



central
INSTITUTE OF TECHNOLOGY

central institute of technology | annual report

2011

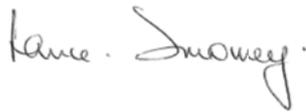


Managing Director's Report	1
Overview of the Agency	
Executive Summary	3
About Central Institute of Technology	6
Vision, Values and Mission	7
Strategic Plan 2011-2013	7
Student Population	9
Awards and Scholarships	10
Operational Structure	14
Performance Management Framework	20
Outcome Based Management Framework	20
Changes to Outcome Based Management Framework	20
Shared Responsibilities with Other Agencies	20
Agency Performance	
Health, Community Services and Languages	21
Engineering, Technology and Business	23
Creative Industries.....	25
Strategy and Development	27
Business Services.....	29
Office of the Managing Director	32
Significant Issues Impacting the Agency	34
Disclosures and Legal Compliance	
Auditor General's Opinion	36
Certification of Financial Statements.....	38
Financial Statements.....	39
Annual Estimates.....	63
Certification of Key Performance Indicators	68
Key Performance Indicators	69
Ministerial Directives.....	74
Other Financial Disclosures.....	74
Pricing Policy for Services Provided	74
Capital Works	74
Employment and Industrial Relations	75
Governance Disclosures	76
Other Legal Requirements.....	76
Government Policy Requirements	79

To the Hon Peter Collier MLC, Minister for Training and Workforce Development

In accordance with Section 61 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament the Annual Report of Central Institute of Technology for the period ending 31 December 2011.

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



Professor Lance Twomey AO
Chair
Governing Council
Central Institute of Technology
13 March 2012



Ms Susan Haynes
Deputy Chair
Governing Council
Central Institute of Technology
13 March 2012

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Welcome to the 2011 Central Institute of Technology Annual Report.

For Central, 2011 has been a year of consolidation, with some major undertakings brought to completion, a year of innovation, as we responded to the evolving training environment, and a year of progression, with the launch of exciting new projects and the further development of initiatives commenced in 2010.

2011 was the first year of Central's five year vision. The vision emphasises a quality approach across the full spectrum of activities undertaken by the Institute. So in 2011 we worked to build quality in the programs we deliver, in the services we provide, in the facilities we have available, and in how we respond to the challenges we face as a public training provider. While there is certainly always room for improvement, I am proud of the way our staff have responded to this 'quality challenge' and the marvellous work that has been undertaken across the Institute.

We continued to develop our focus on student success and retention with the establishment of a standing committee for student success. Last year we dedicated resources to improving our understanding of why students chose to withdraw from all or part of their training program. Building on that foundation we have concentrated our efforts and now every student who withdraws is contacted for feedback. We are using the understanding we gain from this endeavour to better support our students and we have already seen some improvement in the related statistics.

In response to industry needs, Central has since 2006, increased the level of delivery undertaken in the workplace or that is associated with apprentices and trainees. We started from a base of just 3% of total delivery being in the workplace. For 2011 we increased our workplace delivery to 11% of total profile delivery. Our focus on workplace delivery will continue, providing flexibility for employers who are seeking to improve their workers skills with minimum disruption to their business.

Central continued to work collaboratively with local universities in 2011. We have endeavoured to

strengthen and expand existing articulation arrangements that provide a pathway for our graduates to university. We have also looked at developing new cooperative arrangements that provide students with a greater range of options and opportunities to gain the qualifications they are seeking.

Responding to the technological age in which we live, we have rebuilt Central's IT backbone infrastructure, provided wireless internet at the Perth and Mount Lawley campuses, provided 150 laptops for our lecturing staff, and will officially launch our new website early in the new year. The website has some wonderful new features, one of which allows students to match their interests with potential qualifications and careers. For many of our students the website is their first point of contact with the Institute. The new website is designed to make that contact an easy, informative and productive experience for those that use it.

An area of particular focus in 2011 has been sustainability. We have made progress in our strategy to integrate sustainability into our training programs. The aim is to have our students prepared to participate in their chosen industry, and particularly where these are associated with regulatory requirements, with a full awareness of sustainability principles and practices.

Success at Central is really measured by the positive impact we have on the individual lives of our students. Some of our achievements however, were acknowledged at this year's Western Australian Training Awards where, for the second year running, Central was awarded 'WA International Training Provider of the Year'. This award recognises our innovation and excellence in providing training to international students. Our success in this area comes despite the challenges currently faced in the international education sector, and is a credit to our International Operations team. Our collaborative endeavours with the David Wirrpanda Foundation were recognised with a WA Training Initiative award and the innovative efforts of our Marketing team were recognised with Central's 'You learn more in the city' campaign receiving top honours at the Australian Training Marketing Association national awards.

New buildings at our Perth and East Perth campuses were officially opened and as programs moved into those buildings we said goodbye to our Subiaco campus which closed after being part of the State training system for more than 50 years. There has also been some significant remodelling undertaken in our older buildings to ensure optimum use of our space and to provide the best facilities for our students. Remodelling will continue into 2012.

Construction commenced on the *Oxford Foyer* project, a joint initiative between Anglicare WA, Foundation Housing and Central to provide housing for up to 100 young people, who are homeless or at risk of homelessness. Plans for our Green Skills building are being finalised with construction scheduled to commence next year. Most of our sustainability related training will take place in the Green Skills Training Centre once it comes on line.

In summary, 2011 has been a very successful year for Central. We have met our key training benchmarks, brought plans from earlier years to fruition and put in place strategies to deal with the challenges we see ahead.

Central could not have achieved what it has in 2011 without the dedicated work of its staff and the wise direction from its Governing Council. I would like to sincerely thank our staff and Governing Council for their efforts and contribution throughout the year. We acknowledge also the partnerships we have with our employer and community partners, and industry organisations and advisory boards, who continue to provide valuable input into the training we deliver.



Neil Fernandes
Managing Director
13 March 2012

executive summary

Publicly funded student contact hours, although slightly down from 2010, again exceeded seven million student contact hours (SCH). A summary of the key achievements against the 2011 Business Plan are presented below. In 2011 we:

Competitive Market

- Grew commercial and grant revenue, generating revenue of \$37 million.
- Continued major commercial partnerships including the Adult Migrant English Program (AMEP), *Better Skills for Better Care*, World Vision Australia, Department of Education and the Workplace English Language Program.
- Maintained the number of onshore international students despite a decline in international student enrolments nationally.
- Were awarded 'International Training Provider of the Year' at the Western Australian Training Awards for the second consecutive year.
- Developed a business plan for the Indian market and established partnerships with government and private institutions which will provide the foundation for a significant offshore delivery program in 2012.
- Were awarded 'Best Advertising Campaign over \$100k' at the Australian Training Marketing Association Awards.
- Commenced the delivery of the Diploma of Library Services through an exclusive contract with Open Universities Australia.
- Added 22 new higher level qualifications to the Institute's scope of registration.
- Finalised our tertiary strategy which will see Central become a significant and comprehensive provider of vocationally orientated higher education programs.

Employers, Industry and Government

- Increased work based training delivery by 15.9% and maintained employment based training delivery above 400,000 SCH.
- Worked with the disability, health and aged care, education and resources sectors to upskill workers to higher level qualifications.
- Continued to be the major provider of *Better Skills for Better Care* training in Western Australia for the fourth consecutive year.
- Continued our partnership with Catholic Education Office to support the upskilling of Education Support Workers.
- Increased delivery through recognition of prior learning (RPL) by 28.9%.
- Continued our partnership with the Australian Broadcasting Commission (ABC) to enable Screen and Media students to train at the ABC to gain valuable experience operating high-tech studio equipment.
- Made significant progress in delivering training and workforce solutions to the local government sector.

Student Success

- Established a Student Success Centre to coordinate the ongoing implementation of the administrative and support components of the student achievement and retention strategy.
- Established a Standing Committee for Student Success and Retention to ensure coordinated and comprehensive oversight of the student achievement and retention strategy across the Institute.
- Completed a project analysing the factors impacting on the module load completion rate (MLCR), with a particular focus on categories of delivery, which could present potential

overview of the agency

improvement opportunities and identify students or cohorts who may be at risk of poor MLCR outcomes.

- Strengthened our focus on assessment and training practice to improve student outcomes under the leadership of our peak academic committee, the Academic Board.
- Improved the Institute module load completion rate by 1.5% to 75.6% and reduced the rate of formal withdrawals by 5.7% to 7.8%.
- Increased Aboriginal and Torres Strait Islander course enrolments by 17.3%.
- Expanded formal articulation arrangements with the university sector.
- Developed a new website which features a more modern look and feel, course finder tools, improved search functionality, a frequently asked questions database and more comprehensive course information.
- Piloted language, literacy and numeracy (LLN) programs for Institute-wide implementation in 2012.

Community

- Continued to grow initiatives in collaboration with local government and community organisations to build pathways to further training and employment.
- Were awarded the 'WA Training Initiative' for the Solid Futures program at the Western Australian Training Awards.
- Continued our partnership with the David Wirrpanda Foundation to provide training and employment to Aboriginal and Torres Strait Islander students.
- Continued to deliver training in partnership with World Vision Australia to staff working at child care centres in two remote Aboriginal communities in the Northern Territory.
- Continued our collaboration with City Farm to

support the delivery of programs to disadvantaged groups.

- Reconceptualised the Institute's sustainability framework to embrace all facets of the organisation's business.
- Commenced construction of the *Oxford Foyer* building at the Leederville campus.
- Implemented wireless internet at the Perth and Mount Lawley campuses.
- Established *Central i*, a student run Visitor Information Centre at 30 Aberdeen Street in Northbridge.
- Became the first educational provider in Western Australia to meet the requirements to become a Green Stamp Accredited Business and a Sustainable Green Printer.

Capability

- Completed major capital projects including 30 Aberdeen Street, the mining facility at East Perth, the refurbishment of Level 1 at 25 Aberdeen Street and the C-Block at the Leederville campus.
- Established a central Project Management Office to manage all major projects across the Business Services Division.
- Decommissioned the Subiaco campus and handed the site back to the Department of Training and Workforce Development.
- Transformed our traditional human resource area to one more strategically concerned with organisational development.
- Launched the Lecturer Vocational Competency Diary to better align the professional development activities of academic staff to Institute strategic objectives and goals.
- Reviewed the induction program and on-boarding processes to improve the new starter experience for staff.



overview of the agency



- Implemented a specially tailored training program to support managers to effectively manage their workforce at the local level.
- Deployed 420 portable devices to lecturers, enabling them to work digitally and use the lecturer portal system.
- Continued to implement new blade server technology and a network redesign at the Perth campus.
- Implemented a data governance framework and corporate business intelligence strategy.

about central institute of technology

Overview

Central Institute of Technology has a history spanning more than 110 years, making it the oldest non-compulsory education institution in Western Australia. 'Perth Technical School', as it was originally known, held its first classes on 16 May 1900.

The Institute provides high quality vocational education and training (VET) to more than 35,000 students, of which about 3,400 are onshore and offshore international students.

Central Institute of Technology is the premier deliverer of paraprofessional qualifications in Western Australia and is the major deliverer of higher level qualifications in the State, with around 65% of delivery at Certificate IV and above.

The Institute continues to be a major contributor to the economic development of the broader community, responding directly to the requirements of industry, employers and government for a highly skilled and capable workforce.

Programs

The Institute offers more than 400 nationally accredited courses, ranging from Certificate I to Vocational Graduate Certificate, together with a range of customised fee-for-service training courses. Central's close relationships with industry ensure that courses are practical, job-focused and driven by employment outcomes.

Services

Central Institute of Technology provides a range of industry and employer consultancy and workforce development services, designed to increase skill development and utilisation in the workplace, increase productivity and build business capability.

The Centre for Business Solutions and Training (CBS Training) is the corporate training section of the Business and Management portfolio. CBS Training offers customised training courses ranging from short

courses to nationally recognised Certificate IV and Diplomas that are adapted to suit individual organisational requirements.

The Business Development Unit brokers relationships with industry to identify solutions which address critical skills development and workforce planning needs. The Unit also identifies new business opportunities to grow traineeships and apprenticeships, funding sources and tender opportunities.

Campuses

- Perth
12, 19, 25 and 30 Aberdeen Street
133 Newcastle Street
NORTHBRIDGE WA 6003
- Leederville
Richmond Street
LEEDERVILLE WA 6007
- East Perth
140 Royal Street
EAST PERTH WA 6004
- Mount Lawley
Cnr Lord and Harold Streets
MOUNT LAWLEY WA 6050
- Oral Health Centre of Western Australia
17 Monash Avenue
NEDLANDS WA 6009

vision, values and mission

Vision

Central Institute of Technology aims to be recognised as the premier deliverer of high-level vocational skills.

Mission

Working smarter to deliver smarter workers.

Values

Central Institute of Technology has developed a set of seven values to assist in realising the Institute's vision. These values underpin the development of all Institute products and services.

Customer Service

We value the trust and satisfaction of our customers and will endeavour to provide services that meet their expectations.

