the gross carrying amount and the accumulated depreciation are restated proportionately.

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

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets. Refer to note 25 'Property, plant and equipment' for further information on revaluations.

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 25 'Property, plant and equipment'.

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 2 Continued

Depreciation

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

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

| | | |
|---|----------|---------------|
| Buildings | 40 years | |
| Motor vehicles, caravans and trailers | | 4 to 23 years |
| Plant, furniture and general equipment | | 4 to 28 years |
| Computing, communications and software ^(a) | | 1 to 15 years |

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

Works of art controlled by the Institute are classified as property, plant and equipment which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

(g) Impairment of assets

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

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life.

Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of assets' future economic benefits and to evaluate any impairment risk from falling replacement costs.

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

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

See note 26 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(m) 'Receivables' and note 22 'Receivables' for impairment of receivables.

(h) Leases

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

(i) Financial instruments

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

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

These have been disaggregated into the following classes:

Financial assets

- cash and cash equivalents (including restricted cash and cash equivalents)
- receivables
- term deposits

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 2 Continued

Financial liabilities

- payables

Initial recognition and measurement of financial instruments is at fair value which normally equates to the transaction cost or face value. Sub-sequent measurement is at amortised cost using the effective interest method.

The fair value of short-term receivables and payables is the transaction cost or the face value because there is no interest rate applicable and subsequent measurement is not required as the effect of discounting is not material.

(j) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include restricted cash and cash equivalents. These are comprised of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts.

(k) Accrued salaries

Accrued salaries (see note 27 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Institute considers the carrying amount of accrued salaries to be equivalent to its net fair value.

The accrued salaries suspense account (see note 20 'Restricted cash and cash equivalents') consists of amounts paid annually into a suspense account over a period of ten financial years to largely meet the additional cash outlay in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

(l) Inventories

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

See note 21 'Inventories'.

(m) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (i.e. impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The allowance for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the Institute will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(i) 'Financial instruments' and note 22 'Receivables'.

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

(n) Payables

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

(o) Provisions

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

(i) Provisions - employee benefits

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

Annual leave

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

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 2 Continued

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service. The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The provision for annual leave is classified as a current liability as the Institute does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

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

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

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

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

A liability for long service leave is recognised after an employee has completed four years of service based on remuneration rates current as at the end of the reporting period.

An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers Securities Ltd Actuaries at 31 December 2011 determined that the liability measured using the short hand measurement technique above was not materially different from the liability determined using the present value of expected future payments. This calculation is consistent with the Institute's experience of employee retention and leave taken.

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

Superannuation

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

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

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

The Institute has no liabilities under the Pension schemes. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the Institute to the GESB.

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS).

Both of these schemes are accumulation schemes. The Institute makes concurrent contributions to GESB on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

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

(ii) Provisions - other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as expenses and liabilities when the employment, to which they relate, has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the Institute's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See note 10 'Other expenses' and note 28 'Provisions'.)

(p) Superannuation expense

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

(q) Resources received free of charge or for nominal cost

Resources received free of charge or for nominal cost that can be reliably measured are recognised as income at fair value. Where the resource received represents a service that the authority would otherwise pay for, a corresponding expense is recognized. Receipts of assets are recognized in the Statement of Financial Position.

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

(r) Comparative figures

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

3. Judgements made by management in applying accounting policies

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

Operating Lease Commitments

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

4. Key sources of estimation uncertainty

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

Long Service Leave

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

Notes to the Financial Statements for the Year Ended 31 December 2011

5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

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

AASB 2009-5— Further amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 8, 101, 117, 118, 136 & 139].

Under amendments to AAST 117, the classification of land elements of all existing leases has been reassessed to determine whether they are in the nature of operating or finance leases. As leases of land and buildings recognised in the financial statements have not been found to significantly expose the Authority to the risks/rewards attributable to control of land, no changes to accounting estimates have been included in the Financial Statements and Notes to the Financial Statements.

Under amendments to AASB 107, only expenditures that result in a recognised asset are eligible for classification as investing activities in the Statement of Cash Flows. All investing cash flows recognised in the Authority's Statement of Cash Flows relate to increases in recognised assets.

Voluntary changes in accounting policy

No voluntary changes in accounting policy have been made.

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

| Title | Operative for reporting periods | Beginning on/after |
|--|---------------------------------|--------------------|
| AASB 2009-11 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 & interpretations 10 and 12]. | | 1-Jan-2013 |

The amendment to *AASB 7 Financial Instruments*: Disclosures requires modification to the disclosure of categories of financial assets. The Institute does not expect any financial impact when the Standard is first applied. The disclosure of categories of financial assets in the notes will change.

| | |
|--|-------------------|
| AASB 2009- 12 Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 & interpretations 2, 4, 16, 1039 and 1052]. | 1-Jan-2011 |
|--|-------------------|

This Standard introduces a number of terminology changes. There is no financial impact resulting from the application of this revised standard.

| | |
|---|-------------------|
| AASB 1053 - Application of Tiers of Australian Accounting Standards. | 1-Jul-2013 |
|---|-------------------|

This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.

The Standard does not have any financial impact on the Institute. However it may affect disclosures in the financial statements of the Institute if the reduced disclosure requirements apply. The Department of Treasury has not yet determined the application or the potential impact of the new Standard for agencies.

| | |
|---|-------------------|
| AASB 2010-2 - Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements | 1-Jul-2013 |
|---|-------------------|

This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.

