

West Coast **TAFE**

Annual Report 2004



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TAFEWA
west coast

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Letter to the Minister

Hon. Alan J Carpenter, MLA
Minister for Education and Training

12th Floor Dumas House
2 Havelock Street
WEST PERTH WA 6000

In accordance with the requirements of Section 54 of the Vocational Training Act 1996 and Section 66 of the Financial Administration and Audit Act 1985, we hereby submit for your information and presentation to Parliament, the Annual Report of West Coast TAFE for the year ended 31 December 2004.



JACKIE McKIERNAN
Governing Council Chair

25 February 2005



SUE A. SLAVIN
Managing Director

25 February 2005

Vision and Strategic Direction

The goals and strategic outcomes of Government are reflected in the College Strategic and Business Plans. In particular, the College strives to achieve the following strategic outcomes:

- A world class education system,
- Lifelong learning opportunities for all,
- An environment that encourages education, skills and the development of creativity for competitive advantage,
- Coordinated, integrated, high quality service delivery to the community, and
- Increased use of Information, Communications and Technology to provide better services to the community.

To contribute to the achievement of these strategic outcomes the College will:

- Work collaboratively with other relevant agencies, other levels of Government, the community and the business sector to ensure that the goals and strategic outcomes of Government are achieved to the greatest possible extent,
- Ensure that responsive services are provided to the community in such a way that the focus is on the total service. The College will embrace the concepts of “shared outcomes” and “joined up government”,
- Improve the delivery of services by making them more accessible, responsive and cost-effective, and
- Take account of environmental, social and economic considerations in order to effectively contribute to the sustainability of the State.

Strategic Directions 2004 – 2008

Our Vision

To be a progressive partner in creating thriving communities in our region

Our Role

To provide on-going access to flexible, high quality learning pathways for:

- Vocational skills appropriate to regional employment opportunities in existing and emerging industries,
- Community learning to enable our communities to achieve their goals,
- Enterprise skills to assist organisations, industry and small businesses to innovate and thrive, and
- Personal development to enable individuals to fully participate in the community

Our Values

Excellence in:

- Teaching and learning,

- Our commitment to our customers, and
- Developing our staff.

Creativity in:

- Developing services which meet stakeholder expectations,
- Developing new products to meet customer needs, and
- Developing innovative solutions to complex training problems.

Integrity in:

- Our communications with our clients and stakeholders,
- Our processes to ensure transparency and probity, and
- Our reporting to ensure accuracy and accountability.

Our Priorities

- Serving our **Community**,
- **Flexibility** in responding to customer needs,
- **Quality** training and services provision, and
- Better outcomes for **Youth**.

KEY RESULT AREA 1

Serving our community

Goals

To be an integral part of the northern corridor community,

To be the preferred providers of community programs in the region,

1.3 To stimulate jobs growth by providing appropriate training to existing and emerging industries in the region, and

1.4 To communicate effectively with our students, staff, stakeholders and community.

KEY RESULT AREA 2

Better outcomes for youth

Goals

2.1 To assist young people to achieve better education, training and employment outcomes,

2.2 To be the preferred provider of Vocational Educational and Training services to all schools in the region,

2.3 To be a leader in providing innovative training for young people,

2.4 To provide learning pathways for youth to assist their transition from education to employment, and

2.5 To provide access to career guidance and employment preparation services for youth.

KEY RESULT AREA 3

Meeting customers' needs

Goals

3.1 To deliver learning programs which are innovative, flexible and individualised to meet our customers' requirements,

3.2 To provide new training programs for local, emerging and niche markets, and

3.3 To provide flexible and easy access to College information and services.

KEY RESULT AREA 4

Delivering quality through products and services

Goals

4.1 To provide industry endorsed and preferred training for employment skills,

4.2 To develop 'lead College' status for niche training areas as part of the TAFEWA Network,

4.3 To provide opportunities for staff learning to facilitate continuous improvement, and

4.4 To use our physical and technological infrastructure in meeting the changing needs of the community.

College Overview

West Coast TAFE is one of four Perth metropolitan TAFE Colleges. The College has a mandate to deliver high quality vocational educational and training to meet the demands of industry, business and the community.

As an integral member of the TAFEWA Network, the College draws upon, and contributes to, the resources and expertise of one of Western Australia's biggest and most highly respected educational providers.

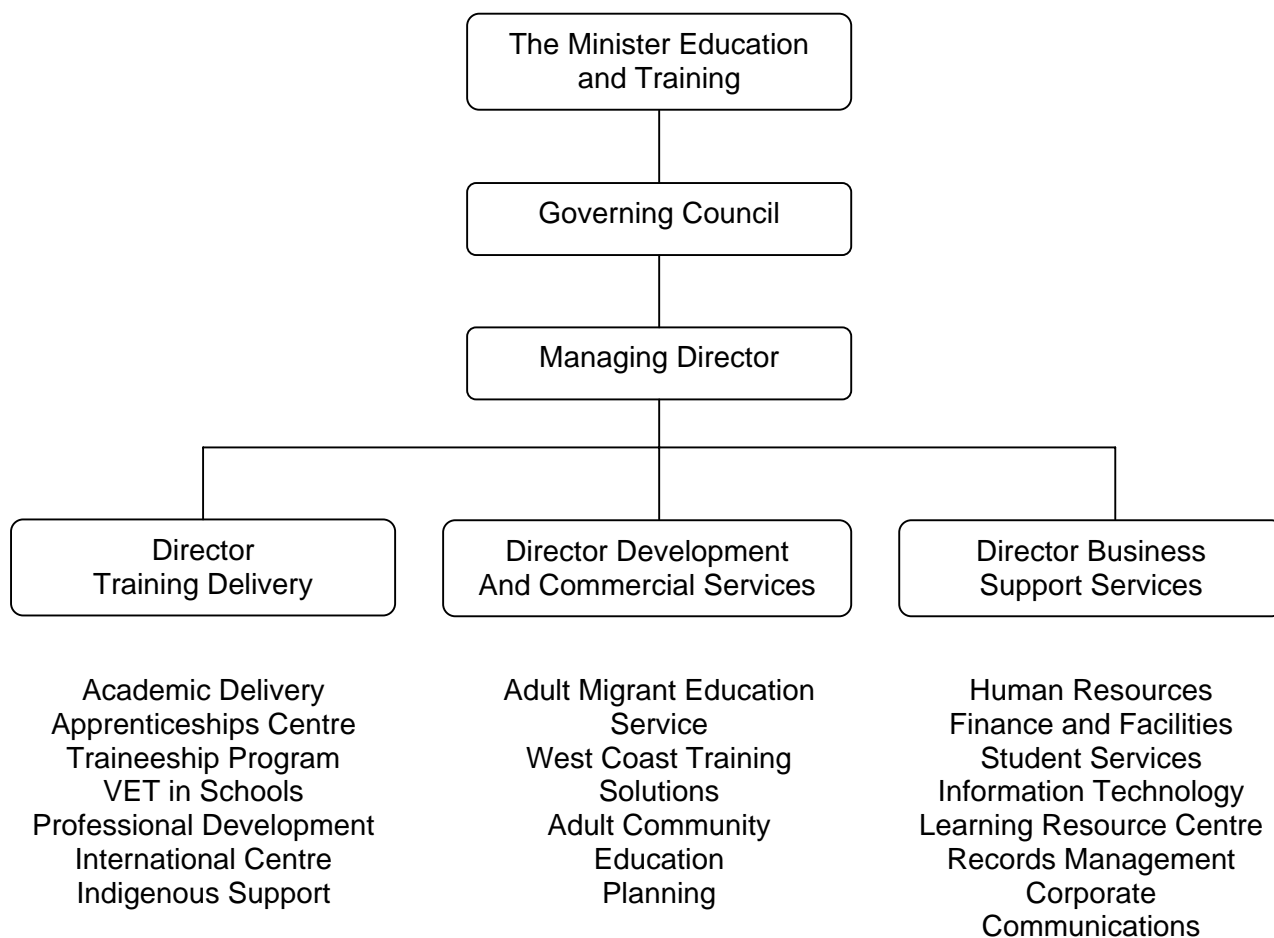
The Hospitality Training Centre at Carine finished operations at the end of the 2004 academic calendar. The new Hospitality and Training Centre at the Joondalup campus to replace this facility is complete, and will be operational in the forthcoming academic year.

In Brief

West Coast TAFE:

- Meets the learning needs of some 20,000 students each year.
- Has 25 delivery locations, mainly in the North Metropolitan Region.
- Offers more than 100 career courses and more than 10 speciality training areas, including programs specifically designed to meet the needs of young people.
- Provides 300 Adult Community Education (ACE) Programs each term.
- Has approximately 600 skilled and supportive staff to help our students and clients meet their professional and personal goals.
- Has an operating budget of some \$35 million per annum.
- Specialises in providing a blend of flexible and customised training solutions for large and small businesses, industry, local government, schools, individuals and the community.

Organisational Structure



The Year in Review

Governing Council Report

2004 was an exciting and significant year for West Coast TAFE. Following the completion of an internal re-structure the Governing Council's priority was to ensure the College had a solid foundation for the delivery of courses and services that were responsive to, and met the needs of students, industry and the community.

It is also important to note that, after far too long, West Coast TAFE now has a permanent Managing Director in Sue Slavin. Sue's appointment has been welcomed by staff and students and has brought greater stability to the College.

A key role for Governing Council is to ensure the College organises and manages itself in a sustainable manner and is able to accommodate the diverse challenges of the contemporary vocational and education sector.

The Council had an active role in both the Strategic Planning process, for the production of the 2005 – 2009 Strategic Plan, and the approval process for the 2004 West Coast TAFE Business Plan. Both processes ensured College priorities were aligned with 'Better Planning: Better Services – A Strategic Planning Framework for the Western Australian Public Sector' and the six key priorities for Vocational Education and Training 2003 and 2004 – as detailed in 'Creating the Future' – Minister for Education and Training, the Hon. Alan Carpenter, MLA.

A particularly challenging factor in 2004 was the continuing need to review parts of the College structure that were not sustainable. A comprehensive review of the commercial costing model was carried out with significant advancements achieved in improving the associated processes. Financial Management played a significant role in this respect, identifying those areas that required review and remedial action.

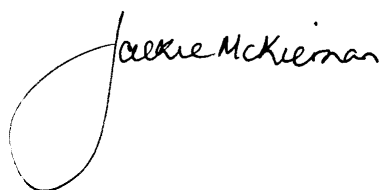
To support management, financial planning and decision-making, the Governing Council established three sub-committees: Finance & Audit Committee, Development and Marketing Committee, and Indigenous Employment Education and Training Committee. The subsequent specialisation of Council expertise has enhanced the regular review, discussion and monitoring of College activities and performance. This approach has streamlined Council activity and, in addition to efficient reporting, has aided Council Members knowledge and satisfaction of the College's progress against key performance indicators.

Key 2004 highlights included:

- The achievement of profile, in terms of student contact hours of the Delivery and Performance Agreement (DPA),
- A significant increase in the number of school-enrolled students undertaking part-time training while still attending school through the VET in schools programs,
- The development of programs to engage the 'at risk' students includes Stepping Up, Workplace Readiness and Health in Pregnancy (HIP), and
- The timely development and submission of the 'West Coast TAFE Sustainability Action Plan'.

The composition of the Governing Council has experienced several changes during the reporting period. I would like to acknowledge the contribution of retiring Council members including Brother Geoffrey Seaman, Ms Christine Bateman, Ms Cynthia Ng and Mr Brian Kaye. The enthusiasm and commitment of Council members during this exciting and challenging period has been commendable. I would also like to welcome new council members and thank all members for their contribution over the year.

This has been a significant year for West Coast TAFE. The College has now moved onto a sustainable footing, and, through innovative training, customer service, staff development and sound management, is well positioned to meet the community and industry training and vocational needs of the rapidly expanding North Metropolitan Region of Perth and beyond.

A handwritten signature in black ink, reading "Jackie McKiernan". The signature is written in a cursive style, with a large, loopsy "J" at the beginning.

JACKIE MCKIERNAN
Governing Council Chair

Managing Director's Report

2004 was a year of consolidation, development and considerable achievement for West Coast TAFE. The College Executive, with guidance from Governing Council and extensive support from staff, implemented the outcomes of our rigorous strategic and business planning processes. This gave the College the opportunity to align its Strategic Plan with State Government's strategic priorities and Federal Government requirements.

Of equal significance was the College's thorough evaluation of its commercial activities. The subsequent review and recommendations have been successfully implemented to ensure the College is on a financially sound and viable platform for future commercial activity.

Implementing these initiatives, together with significant organisational re-structure and the adoption of a new business model, West Coast TAFE is ideally positioned to meet the needs of its customers and stakeholders now and in the future.

As well as looking outwards to meet the community's needs, the College has continued to carve its own identity as the lead institution for delivering skills on behalf of the TAFEWA network, the Region and the State. The new Hospitality Training Centre is a fine example. Opening in early 2005, this centre will raise the College's profile and make West Coast TAFE the lead institute for providing the skill set necessary to enter and succeed in the hospitality industry.

During the reporting period West Coast TAFE made a significant footprint in the North West Metropolitan Region by developing dynamic partnerships with local industry and local government authorities to work collaboratively toward common regional goals. A direct outcome of locally, intelligent strategic alignment is the development of regionally responsive training solutions. An example of this approach is the College's Aged Care training program delivered in Yanchep – specifically designed to provide the skills and employment opportunities to meet current and projected industry demand in this locality.

West Coast TAFE also works closely with other partners in the Joondalup Learning Precinct: comprising Edith Cowan University, the Western Australian Police Academy and West Coast TAFE. Although maintaining separate identities, the three institutions share facilities and other resources in order to develop a mutually beneficial alliance to develop best practice and student centred programs. During the year West Coast TAFE initiated and successfully established a joint staff Mentoring Program across the Learning Precinct which is expected to not only build staff capacity but better understanding between the three organisations.

A collaborative approach with its partners in education and the Joondalup Learning Precinct has given the College an opportunity to develop and improve the articulation pathways between school, College and University. Together, we have developed a number of courses in areas such as nursing, security, child-care, tourism and information technology where students can earn recognition at one institution towards entry at another. Sharing resources and skills has also allowed West Coast TAFE to develop 'best practice' academic programs in specialist areas. A good example of this is the provision of security training, which the College now provides with the support and advice of the Western Australian Police Academy.

