

South West Institute Of Technology

Annual Report | 2012



About this Annual Report

This 2012 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 of Technology's Annual Report 2012 is published in an electronic format with limited use of graphics and illustrations to minimise download times.

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South West Institute of Technology

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Cover photo:

Guy Truss, WA Trainer of the Year being presented with his award by the Hon Murray Cowper MLA, Minister for Training and Workforce Development; Corrective Services.

Statement of Compliance

Hon Murray Cowper MLA
Minister for Training and Workforce Development; Corrective Services
12th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Dear Minister

Statement of Compliance for the Year Ended 31 December 2012

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 2012.

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

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Executive Summary

As the largest educational institution in regional Western Australia, the South West Institute of Technology (SWIT) has been providing vocational training in the South West for over 40 years. Operating a network of six campuses based in Collie, Harvey, Busselton, Manjimup and Margaret River, the main campus is based in Bunbury. In 2012 the Institute catered for the training needs of 7,081 students and delivered 1,799,087 Student Curriculum Hours (SCH) of teaching.

Reflecting the economic and social diversity of Australia's South West, the Institute has a multi-targeted approach to meet the region's workforce needs through its Strategic Plan 2011-2013. The plan identified six strategic pillars or priorities that leverage all SWIT business activities:

1. Workforce Development
2. Client Satisfaction
3. Business Development
4. Capability
5. Social Responsibility
6. Pursuit of Excellence

The Institute's key performance indicators are aligned to the State Government Training Plan *Training WA: Planning for the Future 2009 - 2018* and the Delivery and Performance Agreement (DPA) with the Department of Training and Workforce Development (DTWD). Each year our performance is measured against these benchmarks.

Delivery

At the beginning of 2012, the Institute was contracted with DTWD to deliver 1,840,053 Student Curriculum Hours (SCH) and 143,907 Teaching Hours (TH). The Institute renegotiated the DPA with DTWD as part of the September Addendum resulting in an amended DPA figure of 1,824,300 SCH. This reduced figure is a reflection on state wide efficiencies required by DTWD across the training sector. Consistent with the parameters provided by DTWD, the Institute also delivered 165,838 SCH in additional profile through its commercial fee for service activities.

Institute performance against Key Performance Indicators from the DPA demonstrates continued high achievement by SWIT, particularly in the area of high level qualifications (Certificate IV or higher) and the delivery of Skill Shortage qualifications. SWIT has continued to perform strongly in the area of Recognition of Prior Learning (RPL). The Institute's 2012 achievements highlight the continued strong link between delivery of training at SWIT and meeting the needs of local industry.

Budget

The total funding allocation for 2012 as outlined in the Delivery and Performance Agreement (DPA) between VET (WA) Ministerial Corporation and South West Institute of Technology in 2012 was \$25,761,259. The SWIT financial goal for the year was to supplement state funding with an additional \$1.3 million from fee for service commercial activities achieving a total of \$1,147,395.

An additional \$750k was received from the Department of Workforce Development in 2012 for the new Automotive Centre. These funds will be spent on plant and equipment and are anticipated to be spent in 2013 when the Automotive Centre is completed.

E-Learning

A key focus in 2012 was to develop an e-learning strategy to build capacity to deliver additional on-line courses to accommodate the growing need to cater for students wishing to study on-line. In addition to setting up an e-learning community of practice, the Institute created an e-learning coach who worked across all portfolios to build lecturer skills in handling modern technology. Course content across multiple qualifications were migrated and updated to the on-line Learning Management System “Moodle2” platform using the authoring software Articulate and Storyboard to enhance presentation.

As principal lecturer and SWIT’s e-learning coordinator, Guy Truss the winner of WA Trainer of the Year, was actively engaged in the professional development of his colleagues, providing over 200 Institute staff with guidance and leadership relating to e-learning and helping them develop their own resources for online courses. As a result, SWIT lecturers are well positioned in 2013 to deliver additional on-line courses.

Student Satisfaction

Student surveys are conducted biannually and the most recent data available from 2011. The 2011 student survey was very positive and provided the Institute with vital feedback highlighting the connection between training and employment outcomes. The Institute performed at a level well above the State and National averages for both satisfaction and employment rates for graduate and module completion. In 2012 SWIT continued to focus on student satisfaction levels remaining high with the upgrade of facilities and the adoption of e-learning strategies providing flexibility with increased capacity to deliver on-line courses.

Award Winners



WA Trainer of Year

For the second year in a row, a SWIT lecturer took out the coveted “WA Trainer of Year” award. Guy Truss, lecturer in fitting and machining and Principal Lecturer for health and community services, impressed the panel with his innovative approach to adapting e-technology in the training room. Guy went onto become runner up in the VET Teacher/Trainer of the Year category at the 2012 Australian Training Awards.

Guy was presented his award by the Hon Murray Cowper MLA, Minister for Training and Workforce Development, Corrective Services along with Amanda Smith, Chef Lecturer at the SWIT Margaret River Campus and 2011 winner of the VET Teacher/Trainer of the Year at the Australian Training Awards.

In 2012 the Institute introduced the inaugural SWIT Staff Awards to recognise excellence in Customer Service, Innovation and Leadership, High Performing Teams and to recognise our trainers with an Institute centric Trainer of the Year Award. Jason Boyes, lecturer in the Mining and Resources area, had the honour of winning the Customer Service award along with the High Performing Team Award with four of his colleagues. Jason proved to be a worthy candidate with his dedication to delivering flexible training that not only met the needs of industry, but were also aligned to both SWIT and State Government training priorities. Rebecca Evans won the SWIT Trainer of the Year Award and will go onto participate in the WA State Training Awards in 2013 and Bill Chernaboff won the Innovation and Leadership Award.



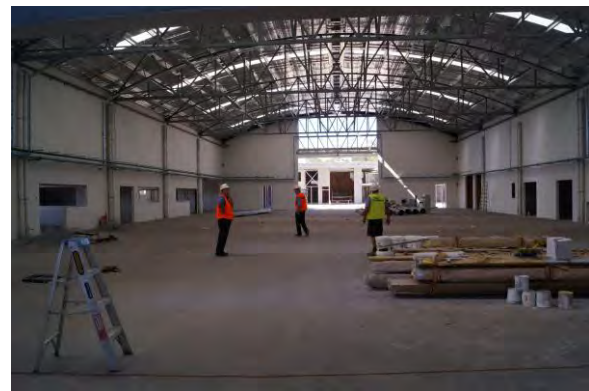
SWIT Staff Award Winners

Capacity and Capability

A commitment to connecting with employers and staying industry relevant was evident throughout the year with increased activity in this domain. Innovative use of technology coupled with up-skilling of staff in e-learning platforms greatly increased the capability of SWIT staff to deliver on-line courses and meet the expectations of our clients.

Infrastructure and Facilities

Funding for construction of the new \$16 million South West Centre for Automotive Technology was approved by the State Government in 2012 with the planning stages completed in 2011. Construction began in early 2012 with the building due for completion June/July 2013. Once completed, Light Automotive and Heavy Automotive will both move into the new facilities.



As a result of consistent feedback from students regarding SWIT facilities, the Institute invested in the refurbishment of seven training rooms and Ngala Maya the Aboriginal Centre with upgrades to the air conditioning systems, repainting of walls and ceilings and the replacement of floor coverings. In addition to refurbishing these facilities, over \$300,000 was spent on the provision of new equipment across all of the teaching areas. Chainsaws, a new ride-on mower and a tractor were a few of the major items purchased in the Horticulture area which are essential for the delivery of up-to-date and relevant training packages.

Refurbishment of the Student Services area in reception and the library commenced in late 2012 with completion estimated to be January 2013 in time for the start of classes. This upgrade will allow Course Information Services to provide a one-on-one consultation service with prospective students in a private and personalised environment delivering on a commitment to providing higher levels of customer service.

For a number of years the Busselton campus facilities have been particularly stretched with limited capacity to meet demand for training in the region. The Department of Workforce Training and Development recognised the need to expand the teaching facilities and provided the campus with two portable training rooms which were delivered in December 2012. These additional training rooms will provide a more conducive environment for SWIT students to engage in their studies at the same time alleviating the pressure on teaching space. An additional three portable training rooms scheduled to arrive in mid-2013 will increase our capacity to deliver even more training courses at the Busselton campus to meet local demand.

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 2012 highlighting our key achievements and strategic priorities for the year.

This year's achievements have again demonstrated the Institute's ongoing commitment and strong positioning in the South West as the region's major tertiary educational Institution. In an environment of reduced government funding, the Institute has continued to deploy its expertise and resources to deliver maximum value, adjusting provision to regional priorities, meeting the requirements of the State contract and taking opportunities to develop fee for service training and consultancies.

The Institute's pursuit of excellence was again demonstrated by the number of students who enjoyed participation and success in Worldskills at local, state and national level with two students representing Australia in Germany next year. The Governing Council particularly congratulates Guy Truss on winning the WA Trainer of the Year and as runner up to the national award. Guy's expertise in e-learning has made a significant contribution to the Institute's adoption of digital technology for learning, a key strategy in developing contemporary learning experiences for our new generation of clients.

With the Institute working within its means, the Governing Council has been able to commence or set in place provisions for strategic reinvestment that will benefit the organisation and its clients in future years. These investments include the upgrading of the student services work areas and the electrical trades facilities, a review of Bunbury Campus buildings to maximise effective use of facilities for current and future training and operational support requirements, extension of the existing Busselton Campus and the \$1 million investment over two years on Information and Communications Technology infrastructure and equipment.

The construction of the South West Centre for Automotive Technology is well advanced, and the much awaited development of Somerville Drive as the second entrance to the Bunbury campus is about to commence. Funding has been secured for the replacement of air-conditioning for K Block, one of our oldest buildings and planning for a new campus at Busselton is underway with the Department of Training and Workforce Development (DTWD) commissioning the assessment of suitable sites.

On behalf of the Governing Council and Staff, I would particularly like to thank our retiring Managing Director Wendy Burns who has, over her 10 years of service, provided experience and strong leadership to take the Institute through the many challenges of changing policy directions in training, dramatic shifts in the economy and training market, addressing the requirements of aging infrastructure and encouraging the adoption of ICT for delivery and general operations. Wendy's commitment to equity and access has encouraged a focus on improving services and strategies to engage our clients inclusively, and particularly for persons with disabilities, those from multicultural backgrounds and our Aboriginal community. She leaves the Institute in a sound financial position and well placed in progressing its positioning in the South West region for the introduction of the "Entitlement Model" in 2014.

A handwritten signature in black ink, appearing to read 'Dan Perkins', followed by a period.

Dan Perkins
Chairperson

Managing Director's Report

In anticipation of the implementation of the "Entitlement Model" in 2014 the Institute has focussed employee's attention on our clients and their expectations, to position the Institute as "Provider of First Choice".

Quality of delivery has also progressed with a focus on on-line learning management, preparing for the implementation of the new national standards for training delivery and enhancing capability in workplace delivery and assessment.



This year was the second year of the implementation of our three year strategic plan as the South West Institute of Technology. It was particularly pleasing to see the commitment of staff in aligning their business activities throughout the year to the six strategic priorities articulated in the plan - with many of the outcomes already delivered. These achievements highlight the need to continue to engage with industry, build the capability of our staff and focus on delivering training that not only leads to employment, training that addresses the skills shortages in the region.

The business focus has been strengthened with the establishment of task groups to provide leadership to the enhancement of our approach to the Apprenticeship and Traineeship market, local government and Aboriginal Participation through engagement of stakeholders, and improvements to our products and services.

This year we also launched the inaugural Staff Awards to recognise their commitment to excellence, knowledge of latest trends and needs of industry along with their passion towards up-skilling their students. For the second year in a row, the South West Institute of Technology took out the coveted WA Trainer of the Year award. Guy Truss, lecturer in Metals and Engineering and Principal Lecturer, is deserving of this award for he has for many years not only developed his skills as a professional educator, he willingly shared his experiences with other staff to build capability in the e-learning arena.

I would like to thank Dan Perkins, Chair of the Governing Council for his leadership along with the other Governing Council members for their contributions throughout the year in relation to excellence, good governance and strategic direction of the Institute. I also extend my thanks to our many industry and community partners for their input and support in 2012 to ensure our programs are relevant and meet industry needs. Their time and commitment is greatly appreciated.

It has been my privilege to serve the Institute and indeed the South West community for the last 10 years and something of a bonus to enjoy living and working in this wonderful part of Australia. I thank all the staff of the Institute for their support and contribution over the years and the management team who have responded to the shifts and changes required to ensure the quality, integrity and relevance of our service provision as the community expects and relies upon from their public provider.

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 is a Bunbury based multi-campus training organisation that offers a wide scope of services and courses for the South West community. The Institute services the training needs of the South West across its network of campuses in Collie, Harvey, Bunbury, Busselton, Manjimup and Margaret River and through agreements with regional community resources centres.

The Institute provides the facilities, expertise and resources required to offer high quality vocational education and training. The South West Institute of Technology currently has 299 qualifications, 33 individual units of competency and 20 accredited courses registered on its current Scope of Delivery with the Training Accreditation Council of WA (TAC). The range of industry areas covered include; Agriculture, Horticulture, Conservation and Land Management, Asset Maintenance, Automotive, Metals & Engineering, Personal Services (e.g., Hairdressing, Beauty Therapy), Business Services, Community Services and Health.

The focus of the Institute is the 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. The South West Institute of Technology also has a number of international students 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.

The West Australian economy is in a period of economic expansion with the regional economy largely benefiting from diversity of industry sectors. This provides the region with some resilience to specific economic highs and lows. The significant economic drivers are the continued population growth, the resources sector and subsequent skills shortages making this an important consideration for addressing the workforce development and training needs of the region.

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 to deliver training services across the region. 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 while 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.

With a Delivery and Performance Agreement (DPA) with the Department of Training and Workforce Development (DTWD) to deliver 1,840,053 Student Curriculum Hours (SCH) at the beginning of 2012 which was adjusted down as part of state wide government efficiencies. Coming off the back of a high performing year in 2011 both in Profile delivery and Commercial activity, the South West Institute of Technology was well placed to continue this level of high performance in 2012 delivering 1,799,087 SCH overall with some resulting still to come.

The Institute makes use of its expertise and experience in a commercial capacity to augment the funding package provided by the Department of Training and Workforce Development by providing additional training and value added services on a full cost recovery basis. Our key commercial activities are primarily based within the resources sector, particularly processing and maintenance as well as the community services and health sector.