Integrity

We will act honestly and with integrity.

Respect for the Rights of Others

We will treat our staff and students as we would like to be treated ourselves.

Environmental Awareness

We are aware of the fragility of the environment and will work towards sustaining it both through the programs that we deliver and our practices.

Accountability

We recognise the right of our students, industry, government and the community to scrutinise, challenge and call us to account for our actions and behaviour.

Openness

We will be honest with each other and with our customers and will communicate directly and openly.

Excellence

We are committed to excellence in all that we do and will recognise excellent performance by staff and students within the Institute.

strategic plan 2011-2013

The Strategic Plan 2011-2013 outlines the Institute's goals, objectives and targets to achieve its mission. The Plan was developed to deliver on the outcomes and targets set in *Training WA*.

Competitive Market

We strengthen Central's position and lead in a competitive training market:

Publicly funded delivery

At least a 25% market share of publicly funded training delivery.

Commercialisation

Grow the proportion of commercial revenue to at least 25% of total revenue.

Internationalisation

Annual growth of at least 10% in international student numbers (onshore and offshore).

Industry precincts/centres of specialisation

Market leadership in our centres of specialisation.

Higher level qualifications (Certificate IV and above)

Growth of 25% in the delivery of higher level qualifications.

Employers, Industry and Government

We will respond to employers' needs with flexible and customised work based training:

Workforce Development and Productivity

Training that directly responds to employers' needs for an increasingly productive workforce.

Employment Outcomes

Suitably skilled and more employable workers.

Innovation and Industry Engagement

Partnerships and collaborations that support workforce development.

Student Success

Our students achieve their goals through a positive learning experience and are valued by industry:

Quality of Teaching and Learning

Students are very satisfied with the quality of the learning experience.

Flexibility

Study options promote student success.

Student Support Services

Student information and support services are responsive to students needs and contribute to improving outcomes.

Equity and Diversity

Students experiencing educational disadvantage achieve positive outcomes.

Community

We are valued for the contribution we make to the vitality and sustainability of our communities:

Partnerships and Programs

Training and employment outcomes are enhanced through partnering with relevant community organisations.

Citizenship

The Institute's staff and students are actively involved in activities for the betterment of the community.

Student Community

A welcoming environment encourages student engagement and supports student success.

Campus for the Community

A welcoming environment supports integration with and responsiveness to the local community.

Capability

We will recognise and nurture our competitive advantage, focusing on the quality of our programs, services and staff:

People

Staff capability, attributes and attitudes support a positive culture.

Finances

Funding models support Institute priorities and directions.

Infrastructure

Facilities are appropriate to contemporary teaching practices.

ICT

A robust and scalable technology platform that adapts to the changing needs of the Institute, its staff and students.

student population

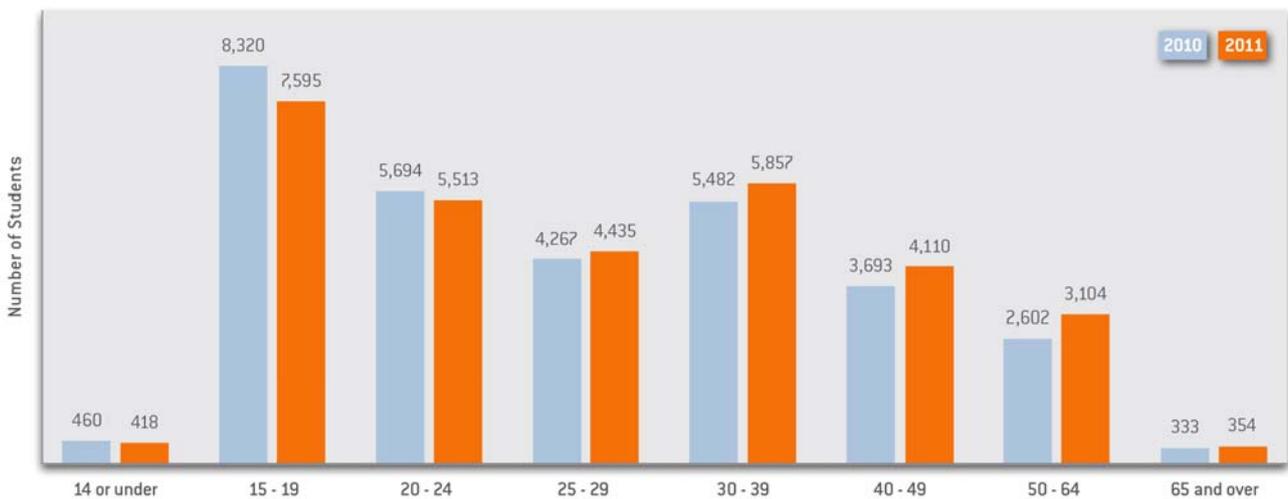
The number of students who undertook a course at Central in 2011 (excluding offshore international) increased by 1.8% to 31,490.

The largest proportion of students at the Institute was the 15 to 19 year old age group, representing 24.1% of the total student population (excluding offshore international students). Approximately 43% of students were aged 24 years and under.

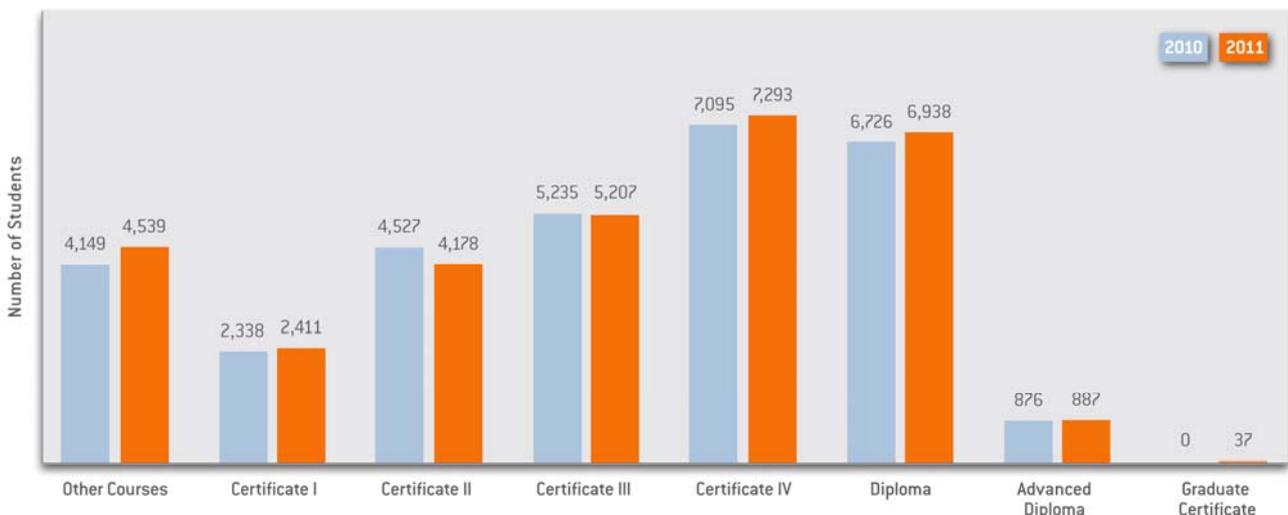
Of the total enrolments 14.4% is attributable to 'Other Courses', 37.5% to Certificate I to III qualifications and 48.1% to Certificate IV and above qualifications.

Approximately 50% of students studied at Central on a part-time basis while 59% of students were female.

Student Population by Age Group



Student Population by Qualification Level



awards and scholarships

Central had another successful year with staff and students recognised for their achievements locally, nationally and internationally.

WA Training Awards

International Training Provider of the Year

Central Institute of Technology

WA Training Initiative

Solid Futures Program

Australian Training Marketing Association Awards

Best Advertising Campaign over \$100k

Central Institute of Technology

Perth Advertising and Design Club Awards

Bronze Prize (Transit and Outdoor Category)

Central Institute of Technology

Central Institute of Technology Staff Awards

Customer Service Award

Brittany Billett

Innovation and Leadership Award

Ryan Goggin

Team Award

AMEP Contract Management and Coordination Team
Lois McLagan, Richard Flack, Kimberley Yamamoto and David Dutton

Central Institute of Technology Student Awards

Aboriginal/Torres Strait Islander Student of the Year

Glen Miller

International Student of the Year

Michelle Cohen

Apprentice/Trainee of the Year

Josie Osborne

Student of the Year

Matthew Slater

Access & Diversity Student of the Year (Student from a non-English speaking background)

Sophie Ting

Access & Diversity Student of the Year (Students with Disability)

Ennae McGrath

High Achieving Student

Art & Craft Pascal Proteau

Art & Craft Benjamin Rankin

Applied Design Ting Sia

Applied Design Fiona Lay

Media Perrie Taylor

Information Technology Rachel Jones

Library & Information Studies Elizabeth Robertson

Community & Children's Services Alexis Bartz

Languages Christine Donnelly

Tourism & Events Franziska Mulbe

Sport, Education & Disability Programs Efrain Dayog

Health & Lifestyle Laura Budzynski

Community Learning & Partnerships Jolene Farrell

Community Learning & Partnerships Gilbert Calyun

English as a Second Language Zhili Dai

English as a Second Language Dongzi Lu

Business & Management Jemma Phipps

Business & Management Katrina Sheridan

Finance, Law & Property Services Marilyn Ogie

Finance, Law & Property Services Alexandra Kearley

Science, Resources & Environment Anton Kursar

Engineering Joshua McKenzie

Engineering Guy Webster

Building Design & Construction Natalie Hall

Most Improved Student

Art & Craft Khadijah Jodicke

Media Leanne Clements

Community & Children's Services Elyssa Currie

Languages Elizabeth Searle

Tourism & Events Emina Grujic

Sport, Education & Disability Programs Kevin Castillo

Health & Lifestyle Melissa Harrison

Community Learning & Partnerships Nathaniel

Campbell Valverde

Community Learning & Partnerships Daina Short

English as a Second Language Veronica Diaz de Leon

Science, Resources & Environment Nadine Forde
Building Design & Construction Paramasiven
Periathamby

Central Institute of Technology Scholarships

Aboriginal & Torres Strait Islander Scholarship

Joshua Ahwong
Shanae McGuire
Rebecca Lee Scott
Halona Jones

Access & Equity Scholarship

Caitlin Dransfield
Lwal Amoly
Dallas Stevens
Rami Kadamani
Abraham Angok
Shouna Adroub
Nicholas Peters
Shannen MacNeall

Academic Excellence Scholarship

Matthew White
Ting Sia
Fiona Lay
Kate Smith
Avgustina Petrova
Julia Davis

New Student Scholarship

Claire Nazzari
Holly-Lee Boyce

Central Institute of Technology Smith Family Scholarship

Ajom Abuy
Caitlin Curran
Ryan Turner

Design School Scholarship (Nyonger Art Award)

Denien Toomath

Central Institute of Technology CHOGM Student Competition

Winner Francine Orr
Winner Kathy Allam
Highly Commended Didier Bertrand

Highly Commended Prakash Rughoobur
Highly Commended Rachel Wells
Highly Commended Louise Southalan
Highly Commended Deborah Haslam

41st WorldSkills International Competition

Medallion of Excellence (Jewellery) Natalee Hibbins

WorldSkills Regional Competition (Beauty Therapy)