Supporting young people by increasing opportunities for VET is a key priority. The future growth and development of the College, the community and the economy will to a large extent be determined by how well we meet the needs of Youth, to ensure they have the skills and knowledge to contribute to all our futures. In this respect I should like to take this opportunity to report on the success of our Youth at Risk programme.

The College's success in this area can be seen in the 72% increase in the number of school-enrolled students undertaking part-time training while still attending school, through the VET in schools programs. By collaborating with the West Coast Education District Service Centre and local schools, West Coast TAFE delivered VET in Schools programs to years 11 and 12 students, and to year 10 students through the Stepping Up and Workplace Readiness Programs.

The number of indigenous students in the Indigenous school-based traineeship undertaken in partnership with the West Coast Education District Services and the South Metro Youth Link also increased significantly in 2004. In addition, the College undertook a key role in furthering the development of the Department of Education and Training's Youth Advantage Strategy and the West Coast District Education and Training Plan.

I am very pleased to report that the College has maintained its Key Performance Indicator position on student satisfaction rates despite the physical, structural and organisational changes necessary to continue to deliver high quality, cost effective and relevant training.

Much of this is down to the quality, dedication and commitment of our own people. The College intends to secure and further develop this natural resource through our Workforce Development Plan. This, together with the groundbreaking new mentoring project between the three Joondalup Learning Precinct Partners will help ensure that staff are equipped to deliver quality training to the highest standards.

It is highly likely that the College will need to increase its delivery to maintain momentum, further improve choice, standards, and service, and crucially allow the College to meet increasing demand of a significantly enlarged catchment area.

Looking to the future, West Coast TAFE will work on embedding the new organisational structure and culture, further develop our regional and international profile on the back of the Chinese and Indian delegations we received during 2004, and continue to work collaboratively with stakeholders, investors, and our partners in local government and education to deliver innovative vocational education and training solutions to meet community and industry training needs.

I extend my sincere thanks to Council Members for their guidance, and to all those who contributed during a year of considerable activity and achievement, which has ultimately put the College on a sustainable footing.



SUE A. SLAVIN
Managing Director

See next page for Vocational Educational and Training Priority Table

VET Priority Table

Key VET Priority	2004 Achievements
Increasing retention rates	<p>The College has implemented many initiatives for programs to increase the retention of 15 – 19 year olds including:</p> <p>GATE: This newly accredited program has had significant influence on the number of youth transitioning back to traditional and/or alternative educational options, engaging in further TAFE studies, apprenticeships and /or employment.</p> <p>Stepping Up: The success of this program is evident in the 50% increase in participation. 109 Year 10 students from 14 schools in the region participated in this exciting new program.</p> <p>Health in Pregnancy (HIP): The HIP program continues to respond to the needs of young teenage girls.</p> <p>Workplace Readiness: This program has been delivered to government and non-government schools in the region. The College has increased the number of indigenous students in the Workplace Readiness School based traineeships.</p> <p>Return To Learn: This program has successfully encouraged individuals who were disengaged from the education system to actively participate in the learning environment. The program provides Certificate I and II in Hospitality, and the Western Australian Certificate of Secondary Graduation (WACE).</p> <p>The result of these programs has seen an increase in the number of 15 – 19 year olds in College programs. The number of 15 – 17 year olds increased by 7% in 2004 compared to 2003. The percentage of 15 – 19 year olds in the total profile funded delivery has increased from 37% to 42% over the same period.</p>
Improving and making an easier transfer between VET and Universities	<p>The College took an active role in the TAFEWA Articulation Project, which worked to improve the range of opportunities for articulation between TAFE Colleges and tertiary institutions. West Coast TAFE then adopted this framework to secure articulation arrangements with Curtin University (Business) and Notre Dame University (IT).</p> <p>A review and renegotiation of articulation arrangements with Edith Cowan University increased the number of articulation agreements. There are now articulated programs in Hospitality, Tourism, Information Technology (IT), Business, Security, Sports and Recreation, Nursing, Childcare and Community Services.</p>
Increasing the number of apprenticeships and traineeships	<p>The College adopted pro-active strategies to increase numbers. These included changed administrative arrangements, increased marketing, expanding traineeships (to include Beauty, Aged Care Work, Allied Health, and Home and Community Care) and targeted marketing for indigenous</p>

	<p>school-based traineeships.</p> <p>The result of these strategies has led to a 77% increase in the SCH delivered to apprentices and trainees (47,729 SCH in 2003 up to 85,178 SCH in 2004). This has increased the percentage of total College SCH delivered to apprentices and trainees from 4.1% in 2003 to 7.3% in 2004.</p>
Strengthening the TAFEWA network	<p>Support and input has been provided to a number of TAFEWA projects, including hosting focus groups for staff and students.</p> <p>The College provided strong support for the Corporate Services Directors network, Finance Directors and Managers Forum, IS Managers network, HR Managers network, Marketing Managers network and Librarians network. These groups aim to improve the consistency of policies and procedures across the TAFEWA Network and, where possible, seek efficiencies through the sharing of resources. Achievements include:</p> <p>Leading the development of a TAFEWA Sustainability Action Plan for use by all Colleges in the TAFEWA network.</p> <p>The new Library Management System implemented by the Learning Resource Centre. This will improve the management, administration and delivery of information to students and staff across the 35 Libraries in the TAFEWA network.</p> <p>The new electronic self-service package implemented by Human Resource branch. This allows staff to lodge leave applications on-line and look up entitlements and their employment history. It also provides managers with real time HR data to strengthen College decision-making.</p>
Supporting Jobs Growth	<p>The College developed robust networks in the region to support jobs growth.</p> <p>The College formed a Council of Industry Partners to lead development and implementation of the new Hospitality Training Centre (HTC) which will lead jobs growth in hospitality and tourism in the region. The HTC will start operations in February 2005.</p> <p>With Tokyu Corporation and Churches of Christ, the College provided Aged Care training to residents in the Yanchep area to develop their skills for employment in a new Aged Care facility being built locally.</p> <p>The College is leading a group of small business managers and local government economic development officers to develop self-employment opportunities for youth in areas including transport, construction, multi media, beauty, personal services and fitness.</p>
Providing better career guidance and preparation for employment	<p>The College implemented the TAFEWA "TAFEPlus" initiative called 'Jobs West Coast'. This provides students with the skills required to apply for a job, career guidance, and employment opportunities within the Youth programs.</p>

Report on Operations

Training Delivery

Role and Function

The Training and Delivery Directorate is responsible for the development, coordination and delivery of Vocational Education and training (VET) outcomes to meet the State Government policies, objectives and directions. The Directorate ensures the efficient and effective use of resources resulting in high quality, value for money outcomes, which meet the needs of diverse groups of stakeholders and customers.

Training delivery works closely with customers and stakeholders to provide relevant, industry-endorsed training in more than ten specialist areas, including the following:

- Child Care and Education,
- Aged Care and Nursing,
- Business and Management,
- Disability and Community Services,
- IT and Multimedia,
- Health, Fitness and Recreation,
- Hospitality and Tourism,
- English Language and Literacy,
- Retail and Beauty,
- Security and Investigations, and
- Youth and Community Support.

Challenges 2004

One of the Directorate's key challenges in 2004 was the implementation of the Minister's key priorities and the subsequent development of the Youth Advantage Strategy and the West Coast District Education and Training Plan. West Coast TAFE continues to exceed profile achievement in the majority of academic areas and further growth at alternative delivery sites will require consideration to meet the training needs of the northern corridor. Of particular note is the continuing high demand for VET in schools, with growth significantly in excess of the College's current funded capacity to deliver.

The building of the new Hospitality Centre has been a prime focus for the College, requiring significant staff input to ensure all the necessary details for sponsorship, equipment and planning were in place. The very tight timelines for the completion and opening of the Centre also required seamless planning and coordination.

The College also underwent a VET in schools audit in 2004, which was significant in light of the beyond expected growth of 72 percent in VET in schools programs during the year.

Achievements 2004

A key accomplishment for 2004 was the achievement of 107.7% profile of the Delivery and Performance Agreement (DPA).

The College embraced the TAFEWA initiative, strengthening relationships with metropolitan and regional Colleges through collaborative activities including professional development delivery. Quality in profile course delivery was maintained and improved with a continuing focus on smooth implementation of new courses, a focus on the learner driven approach and an increased implementation of project based delivery, with the College offering a contemporary mix of blended learning modes, including traditional online flexible and off campus modules.

The College also recorded significant activity against the Six Key Priorities for Vocational Educational and Training 2004 as detailed in 'Creating the Future' (Minister for Education and Training, the Hon. Alan Carpenter, MLA). To meet these priorities the College worked collaboratively with West Coast Education District Services Centre and local schools to expand its VET in Schools training. With the West Coast Education District office, the College co-hosted the successful Wanneroo Minister's Forum on Raising The School Leaving Age and contributed significantly to the development of the West Coast District Education and Training Plan.

The College's innovative suite of programs for youth at risk and students at educational risk expanded and were embedded into the College delivery in 2004, including the Stepping Up Program for Year 10 students, and the Workplace Readiness program for school enrolled students and for indigenous trainees. Other initiatives for youth included the expansion of the Health in Pregnancy (HIP) program. HIP aims to provide pregnant teenagers with better education and training opportunities during their pregnancy while assisting them develop skills in antenatal care and parenting. The relevance and quality of this program is demonstrated by the implementation of this program model by other training providers in the state. Successfully securing Building Diversity funding to research youth program outcomes has allowed a thorough analysis of delivery for youth and has fed into the planning and continuous improvement strategies for this delivery area.

The College also experienced a 28 percent increase in international students, particularly in the area of Enrolled Nursing, and introduced specialised international student learning support strategies for these students.

The Year Ahead

In 2005 Training Delivery will continue to support International Students, Indigenous Support Services and Professional Development for staff. Whilst Training Delivery will undertake numerous initiatives, key projects planned for 2005 include:

- The opening of the new Hospitality Training Centre. This will be a highlight in the year ahead, with the new state of the art premises housing innovative programs developed in collaboration with the hospitality industry,

- Implementation of the West Coast District Education and Training Plan. This will include:
 - Expanded off-site delivery for youth at risk through CAT funded industry-focussed programs, delivered in cooperation with the City of Wanneroo and supported by local youth organisations
 - Consolidation and further development of the VET in Schools Program, and
 - In partnership with local schools, the West Coast Education District Services Centre and Central TAFE, identify needs, share resources and knowledge and develop industry relevant courses.
- Increasing industry-based commercial delivery of aged care programs tailored to individual industry needs,
- Increasing off-site and outreach delivery across a range of program areas,
- Continuing the College-wide Professional Development Program for all lecturers with two hours each week set aside in the college timetable to enable staff to attend Professional Development sessions. FLAN week, the College's internal professional development conference will also be a highlight of the professional development calendar for 2005,
- Implementing the new Lecturer's Qualifications Framework which will support the continuous improvement of quality teaching and learning in the College,
- Expanding the Security and Investigations Training Section into a key area of specialisation offering a range of qualifications up to diploma level training for local (Western Australia Police Academy and Edith Cowan University), and overseas students, and
- Increasing targeted international delivery based around the College's niche delivery areas.

Development and Commercial Services

Role and Function

In 2004 the Directorate's role and functions were redefined to encompass planning, development and commercial services. The key functions are:

Planning and Development

- Research to support College development,
- Strategic and business planning,
- Monitoring achievement of KPIs,
- Reporting on achievements against College plans, and
- Governing Council liaison and reporting.

Commercial Services

- Community learning (Adult Community Education),
- Fee for service courses (Single subscriber and corporate),
- Workplace English Language and Literacy (WELL),
- Adult Migrant Education Services (AMES), and
- Language Literacy and Numeracy Program (LLNP).

Challenges 2004

The main challenges for planning and development in 2004 included:

- Improving the reporting of College achievements against the Strategic Plan and College Business Plan to improve information to stakeholders and inform the decision-making process; and
- Increasing the amount of research data on local demographics to support the College's development plans for the northern part of its region.

The commercial activities of the directorate faced significant challenges to maintain financial viability in 2004 due to:

- A general review and overhaul of College infrastructure costs,
- Increases in accommodation and staffing costs,
- Changes to commercial contracts with the Commonwealth Government, and
- The provision of childcare under the AMES contract, where demand significantly increased due to a number of unforeseen factors.

Achievements 2004

Developing and implementing new reporting processes was a significant milestone. These processes provide more timely information to a wider group of stakeholders thus improving communications and decision-making processes.

Planning and Development continued to develop its networks and research data on local demographics, which led to proposals for the expansion of the College delivery into the northern part of the region at Clarkson and Yanchep.

Community learning maintained delivery of a wide range of courses to make non-accredited training widely available to communities throughout the region. Courses were delivered at Mindarie Senior College for the first time in 2004.

The LLNP contract was delivered under difficult conditions that resulted from contract changes, rising costs and staffing issues. Despite this, the College successfully met its contractual obligations. The contract ceased in December 2004.

AMES continued to deliver a high quality service to newly arrived migrants including increasing numbers of humanitarian program migrants, most notably from Africa. Despite numerous challenges presented by the change in migration patterns, particularly the increased number of children per family that caused problems in the provision of childcare, the AMES met all contractual Key Performance Indicators.

The WELL program delivered in the workplace in partnership with industry has been very successful with a record number of contracts delivered.

The Year Ahead

In 2005, the Development and Commercial Directorate will consolidate structural changes and process re-engineering to achieve greater efficiency in delivery and achieve improved financial outcomes.

AMES faces significant challenges due to the changing demographics of the migrant client population. In particular, there is a need to develop new learning resources to cope with the low literacy levels of the humanitarian program migrants. In addition, due to the increasing numbers of children requiring childcare, and increased costs of staffing and accommodation, prudent management will be required to maintain financial viability of the contract.

The Directorate is seeking to increase the amount of fee-for-service training provided for individuals and corporate clients and will focus on the North West Metropolitan region in 2005.

The Directorate will initiate and foster development projects in community and workplace learning, targeting specific groups including the growing number of youth undertaking self-employment as sub-contractors.