The Standard is not expected to have any financial impact on the Institute. However this Standard may reduce some note disclosures in the financial statements of the Institute. The Department of Treasury has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 5 Continued

AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 and 1054] **1-Jul-2011**

This Amending Standards removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. The Department of Finance has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 2010-5 Amendments to Australian Accounting Standards **1-Jan-2011**
[AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 137, 139, 140, 1023 & 1038 & interpretations 112, 115, 127, 132 & 1042 (October 2010)]

This Standard introduces a number of terminology changes as well as minor presentation changes to the Notes to the Financial Statements. There is no financial impact resulting from the application of this revised Standard.

AASB 2010-6 Amendments to Australian Accounting Standards **1-Jul-2011**
Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]

This Standard makes amendments to Australian Accounting Standards, introducing additional presentation and disclosure requirements for Financial Assets.

The Standard is not expected to have any financial impact on the Authority. The Department of Finance has not yet determined the application or the potential impact of the amendments to these Standards for agencies.

AASB 9 Financial Instruments **1-Jan-2013**

This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments. The Standard was reissued on 6 December 2010 and the Department is currently determining the impact of the Standard. The Department of Finance has not yet determined the application or the potential impact of the Standard for agencies.

AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 **1-Jan-2013**
(December 2010) [AASB 1, 3, 4, 5, 7, 101, 108, 112, 118, 120, 121, 127, 137, 139, 128, 131, 136, 1023 & 1038 & interpretations 2, 5, 10, 12, 19 & 127]

This Amending Standard makes consequential adjustment to other Standards as a result of issuing AASB 9 Financial Instruments in December 2010. The Department of Finance has not yet determined the application or the potential impact of the Standard for agencies.

AASB 1054 Australian Additional Disclosures **1-Jul-2011**

This Standard, in conjunction with AASB 201101 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosures requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.

AASB 2011-1 Amendments to Australian Accounting Standards arising from **1-Jul-2011**
Trans-Tasman Convergence Project [AASB 1, 5, 107, 108, 121, 128, 132 & 134 & interpretations 2, 112 & 113]

This Amending Standard, in conjunction with AASB 1054 Australian Additional Disclosures, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve a convergence between Australian and New Zealand Accounting Standards.

Changes in Accounting Estimates

There have been no changes in accounting estimates.

Notes to the Financial Statements for the Year Ended 31 December 2011

6. Employee Benefits Expenses

| | 2011 | 2010 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Wages and salaries ^(a) | 20,924,795 | 20,202,070 |
| Superannuation - defined contribution plans ^(b) | 1,870,508 | 1,767,077 |
| | 22,795,303 | 21,969,147 |

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

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

Employment on-costs such as workers' compensation insurance are included at note 10 'Other expenses'. Employment on-costs liability is included at note 28 'Provisions'.

7. Supplies and Services

| | 2011 | 2010 |
|---------------------------------------|------------------|------------------|
| | \$ | \$ |
| Consumables and minor equipment | 1,408,693 | 1,437,268 |
| Communication expenses | 204,894 | 171,152 |
| Utilities expenses | 733,864 | 573,977 |
| Consultancies and contracted services | 2,402,207 | 2,172,529 |
| Minor works | 765,921 | 2,694,311 |
| Repairs and maintenance | 114,210 | 133,027 |
| Operating lease and hire charges | 510,792 | 443,414 |
| Travel and passenger transport | 708,400 | 897,019 |
| Advertising and public relations | 174,638 | 207,501 |
| Supplies and services - other | 438,670 | 369,091 |
| | 7,462,289 | 9,099,289 |

8. Depreciation Expense

| | 2011 | 2010 |
|--|------------------|------------------|
| | \$ | \$ |
| Buildings | 1,305,726 | 1,363,911 |
| Motor vehicles, caravans and trailers | 17,592 | 74,706 |
| Plant, furniture and general equipment | 289,837 | 312,900 |
| Computers and communication network | 93,414 | 82,324 |
| Total Depreciation | 1,706,569 | 1,833,841 |

9. Grants and Subsidies

| | 2011 | 2010 |
|----------------------------------|---------------|--------------|
| | \$ | \$ |
| Recurrent | | |
| Other- Apprentice Travel Subsidy | 10,452 | 6,306 |
| | 10,452 | 6,306 |

Notes to the Financial Statements for the Year Ended 31 December 2011

10. Other Expenses

| | 2011 \$ | 2010 \$ |
|-------------------------|------------------|------------------|
| Building maintenance | 296,785 | 300,262 |
| Doubtful debts expense | (24,693) | (287,098) |
| Employment on-costs (a) | 1,300,548 | 1,140,882 |
| Student Prizes & Awards | 6,482 | 6,444 |
| Losses and write-offs | 57,237 | 70,042 |
| Other (b) | (600) | (23,616) |
| Total | 1,635,759 | 1,206,916 |

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 28 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) In 2010 Includes provision for refund for delivery to the Department of Training and Workforce Development.

11. Fee for Service

| | 2011 \$ | 2010 \$ |
|--|------------------|------------------|
| Fee for service - general | 1,126,534 | 1,046,470 |
| Fee for service – Department of Training and Workforce Development | 11,789 | 2,816 |
| | 1,138,323 | 1,049,286 |

12. Student Fees and Charges

| | 2011 \$ | 2010 \$ |
|----------------------|------------------|------------------|
| Tuition fees | 1,809,048 | 1,690,866 |
| Enrolment fees | 3,667 | - |
| Resource fees | 1,438,745 | 1,304,011 |
| Other Institute fees | 109,018 | (2,223) |
| | 3,360,478 | 2,992,654 |

13. Ancillary Trading

| | 2011 \$ | 2010 \$ |
|-------------------------------------|----------------|----------------|
| Live works (not a trading activity) | 109,180 | 125,246 |
| Other ancillary revenue | - | 100 |
| Total | 109,180 | 125,346 |

Notes to the Financial Statements for the Year Ended 31 December 2011

14. Trading Profit

| | 2011 | 2010 |
|---|---------------|---------------|
| | \$ | \$ |
| Sales | 571,513 | 621,618 |
| Cost of sales: | | |
| Opening inventory | (130,390) | (97,406) |
| Purchases | (569,379) | (561,428) |
| | (699,769) | (658,834) |
| Closing inventory | 161,103 | 130,390 |
| Cost of goods sold | (538,666) | (528,444) |
| Trading Profit / (Loss) - Bookshop | 32,847 | 93,174 |

See note 2(l) 'Inventories' and note 21 'Inventories'.