Industry Judges Award for Most Employable

Brianna O'Neil

Regional Bronze Medal Alexandra Morar

Regional Gold Medal Lawan Kaewphun

Building Designers Association of WA

Student Award Paul Hartley

Cancer Council of Western Australia Competition

Winner Damien Pomerantseff

Conversation Council of Western Australia Environmental Art Awards

Professional Award Helen Seiver

NAB WA Sculpture Scholarship

Marwa Fahmy
Stephen Genovese
Elizabeth Marpole
Kate Parker

Castaways Sculpture Awards

Alcoa Award for Sculpture Kathy Allam

Museum Street Precinct Park Public Art Project

EPRA Public Sculpture Commission Marwa Fahmy

StyleAid Absolut Creative Designer Award

Winner Shelly Tindale

Drug Aware Y-Culture Metro Logo Design Competition

Runner Up Graham Sunderland
Public Favourite Graham Sunderland

Printing Industry Craftsmanship Awards 2011

Apprentice Award Cory Hunter

WA-Hyogo Banshu Textile Scholarship

Winner Bea Cho

Winner Seonaidh Murphy

Design Institute of Australia (WA) Awards

Emerging Student Award Mark Sawyer

Award of Merit Mark Sawyer

Award of Merit Hanzlah Ain

Award of Merit Avgustina Petrova

Commendation Gwilym Faulkner

Commendation Fiona Lay

Commendation Marc Ferreira

Australasian Student Design Awards

Third Prize (Jewellery Design) Hana Bartovicova

National Furnishing Industry Association Awards

First Prize Hanzlah Ain

Second Prize Lasa Brewer

Furnishing Industry Association (WA) Awards

First Prize Hanzlah Ain

Second Prize Lasa Brewer

Commendation Fiona Lay

Commendation Peran Bishop

“Vivid” – Vibrant Visions in Design Competition

Commendation Asor Adudu

Finalist Anders Mikael Fahleson

Finalist Chris Vincent

Finalist Craig Birkholtz

Finalist Fiona Lay

Finalist Gwilym Faulkner

Finalist Hanzlah Ain

Finalist Jack Flanagan

Finalist Kwame Njenga Mwaura

Finalist Lasa Brewer

Finalist Levan Rianto

Finalist Malcolm Drain

Finalist Marc Ferreira

Finalist Novi Erniera Sjahrir

Finalist Peran Bishop

Finalist Taiyan Wen

Finalist Tony Formentin

“The Edge” – Australian International Furniture Fair

Third Place Commendation Marc Ferreira

Finalist Fiona Lay

Finalist Hanzlah Ain

Finalist Mark Davies

Crosby Tile Challenge

Winner Judges Choice Nathan McGuire

Winner Peoples Choice Sarah White

Winner JH Wilberforce Award for Best Use of Product

Nathan McGuire

Runner Up Judges Choice Valli Papini

Runner Up Peoples Choice Chantelle McDonald

Finalist Amber Griffiths

Finalist Felicity Dopheide

Finalist Amanda Bell

Finalist Hanea Yu

Finalist Kimberley Robinson

Finalist Joie Stevenson

Finalist Erin Carr

Finalist Rebecca Hewitt

Australian Institute of Professional Photography

Student Bursary Geraldine Cooney

Zonta Club of Perth Inc Community Services Award

Achievement Award Frida Lemi

Skål International Perth

Brian Philippon Memorial Award Jessica McCall

Aged and Community Services WA Excellence in Care Awards

Industry Supporter Award Finalist

Central Institute of Technology

Ida Curtois Achiever Awards

Technical and Further Education Achiever Award

Shanelle Duffy

Crystal Valesini

Troy Plackett

Pizzatta Family Trust Horticulture Scholarship

Julie-Marie Cassasco
Paul John Carther

Mining and Engineering Scholarship

Selwyn Taylor
Wesley Jackson

ABN Group Design Scholarship

Tim Leaver

Laminex Group Design Scholarship

Brianna Robertson

Myershircore Scholarship

Damian Power

Monart Scholarship

Jessica Beach

Rotary Club of Northbridge Scholarship

Cathleen Drummond

Academic and Research Libraries (WA) Group ALIA

Best Practicum Carmen Hope

Best Essay Graham Barker

operational structure

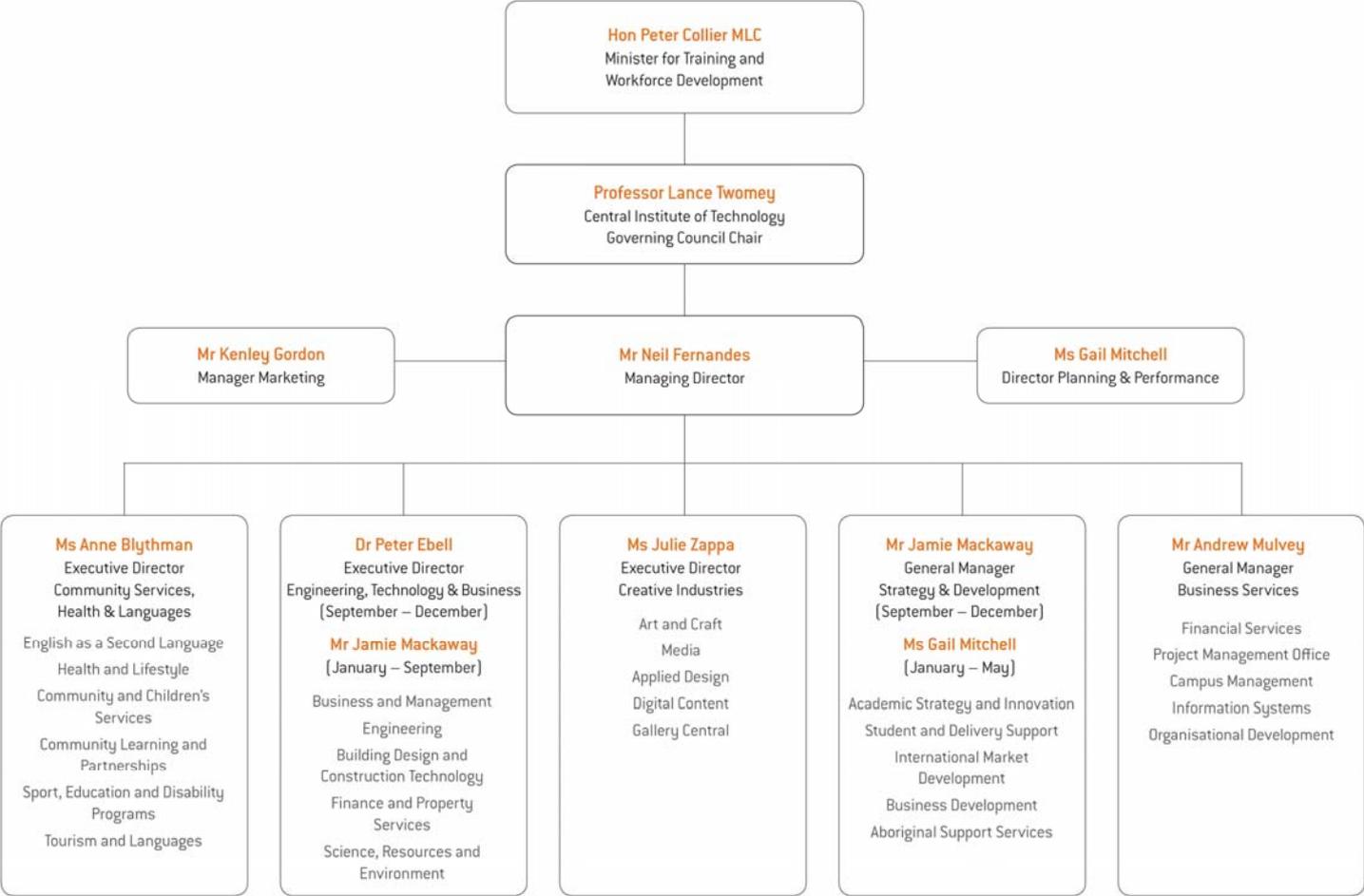
Enabling Legislation

Central Institute of Technology was established as a statutory authority on 1 January 1997 under Section 35 of the *Vocational Education and Training Act 1996*. The Institute is a body corporate with the Institute Governing Council established as the accountable authority.

Responsible Minister

Central Institute of Technology is responsible to the Hon Peter Collier MLC, Minister for Training and Workforce Development, with the primary purpose of delivering vocational education and training and other related activities determined by the Minister.

Organisational Structure



Corporate Governance

The Institute has in place an effective corporate governance structure, supported by boards, systems, practices, processes and documentation which guide the performance, operation and management of the organisation, ensure legislative requirements are met and ensure the achievement of desired outcomes.

Central operates within the parameters of a range of legislative requirements, whole-of-government and vocational education and training (VET) policy directions. A range of procedures are in place to address the operational and planning activities necessary to comply with legislation and policies.

Central recognises the importance of good governance to ensure the best possible outcomes are delivered by the State training sector and that Western Australians receive value for money from the State Government. In signing the Governance Chart with the Minister for Training and Workforce Development and the

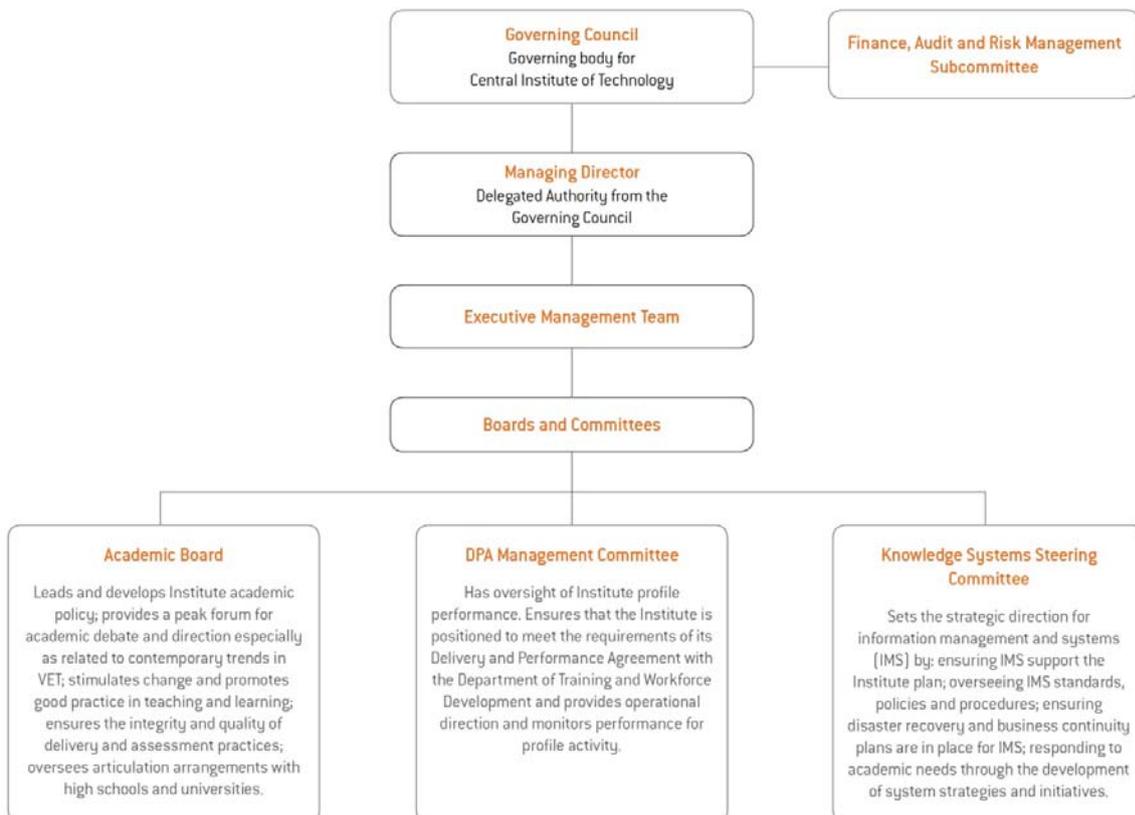
Department of Training and Workforce Development, the Institute commits to:

- implementing the Governance Framework throughout the organisation;
- embracing the nine principles of good governance;
- ensuring minimum standards of governance are in place; and
- continuing to take an active role in discussions regarding the ongoing development of the Governance Framework.

Furthermore, the Governing Council and Managing Director commit to:

- implementing the minimum standards of governance; and
- meeting the Governance Framework requirements, remaining financially viable and meeting the State Government's training priorities.

Governance Structure



Governing Council

Central Institute of Technology is governed by a Council which oversees the Institute's operations and affairs. Whilst the Governing Council is the ultimate authority in the Institute, it delegates its powers as the employing authority and manager of the Institute, to the Managing Director. Governing Council has responsibility to ensure that all delegations are carried out diligently and effectively.

The Governing Council consists of a chairperson, a deputy chairperson, the Managing Director of the Institute and between 6 and 10 other members appointed by the Minister for Training and Workforce Development. Members are selected for their experience and expertise in education, training, industry or community affairs and for their ability to contribute to the strategic direction of the Institute. Members are appointed for a term of three years. At the end of their three year term they are eligible for re-appointment.

Section 42 of the *Vocational Education and Training Act 1996* outlines the Governing Council's functions.

Functions of the Governing Council include:

- govern and oversee the general operations and performance of the Institute;
- develop and approve strategic directions and business operations of the Institute; and
- ensure the Institute's courses, programs and services are responsive to, and meet the needs of students, industry and the community.

The Governing Council oversees the strategic direction of the Institute through the execution of its statutory functions under the *Vocational Education and Training Act 1996*, *Public Sector Management Act 1994* and the *Financial Management Act 2006*.

Finance, Audit and Risk Management Subcommittee of Governing Council

The Finance, Audit and Risk Management Subcommittee was established by the Governing Council to ensure appropriate oversight of key

governance issues and is responsible for investigating issues to inform the Governing Council and to make recommendations for Council endorsement. The Finance, Audit and Risk Management Subcommittee consists of three or more Governing Council members, as nominated by the full Council from time to time.

As at 31 December 2011, membership of the Governing Council and Finance, Audit and Risk Management Subcommittee of Governing Council was as follows:

Professor Lance Twomey AO

Professor Twomey has a long standing and prestigious reputation in the Western Australian education sector. While his initial qualification is in physiotherapy, Professor Twomey received Honours and a PhD in Anatomy and has since served as Vice-Chancellor and President of Curtin University for well over a decade.