An important activity in 2005 will be the initiation and support of development plans for the expansion of delivery sites in the northern part of our region.

Business Support Services

Role and Function

The primary role of Business Support Services is to manage the financial, human and physical resources necessary for the College to deliver high quality vocational education and training. To achieve this the Division works closely with internal customers and external stakeholders to provide eight key services:

- Financial management and administration,
- Facilities management and services,
- Human Resource management and administration,
- Student Services support and administration,
- Corporate Communication support and administration,
- Learning Resource Centre (Library),
- Information and Technology systems, support and infrastructure, and
- Records management.

Challenges 2004

The biggest challenge in 2004 was the continuing need to review parts of the College structure with the aim of reducing costs while maintaining service levels. However, the Directorate also faced a number of other challenges:

- The need to find productivity improvements to cover funding shortfalls resulted in financial management playing a significant role in identifying those areas that were in need of remedial financial action. A comprehensive review of the commercial costing model was carried out with significant advancements achieved in improving the associated processes.
- The Facilities Section worked toward ensuring the new Hospitality Training Centre was completed on time for the start of the 2005 training year. The Section also continued to support the last of the operations from the Carine campus while maintaining services at the Joondalup campus. Records branch was also highly involved, reviewing archived records prior to handing the campus back to the Department early in 2005.
- Information Services implemented key areas from their five-year Strategic Plan. Upgrades of the critical servers and the PC fleet were progressed, although some delay was incurred due to expansion in timelines in the tendering process under the new centralized procurement system.
- Corporate Communications was restructured to provide more effective information and promotion of services to our prospective students and stakeholders. The branch continued to deliver high quality services during this transition, including managing special events such as those for the delegations from India and China, the closure of the Carine Campus, and a variety of awards and graduation ceremonies.

- Corporate Communications worked with WestOne to implement a customer loyalty management system and developed a new corporate image to better reflect our geographic and strategic position within the TAFEWA network.

Achievements 2004

Business Support Services made significant progress on a number of fronts during 2004:

- The Finance Section developed a business unit model for introduction in 2005. This will help provide Managers with a sharper business focus and more control of their Branch finances.
- Following the TAFEWA realignment at the end of 2002 a number of permanent staff members needed to find positions outside of West Coast TAFE. Through the efforts of Human Resources staff and the redeployed staff, eight found new positions and three short-term secondments during 2004.
- Human Resources efficiently managed the unfunded redeployee costs for 2004, thus reducing the impact on the College's financial performance. Several redeployees have found either permanent or temporary placements with other agencies.
- The College's first Workforce Plan was developed and endorsed following widespread engagement with staff. Actions for 2005 have been agreed in conjunction with staff representatives, and imbedded in Business Plans.
- The College took a lead role in the development of core elements for a whole of TAFE Sustainability Plan.
- The Learning Resource Centre implemented the new library system. Good progress was made in the implementation of the Record Keeping Plan.
- Student Services made many improvements, including:
 - Implementing a student portal,
 - Reviewing business procedures to improve productivity and the quality of services,
 - Piloting an on-line enrolment system and introducing direct debit fee payment procedures,
 - Developing a new service to assist students improve their job application skills, and
 - Implementing a new phone system.

The Year Ahead

The key projects planned for 2005 include:

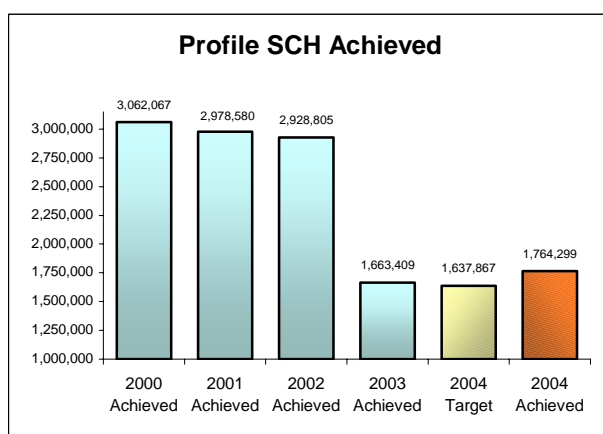
- Reviewing Business Continuity and Risk Treatment Plans: completion of the risk management plan review initiated in 2004,
- Putting audit processes in place to prevent fraud and corruption: the College has committed to have its existing fraud and corruption preventative controls audited for effectiveness and quality as part of the cyclical internal audit plan,
- Implementing the Workforce Development Plan: significant progress was made on workforce planning with the development of actions against the identified goals and strategies. 2005 will see the implementation of these actions,
- Implementing the College's Sustainability Plan: the College is committed to sustainability and will be focused on implementing the strategy developed in 2004,
- Improving the enrolment process: the College will improve the enrolment service by providing more options for enrolling and more support for those enrolling in person,
- Handing the Carine campus back to the Department of Education and Training: with the opening of the new Hospitality Training Centre at our Joondalup campus the College will need to finish re-allocating resources at the Carine campus before handing it back to the Department,
- Preparing for the introduction of Shared Services: many Finance and Human Resource functions delivered in metropolitan Colleges will be moved, along with relevant staff members, to the DET Shared Services Cluster,
- Introducing a business unit model: the model developed in 2004 needs to be refined to achieve the desired goal of greater accountability and control of finances by Managers within their Branches,
- Introducing a Career Advisory Service: the intent of this service is to improve course completion rates and assist students in making informed decisions about their future. The College will create a new position to provide this tailored support to students, and
- Investigating opportunities for the sharing of facilities and resources with the Police Academy and Edith Cowan University within the Joondalup Learning Precinct.

Output Measures

The following output measures are reported in the College's Annual Report in accordance with Treasurer's Instruction 904. The measures are consistent with those contained in the Consolidated Fund Expenditure Estimates for the WA Department of Education and Training. The College Executive set the College targets for 2004. College achievements for 2004 are derived from data at February 23 2005.

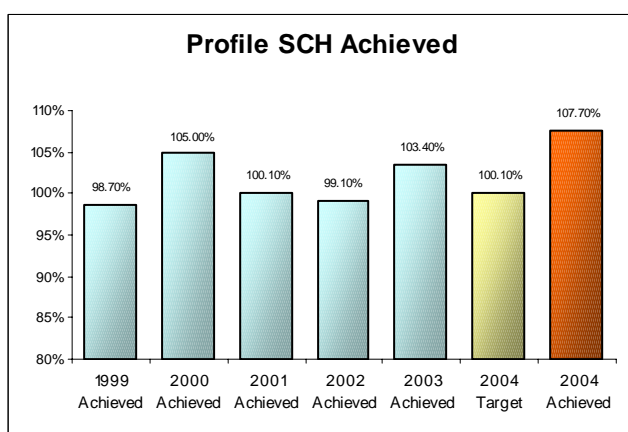
Quantity

Table: Profile SCH Achieved

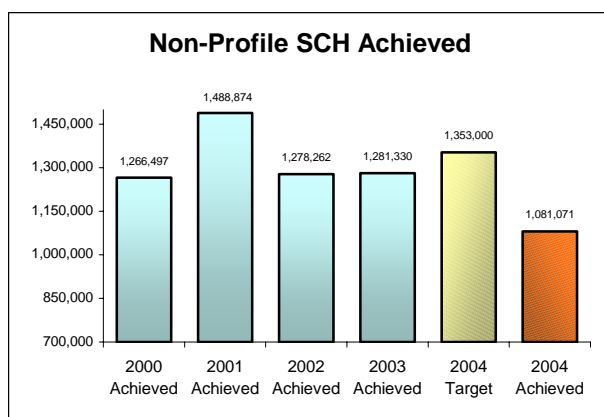


The 107.7% profile achievement, which accounts for the differential between the target and the achieved SCH reflects the increased demand for training from the growing population in the region.

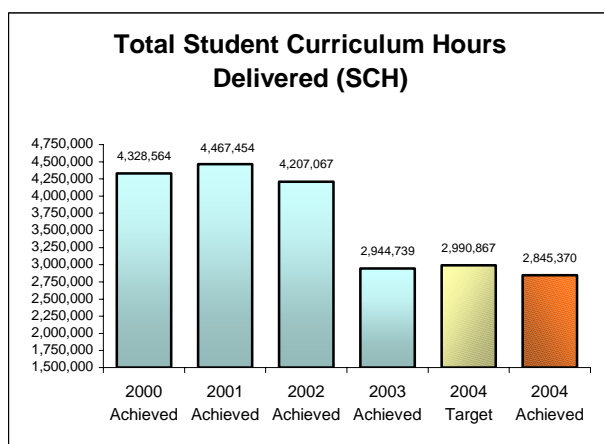
Table: Profile SCH Achieved (Percent)



This measure provides the percentage of SCH achieved over the funded (DPA) SCH. The College achieved 107.7%, which significantly exceeds the target set for the period, and is notably higher than the 2003 achievement.

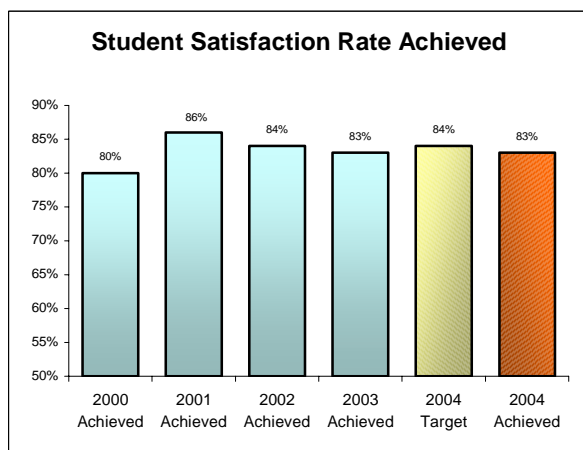
Table: Non-Profile SCH Achieved

The non-profile area consists of activities related to the delivery of English Language & Literacy programs under Commonwealth contracts, Adult Community Education (ACE), and fee-for-service courses. The achievement for 2004 was lower than the target set for the period. The impact of the TAFE re-alignment made it difficult to predict a target for non-profile SCH, which was significantly overestimated. In addition, the reduction in delivery

Table: Total Student Curriculum Hours Delivered (SCH)

The decrease in Student Curriculum Hours Delivered (SCH) between the 2004 target and the 2004 achieved is the result of the College not achieving its target set for non-profile activities.

Quality

Table: Student Satisfaction Rate Achieved

The Western Australian Department of Education and Training contracted Market Equity to conduct the Student Satisfaction Survey on behalf of the Colleges. The achieved rate of 83% for 2004 is the same as that achieved in 2003 but 1% lower than the target set for 2004.

Successful Training Outputs (Module Load Output Rates)

The Module Load Completion Rate (MLCR) measures the successful completion of each module whereas the Module Load Output Rate (MLOR) includes students who withdrew from the module but successfully gained employment related to their field of study. Overall, the College achieved the 70% target set for 2004.

Table: Module Load Output Rate Trends

	WADTE Industry Group Description	1999 MLOR Achieved	2000 MLOR Achieved	2001 MLOR Achieved	2002 MLOR Achieved	2003 MLOR Achieved	2004 MLOR Target	2004 MLOR Achieved
01A	Recreational Sports & Entertainment	76.80%	80.60%	78.10%	84.80%	74.10%	74.00%	71.18%
01B	Visual and Performing Arts	77.10%	76.50%	79.00%	84.40%			
01C	Design							
02A	Automotive	100.00%	97.30%	86.70%	100.00%			
03A	Building & Construction	82.40%	72.50%	77.90%	79.90%			
03B	Surveying and Building	81.10%	77.60%	72.40%	76.10%			
04A	Community Service Workers	86.30%	80.40%	82.30%	86.30%	78.60%	80.00%	80.44%
04B	Education and Childcare	75.70%	73.70%	74.50%	79.40%	76.50%	71.00%	73.74%
04C	Health	90.10%	90.70%	86.30%	91.60%	83.50%	80.00%	90.98%
04D	Library Workers							
05A	Finance Property Service Workers	92.90%	86.30%	78.50%	82.50%	95.30%	71.00%	87.59%
06A	Food Trades and Processing	92.30%	87.50%	79.90%	87.80%	73.50%	79.00%	72.99%
07A	Clothing Footwear and Soft Furnishings	88.40%	69.90%	72.00%	82.30%	100.00%		
07B	Furniture Manufacture	77.90%	73.90%	77.50%	74.60%			
08A	Communications							
08B	Printing & Publishing	38.70%	47.80%					
09A	Engineering and Drafting	82.60%	81.90%	70.00%				
09B	Metal and Mining	91.40%	84.20%	79.70%	70.80%			
10A	Animal Care							
10B	Forestry, Farming and Landcare					50.60%	0.00%	45.80%
10C	Fishing							
10D	Horticulture	67.90%	64.60%	86.00%	100.00%			
11A	Process Manufacturing							
12A	Personal Services (Hairdressing)	85.70%	74.10%	72.70%	83.00%	89.80%	79.00%	90.93%
12B	Retail	89.00%	81.10%	73.20%	64.50%	64.00%	73.00%	78.06%
13A	Cooking	67.00%	70.10%	68.50%	75.60%	76.10%	69.00%	77.04%
13B	Hospitality	75.80%	78.60%	72.00%	68.60%	72.00%	75.00%	70.75%
13C	Tourism	60.30%	74.90%	82.40%	76.20%	79.70%	65.00%	75.78%
13D	Travel Agents	92.90%						
14A	Transport Trades, Storage and Associated Trades	95.60%	62.80%	74.60%	53.20%	100.00%	60.00%	100.00%
15A	Electrical and Electronic Engineering	56.90%	57.00%	56.60%	62.80%			
15B	Electrical Trades	84.90%	79.60%	85.30%	82.30%			
16A	Accounting and Other Business Services	63.00%	67.80%	56.90%	61.10%	56.60%	70.00%	55.81%
16B	Management	62.20%	63.40%	65.80%	73.50%	66.10%	65.00%	52.06%
16C	Office and Clerical	59.10%	65.90%	76.30%	75.90%	68.60%	64.00%	73.14%
17A	Computing	59.40%	64.30%	69.20%	62.90%	59.50%	67.00%	54.11%
18A	Science and Technical Workers	61.70%	59.30%	64.70%	70.10%	64.00%	64.00%	89.42%
19A	Adult Community Education							
19B	Adult Literacy/ESL	28.30%	33.90%	39.30%	36.70%	59.90%		50.00%
19C	Languages	69.50%	72.80%	71.10%	69.00%			
19D	Miscellaneous	55.80%	50.60%	61.00%	48.00%	77.40%	60.00%	50.93%
19E	Targeted Access & Participation Courses	62.70%	60.00%	76.90%	70.80%	83.00%	0.00%	71.77%
							70%	70%

Timeliness

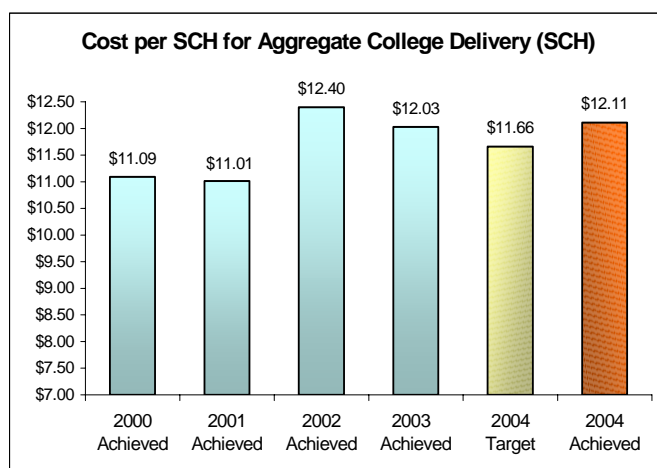
Table: *Timeliness: Receipt and Sign Off of DPA*

2000 Achieved	2001 Achieved	2002 Achieved	2003 Achieved	2004 Target	2004 Achieved
February 2000	December 2000	December 2001	December 2002	December 2003	January 2004

The delivery and Performance Agreement was submitted to the Department of Education and Training within six days of the target.