15. Commonwealth Grants and Contributions

| | 2011 | 2010 |
|---|---------------|---------------|
| | \$ | \$ |
| Commonwealth specific purpose grants and contributions | 27,750 | 34,500 |
| These grants include an Innovations Federal Grant in 2011 & traineeship incentive payments. | 27,750 | 34,500 |

16. Interest Revenue

| | 2011 | 2010 |
|------------------|----------------|----------------|
| | \$ | \$ |
| Interest Revenue | 383,614 | 289,746 |
| Total | 383,614 | 289,746 |

17. Other Revenue

| | 2011 | 2010 |
|-----------------------------------|----------------|----------------|
| | \$ | \$ |
| Rental and facilities fees | 481,030 | 452,687 |
| Sponsorship and donations revenue | 5,000 | 5,607 |
| Miscellaneous revenue | 97,638 | 156,654 |
| Total | 583,668 | 614,948 |

Notes to the Financial Statements for the Year Ended 31 December 2011

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

| | 2011 \$ | 2010 \$ |
|---|--------------|---------------|
| <u>Costs of disposal of non-current assets</u> | | |
| Motor vehicles, caravans and trailers | - | (115,345) |
| Plant, furniture and general equipment | - | (3,285) |
| Total cost of disposal of non-current assets | - | (118,630) |
| <u>Proceeds from Disposal of Non-Current Assets</u> | | |
| Motor vehicles, caravans and trailers | - | 132,629 |
| Plant, furniture and general equipment | 4,136 | 13,079 |
| Total proceeds from disposal of non-current assets | 4,136 | 145,708 |
| Net gain / (loss) | 4,136 | 27,078 |

See also note 25 'Property, plant and equipment'

19. Income from State Government

Appropriation received during the year

Service appropriation

(a) (State funds received from Department of Training and Workforce Development):

| | 2011 \$ | 2010 \$ |
|--|-------------------|-------------------|
| Delivery and Performance Agreement (DPA) | 24,625,170 | 23,274,839 |
| Other recurrent funds | 2,742,727 | 2,183,152 |
| Total State funds | 27,367,897 | 25,457,991 |

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

Department of Training and Workforce Development

| | | |
|---|-------------------|-------------------|
| - Corporate systems support | 528,274 | 304,828 |
| - Marketing and publications | - | - |
| - Human resources, industrial relations support | 18,955 | 10,032 |
| - Other | 110,396 | 58,194 |
| Total resources received free of charge | 657,625 | 373,054 |
| Total Income from State Government | 28,025,522 | 25,831,045 |

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

(b) Discretionary transfers of assets between State Government agencies are reported as assets assumed/ (transferred) under Income from State Government. Non discretionary non reciprocal transfers of net assets (i.e. restructuring of administrative arrangements) designated as Contributions by Owners (CBOs) under TI 955 and are recognised directly to equity.

(c) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated.

(d) Contribution of assets or services in the nature of contributions by owners are recognised direct to equity.

Notes to the Financial Statements for the Year Ended 31 December 2011

20. Restricted Cash and Cash Equivalents

| | 2011 | 2010 |
|------------------------------------|----------------|----------------|
| | \$ | \$ |
| Salary allowance and provision (a) | 235,533 | 104,944 |
| | 235,533 | 104,944 |

(a) 27th pay provision

21. Inventories

| | 2011 | 2010 |
|------------------------------|----------------|----------------|
| | \$ | \$ |
| Inventories held for resale: | | |
| Bookshop (at cost) | 161,103 | 130,390 |
| Total | 161,103 | 130,390 |

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

22. Receivables

| | 2011 | 2010 |
|--|-----------------|-----------------|
| | \$ | \$ |
| <u>Current</u> | | |
| Receivables -trade | 124,818 | 134,656 |
| Receivables - students | 52,760 | 103,152 |
| Accrued income | 69,201 | 10,758 |
| Allowance for impairment of receivables | (17,123) | (41,816) |
| GST receivable | 99,591 | 111,861 |
| Total Current | 329,246 | 318,611 |
| Reconciliation of changes in the allowance for impairment of receivables: | | |
| Balance at start of year | (41,816) | (328,914) |
| Doubtful debts expense recognised in the Statement of Comprehensive Income | 24,693 | 287,098 |
| Balance at End of Year | (17,123) | (41,816) |

The Institute does not hold any collateral or other credit enhancements as security for receivables.
See also note 2(m) 'Receivables' and note 37 'Financial instruments'.