Professor Twomey joined the Governing Council in 2008 and was appointed Chairperson in 2009. Professor Twomey is a member of the Finance, Audit and Risk Management Subcommittee.

Susan Hayes

Susan is a partner in a Chartered Accounting firm and is a member of the Institute of Chartered Accountants in Australia with an Honours degree in Accounting.

Susan joined the Governing Council in 2005 and was appointed Deputy Chairperson in 2009. Susan is Chairperson of the Finance, Audit and Risk Management Subcommittee.

Stephanie Faulkner

Stephanie is a lawyer specialising in all aspects of the commercialisation of intellectual property and dispute resolution. She is acknowledged in Australia and overseas as being expert, particularly in the field of copyright as well as in relation to patents, trademarks, confidential information and the intellectual property-competition policy nexus.

Stephanie has been a member of Governing Council since 2006 and has been a member of the Finance, Audit and Risk Management Subcommittee since 2009.

Ian Gay

Ian joined Qantas in 1970. During his time at Qantas, Ian has held a wide variety of senior positions, including passenger systems, corporate marketing, overseas management, international alliances and sales. His current position is Regional General Manager, Western Australia and Northern Territory.

Ian was appointed to the Governing Council in 2009.

Pam Brand

Pam is currently a member of staff at Central Institute of Technology as a Workforce Development Consultant for the portfolios of Business and Management and Sport, Education and Disability Programs. Pam has a strong sporting background as an elite tennis player, which includes competing in major world events such as the Wimbledon Championships.

Pam was appointed to the Governing Council in 2009.

Stedman Ellis

Stedman is currently the WA Director at the Australian Petroleum Production & Exploration Association. For three years, Stedman was the Deputy Director General at the WA Department of Mines and Petroleum where he dealt with key policy and strategic issues involved in delivering the government's priorities in this area.

Stedman has been a member of the Governing Council since 2008.

Mara West

Mara has an education and training background, having worked in the VET system for many years. In particular Mara has considerable experience in Aboriginal programs, having participated in the development, review and evaluation of a number of significant indigenous projects.

Mara joined the Governing Council in 2008 and was this year reappointed for a further three-year term. Mara is also Chairperson of Central's Aboriginal Employment, Education and Training Committee.

Colin Campbell-Fraser

Colin is Principal Advisor (External Relations and

Advocacy) at the University of Western Australia. He operates in high level management, supervision, planning, decision making and negotiation. In particular, he is responsible for developing and maintaining a dialogue on behalf of the University with key government, business and community leaders.

Colin has been a member of the Governing Council since 2007.

Paul Jones

Paul is an architect and a director of a major Perth architectural firm. Paul has a wealth of experience through his involvement in projects produced by his practice as well as extensive experience in his time with Foster Associates in London as the Project Architect for Stansted Airport and the Renault Headquarters.

Paul was appointed to the Governing Council in 2009.

Adjunct Associate Professor Catherine Stoddart

Adjunct Associate Professor Catherine Stoddart is the Chief Nurse and Midwifery Officer of Western Australia. Catherine has previously held executive management roles and senior clinical nursing positions at Sir Charles Gairdner Hospital and more recently as Executive Director of Nursing at the WA Country Health Service and as Regional Director for the Kimberley Health Service.

Catherine was appointed to the Governing Council in 2010. Catherine is a member of the Finance, Audit and Risk Management Subcommittee.

Peter Fairclough

Peter is the Policy, Government and Public Affairs General Manager for Chevron Australia. He is responsible for, among others, legislative and regulatory advocacy, external and internal communications, community and stakeholder engagement and reputation. He has extensive experience in government relations, policy development and advocacy, reputation management and community engagement.

Peter was appointed to the Governing Council in 2010.

Stephen Pollard

Stephen is the Chief Executive of the All Earth Group, a company which specialises in civil construction, waste and recycling management, plant hire and logistics. Stephen previously held the position of Chief Operating Officer at the Chamber of Commerce and Industry Western Australia, having joined in November 1999.

Stephen was appointed to the Governing Council in 2011. He is also a member of the Finance, Audit and Risk Management Subcommittee.

Neil Fernandes

Neil has been the Managing Director at Central Institute of Technology since July 2005. Neil is an ex-officio member of the Governing Council by virtue of his position as Managing Director.

The Institute would like to acknowledge the contribution of Pat Salay who retired after six years of service.

Executive Management Team

The Executive Management Team consists of the Managing Director, General Managers and Executive Directors. The Executive Management Team has overall responsibility for the day-to-day effective and efficient operation of the Institute and undertakes strategic planning for the future direction of the Institute. Members chair the governance boards and committees at Central.

In 2011 Central trialled a revised membership structure to provide selected senior managers with an opportunity to engage with the team and more actively contribute to the Institute's strategic direction. The Executive Management Team would like to acknowledge Mandy Taylor, Carmen Broderick, Sue Egerton, Derek Swarts, Ros Howell, Maree Tabb and Digby de Bruin for their contribution.

Central would also like to acknowledge the contribution of Gail Mitchell who served on the Executive Management Team for over five years.

Administering Legislation

The Minister for Training and Workforce Development administers the *Vocational Education and Training Act 1996*.

Key legislation affecting the Institute's activities

Central complies with the following relevant legislation:

Archive Act 1983, Commonwealth
Auditor General Act 2006
Children and Community Services Act 2004
Civil Liability Act 2002
Classification Enforcement Act 1996
Commercial Tenancy (Retail Shops) Agreements Act 1985
Copyright Act 1968, Commonwealth
Corporations Act 2001, Commonwealth
Corruption and Crime Commission Act 2003
Disability Services Act 1993
Education Service Providers (Full Fee Overseas Students) Registration Act 1991
Education Services for Overseas Students Act 2000, Commonwealth
Electoral Act 1907
Equal Opportunity Act 1984
Fair Work Act 2009, Commonwealth
Financial Management Act 2006
Freedom of Information Act 1992
Government Employees Superannuation Act 1987
Higher Education Support Act 2003, Commonwealth
Income Tax Assessment Act 1997
Industrial Relations Act 1979
Industrial Training Act 1975
Library Board of Western Australia Act 1951
Minimum Conditions of Employment Act 1993
Occupational Safety and Health Act 1984
Privacy Act 1988, Commonwealth
Public Interest Disclosure Act 2003
Public Sector Management Act 1994
Skills Australia Act 2008, Commonwealth
Spam Act 2003, Commonwealth
State Records Act 2000
State Supply Commission Act 1991
Statutory Corporations (Liability of Directors) Act 1996
Vocational Education and Training Act 1996
Workers Compensation and Injury Management Act 1981
Working with Children (Criminal Record Checking) Act 2004
Workplace Relations Act 1996, Commonwealth

performance management framework

Outcomes Based Management Framework

The Government Goal “Outcomes Based Service Delivery” best covers Central Institute of Technology’s core business. The link between this government goal and agency level government desired outcomes and services is presented below:

Government Goal	Desired Outcomes	Services
Outcome Based Service Delivery: <i>To ensure a greater focus on achieving results in key service delivery areas for the benefit of all Western Australians.</i>	The provision of vocational education and training services to meet community and industry training needs	<ol style="list-style-type: none">1. Delivering nationally accredited training courses from Certificate I to Vocational Graduate Certificate2. Apprenticeships and traineeships3. Foundation and access programs4. Fee-for-service courses including onshore international delivery, short courses and single subscriber courses

Changes to Outcome Based Management Framework

Central Institute of Technology’s outcome based management framework did not change during 2011.

Shared Responsibilities with Other Agencies

Central Institute of Technology does not share any responsibilities with other agencies.

health, community services and languages

The Health, Community Services and Languages Division compasses Health and Community Services, Travel, Tourism and Events, Education and Sport and Fitness. In addition it provides training in English Language and LOTE (Languages other than English), as well as targeted programs for disadvantaged groups and students with a disability.

Meeting Student Needs

The Division continued its commitment to creative and innovative learning spaces and programs that enhance the learning experience and training outcomes for students.

The highly successful Sports Academy program run from the Leederville campus provided for specialisations in Australian rules football, basketball, soccer, rugby, tennis, and hockey. The program continued to experience strong demand in 2011 and attracted a number of high achieving participants. This included Jessica Allen, who won the junior women's time trial at the world road cycling championships in Copenhagen, four students who represented the state school boys in soccer and Ashlee Atkins, who represented the women's AFL WA at the national championships in Melbourne. Central worked with the Western Australian Cricket Association, with a view to introducing cricket as an additional specialist elective for students in 2012.

Significant investment was made in state of the art simulation equipment in the health area to increase opportunities for Enrolled Nursing students to apply and practise their skills in simulated environments.

The newly refurbished Community Learning Centre was officially opened in September. The Centre provides an innovative and interactive learning space for a range of health and community services programs. Students with a disability are able to use the café/kitchen to develop their life skills and interact with other students. The Centre helps to promote the engagement of students enrolled in Children's Services, Youth Work, Aged Care and Disability Service programs with community groups.

The Travel, Tourism & Events area expanded on their current live works program with the establishment of *Central i*, a student run Visitor Information Centre at 30 Aberdeen Street in Northbridge. The service promotes the Institute's activities and events to students and the general public.

A crèche catering for up to 30 children was established at the Leederville campus to provide child care for participants of the Adult Migrant English Program. The crèche is fully managed by staff and students from the Children's Services area and is designed to provide students enrolled in Children's Services courses with a high quality experiential learning opportunity.

Language, literacy and numeracy has been recognised as a significant factor impacting on student success. With this in mind, different models were piloted in 2011 in the Teacher Assistant, Children's Services and Financial Services delivery areas. An evaluation of these models will inform the development of a longer term approach that can be applied more broadly across the Institute.

The Lifestyle area's Beauty Therapy and Massage *Live Works* clinics were relocated to 30 Aberdeen Street in Northbridge at the beginning of 2011. The clinics are operated by Beauty Therapy and Massage students under the guidance of qualified staff.

Meeting Employer Needs

The Division maintained its focus on workplace delivery and supporting enterprises to develop and implement workforce development strategies in addition to developing higher level qualifications in support of priority industry sectors and Central's positioning.

Central continued to assist in the upskilling of over 250 employees across aged care agencies through the provision of Aged Care, Home & Community Care, Service Coordination and Enrolled Nursing training under the Commonwealth Department of Health and Ageing *Better Skills for Better Care* funding initiative.

During 2011 Central became one of three preferred training providers for Aged & Community Services Western Australia (ACSWA), the leading representative

body for the aged and community care sector in Western Australia. This will offer significant opportunities for Central, in conjunction with ACSWA, to expand workforce development initiatives.

Central worked with the Catholic Education Office of Western Australia, the Association of Independent Schools WA, and the Department of Education to support the upskilling of 123 local and 37 regional Education Support workers. The program, which is predicted to have a 90% successful completion rate, incorporates work based delivery, specialist workshops and online technologies to respond to the needs of regional students. An important objective of the program is the development of a career pathway for Education Support workers through to the Bachelor of Education and a teaching career.

The Advanced Diploma of Enrolled Nursing, primarily a work based program supported by workshops and online resources, was developed in collaboration with major Aged Care agencies. Two streams were piloted in 2011 with 10 participants in the Advanced Diploma of Enrolled Nursing (Renal) and 10 participants in the Advanced Diploma of Enrolled Nursing (Aged Care).

In collaboration with the Department of Health, the Institute delivered the Certificate IV in Assistant in Nursing program to over 90 participants. The program achieved a 95% completion rate and over 50 graduates chose to continue their studies by enrolling in the Diploma of Enrolled Nursing.

Community Contribution

In 2011 the Division continued to deliver programs to support students with a disability, as well as people from non-English speaking backgrounds, Aboriginal and Torres Strait Islander and youth at risk groups. Wherever possible, programs were developed and supported through working closely with community agencies.

The Solid Futures program was expanded in 2011 with the support of funding by the Department of Education, Employment and Workplace Relations. Since the program's inception in 2009, over 70 participants have been supported to secure employment. Outcomes for

students are maximised through a project based approach to training and the provision by the David Wirrpanda Foundation of mentoring support and life skills programs. This saw six handcrafted Dardy Design tables using traditional wood burning techniques being completed by students and presented to the University of Western Australia, Murdoch University, Edith Cowan University, Curtin University, Town of Vincent and the Department of Training and Workforce Development. The program also won the 'WA Training Initiative' award at the Western Australian Training Awards.

In 2011 Central significantly increased its delivery of the Certificate III in Mentoring Indigenous people. This program has supported a number of organisations build their internal capacity to support Indigenous employees through the training of identified staff in this qualification. During 2011, Central delivered the program to around 150 clients from industry, government and community agencies and has received extremely positive feedback. The upskilling of staff through this qualification underpins a longer term sustainable approach to supporting Indigenous employees.

Staff from the Children's Services area completed the third year of a contract with World Vision Australia. The program, which has now been partly handed over to a community based worker, saw 19 employees of two Aboriginal communities in the Northern Territory complete competencies from the Certificate II and/or Certificate III in Children's Services. The initiative has been highly successful with Aboriginal specific program and resources developed that caters for the unique needs of child care workers in remote Aboriginal communities.