Cost

Table: *Cost per SCH for aggregate College Delivery (SCH)*



The cost per SCH for aggregate College delivery for 2004 was \$12.11. Despite CPI increases, the College has achieved a \$/SCH cost comparable to previous years (2002/03) indicating an increase in efficiency in delivery. The cost includes the capital user charge, which was introduced in 2001.

Corporate Governance

Governing Council

Functions

The Governing Council is the governing body of the College. It has the authority to perform the functions of the College and govern its operations and affairs as set out in the Vocational Education and Training Act 1996. The Council is responsible for the development and implementation of strategic and management plans and has four strategic functions:

- Prepare a College training profile for the approval of the Minister as and when required by the Minister,
- Develop and implement strategic and management plans for the College,
- Ensure the College courses, programs and services are responsive to, and meet, the needs of students, industry and community, and
- Ensure that the College's commitments and any other contractual agreement are met.

Membership

Membership of the Council is by Ministerial appointment, the Governing Council is to consist of a Chairperson and a Deputy Chairperson and not less than 6 or more than 10 other members appointed by the Minister and the Managing Director for the time being of the College. Governing Council appointments are based on experience and expertise in education and training, industry or community affairs and ability to contribute to the strategic direction of the College.

Changes in Council Composition

The composition of the Council changed during the reporting period. Brother Geoffrey Seaman, Ms Christine Bateman, Ms Oriel Green retired from the Council at the end of their terms of appointment.

Six new appointments made to the Council included Ms Christine Bateman, Ms Alison Glendinning, Ms Cynthia Ng, Mr Robert Mason, Mr Gary Heir, and Ms Angela Kearney.

Membership Summary

Ms Jackie McKiernan (Chairperson) has actively campaigned for education, consumer advocacy and children's issues since her arrival in Australia in the 1970's. As the MLA for Joondalup (1983 – 1989) and Wanneroo (1989-1993) Ms McKiernan was involved in an important period of social and economic development in the region.

Mr Wayne Carroll (Deputy Chairperson) is the General Manager of the Joondalup Resort. Mr Carroll has many years of experience in all facets of the hospitality industry, including service delivery and management. Mr Carroll has been an active

member on a number of boards and committees including the Chamber of Commerce for both Albany and Fremantle.

Ms Jan Stewart is the CEO of LotteryWest (The Lotteries Commission of Western Australia); Ms Stewart is responsible for the management of the Commission's lottery business, which has \$520 million turnover, as well as overseeing community funding which now totals over \$134 million annually. Ms Stewart is vice president of the World Lottery Association and has broad involvement in a range of community activities.

Mr Brian Kaye is a West Coast TAFE staff member. He has over 32 years experience in education and training as a high school teacher and lecturer. Mr Kaye is currently the IT Team Leader at West Coast TAFE.

Brother Geoffrey Seaman was a primary and secondary school teacher, including School Principal from 1965 – 1967 and 1978 – 1984. From 1994 – 1997 he was a teacher of English to non-English speaking adults. Brother Seaman is coordinator of the Migrant Refugee Committee of the St Vincent de Paul Society (WA).

Ms Oriel Green is an Aboriginal community representative and in 1995 was selected as Aboriginal of the Year during NAIDOC Week. In 1999 Ms Green was inducted into the Aboriginal Hall of Fame at the WA Department of Education.

Ms Christine Bateman has a teaching background and is currently employed in the Teaching and Learning Directorate at the Department of Education and Training (DET). Ms Bateman has been involved in a range of vocational education developments including the recent LearnScope project.

Ms Alison Glendinning is a Liaison Officer and Indigenous Project Coordinator for the Hospitality and Tourism Council. Ms Glendinning has a background in retail and hospitality including lecturing in Hospitality and Tourism in New Zealand.

Ms Cynthia Ng has a background in international sales and marketing including 8 years in Tokyo. Ms Ng is fluent in English, Japanese, Cantonese, Mandarin and Bahasa Malaysia.

Mr Robert Mason has a Bachelor of Business and completed further studies with West Coast TAFE to gain his Real Estate Representative's Registration. Mr Mason is currently a Real Estate Consultant and Auctioneer in the Northern Perth Suburbs.

Mr Gary Heir is the Chairperson of the Indigenous Council at West Coast TAFE and the current Chairperson of the Banksia Grove Aboriginal Corporation. Mr Heir is currently a Business Manager at Centrelink and has previously held Managerial roles in the Family Assistance Officer and the Un-employment sections at Centrelink.

Ms Angela Kearney is the Australian Hotels Association (AHA) Employment Relations Manager. By invitation of Minister Kobelke MLA, Ms Kearney was on the Hospitality Training Centre Steering Committee, which recommended Joondalup as the site of the new training centre. Ms Kearney has extensive experience in training and employee relations in the hospitality and services sector.

Mrs Sue Slavin is the Managing Director of West Coast TAFE. Prior to this Mrs Slavin was a General Manager at Challenger TAFE. Mrs Slavin has a wealth of experience in education and training and business management, including communications, strategic priorities and organisational review, and is committed to

contributing to social and economic development through the delivery of high quality education and training.

Accountability and Transparency

The Accountable Authority for West Coast TAFE is the Governing Council. Members are expected to act honestly and to exercise due diligence in managing the business of the College. The Council has independence to determine policies and activities to the provisions made in the Vocational Education and Training Act 1996 and other Statute Law. The Council conducted six meetings during the calendar year. All documentation produced by the Council is transparent and forms part of public record in compliance with provisions of the General Retention and Disposal Schedules, established by the Records Office of the State Archives Western Australia.

Behaviour and Ethics

The Governing Council places the highest value on ethical behaviour. It is guided by the Codes of Conduct and Ethics (3.10.2) outlined in the 'Guide for TAFE College Governing Councils' and 'West Coast TAFE Code of Conduct'. The adoption and application of the Governing Council codes and ethics reflects the College's commitment to honesty and integrity in all of its dealings.

Risk Management

The Governing Council meets legislative and business requirements by progressively developing and reviewing risk management policies in accordance with Treasury Instruction 825.

A draft Risk Management Manual was amended during the year and is being reviewed to incorporate College restructures in 2004. During the year the Department of Education and Training's Audit and Review Office worked with the College to provide Risk Management training to all managers. The identification, analysis and evaluation of risks was undertaken by managers and information input into the College Risk Management database. This will assist the College with the ongoing review and create more efficient communication and reporting of risks. A complete review of risk management processes and procedures was undertaken in 2004 in line with the new Australian/New Zealand standard.

Conflict of Interest and Pecuniary Interest

The Council operates in accordance with the protocol for conflict of interest outlined in the 'Guide for TAFE College Governing Councils'. While acting in the capacity of council member, council members place public interest above personal interest in a matter being considered discloses this to the Council, is not present at the discussion of the matter and does not vote on the matter. This includes any case where a member or associated entity may benefit from the Council's decision. No conflict of interest was reported during 2004.

Corporate Governance and Compliance Reporting

HUMAN RESOURCE MANAGEMENT

Public Sector Standards and Ethical Codes

The College is committed to ensuring compliance and 'best practice' requirements of the Public Sector Standard in Human Resource Management, the Public Sector Code of Ethics and the College's Code of Conduct.

Human Resources (HR) policies and procedures are regularly renewed and updated to ensure compliance with Public Sector Standards. During the reporting period the College received no requests for review against the Public Sector Human Resource Standards.

All staff have access to HR policies and procedures – including policies that relate to recruitment, selection and appointment, transfer, secondment, temporary deployment and grievance resolution – through the College Intranet and via email communication from the HR Branch.

Maintaining awareness of the Public Sector Standards and Code of Conduct is achieved through discussion at staff meetings, email communication and College Intranet. Briefings for staff in the Code of Conduct and Ethics take place through the Colleges' staff development program and the Staff Induction process.

Achievements During 2004

- The Human Resource Branch successfully introduced an online "Staff Induction" process that is available to all new staff via the College Intranet. On arrival all new staff are guided through this process by the Human Resource Consultants and their respective Line Manager.
- Implementation of Employee Self Service (ESS). A series of training sessions were provided in the practical application of ESS for all College employees. The Human Resource Consultants effectively carried out the training.
- The Human Resource Branch continues the effective case management process for surplus staff resulting from ongoing restructuring. During the reporting period 12 employees have been successfully transitioned into either College vacancies or to other Government Agencies.
- Introduction of a comprehensive Workforce Management Plan including strategies for workforce forecasting, managing the succession to leadership, attracting, retaining and releasing employees and managing the contingent workforce.
- Continued implementation of the "conversion to permanency" policy for contract employees in accordance with the Premier's Circular 2002/17 and Modes of Employment policy in negotiation with relevant union organisations.

- Implemented processes and procedures along with revised selection documentation as part of the adoption of the new government sector RAMS recruitment process.
- Researched, developed options and implemented action strategies to improve staff recognition, retention and enhance morale. Instigated a process improvement strategy for administrative support staff as part of developing and maximising staff capabilities.

Staffing

A substantial organisational restructure of the Adult Migrant Education Services/West Coast Training Solutions (AMES/WCTS) operations took place at the end of 2004 that will impact on the number of full time equivalents (FTE's) for 2005.

The following table reflects staffing numbers comparison for 2003 and 2004.

	Administration				Program Delivery				Total			
	People		FTE		People		FTE		People		FTE	
	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004	2003	2004
Carine	0	0	0	0	34	33	30.9	28.8	34	33	30.9	28.8
Joondalup	16	16	15.4	14.5	102	108	88.18	96.73	118	124	103.58	111.23
Directorate	75	63	68.1	60.98	0	0	0	0	75	63	68.1	60.98
West Coast Adult Migrant Education Courses	19	20	16.17	17.17	41	42	35.62	36.32	60	62	51.79	53.39
West Coast Commercial	10	8	9.5	8.0	52	42	43.45	36.84	62	50	52.95	44.84
Total	120	107	109.17	100.65	229	225	198.15	198.69	349	332	307.32	299.24

College staff numbers have remained relatively stable during the reporting period following significant downsizing 2002/2003.

Equal Employment Opportunity, Equity, Access and Diversity

The College continues to address the Government's priority to enhance diversity within the Public Sector. During the reporting period the College met its obligations under equity based legislative and public sector management requirements. Developing an understanding and appreciation of cultural diversity and ethics is achieved through staff development training.

There have been no formal equity complaints registered for the College in 2004. The Equity and Diversity data is accurate to the extent that it is not compulsory for staff to indicate their disability or ethnicity on being employed by the College. There are staff who have disabilities and/or come from culturally diverse backgrounds but either do not meet the reporting requirements or choose to not report against these indices.

In complying with the Department of Premier and Cabinet's requirements under Minimum Obligatory Information Requirements (MOIR) the College has compiled and provided the following information during the reporting period:

- People from Culturally Diverse Background,
- Indigenous Australians,

- People with Disabilities,
- Women WA Public Sector,
- Workforce Age, and
- Management Profile.

Occupational Safety and Health

West Coast TAFE continues to apply the requirements of the Occupational Safety and Health Act 1984. The College remains committed to the reduction in workplace injuries and accidents. The College trained three Workplace Health and Safety Representatives during 2004. Evacuation procedures were updated after feedback received from evacuation drill practice. In addition, a number of safety audits were conducted in most delivery areas with open discussion and feedback to managers.

There were 24 accidents/incidents recorded during 2004: 12 involved students and the remaining 12 staff members. 18 people required medical attention during the reporting period. Seven required assistance from the College first aid officers. 11 received treatment from medical practitioners.

College First Aid Officers continue to provide first aid assistance as required. Minor attendances are not reported.

The increase of six reports over 2003 was as a result of increased awareness of reporting procedures.

Two "Return to Work" programs were successful. One is still continuing.

Occupational Safety and Health Performance Indicators 2003 – 2004 Workers compensation Results.

Factor	2003	2004
No of Compensation Claims	7	5*
No of Estimated Days Lost	115	186#
Average No of Estimated days lost	16.43	37.2#
Rehabilitation Success Rate	0	67%
Premium	\$152 375	\$159,974

Sources: Workers' Compensation files and Finance Records

* 5 claims were approved with 3 still pending.

148 days attributed to 1 staff member

COMMITMENT TO CUSTOMERS

Customer Focus

The College has a strong commitment to its customers and regularly reviews its customer focus initiatives. Customers are regularly surveyed to ascertain their satisfaction with the service provided by the College. In 2004 more than 5000 students were surveyed.