23. Other financial assets

| | 2011 | 2010 |
|-----------------------|----------|------------------|
| | \$ | \$ |
| <u>Current</u> | | |
| Term Deposit (a) | - | 1,000,000 |
| | - | 1,000,000 |

(a) The term deposit ranges from 90 days to 365 days

Notes to the Financial Statements for the Year Ended 31 December 2011

24. Other current assets

| | 2011 | 2010 |
|----------------|---------------|---------------|
| <u>Current</u> | \$ | \$ |
| Prepayments | 80,604 | 96,924 |
| | 80,604 | 96,924 |

25. Property, Plant and Equipment

| | 2011 | 2010 |
|--|-------------------|-------------------|
| | \$ | \$ |
| Land | | |
| At fair value ^(a) | 2,480,000 | 4,530,000 |
| | 2,480,000 | 4,530,000 |
| Buildings | | |
| At fair value ^(a) | 51,423,000 | 42,774,000 |
| Accumulated depreciation ^(b) | (9,630) | - |
| | 51,413,370 | 42,774,000 |
| Motor Vehicles, Caravans and Trailers | | |
| At cost | 427,956 | 422,955 |
| Accumulated depreciation | (389,464) | (371,872) |
| | 38,491 | 51,083 |
| Plant, Furniture and General Equipment | | |
| At cost | 3,152,936 | 3,145,141 |
| Accumulated depreciation | (2,123,924) | (1,855,718) |
| | 1,029,011 | 1,289,423 |
| Computer Equipment, Communication Network | | |
| At cost | 1,570,246 | 1,474,419 |
| Accumulated depreciation | (1,323,717) | (1,283,742) |
| | 246,529 | 190,677 |
| | 55,207,401 | 48,835,183 |

- a. Freehold land and buildings were revalued as at 31 December 2011 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year 2011 and recognised at 31 December 2011. The fair value of all land and buildings was determined by references to market values. See note 2(f) 'Property, plant and equipment'.
- b. Transportable buildings not revalued at year end.

Notes to the Financial Statements for the Year Ended 31 December 2011

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

| 2011 | Land | Buildings | Buildings under construction | Motor vehicles, caravans and trailers | Plant, furniture and general equipment | Computer equipment, communication network | Total |
|---------------------------------------|------------------|-------------------|------------------------------|---------------------------------------|--|---|-------------------|
| Carrying amount at start of year | 4,530,000 | 42,774,000 | - | 51,083 | 1,289,423 | 190,677 | 48,835,183 |
| Additions | - | - | - | 5,000 | 29,425 | 149,266 | 183,691 |
| Transfers | - | - | - | - | - | - | - |
| Disposals | - | - | - | - | - | - | - |
| Revaluation Increments/ (decrements) | (2,050,000) | 9,945,096 | - | - | - | - | 7,895,096 |
| Depreciation expense | - | (1,305,726) | - | (17,592) | (289,837) | (93,414) | (1,706,569) |
| Carrying amount at end of year | 2,480,000 | 51,413,370 | - | 38,491 | 1,029,011 | 246,529 | 55,207,401 |

| 2010 | Land | Buildings | Buildings under construction | Motor vehicles, caravans and trailers | Plant, furniture and general equipment | Computer equipment communication Network | Total |
|---------------------------------------|------------------|-------------------|------------------------------|---------------------------------------|--|--|-------------------|
| Carrying amount at start of year | 4,480,000 | 43,261,679 | 196,248 | 223,235 | 1,433,735 | 143,461 | 49,738,358 |
| Additions | 100,000 | 2,220,000 | - | 17,900 | 53,846 | 129,540 | 2,521,286 |
| Transfers | - | 78,221 | (196,248) | - | 118,027 | - | - |
| Disposals | - | - | - | (115,345) | (3,285) | - | (118,630) |
| Revaluation Increments/ (decrements) | (50,000) | (1,421,989) | - | - | - | - | (1,471,989) |
| Depreciation expense | - | (1,363,911) | - | (74,706) | (312,900) | (82,324) | (1,833,841) |
| Carrying amount at end of year | 4,530,000 | 42,774,000 | - | 51,083 | 1,289,423 | 190,677 | 48,835,183 |

Notes to the Financial Statements for the Year Ended 31 December 2011

26. Impairment of Assets

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

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

All surplus assets as at 31 December 2011 have either been classified as assets held for sale or written off

27. Payables

| | 2011 | 2010 |
|----------------------------|----------------|----------------|
| | \$ | \$ |
| Current | | |
| Trade Payables | 3,125 | 1,229 |
| Accrued Expenses | 315,554 | 224,932 |
| Accrued Salaries and Wages | 416,738 | 389,410 |
| Total | 735,417 | 615,571 |

28. Provisions

| | 2011 | 2010 |
|------------------------------------|------------------|------------------|
| | \$ | \$ |
| Current | | |
| <i>Employee benefits provision</i> | | |
| Annual leave (a) | 1,400,786 | 663,655 |
| Long service leave (b) | 1,670,715 | 1,723,886 |
| | 3,071,501 | 2,387,541 |
| <i>Other provisions</i> | | |
| Employment on-costs (c) | 243,618 | 183,600 |
| Total current | 3,315,119 | 2,571,141 |
| Non-current | | |
| <i>Employee benefits provision</i> | | |
| Annual leave (a) | | |
| Long service leave (b) | 1,002,465 | 891,292 |
| | 1,002,465 | 891,292 |
| <i>Other provisions</i> | | |
| Employment on-costs(c) | 78,638 | 70,026 |
| Total non-current | 1,081,103 | 961,318 |

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

| | 2011 | 2010 |
|---|------------------|----------------|
| | \$ | \$ |
| Within 12 months of the end of the reporting period | 1,008,811 | 506,827 |
| More than 12 months after the end of the reporting period | 391,975 | 156,828 |
| | 1,400,786 | 663,655 |

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 28 Continued

(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

| | 2011 | 2010 |
|---|------------------|------------------|
| | \$ | \$ |
| Within 12 months of the end of the reporting period | 515,986 | 955,271 |
| More than 12 months after the end of the reporting period | 2,157,194 | 1,659,906 |
| | 2,673,180 | 2,615,177 |

c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 10 'Other expenses'.