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

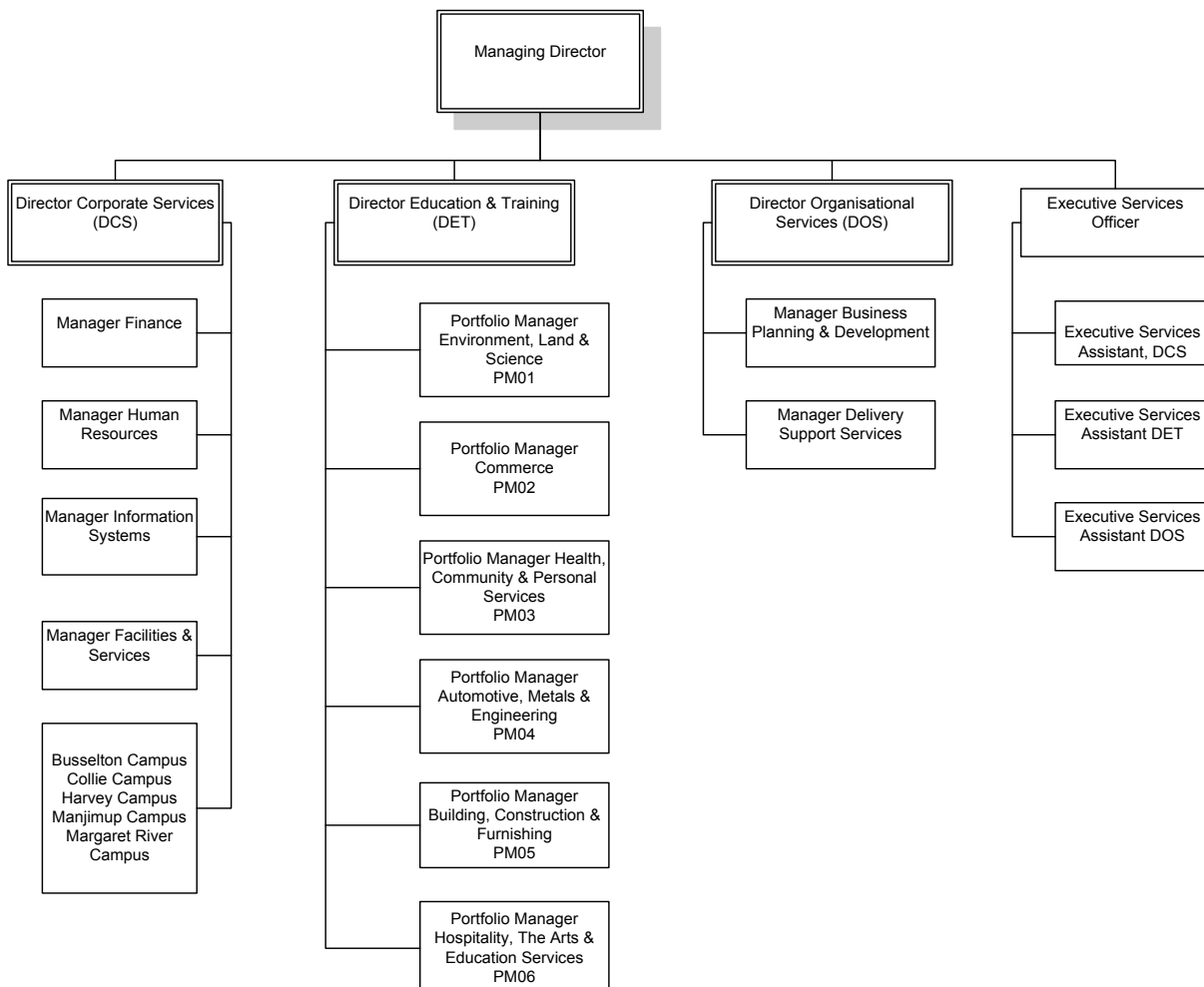
Corporate Governance

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.

Organisational Chart



Corporate Governance

The Honourable Murray Cowper MLA, Minister for Training and Workforce Development; Corrective Services is responsible for training and workforce development. 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
- Auditor General Act 2006
- Building and Construction Industry Training Fund and Levy Collection Act 1990
- Children and Community Services Act 2004
- Competition and Consumer Act 2010
- Copyright Amendment (Digital Agenda) Act 2000
- Corporations Act 2001
- Corruption and Crime Commission Act 2003
- Criminal Code Act 1995
- Disability Discrimination Act 1992
- Disability Services Act 1993
- Education Services for Overseas Students Act 2000
- Electoral Act 1907
- Electronic Transactions Act 2011
- Employment Dispute Resolutions Act 2008
- Employment, Education and Training Amendment Act 2000
- Equal Opportunity Act 1984
- Evidence Act 1995
- Financial Management Act 2006
- Financial Management and Accountability Amendment Act 2000
- Freedom of Information Act 1992
- Fringe Benefits Tax Act 1986
- Immigration (Education) Charge Act 1992
- Income Tax Assessment Act 1997
- Industrial Relations and Other Legislation Amendment Act 1995.
- Labour Relations Reform Act 2002
- Library Board of Western Australia Act 1951
- Limitation Act 2005
- Minimum Conditions of Employment Act 1993
- Mutual Recognition Act 1992
- National Vocational Education and Training Regulator Act 2011
- Occupational Safety and Health Act 1984
- Privacy Act 1988
- 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
- Skilling Australia's Workforce Act 2005
- SPAM Act 2003
- State Records Act 2000
- State Superannuation Act 2000
- State Supply Commission Act 1991
- Trade Practices Act 1974-1975
- Training Legislation Amendment and Repeal Act 2008
- 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 Training and Workforce Development; Corrective Services 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 Governing Councils role is to:

- set the strategic direction for the Institute;
- approve the institutes strategic and operational plans and budgets; and
- ensure that regulatory and ethical standards are met and that compliance and risks are appropriate, mitigated and managed.

Profile of Council Members – 2012



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) (Retired 2012)

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) (Retired 2013)

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.

Profile of Council Members – 2012



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 and is a Principal Lecturer for the Health and Community Services Portfolio. Guy is the winner of the 2012 Western Australian Vocational Teacher/Trainer of the Year and runner up of the 2012 Australian Training Awards VET Teacher/Trainer of the Year. Appointed to the Governing Council in March 2002, Guy has also been the Institute's delegate for the State School Teachers Union.



Kevin O'Connell (*Retired 2012*)

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.

Profile of Council Members – 2012



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 also 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 continued.

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 - 2013

The South West region of Western Australia covers an area of 23,998 square kilometres with a current population of 162,000. According to the Australia Bureau of Statistics, the region experienced an extremely high population growth rate of 22.1% compared with 8.3% for Australia as a whole (ABS, 2006-2011). ABS population projections expect growth in the region to expand to more than 175,000 people by 2021 and 190,000 people by 2030 putting pressure on the training needs of the region.

Given the projected growth in the workforce population in the South West over the ensuing years, the South West Institute of Technology continually looks to enhance its key role in maximising participation in training in the region. With a commitment to flexibility and continuous improvement, the Institute is responsive to changes in the environment meeting the needs of business, industry and the West Australian Government, setting the agenda for the future.

In line with the State Training Plan 2012-2015, the Institute will look to target growth in the overall participation in training for 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*.

Vision

“Aboriginal students in the South West region will become confident and successful learners engaged in relevant and meaningful training at the South West Institute of Technology leading to the acquisition of the skills and qualifications needed for employment.”

In 2013 the Institute will:

- liaise with the community and tap into local knowledge and capacity to achieve successful engagement of Aboriginal students in training;
- provide culturally appropriate training for Aboriginal learners in the South West region to attain qualifications that will lead to employment within local industry;
- support Aboriginal learners throughout their training pathways by committed and culturally aware trained staff;
- monitor student progress with additional mentoring or tutorial support as needed and students will be assisted through the transition from training to employment;
- connect employers and Aboriginal students leading to successful employment outcomes; and
- promote a culturally inclusive workplace by providing Aboriginal Traineeships and recruiting Aboriginal lecturers and support staff.

2. Progressing the Transition to e-learning through improved Information Technology Systems

Digital learning platforms are becoming increasingly important in the delivery of training across the country. 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. Increasing our capacity in terms of digital technology remains a focus in 2013 and also offers an advantageous means for improving business processing and knowledge management. Resources will continue to be invested in the development of a three year plan for enhancement of our IT systems and applications within the organisation.

To facilitate the implementation of this strategy, 2012 saw a year of preparation in planning for changes to be implemented in 2013. Key network and software changes were designed to take place during the quiet period of January 2013 as SWIT moved from a Novell network environment to Microsoft. Upgrades of the PC operating system as well as core PC software, network hardware, server hardware, server operating systems and software are occurring in early 2013.

Flexibility for student computer access has increased with some training rooms converting to laptops from desktop configurations. WA government Royalties for Regions initiatives saw SWIT win infrastructure funding in 2012 for a major increase in training room cabling, replacement of aging cabling and air-conditioning, server purchases and additional information technology systems to improve remote access, email, video and mobile device management. Receipt of funding from the DTWD during 2013 will see a rollout of additional audio-visual equipment to cover all training rooms at SWIT, as well as an increase in computer access to facilitate delivery.

3. Infrastructure

Although there are no new major capital works planned for 2013, minor works will continue to include the refurbishment of training rooms and workshop areas in the electrical area. As the new \$16 million Automotive Centre is completed, a refurbishment of the old premises will be required. When Heavy Automotive is relocated to the new centre, the Sylvan Way and Beddingfield Way premises will need to be reinstated to its original status as these are currently leased premises.

The development of the Bunbury Campus Accommodation Plan will take advantage of the move to the new Automotive Centre to refurbish the former light vehicle workshops at the Bunbury campus to better accommodate existing delivery facility requirements.

A \$2.5 million project jointly funded from the WA Governments' State Capital Works budget and Royalty for Regions to upgrade the existing Busselton campus facilities will be progressed through 2013 and completed in 2014. This will accommodate the expected growth in demand for training in the Busselton area in the immediate future and address the existing shortage of training facilities.

The Planning and development of the South West Health Academy to address the current and future vocational education needs of the community services and health sector for the South West region will also be progressed.

4. Website reconstruction

In 2013 SWIT will complete a project on the SWIT website to improve accessibility. This will align the business with WA government requirements to provide increased ease of use to government websites for disabled members of the community.

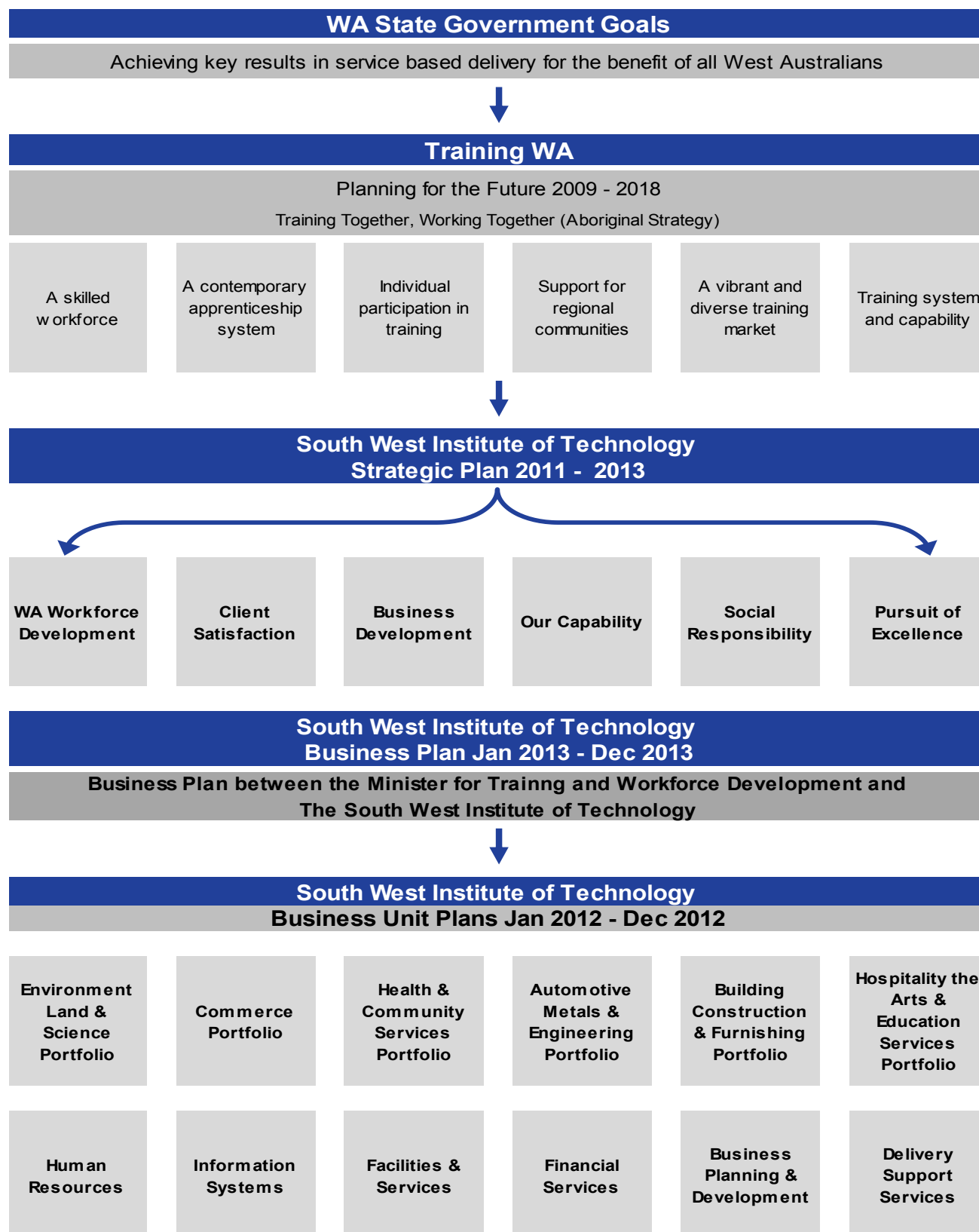
2012 Key Outcomes Priorities and Services

Shared Responsibilities with Other Agencies

- The South West Institute of Technology provides clients throughout the region with articulation 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 has formed strategic partnerships with Curtin University and Edith Cowan University in both 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 educational pathways that allow students to cross seamlessly between secondary, vocational and tertiary learning.
- The Institute continued its collaborative arrangement in 2012 with St John of God Alcohol and Drug Unit Bunbury to provide confidential counselling support services for our students. The free service was based at the Bunbury campus and provided 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.
- A working relationship exists with the Bunbury and Warren-Blackwood District Education offices enabling 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 one or 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 formed the basis of our reporting framework in 2012.



Performance Measures

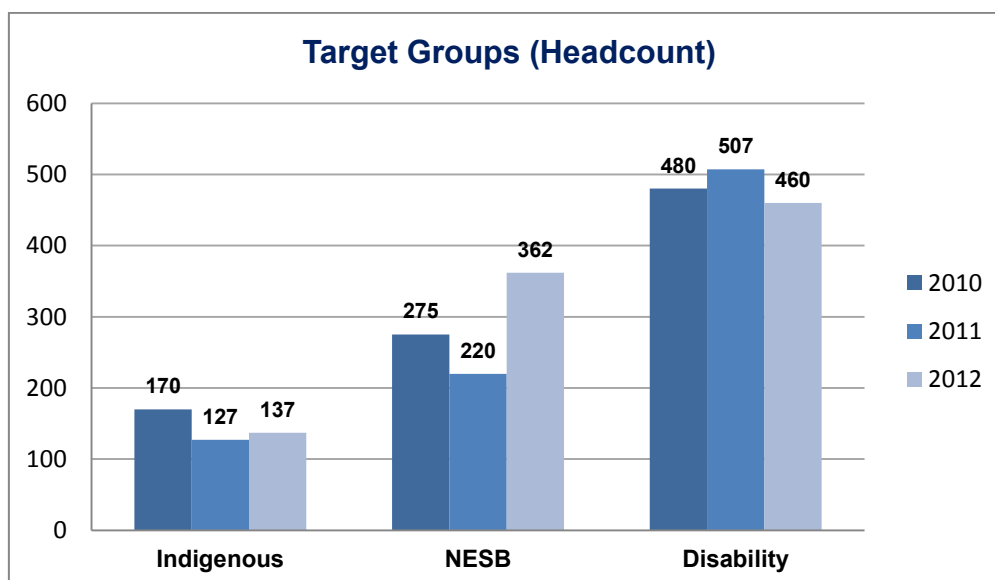
The South West Institute of Technology provides services to a wide range of stakeholders across the South West region and uses a range of demographic based performance indicators to monitor service distribution, based upon the 2009 ABS population data. The Institute has provided services to its community 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.