Customer Service Strategy

The College has developed a customer service strategy to follow on from the major review of customer needs completed during the last reporting period. A major part of this strategy was completed and implemented by the end of 2004. The strategy will assist the College in maintaining and monitoring existing customer focus points, identify gaps in customer needs, and allow the College to introduce services to meet those needs.

Evaluation of Programs

The College met its obligations under the Vocational Education and Training Act 1996 and managed resources in accordance with the Delivery and Performance Agreement entered into with the Department of Education and Training. In keeping with College Policy, clients have been continually surveyed through the internal Unit Evaluation Survey. This is supplementary to the State Student Survey undertaken by the Department of Education and Training. The Unit Evaluation Survey obtains direct feedback from customers and in 2004 more than 5000 students were surveyed.

CUSTOMER GROUP OUTCOMES

Disability Services

West Coast College continues to be committed to providing a quality service for students with disabilities, in line with the College's community focus and the legal requirements of the Disability Discrimination Act (1993) and West Australian Equal Opportunity amendment Act (1998).

In 2004, 102 students acknowledged a disability and received Disability Support Services.

Table: *Proportion of students studying (by subject area)*

Business, Management & Retail	17%
Community Services	19%
Childcare and Education	21%
Hospitality & Tourism	26%
Information & Technology	17%

Table: *Proportion of students (by disability type)*

Physical (amputation, paraplegia, back/neck injuries)	22%
Sensory (blind, vision impaired, deaf)	19%
Psychiatric (Bi-polar disorder schizophrenia, anxiety disorder)	8%
Neurological (learning disabilities, ADD/ADHD, etc)	20%
Intellectual (Down's Syndrome, IQ less than 70)	16%
Medical - epilepsy, arthritis, asthma chronic fatigue syndrome	15%

The number of students presenting with a Specific Learning Disability and psychological disabilities has increased by 132% in the last 3 years. Statistics from a demographic study of students with disabilities of secondary students indicate that

this number will continue to rise. The study also indicated that TAFE was the preferred place for further study for 76% of the students with disabilities.

In 2004 West Coast TAFE has provided services and resources to students with disabilities. This has included the providing services, support and software to make the Call Centre course accessible for students with vision impairment. Creating a tutorial support system for students with learning disabilities and providing funding for support staff in a number of courses targeting students with disabilities.

Throughout 2004 West Coast TAFE Disability Services have been a member of a number of working groups and steering committees (both Departmental and Non – Government) representing the needs of students with disabilities and West Coast TAFE. These groups include the Post Secondary Disability Support Network, the “Australians Working Together” Working Group and the Disability Reference and Implementation Group. Membership of these groups has ensured that the needs of students at West Coast TAFE remain high on the agenda at a strategic level.

In line with the Department of Training’s commitment to increase the retention of students with disabilities, West Coast TAFE has employed strategies to achieve this outcome. These strategies have proved very successful with the College showing a large increase in the number of students with disabilities who have completed courses in 2004.

Throughout 2004 student feedback on Disability Services has been actively encouraged this feedback has been analysed and the service provided has been modified where necessary to reflect the needs of West Coast TAFE students.

Cultural Diversity & Language Services

West Coast TAFE is committed to providing equitable access to all customers.

To assist clients whose level of English may be a barrier to accessing the College information where required, the College uses an Interpreter Service.

Additionally the College delivers the Adult Migrant Education Program through the College’s Adult Migrant Education Service (AMES). English language training is an integral part of the settlement service AMES provides for newly arrived migrants. West Coast TAFE is the biggest provider of English language and Literacy Services in Western Australia.

Other Language Services provided by the College include:

- Language and literacy training for unemployed people,
- General language and literacy training, and
- Workplace English language and literacy training for employees who need to improve literacy skills.

Learning Support Unit

West Coast TAFE has a learning support unit at its main campus. A key responsibility of this unit is to provide support to people whose language and literacy skills are below the level required to confidently understand course requirements. The Learning Support Unit also provides specific learning support for the College’s international students to assist them with not only language based learning issues,

but also to work with students to overcome cultural issues that may be impacting negatively on their learning experience.

Youth Outcomes

Supporting young people by increasing opportunities for VET is a key priority for the College.

In 2004 the College experienced significant expansion in the number of school-enrolled students undertaking part-time training while still attending school, through the VET in schools programs offered by the College.

The College delivered VET in Schools programs to years 11 and 12 students, as well as to year 10 students at educational risk through the Stepping Up and Workplace Readiness Programs. These programs were delivered in collaboration with the West Coast Education District Service Centre and local schools. The number of students accessing these programs in 2004 doubled from the 2003 numbers and students were facilitated to develop education and training pathway plans and interests in training and career options. The number of indigenous students in the Indigenous school-based traineeship undertaken in partner ship with the West Coast Education District Services and the South Metro Youth Link also increased in 2004.

Other initiatives embedded in the College delivery offerings in 2004 include the Health In Pregnancy (HIP) program, which aims to give pregnant teenagers better education and training opportunities during their pregnancy while also assisting them develop, skills in antenatal care and parenting.

The College also undertook a key role in furthering the development of the Department's Youth Advantage Strategy and the West Coast District Education and Training Plan. A College staff member took on the shared role of Youth Advantage Coordinator with a staff member from the West Coast Education District, contributing to the consultation and planning for youth education in the district for 2005 – 2008. In collaboration with the West Coast Education District Office the College also planned and hosted the Wanneroo Minister's Forum on Raising The School Leaving Age.

Schools liaison

During 2004 the College held a Schools Open Day, inviting students and teachers to attend tours of the College and undertake a variety of activities on campus in order to promote the College courses and provide more information to schools and students about options at the College for further education and training.

Other initiatives to inform customers about the range of training options and pathways available at West Coast TAFE include participation at the Careers and Training Expo in August 2004.

PRICING AND CONTRACTS

Pricing

As a statutory authority and publicly funded provider of Profile Vocational Education and Training, West Coast TAFE adheres to policy guidelines contained in 'Fees and Charges' Policy Guidelines for Publicly Funded Registered Training Organisation's and Programs' published by the Western Australian Department of Education and Training.

Resource Fees are set by the College to cover materials to be consumed or transformed by students in the course of instruction. Fee for Service courses are priced on a commercial basis.

ENERGY AND RECYCLING POLICIES

Energy consumption

In accordance with the Energy Smart Government Policy, the College is committed to achieving a 12% reduction in non-transport related energy use by 2006-2007, with a 6% reduction targeted for 2003-2004. The College has almost achieved a 20% reduction in 2003-2004 based on the Office of Energy baseline set in 2001 - 2002.

Table: Energy Consumption

Energy Smart Government Program	2001-2002 Baseline	2002-2003	2003-2004	% Variation from Baseline
Energy Consumption (MJ)	14542	12683	11637	19.97%
Energy Cost	\$420, 538	\$386,619	\$354,388	15.74%
Greenhouse Gas Emissions (tonnes of CO)	3,098	2,801	2,503	19.2%

Table: Performance Indicators

Energy Smart Government Program	2001-2002 Baseline	2002-2003	2003-2004	% Variation from Baseline
MJ/sqm	537	464	427	20.48%
MJ/students full-time	2015	2217	2001	0.69%

During 2004 the College concentrated on monitoring and management of the systems that operate the mechanical equipment at each campus. The College upgraded the reporting function of the Joondalup campus energy management system, including logging of the chillers. This facility, used in conjunction with downloads supplied by Western Power, enabled the College to identify situations where mechanical equipment was running after hours even though timers had been set to prevent after hours operation.

The College also has a policy of daily monitoring of time schedules and timers, out of hours usage of the facilities, set points for air conditioning units and holiday re-scheduling. The College ensured that the new Hospitality Tourism Centre being built at the Joondalup campus incorporated the necessary equipment to allow for energy usage to be monitored.

The College has also established an energy management committee and is finalising an energy management policy. An action plan will also be prepared through this committee.

Recycling Policies

West Coast TAFE has recently developed a sustainability action plan. The College aims to improve environmental performance through minimising the consumption of energy, water and other resources, reducing waste and maximising recycling.

Interests in Contracts

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

LEGISLATION

Enabling Legislation

West Coast TAFE – previously the North Metropolitan College – was established under the Vocational Education and Training Act 1996.

Legislation Impacting on the College

In the performance of its functions the College complies with the following:

- Copyright Act 1968,
- Disability Services Act 1993,
- Electoral Act 1907,
- Equal Opportunity Act 1984,
- Financial Administration and Audit Act 1985,
- Freedom of Information Act 1992,
- Government Employees Superannuation Act 1987,
- Industrial Relations Act 1979,
- Labour Relations Reform Act 2002,
- Liquor and Licensing Act 1997,
- Minimum Conditions of Employment Act 1993,
- Occupational Safety and Health Act 1984,
- Public and Bank Holidays Act 1972,
- Public Sector Management Act 1994,
- State Records Act 2000,
- State Supply Commission Act 1991,

- Trade Practices Act 1974,
- Training Guarantee (Administration) Act 1990,
- Vocational Educational and Training Act 1996,
- Worker's Compensation Act 1981, and
- Workplace Agreement Act 1993.

Information Statement

The College has an Information Statement, which details College functions; organisational structure; how to make a Freedom of Information (FOI) application; access to personal information; the types of information held by the College and the types of information available for public access. The Information Statement includes details about fees associated with FOI applications. An FOI request may be required where a person is seeking information of a personal or organisational nature.

FOI applications should be made through the FOI Coordinator located in Records Management at the Joondalup campus. There was one FOI request during the reporting period.

Publications

A corporate Communications Plan guided the College's communication with stakeholders and customers in 2004. The plan aimed to:

- Better communicate Vocational Educational and Training opportunities and achieve effective, accurate and timely promotion of West Coast TAFE products and services,
- Clearly communicate the role, directions and achievements of the College,
- Achieve optimum level of positive publicity for TAFEWA through College promotional activities, and
- Satisfy communication compliance requirements.

To achieve these outcomes the College produced a range of publications, examples of which are listed below.

- Annual Report 2003,
- Strategic Plan 2004 – 2008,
- Course information, brochures and lists,
- College Student Diary – which includes the College's Customer Service Charter, policies and by-laws, general information about College services, fees and charges,
- Website – providing a comprehensive guide to products, services and functional information,

- Promotional and informative flyers, advertisements and brochures about courses and services, and
- Industry and staff newsletters.

Media statements were also issued on a regular basis to raise awareness of the training opportunities provided at the College.

Trade Practices Act

In 2004 there were no reported breaches of the Trade Practices Act within the College. The College has been actively engaged in the promotion of the Act to all Managers and Directors.

Electoral Act

Pursuant to the requirements of section 175ZE of the Electoral Act 1907 the following expenditures were incurred by or on behalf of the College as shown in the table below.

Table: *Expenditure for Advertising and Media Organisations*

Class of Organisation	Total Expenditure in 2004	Amounts paid and to whom
Advertising Agencies	\$242, 057	MarketForce Productions Media Decisions
Media Advertising Agencies	\$2,178	Yellow Pages/Sensis Stirling Business Association
Market Research	Nil	
Polling	Nil	
Direct Mail	Nil	



JACKIE McKIERNAN
Governing Council Chair

25 February 2005



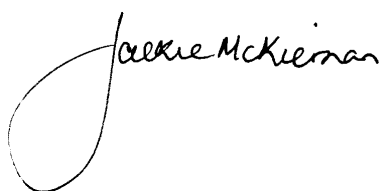
SUE A. SLAVIN
Managing Director

25 February 2005

Key Performance Indicators

Certification of Performance Indicators for the Year Ending 31 December 2004

We hereby certify that the performance indicators are based on proper records and are relevant and appropriate for assisting users to assess West Coast TAFE's performance and fairly represent the performance of West Coast TAFE for the financial year ended 31 December 2004.



JACKIE McKIERNAN
Governing Council Chair

25 February 2005



SUE A. SLAVIN
Managing Director

25 February 2005



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WEST COAST TAFE PERFORMANCE INDICATORS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the West Coast TAFE are relevant and appropriate to help users assess the College's performance and fairly represent the indicated performance for the year ended December 31, 2004.

Scope

The Governing Council's Role

The Governing Council is responsible for developing and maintaining proper records and systems for preparing performance indicators.

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

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.

An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
March 31, 2005

Key Performance Indicators

Desired Outcome

The provision of Vocational Educational and Training services to meet community and industry training needs.

West Coast TAFE has developed key performance indicators to report on profile activities (state funded as prescribed in the Delivery and Performance agreement) and non-profile (self-supporting) activities.

1. EFFECTIVENESS INDICATORS

The effectiveness indicators measured in 2004 were:

- Student satisfaction, and
- Achievement of college profile

In 2004 three major student surveys were conducted to provide information on student and graduate satisfaction levels. These were:

- Student Satisfaction Survey,
- Student Outcomes Survey (institute data not available for 2004), and the
- Internal Student Unit Evaluation Survey.

Student Satisfaction Survey

Market Equity conducted the Student Satisfaction Survey between September and November 2004 on behalf of the Western Australia Department of Education and Training (WADET). A results summary is available in the publication, '2004 Student Satisfaction Survey', TAFEWA West Coast, December 2004. The survey measured student perception of the:

- Quality of training,
- Suitability of training methods,
- Quality of assessment,
- Quality of the course experience, and
- Quality of resources.

Students that had undertaken a course of study in either semester one or semester two 2004 were eligible to participate in the survey. Eligible students included a range of employer-based students, studying either at TAFE or a publicly funded private training provider in Western Australia.

The sampling approach employed in the survey was a two stage mailing process that provided multiple opportunities to collect a 'representative' sample by WADET Industry group. The sample sizes were boosted to diminish the probability of error. A limited telephone follow-up was used to target difficult to reach WADET Industry groups. An online survey was also developed and emailed to students using the Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS) data.

The survey data was weighted to ensure that the final survey data represented the population as a whole. Survey data was then adjusted to reflect the proportions of students by College, as follows:

- WADET industry group,
- Institution based, and
- Employer based classifications.

The response rates and sample error achieved for West Coast TAFE in 2004 are outlined in the table below.

Table: Student Satisfaction Response Rates 2004

	Institution- based students (IBS)	Employment-based students (EBS)
Population (Usable Records)	3375	224
Individual students sampled	2266	216
Responses achieved	873	70
% of students responding	38%	32%
Overall standard error	+ or - 2.19%	

Student Outcomes Survey

The College is unable to provide an update to this key performance indicator, as statistically valid College level data was not available in 2004.