Movements in other provisions

Movements in each class of provisions during the financial year, other than employee benefits, are set out below.

| | 2011 | 2010 |
|--|----------------|----------------|
| | \$ | \$ |
| Employment on-cost provision | | |
| Carrying amount at start of year | 253,626 | 379,809 |
| Payments/other sacrifices of economic benefits | 68,630 | (126,183) |
| Carrying amount at end of year | 322,256 | 253,626 |

29. Other Liabilities

| | 2011 | 2010 |
|---|----------------|----------------|
| | \$ | \$ |
| <u>Current</u> | | |
| Income received in advance ^(a) | 182,172 | 22,496 |
| Grants and advances | - | 105,893 |
| Total current liabilities | 182,172 | 128,389 |
| <u>Non-current</u> | | |
| Other ^(b) | 8,592 | 9,105 |
| Total non-current liabilities | 8,592 | 9,105 |

(a) Income received in advance comprises:

Other Government (Commonwealth) funding for aged care and enrolled nursing in 2011 and the recognition of prior learning leaders 2011/2012 program.

Department of Training and Workforce Development competitive allocation tendering in 2010.

(b) Relates to stale cheques.

Notes to the Financial Statements for the Year Ended 31 December 2011

30. Equity

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

| | 2011 \$ | 2010 \$ |
|--|-------------------|-------------------|
| <u>Contributed Equity</u> | | |
| Balance at start of year | 8,205,794 | 5,885,794 |
| <i>Contributions by owners</i> | | |
| Capital appropriation (a) | - | 2,320,000 |
| Balance at end of year | 8,205,794 | 8,205,794 |
| (a) Transfer of School of Mines Building from Curtin University to the Institute | | |
| <u>Reserves</u> | | |
| <i>Asset revaluation surplus</i> | | |
| Balance at start of year | 24,336,943 | 25,808,932 |
| Changes in accounting policy or correction of prior period errors (a) | 15,944 | - |
| Buildings | 9,945,096 | (1,421,989) |
| Land | (2,050,000) | (50,000) |
| | 32,247,983 | 24,336,943 |
| <u>Accumulated surplus / (deficit)</u> | | |
| Balance at start of year | 17,223,280 | 19,927,455 |
| Changes in accounting policy or correction of prior period errors (a) | (10,942) | 353,546 |
| Restated balance as the start of the year | 17,212,338 | 20,281,001 |
| Result for the period | 55,146 | (3,057,721) |
| Balance at end of year | 17,267,484 | 17,223,280 |

(a) Relates to assets in suspense accounts at the end of 2009 & 2010.

Notes to the Financial Statements for the Year Ended 31 December 2011

31. Notes on the Statements of Cash Flows

Reconciliation of cash

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

| | 2011 | 2010 |
|--|---------------------|---------------------|
| | \$ | \$ |
| Cash on hand | 7,700 | 7,600 |
| Cash at bank | 5,522,076 | 3,057,839 |
| Short term deposits | 1,500,000 | 500,000 |
| | 7,029,776 | 3,565,439 |
| Restricted cash and cash equivalents (refer to note 20 'Restricted cash and cash equivalents') | 235,533 | 104,994 |
| | 7,265,308 | 3,670,433 |
| Reconciliation of net cost of services to net cash flows provided by/(used in) Operating activities | | |
| Net cost of services | (27,970,367) | (28,888,765) |
| Non-cash items: | | |
| Depreciation and amortisation expense | 1,706,569 | 1,833,841 |
| Doubtful debts expense | (24,693) | (287,098) |
| Superannuation expense | 1,870,508 | 1,767,077 |
| Resources received free of charge | 657,625 | 373,054 |
| Net (gain)/loss on sale of property, plant and equipment | 4,136 | - |
| Asset revaluation decrement | - | - |
| (Increase)/decrease in assets: | | |
| Current receivables (b) | 1,787 | 269,106 |
| Current inventories | (30,713) | (32,984) |
| Prepayments | 16,320 | 67,536 |
| Increase/(decrease) in liabilities | | |
| Current payables (c) | 127,307 | (1,182,051) |
| Current provisions | 743,978 | 464,375 |
| Other current liabilities | 53,783 | - |
| Non-current provisions | 119,785 | 28,556 |
| Other non-current liabilities | (513) | (26,414) |
| Net GST receipts/(payments) (a) | 12,270 | (13,353) |
| Net cash provided by/(used in) operating activities | (22,712,227) | (25,627,119) |

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

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

(c) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included as they are not reconciling items.

Notes to the Financial Statements for the Year Ended 31 December 2011

32. Resources Provided Free of Charge

During the year no resources were provided to other agencies free of charge for functions outside the normal operations of the Institute.

33. Commitments

Lease commitments

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

| | 2011 | 2010 |
|--|------------------|----------------|
| | \$ | \$ |
| Within 1 year | 358,817 | 473,324 |
| Later than 1 year and not later than 5 years | 889,079 | 396,814 |
| Later than 5 years | - | - |
| Total | 1,247,896 | 870,138 |
| Representing: | | |
| Non-cancellable operating leases | 1,247,896 | 870,138 |
| | 1,247,896 | 870,138 |

The Institute has a photocopier lease, motor vehicle lease and property lease. These commitments are all inclusive of GST.

34. Contingent liabilities and contingent assets

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

Notes to the Financial Statements for the Year Ended 31 December 2011

35. Events occurring after the reporting period

There are no significant events occurring after Balance Sheet date that materially impact the financial statements as statements as at 31 December 2011.

36. Explanatory Statement

Significant variations between estimates and actual results for income and expenses are show below. Significant variations are considered to be those greater than 10% and \$250,000.

Significant variations between estimated and actual result for the financial year 2011.

| | 2011 Estimate | 2011 Actual | Variance |
|-----------------|------------------|----------------|----------|
| | \$ | \$ | \$ |
| Expenses | | | |
| Other Expenses | 1,223,567 | 1,635,759 | 412,192 |

Other expenses

Other expenses have increased due to changes in employment on-cost provisions, student debtor provisions and an increase in repairs and maintenance due to the aging of buildings.