Priority Areas	Measure	2012 Target	2012 Achieved	% Achieved
Employment Based Training	SCH	379,894	362,586	95%
Skill Shortage Institutional	SCH	992,646	967,875	98%
Indigenous	SCH	41,714	28,252	68%
Disability	SCH	139,283	125,231	90%
Certificate IV and Above	SCH	564,287	552,701	98%
15 – 24 Year Olds	SCH	1,050,142	958,458	91%

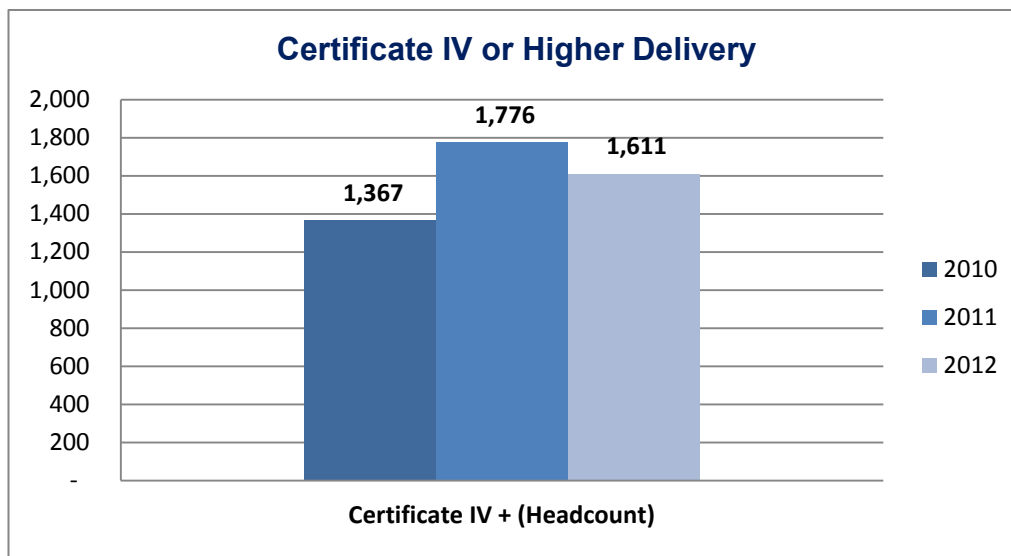
Source (2012 Target): SWIT 2012 Delivery and Performance Agreement - September Addendum

Note:

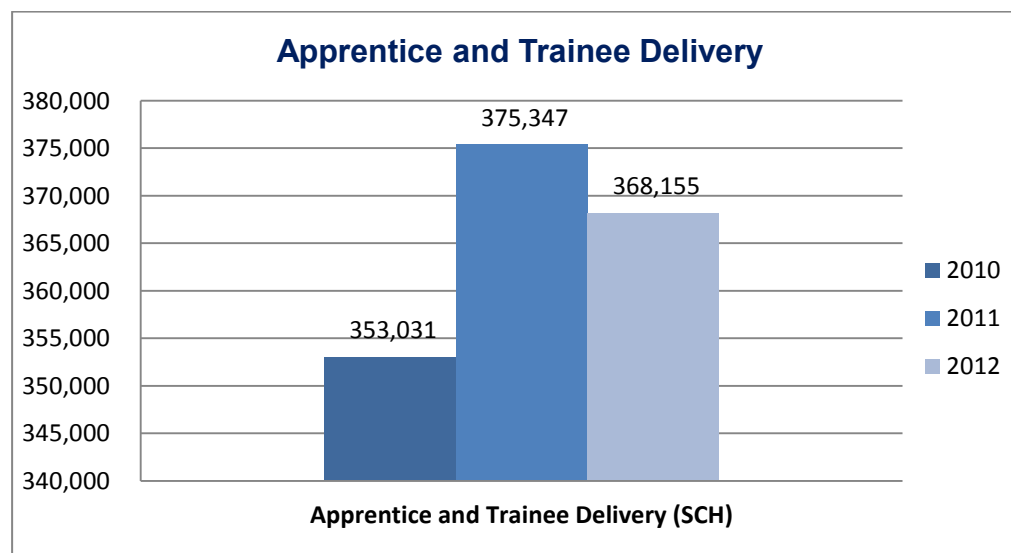
2012 SCH Profile Targets are based upon the directive from the Department of Training and Workforce Development to reduce the overall Profile total for SWIT to 1,824,300 for the September Addendum.



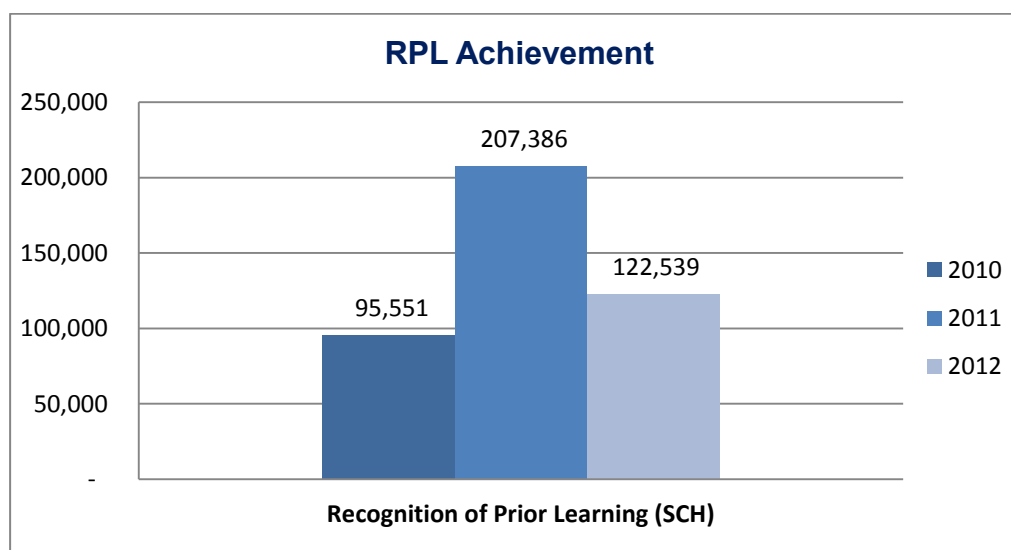
Source: SWIT 2012 Preliminary AVETMISS Submission (as at 11/01/2013)



Source: South West Institute of Technology 2012 AVETMISS collection



Source: South West Institute of Technology 2012 AVETMISS collection



Source: South West Institute of Technology 2012 AVETMISS collection

Workforce Development

The first of the six strategic priorities as articulated in the SWIT Strategic Plan 2011-2013 addresses the Workforce Development needs of the South West region. Throughout 2012 the Institute saw a renewed focus on enhancing regional workforce requirements for both new entrants to the workforce as well as existing workers. With the development of new training packages, provision of a more flexible approach to learning, and increased recognition of prior learning (RPL) the Institute delivered on this objective through both state funded training and increased commercial activities.

Industry engagement is essential to ensure SWIT not only meets the demands of industry, but also to ensure our training delivery remain relevant. Through greater collaboration with industry, a number of new courses were developed throughout 2012 including: the Diploma of Sustainability, Certificate III in Pathology and Certificate II in Landscaping at the Busselton Campus. A new Certificate IV in Occupational Health and Safety focusing on traineeships was also introduced.

As a result of industry feedback, 2012 saw an emphasis on increasing delivery of traineeships and workplace assessment across the industry sectors of: Mining/Resources, and Laboratory Science and Pathology. RPL and workplace assessments enabled experienced employees to gain full qualifications as the industries move to align vocational qualifications as a key competency requirement for supervisory positions and promotional opportunities.

Entry-level work preparation training for the Mining/Resource industry continued through delivery of the successful Certificate II in Resource & Infrastructure. This program was delivered over 7 weeks at three locations (Bunbury, Busselton and Collie) with over 85% of graduates securing employment. Most graduates are working in roles which would have been unattainable prior to up-skilling through this course which was featured in the West Australian on 13 June 2012, as an example of a successful training pathway leading to employment.

New short courses were also delivered to meet industry demand and regulation changes with respect to training in the operation of Quad Bikes, application of chemicals in the workplace and aqua instruction. More courses and units were offered via online, external, flexible delivery and workplace/project-based learning to suit people unable to attend face-to-face training demonstrating that SWIT is meeting the workforce development needs of the community.

The Health and Community Services portfolio at SWIT is by far the largest of the six portfolios and in line with the State Training Plan 2012-2015 priorities identifying the demands of Health and Community Services as a high growth area in the region. To cater for increased demand, SWIT looked to augment state funding with other funding sources. Under the Health Reform Agenda, existing Aged Care workers have been able to access funding to support the upgrading of their qualifications and encouraged to transition to Enrolled Nursing qualifications. The portfolio was able to secure an additional \$112,000 for Skill Sets as a result.

Student enrolments in the Dual Diploma of Community Services were encouraging in this year of delivery achieving 3,690 Student Curriculum Hours (SCH). The development of targeted marketing collateral that clearly defined an articulation pathway to higher learning enabled students to actively plan to undertake higher qualifications and progress their training with a clear goal. This pathway resulted in students completing their qualifications ahead of schedule and advancing to higher qualifications through flexible learning.

The Advanced Diploma and Diploma of Children's Services, continues to attract students. A review was conducted in 2012 across the region by portfolio staff to ensure students enjoyed the same qualifying experience when engaging in flexible delivery as many students were existing workers. Recognition of Prior

Learning continues to be promoted by the Children's Services team to industry who, despite adequate qualified staff, are unable to attract and/or retain staff in management and director positions.

The formulation of the Aboriginal Health Workers Industry Advisory Group (including membership from the Aboriginal Workforce Development Centre & SWAMS and SWCHS) the Multi-Disciplinary Health Workers Industry Advisory Group (including members from SWCHS, Bethanie, Red Cross, Cape Care, St John of God Health Care and other providers) and the Aged Care Delivery Team took place in 2012. This Community of Practice group has enabled both existing relationships to be improved and the creation of new industry relationships. The ensuing result has further increased the Institute's reputation as industry have reflected their support of the new processes and the inclusion of new qualifications and skills sets in the delivery area of Health and Community Services.

The Health and Community Services portfolio increased traineeship offerings with 61 students undertaking qualifications in 2012 seeing a 20% improvement on the previous year. An analysis of trainee employers was also undertaken with individual lecturers assigned the task of identifying where new markets have been gained and where markets have been lost.

An addition to scope for 2013 will include the Certificate III in Health Services Assistance which will provide an articulation pathway from Certificate II in Aboriginal and Torres Strait Islander Primary Health Care qualification for current Aboriginal students. Articulation pathways have been progressed with Edith Cowan University and collateral material developed to promote these training options at expos. Feedback from the brochures and industry broker pack were excellent with industry acknowledging the ease of use for brokering traineeships, workforce employment positions and for better understanding of delivery within the Health and Community Services area.

Client Satisfaction

Responding to specific training needs of individuals and enterprises has led to increased levels of client satisfaction, the second of the Institute's strategic priorities.

The Environment, Land and Science Portfolio increased its SCH by at least 2% in 2012, doubled contributions from commercial training activities which is an indication of increasing client satisfaction with training programs matching industry and community demand. The Mining/Resources industry in particular highly values the Institute's model of workplace training, assessment and RPL. A highlight for the year was the Mining and Resources team securing the largest commercial contract in the history of the Institute with a joint venture company in Saudi Arabia. The team was invited to submit a proposal based on positive feedback received from industry and was the successful tenderer.

The Mining and Resource team also enjoyed further client satisfaction levels by strengthening relationships with local employers. Traineeship numbers and Recognition of Prior Learning (RPL) assessments at Worsley Alumina have grown. Alcoa Australia (Kwinana, Pinjarra and Wagerup refineries) now have a rolling traineeship program with future involvement, again due to positive feedback and the success of the initial group. The team also developed and delivered Fire Warden and Fire Extinguisher training for approximately 190 employees achieved during a time Worsley Alumina scaled back their training investment.

Enrolments for external study options for the Certificate IV in OHS continued to grow as students progressed flexibly at their own pace. Increasing numbers of qualifications and units across the Environment, Land and Science portfolio were made available for students to study off-campus or alternatively through online workplace and project-based learning to align with work rosters, family commitments and geographic locations. This approach is being used across multiple training teams to promote increased enrolments via flexible delivery modes in higher level qualifications.

To meet the growing need for people requiring landscaping and garden construction skills, the Horticulture team ran paving, building timber features, stonework and block laying training in Bunbury, and commenced a new part-time Certificate II in Landscaping at Busselton.

Lecturing staff in Horticulture, Production Horticulture and Rural Operations based at the Manjimup and Margaret River campuses continue to maintain strong industry connections to support preferred workplace-based programs for employees and trainees and RPL assessments of existing workers. Structured work placements enabled students to put their learning into practice across a number of industry sectors in the portfolio. These include Conservation and Land Management, Horticulture, Laboratory Science, Fitness and Sport Development qualifications. Many of these work placements have successfully led to ongoing employment with the host companies.

A focus of the Commerce Portfolio throughout 2012 was the availability of lecturers and enhanced customer service required for an increasingly flexible environment. The impetus for this was based on student feedback. Furthermore, the adjustments to the Hours of Work Agreements meant lecturers were able to make themselves more accessible to students.

Investing in a client satisfaction and client communication experience workshop established a communication protocol from the Delivery Support Services business unit through to Institute lecturing staff which ensured all stakeholders were aware of their individual and collective responsibilities and duties. The Portfolio subsequently revised its student induction information booklets ensuring all relevant information was available to students and standardised this across all delivery areas and regional campuses.

Working with the Collie Senior High School, the Commerce Portfolio became the successful provider for VET delivery in Business Administration in 2012 previously delivered by private RTOs. In addition the portfolio

developed a new partnership with the Bunbury Chamber of Commerce (BCCI). As of 2013 SWIT will become the preferred provider of training through the BCCI for our ability to provide consistent and high quality training that is nationally recognised.

The Institute responds to compliments and complaints through the COMBIT system and all parties are encouraged to provide feedback using this system. The Health and Community Services Portfolio introduced standard operating procedures in 2012 where students signed their understanding of requirements and expectations. This approach enhanced industry feedback on traineeships. The Institute continues to work with industry to increase the understanding of all parties regarding the importance of the process of sign ups and the responsibility of each party to ensure a quality outcome.



Feedback received in the Automotive, Metals and Engineering portfolio regarding the quality of equipment has been addressed with a new \$6 million automotive centre being built on campus funded by the State Government. Automotive Light and Automotive Heavy will see major improvements as a result of this new facility as they amalgamate under a single roof. It is expected the building will become operational mid-2013 once construction is completed.

The electrical division received a budget of \$100,000 to update and modernise their equipment and metal fabrication took delivery of 15 new welders to meet student requirements. Planning began in 2012 to upgrade equipment for the new Automotive Centre with a \$750,000 budget ensuring equipment relevance to current training packages.

The Automotive, Metals and Engineering portfolio was represented on the Apprenticeship and Traineeship Working Group. Any areas of concern tabled in 2012 were immediately addressed by SWIT staff giving assurance to industry the Institute is continually looking to improve its operation. Portfolio staff also attended meetings with relevant training councils and industry throughout the year where they obtained valuable feedback. The portfolio implemented an electronic training record book (Q Tracker) in 2012 which made it easier for employers to monitor apprentice progress. The implementation will occur in the electrical apprenticeship area over the next three years however plans are still being developed to roll the system out to incorporate other apprentice training areas.

Facilities have improved this year in the Building Construction and Furnishing Portfolio with equipment issues being resolved.

To meet customer demand, the Hospitality, Arts and Education Services portfolio continues to deliver specific training to meet the learning needs of individuals and enterprises through flexible modes of delivery. In the second quarter the portfolio offered a Certificate II in Hospitality to assist students who had difficulty participating in mainstream courses to enter the workforce.

Business Development

To ensure the financial sustainability of the Institute, the third strategic priority recognises the importance of growing the business, in particular fee for services to increase commercial revenue in line with government expectations.

In response to industry demand and the release of updated Training Packages, new qualifications in the Environment, Land and Science portfolio were added to the Institute's scope of training delivery in 2012. These include the Certificate IV and Diploma of Sustainable Operations, Diploma of Process Plant Operations and Certificate IV in Wine Industry (Operations Manager). 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 commenced at the start of 2012.

The mining and resources team have been highly proactive in developing commercial training revenue. The team secured the Institute's largest ever commercial delivery contract worth \$445,000 over two years (2012-2013). The project is to design, develop and deliver a 10 week training course in the Bayer process of converting bauxite to alumina for a joint venture company in Saudi Arabia between Ma'aden and Alcoa. The project runs over two years and will involve Institute staff travelling to the Kingdom in 2013 to facilitate the inaugural intake of process plant employees.

Training and assessment with BHP Billiton Worsley Alumina continued to grow as the company moved to accredit employees with full-qualifications as part of a restructure of operations. A diverse range of short courses continued to be strongly supported by industry throughout the South West delivered as one and two day workshops. These courses covered key employment skills such as training in the operation of a forklift, tractor or chainsaw, enter confined spaces, chemical safety (AusChem), responsible service of alcohol and abseiling instructor training.

The Health and Community Services staff are highly proactive in the development of new business activities. The Portfolio explored the delivery of the Funeral Services Training package to be rolled out in 2013. This will create a niche market for the Institute and for the State of Western Australia as no other providers are offering this training package. The Health Reform Agenda, Skill Sets and Better Skills for Better Care continued to be delivered throughout the year. The portfolio continues to develop new qualifications due to commence in 2013.