Ten Aboriginal participants from the Indigenous Consumers Assistance Network in Queensland undertook the Diploma of Community Services (Financial Counselling). The program was delivered using a mix of RPL, online seminars and face-to-face workshops. Three students have completed the program with a further six due to complete in early 2012.

A fully customised training program was developed and delivered in collaboration with the Commonwealth Bank to 12 Aboriginal applicants wishing to pursue a career in banking. Seven students successfully completed the program and five have secured employment to date. The Commonwealth Bank is looking at further job opportunities for the remaining two graduates.

Central continued to deliver programs in partnership with City Farm from their site in East Perth. These included a Men's Shed initiative focusing on entry level construction skills and a Green Corps program in collaboration with Mission Australia for long term unemployed people with a focus on construction and horticulture.

Central delivered workplace literacy and numeracy skills onsite to 18 leading hands at Activ Industries. The Division continued to deliver niche training to students with head injuries at Royal Perth Rehabilitation Hospital in Shenton Park in conjunction with Hospital School Services.

Commercial Initiatives

In line with Central's focus on building and sustaining commercial revenue and profit to reinvest and build capacity, the Division contributed approximately \$12.5 million in commercial revenue through a number of initiatives

Towards the end of 2010, Central was successful in winning a new contract to deliver the Adult English Migrant Program (AMEP). The previous contract was finalised in mid-2011 with significant achievements including enrolment of clients 50% above the target and client satisfaction of 98%. The new contract, requiring the delivery of services to the Perth central business district and an expanded northern metropolitan region, was introduced in July 2011 and is showing early signs of meeting all key performance indicators. There were 2,400 AMEP students in the 2010/2011 year, representing a 1% increase on the previous year.

Central continued to be the major provider of *Better Skills for Better Care* training in the State for the fourth consecutive year. This involved training under a Department of Health and Ageing grant to over 250

clients across agencies in the Health and Community Services sector.

The Dental area successfully completed national accreditation processes in 2011 and delivered the Advanced Diploma of Dental Prosthetics to the first group of 21 students. Central was also approved by the Dental Board of Australia to run a Partial Denture upskilling program for Western Australian Dental Prosthetists in 2012.

The Vocational Graduate Certificate in TESOL (Teachers of English to Speakers of Other Languages) was piloted in 2011 and successfully completed by 22 Central staff. Thirteen full fee-paying clients were also enrolled in the qualification with increased numbers expected in 2012.

The ESL portfolio was contracted by the Department of Transport to provide English Aptitude testing for all taxi drivers in Perth.

engineering, technology and business

The Engineering, Technology and Business Division encompasses Engineering, Building Design and Construction Technology, Business and Public Management, Finance, Legal and Property Services and Science, Resources and Environment Studies.

Meeting Student Needs

The Division delivered 2.4 million SCH in 2011, representing a 4% decrease from 2010. The Science, Resources and Environment area experienced unprecedented demand for its training programs in mining and science, driven by strong growth from the resources sector. A decline in real estate and engineering enrolments was offset by growth in the business and management and financial services programs.

Students from the Business and Management area hosted the Virtual Enterprise Australia International Trade Fair. The International Trade Fair is a business learning event, allowing Certificate II in Business and Business Administration students to become involved in event management, setting up virtual trading booths, representing virtual firms and taking part in virtual business trading.

The Division increased its capacity to deliver units and qualifications online in response to growing student demand. In the Business and Management area, approximately 1,000 students were enrolled in online units using Blackboard and Catapult e-learning systems. The area used funding from a 2010 WA Innovations initiative to enhance facilitation techniques for better student engagement in online delivery.

Early identification of students at risk coupled with continuous improvement strategies were identified as major priorities for the Division in 2011. Consistent with the Institute's focus on student achievement and retention, the Engineering area developed a range of academic and administrative improvement strategies relating to attraction and retention, used in conjunction with innovative student management systems to address student outcomes.

A new industry standard mechanical and civil engineering workshop was established at 30 Aberdeen Street in Northbridge while a new fabrication and machining workshop was set up at the East Perth campus. The Engineering area also funded computer upgrades to two computer aided design (CAD) laboratories, which are compliant with specifications recommended by industry and consistent with their standards for Engineering CAD. These state of the art plant, equipment and testing facilities will enhance the hands on student learning experience and improve the quality of the Engineering programs.

As a precursor to Central re-entering the Engineering Trades space, a pre-apprentice program in Electrical trades was launched in Semester 2, 2011. Responsibility for IT Networking programs and six staff were transferred from the Digital Content portfolio to Engineering in recognition of the synergies with the Electrotechnology Computer Systems program.

Five students from the Building Design and Construction area participated in a student exchange program with VIA University in Denmark.

The revised Financial Services Training Package was nationally endorsed and released in 2011, containing changes to existing qualifications. Financial Services

staff participated in the review and development of training material including learning plans, assessment matrices and workplace evidence guides for 14 qualifications delivered from the training package.

Work was completed on the development of an application to have the Certificate IV in Finance and Mortgage Broking recognised as a traineeship. As part of this application, 13 evidence guides were developed in order for the qualification to be delivered in the workplace as a traineeship.

Meeting Employer Needs

In response to industry demand, the Division added 24 new qualifications to the Institute's scope of registration in areas such as government, water operations, resource processing, engineering drafting, surface extraction and underground metaliferous mining.

The Science, Resources and Environment area worked with industry under auspicing arrangements to meet industry needs for just in time job training. A Memorandum of Understanding was renewed with Boral for a further five years allowing for continued access to their quarry for drilling training. Access to the quarry is an important part of Central's mining training program in providing real industry exposure and practical training opportunities.

In keeping with the Institute's broader strategy, the Business and Management area delivered work based training, traineeships and RPL to 59 employees from 19 local government authorities. The area delivered the Diploma of Government (Workplace Inspection) to staff at WorkSafe and was the successful tenderer for the delivery of the Diploma of Government (Workplace Inspection) to staff at the Department of Mines and Petroleum following a successful pilot project, which commenced this year. The Department of Mines and Petroleum tender is for 200 staff over a two year period.

Staff from the Engineering area participated in industry advisory groups to inform new directions for programs in Engineering Drafting/CAD, Civil and Structural Engineering and Automation and Process Control (Mechatronics).

The Institute hosted the National TAFE Building Design and Building Construction Conference in August. The conference is convened to discuss future directions in the building design and construction industry and display student work from all states for national moderation purposes.

Community Contribution

The Building and Construction area commenced a project with staff and students at Mount Lawley Senior High School, under the Commissioner for Children and Young People guidelines, to develop a design for the Museum Street precinct at the Institute.

Staff and students undertook citizenship oriented activities including voluntary re-vegetation and soil sampling activities at Whiteman Park and a clean-up at Cottesloe beach. Students and staff also made donations and provided support to Princess Margaret Hospital, The Amanda Young Foundation, Salvation Army and the James Crofts Hope Foundation.

Commercial Initiatives

In response to the Institute's non-profile growth targets, the Division generated \$2.5 million in commercial revenue through a number of key initiatives. This included the delivery of Real Estate salespersons and property managers' courses and continuing professional development training, Justice of the Peace training for the Department of the Attorney General, continuing professional development for current Justices of the Peace and fast-track Conveyancing Licence training.

The Division continued to deliver training and workforce solutions to the Public Sector Commission and the local government sector by way of customised traineeships, work based training and short courses. The Division delivered fee-for-service training to 145 employees at seven local government authorities in project management, interpersonal skills, management, business administration, frontline management and training and assessment.

creative industries

The Creative Industries Division compasses Art and Craft, Applied Design, Media, Digital Content and Gallery Central.

Meeting Student Needs

The Division continued to implement academic and process improvement strategies to support the Institute's student achievement and retention strategy and improve student outcomes. In the Art and Craft portfolio, student progress was systematically reviewed at monthly academic meetings to identify students at risk and establish mentoring and support strategies.

The Applied Design area considered student feedback from 2010 to ensure the orientation processes in 2011 contributed to student engagement and connection with the learning portfolio. A number of strategies to support students at risk were implemented including letters and follow up discussion with students, academic review and discussion regarding assessment level, quantity and timing, program design review and adjustment and requests for internal audits and unit evaluations for areas at risk of low MLCR.

Lecturers in the Applied Design were also appointed as mentors to students studying Certificate III and IV courses. This program helped students adjust to campus life and gave them a point of contact should issues arise during their studies.

The Division funded a range of exhibition initiatives to provide students from all levels with the opportunity to participate in exhibitions and competitions both locally and nationally.

The Applied Design area updated learning resources for the Certificate III in Interior Decoration (Retail Services) and a Sustainability unit in the Diploma of Interior Design. Equipment was upgraded and purchased to meet contemporary industry needs.

Meeting Employer Needs

The Art and Craft area continued to work with the Creative and Leisure Industries Training Council (Future

Now) and the Print Industry Association to develop strategies to improve apprentice and trainee numbers in the printing industry. In September, Central convened an industry seminar on the future directions in the printing industry surrounding digital work flow. The implications for printing training at Central are significant and will lead to a review of the area's practice in 2012.

The Information Services area had 12 registered trainees who were primarily employed at metropolitan and regional public libraries, in addition to 18 work based trainees who were located at public and school libraries.

Central continued its partnership with the ABC, providing six Diploma of Screen and Media students with automated TV studio training to meet the employer requirements for the live-to-air Director role. The ABC also took on two Certificate IV in Media students for paid work experience, who were offered casual appointments as Floor Managers.

Community Contribution

Central hosted a senior secondary student art and design exhibition at Gallery Central. Feedback surveys completed at the close of the exhibition showed strong support for a continuation and expansion of the exhibition in 2012.

Central worked with a range of government and community organisations including the East Perth Redevelopment Authority, Foundation Housing and the City of Perth to develop public art works that will shape the built environment surrounding the Perth and Leederville campuses. The Division also worked with City Farm, the University of Western Australia, Freo Farm, Australian Graphic Design Association and the James Crofts Hope Foundation to develop industry based student project work.

Central became the first educational provider in Western Australia to meet the requirements to become a Green Stamp Accredited Business and a Sustainable Green Printer. Both programs assist organisations throughout Australia to go above and beyond their environmental legal obligations and to implement

improvements to their sustainability practices. As a result the Printing area implemented positive practices into their printing processes including the sustainable use of chemicals with less volatile organic compounds, the optimum use of paper in the printing area and introduction of practices in the labs which are less energy, water and chemical intensive.

Applied Design lecturers were granted funding to develop a sustainable design database to be stored on a Blackboard shell. The project is designed as an ongoing resource and over the long term will contribute to sustainable design and building practice.

In conjunction with the Department of Education, Curriculum Council, Association of Independent Schools, Catholic Education Office and the Australian Teachers of Media (Western Australia), Central hosted the Media Review Awards. The Media Review Awards are open to all Year 12 Media Production and Analysis students which aim to recognise and promote outstanding achievements within the Media Production and Analysis Course.

Gallery Central continued to work with a range of government and not-for-profit organisations including the Department of Culture and the Arts, CHOGM Cultural Festival, City of Perth Winter Arts Festival, Outskirts Festival, The Japan Foundation, The Kerry Stokes Collection, Relationships Australia, HepatitisWA and the Injury Control Council of WA. The Residency program at Gallery Central collaborated with Turner Galleries Art Angels and was assisted by the Perth Institute of Contemporary Arts and the East Perth Redevelopment Authority with hosting visiting artists.

Commercial Initiatives

The Division generated \$0.96 million in commercial revenue in 2011 through a number of initiatives. Approximately 2,200 students were enrolled in fee-for-service short courses in Art and Craft, Photography, Film and Television and Music. The expansion of Art and Craft fee-for-services courses required the appointment of a Short Course Coordinator to manage the administration of the program.

Three students were enrolled in the Diploma of Library and Information Services, the first commercial course offered by Central through Open Universities Australia. The Media area commenced the delivery of the Advanced Diploma of Business to 8 students, which is a full fee paying course.

The Institute designed and delivered a commercial module entitled 'Introduction to Cataloguing and Circulation' to 12 students for the State Library of Western Australia, attracting participants from regional Western Australia.

Students studying Mass Communication, Screen and Media and Technical and Sound Production helped to develop a range of welcome videos for prospective international students planning study at Central. The videos showcase Central's courses, facilities and campuses and provided an opportunity for current international students to voice their ideas, share their experiences with other international students and demonstrate the skills they have acquired whilst studying at Central.

strategy and development

The Strategy and Development Division encompasses Academic Strategy and Innovation, Student and Delivery Support, International Market Development, Business Development and Aboriginal and Torres Strait Islander Support Services.

Academic Quality and Support

Central strengthened its approach to curriculum and learning resource development in light of establishment of the Australian Skills Quality Authority (ASQA), revision of the Australian Qualifications Framework (AQF) and the Institute's impending Australian Quality Training Framework (AQTF) re-registration in 2013. The Division audited 25 qualifications, including 47 units of competency, through Central's quality internal audits and coordinated ASQA audits on behalf of Education and Training International (ETI) across four learning portfolios.