Significant Variances between actual 2011 and prior year actual 2010

| | 2011 Actual | 2010 Actual | Variation |
|-----------------------------------|----------------|----------------|-------------|
| | \$ | \$ | \$ |
| Income | | | |
| Student fees and charges | 3,360,748 | 2,992,654 | 367,654 |
| Resources received free of charge | 657,625 | 373,054 | 284,571 |
| Expenses | | | |
| Supplies and services | 7,462,289 | 9,099,290 | (1,637,000) |
| Other expenses | 1,635,759 | 1,206,916 | 428,843 |

Student Fees and Charges

Student fees and charges have increased due to strong enrolment numbers and a review of student resource fees to align to actual costs.

Resources Received Free of Charge

Resources received free of charge are higher due to the Institute moving from Department of Education and Training to the Department of Training and Workforce Development. Department of Education and Training invoicing was finalised in 2011.

Supplies and Services

Better Training Facilities grant funding of \$1.8m was spent in 2010. This is the main reason for the decrease in supplies and services in 2011.

Other Expenses

Other expenses have increased due to changes in employment on-cost provisions, student debtor provisions and an increase in repairs and maintenance due to the aging of buildings.

Notes to the Financial Statements for the Year Ended 31 December 2011

37. Financial Instruments

(a) Financial Risk Management Objectives and policies

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

Credit risk

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

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognized financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as show in the table at note 37 (c) 'Finance instruments disclosures' and note 22 'Receivables'.

Credit risk associated with the Institute's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Institute trades only with recognised, creditworthy third parties. The Institute has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition receivable balances are monitored on an ongoing basis with the result that the Institute's exposure to bad debt is minimal. At the end of the reporting period there are no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Institute is unable to meet its financial obligations as they fall due. The Institute is exposed to liquidity risk through its trading in the normal course of business. The Institute has appropriate procedures to manage cash flows including draw downs of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Institute's income or the value of its holdings of financial instruments. The Institute does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes). Other than as detailed in the Interest rate sensitivity analysis table at Note 37(c), The Institute is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and a portion of restricted cash are non-interest bearing and it has no other borrowings.

(b) Categories of Financial Instruments

In addition to cash and bank overdraft, the carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are as follows:

| | 2011 | 2010 |
|-------------------------------------|-----------|-----------|
| | \$ | \$ |
| <u>Financial Assets</u> | | |
| Cash and cash equivalent | 7,029,776 | 3,565,439 |
| Restricted cash and cash equivalent | 235,533 | 104,994 |
| Receivables (a) | 229,656 | 237,808 |
| Other financial assets | - | 1,000,000 |
| <u>Financial Liabilities</u> | | |
| Payables | 735,417 | 615,572 |

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

(c) Financial Instrument Disclosure

Credit risk and interest rate exposures

The following table discloses the Institute's maximum exposure to credit risk and the ageing analysis of financial assets. The Institute's maximum exposure to credit risk at the end of the reporting period is the carrying of an amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Institute. The Institute does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 37. Continued

Ageing analysis of financial assets

Past due but not impaired

| | Carrying Amount | Not past due and not impaired | Up to 3 months | 3-12 months | More than 1 year | Impaired Financial Assets |
|-------------------------------------|------------------|-------------------------------|----------------|---------------|------------------|---------------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| 2011 | | | | | | |
| <u>Financial Assets</u> | | | | | | |
| Cash and cash equivalent | 7,029,776 | 7,022,076 | - | - | - | - |
| Restricted cash and cash equivalent | 235,533 | 235,533 | - | - | - | - |
| Receivables (a) | 229,656 | - | 124,199 | 46,581 | 6,798 | - |
| | 7,494,965 | 7,257,609 | 124,199 | 46,581 | 6,798 | - |
| <u>Financial Liabilities</u> | | | | | | |
| Payables | 735,417 | - | 735,417 | - | - | - |
| | 735,417 | - | 735,417 | - | - | - |
| 2010 | | | | | | |
| <u>Financial Assets</u> | | | | | | |
| Cash and cash equivalent | 3,565,439 | 3,565,439 | - | - | - | - |
| Restricted cash and cash equivalent | 104,994 | 104,994 | - | - | - | - |
| Receivables (a) | 237,808 | - | 115,593 | 53,426 | 68,789 | 41,816 |
| Investments | 1,000,000 | 1,000,000 | - | - | - | - |
| | 4,908,241 | 4,670,433 | 115,593 | 53,426 | 68,798 | 41,816 |
| <u>Financial Liabilities</u> | | | | | | |
| Payables | 615,571 | - | 615,571 | - | - | - |
| | 615,571 | - | 615,571 | - | - | - |