The Institute is the preferred provider of apprentice training/ traineeships in Automotive - light vehicle, Automotive - Heavy Vehicle, Metal Fabrication, Fitting and Machining, Electrical and Civil Structural and Mechanical Engineering in the region. In 2012 a wide range of course offerings for pre-apprenticeships and the School Apprenticeship Link (SAL) and VET in School students were offered and, subject to funding availability the course offerings will expand into Automotive Electrics, Sheet Metal, Data Cabling and Electrical Instrumentation in 2013.

Lecturers and management in the Building, Construction and Furnishing portfolio have collaborated throughout 2012 with industry leaders in spite of a flat market maintaining an excellent working relationship with Dale Alcock, MBA, ABBTF, the BCITF, Summit Homes, local surveyors, mining and engineering companies. We continued to collaborate with Central Institute of Technology on both Building Design and Surveying, and key Institute staff attended task group workshops with the CPSISC industry skills council.

International students studying in the portfolio of Hospitality, Arts and Education Services created a need for training in English as a second language. These courses were also offered to enterprises as well as individual students to assist them to successfully articulate into other training packages. The portfolio delivers the AMEP program, which is delivery to migrants of English language which is done in conjunction with Polytechnic West.

The Business Development and Planning team completed meetings with Industry Skills Councils throughout 2012 to discuss the National Workforce Development Workforce Fund (NWDF) application process.

A formalised 457 visa skills assessment agreement was signed off with Skills Assessment International in 2012 which opened up new possibilities for international students. Skills Assessment representatives visited Bunbury and delivered a presentation and information session on off-shore and on-shore assessment requirements to enable key managers and lecturing staff to change the Institutes processes and procedures accordingly to ensure compliance with legislation.

As a result of these legislative changes, there was a significant increase in enquiries and enrolments from a number of different visa holders. Enrolments have been in full time, part time and flexible delivery modes procedures are partially completed in line with DIAC visa changes.

In 2012 a review of the Institute's processes and procedures were developed for the new 457 Skills Assessment program and information packs were distributed to trade area lecturers who will be involved with assessments. To ensure lecturers comply with the legal requirements for technical interviews as part of off-shore assessment, the IT department set up Skype on a number of Institute laptops. Moving forward into 2013 SWIT is working closely with Personnel Migration Services Bunbury to provide reciprocal referral opportunities with regard to international study opportunities at the Institute.

The team in Course Information Services had a busy year attending career expos and school visits across the region working with numerous high schools and colleges to showcase the pathways offered at SWIT leading to higher education. In addition staff attended the Apprenticeships and Traineeships Forums 'Making it Work' in Manjimup, Bunbury and Collie. This was an excellent forum to give both students and parents an insight into how the Institute works to provide training to meet the skills shortages in the region. A Community First Job Fest for job seekers was held in April 2012 which the team also attended highlighting the strong links between training and employment.

Our Capability

Developing the capability of our staff, infrastructure and support mechanisms has been a key theme throughout 2012 and the fourth of the Institute's strategic priorities.

In 2011, the Institute recognised that investing in the professional development of its senior management team would be a key objective in 2012. Eight senior managers commenced the Deloitte's Leadership program to develop their leadership skills. The group worked collaboratively on projects with managers from other State Training Providers looking at strategic issues across the sector.

In 2012 the Institute created a SWIT e-learning coach to build lecturer skills in handling modern technology to accommodate the growing need to cater for students wishing to study on-line. This strategic decision has greatly increased the capability of SWIT staff to deliver more courses on-line. Course content across multiple qualifications was migrated and updated to the Learning Management System Moodle2 platform with the use of authoring software tools such as Articulate and Storyboard software to enhance presentations making it more engaging for our learners. The ensuing result of this initiative is that we now have the capability to deliver some additional on-line courses across all Institute portfolios.

The use of Moodle has not been confined to teaching. Internal training for staff also moved into an on-line environment in 2012. The Human Resources team developed the first stage of their online induction program for new staff based in Moodle. This was tested in a live environment throughout 2012 with stage two underway and due for completion in early 2013. Other business units are planning to incorporate Moodle into their business activities in 2013 and to up-skill staff in other system requirements.

With a sector move away from Shared Services, the Human Resources team successfully took over the Workers Compensation and Injury Management function from Education and Training Shared Services Centre (ETSSC). The HR team developed a comprehensive Training and Development program for 2012-2013 endorsed by executive to facilitate the up-skilling and ongoing professional development of Institute staff. Additionally the HR team conducted a qualification audit to confirm the integrity of our records of collective skills and qualifications.

The Commerce portfolio embarked on a re-cabling exercise in three computing rooms to support the requirements of the new Information, Digital Media and Technology training package. This upgrade was needed to support the expanding stand-alone server students currently work on. Provision of new furniture (desks and chairs) to a number of computer rooms meant the learning environment is more conducive to successfully engaging our learners in an ergonomic environment.

The portfolio was also responsible for the up-skilling, training and RPL of contract and permanent staff in the Certificate IV of TAE across the whole of the Institute. To maintain the integrity of this qualification, the training was externally moderated by other State Training Providers. All permanent and contract lecturing staff have either completed or are engaged in finalising the Certificate IV in TAE qualification. Due to the successful uptake by all lecturing staff to up-skill, the Commerce Portfolio had the capacity to offer four Assessment Units of the TAE training package for casual staff as well. This was delivered in a series of workshops in Bunbury and at regional sites to ensure maximum staff coverage with a positive response to training by this cohort.

A key activity in increasing the capacity of the Environment, Land and Science portfolio was the implementation of 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 for the start of Semester 1 in 2012. These qualifications represent more than half of the portfolio's total training and assessment activity.

Several lecturers have up-skilled to deliver high risk training in Forklift Operations and other courses in demand by industry including Enter Confined Space and AusChem. Lecturers are actively engaging with industry and this consultation and feedback is being incorporated into the continuous improvement of training programs. Internal audits and validation and moderation are further enhancing the quality of training and assessment in the Environment, Land and Science portfolio.

With the new Training Package implementation now “bedded down”, teams are developing more blended delivery options for students. The number of units available as flexible/online delivery continued to increase in 2012. Lecturers were actively engaging with industry and this consultation and feedback is being incorporated into the design of training programs in the future. Internal audits identified areas where improvements were required and these are being actioned. Several teams have conducted validation and moderation through industry/IRG forums to ensure training and assessment continues to meet enterprise needs.

Professional Enhancement and Career Development (PECDs) are completed each year for all permanent and contract staff to determine whether they have met their priority objectives and to ensure that identified professional development has been achieved. This is a useful tool to keep track of professional development requests across the Institute and to ensure equity in representation at events and workshops is spread across Institute staff on an ongoing basis.

Building Construction and Furnishing staff are cognisant of the need to recognise the changing conditions in training and delivery. The push to upgrade lecturer qualifications to Certificate IV in TAE in this portfolio has proved beneficial and provided the impetus for some staff to look beyond this qualification. Professional Development was provided in risk assessment, unit mapping using ASRI, CAD software, Worksafe requiring High Risk tickets, Microsoft Software, and delivery strategies in addition to the teaching skills. The Planning area has identified alternative avenues for staff in 2013 to lecturer across more than one qualification area increasing our catchment area using mixed modes for training and assessment.

The rooms in the Hospitality, Arts and Education Services portfolio were reviewed for infrastructure cabling as part of the Royalties for Regions project. The Hairdressing Department updated its foyer and reception area. The Fashion Department purchased new overlockers and refurbished its facility.

This year has seen some major improvements in the Institute's information technology systems. Early in 2012, the Executive approved migration from Novell GroupWise to a Microsoft environment to expressively improve usability. A significant amount of planning went into this project ensuring best practice in Microsoft Migration which is due for completion early 2013. To upgrade training room cabling, the Institute was advised in 2012, that they had secured funding from Royalties for Regions. In anticipation that this project will commence in 2013, an extensive audit was carried out across all regional campuses in 2012 to ensure these funds will be allocated prudently. Work will commence once the funds are received.

Social Responsibility

The Institute's fifth strategic priority is to ensure our business activities are underpinned by our commitment to high standards of performance in a framework of ethical, accountable and responsible governance and work practices.

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.

People with Disabilities

Through targeted Access and Participation courses and mainstream courses or support through CAVSS and USIQ programs, our portfolios continued to deliver training to students with disabilities and special needs.

During the year, a number of students who disclosed that they had a disability received support by the Delivery Support Services team. The 2012 headcount for students that disclosed a disability was 436 with a total SCH of 147,566 compared with the annual target of 140,486 SCH. Of these, 102 students sought some assistance with the majority receiving in-class assistance and 10 receiving specialised equipment support. Further to the support provided on campus, a very successful Future Possibilities Forum on pathways options for young people with disability was held in October. SWIT assisted with the planning, was also an exhibitor and this year provided an evening information session for parents.

People from Culturally and Linguistically Diverse (CALD) backgrounds

The Hospitality, Arts and Education Services portfolio is committed to meeting the needs of people who find it difficult to engage in study or the workplace. The portfolio offers literacy and numeracy support through its Course in Applied Vocational Study Skills (CAVSS) programs to students in all study areas and continues to provide training in General Education through the Certificate of General Education programs. The Portfolio delivers Certificate in Written and Spoken English programs to migrants from non-English speaking backgrounds. In the second quarter the portfolio commenced tender delivery of the Certificate II in Hospitality specifically for students from the Pathways organisation who have difficulty participating in mainstream courses.

The broad range of qualifications that the Health and Community Services Portfolio offer continues to attract a diverse group of students. Staff are committed to providing students with additional support, referring to pastoral care agencies and using CAVSS within delivery to aid understanding of delivery content. Students and staff members are active within the community and undertake both paid and unpaid labour to assist the community.

Aboriginal Western Australians

Engaging Aboriginal Western Australians in training leading to sustained employment is a key state objective. To boost our interaction and success in meeting this objective as a State Training Provider, SWIT established an Aboriginal Task Group in 2012 to improve participation rates and outcomes for Aboriginal people in the region.

The Institute is committed to supporting Aboriginal workforce development through increasing Indigenous participation in training, and supporting graduates to gain employment in the South West region. We are driven by industry, jobs and skills requirements to improve the opportunity for Aboriginal people.

A whole of Institute approach to boost participation and engagement of Aboriginal learners was a key focus in 2012. These new actions and the ongoing efforts of Aboriginal and student support staff resulted in an increase in the number of Aboriginal students that were enrolled at SWIT. With many Aboriginal students studying part-time, there was an increase in the number of full-time enrolments across a wider range of industry areas. The Aboriginal support team based in the Ngala Maya building had over 560 contacts with Aboriginal students and lecturers to provide mentoring support and assistance in 2012.

The Aboriginal Development Officer continued to consult within the local Indigenous Community including Aboriginal Health Reference Group meetings and attended interviews, meetings and the launch of the Back Beach Noongar Memorial Project. Aboriginal Cultural Awareness training was delivered to Institute staff along with several presentations to class groups on cultural awareness and heritage issues. A new online staff induction package to commence in 2013 will include a module on Aboriginal Cultural Awareness.

Several staff members have undertaken professional development in the 'Tracks to Two Way Learning' which links Aboriginal and Non-Aboriginal Educators in the delivery of language and the development of culturally aligned education and training materials.

The Health and Community Services team continues to strengthen relationships with this industry sector through a strategic communication approach with the Aboriginal Workforce Development Centre. The delivery of Aboriginal specific courses such as the Certificate II in Aboriginal and Torres Strait Islander Primary Health Care qualification has enhanced the suite of customised training courses developed for Aboriginal people.

A highlight for the year was the attendance of three SWIT staff who attended a five day Aboriginal Mentoring Course. This course was critical to enable Institute staff to provide ongoing specialist mentoring support to our Aboriginal students and some follow-up support in the transition to any employment that may result from the completion of training.

Four Aboriginal Taster programs each of three days was held in May 2012. The taster catered for 48 participants who were provided with practical hands-on sessions for eight different industry areas. Many of these participants have now enrolled in other courses or used this opportunity to 'kick start' them in to employment.



Aboriginal Cultural Day

The highlight of the year was a very successful Aboriginal Cultural day held in October and attended by over 400 people. The theme was 'Training is for Life'. Students, staff, local agencies and community members of all ages participated in a range of activities around local Aboriginal culture. Events included music, dance, food, sports, displays and a 'witchetty grub' challenge.

Overlooking the Back Beach behind Bunbury's CBD, the Goomburrup Aboriginal Corporation and City of Bunbury employed an Aboriginal work team to create the Noongar Memorial Park where the remains of elders have been re-buried. Two Institute lecturers provided induction training, horticultural and landscaping skills to the team through workplace-based instruction and assessment over a five month period.

Residents in regional and Remote Areas

To improve our delivery capability the Commerce Portfolio has been developing and standardising on-line delivery through Moodle and student feedback (AIMs Portal) systems to provide service to geographically and physically isolated students across the region. This approach has not only increased our accessibility footprint but it has also dramatically decreased the level of consumable materials for both students and assessors. This initiative will continue and improve as the portfolio has a policy of identifying on-line resources that can be value added to our existing Moodle environment rather than spending resources in development.

Women with Dependents

New teaching areas at the Harvey regional campus was completed in 2012 with the establishment of a new Virtual Enterprise office. This combined with a consistent teaching support programme has boosted student numbers in Harvey and has provided an opportunity for many younger mothers who previously have been unable to travel to Bunbury to engage in training giving them the skills to be able to return to the workforce.

Young People

SWIT catered for 616 enrolled VET in School (VETIS) students in 2012. As these students are usually under the age of 18, the Institute has additional Duty of Care responsibilities. This policy was reviewed during the year in the context of possible changes to VETIS delivery in 2013 to ensure SWIT maintains practices that fulfil its responsibilities under current legislation and policy. The Institute enrolled 680 VETIS students in December 2012 for the 2013 academic year.

The Hospitality, Arts and Education portfolio delivered an Equity tender in 2012 for disadvantaged youth. SWIT's participation with the "Shed" program picks up youth at risk from Bunbury and Australind Senior High School.

Fitness, Sport & Recreation students continue to be actively involved in the community through participation and volunteer work to organise and support activities such as Active After School Coaching, coaching & officiating for local sporting clubs and competition events, inter-school sports carnivals, outdoor circuit fitness sessions for HBF members and the SIDS for Kids event. Students were supervised in providing fitness training and assessments from SWIT staff. During 2012 two skill sets were introduced to the Certificate III in Fitness course so that gym instructors can broaden their expertise and employment options as Aqua Instructors and Group Exercise Instructors.

Bunbury Regional Prison

The Business Administration staff have been working closely with the Bunbury Regional prison to assist and support delivery in a virtual enterprise environment. The practical outcome of this is that we ensure consistency of assessment and delivery, meet all moderation and validation requirements and support the existing good relationship with the regional facility.



A new partnership between SWIT and City of Bunbury in 2012 has supported inmates from Bunbury Regional Prison to restore the landscaping and gardens across the steeply sloping Boulters Heights site overlooking Bunbury's CBD. All project work was completed by prisoners from the Pre-Release Unit who have had on-site training & assessment in Certificate II in Horticulture. More than 16 prisoners were involved in the project works.

Environment and Sustainability

A solar hot water system installed in K Block supplies hot water to the building. 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.

Environmental sustainability is also 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 the Institute access to their surplus and scrap metals which are 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 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.

A number of new courses were developed in the Environment, Land and Science portfolio. The Diploma of Sustainability and Certificate IV & Diploma of Sustainable Operations were established to meet industry demand for skilled staff to identify cost-effective ways to use less energy, water and raw materials, and reduce carbon emissions for their business. These skills enable companies to strive to operate more sustainably and compete in an increasingly green-conscious marketplace.

The Orchid project established in 2010 has continued to progress with students applying research knowledge from Kings Park and Botanic Garden scientists into the field to propagate threatened native orchids. New links with the Leschenault Community Nursery have enabled an increased number of plants to be grown, with community volunteers and students replanting orchids into bushland reserves.

Multiple students from Conservation & Land Management and Horticulture are graduating from SWIT gaining employment in land rehabilitation, bush care, garden maintenance and environmental officer roles. Examples include paid work with local councils, Alcoa's seedling nursery at Dwellingup along with mining company rehabilitation positions. Horticulture & Conservation and Land Management lecturers at Manjimup have continued student planting and bushland restoration works at the Mottram Street reserve for another year. This reserve is known as the "Kings Park of Manjimup" due to its location in the centre of town.