The National Centre for Vocational Education Research intends to conduct surveys with an appropriate sample design to produce statistically reliable College level data in alternative years commencing from 2005.

The 2003 Student Outcomes Survey was conducted by the National Centre for Vocational Education Research (NCVER), with the assistance of funding provided by the Australian National Training Authority (ANTA). The aim of the national 'Student Outcomes Survey' was to measure VET employment outcomes, course of study and satisfaction outcomes. The survey results are published in the publication, 'Student Outcomes Survey 2003: Institute Report'.

The 2003 Student Outcomes Survey was administered to West Coast TAFE students who had graduated in 2002. The survey included graduates of award courses and who had an Australian address as their usual address. TAFE graduates were defined as students who attended a TAFE institute, successfully completed a qualification, and who had an Australian address as their usual residence.

The graduate employment status performance indicator was measured for the categories of employed, unemployed and not in labour force as at 30 May 2003. The figure was obtained by calculating the ratio of graduates in each category compared to total respondents and expressed as a percentage. Please note that the 2003 results were derived using the number of valid responses as the denominator, making it consistent with the previous years.

Table: Graduate Response Rate 2003

	West Coast TAFE
Total population	4,471
Total Response	556
Response Rate	12.4%
Sample Error	+or- 3.89

Note: 2004 data not available – refer to narrative above.

Internal Student Unit Evaluation Survey

The College conducted a unit/course evaluation survey as part of its quality improvement strategy. The categories evaluated in this survey were: teaching, course content, administration, facilities, meeting needs, and overall satisfaction. The evaluation is the responsibility of Program Directors and supported by the Planning Branch. Regular reports are presented to the Executive Board and Training Delivery Board.

1.1 Overall Student Satisfaction

1.1.a Student Satisfaction (Profile)

This information is available in the publication, '2004 Student Satisfaction Survey', TAFEWA West Coast, December 2004. The key objective of the College is to improve student satisfaction with their course experience. The student satisfaction performance indicator compares the number of very satisfied respondents with those who are satisfied, which is expressed as a proportion of the total survey respondents.

Table: Student Satisfaction Rate Trends

	2000	2001	2002	2003	2004	State 2004
Satisfied	-	53%	49%	48%	50%	48%
Very Satisfied	-	34%	35%	35%	33%	36%
Total	80%	87%	84%	83%	83%	84%

The satisfaction rate for West Coast TAFE remained the same as in 2004.

1.1.b Student Satisfaction (Non-Profile)

This information is made available from the College's Internal Student Satisfaction survey. Overall student satisfaction is evaluated for non-profile activities, which includes Adult Migrant Education Courses (AMES) and Fee for Service courses. The overall satisfaction rate has remained at a very high level since 1999. The response rate for AMES was 87% and 63% for Fee for Service activities.

Table: Student Satisfaction Rate Trends (Non-profile)

	2000	2001	2002	2003	2004
Adult Migrant Education Courses	97%	97%	99%	97%	99%
Fee-for-Service	96%	96%	96%	96%	97%

The 2004 result for AMES exceeded the 2003 satisfaction rating by 2%. An increase of 1% was also noted for Fee-for-Service activities.

1.2 Graduate Employment Status

The College is unable to provide an update to this key performance indicator, as statistically valid College level data is not available for 2004.

The National Centre for Vocational Education Research intends to conduct surveys with an appropriate sample design to produce statistically reliable College level data in alternative years commencing from 2005.

The proportion of graduates in employment is a key performance indicator that shows the extent to which West Coast TAFE is providing relevant quality training programs. It is measured by the number of graduates in the sample that were employed, unemployed and not in the labour force by 30 May 2003. This information is available in the report 'Student Outcomes Survey 2003' conducted by NCVER.

A key objective of the College is to provide graduates with relevant skills to enter the work force and/or retrain for employment, while also meeting industry needs.

Table: Graduate Employment Status Trends

	1999	2000	2001	2002	2003	State 2003	National 2003	2004
Employed	68%	74%	67%	69%	74%	74%	76%	NA
Unemployed	13%	12%	16%	14%	12%	12%	12%	NA
Not in Labour Force	19%	14%	17%	17%	14%	14%	12%	NA

Note: The College is unable to provide an update to this KPI as statistically valid College level data is not available in 2004. The National Centre for Vocational Education Research intends to conduct surveys with an appropriate sample design to produce statistically reliable College level data in alternative years commencing from 2005.

The graduate employment rate for West Coast TAFE was 74%, which is an increase of 5% over 2002 and equal to the State average.

1.3 Graduate Satisfaction

1.3.a Graduate Satisfaction

The College is unable to provide an update to this key performance indicator, as statistically valid College level data is not available in 2004.

The National Centre for Vocational Education Research intends to conduct surveys with an appropriate sample design to produce statistically reliable College level data in alternative years commencing from 2005.

Graduate satisfaction is a key performance indicator that measures the extent to which West Coast TAFE graduates had fully or partly achieved their main reason for undertaking the course, and is compared to the State and National averages. This information is available in the report 'Student Outcomes Survey: 2003' conducted by NCVER. It considers the outcome satisfaction of students who graduated in 2002.

Table: Graduate Satisfaction Trends for West Coast TAFE, WA and Australia

	1999	2000	2001	2002	2003	2004
West Coast TAFE	84%	77%	76%	75%	74%	NA
Western Australia	82%	79%	76%	77%	78%	NA
Australia	80%	80%	79%	78%	79%	NA

Note: The College is unable to provide an update to this KPI as statistically valid College level data is not available in 2004. The National Centre for Vocational Education Research intends to conduct surveys with an appropriate sample design to produce statistically reliable College level data in alternative years commencing from 2005.

The overall graduate satisfaction for West Coast TAFE IN 2003 was 74%. This result is lower than the average for Western Australia and Australia. All results are similar to those achieved in 2002.

1.4 Annual College Profile Target Achievement

The College was funded under the Delivery and Performance Agreement (DPA) to deliver 1 637 867 Student Curriculum Hours (SCH) distributed amongst the State-defined Industry Groups. This purchased delivery by the State from West Coast College took into consideration the needs of the state as defined in the State Training Profile and the needs of the key stakeholders of the College. The diversity of delivery indicates the extent to which the College is required to meet the strategic training needs of the local community, and the training plans of industry and individuals.

Measure A: Percentage of Achieved Delivery Against Profile Delivery

This performance indicator shows the percentage of SCH achieved for profile funded VET delivery activities as contracted with WA Department of Education and Training through the DPA. This year the College achieved 107.7% of the DPA funded profile.

Table: Profiled Student Curriculum Hours by Purchasing Matrix Classification

WADET Industry Group Description	2003 DPA	2003 Actual	2004 DPA	2004 Actual
01A Recreation Sports & Entertainment	50,000	50,390	46,148	45,228
01B Visual and Performing Arts				
01C Design				
02A Automotive				
03A Building and Construction				
03B Surveying and Building				

04A Community Service Workers	168,000	169,537	180,636	224,200
04B Education and Childcare	241,000	249,810	222,013	225,190
04C Health	74,000	75,721	113,090	121,480
04D Library Workers				
05A Finance Insurance Property Service Workers	31,000	34,982	36,650	29,181
06A Food Trades and Processing	7,500	8,392	200	1,125
07A Clothing Footwear and Soft Furnishings		57		
07B Furniture Manufacture				
08A Communications				
08B Printing and Publishing				
09A Engineering and Drafting				
09B Metal and Mining				
10A Animal Care				
10B Forestry, Farming and Landcare	15,700	17,785	18,600	24,037
10C Fishing				
10D Horticulture				
11A Process Manufacturing				
12A Personal Services	48,500	52,491	22,500	44,156
12B Retail	50,400	50,799	56,373	55,074
13A Cooking	85,450	85,771	88,320	93,677
13B Hospitality	75,400	75,928	69,720	70,690
13C Tourism	92,500	94,680	80,519	103,117
13D Travel Agents				
14A Transport Trades	3,350	3,410	3,000	3,700
15A Electrical and Electronic Engineer				
15B Electrical Trades				
16A Accounting and Other Business Services	68,000	70,729	63,000	79,105
16B Management	91,100	98,482	98,310	91,899
16C Office and Clerical	70,590	77,285	87,846	90,655
17A Computing	271,750	280,284	260,160	265,419
18A Science and Technical Workers	550	609	21,808	20,306
19A ACE				
19B Adult Literacy/ESL	96,250	98,507	89,944	85,471
19C Languages				
19D Miscellaneous	12,560	12,620	0	2,880
19E Targeted Access and Participation Courses	55,400	56,283	79,030	87,709
	1,609,000	1,664,552	1,637,867	1,764,299
Percentage of profile achieved		103.4%		107.7%

The distribution of SCH is an effectiveness measure that indicates the extent to which the College is meeting its contractual obligations, as well as the training needs of the local community, individuals and industry. The College's SCH delivery is translated through a range of courses that directly align with purchasing matrix cells that represent occupational classifications.

The WA Department of Education and Training (WADET) Industry Group is a classification of courses based on the occupation or outcome the course is intended to serve.

2. EFFICIENCY INDICATORS

The efficiency indicator is a measure that shows the average cost of training delivery per student curriculum hour (SCH).

2.1 Overall Cost per SCH

The overall cost per SCH shows the aggregate unit cost of delivery output per SCH, based on the delivery costs (Total Cost of Services) as detailed in the 2004 Financial Statements.

The cost per SCH for aggregate College delivery for 2004 was \$12.11. Despite CPI increases, the College has achieved a \$/SCH cost comparable to previous years (2002/03) indicating an increase in efficiency in delivery.

Table: Overall Cost per SCH

	2000	2001	2002	2003	2004
Total cost of services	\$48,013,125	\$49,199,923	\$52,208,303	\$35,439,436	\$34,451,580
Total SCH Delivered	4,328,564	4,467,454	4,207,067	2,944,739	2,845,370
Total Cost per SCH delivered	\$11.09	\$11.01	\$12.40	\$12.03	\$12.11

The cost shown includes the capital user charge that was introduced from 2001.

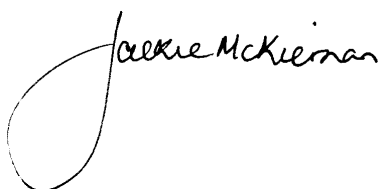
Financial Statements

Certification of Financial Statement

For the Year Ending 31 December 2004

The accompanying financial statements of West Coast TAFE have been presented in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the financial year ending 31 December 2004 and the financial position as at 31 December 2004.

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



JACKIE McKIERNAN
Governing Council Chair

25 February 2005



SUE A. SLAVIN
Managing Director

25 February 2005



MARK O'BRIEN
Principal Accounting Officer

25 February 2005



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

WEST COAST TAFE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion,

- (i) the controls exercised by the West Coast TAFE provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the College at December 31, 2004 and its financial performance and cash flows for the year ended on that date.

Scope

The Governing Council's Role

The Governing Council is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

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

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
March 31, 2005

West Coast TAFE
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 December 2004

2004**2003**

	Notes	\$	\$
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	2	22,082,870	22,638,256
Depreciation and amortisation expense	3	1,680,992	1,781,240
Supplies and services	4	7,715,605	7,243,613
Grants and subsidies	5	15,234	20,430
Capital user charge	8	2,893,121	3,688,490
Other expenses from ordinary activities	9	63,758	67,407
Total cost of services		34,451,580	35,439,436
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
Fee for service	10	10,464,525	10,637,688
Student fees and charges	11	2,023,003	1,669,459
Ancillary trading	12	241,830	222,034
Commonwealth grants and contributions	13	261,335	-
Trading profit	7	156,982	159,425
<i>Revenue from non-operating activities</i>			
Interest revenue		214,331	194,943
Proceeds on disposal of non-current assets	6	16,957	-
Other revenues from ordinary activities	14	547,918	983,083
Total revenues from ordinary activities		13,926,881	13,866,632
NET COST OF SERVICES		(20,524,699)	(21,572,804)
REVENUES FROM STATE GOVERNMENT			
State funds	15	17,892,107	20,182,758
Resources received free of charge	16	1,033,129	1,152,876
Total revenues from State Government		18,925,236	21,335,634
CHANGE IN NET ASSETS		(1,599,463)	(237,170)
Net increase in asset revaluation reserve	27	2,109,525	-
Total revenues, expenses and valuation adjustments recognised directly in equity		2,109,525	-
Total changes in equity other than those resulting from transactions with WA State Government as owners		510,062	(237,170)

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

West Coast TAFE
STATEMENT OF FINANCIAL POSITION
as at 31 December 2004

2004**2003**

	Notes	\$	\$
Current Assets			
Cash assets	17	4,266,692	2,732,179
Restricted cash assets	18	16,209	90,286
Inventories	19	88,263	165,782
Receivables	20	1,057,677	1,643,136
Other assets	21	497,851	1,260,379
Total Current Assets		5,926,692	5,891,762
Non-Current Assets			
Property, plant, equipment and vehicles	22	26,652,572	40,996,414
Total Non-Current Assets		26,652,572	40,996,414
Total assets		32,579,264	46,888,176
Current Liabilities			
Payables	23	1,013,389	1,590,229
Provisions	24	1,818,738	2,001,461
Other liabilities	25	712,978	695,516
Total Current Liabilities		3,545,105	4,287,206
Non-Current Liabilities			
Provisions	24	1,603,852	2,710,067
Total Non-Current Liabilities		1,603,852	2,710,067
Total Liabilities		5,148,957	6,997,273
NET ASSETS		27,430,307	39,890,903
Equity			
Contributed equity	26	2,029,342	-
Reserves	27	2,867,717	3,262,398
Accumulated surplus	28	22,533,248	36,628,505
TOTAL EQUITY		27,430,307	39,890,903

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

West Coast TAFE
STATEMENT OF CASH FLOWS
for the year ended 31 December 2004

		2004	2003
	Notes	\$	\$
CASH FLOWS FROM GOVERNMENT			
Recurrent funding		17,650,734	16,517,318
Capital funding		430,000	204,500
Net cash provided by Government		18,080,734	16,721,818
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(20,314,743)	(21,500,251)
Supplies and services		(6,647,909)	(6,198,824)
GST payments on purchases		(569,136)	(739,297)
GST payments to taxation authority		(608,048)	(53,814)
Capital User Charge		(3,717,767)	(3,808,564)
Other payments		(62,950)	(207,553)
Receipts			
Sale of Goods and Services		11,635,232	11,212,008
User charges and fees		2,023,003	1,669,459
Interest received		214,331	194,943
GST receipts on sales		593,524	570,329
GST receipts from taxation authority		568,244	279,299
Other receipts		779,953	983,958
Net cash used in operating activities	29	(16,106,266)	(17,598,307)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of non-current physical assets		-	-
Purchase of non-current physical assets		(514,032)	(193,732)
Net cash used in investing activities		(514,032)	(193,732)
Net increase/(decrease) in cash held		1,460,436	(1,070,221)
Cash assets at the beginning of the financial year		2,822,465	3,892,686
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	30	4,282,901	2,822,465

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

WEST COAST TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

The College is a statutory authority established under the Vocational Education and Training (VET) Act 1996. Section 54 (2) of the Act provides for the financial year of a college to begin on 1 January and end on 31 December of each year.