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

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 37. Continued

Liquidity risk and interest rate exposure

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

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

| | Weighted Average Effective Interest Rate | Carrying Amount | Interest rate exposure Variable Interest Rate | Non- Interest Bearing | Up to 3 months | Maturity Dates 3 months – 1 year | 1-5 years | More than 5 years |
|-------------------------------------|--|--------------------|--|-----------------------------|-------------------|-------------------------------------|---------------|-------------------------|
| | % | \$ | \$ | \$ | \$ | \$ | \$ | \$ |
| 2011 | | | | | | | | |
| Financial Assets | | | | | | | | |
| Cash and cash equivalent | 6.42% | 7,029,776 | 7,022,076 | - | - | - | - | - |
| Restricted cash and cash equivalent | 3.91% | 235,533 | 235,533 | - | - | - | - | - |
| Receivables (a) | - | 177,578 | - | 177,578 | 124,199 | 46,581 | 6,798 | - |
| | | 7,442,887 | 7,257,609 | 177,578 | 124,199 | 46,581 | 6,798 | - |
| Financial Liabilities | | | | | | | | |
| Payables | - | 735,718 | - | 735,418 | 435,418 | - | - | - |
| | | 735,718 | - | 735,418 | 435,418 | - | - | - |
| 2010 | | | | | | | | |
| Financial Assets | | | | | | | | |
| Cash and cash equivalent | 6.20% | 3,565,439 | 3,557,839 | 7,600 | - | - | - | - |
| Restricted cash and cash equivalent | 4.77% | 104,994 | 104,994 | - | - | - | - | - |
| Receivables (a) | - | 237,808 | - | 237,808 | 115,593 | 53,426 | 68,789 | - |
| Investments | 4.37% | 1,000,000 | 1,000,000 | - | - | - | - | - |
| | | 4,908,241 | 4,662,833 | 245,408 | 115,593 | 53,426 | 68,789 | - |
| Financial Liabilities | | | | | | | | |
| Payables | 5.63% | 615,571 | - | 615,571 | 615,571 | - | - | - |
| | | 615,571 | - | 615,571 | 615,571 | - | - | - |

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

Notes to the Financial Statements for the Year Ended 31 December 2011

Note 37. Continued

Interest rate sensitivity analysis

The following table represents a summary of the interest rate sensitivity of the Institute's financial assets and liabilities at the end of the reporting period on the surplus for the period and equity for a 1% change in interest rates. It is assumed that the change in interest rates is held constant throughout the reporting period.

| | Carrying amount | - 100 Basis Points | | + 100 Basis Points | |
|-------------------------------------|-----------------|--------------------|----------|--------------------|--------|
| 2011 | \$ | Surplus | Equity | Surplus | Equity |
| | | \$ | \$ | \$ | \$ |
| <u>Financial Assets</u> | | | | | |
| Cash and cash equivalent | 7,029,776 | (70,298) | (70,298) | 70,298 | 70,298 |
| Restricted Cash and cash equivalent | 235,533 | (236) | (236) | 236 | 236 |

| | | - 100 Basis Points | | + 100 Basis Points | |
|-------------------------------------|-----------------|--------------------|----------|--------------------|--------|
| | Carrying amount | Surplus | Equity | Surplus | Equity |
| 2010 | \$ | \$ | \$ | \$ | \$ |
| <u>Financial Assets</u> | | | | | |
| Cash and cash equivalent | 4,565,439 | (45,654) | (45,654) | 45,654 | 45,654 |
| Restricted Cash and cash equivalent | 104,994 | (105) | (105) | 105 | 105 |

Fair Values

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

Notes to the Financial Statements for the Year Ended 31 December 2011

38. Remuneration of members of the Institute and senior officers

Remuneration of Members of the Institute

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

| | 2011 | 2010 |
|---|----------------|----------------|
| \$ | | |
| \$0 - \$10,000 | 11 | 10 |
| \$230,001 - \$240,000 | 1 | 1 |
| The total remuneration of the members of the Institute is: | 244,861 | 183,648 |

Remuneration of senior officers

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

| | 2011 | 2010 |
|--|------------------|------------------|
| \$ | | |
| \$ 0 - \$10,000 | 1 | 1 |
| \$10,001 - \$20,000 | 1 | - |
| \$20,001 - \$30,000 | - | 3 |
| \$30,001 - \$40,000 | - | 1 |
| \$40,001 - \$50,000 | - | - |
| \$50,001 - \$60,000 | - | - |
| \$60,001 - \$70,000 | - | 1 |
| \$70,001 - \$80,000 | - | 1 |
| \$80,001 - \$90,000 | - | 1 |
| \$90,001 - \$100,000 | 1 | 2 |
| \$100,001 - \$110,000 | 5 | 1 |
| \$110,001 - \$120,000 | 6 | 4 |
| \$120,001 - \$130,000 | 2 | 1 |
| \$130,001 - \$140,000 | 1 | 2 |
| The total remuneration of senior officers is: | 1,716,016 | 1,487,094 |

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

No Senior Officers are members of the Pension Scheme.

39. Remuneration of auditor

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

| | 2011 | 2010 |
|---|--------|--------|
| | \$ | \$ |
| Auditing the accounts, financial statements and performance indicators. | 59,500 | 51,300 |

The expense is included in note 10 'Other expenses'.

Notes to the Financial Statements for the Year Ended 31 December 2011

40. Related bodies

The Institute has no related bodies.

41. Affiliated bodies

The Institute has no affiliated bodies.

42. Supplementary financial information

| | 2011 | 2010 |
|-----------------------|---------------|---------------|
| <u>Write-Offs</u> | \$ | \$ |
| Bad debts | 57,237 | 69,996 |
| Inventory | - | - |
| Other- cash shortages | - | 45 |
| Total | 57,237 | 70,041 |

43. Schedule of income and expenditure by service

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

2012 Forward Financial Estimates

In accordance with Section 40 of the Financial Management Act 2006, Colleges are required to prepare and submit annual estimates of the annual operations of the Institute for the following year to the Minister of Education and Training for approval by 30 September each year. The South West Institute of Technology submitted its 2012 financial estimates to the Minister for Energy, Training and workforce Development; Indigenous Affairs on 27 September 2011.