Lecturers have also continued the annual Woylies survey project at Perrup Reserve where the native marsupials are trapped, tagged & weighed to monitor local populations and identify any trends. "Floating islands" have been installed on the dam below the winery building at Margaret River Education Campus. These floating units have been planted with native wetland species to strip nutrients and run-off waste from the water, generate additional oxygen and improve the water quality and biodiversity.

The Pursuit of Excellence

The Pursuit of Excellence is the sixth and last of the Institute's strategic pillars focussing on legislative standards.

Throughout 2012, the senior management team and executive reviewed the Governance Framework for State Training Providers in 2012. Policies and processes were revised to ensure the Institute was not only compliant but we also identified areas for continuous improvement. This process provided valuable feedback to executive.

Key achievements in 2012 include:

- a review of the OSH Strategic Plan and OSH Management Plan was completed seeing progress towards achieving identified OSH goals and objectives;
- the Training and Development program was finalised;
- the development of SWIT's Workforce Plan was completed and informs key strategic plans to deal with workforce issues such as attraction and retention of staff in an increasingly difficult environment;
- the Strategic Infrastructure Plan that will inform the strategic infrastructure development spend within the DTWD has been developed; and
- the Records Management Plan and Records Disaster Recovery Plans were updated along with a complete review of the Institutes Records Management system.

In 2012, the Institute was required to undertake an extensive and complex re-registration process conducted by the Australian Nursing and Midwifery Accreditation Council (ANMAC), to ensure continuance in the delivery of the Diploma of Nursing. The delivery is of high significance due to the substitution revenue gained through international enrolment and the long standing articulation pathway to Edith Cowan University. The delivery of nursing is highly regulated due to the requirement that graduates are to be registered by the national body. The rigour surrounding the audit schedule that ANMAC undertook across Australia mirrored the National VET Regulator. The panel was impressed with our willingness to engage and the preparation and dedication of the lecturing staff.

The ANMAC representatives conducted a rigorous site visit at the conclusion of which the ANMAC team provided their initial findings. The outcome of the audit was that the Institute was re-registered to deliver the Diploma of Nursing with several areas of best practice being noted. An additional strategic audit of Diploma of Nursing occurred previously by Education Training International (ETI) which SWIT was the only State Training provider that fully met compliance.

Training quality and meeting AQTF standards was a focus for lecturing teams Institute wide throughout the year. Academic risks were identified through SWIT audits and team internal audits. Validation and moderation activities were scheduled and faculty team leaders met regularly to share best practice and facilitate implementation of continuous improvement actions.

Records management was a significant focus throughout the third quarter with the Records Disaster Recovery Plan being finalized and all documents required to be updated sent through to the State Records Office. A new state wide naming convention was introduced. Folders were set up in TRIM for all SWIT staff to house the electronic records for the Hours of Work Agreements (HOWA) and Flexible Hours Arrangements (FHA). This is a significant move towards ongoing electronic storage of vital records. A review of TRIM was carried out and a proposal to upgrade to TRIM 7.1 was approved by executive with the expected roll out to take place in January/February 2013.

Awards and Recognition: Staff

Western Australian Trainer of the Year Award 2012 – Guy Truss

GUY TRUSS



WA Trainer of the Year

"Having 12 keen and eager apprentices in a training room and attempting to fill them full of facts and figures is a sure way to turn them off learning" said Guy. "For example, many lecturers try, and fail to stop students using their mobile phones in class. I teach my students that in today's world there is no need for an unanswered question and that they can use their smartphone to instantly access information, making it a tool for learning rather than a means of escape. This gives greater control of students' mobile use in class."

Guy Truss, lecturer and governing council member for the South West Institute of Technology won the prestigious WA Trainer of the Year Award and was named the runner up for 2012 at the National VET Trainer of the Year Awards.

The WA Training Awards recognize the outstanding achievements of apprentices, trainees and vocational students and the contribution employers, trainers and training providers make towards WA's world-class training system. This is the second consecutive year that the South West Institute of Technology has won the State's best trainer award and exemplifies the quality and dedication of the teaching staff at the Institute.

With a vocational education and training (VET) career spanning 23 years, Guy recognized the future of learning lies in embracing technology. Guy ascribes his success in this competition to his ability to successfully engage students using innovative communication methods and learning methodologies that resonate with learners.

Notwithstanding the increasing emphasis on technology as a platform to facilitate learning, Guy has been commended by his students for his clear communication, approachability and capacity to make subject material readily understandable.

Managing Director for the South West Institute of Technology, Ms. Wendy Burns, said, "This award is a very well deserved recognition for Guy who has, for many years, not only continued to develop his skills as a professional educator, but who has also so willingly shared his experience with other staff. His leadership has enhanced the Institute's progress in adopting technology to improve the student learning experience and to enable apprentices to make use of their workplace experience to complete their training efficiently."

Guy has extensive industry contact through his position as a fitting and machining lecturer and has been committed to the development of e-learning resources as well as spearheading the use of point of view cameras in response to the training and assessment needs of the remote learners.

SWIT Staff Awards

SWIT Trainer of the Year Award

Rebecca Evans

Innovation and Leadership Award

Bill Chernaboff

Customer Service Award

Jason Boyes

High Performing Team Award

Jason Boyes, Janet Nunn, David Broome, Anthony Bradbury, Lloyd Tucker

JASON BOYES



SWIT Customer Service Award

"Anticipating the needs of our customers and being attuned to industry requirements we were able to develop proactive and responsive strategies. Knowing our product and aware of our delivery limitations means that we don't promise what we can't deliver and this ensures that we meet industry expectations, maintain positive relationships and contribute to skilling the workforce to meet productivity and performance goals."

Jason Boyes, lecturer in the Resources and Mining Team, has the unique distinction of winning two awards at the inaugural South West Institute of Technology Staff Awards presentation including the individual award for Customer Service as well as the High Performing Team Award.

Nominated by an industry client for the Customer Service Award, Jason attributes his success to several hallmarks of service excellence based on building and maintaining positive professional relationships with industry and being flexible and responsive to their needs recognizing that customization of training delivery is essential in meeting the diverse range of needs within the mining and resources industry.

"It was very humbling to be nominated for, and receive this award. Implementing and practicing service excellence is an integral part of my role that is driven by inner integrity and values and the award was very unexpected," Jason said.

Keen to raise the profile of the Resource and Mining team, Jason nominated them for the High Performing Team Award. Reflecting on this Jason said, "Given their high levels of productivity, commensurate with the exponential growth of our area, it was important to showcase the team's achievements and demonstrate the value of a cohesive team who have a shared vision, common values, a supportive climate and the dynamics needed to underpin an efficient and productive unit."

"Our positive reputation, together with referrals from satisfied clients, has not only enhanced our motivation, enthusiasm and drive but has also contributed to the consolidation of our business growth both locally and internationally."

Consistent with the Institute's strategic plan, Jason said the team will be seeking to build our commercial delivery by expanding the portfolio of courses that we deliver and seeking to innovate to meet industry's changing requirements. The ongoing professional development of the team will enable us to further up-skill to strengthen our competitive edge when tendering for international contracts such as the Ma'aden Aluminium Processing in Saudi Arabia which we recently secured.

Awards and Recognition: Students

Student of the Year – Ashley Rodway



SWIT Student of the Year

Student of the Year, Ashley Rodway, made the transition from ceramic tiler to enrolled nurse and now specialises in the provision of dementia, palliative and high care for residents at Bethany Fields. Ashley's palpable passion for his new found career, which he finds both profoundly fulfilling and stimulating, is evident as he expresses his enthusiasm for his diverse role and the opportunity it gives him to care for others.

Commenting on his reaction to winning the prestigious South West Institute of Technology Student of the Year award, Ashley said, "Winning this award is a massive honour and, at the same time, very humbling. I was very surprised by the nomination and it has certainly been a great confidence booster. Throughout my course I was very fortunate to have the support of a great team of lecturers who were always willing to assist, inspire and encourage me."

"Training at the South West Institute of Technology has benefited me both personally and professionally and has been the catalyst for me gaining not only the self-confidence to lead and inspire others; negotiate effectively with health care colleagues and liaise with families of my patients, but has also given me the skills and knowledge to provide holistic care and the sensitivity to support them through a difficult time," Ashley said.

Worldskills Medal Winners

Cameron Green
Aimee Couanon
Samuel Long
Georgia Ramsay
Jessamy Mooney

Gold Medal
Gold Medal
Gold Medal
Silver Medal
Bronze Medal

Turning
Hairdressing
Bricklaying
Cookery
Hairdressing

Jessamy Mooney (aged 17) from Boyanup is an apprentice hairdresser with Salon de Coiffure in Donnybrook. Jessamy while studying at SWIT was a bronze medallist in the hairdressing category at the national WorldSkills competition in Sydney. She blew away her competition and joins 30 other Skillaroos representing their country at an international even in Germany in 2013. Jessamy has a year of training remaining but impressed her lecturers with her rapid growth between the state and national competitions.

Georgia Ramsay (age 20) from Margaret River is an apprentice cook with Voyager Estate at Margaret River and studying at SWIT. Georgia was a silver medallist in the Hospitality (Cookery) category at the national WorldSkills competition. Georgia will join Jessamy at the International Worldskills competition in Germany.

Risk Management

Strategic Risks were a focus at the beginning of 2012 identifying all the Strategic Risks of the Institute. An outcome from this exercise meant a Strategic Risk Audit Plan was developed and implemented to identify the controls and mitigate any identified risks.

Technical staff who support training delivery are completing excellent work to progress risk assessments of hazardous chemicals and update the Institute's Chemwatch database. In Institute continues to reduce the number of hazardous chemicals being used working towards "Green Tick" accreditation.

The delivery teams in the Environment, Land and Science Portfolio have also completed the risk management plans for each qualification group and the risk register through contribution, support and consultation during professional development days for the Portfolio.

Risk management philosophy is now well embedded into trade the areas. Other areas also deal with risk in accordance with policy and a sense of responsibility. Q team meetings are well established and focused on the qualification reviews.

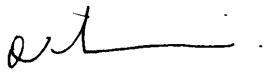
All regional campuses have established OSH risk registers and coordinated Institute-wide disposals of hazardous chemicals and batteries. Delivery teams completed academic risk management assessments as per SWIT training policy. Risk assessments of all plant equipment (and guarding) progressed and safe working procedures as a result are being updated. New plant and equipment with greater safety protection was purchased.

Operational Risks will be a focus in 2013 consolidating and updating all risk registers to ensure currency is maintained.

Certification of Key Performance Indicators

For the year ending 31 December 2012

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 2012.



Dan Perkins
Chairman



Wendy Burns
Managing Director

25 February 2013

25 February 2013

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 1,824,300 SCH. This reduced figure is a reflection on efficiencies required by DTWD.

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

Institute Training Profile					
WADOT Group Description		2011 Achieved	2012 Planned	2012 Achieved	% Achieved
01A	Recreation Sports and Entertainment	63,235	60,934	54,295	89.1%
01B	Visual and Performing Arts	53,120	53,879	49,310	91.5%
01C	Design	11,253	10,009	9,821	98.1%
02A	Automotive	102,909	112,748	108,360	96.1%
03A	Building and Construction	146,624	163,031	143,251	87.9%
03B	Surveying and Building	58,523	57,251	52,664	92.0%
04A	Community Service Workers	45,195	45,871	56,215	122.6%
04B	Education and Childcare	296,000	248,779	196,577	79.0%
04C	Health	140,415	125,747	149,400	118.8%
04D	Library Workers	0	0	0	0
05A	Finance Insurance Property Service Workers	4,443	7,647	7,776	101.7%
06A	Food Trades and Processing	2,090	1,844	6,218	337.2%
07A	Clothing Footwear and Soft Furnishings	12,440	9,884	12,495	126.4%
07B	Furniture Manufacture	21,516	20,762	17,730	85.4%
08A	Communications	0	0	0	0
08B	Printing & Publishing	0	0	0	0
09A	Engineering and Drafting	18,096	17,118	24,170	141.2%
09B	Metal and Mining	93,611	98,491	100,838	102.4%
10A	Animal Care	0	0	0	0
10B	Forestry, Farming and Landcare	45,213	41,480	39,292	94.7%
10C	Fishing	0	0	0	0
10D	Horticulture	61,662	53,837	54,049	100.4%
11A	Process Manufacturing	28,919	15,509	39,932	257.5%
12A	Personal Service	53,087	57,598	55,975	97.2%
12B	Retail	8,064	8,642	3,779	43.7%
13A	Cooking	40,647	41,501	35,184	84.8%
13B	Hospitality	18,181	20,880	18,506	88.6%
13C	Tourism	21,795	31,962	20,465	64.0%
13D	Travel Agents	0	0	0	0
14A	Transport Trades, Storage & Associated	7,100	4,370	6,740	154.2%
15A	Electrical and Electronic Engineering	0	0	0	0
15B	Electrical Trades	66,798	80,680	67,349	83.5%
16A	Accounting and Other Business Services	59,220	53,205	48,270	90.7%
16B	Management	30,050	42,511	38,765	91.2%
16C	Office and Clerical	140,805	134,298	138,605	103.2%
17A	Computing	65,310	69,832	82,650	118.4%
18A	Science and Technical Workers	49,610	47,082	60,113	127.7%
19A	ACE	0	0	0	0
19B	Adult Literacy/ESL	83,570	74,828	79,755	106.6%
19C	Languages	0	0	0	0
19D	Miscellaneous	0	0	0	0
19E	Targeted Access & Participation	34,490	27,843	26,615	95.6%
Profile Delivery		1,883,991	1,840,053	1,805,164	98.1%

Source: South West Institute of Technology 2012 AVETMISS collection

Note:

The total SCH for 2012 includes non profile delivery of 167,486 SCH. The 2012 SCH Profile Target is based upon the directive from the Department of Training and Workforce Development to reduce the Profile Total for SWIT to 1,824,300 for the September Addendum as part of the efficiencies announced across the training sector in WA.

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
2012	\$34,414,774	1,972,650	\$17.44
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

Reasons for Variance:

- increases in salaries costs due to GOSAC and Lecturers' wage increases; and
- increase in supplies and services due to general increases in costs including increases in utilities, contracted services, repairs and maintenance expenses.

Source:

The 2012 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.

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.

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.

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 55,296 with 10,820 usable returns received (response rate of 20%). From a usable population of 3,860 at South West Institute of Technology, 752 usable returns were received (response rate of 19%).

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.

Overall Student Satisfaction					
	2008	2009	2010	2011	2012
SWIT	88%	86.2%	91.1%	89.3%	89.8%
State	85%	85.6%	86.7%	88.4%	86.3%

Note: The weighting system used to calculate the Overall Student Satisfaction percentages for students completing the Student Satisfaction Survey has been changed for the 2012 survey data. The old weighting was applied to WADT Groups, which in some cases meant that excessively large multipliers were applied to very small groups of students. The new weighting method uses the students' age, gender and training provider to weight the data to representative proportions. However, due to this change, it is not advisable to compare the results with the old weightings to the results with the new weightings. Using the previous weighting method the results would differ slightly (SWIT: 90.4%, State: 86.3%).

Source:

Patterson Market Research has conducted the Survey on behalf of the WA Department of Training and Workforce Development since 2010. 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).

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.

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.

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 Student Outcomes Survey is 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. The next Student Outcomes Survey will be conducted in 2013 with the following outcomes being the most relevant for the purpose of this report.

The National 2011 Student Outcomes Survey focused 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.

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.%
	2005	2007	2009	2011	2011	2011
Graduates Employed	80.30%	86.10%	78.80%	82.40%	79.70%	77.10%
Graduates Unemployed	9.00%	4.60%	9.20%	8.50%	9.90%	12.00%
Not in Labour	11.00%	9.30%	11.70%	8.80%	10.00%	10.60%

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	\$11,595.15
Market Research Organisations	Nil	
Polling Organisations	Nil	
Direct Mail Organisations	Nil	
Media Advertising Organisations	Optimum Media Decisions	\$104,250.62

Employment and Industrial Relations

Staff Profile

	2009	2010	2011	2012
Full Time Permanent Staff	158	151	146	146
Full Time Contract Staff	54	54	22	24
Part Time Permanent Staff	80	117	67	71
Part Time Contract Staff	30	46	26	28

Disability Access and Inclusion Plans

Outcome 1

People with disabilities have the same opportunities as others to access services and events at the South West Institute of Technology.