1 Significant accounting policies

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

General Statement

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

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

Basis of Accounting

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

(a) Depreciation of Non Current Assets

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

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

Buildings	35 to 5 years
Plant, Furniture, General Equipment	10 to 5 years
Computing, Communications & Software	5 to 2 years

(b) Inventories

Inventories held for resale are valued at the lower of cost and the net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on an average cost basis.

(c) Employee benefits

Annual Leave

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

Long Service Leave

Leave benefits are calculated at remuneration rates expected to be paid when the liabilities are settled. A liability for long service leave is recognised after an employee has completed three years of service. An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers in 2002 determined that the liability measured using the short hand method was not materially different from the liability measured using the present value of expected future payments. This method of measurement of the liability is consistent with the requirements of Accounting Standard AASB 1028 "Employee Benefits".

WEST COAST TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

Superannuation

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

On 1 January 2004, unfunded liabilities relating to the Pension Scheme and the pre-transfer benefit for employees who transferred to the Gold State Superannuation Scheme were assumed by the Treasurer. The amount assumed by the Treasurer has been recognised as a contribution by the owner (Note 26).

The superannuation expense comprises the following elements:

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

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

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

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

Employee benefit on-costs

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

(d) Leases

The College has entered into a number of operating lease arrangement for plant and equipment, where the lessor effectively retains all of the risks and benefits incidental to ownership of the items held under the operating leases. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(e) Revenue Recognition

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

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

Interest is recognised as it accrues.

WEST COAST TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

(f) Grants and Other Contributions Revenue

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

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

(g) Resources Received Free of Charge or for Nominal Value

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

(h) Receivables

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

Collectability of accounts receivable is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubts as to collection exists and in any event where the debt is more than 120 days overdue.

(i) Payables

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

(j) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The College considers the carrying amount approximates net fair value.

(k) Revaluation of Land and Buildings

The College has a policy of valuing land and buildings at fair value.

(l) Comparative Figures

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

(m) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Contributions by owners have been credited directly to Contributed Equity in the Statement of Financial Position.

(n) Acquisition of Assets

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

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

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

(o) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets net of outstanding bank overdrafts. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

WEST COAST TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

(p) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest dollar.

(q) Change in accounting policy

In previous years the college has recorded as an asset under the item Buildings under construction, progressive expenditure incurred directly by the Department of Education and Training. From January 01, 2004 the Department of Education and Training is only advising the college of the value of buildings on completion and formal transfer to the college. Assets will be recognised from this date. This change in policy is a result of the Department of Education and Training adopting the former Department of Education's policy of accounting for capital works on the merger of the two departments. The change has no effect on revenues or expenses in the Statement of Financial Performance.

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
2 Employee Expenses		
Salaries	18,635,517	18,698,873
Superannuation	1,877,915	2,302,951
Other staffing costs (a)	1,569,438	1,636,432
	<u>22,082,870</u>	<u>22,638,256</u>
(a) These employee expenses include superannuation, payroll tax, workers compensation premiums and other employment on-costs associated with the recognition of annual and service leave liability. The related on-costs liability is included in employee benefit liabilities Note 24.		
3 Depreciation and amortisation expense		
<i>Depreciation</i>		
Buildings	1,206,421	1,187,031
Plant, furniture and general equipment	50,915	56,315
Computers, communication network and software	326,391	440,588
<i>Amortisation</i>		
Leasehold improvements - buildings	97,265	97,305
Total depreciation and amortisation	<u>1,680,992</u>	<u>1,781,240</u>
4 Supplies and services		
Consumables and minor equipment	1,204,556	1,367,192
Communication expenses	358,644	379,172
Utilities expenses	432,651	384,600
Consultancies and contracted services	3,047,643	2,340,667
Minor works	581,820	590,285
Repairs and maintenance	45,133	43,950
Operating lease and hire charges	1,024,279	993,567
Travel and passenger transport	136,276	138,892
Advertising and public relations	268,192	264,256
Supplies and services - other	616,411	741,034
	<u>7,715,605</u>	<u>7,243,613</u>
5 Grants and subsidies		
Student Scholarships	15,234	20,430
	<u>15,234</u>	<u>20,430</u>
6 Net gain/(loss) on disposal of non-current assets		
Plant, Furniture and General Equipment Proceeds	-	-
Written down value	-	(3,921)
Net Profit (Loss) on Disposal	-	(3,921)
Computers, Communication and Software Proceeds	16,957	-
Written down value	-	(10,918)
Net Profit (Loss) on Disposal	16,957	(10,918)
<u>Gain on Disposal of Non-current Assets</u>		
Computers, communication and software	16,957	-
	16,957	-
<u>(Loss) on Disposal of Non-current Assets</u>		
Plant, furniture and general equipment	-	(3,921)
Computers, communication and software	-	(10,918)
	-	(14,839)
Net gain/(loss)	<u>16,957</u>	<u>(14,839)</u>
7 Trading Profit		
Bookshop:		
Sales	490,772	520,374
Cost of sales:		
Opening inventory	165,782	194,840
Purchases	256,271	331,891
	<u>422,053</u>	<u>526,731</u>
Closing inventory	(88,263)	(165,782)
Cost of goods sold	<u>333,790</u>	<u>360,949</u>
Trading Profit (Loss) - Bookshop	<u>156,982</u>	<u>159,425</u>

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
8 Capital user charge		
Capital user charge expense	2,893,121	3,688,490
A capital user charge rate of 8% has been set by the Government for 2004 (2003: 8%) and represents the opportunity cost of capital invested in the net assets of the College used in provision of outputs. The charge is calculated on the net assets adjusted to take account exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.		
9 Other expenses from ordinary activities		
Doubtful debts expense	22,779	19,869
Carrying amount of assets disposed of	-	14,839
Miscellaneous	1,334	32,590
Losses and write-offs	39,645	109
	<u>63,758</u>	<u>67,407</u>
10 Fee for service		
Fee for service -general	9,089,355	9,127,027
Fee for service -Department of Education and Training	-	4,714
Adult Community Education fees	856,662	957,831
International Division fees	518,508	548,116
	<u>10,464,525</u>	<u>10,637,688</u>
11 Student fees and charges		
Tuition fees	1,221,603	1,140,783
Enrolment fees	144,519	128,734
Resource fees	539,990	399,943
Other college fees	116,891	-
	<u>2,023,003</u>	<u>1,669,459</u>
12 Ancillary trading		
Live works (not a trading activity)	241,830	222,034
	<u>241,830</u>	<u>222,034</u>
13 Commonwealth grants and contributions		
Commonwealth specific purpose grants and contributions	261,335	-
	<u>261,335</u>	<u>-</u>
14 Other revenues from ordinary activities		
Rental and facilities fees	68,250	38,989
Sponsorship and donations revenue	13,068	9,213
Miscellaneous revenue	466,600	934,881
	<u>547,918</u>	<u>983,083</u>
15 State funds (received from Department of Education and Training)		
Delivery and Performance Agreement (DPA)	13,372,162	13,065,989
Superannuation funding	1,877,915	1,888,985
Other recurrent funds	560,805	-
Capital User Charge funding	2,893,121	3,688,490
Total recurrent funding	<u>18,704,003</u>	<u>18,643,464</u>
Capital works transferred (a)	(1,334,794)	1,334,794
Capital funding	522,898	204,500
	<u>(811,896)</u>	<u>1,539,294</u>
	<u>17,892,107</u>	<u>20,182,758</u>
(a) An adjustment against capital works transferred was made to correct the prior year amount incorrectly classified as revenue. This has subsequently been treated as contributions by owners. Refer note 26.		
16 Resources received free of charge		
Comprised of:		
Department of Education and Training		
* Corporate systems support	692,991	970,172
* Marketing and publications	279,527	78,771
* Human resources, industrial relations support	58,049	48,032
* Other	-	-
	<u>1,030,567</u>	<u>1,096,975</u>
Office of the Auditor General - external audit services (a)	-	54,500
State Solicitors Office	2,562	1,401
	<u>1,033,129</u>	<u>1,152,876</u>

Where assets or services have been received free of charge or for nominal consideration, the College recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the College shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

(a) Commencing with the 2004 audit, the Office of the Auditor General will be charging a fee for auditing the accounts, financial statements and performance indicators. The fee for the 2004 audit (\$51,000) will be due and payable in 2005.

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
17 Cash assets		
Cash on hand	7,484	7,967
Cash advances	-	800
Cash at bank	959,208	723,412
Short term deposits at call with the Department of Treasury and Finance.	3,300,000	2,000,000
	4,266,692	2,732,179
18 Restricted cash assets		
West Coast College Scholarship Trust Fund	16,209	15,786
Specific capital equipment and minor works	-	74,500
	16,209	90,286
Represents cash resources the uses of which are restricted, wholly or partially, by other externally imposed requirements. The West Coast College Fund was privately donated and must be used for student scholarships.		
19 Inventories		
Trading inventory		
Bookshop (at cost)	88,263	165,782
	88,263	165,782
20 Receivables		
Current		
Receivables	1,127,117	1,688,698
Provision for doubtful debts	(170,161)	(145,390)
GST receivable	100,720	99,828
	1,057,676	1,643,136
21 Other assets		
Current		
Prepayments	280,620	343,969
Accrued income	216,095	916,410
Other	1,136	-
	497,851	1,260,379
22 Property, plant, equipment and vehicles		
Land		
At fair value (a)	4,850,000	9,640,000
	4,850,000	9,640,000
Buildings		
At cost	-	344,026
Accumulated depreciation	-	(11,778)
	-	332,248
At fair value (b)	20,576,598	31,223,831
Accumulated depreciation	-	(2,361,774)
	20,576,598	28,862,057
Buildings under construction (c)	-	1,052,940
Leasehold improvements		
At cost	486,323	486,323
Accumulated amortisation	(381,637)	(284,367)
	104,686	201,956
Plant, furniture and general equipment		
At cost	478,032	544,855
Accumulated depreciation	(332,614)	(378,243)
	145,418	166,612
Computer equipment, communication network and software		
At cost	2,937,896	3,826,272
Accumulated depreciation	(1,962,026)	(3,085,672)
	975,870	740,600
	26,652,572	40,996,414

(a) The valuation of land in 2003 was based on an independent valuation performed by the Valuer General's Office in December 2001. Fair value was been determined on a current use basis. The valuation of land in 2004 was based on an independent valuation performed by the Valuer General's Office in December 2004. Fair value has been determined on a current use basis.

(b) The valuation of buildings in 2003 was based on an independent valuation performed by the Valuer General's Office in December 2001. Fair value was been determined on a current use basis. The valuation of buildings in 2004 was based on an independent valuation performed by the Valuer General's Office in December 2004. Fair value has been determined on a current use basis.

(c) Buildings under construction reflects accumulated expenditure as at the reporting date for building projects which are yet to be completed including work on the new hospitality training centre. From January 1, 2004 it no longer includes expenditure incurred directly by the Department of Education and Training. [See note 1(q)]

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004						2003
	\$						\$
Reconciliations							
Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current financial year are set out below.							
	Land	Buildings	Buildings Under Construction	Leasehold Improvements	Plant, Furniture and General Equipment	Computer Equipment, Communication Network and Software	Total
2004							
Carrying amount at start of year	9,640,000	29,194,305	1,052,940	201,956	166,612	740,600	40,996,414
Additions	-	-	-	-	37,120	567,478	604,598
Disposals (Note 28)	(5,750,000)	(9,250,000)	-	-	-	-	(15,000,000)
Depreciation	-	(1,205,226)	-	(97,270)	(50,915)	(326,391)	(1,679,802)
Completed Works	-	687,994	(687,994)	-	-	-	-
Revaluation Increment	960,000	1,149,525	-	-	-	-	2,109,525
Policy Change	-	-	-	-	-	-	-
Note1(q)	-	-	(364,946)	-	-	-	(364,946)
Write-off of Assets	-	-	-	-	(7,399)	(5,817)	(13,216)
Carrying amount at end of year	4,850,000	20,576,598	-	104,686	145,418	975,870	26,652,572

23 Payables

Current		
Trade payables	945,251	682,922
GST payable	68,138	82,661
Capital User Charge payable	-	824,646
	1,013,389	1,590,229

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

24 Provisions

Employee Benefits		
Current		
Annual leave (a)	508,414	689,794
Long service leave (a)	1,310,324	1,311,667
	1,818,738	2,001,461
Non-current		
Long service leave (a)	1,518,483	1,661,903
Superannuation (b)	-	987,697
Salary deferment	85,369	60,467
	1,603,852	2,710,067

(a) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation, payroll tax and workers compensation premiums. The liability for such on-costs is included here. The associated expense is included under 'other staffing costs' (under Employee expenses) at note 2.

(b) In 2003 the superannuation liability has been established from data supplied by the Government Employees Superannuation Board. On January 1, 2004, the liability for superannuation was transferred to the Treasurer. [refer also note 26(b)]

The College considers the carrying amount of employee benefits approximates the net fair value.