Income Statement

COST OF SERVICES

Expenses

| | |
|--|-------------------|
| Employee benefits expense | 23,107,923 |
| Supplies and services | 7,432,641 |
| Depreciation and amortisation expense | 1,900,000 |
| Finance costs | - |
| Grants and subsidies | 5,000 |
| Payments to Non STP Providers for VET delivery | - |
| Loss on disposal of non-current assets | - |
| Cost of Sales | 518,000 |
| Other expenses | 1,267,615 |
| Total Cost of Services | 34,231,180 |

Income

Revenue

| | |
|---------------------------------------|------------------|
| Fee for service | 1,036,000 |
| Student fees and charges | 3,315,200 |
| Ancillary trading | 103,600 |
| Sales | 621,600 |
| Commonwealth grants and contributions | 24,864 |
| Interest revenue | 362,600 |
| Other revenue | 621,600 |
| Total Revenue | 6,085,464 |

Gains

| | |
|--|---------------|
| Gain on disposal of non-current assets | 20,000 |
| Other gains | - |
| Total Gains | 20,000 |

Total income other than from State Government

NET COST OF SERVICES **(28,125,716)**

INCOME FROM STATE GOVERNMENT

| | |
|---|-------------------|
| State funds | 27,768,297 |
| Resources received free of charge | 569,800 |
| Total income from State Government | 28,338,097 |

SURPLUS (DEFICIT) FOR THE PERIOD

212,381

2012 Forward Financial Estimates

Balance Sheet

Current Assets

| | |
|--|--|
| Cash and cash equivalents | |
| Restricted cash and cash equivalents | |
| Inventories | |
| Receivables | |
| Amounts receivable for services | |
| Other current assets | |
| Non-current assets classified as held for sale | |

Total Current Assets

Non-Current Assets

| | |
|--------------------------------------|--|
| Restricted cash and cash equivalents | |
| Property, plant and equipment | |
| Intangible assets | |
| Other non-current assets | |

Total Non-Current Assets

Total Assets

Current Liabilities

| | |
|---|--|
| Payables | |
| Borrowings | |
| Amount due to Treasurer | |
| Provisions | |
| Other current liabilities | |
| Liabilities directly associated with non-current assets classified as held for sale | |

Total Current Liabilities

Non-Current Liabilities

| | |
|-------------------------------|--|
| Payables | |
| Borrowings | |
| Provisions | |
| Other non-current liabilities | |

Total Non-Current Liabilities

Total Liabilities

NET ASSETS

Equity

| | |
|----------------------------------|--|
| Contributed Equity | |
| Reserves | |
| Accumulated surplus/(deficiency) | |

TOTAL EQUITY

| 2012 |
|-------------------|
| \$ |
| 6,853,290 |
| 347,268 |
| 100,00 |
| 220,000 |
| 100,000 |
| - |
| - |
| 7,620,558 |
| 47,675,183 |
| - |
| - |
| 47,675,183 |
| 55,295,741 |
| 700,000 |
| - |
| - |
| 2,700,000 |
| 200,000 |
| - |
| 3,600,000 |
| 1,100,000 |
| 10,000 |
| 1,110,000 |
| 4,710,000 |
| 50,585,741 |
| 8,205,794 |
| 24,336,943 |
| 18,043,004 |
| 50,585,741 |

2012 Forward Financial Estimates

Changes in Equity Statement

Balance of equity at start of period

2012

50,373,360

Contributed equity

Balance at start of period

8,205,794

Capital Contribution

-

Other contribution by owners

-

Distribution to owners

-

Balance at end of period

8,205,794

Reserves

Asset revaluation reserve

Balance at start of period

24,336,943

Annual adjustments to reserves

-

Restated balance at start of period

24,336,943

Gains / (losses) from asset revaluation

-

Balance at end of period

24,336,943

Accumulated surplus (retained earnings)

Balance at start of period

17,830,623

Changes in accounting policy or correction of prior period errors

Restated balance at start of period

17,830,623

Surplus/(deficit) or profit/(loss) for the period

212,381

Balance at end of period

18,043,004

Balance of equity at end of period

50,585,741

Total Income and Expense for the period

212,381

2012 Forward Financial Estimates

Cash Flow Statement

CASH FLOWS FROM STATE GOVERNMENT

| | |
|----------------------------|------------|
| State funds | 25,475,501 |
| Capital Contributions | |
| Holding account draw downs | |

Net cash provided by State Government utilised as follows:

25,475,501

CASHFLOWS FROM OPERATING ACTIVITIES

Payments

| | |
|------------------------------------|--------------|
| Employee benefits | (20,715,128) |
| Supplies and services | (7,142,001) |
| Finance costs | - |
| Grants and subsidies | - |
| GST payments on purchases | (134,160) |
| GST payments to taxation authority | |
| Other payments | (1,311,455) |

Receipts

| | |
|---------------------------------------|-----------|
| Fee for service | 1,391,600 |
| Student fees and charges | 3,489,016 |
| Ancillary trading | 103,200 |
| Commonwealth grants and contributions | 24,768 |
| Interest received | 361,200 |
| GST receipts on sales | 10,000 |
| GST receipts from taxation authority | 100,000 |
| Other receipts | 739,840 |

Net cash provided by/(used in) operating activities

(23,083,120)

CASH FLOWS FROM INVESTING ACTIVITIES

| | |
|---|-------------|
| Proceeds from sale of non-current physical assets | - |
| Purchase of noncurrent physical assets | (1,300,000) |

Net cash provided by/(used in) investing activities

(1,300,000)

CASH FLOWS FROM FINANCING ACTIVITIES

| | |
|--------------------------------------|---|
| Proceeds from borrowings | - |
| Repayment of borrowings | - |
| Other proceeds | - |
| Other repayments | - |
| Finance lease repayment of principal | - |

Net cash provided by/(used in) financing activities

-

Net increase/(decrease) in cash held and cash equivalents

1,092,381

Cash and cash equivalents at the beginning of the period

6,108,177

CASH AND CASH EQUIVALENTS AT END OF THE PERIOD

7,200,558