An Accessibility Events checklist is available to all staff on the Institute intranet and is used for planning of 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 others to access the buildings and other facilities of the Institute.

Accessible parking, paths and toilet facilities are available at all campuses. All students have the ability to access the 24/7 Learning Resource Centre in Bunbury which includes; student PCs with Moodle access, all library databases, internet access and printing. These same resources are available remotely for all students from their home PCs. Wireless access for laptops are also made available to students across numerous locations at the Bunbury campus. The roll-out of this service was completed at the other regional campuses throughout 2012. As part of a refurbishment at the Bunbury campus towards the end of 2012, the ramp was rebuilt at the main reception to ensure compliance with Building Code of Australia and accessibility requirements.

Outcome 3

People with disabilities receive information from the Institute in a format that enables them to access the information as readily as others.

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. In 2013 the website will be revised to comply with new Public Sector standards with regards to accessibility.

Course information sheets are made available on the website for all full-time and part-time qualifications. This information is updated regularly and is also available in a printer friendly format. On-line brochures, short courses and external study options are also available on the website. Further information is provided by phone, email or post by the Course Information Services 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 all 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 training in 2012 on how to set up and use ergonomic equipment and assistive technologies.

Outcome 5

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

The Institute 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.

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 in August 2012 including an evening session for parents on pathways and services to assist their child through the transition from school to training or employment.

Compliance with Public Sector Management Act Section 31(1)

During 2012, the Institute received no allegations concerning breaches of Public Sector Standards or Commissioner's Instructions. There were four allegations of breaches of our Code of Conduct and/or misconduct which resulted in two staff members being dismissed in accordance with the Institute's Disciplinary Procedures.

The Code of Conduct was reviewed during 2012 and will undergo a further review in 2013. It is now incorporated into the online staff induction process which will be fully operational during 2013. Reviews of supporting policies and procedures have been partially completed during 2012 and ongoing into 2013 as the online induction progresses.

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

The Institute has identified which positions require a Working With Children's (WWC) Check and ensures that these are obtained by staff and recorded on our HR system. There are mechanisms in place to ensure that staff who have not furnished the necessary clearances or obtained a renewal are regularly reported and followed up on a monthly basis.

Record Keeping Plans

The Institute participates as a member of the State Training Providers (STP) 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.

The Institutes new STP Recordkeeping Plan was approved by the State Records Office (SRO) in December 2012. All policies and procedures were reviewed and updated throughout the year including the preparation of a Records Disaster Recovery Plan.

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. No Freedom of Information requests were received during 2012.

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;
- in-house training sessions conducted for groups and individuals on a needs basis; and
- 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.

Upon review of the efficiency and effectiveness of the Institute's record keeping training, it has been recognised that a more formalised training program would be developed in 2012 and implemented in early 2013. The Records Awareness Training (RAT) program was completed in 2012 and will be incorporated as a part of the Institute's online induction program commencing in February 2013.

Occupational Safety, Health and Injury Management

Statement of Commitment OSH

SWIT's Occupational Safety and Health Policy recognises that the safety and health of our employees and students is the responsibility of management and all 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 Corporate Services is responsible for the appropriate monitoring of this policy with the assistance of SWIT's 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 2012 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 at SWIT through effective communication and consultation; and
4. enhance the safety and health knowledge and behaviours of staff through targeted OSH training.

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 2012.

Statement of Commitment to Injury Management

SWIT will ensure that injured employees will be treated with dignity and respect and 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 as required by medical certification, SWIT 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 at the Institute.

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

In 2012 the committee reviewed and approved a range of new and updated OSH procedures and guidelines and reviewed the operation of the SWIT OSH Management Plan. The procedures that were reviewed and approved for implementation include:

- reviewed and reported on the achievements of the goals within the OSH Strategic Plan 2011 – 2013;
- developed the 2012 OSH Management Plan;
- reviewed the OSH Management System;
- developed a clear OSH Management Planning Process and OSH flow chart;
- reviewed and updated the OSH Quarterly Reporting process;
- developed an internal and external OSH audit schedule;
- developed procedures and guidance on the management of OSH records;
- developed a procedure/guidance note for OSH consultation within the Institute;
- reviewed and updated the procedure for the Resolution of OSH Issues;
- developed and conducted a staff OSH perception survey to assess and identify perceptions and attitudes on OSH;
- reviewed and implemented the Emergency Management Plan;
- developed and implemented an OSH Training Needs Analysis which assists managers to identify the mandatory OSH training requirements;
- developed a monthly OSH Bulletin that focused on topical OSH issues; and
- conducted, evaluated and actioned a range of air monitoring testing to ascertain the level of exposure that SWIT staff and students were encountering in the Mortar Trades Workshop and Painting and Decorating Workshop. As a result of the monitoring, a range of measures were implemented to enhance existing safe guards.

Training

A range of training and awareness programs opportunities were provided for staff in 2012. A total of 85 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;
- first Aid Training;
- OSH Awareness for Managers;
- OSH for Technicians;
- OSH Representative Training; and
- OSH Risk Assessment Training;

During 2012 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 in the areas of:

- confined space;
- working at heights;
- basic scaffold; and
- intermediate scaffold.

Projects

A number of minor works projects were initiated in 2012 to address OSH issues across all campuses and facilities, including:

- upgraded the gas reticulation system for Bunbury Campus Metal Fabrication area;
- upgraded the floor surfaces in the machine shop within the Building & Construction facility on the Bunbury Campus;
- upgraded emergency stops on grinders, brick saws, sanders and bandsaws;

- removed the asbestos from the Administration Building;
- upgraded two electrical distribution boards in Collie;
- upgraded emergency lighting in Collie Campus; and
- repaired sagging roof and replaced suspected asbestos wall sheeting at the Manjimup Campus.

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 during the Induction process 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.

Self-Evaluation of occupational safety and health management system

In 2009 an external review of the safety management system within SWIT was conducted. This review was informed by the requirements of the WorkSafe Plan Assessment Tool.

There were thirty recommendations from the review and SWIT has been working towards the implementation of these. At the date of this report, twenty recommendations have been fully implemented, six have been actioned and are being embedded in the OSH management system and four have been scheduled for action and implementation in 2013.

Performance Data Report

Measure	Actual Results				Results against Target	
	2009	2010	2011	2012	Target	Comment on Result
Number of fatalities	0	0	0	0	0	Achieved
Lost time injury/disease incidence rate	.568	.342	.694	1.39	Zero (0) or 10% improvement on previous 3 years	Not Achieved
Lost time injury severity rate	50	0	50	60	Zero (0) or 10% improvement on previous 3 years	Not Achieved
Percentage of injured workers returned to work within (i) 13 weeks and (ii) 26 weeks	100%	100%	100%	75% 87.5%	Greater than or equal to 80% return to work within 26 weeks	Achieved
Percentage of managers trained in occupational safety and health and injury management responsibilities	7%	90%	0%	62.5%	Greater than or equal to 80%	Not Achieved

As part of our commitment to meeting the requirements of the Governance Framework for State Training Providers, in 2012 the South West Institute of Technology Executive reviewed our arrangements for engagement in corporate planning, development and decision making.

The organizational chart for the Health Protection Agency (HPA) is structured as follows:

- Minister** (at the top, highlighted in grey)
- Managing Director** (reports to the Minister)
- Executive** (reports to the Managing Director)
- Governing Council** (reports to the Minister, with a dashed line to the Managing Director)
- Audit & Risk Committee** (reports to the Governing Council, with a dashed line to the Executive)
- Audit Coordination Group** (reports to the Audit & Risk Committee, with a dashed line to the Executive)
- Business Development Committee** (reports to the Executive)
- OSH Committee** (reports to the Executive)
- Joint Consultative Committee** (reports to the Executive)
- Advisory Committees / Project Groups** (reports to the Executive)
- Staff Engagement Advisory Group** (reports to the Executive)
- Scope of Registration Advisory Group** (reports to the Executive, with a dashed line to the Business Development Committee)
- Information Technology Advisory Group** (reports to the Executive, with a dashed line to the Strategy, Monitoring and Recommendations box)

On the left side, there are three grey boxes representing strategic and advisory functions:

- Management** (top)
- Strategy, Monitoring and Recommendations** (middle)
- Advisory** (bottom)

At the bottom, there are three boxes representing communication and team meetings:

- Communication and Operational Focus** (left)
- Management Forum** (middle)
- Team Meetings** (right, spanning across the bottom)

As a key part of the decision making process is risk and in line with this context in 2011 the Institute developed a Risk Appetite Statement which was approved by the Governing Council. 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.

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.

Certification of Financial Statements

For the year ended 31 December 2012

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 2012 and the financial positions as at 31 December 2012.

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

25 February 2013

25 February 2013



Jenny Duncan
Manager Finance

25 February 2013

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 2012, 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 2012 and its financial performance and cash flows for the year then ended. They are in accordance with Australian Accounting Standards and the Treasurer's Instructions.

Report on Controls

I have audited the controls exercised by the South West Institute of Technology during the year ended 31 December 2012.

Controls exercised by the South West Institute of Technology are those policies and procedures established by the Governing Council to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions.

Governing Council's Responsibility for Controls

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

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the controls exercised by the 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 during the year ended 31 December 2012.

Report on the Key Performance Indicators

I have audited the key performance indicators of the South West Institute of Technology for the year ended 31 December 2012.

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

Governing Council's Responsibility for the Key Performance Indicators

The Governing Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the Financial Management Act 2006 and the Treasurer's Instructions and for such controls as the Governing Council determines necessary to ensure that the key performance indicators fairly represent indicated performance.

Auditor's Responsibility

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

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

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

Opinion

In my opinion, the key performance indicators of the 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 2012.

Independence

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

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

This auditor's report relates to the financial statements and key performance indicators of the South West Institute of Technology for the year ended 31 December 2012 included on the Institute's website. The Institute's management are responsible for the integrity of the Institute's website. This audit does not provide assurance on the integrity of the Institute's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



GLEN CLARKE
DEPUTY AUDITOR GENERAL
Delegate of the Auditor General for Western Australia
Perth, Western Australia
28 February 2013

Statement of Comprehensive Income for the Year Ended 31 December 2012

		<u>2012</u>	<u>2011</u>
		\$	\$
COST OF SERVICES	Notes		
<u>Expenses</u>			
Employee benefits expense	6	22,753,827	22,795,303
Supplies and services	7	7,420,623	7,462,289
Depreciation and amortisation expense	8	1,954,433	1,706,569
Grants and subsidies	9	6,453	10,452
Cost of sales	14	561,598	538,666
Other expenses	10	1,717,840	1,635,759
Total cost of services		34,414,774	34,149,038
<u>Income</u>			
<u>Revenue</u>			
Fee for service	11	1,147,395	1,138,323
Student fees and charges	12	3,502,945	3,360,478
Ancillary trading	13	110,033	109,180
Sales	14	566,877	571,513
Commonwealth grants and contributions	15	2,750	27,750
Interest revenue	16	557,655	383,614
Other revenue	17	844,550	583,668
Total revenue		6,732,205	6,174,526
Gains			
Gain on disposal of non-current assets	18	7,555	4,136
Total gains		7,555	4,136
Total income other than income from State Government		6,739,760	6,178,662
NET COST OF SERVICES		(27,675,014)	(27,970,376)
INCOME FROM STATE GOVERNMENT			
Service appropriation	19	26,878,350	27,367,897
Resources received free of charge	19	871,644	657,625
Total income from State Government		27,749,994	28,025,522
SURPLUS / (DEFICIT) FOR PERIOD		74,980	55,146
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	29	1,475,368	7,895,096
Total other comprehensive income		1,475,368	7,895,096
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		1,550,348	7,950,242

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

Statement of Financial Position as at 31 December 2012

		<u>2012</u>	<u>2011</u>
ASSETS	Notes	\$	\$
<u>Current Assets</u>			
Cash and cash equivalents	30	8,015,183	7,029,776
Restricted cash and cash equivalents	20	1,064,792	-
Inventories	21	159,935	161,103
Receivables	22	654,872	329,247
Other current assets	23	160,038	80,604
Total Current Assets		10,054,820	7,600,730
<u>Non-Current Assets</u>			
Restricted cash and cash equivalents	20	364,527	235,533
Property, plant and equipment	24	55,043,372	55,207,401
Total Non-Current Assets		55,407,899	55,442,934
TOTAL ASSETS		65,462,719	63,043,664
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Payables	26	928,104	735,417
Provisions	27	3,266,643	3,315,119
Other current liabilities	28	1,015,909	182,172
Total Current Liabilities		5,210,656	4,232,708
<u>Non-Current Liabilities</u>			
Provisions	27	969,884	1,081,103
Other non-current liabilities	28	10,570	8,592
Total Non-Current Liabilities		980,454	1,089,695
TOTAL LIABILITIES		6,191,110	5,322,403
NET ASSETS		59,271,609	57,721,261
<u>Equity</u>			
Contributed equity	29	8,205,794	8,205,794
Reserves	29	33,723,351	32,247,983
Accumulated surplus/ (deficit)	29	17,342,464	17,267,484
TOTAL EQUITY		59,271,609	57,721,261

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 2012

		Contributed Equity	Reserves	Accumulated surplus / (deficit)	Total Equity
	Note	\$	\$	\$	\$
Balance at 1 January 2011	29	8,205,794	24,352,887	17,212,338	49,771,019
Changes in accounting policy or correction of prior period errors		-	-	-	-
Restated balance at 1 Jan 2011		8,205,794	24,352,887	17,212,338	49,771,019
Surplus/(Deficit)				55,146	55,146
Other comprehensive income		-	7,895,096	-	7,895,096
Total comprehensive income for the period		-	7,895,096	55,146	7,950,242
Balance at 31 December 2011		8,205,794	32,247,983	17,267,484	57,721,261
Balance at 1 January 2012		8,205,794	32,247,983	17,267,484	57,721,261
Surplus/(deficit)				74,980	74,980
Other comprehensive income		-	1,475,368	-	1,475,368
Total comprehensive income for the period		-	1,475,368	74,980	1,550,348
Balance at 31 December 2012		8,205,794	33,723,351	17,342,464	59,271,609

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

Statement of Cash Flows for the Year Ended 31 December 2012

		<u>2012</u>	<u>2011</u>
	Notes	\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation–Dept of Training & Workforce Development		26,778,990	25,551,172
Net cash provided by State Government		26,778,990	25,551,172
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(22,755,333)	(20,033,704)
Supplies and services		(6,603,973)	(6,712,659)
Grants and subsidies		(6,453)	(10,452)
GST payments on purchases		(747,201)	(729,424)
GST payments to taxation authority		(115,538)	-
Other payments		(1,775,359)	(1,644,132)
Receipts			
Fee for service		1,011,258	1,099,044
Student fees and charges		3,375,919	3,410,870
Ancillary trading		110,033	109,180
Commonwealth grants and contributions		838,465	27,750
Bookshop trading profit		6,447	
Interest received		565,209	374,288
GST receipts from on sales		118,814	130,969
GST receipts from taxation authority		775,063	590,016
Other receipts		844,550	616,515
Net cash provided by / (used in) operating activities	30	(24,358,099)	(22,771,739)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of non-current physical assets		7,555	4,136
Purchase of non-current physical assets		(249,253)	(188,693)
Purchase of investment		-	1,000,000
Net cash provided by / (used in) investing activities		(241,698)	815,443
Net increase / (decrease) in cash and cash equivalents		2,179,193	3,594,876
Cash and cash equivalents at the beginning of period		7,265,309	3,670,433
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	30	9,444,502	7,265,309

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

Notes to the Financial Statements for the Year Ended 31 December 2012

1. Australian Accounting Standards

(a) General

The Institute's financial statements for the year ended 31 December 2012 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations made by the Australian Accounting Standards Board (AASB).

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

(b) Early adoption of standards

The Institute cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. 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 2012.

2. Summary of significant accounting policies

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

(a) General Statement

The Institute is a not-for-profit reporting entity that prepares general purpose financial statements in accordance with Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the Treasurer's instructions. Several of these are modified by the Treasurer's instructions to vary application, disclosure, format and wording.

The Financial Management Act and the 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 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 of the Institute only.