Employee Benefit Liabilities

The aggregate employee benefit liability recognised and included in the financial

Provision for employee benefits

Current	1,818,738	2,001,461
Non-current	1,603,852	2,710,067
	3,422,590	4,711,528

25 Other liabilities

Current		
Income received in advance	-	29,300
Accrued expenditure	323,623	324,724
Accrued salaries and related costs	273,769	172,633
Other	115,586	168,859
	712,978	695,516

26 Contributed Equity

Contributed equity		
Opening balance	-	-
Capital works DET (a)	1,041,645	-
Contributions by owners (b)	987,697	-
Closing balance	2,029,342	-

(a) Net capital contributed by the Department of Education and Training for non-reciprocal transfer of net assets after 1 July, 2002. Refer also note 15.

(b) The liability for the Pension Scheme and pre transfer benefit liabilities was transferred to the Treasurer during 2004.

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
27 Reserves		
Asset Revaluation Reserve (a)		
Opening balance	3,262,398	8,299,065
Net revaluation increments		
Land	960,000	-
Buildings	1,149,525	-
Transfer to accumulated surplus (b)	(2,504,206)	(5,036,667)
Closing balance	<u>2,867,717</u>	<u>3,262,398</u>

(a) The asset revaluation reserve is used to record increments and decrements on the non-current assets, as described in accounting policy note 1(n).

(b) The reduction in the asset revaluation reserve in 2003 relates to previously credited increments for land, building and other assets associated with the Balga Campus. Control of the assets were passed to Swan TAFE as of 1 January 2003. Similarly, in 2004 the transfer to accumulated surplus relates to previously credited increments for land and building associated with the Carine campus. Carine campus was closed in December 2004.

28 Accumulated surplus/(deficit)

Opening balance	36,628,505	49,028,763
Change in net assets	(1,599,463)	(237,171)
Transfer from revaluation reserves	2,504,206	5,036,667
Distribution to owners (a)	(15,000,000)	(17,199,754)
Closing balance	<u>22,533,248</u>	<u>36,628,505</u>

(a) In 2003, as a result of the MacRae Report and subsequent TAFE realignment, Balga Campus was realigned to become part of Swan TAFE. Assets, including the land and building, were transferred to Swan TAFE by Government. West Coast TAFE received no consideration for these assets. The distribution to owners relates to property, plant and equipment valued at \$17,128,029 and inventories valued at \$71,725.

In 2004, also resulting from the TAFE realignment, Carine campus was closed. A new hospitality training centre building has been constructed at Joondalup campus to cater for programs once run at Carine. The building will be complete for semester one 2005. West Coast TAFE has no control over the future of the site or claim to any proceeds. The distribution to owner represents land at fair value \$5,750,000 and buildings at fair value \$9,250,000. The valuation was performed in December 2004 by the Valuer General's Office. Fair value was determined as a market value based on continuing use as a educational or institutional facility.

29 Reconciliation of net cost of services to net cashflows used in operating activities

Net Cost of Services	(20,524,699)	(21,572,804)
Non-cash items:		
Depreciation and amortisation expense	1,680,992	1,781,240
Resources received free of charge	1,033,129	1,152,876
Net (gain) / loss on disposal on non-current assets	(16,957)	14,839
Losses and write-offs	10,217	-
Works done on behalf of College by DET expensed	92,898	-
Superannuation expense	1,877,915	1,888,985
Doubtful debts expense	24,771	-
(Increase)/decrease in assets:		
Current receivables	561,581	(375,685)
Inventories	77,519	(42,667)
Prepayments	63,346	733,838
Other current assets	(125,467)	122,438
Increase/(decrease) in liabilities:		
Payables	(562,316)	307,844
Income received in advance	(29,300)	-
Current provisions	(182,723)	(262,849)
Other current Liabilities	46,762	(857,903)
Non-current Provisions	(118,518)	(577,302)
Other non-current liabilities	-	(28,245)
Net GST receipts/(payments)	24,388	56,517
Change in GST in receivables/payables	(39,804)	60,571
Net cash used in operating activities	<u>(16,106,266)</u>	<u>(17,598,307)</u>

30 Reconciliation of cash

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

Cash assets	4,266,692	2,732,179
Restricted cash assets	16,209	90,286
	<u>4,282,901</u>	<u>2,822,465</u>

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
31 Commitments for expenditure		
(a) Capital expenditure commitments		
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:		
Within 1 year	205,668	121,000
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>205,668</u>	<u>121,000</u>
The capital commitments include amounts for:		
Computer equipment and furniture and fittings	<u>205,668</u>	<u>121,000</u>
(b) Lease commitments		
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, are payable as follows:		
Within 1 year	124,652	559,654
Later than 1 year and not later than 5 years	-	431,674
Later than 5 years	-	-
	<u>124,652</u>	<u>991,328</u>
Representing:		
Cancellable operating leases	-	-
Non-cancellable operating leases	<u>124,652</u>	<u>991,328</u>
	<u>124,652</u>	<u>991,328</u>
(c) Other expenditure commitments contracted for at the reporting date but not recognised as liabilities:		
Within 1 year	681,866	256,727
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>681,866</u>	<u>256,727</u>

32 Events occurring after balance date

There were no significant events occurring subsequent to reporting date.

33 Explanatory Statement

(a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year

Significant variations in revenues and expenditures between actual results and the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than \$500,000 where exceeding 10% of the preceeding years figure.

	2004	2003	Variance
	\$	\$	\$
Capital User Charge	2,893,121	3,688,490	(795,369)

Capital User Charge

The Capital User Charge is based on a calculation averaging the colleges opening and closing net asset position. The closing net asset position of the College reduced as a result of returning Carine campus land and buildings to government as detailed in note 28. Carine campus shutdown at the end of 2004. The reduced net asset balance at year end resulted in a lower Capital User Charge for the College.

(b) Significant variations between estimates and actual results for the financial year

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than \$500,000 where exceeding 10% of the preceeding years figure.

	2004 Budget	2004 Actual	Variance
	\$	\$	\$
State Funds	24,513,026	17,892,107	(6,620,919)

State Funds

In prior years capital contributions from the Department of Education and Training (DET) have been brought to account through the statement of financial performance. The 2004 estimates were constructed on the same basis and an amount of \$6,358,000 was included in State Funds for the new hospitality training centre building. During 2004 DET advised that contributions of this nature would now be treated as equity contributions which requires the amount be brought to account through the balance sheet instead of the statement of financial performance.

The new hospitality training centre building was not complete at year end with completion due in February 2005. DET will advise the College of the dollar amount of capital works undertaken on our behalf upon final completion of the building.

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

		2004		2003
		\$		\$
34 Financial Instruments				
(a) Interest Rate Risk Exposure				
The following table details the College's exposure to interest rate risk at reporting date.				
	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate	Total
			Less than 1 year 1 to 5 years or more than 5 years	
				Non-Interest Bearing
	Rate %	\$	\$	\$
2004				
Financial Assets				
Cash assets	5.30%	966,692	3,300,000	-
Restricted cash assets	3.10%	-	16,209	-
Receivables		-	-	1,057,677
		966,692	3,316,209	1,057,677
Financial Liabilities				
Payables		-	-	(1,013,389)
Employee benefits		-	-	(3,422,590)
Other liabilities		-	-	(712,978)
		-	-	(5,148,957)
Net Financial Assets (Liabilities)		966,692	3,316,209	(4,091,280)
				191,621
	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate Maturity	Total
			Less Than 1 year 1 to 5 years or more than 5 years	
				Non-Interest Bearing
	Rate %	\$	\$	\$
2003				
Financial Assets	4.55%	806,679	2,015,786	-
Financial Liabilities				1,643,136
				(6,997,273)
				(6,997,273)

(b) Credit Risk Exposure

All financial assets are unsecured.

The carrying amount of financial assets recorded on the financial statements represents College's maximum exposure to credit risk in relation to those assets as indicated in the of Financial Position.

(c) Net Fair Values

The carrying amount of Financial Assets and Financial Liabilities recorded in the Financial Statements are not materially different from their net fair values.

35 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 of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

\$		
\$70,001 - \$80,000	-	1
\$140,001 - \$150,000	1	-
\$280,001 - \$290,000	-	1

The total remuneration of the members of the Accountable Authority is: 148,532 354,897

The superannuation included here represents the superannuation expense incurred by the College in respect of members of the Accountable Authority.

No members of the Accountable Authority are members of the Pension Scheme.

Remuneration of Senior Officers

The number of Senior Officers other than senior officers reported as members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits receivable for financial year, fall within the following bands are:

\$		
\$40,001 - \$50,000	-	1
\$80,001 - \$90,000	-	3
\$90,001 - \$100,000	2	3
\$100,001 - \$110,000	2	1
\$130,001 - \$140,000	1	-
\$170,001 - \$180,000	-	1

The total remuneration of senior officers is: 543,151 874,893

The superannuation included here represents the superannuation expense incurred by the College in respect of Senior Officers other than senior officers reported as members of the Authority.

No Senior Officers are members of the Pension Scheme.

West Coast TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
36 Supplementary Financial Information		
<u>Write-Offs</u>		
Public property	11,435	-
Bad Debts	-	77,149
Inventory	29,428	-
Other	-	-
	40,863	77,149
<u>Losses Through Theft, Defaults And Other Causes</u>		
Public and other moneys and public and other property through theft, default or otherwise	6,171	3,885
Amount recovered	6,171	3,776

37 Segment Information

The college has only one segment [as defined by Treasurer's Instruction 1101 (2) (viii)] and that is Vocational Education and Training Delivery.

The college operates in one geographical segment being within the State of Western Australia.

38 Related Bodies

The College has no related bodies.

39 Affiliated Bodies

The College has no affiliated bodies.

40 The Impact of Adopting International Accounting Standards

The Australian Accounting Standards Board is adopting the Standards of the International Accounting Standards Board for application to reporting periods beginning on or after 1 January 2005. Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' prescribes transitional provisions for first-time adopters. AASB 1047 'Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards' requires financial reports to disclose information about the impacts of any changes in accounting policies in the transition period leading up to the adoption date.

TAFE colleges are working collaboratively through the College Finance Managers Group (CFMG) to help manage the transition to International Financial Reporting Standards (IFRS). The CFMG is a group a group formed by all colleges (regional and metro) with representatives from the Department of Education and Training (DET) in order to address accounting issues in a consistent manner across all TAFE colleges. DET has also engaged a contractor to support internal work currently underway.

Internally, West Coast TAFE has formed its own project team to identify issues specific to our college and take responsibility for the transition. Staff have attended Treasury and other forums on IFRS to keep up to date with the latest pronouncements and interpretations.

West Coast TAFE has prepared an IFRS opening balance sheet as at 1 January 2004. Changes to the balance sheet resulting from applying IFRS were:

- * Revaluation of land and buildings (previous accounting policy only revalued every three years) resulting in a \$6,760,396 increase in asset values and the asset revaluation reserve; and
- * Annual leave has previously been reported as a current liability. The liability has now been separated into a current and non-current portion. The non-current portion has been discounted to a present value reducing the provision overall by an immaterial amount (\$6,181). The difference has been taken to accumulated surplus in accordance with IFRS transition provisions.

Appendix 1

Section 42 Estimates - 2005

Statement of Financial Performance

	2005
for the 12 Months to 31 December 2005	\$
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COST OF SERVICES	
Expenses from ordinary activities	
Employee Expenses	22,360,798
Depreciation	1,727,316
Supplies and services	7,042,169
Grants and subsidies	18,850
Capital user charge	2,993,008
Other expenses from ordinary activities	20,000
Total Cost of Services	<u>34,162,141</u>
Revenue from ordinary activities	
Revenue from operating activities	
Fee for service	8,130,684
Student fees and charges	1,958,451
Ancillary trading	482,640
Commonwealth grants and contributions	813,883
Trading profit	165,263
Revenue from non-operating activities	
Interest revenue	129,860
Other revenues from ordinary activities	120,435
Total Revenue from Ordinary Activities	<u>11,801,216</u>
NET COST OF SERVICES	<u>(22,360,925)</u>
REVENUES FROM STATE GOVERNMENT	
State funds	19,356,060
Resources received free of charge	1,229,431
Liabilities assumed by treasurer	90,000
Total revenues from State Government	<u>20,675,491</u>
CHANGE IN NET ASSETS	<u>(1,685,434)</u>
Total changes in equity other than those resulting from transactions with WA State Government as owners	<u>(1,685,434)</u>

Section 42 Estimates - 2005

Statement of Financial Position

2005

as at 31 December 2005

\$

Current Assets

Cash assets	2,870,313
Restricted cash assets	5,000
Inventories	153,246
Receivables	1,455,000
Other assets	452,737
Total Current Assets	4,936,296

Non-Current Assets

Property, plant and equipment	35,001,526
Total Non-Current Assets	35,001,526

Total Assets

39,937,822

Current Liabilities

Payables	1,013,389
Provisions	1,980,000
Other liabilities	750,000
Total Current Liabilities	3,743,389

Non-Current Liabilities

Provisions	2,102,473
Other liabilities	
Total Non-Current Liabilities	2,102,473

Total Liabilities

5,845,862

NET ASSETS

34,091,960

Equity

Asset revaluation reserve	2,969,301
Accumulated surplus	31,122,659

TOTAL EQUITY

34,091,960

Section 42 Estimates - 2005

Statement of Cash Flows

2005

for the 12 Months to 31 December 2005

\$

CASH FLOWS FROM GOVERNMENT

Recurrent funding	17,462,675
Capital funding	0

Net cash provided by Government	17,462,675
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Utilised as follows:

CASHFLOWS FROM OPERATING ACTIVITIES

Payments

Employee Costs	(20,106,618)
Supplies and Services	(6,112,738)
GST Payments on Purchases	(611,273)
GST Payments to Taxation Authority	(131,327)
Capital User Charge	(2,993,008)
Other Payments	(38,850)

Receipts

Sale of Goods and Services	8,135,684
User Charges and Fees	1,958,451
Interest Received	129,860
GST Receipts on Sales	742,600
Other Receipts	1,416,958

Net cash used in operating activities	(17,610,261)
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CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of non-current physical assets	(1,260,000)
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Net cash used in investing activities	(1,260,000)
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Net decrease in cash held	(1,407,586)
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Cash assets at the beginning of the financial year	4,282,899
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CASH ASSETS AT THE END OF THE FINANCIAL YEAR	2,875,313
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Contact

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