A total of 42 new courses were added to the Institute's scope of registration, of which 22 were Certificate IV and

above. The Division contributed to quality assurance of scoping documents to address increased requirements from the Training Accreditation Council (TAC). New scoping processes were also introduced to meet new AQF standards.

The Division expanded articulation arrangements with Murdoch University in addition to signing a new agreement with Swinburne Institute of Technology providing Diploma of Project Management graduates with guaranteed entry and credit into the Bachelor of Business course. Articulation arrangements with Curtin University were reviewed and endorsed for a further three years.

Building on the more coordinated approach to student scholarships and awards adopted in 2010, the Institute funded 27 scholarships and managed 5 external scholarships across a range of industry areas.

The strong focus on e-learning continued in 2011 with the development of short e-learning professional development sessions conducted online by the Innovative Practice Mentors. The sessions enabled lecturers to attend without leaving their desks and will continue during 2012.

The migration to Blackboard Learn 9.1 continued in 2011 with 287 courses manually migrated. A further 193 new courses were created within Blackboard Learn 9.1 for a total of 474 Blackboard courses.

Equella, the digital repository system for teaching and learning content, underwent further enhancements to meet the needs of academic areas. Equella was integrated with Blackboard via 'PowerLink' to enable the system to be used as the repository for all e-learning resources. More lecturers were trained to use Equella in 2011, resulting in an increase in the range of learning materials being added to the system.

Customer Service and Assistance

In 2011, Central made a strong commitment to refining the delivery of administrative and information services to students. As part of this strategy, Student Services renewed the service delivery model for the presentation of information at career expos and created a one stop

Frequently Asked Questions portal on the website. In addition, a cross training program was implemented to enable student services staff to move across learning portfolios to gain knowledge and support during peak periods to facilitate greater service integration.

A new customer relationship management system was implemented in the Call Centre to enable customer requests to be managed in a more holistic and streamlined manner. A new phone system was installed that provides callers with the option to be called back when the lines are busy. This functionality allows customers to “virtually stay in the queue” rather than physically wait on the line, which in turn improves the overall quality of customer service.

In January our Perth Campus library service moved into a new purpose built library in Building B2. This state of the art facility has been designed to function as a Learning Commons and was showcased at ALIA's National Library Technicians Conference and the national World Skills for Business.

The new Library has been embraced by students with visitation rates increasing significantly this year. The open access computer areas have proven extremely popular with students and the number of computers will be increased in 2012 to respond to student demand. The training computer labs are also regularly used by the portfolio librarians and lecturing staff to host a number of programmes for students.

The Equella digital content management system has undergone further enhancements to meet the needs of academic areas. More Lecturers were trained to use Equella this year resulting in an increase in the range of learning materials being added to the Institute's digital repository.

A radio frequency identification system has been installed that has allowed the Library stock located across the five Campus Libraries to be managed as one single collection, which has greatly streamlined the management of loans and the retention and disposal schedules for library stock and resources.

Central's Aboriginal Support Unit (*Nyoongar Kadadjiny Kulark Kart*) continued to provide culturally appropriate

support to students in mainstream and targeted courses. Aboriginal and Torres Strait Islander student numbers at Central increased by 6% to 320 students while total course enrolments increased by 17.3% to 427. Course enrolments in Certificate III and above programs increased by 24.8% to 206.

The Unit worked successfully with the academic areas in the development of the Creative Futures program which is due for delivery in 2012, supported the delivery of Nyoongar language short courses and supported the development of a bush management traineeship in local government.

The Unit exhibited at a number of expos and continued to build on existing partnerships with government and non-government schools to advise students of the opportunities available through Central, particularly in higher level qualifications.

Central was appointed by the Chamber of Minerals and Energy of Western Australia as the preferred registered training organisation to deliver an Aboriginal women's mining traineeship program. The Aboriginal Support Unit is leading the project by delivering pre-employment training and ongoing mentoring and support to participants. The program will provide 11 trainees with the opportunity to complete a 12 month traineeship in the Certificate II in Surface Extraction Operations with Rio Tinto or Macmahon. The program provides Aboriginal and Torres Strait Islander women with the opportunity to develop a long-term career pathway in the mining industry.

The Unit hosted Central's 2011 NAIDOC (National Aborigines and Islanders Day Observance Committee) event which attracted both students and staff in a celebration of Aboriginal and Torres Strait Islander cultures, achievements and diversity.

International Operations

Onshore international student numbers remained steady, with 1,941 students studying at Central in 2011, compared to 2,010 in the previous year. Consistent with the national trend, ELICOS (English Language Intensive Courses for Overseas Students) student numbers decreased by 9.3% to 546 students.

The Institute generated \$7.9 million in revenue from its onshore program, up \$0.835 million from 2010. The Engineering area had the most international students, accounting for approximately 20% of all onshore international enrolments. Brazil had the largest share of international onshore students at Central with 7.4%. Malaysia was the second largest source with 6.4%, followed by Vietnam (6.2%) and China (5.5%).

The Institute was awarded 'International Training Provider of the Year' for the second consecutive year at the Western Australia Training Awards, recognising Central's innovation and excellence in providing training to international students.

Enrolments in Central's offshore international program declined by 20.6% to 1,410, due largely to reduced delivery in China as a result of the Chinese Central Board of Education placing a temporary embargo on new applications for the delivery of international vocational training. During 2011, Central established partnerships with a number of reputable government and private institutions in India that will provide the foundation for a significant offshore delivery program in 2012.

Expanding Business Opportunities

During 2011 the Business Development Unit brokered significant training opportunities through the development of partnerships with several industry sectors.

The local government sector strategy was enhanced through the development of an employer focused training program publication, showcasing Central's capacity to respond to employer workplace training needs. A key focus for the Strategy was developing partnerships with innovative local government authorities such as the City of Bayswater and the City of Melville for the provision of customised training in areas such as management and project management, delivered in the workplace. Another opportunity for local government was the development and implementation of a bush management (land care) program for Indigenous employment, funded through the Indigenous Employment Panel. Ten local government

authorities and the Botanic Gardens and Parks Authority participated in this program and employed 15 Aboriginal and Torres Strait Islander jobseekers, after a four-week preparatory program.

Working in partnership with the Local Government Managers Australia, the Unit was successful in obtaining funding, through the National Workforce Development Fund, for regional councils in the south-west and wheat belt areas to upskill approximately 200 staff with project management and management qualifications.

In the resources sector, a significant partnership was negotiated through a Memorandum of Understanding with Australian Contract Mining for the delivery of an innovative auspiced and blended training model. Under this agreement, new Australian Contract Mining employees were inducted through training provided in simulated mining conditions, prior to commencing on site. The induction program utilised Central's simulated underground mining facility and traineeships. In addition, existing employee competencies were assessed through a process of skills recognition for gap training and the attainment of qualifications.

business services

The Business Services Division encompasses Financial Services, Campus Management, Information Systems, Organisational Development and the Product Management Office.

The Business Services Division continued the program of service and infrastructure reform that commenced in 2010. These reforms aim to build a robust platform of capability to serve the Institute for the coming five to ten years. The Division began building new business support models and services on this new platform and completed a number of significant, long running projects. Strategic structural changes were made to the Division in mid-2011 to progressively refocus resources and effort to projects that take advantage of newly established corporate capability and deliver high value outcomes for the academic and student communities.

Two major developments provided the basis for the Division to commence a new phase of work in mid-2011.

Firstly, much of the Institute's major capital works program was completed in the first half of the year. Construction of the new building at 30 Aberdeen Street in Northbridge and the new mining facility at East Perth as well as the refurbishment of Level 1 at 25 Aberdeen Street and C-Block at the Leederville campus marked the end of a long and resource intensive program of capital projects.

Secondly, 18 months of capability-building work delivered the basis upon which new business support model and services, designed to strengthen Central's position in a crowded VET market, could be introduced.

Significant investment in modernising Central's information technology platform and re-conceptualising business models and service methodologies began delivering improvements in 2011.

In response, and as planned since early 2010, a central Project Management Office (PMO) was established in the Division in mid-2011. Information technology and capital works project management resources were re-directed to the PMO, which is responsible for using PRINCE (Projects in Controlled Environments) to project manage all major projects within the Division. The creation of the PMO significantly strengthens the Division's ability to manage projects simultaneously and ensure project outcomes are delivered on time and within budget. The PMO is the centrepiece of the Division's strategy to drive and support corporate change and agility over the next five to ten years. At the end of 2011, the PMO was managing 21 projects.

Contemporary Learning Facilities

In addition to the major capital projects completed during 2011, work continued to maintain and improve facilities across Central's campuses.

Decommissioning of the Subiaco campus was completed in December 2011, with possession of the site handed to the Department of Training and Workforce Development. This marked a significant step towards Central's vision for a more efficient and consolidated campus model.

Modification, upgrade and replacement of facilities

across the Institute occurred throughout the year. Major reconfiguration of space occurred at the Leederville campus to accommodate staff previously situated at the Mount Lawley campus. This change supports the creation of a Human Services Precinct at the Leederville campus and the progressive winding down of the Mount Lawley campus.

New cooling and heating systems were installed in the Print workshops at the Perth campus and several classrooms and special purpose areas were improved or modified to reflect changing business needs.

The Institute invested in building management systems to achieve lower operating costs and reduced utilities consumption. New pulse meters were installed on water and gas meters and were linked to building management systems to enable better control and monitoring of usage. This supports improved management of utilities and a reduction in overall costs.

A new five year contract to operate café services at Central's campuses was awarded to Aroma Café in December. A modern café service will replace the traditional cafeteria service previously in place across the Institute in recognition of the success of Aroma Café at 30 Aberdeen Street in Northbridge. Aroma Café will carry out major capital upgrades to modernise and refresh the existing food preparation and service areas.

A Flexible, Skilled Workforce

In 2011, the Division focused on transforming its traditional human resource area to one more strategically concerned with organisational development. This involves a more mature approach to the way Central measures and shapes its workplace culture and will see the Institute embark on defining what the right culture for Central is and what it needs to do to get there.

For academic staff the requirement to obtain the new Certificate IV in Training and Assessment has been one of the overwhelming training and development needs for 2011. The Workforce Development and Training arm of Organisational Development contributed significantly to the Institute's program to renew lecturers' Certificate IV qualifications.

The Lecturer Vocational Competency Diary was launched in 2011 to better align the professional development activities of academic staff to Institute strategic objectives and goals. Launched as an electronic diary it allows lecturers to easily record and keep a history of the professional development activities they are involved in to maintain their vocational competence and currency.

A comprehensive review of Central's induction program and on-boarding processes was conducted as part of Central's commitment to continuously improving the new starter journey. The review will result in enhancements to Central's online induction program to incorporate more interactive features that will make the overall process more engaging.

Organisational Development continued its program of building the capabilities of the Institute's managers to confidently deal with industrial relations matters. A specially tailored training program was implemented to support managers to effectively manage their workforce at the local level.

Preparatory work to renew the Institute's workforce plan was conducted in 2011. The workforce plan will focus on Central's theme of building on the quality of our outcomes, the capability of our staff and a positive workplace culture. A program to consult and obtain input from staff on the proposed plan will be undertaken in 2012.

Technology for Now and the Future

Investment in Central's information technology and telecommunications infrastructure continued in 2011. At the centre of this investment was the five year roadmap which commenced in 2010. This roadmap provides a clear and persistent guide to achieving the Institute's long-term strategic information technology and telecommunications goals.

In 2011, there was a continued focus on entrenching new blade server technology, completing a network redesign of the Perth campus and the introduction of Microsoft Exchange to replace Novell GroupWise as Central's messaging system. These key elements of the five year roadmap are aimed at stabilising and

modernising Central's extensive information technology infrastructure and services.

In 2011, a program sponsored by the Managing Director to place a portable device in the hands of every single lecturing staff member commenced. A total of 420 mobile devices were procured and deployed while the balance of lecturing staff will receive their devices in early 2012. This program will have a wide range of benefits, allowing teaching staff to work digitally no matter where they are delivering training and to take full advantage of the lecturer portal system provided by the Department of Training and Workforce Development.

Staff and students also began using their mobile devices to access wireless internet at two of Central's campuses – Perth and Mount Lawley. The project to deliver wireless internet across all of Central's campuses will be complete in early 2012. Not only will wireless provide a new and convenient service for staff and students, it will eliminate the need to effect expensive network cabling in the more than one hundred teaching rooms that are not connected to Central's wired network. The combination of wireless internet and mobile devices will, for the first time, allow teaching staff to complete online rolls, in real-time, from any location on campus.

Financial Sustainability

Central has identified the next three to five years as a period of likely higher financial risk. This is the result of a number of factors, both internal and external.