(d) Contributed equity

AASB Interpretation 1038 '*Contributions by Owners Made to Wholly-Owned Public Sector Entities*' requires transfers, in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital appropriations have been designated as contributions by owners per TI 955 '*Contributions by Owners Made to Wholly Owned Public Sector Entities*' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by/distributions to owners to where the transfers are non-discretionary and non-reciprocal. See note 29 'Equity'.

(e) Income

Revenue recognition

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

Note 2 Continued.

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

Sale of goods

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

Provision of services

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

Interest

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

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the Institute obtains control over the assets comprising the contributions, usually 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 will be expended in a specified manner, and those conditions had yet to be made at the end of the reporting period, the amounts and nature of, and the conditions attaching to them are disclosed in the notes.

Where contributions recognised as revenues during the reporting period were obtained specifically for the provision of goods and services over a future period, the amounts and nature of, and the periods to which they relate are to be disclosed.

Where contributions recognised as revenues in a previous reporting period were obtained in respect of the current reporting period, the amounts and nature of are to be disclosed.

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.

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**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.

Note 2 Continued.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 24 'Property, plant and equipment' for further information on revaluations.

In this model, the agency has recognised revaluations annually. However, AASB116.31 only requires revaluations to be made with sufficient regularity to ensure that the carrying amount does not differ materially from that would be determined using fair value at the end of the reporting period. See also note 24 "Property, plant and equipment.

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets as described in note 24 'Property, plant and equipment'.

Depreciation

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

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)}

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

Land is not depreciated.

(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.

Note 2 Continued.

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.

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

See note 25 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(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)
- Restricted cash and cash equivalents
- Receivables
- Term deposits

Financial liabilities

- Payables

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

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

(j) Cash and cash equivalents

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

(k) Accrued salaries

Accrued salaries (see note 26 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The Institute considers the carrying amount of accrued salaries to be equivalent to its 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 (See note 21 '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.

Note 2 Continued.

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.

(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 26 '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 27 'Provisions'.

i. Provisions - employee benefits

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

Annual leave

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

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

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions, as well as the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows. The provision for annual leave is classified as a current liability as the Institute does not have an unconditional right to 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 end of the reporting period is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled. Long service leave not expected to be settled within 12 months after the reporting period is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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

Unconditional long service leave provisions are classified as current liabilities as the Institute does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period. 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.

Note 2 Continued.

An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers Securities Ltd Actuaries at 31 December 2012 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 end of 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) and other funds in accordance with legislative requirements administers public sector superannuation arrangements in WA. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

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 GESB 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). From 30 March 2012, existing members of the WSS or GESBS and new employees were able to choose their preferred superannuation fund.

The Institute makes concurrent contributions to GESB or other funds on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these schemes extinguish the institute's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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 27 '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), the GESB Super Scheme (GESBS) and other superannuation funds.

(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.

Note 2 Continued.**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.

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 2012 that impacted on the Institute.

AASB 1048 *Interpretation of Standards*

This Standard identifies the Australian Interpretations and classifies them into two groups: those that correspond to an IASB Interpretation and those that do not. There is no financial impact.

AASB 1054 *Australian Additional Disclosures*

This Standard, in conjunction with AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project*, removes disclosure requirements from the other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

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

This Standard introduces additional disclosure relating to transfers of financial assets in AASB 7. An entity shall disclose all transferred financial assets that are not derecognised and any continuing involvement in a transferred asset, existing at the reporting date, irrespective of when the related transfer transaction occurred. There is no financial impact.

AASB 2011-1 *Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Int 2, 112 & 113]*

This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.

Voluntary changes in accounting policy

No voluntary changes in accounting policy have been made.

Future impact of Australian Accounting Standards not yet operative

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

Note 5 Continued.

Title	Operative for reporting periods	Beginning on/after
AASB 9	<i>Financial Instruments</i> This Standard supersedes AASB 139 <i>Financial Instruments: Recognition and Measurement</i> , introducing a number of changes to accounting treatments. The mandatory date of this Standard was amended to 1 January 2015. The Institute has not yet determined the application or the potential impact of the Standard for agencies.	1 Jan 2015
AASB 13	<i>Fair Value Measurement</i> This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. The Authority has liaised with the Western Australian Land Information Authority (Valuation Services) to ensure that sufficient information will be provided to meet the disclosure requirements of this Standard. There is no financial impact.	1 Jan 2013
AASB 119	<i>Employee Benefits</i> This Standard supersedes AASB 119 (October 2010). As the Department does not operate a defined benefit plan, the impact of the change is limited to measuring annual leave as a long-term employee benefit. The resultant discounting of the annual leave benefit has an immaterial impact.	1 Jan 2013
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]. [modified by AASB 2010-7.]	1 Jan 2013
AASB 2009-11	Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]. [modified by AASB 2010-7.]	1 Jan 2013
AASB 2010-2	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 1, 2, 3, 5, 7, 8, 101, 102, 107, 108, 110, 111, 112, 116, 117, 119, 121, 123, 124, 127, 128, 131, 133, 134, 136, 137, 138, 140, 141, 1050 & 1052 and Interpretations 2, 4, 5, 15, 17, 127, 129 & 1052]</i> This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements for certain types of entities. There is no financial impact.	1 July 2013
AASB 2010-7	<i>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</i> This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i> This Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. There is no financial impact.	1 July 2013
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i> This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in September 2011. There is no financial impact.	1 Jan 2013
AASB 2011-9	<i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</i> This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). The Institute has not yet determined the application or the potential impact of the Standard.	1 Jul 2012

Note 5 Continued.

Title	Operative for reporting periods	Beginning on/after
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]</i> This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 in September 2011. There is limited financial impact.	1 Jan 2013
AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements</i> This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (September 2011). There is no financial impact.	1 Jul 2013
AASB 2012-1	<i>Amendments to Australian Accounting Standards - Fair Value Measurement - Reduced Disclosure Requirements [AASB 3, 7, 13, 140 & 141]</i> This Standard establishes and amends reduced disclosure requirements for additional and amended disclosures arising from AASB 13 and the consequential amendments implemented through AASB 2011-8. There is no financial impact.	1 Jul 2013
AASB 2012-2	<i>Amendments to Australian Accounting Standards – Disclosures – Offsetting Financial Assets and Financial Liabilities [AASB 7 & 132]</i> This Standard amends the required disclosures in AASB 7 to include information that will enable users of an entity's financial statements to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with the entity's recognised financial assets and recognised financial liabilities, on the entity's financial position. The Standard was issued in June 2012. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2012-3	<i>Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities [AASB 132]</i> This Standard adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement. The Standard was issued in June 2012. The Authority has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
AASB 2012-5	<i>Amendments to Australian Accounting Standards arising from Annual Improvements 2009-11 Cycle [AASB 1, 101, 116, 132 & 134 and Int 2]</i> This Standard makes amendments to the Australian Accounting Standards and Interpretations as a consequence of the annual improvements process. The Standard was issued in June 2012. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jan 2014
AASB 2012-6	<i>Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures [AASB 9, 2009-11, 2010-7, 2011-7 & 2011-8]</i> This Standard amends the mandatory effective date of AASB 9 <i>Financial Instruments</i> to 1 January 2015 (instead of 1 January 2013). Further amendments are also made to numerous consequential amendments arising from AASB 9 that will now apply from 1 January 2015. The Standard was issued in September 2012. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jan 2013
AASB 2012-7	<i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements [AASB 7, 12, 101 & 127]</i> This Standard adds or amends the Australian Accounting Standards – Reduced Disclosure Requirements for AASB 7 <i>Financial Instruments: Disclosures</i> , AASB 12 <i>Disclosure of Interests in Other Entities</i> , AASB 101 <i>Presentation of Financial Statements</i> and AASB 127 <i>Separate Financial Statements</i> . The Standard was issued in September 2012. The Institute has not yet determined the application or the potential impact of the Standard.	1 Jul 2013

6. Employee Benefits Expense

	<u>2012</u>	<u>2011</u>
	\$	\$
Wages and salaries ^(a)	20,780,653	20,924,795
Superannuation - defined contribution plans ^(b)	1,973,174	1,870,508
	22,753,827	22,795,303

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

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

Employment on-costs such as workers' compensation insurance are included at note 10 'Other expenses'.
Employment on-costs liability is included at note 27 'Provisions'.

7. Supplies and Services

	<u>2012</u>	<u>2011</u>
	\$	\$
Consumables and minor equipment	1,595,956	1,408,693
Communication expenses	202,900	204,894
Utilities expenses	776,816	733,864
Consultancies and contracted services	2,575,499	2,402,207
Minor works	973,155	765,921
Repairs and maintenance	90,524	114,210
Operating lease and hire charges	574,345	510,792
Travel and passenger transport	84,731	708,400
Advertising and public relations	188,476	174,638
Supplies and services - other	358,221	438,670
	7,420,623	7,462,289

8. Depreciation and Amortisation Expense

	<u>2012</u>	<u>2011</u>
<u>Depreciation</u>	\$	\$
Buildings	1,546,624	1,305,726
Motor vehicles, caravans and trailers	17,027	17,592
Plant, furniture and general equipment	290,095	289,837
Computers and communication network	100,687	93,414
Total Depreciation	1,954,433	1,706,569

9. Grants and Subsidies

	<u>2012</u>	<u>2011</u>
Recurrent	\$	\$
Other- Apprentice Travel Subsidy	6,453	10,452
	6,453	10,452

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10. Other Expenses

	<u>2012</u>	<u>2011</u>
	\$	\$
Building maintenance	415,020	296,785
Doubtful debts expense	21,815	32,544
Employment on-costs (a)	1,272,297	1,300,548
Student Prizes & Awards	8,608	6,482
Losses and write-offs	100	-
Other (b)	-	(600)
Total	1,717,840	1,635,759

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 27 'Provisions'.

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

(b) In 2011 includes internal IT charges to business units.

11. Fee for Service

	<u>2012</u>	<u>2011</u>
	\$	\$
Fee for service - general	1,147,395	1,126,534
Fee for service – Department of Training and Workforce Development	-	11,789
Total	1,147,395	1,138,323

12. Student Fees and Charges

	<u>2012</u>	<u>2011</u>
	\$	\$
Tuition fees	1,926,084	1,809,048
Enrolment fees	-	3,667
Resource fees	1,468,587	1,438,745
Other Institute fees	108,274	109,018
Total	3,502,945	3,360,478

13. Ancillary Trading

	<u>2012</u>	<u>2011</u>
	\$	\$
Live works (not a trading activity)	110,033	109,180
Total	110,033	109,180

14. Trading Profit

	<u>2012</u>	<u>2011</u>
	\$	\$
Sales	566,877	571,513
Cost of sales:		
Opening inventory	(161,103)	(130,390)
Purchases	(560,430)	(569,379)
	(721,533)	(699,769)
Closing inventory	159,935	161,103
Cost of goods sold	(561,598)	(538,666)
Trading Profit / (Loss) - Bookshop	5,279	32,847

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

15. Commonwealth Grants and Contributions

	<u>2012</u>	<u>2011</u>
	\$	\$
Commonwealth specific purpose grants and contributions	2,750	27,750
	2,750	27,750

These grants include an Innovations Federal Grant in 2011 & traineeship incentive payments in 2011 and 2012.

16. Interest Revenue

	<u>2012</u>	<u>2011</u>
	\$	\$
Interest Revenue	557,655	383,614
Total	557,655	383,614

17. Other Revenue

	<u>2012</u>	<u>2011</u>
	\$	\$
Rental and facilities fees	610,681	481,030
Sponsorship and donations revenue	7,150	5,000
Recoups of secondments	92,716	10,380
Insurance recovery	101,375	65,265
Miscellaneous revenue	32,628	21,993
Total	844,550	583,668

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

	<u>2012</u>	<u>2011</u>
	\$	\$
<u>Costs of disposal of non-current assets</u>		
Motor vehicles, caravans and trailers	-	-
Plant, furniture and general equipment	-	-
Total cost of disposal of non-current assets	-	-
 <u>Proceeds from Disposal of Non-Current Assets</u>		
Motor vehicles, caravans and trailers	-	-
Plant, furniture and general equipment	7,555	4,136
Total proceeds from disposal of non-current assets	7,555	4,136
Net gain / (loss)	7,555	4,136

See also note 24 'Property, plant and equipment'

19. Income from State Government**Appropriation received during the year****Service appropriation**

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Delivery and Performance Agreement (DPA)	26,708,344	24,625,170
Other recurrent funds	170,006	2,742,727
Total State funds	26,878,350	27,367,897

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

Department of Training and Workforce Development

- Corporate systems support	637,821	528,274
- Marketing and publications	-	-
- Human resources, industrial relations support	22,598	18,955
- Other	211,225	110,396
Total resources received free of charge	871,644	657,625
Total Income from State Government	27,749,994	28,025,522

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

(b) *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.*

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

20. Restricted Cash and Cash Equivalents

	<u>2012</u>	<u>2011</u>
Current	\$	\$
Specific capital works projects and equipment (a)	1,064,792	-
	1,064,792	-

(a) \$750k relates to state equipment funding provided for the Heavy Duty Automotive Centre that will be spent early in 2013; Capital works projects includes state funding for security fencing of \$95,754 and the ventilation project funding of \$219,038 which will be completed early in 2013.

	<u>2012</u>	<u>2011</u>
Non-Current	\$	\$
Salary allowance and provision (b)	364,527	235,533
	364,527	235,533

(b) 27th pay provision

21. Inventories

	<u>2012</u>	<u>2011</u>
<u>Current</u>	\$	\$
Inventories held for resale:		
Bookshop (at cost)	159,935	161,103
Total	159,935	161,103

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

22. Receivables

	<u>2012</u>	<u>2011</u>
Current	\$	\$
Receivables -trade	166,057	124,818
Receivables - students	179,786	52,760
Accrued income	248,812	69,201
Allowance for impairment of receivables	(18,907)	(17,123)
GST receivable	79,123	99,591
Total Current	654,871	329,246
Reconciliation of changes in the allowance for impairment of receivables:		
Balance at start of period	17,123	41,816
Doubtful debts expense	21,815	32,544
Amounts written off during the period	(20,032)	(57,237)
Balance at End of Period	18,906	17,123

The Institute does not hold any collateral or other credit enhancements as security for receivables.
See also note 2(m) 'Receivables' and note 36 'Financial instruments'.

23. Other current assets

	<u>2012</u>	<u>2011</u>
<u>Current</u>	\$	\$
Prepayments	160,038	80,604
	160,038	80,604

24. Property, Plant and Equipment

	<u>2012</u>	<u>2011</u>
Land	\$	\$
At fair value ^(a)	3,180,000	2,480,000
	3,180,000	2,480,000
Buildings		
At fair value ^(a)	50,665,936	51,423,000
Accumulated depreciation ^(b)	(11,886)	(9,630)
	50,654,050	51,413,370
Capital Works in Progress		
Construction costs – air conditioning upgrade	65,782	-
	65,782	-
Motor Vehicles, Caravans and Trailers		
At cost	464,298	427,956
Accumulated depreciation	(406,491)	(389,464)
	57,807	38,491
Plant, Furniture and General Equipment		
At cost	3,150,451	3,152,936
Accumulated depreciation	(2,287,519)	(2,123,924)
	862,932	1,029,011
Computer Equipment, Communication Network		
At cost	1,524,662	1,570,246
Accumulated depreciation	(1,301,861)	(1,323,717)
	222,801	246,529
	55,043,372	55,207,401

- a. Freehold land and buildings were revalued as at 31 December 2012 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 31 December 2012 and recognised at 31 December 2012. 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.

Note 24 Continued.

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

2012	Land	Buildings	Capital works in progress	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
Carrying amount at start of year	2,480,000	51,413,370	-	38,491	1,029,011	246,529	55,207,401
Additions	-	11,936	65,782	36,343	124,016	76,959	249,253
Transfers	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Revaluation Increments/ (decrements)	700,000	775,368	-	-	-	-	1,475,368
Depreciation expense	-	(1,546,624)	-	(17,027)	(290,095)	(100,687)	(1,954,433)
Carrying amount at end of year	3,180,000	50,654,050	65,782	57,807	862,932	222,801	55,043,372

2011	Land	Buildings	Capital works in progress	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

25. Impairment of Assets

There were no indications of impairment of property plant and equipment as at 31 December 2012.

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 2012 have either been classified as assets held for sale or written off.