Internally, Central's cash reserves will wind down as planned capital expenditure comes to fruition and major strategic initiatives self-funded by the Institute are concluded. This will have the dual effect of reducing financial flexibility in the future and decreasing Central's significant cash interest revenue stream.

Externally, the environment is expected to prove financially challenging. Fixed costs are rising while wage bills are expected to increase with re-negotiated industrial agreements likely to be only part-funded by central agencies. Collectively, these are likely to pose a financial challenge for the Institute.

Central has identified the half year schooling cohort as a major forward financial risk. Under the *School Education Act 1999* the starting age for year one primary students was changed in 2003. Prior to 2003, a student commenced year one primary school in the year they turned six. From 2003, students commenced in the year they turned six years and six months. This change resulted in a significant reduction in year one enrolments in 2003 as about half the students who would have been due to start in 2003 had already started in 2002.

The impact of these changes will begin flowing onto the VET sector in 2012 and peak in 2015 in the form of reduced student enrolments and profile revenue. Central completed a major risk identification and management exercise around the half year cohort which highlights the potential need for an aggressive financial management approach in 2014 and 2015.

Budgeting for 2012 has occurred within this context of an awareness of greater forward financial risk. Quarantining of cash for managing future risk has been emphasised.

Further, agreement was reached in 2011 to move Central to a truly zero-based budgeting methodology from 2013 onwards. This will allow cost centre managers to flexibly build and adjust budgets to reflect their business outcomes in the same manner that organisations around the world now construct and manage their budgets. Zero-based budgeting will, in turn, provide greater corporate-level budgeting flexibility and position Central to better respond to financial risks that come to pass in the future.

office of the managing director

A performance and planning branch was established in the second half of 2011 with responsibility for profile planning and development, student success and retention (including career development services) and research and analysis.

Planning and Development

The Profile Planning and Development Unit managed adjustments to profile and funding arrangements,

enabling the development of a delivery profile and funding that reflected student and industry demand and allowed Central to respond to shifts in demand for training. Over the year the Unit secured approval for funded increases in training delivery of 308,650 SCH and \$3.9 million in additional funding.

The Unit completed a project analysing factors impacting on module completion rates. The findings suggest that for Central, delivery mode, gender, age, qualification level and the reason for undertaking training are all significant factors that influence the module completion rates. The identification of key risk factors for non-completion will lead to better targeted support and initiatives in 2012.

In addition to revising the strategic and business plans, Central developed a five year vision outlining the overarching direction for the Institute until 2015. The vision proposes:

- organic, natural growth of about 10% over five years;
- improved quality and greater efficiency;
- delivery of higher education qualifications;
- expanding international operations and commercial activity;
- improving student outcomes;
- maintaining a strong commitment to community programs; and
- investing heavily in technology and online learning.

The fundamental theme of the vision is the pursuit of quality, reflecting a strong commitment to delivering the best possible learning experience and outcomes for students.

Student Success and Retention

The Managing Director established a Standing Committee for Student Success and Retention to ensure coordinated and comprehensive oversight of the strategy across the Institute. Executive support and coordination of the Committee and its working groups was provided by the Profile Planning and Development unit.

The Student Success Centre conducted exit interviews for withdrawing students and developed a reporting process at the institutional and portfolio level. Formal student withdrawals decreased by 9.2% to 2,199 while formal unit withdrawals decreased by 1% to 12,138. More comprehensive withdrawal data in 2011 reflects the work of the Student Success Centre in reviewing processes and contacting students.

Research and Analysis

During 2011 the Research and Analysis Unit undertook detailed analysis and reporting against external surveys conducted by the National Centre for Vocational Education Research and the Department of Training and Workforce Development. To support the Institute's quality framework the Research and Analysis team also completed a number of surveys internally, including:

- Unit evaluations;
- AQTF Learner engagement survey;
- International student survey;
- AMEP student satisfaction survey; and
- *Better Skills for Better Care* student surveys.

Survey outcomes and student feedback were analysed and reported internally to influence improvements in training and service delivery.

In 2011 the Unit implemented qualitative research to explore the factors affecting student outcomes and assessment practice in an identified study area. The project involved completing focus groups with students and in-depth interviews with staff.

Marketing and Communications

The Marketing Unit initiated an innovative campaign in 2011 entitled 'You learn more in the city'. The campaign was awarded Best Advertising Campaign over 100k at the Australian Training Marketing Association awards.

The Marketing Unit managed a number of important events in 2011 including the official opening of 30 Aberdeen Street in Northbridge, the official opening of the mining facility at the East Perth campus, the official opening of the Community Learning Centre and a sod

turning event for *Oxford Foyer* at the Leederville campus. The Unit also coordinated attendances at these events by Premier Colin Barnett, Minister Peter Collier, Senator Chris Evans, Federal Special Minister of State Gary Gray as well as other VIPs.

Marketing was responsible for the preparation of successful entries into the Western Australian Training Awards, which resulted in wins in two categories.

The Marketing Unit played a significant role in managing the development and implementation of Central's new website. Informed by extensive market research, the website aims to provide users with a highly user-centric and supportive online experience. In addition to a more contemporary look and feel, the website features course finder tools, improved search functionality, a frequently asked questions database and more comprehensive course information.

Complaints

Central Institute of Technology has a complaints management system and procedure designed to handle all student and service complaints and to ensure that all complaints are managed confidentially, efficiently, promptly and impartially in compliance with the Australian Standard on Complaints Handling (AS 4269). Central's complaints system provides for stakeholders to lodge a complaint via the intranet or internet websites, by contacting Central's Student Services or directly to the Complaints Management Officer.

For the year 2011, a total of 165 complaints were recorded which represents a decrease from the 175 complaints recorded in 2010. Total complaints for 2011 represented 0.52% of the student population.

The complaints were resolved as follows: 101 by Central's internal processes to the satisfaction of all parties, 39 concerned Central's By-Laws; 10 required no further action; 5 were anonymous or the complainant was unable to be contacted; 4 were referred to an alternate process, 2 concerned academic appeals, 1 was out of scope; 1 was withdrawn and 2 remain open and ongoing.

Student Entitlement

Placing learners at the forefront of service provision through increased flexibility and choice has been under policy consideration for some time. Under the Commonwealth's National Partnership Agreement, states and territories were offered funding in return for a commitment to introduce a student entitlement to vocational education and training.

Under an entitlement system, resources are allocated on the basis of student choice and not directly to the training provider. An entitlement system aims to improve the flexibility and responsiveness of the VET system, increase accessibility for disadvantaged groups, better align supply with demand and improve completion rates.

The Department of Training and Workforce Development is in the process of developing an entitlement based, demand-driven model for Western Australia. Central participated in the stakeholder consultation process to inform the development of the model and has since commenced detailed planning to determine the likely impact on the Institute.

Student Outcomes

Recognising that the factors contributing to student success and achievement are many and varied, Central has adopted a strategy to tackle the Institute's performance in measured student outcomes.

This culminated in the development and implementation of a number of strategies including refinements to the withdrawal process, establishing a Student Success Centre, implementing a lecturer portal, making improvements to information and data quality as well as improvements to assessment practice, course review and redevelopment, case management of students at risk and piloting new approaches to literacy and numeracy support. In 2011 the Institute module load completion rate increased by 1.5% to 75.6% while the rate of withdrawals (including formal withdrawals and discontinued study) decreased from 13.5% in 2010 to 7.8% in 2011.

Certificate IV in Training and Assessment Upgrade

Central commenced the implementation of its Certificate IV in Training and Assessment upgrade program to ensure compliance with the National Quality Council policy under Standard 1.4(a) of the AQTF. Central committed to upgrading all permanent and contract lecturers' qualifications to the new TAE40110 via a number of tailored pathways. The program was developed in recognition that the organisation will need highly skilled staff to meet the outcomes of the State workforce development plan and the significant challenges of an increasing complex and competitive VET environment.

Consultation with senior academic and management staff was conducted in early 2011 to inform the development of the upgrade model. Implementation commenced in Term 2, 2011 and by the end of the year, 372 academic staff members had participated in some form of gap training and/or assessment process while 129 participants were eligible for the Certificate IV in Training and Assessment award. Approximately 36% of academic staff members have attained the Certificate IV in Training and Assessment. The academic workforce development project is scheduled for completion on 30 June 2012.

Australian Skills Quality Authority

The Australian Skills Quality Authority became the national regulator for the VET sector on 1 July 2011. National regulation aims to provide greater consistency and attention to the way in which providers are registered, courses are accredited and quality is monitored.

Unlike the other states, Victoria and Western Australia refrained from referring its VET regulatory powers to the Commonwealth. The legal and practical implications of this is that Central will continue to be registered and audited by the Western Australian Training Accreditation Council for courses delivered to domestic students, while courses delivered to international and multi-jurisdictional students (other than Victoria) will be regulated by ASQA through ETI as the registered training organisation.

Central has complied with ETI's requests for ASQA scoping documentation, CRICOS (Commonwealth Register of Institutions and Courses for Overseas Students) coding and the co-badging of awards for international and multi-jurisdictional students. The Institute has also reassigned some commercial contracts to ETI as the registered training organisation.

Tertiary Sector

The place for VET in the tertiary sector continued to be a significant issue for Central in light of the establishment of ASQA, the impending formation of the Tertiary Education Quality and Standards Authority and the revision of the AQF. Policy at the state and national level continues to support increased participation, growth in higher level skills and skills deepening to improve productivity and learning outcomes and safeguard against skill shortages.

In June, the Governing Council endorsed the Institute's tertiary strategy. To support the implementation of the strategy, a Tertiary Strategy Steering Committee, chaired by the Managing Director, was convened to oversee the drafting of an application to become a non

self-accrediting higher education provider. The Committee is also supported by a new governance structure for higher education, including the formation of an Academic Council comprising representatives from the higher education sector.

Central continued to strengthen and expand articulation arrangements with its university partners. Comprehensive articulation arrangements are in place with the University of Western Australia, Curtin University, Murdoch University, Edith Cowan University, Box Hill Institute and Swinburne Institute of Technology across a wide range of industry areas.

Knight Review

In December 2010, the Federal Government commissioned an independent review of the student visa program to enhance the quality, integrity, competitiveness and performance of Australia's international education sector and improve the integrity of the student visa program. Central is currently exploring partnership opportunities with the university sector.



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

CENTRAL INSTITUTE OF TECHNOLOGY

Report on the Financial Statements

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

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

Governing Council's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinion

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

Central Institute of Technology

Report on Controls

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

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

Opinion

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

Report on the Key Performance Indicators

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

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

Opinion

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

Independence

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

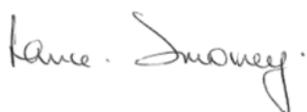


COLIN MURPHY
AUDITOR GENERAL
27 February 2012

certification of financial statements

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

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



Professor Lance Twomey AO
Chair
Governing Council
Central Institute of Technology
22 February 2012



Mr Neil Fernandes
Managing Director
Central Institute of Technology
22 February 2012



Ms Mandy Taylor
Chief Financial Officer
Central Institute of Technology
22 February 2012

Central Institute of Technology STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2011		2011	2010
	Notes	\$	\$
COST OF SERVICES			
Expenses			
Employee benefits expense	6	88,732,057	82,977,738
Supplies and services	7	26,498,779	23,875,936
Depreciation and amortisation expense	8	4,390,474	4,275,429
Grants and subsidies	9	22,635	27,542
Cost of sales	14	741,841	813,824
Loss on disposal of non-current assets	18	34,862	16,827
Other expenses	10	7,195,087	7,276,663
Total cost of services		127,615,735	119,263,959
Income			
Revenue			
Fee for service	11	17,511,106	16,184,993
Student fees and charges	12	10,841,610	11,109,697
Ancillary trading	13	388,619	323,362
Sales	14	887,727	897,271
Commonwealth grants and contributions	15	19,486,385	7,033,465
Interest revenue	16	2,187,033	1,400,313
Other revenue	17	941,118	889,571
Total revenue		52,243,597	37,838,671
Total income other than income from State Government		52,243,597	37,838,671
NET COST OF SERVICES		(75,372,138)	(81,425,288)
INCOME FROM STATE GOVERNMENT			
Service appropriation	19	84,267,683	80,488,581
Capital works transferred		-	5,795
Resources received free of charge		1,561,829	1,569,032
Total income from State Government		85,829,512	82,063,408
SURPLUS/(DEFICIT) FOR THE PERIOD		10,457,374	638,120
OTHER COMPREHENSIVE INCOME			
Changes in asset revaluation surplus	30	9,994,625	(10,958,272)
Total other comprehensive income		9,994,625	(10,958,272)
TOTAL COMPREHENSIVE INCOME/(DEFICIT) FOR THE PERIOD		20,451,999	(10,320,152)