26. Payables

	<u>2012</u>	<u>2011</u>
Current	\$	\$
Trade Payables	777	3,125
GST Payable	6,560	-
Accrued Expenses	345,840	315,554
Accrued Salaries and Wages	574,927	416,738
Total	928,104	735,417

27. Provisions

	<u>2012</u>	<u>2011</u>
Current	\$	\$
<i>Employee benefits provision</i>		
Annual leave (a)	1,180,584	1,400,786
Long service leave (b)	1,865,483	1,670,715
	3,046,067	3,071,501
<i>Other provisions</i>		
Employment on-costs (c)	220,576	243,618
Total current	3,266,643	3,315,119
Non-current		
<i>Employee benefits provision</i>		
Long service leave (b)	904,463	1,002,465
	904,463	1,002,465
<i>Other provisions</i>		
Employment on-costs (c)	65,421	78,638
Total non-current	969,884	1,081,103

(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:

	<u>2012</u>	<u>2011</u>
	\$	\$
Within 12 months of the end of the reporting period	840,106	1,008,811
More than 12 months after the end of the reporting period	340,478	391,975
	1,180,584	1,400,786

Note 27 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:

	<u>2012</u>	<u>2011</u>
	\$	\$
Within 12 months of the end of the reporting period	501,670	515,986
More than 12 months after the end of the reporting period	2,268,275	2,157,194
	2,769,945	2,673,180

- (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.

	<u>2012</u>	<u>2011</u>
	\$	\$
Employment on-cost provision		
Carrying amount at start of period	322,256	253,626
Payments/other sacrifices of economic benefits	37,823	68,630
Carrying amount at end of period	360,079	322,256

28. Other Liabilities

	<u>2012</u>	<u>2011</u>
<u>Current</u>	\$	\$
Income received in advance ^(a)	265,909	182,172
Grants and advances	750,000	-
Total other current liabilities	1,015,909	182,172
<u>Non-current</u>		
Other ^(b)	10,570	8,592
Total other non-current liabilities	10,570	8,592

- (a) Income received in advance comprises:

Other Government (Commonwealth) funding, tenders and grants invoiced in 2012, but are expected to be completed in 2013.

Student fees received in 2012 that relates to 2013 enrolments. Equipment funding from DTWD for the new auto centre due for completion in 2013.

- (b) Relates to stale cheques.

29. Equity

Equity represents the residual interest in the net assets of the Institute. The Government holds the equity interest in the net assets of the Institute. 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.

	<u>2012</u>	<u>2011</u>
	\$	\$
<u>Contributed Equity</u>		
Balance at start of period	8,205,794	8,205,794
Balance at end of period	8,205,794	8,205,794
<u>Reserves</u>		
<i>Asset revaluation surplus</i>		
Balance at start of period	32,247,983	24,336,943
Changes in accounting policy or correction of prior period errors (a)	-	15,944
Buildings	775,368	9,945,096
Land	700,000	(2,050,000)
Balance at end of period	33,723,351	32,247,983
<u>Accumulated surplus / (deficit)</u>		
Balance at start of period	17,267,484	17,223,280
Changes in accounting policy or correction of prior period errors (a)	-	(10,942)
Restated balance as at start of period	17,267,484	17,212,338
Result for the period	74,980	55,146
Balance at end of period	17,342,464	17,267,484
Total Equity at the end of the period	59,271,609	57,721,261

(a) 2011 - Relates to assets in suspense accounts at the end of 2010.

30. 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:

	<u>2012</u>	<u>2011</u>
	\$	\$
Cash and cash equivalents	9,079,975	7,029,776
Restricted cash and cash equivalents (refer to note 20 'Restricted cash and cash equivalents')	364,527	235,533
	9,444,502	7,265,308
Reconciliation of net cost of services to net cash flows provided by/(used in) Operating activities		
Net cost of services	(27,675,014)	(27,970,367)
Non-cash items:		
Depreciation and amortisation expense	1,954,433	1,706,569
Doubtful debts expense	21,915	(24,693)
Superannuation expense	-	1,870,508
Resources received free of charge	871,644	657,625
Net (gain)/loss on sale of property, plant and equipment	-	4,136
Asset revaluation decrement	-	-
(Increase)/decrease in assets:		
Current receivables (a)	(346,093)	1,788
Current inventories	1,168	(30,713)
Prepayments	(79,434)	16,320
Increase/(decrease) in liabilities		
Current payables (a)	186,124	127,307
Current provisions	(48,476)	743,978
Other current liabilities	833,737	53,783
Non-current provisions	(111,219)	119,785
Other non-current liabilities	1,978	(513)
Net GST receipts/(payments) (b)	31,138	12,270
Net cash provided by/(used in) operating activities	(24,358,099)	(22,712,226)

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

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

31. 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.

32. CommitmentsLease 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:

	<u>2012</u>	<u>2011</u>
	\$	\$
Within 1 year	449,239	358,817
Later than 1 year and not later than 5 years	646,911	889,079
Total	1,096,150	1,247,896
Representing:		
Non-cancellable operating leases	1,277,138	1,247,896
	1,277,138	1,247,896

The Institute has a photocopier lease, motor vehicle lease and property lease. Also included in the commitments are purchase orders outstanding at year end. These commitments are all inclusive of GST.

Capital expenditure commitments

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Within 1 year	1,064,792	-
Total	1,064,792	-

33. Contingent liabilities and contingent assets

No contingent liabilities or assets exist as at 31 December 2012.

34. 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 2012.

35. Explanatory Statement

Significant variations between estimates and actual results for 2012 and between the actual results for 2011 and 2012 are shown 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 2012.

	<u>2012</u> Estimate	<u>2012</u> Actual	Variance
	\$	\$	\$
Revenue			
Service Appropriation	27,468,395	26,878,350	590,045

Service Appropriation

This variance is a result of an accrual processed at year end for \$750k revenue for the Heavy Duty Automotive Centre from the Department of Training and Workforce Development which will be spent in 2013.

Significant Variances between actual result for 2011 and 2012

	<u>2012</u> Actual	<u>2011</u> Actual	Variation
	\$	\$	\$
Income			
Other Revenue	844,550	583,668	260,882

Other Revenue

Other Revenue has increased in 2012 due to several factors including the recoup of a manager's salary whilst on secondment, insurance recoups and partnerships between other State Training Providers.

36. Financial Instruments**(a) Financial Risk Management Objectives and policies**

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

Credit risk

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

The maximum exposure to credit risk at 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 shown in the table at note 36 (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.

Note 36 Continued.**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 36(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:

	<u>2012</u>	<u>2011</u>
<u>Financial Assets</u>	\$	\$
Cash and cash equivalent	8,015,183	7,029,776
Restricted cash and cash equivalent	1,429,319	235,533
Receivables (a)	575,748	229,656
<u>Financial Liabilities</u>		
Payables	928,103	735,417

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

(c) Financial Instrument Disclosure**Credit risk**

The following table discloses the Institute's maximum exposure to credit risk and the ageing analysis of financial assets. The Institute's maximum exposure to credit risk at the end of the reporting period is the carrying 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.

Note 36 Continued.

Ageing analysis of financial assets

Past due but not impaired

	Carrying Amount	Not past due and not impaired	Up to 1 month	1-3 months	3 months to 1 year	1-5 years	Impaired Financial Assets
2012	\$	\$	\$	\$	\$	\$	\$
Financial Assets							
Cash and cash equivalent	8,015,183	8,015,183	-	-	-	-	-
Restricted cash and cash equivalent	1,429,319	1,429,319	-	-	-	-	-
Receivables (a)	575,748	332,251	118,281	11,541	104,084	9,591	-
	10,020,250	9,776,753	118,281	11,541	104,084	9,591	-
2011							
Financial Assets							
Cash and cash equivalent	7,029,776	7,022,076	-	-	-	-	-
Restricted cash and cash equivalent	235,533	235,533	-	-	-	-	-
Receivables (a)	229,656	134,537	49,611	10,128	29,893	5,487	-
	7,494,965	7,392,146	49,611	10,128	29,893	5,487	-

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

Note 36 Continued.

Liquidity risk and interest rate exposure

The following table details the contractual maturity analysis for the Institute's financial assets and 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	Interest rate exposure			Nominal Amount	Maturity Dates			
		Carrying Amount	Variable Interest Rate	Non-Interest Bearing		Up to 1 month	1-3 months	3-12 months	1-5 years
2012	%	\$	\$	\$	\$	\$	\$	\$	\$
<u>Financial Assets</u>									
Cash and cash equivalent	4.82	8,015,183	8,015,183	-	8,015,183	8,015,183	-	-	-
Restricted cash and cash equivalent	1.32	1,429,319	1,429,319	-	1,429,319	1,429,319	-	-	-
Receivables (a)	-	575,748	-	575,748	575,748	575,748	-	-	-
		10,020,250	9,444,502	575,748	10,020,250	10,020,250	-	-	-
<u>Financial Liabilities</u>									
Payables	-	921,542	-	921,542	921,542	921,542	-	-	-
		921,542	-	921,542	921,542	921,542	-	-	-
2011									
<u>Financial Assets</u>									
Cash and cash equivalent	6.42	7,029,776	7,029,776	-	7,029,776	7,029,776	-	-	-
Restricted cash and cash equivalent	3.91	235,533	235,533	-	235,533	235,533	-	-	-
Receivables (a)	-	229,655	-	229,655	229,655	229,655	-	-	-
		7,494,964	7,265,309	229,655	7,494,964	7,494,964	-	-	-
<u>Financial Liabilities</u>									
Payables	-	735,418	-	735,418	735,418	735,418	-	-	-
		735,418	-	735,418	735,418	435,418	-	-	-

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

Note 36 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.

2012	Carrying amount	- 100 Basis Points		+ 100 Basis Points	
		Surplus	Equity	Surplus	Equity
	\$	\$	\$	\$	\$
Financial Assets					
Cash and cash equivalent	8,015,183	(80,152)	(80,152)	80,152	80,152
Restricted Cash and cash equivalent	1,429,319	(1,429)	(1,429)	1,429	1,429
Total Increase/(Decrease)		(81,581)	(81,581)	81,581	81,581

2011	Carrying amount	- 100 Basis Points		+ 100 Basis Points	
		Surplus	Equity	Surplus	Equity
	\$	\$	\$	\$	\$
Financial Assets					
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
Total Increase/(Decrease)		(70,534)	(70,534)	70,534	70,534

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.

37. Remuneration of members of the accountable authority and senior officers**Remuneration of Members of the accountable authority**

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

	<u>2012</u>	<u>2011</u>
\$		
\$0 - \$10,000	8	11
\$230,001 - \$240,000	1	1
\$	\$	\$
Cash remuneration received in relation to 2011/2012	222,185	221,835
Other benefits	23,652	23,026
Total remuneration of the members of the accountable authority is:	245,837	244,861

Remuneration of senior officers

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

	<u>2012</u>	<u>2011</u>
\$	\$	\$
\$ 0 - \$10,000	-	1
\$10,001 - \$20,000	-	1
\$50,001 - \$60,000	1	-
\$90,001 - \$100,000	1	-
\$100,001 - \$110,000	1	-
\$110,001 - \$120,000	3	5
\$120,001 - \$130,000	2	5
\$130,001 - \$140,000	5	4
\$140,001 - \$150,000	2	1
\$150,001 - \$160,000	1	-
\$	\$	\$
Cash remuneration received in relation to 2011/2012	1,623,860	1,566,857
Annual leave and long service leave accruals	156,306	60,502
Other benefits	176,472	166,783
The total remuneration of senior officers is:	1,956,638	1,794,141

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

No Senior Officers are members of the Pension Scheme.

38. Remuneration of auditor

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

	<u>2012</u>	<u>2011</u>
	\$	\$
Auditing the accounts, financial statements and performance indicators.	68,000	59,500

39. Related bodies

The Institute has no related bodies.

40. Affiliated bodies

The Institute has no affiliated bodies.

41. Supplementary financial information

	<u>2012</u>	<u>2011</u>
<u>Write-Offs</u>	\$	\$
Bad debts	20,032	57,237
Other- cash shortages	100	-
Total	20,132	57,237

42. Schedule of income and expenditure by service

In accordance with Section 40 of the Financial Management Act 2006, State Training Providers are required to prepare and submit annual estimates of the financial operations of the Institute for the following year to the Minister of Training and Workforce Development; Corrective Services for approval by 30 September each year. The South West Institute of Technology submitted its 2013 financial estimates to the Minister for Training and Workforce Development; Corrective Services on 18 September 2012.

2013 Forward Financial Estimates**Statement of Comprehensive Income****COST OF SERVICES****Expenses**

	<u>2013</u>
	\$
Employee benefits expense	23,201,430
Supplies and services	7,575,000
Depreciation and amortisation expense	1,785,000
Grants and subsidies	5,100
Cost of Sales	561,000
Other expenses	1,572,157
Total Cost of Services	34,699,687

Income**Revenue**

Fee for service	1,442,545
Student fees and charges	3,670,000
Ancillary trading	112,200
Sales	585,000
Commonwealth grants and contributions	5,100
Interest revenue	433,000
Other revenue	700,000
Total Revenue	6,947,845
Gains	
Gain on disposal of non-current assets	5,000
Total Gains	5,000

Total income other than from State Government	6,952,845
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NET COST OF SERVICES	(27,746,842)
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INCOME FROM STATE GOVERNMENT

State Funds	27,131,695
Resources received free of charge	660,000
Total Income from State Government	27,791,695
	5

SURPLUS (DEFICIT) FOR THE PERIOD	44,853
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Note 42 continued.

Balance Sheet

2013

Current Assets

Cash and cash equivalents	5,296,550
Inventories	144,379
Receivables	739,800
Other current assets	5,100,000
Total Current Assets	11,280,729

Non-Current Assets

Restricted cash and cash equivalents	585,939
Property, plant and equipment	52,062,401
Total Non-Current Assets	52,648,340

Total Assets

63,929,069

Current Liabilities

Payables	683,075
Provisions	3,500,000
Other current liabilities	200,000
Total Current Liabilities	4,383,075

Non-Current Liabilities

Provisions	1,400,000
Other non-current liabilities	10,000
Total Non-Current Liabilities	1,410,000

Total Liabilities

5,793,075

NET ASSETS

58,135,994

Equity

Contributed Equity	8,205,794
Reserves	32,247,983
Accumulated Surplus/Deficit	17,682,217

TOTAL EQUITY

58,135,994

Note 42 continued.

	<u>2013</u>
Changes in Equity	\$
Balance of equity at start of period	58,091,140
<u>Contributed equity</u>	
Balance at start of period	8,205,794
Capital Contribution	-
Balance at end of period	8,205,794
<u>Reserves</u>	
Asset revaluation reserve	
Balance at start of period	32,247,983
<i>Restated balance at start of period</i>	32,247,983
Gains/(losses) from asset revaluation	-
Balance at end of period	32,247,983
<u>Accumulated surplus (retained earnings)</u>	
Balance at start of period	17,637,363
<i>Restated balance at start of period</i>	17,637,363
Surplus/(deficit) or profit/(loss) for the period	44,854
Balance at end of period	17,682,217
Balance of equity at end of period	58,135,994
Total Income and Expense for the period	44,854

Notes 42 continued.

Cash Flow Statement

2013

\$

CASH FLOWS FROM STATE GOVERNMENT

State funds	27,131,695
Capital Contributions	-
Net cash provided by State Government	27,131,695

CASH FLOWS FROM OPERATING ACTIVITIES

Payments

Employee benefits	(23,329,519)
Supplies and services	(7,432,082)
Grants and subsidies	(5,100)
GST payments on purchases	(734,833)
GST payments to taxation authority	-
Other payments	(1,683,000)

Receipts

Fee for service	1,771,273
Student fees and charges	3,672,000
Ancillary trading	112,200
Commonwealth grants and contributions	5,000
Interest received	433,000
GST receipts on sales	133,588
GST receipts from taxation authority	601,816
Other receipts	714,000

Net cash provided by/(used in) operating activities **(25,741,657)**

CASH FLOWS FROM INVESTING ACTIVITIES

Proceeds from sale of non-current physical assets	-
Purchase of noncurrent physical assets	(190,000)

Net cash provided by/(used in) investing activities **(190,000)**

Net increase/(decrease) in cash held and cash equivalents **1,200,039**

Cash and cash equivalents at the beginning of the period	9,682,450
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CASH AND CASH EQUIVALENTS AT END OF THE PERIOD **10,882,489**