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

Central Institute of Technology
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	Notes	2011 \$	2010 \$
ASSETS			
Current Assets			
Cash and cash equivalents	31	26,636,405	20,722,531
Restricted cash and cash equivalents	20,31	12,522,544	2,241,574
Inventories	21	281,622	286,851
Receivables	22	5,432,212	5,774,552
Other financial assets	23	4,500,000	4,500,000
Other current assets	24	840,872	649,892
Total Current Assets		50,213,654	34,175,400
Non-Current Assets			
Property, plant and equipment	25	194,274,012	186,577,440
Total Non-Current Assets		194,274,012	186,577,440
TOTAL ASSETS		244,487,666	220,752,840
LIABILITIES			
Current Liabilities			
Payables	27	4,150,629	3,481,438
Provisions	28	13,047,651	12,375,431
Other current liabilities	29	3,357,831	2,391,521
Total Current Liabilities		20,556,111	18,248,389
Non-Current Liabilities			
Provisions	28	4,229,282	3,254,177
Total Non-Current Liabilities		4,229,282	3,254,177
TOTAL LIABILITIES		24,785,393	21,502,566
NET ASSETS		219,702,273	199,250,274
EQUITY			
Contributed equity	30	7,049,879	7,049,879
Reserves		104,630,535	94,635,911
Accumulated surplus/(deficit)		108,021,859	97,564,484
TOTALEQUITY		219,702,273	199,250,274

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

Central Institute of Technology STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2011			Contributed Equity	Reserves	Accumulated Surplus / (Deficit)	Total Equity
	Notes	\$	\$	\$	\$	\$
Balance at 1 January 2010	30	7,049,879	105,594,183	96,926,365	209,570,426	
Changes in accounting policy or correction of prior period errors(1)		-	-	-	-	
Restated balance at 1 January 2010		<u>7,049,879</u>	<u>105,594,183</u>	<u>96,926,365</u>	<u>209,570,426</u>	
Surplus/(deficit)		-	-	638,120	638,120	
Other comprehensive income		-	(10,958,272)	-	(10,958,272)	
Total comprehensive income for the year		<u>-</u>	<u>(10,958,272)</u>	<u>638,120</u>	<u>(10,320,152)</u>	
Transaction with owners in their capacity as owners :						
Capital appropriations		-	-	-	-	
Other contributions by owners		-	-	-	-	
Distribution to owners		-	-	-	-	
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Balance at 31 December 2010		<u><u>7,049,879</u></u>	<u><u>94,635,911</u></u>	<u><u>97,564,484</u></u>	<u><u>199,250,274</u></u>	
Balance at 1 January 2011 (2)		7,049,879	94,635,911	97,564,484	199,250,274	
Surplus/(deficit)		-	-	10,457,374	10,457,374	
Other comprehensive income		-	9,994,625	-	9,994,625	
Total comprehensive income for the year		<u>-</u>	<u>9,994,625</u>	<u>10,457,374</u>	<u>20,451,999</u>	
Transaction with owners in their capacity as owners:						
Capital appropriations		-	-	-	-	
Other contributions by owners		-	-	-	-	
Distribution to owners		-	-	-	-	
Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Balance at 31 December 2011		<u><u>7,049,879</u></u>	<u><u>104,630,535</u></u>	<u><u>108,021,859</u></u>	<u><u>219,702,273</u></u>	

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

Central Institute of Technology			
STATEMENT OF CASH FLOWS			
FOR THE YEAR ENDED 31 DECEMBER 2011			
	Notes	2011	2010
		\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation – Dept. of Training and Workforce Development		76,364,131	73,238,559
Capital appropriation – Dept. of Training and Workforce Development		1,125,949	286,418
Net cash provided by State Government		77,490,080	73,524,977
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(79,549,173)	(74,828,029)
Supplies and services		(25,277,061)	(22,957,150)
Grants and subsidies		(22,635)	(27,542)
GST payments on purchases		(2,847,730)	(2,811,215)
Other payments		(7,050,724)	(7,023,367)
Receipts			
Fee for service		18,052,321	16,392,053
Student fees and charges		10,785,799	10,716,876
Ancillary trading		1,276,346	1,220,632
Commonwealth grants and contributions		19,486,385	7,033,465
Interest received		2,170,193	1,348,216
GST receipts on sales		1,312,899	1,070,699
GST receipts from taxation authority		1,550,064	1,420,666
Other receipts		945,363	851,254
Net cash provided by/(used in) operating activities	31	(59,167,953)	(67,593,442)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(2,127,284)	(3,890,995)
Receipts			
Proceeds from sale of non-current physical assets		1	800
Net cash provided by/(used in) investing activities		(2,127,283)	(3,890,195)
Net increase/(decrease) in cash and cash equivalents		16,194,844	2,041,340
Cash and cash equivalents at beginning of period		22,964,105	20,922,765
CASH AND CASH EQUIVALENTS AT END OF PERIOD	31	39,158,949	22,964,105

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

**CENTRAL INSTITUTE OF TECHNOLOGY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011**

1. Australian equivalents to International Financial Reporting Standards

(a) General

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

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

(b) Early adoption of standards

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

2. Summary of significant accounting policies

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

(a) General statement

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

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

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

(b) Basis of preparation

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

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

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

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

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

(c) Reporting entity

The reporting entity comprises the Institute and entities listed at note 39 'Related bodies'.

(d) Contributed equity

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

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

(e) Income

Revenue recognition

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

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

Sale of goods

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

Provision of services

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

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

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

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Service appropriations

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

State funds

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

Gains

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

(f) Property, plant and equipment and infrastructure*Capitalisation/Expensing of assets*

Items of property, plant and equipment and infrastructure costing \$5,000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Where applicable in accordance with TI 1101, the capitalisation threshold has been applied to the aggregate value of a group or network of assets where the cost of individual item may be below the threshold but collectively the cost of the items in the group or network exceeds the threshold. Items of property, plant and equipment and infrastructure costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

Property, plant and equipment and infrastructure are initially recognised at cost.

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

Subsequent measurement

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

All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

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

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

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

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

Derecognition

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

Asset revaluation surplus

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

Depreciation

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

Land is not depreciated. Depreciation on other assets is calculated on the straight line method over its useful life, using rates which are reviewed annually.

Estimated useful lives for each class of depreciable asset are:

Buildings	40 years
Plant, furniture and general equipment	5, 10 or 15 years
Computing, communications and software ^(a)	5 or 10 years

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

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

(g) Impairment of assets

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

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

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

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

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

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

(h) Leases

The Institute has entered into operating lease arrangements for computers, computing equipment and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased assets. See Note 32 'Commitments'.

(i) Financial instruments

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

- Loans and receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial assets

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

Financial liabilities

- payables

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

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

(j) Cash and cash equivalents

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

(k) Accrued salaries

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

(l) Inventories

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

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

See note 21 'Inventories'.

(m) Receivables

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

(n) Payables

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

(o) Provisions

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

(i) Provisions - employee benefits

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

Annual leave

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

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

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

The provision for annual leave is classified as a current liability as the Institute does not have an unconditional right to the defer settlement of the liability for at least 12 months after the reporting period.

Long service leave

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

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

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

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

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

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

Deferred Leave

The provision for deferred leave relates to Public Service employees who have entered into an agreement to self-fund an additional twelve months leave in the fifth year of the agreement. The provision recognises the value of salary set aside for employees to be used in the fifth year. This liability is measured on the same basis as annual leave. Deferred leave is reported as a non current provision until the fifth year.

Superannuation

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

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

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

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). Both of these schemes are accumulation schemes. The Institute makes concurrent contributions to GESB on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS.

(ii) Provisions - other*Employment on-costs*

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

(p) Superannuation expense

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

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

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

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

(r) Comparative figures

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

3. Judgements made by management in applying accounting policies

No significant judgements have been made in the process of applying accounting policies that have a material effect on the amounts recognized in the financial statements.

Operating Lease Commitments

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

4. Key sources of estimation uncertainty

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

Long Service Leave

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

5. Disclosure of changes in accounting policy and estimates**Initial application of an Australian Accounting Standard**

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

AASB 2009-12	<i>Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and interpretations 2, 4, 16, 1039 & 1052]</i> <i>This standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</i>
AASB 2010-4	<i>Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13]</i> <i>The amendments to AASB 7 clarify financial instrument disclosures in relation to credit risk. The carrying amount of financial assets would otherwise be past due or impaired whose terms have been renegotiated is no longer required to be disclosed. There is no financial impact.</i> <i>The amendments to AASB 101 clarify the presentation of the statement changes in equity. The disaggregation of other comprehensive income reconciling the carrying amount at the beginning and the end of the period for each component of equity is no longer required. There is no financial impact.</i>
AASB 2010-5	<i>Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042]</i> <i>This standard makes editorial amendments to a range of Australian Accounting Standards and Interpretations. There is no financial impact.</i>

Voluntary changes in accounting policy

No voluntary changes in accounting policy have been made.

Future impact of Australian Accounting Standards not yet operative

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

		Operative for reporting periods beginning on / after
AASB 9	<p><i>Financial Instruments</i></p> <p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The Standard was reissued on 6 Dec 2010 and the Department is currently determining the impact of the Standard. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 10	<p><i>Consolidated Financial Statements</i></p> <p>This Standard supersedes requirements under AASB 127 Consolidated and Separate Financial Statements and Interpretation 112 Consolidation – Special Purpose Entities, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 11	<p><i>Joint Arrangements</i></p> <p>This Standard supersedes AASB 131 Interests in Joint Ventures, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 12	<p><i>Disclosure of Interests in Other Entities</i></p> <p>This Standard supersedes disclosure requirements under AASB 127 Consolidated and Separate Financial Statements and AASB 131 Interests in Joint Ventures.</p> <p>The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 13	<p><i>Fair Value Measurement</i></p> <p>This Standard defines fair value, sets out a framework for measuring fair value and requires disclosures about fair value measurements. There is no financial impact.</p>	1 Jan 2013
AASB 119	<p><i>Employee Benefits</i></p> <p>This Standard supersedes AASB 119 Employee Benefits, introducing a number of changes to accounting treatments. The Standard was issued in Sep 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 127	<p><i>Separate Financial Statements</i></p> <p>This Standard supersedes requirements under AASB 127 Consolidated and Separate Financial Statements, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 128	<p><i>Investments In Associates and Joint Ventures</i></p> <p>This Standard supersedes AASB 128 Investments in Associates, introducing a number of changes to accounting treatments.</p> <p>The Standard was issued in Aug 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2013
AASB 1053	<p><i>Application of Tiers of Australian Accounting Standards</i></p> <p>This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.</p> <p>The Standard does not have any financial impact on the Institute. However it may affect disclosures in the financial statements of the Institute if the reduced disclosure requirements apply. Treasury has not yet determined the application or the potential impact of the new Standard for agencies.</p>	1 July 2013
AASB 1054	<p><i>Australian Additional Disclosures</i></p> <p>This Standard, in conjunction with AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards.</p>	1 July 2011
AASB 2009-11	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12].</i></p> <p>This standard is superseded by AASB 2010-7.</p>	1 Jan 2013
AASB 2010-2	<p><i>Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements</i></p> <p>This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements into these pronouncements for application by certain types of entities.</p> <p>The Standard is not expected to have any financial impact on the Institute. However this Standard may reduce some note disclosures in the financial statements of the Institute. Treasury has not yet determined the application or the potential impact of the amendments to these Standards for agencies.</p>	1 July 2013
AASB 2010-6	<p><i>Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets [AASB 1 & AASB 7]</i></p> <p>The amendments to AASB 7 introduce additional disclosure relating to transfers of financial assets. There is no financial impact.</p>	1 July 2011
AASB 2010-7	<p><i>Amendments to Australian Accounting Standards arising from AASB 9 [December 2010] [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]</i></p> <p>This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in Dec 2010. Treasury has not yet determined the application or the potential impact of the Standard for agencies.</p>	1 Jan 2011

		Operative for reporting periods beginning on / after
AASB 2011-1	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, 5, 101, 107, 108, 121, 128, 132 & 134 and Interpretations 2, 112 & 113]</i> This Standard, in conjunction with AASB 1054, removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards. There is no financial impact.	1 July 2011
AASB 2011-2	<i>Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & 1054]</i> This Amending Standard removes disclosure requirements from other Standards and incorporates them in a single Standard to achieve convergence between Australian and New Zealand Accounting Standards for reduced disclosure reporting. DTF has not yet determined the application or the potential impact of the amendments to these Standards for agencies.	1 July 2011
AASB 2011-5	<i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation [AASB 127, 128 & 131]</i> This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity are not-for-profit entities that comply with Australian Accounting Standards. There is no impact.	1 July 2011
AASB 2011-6	<i>Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements [AASB 127, 128 & 131]</i> This Standard extends the relief from consolidation, the equity method and proportionate consolidation by removing the requirement for the consolidated financial statements prepared by the ultimate or any intermediate parent entity to be IFRS compliant, provided that the parent entity, investor or venturer and the ultimate or intermediate parent entity comply with Australian Accounting Standards or Australian Accounting Standards – Reduced Disclosure Requirements. There is no impact.	1 Jul 2013
AASB 2011-7	<i>Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]</i> This Standard gives effect to many consequential changes arising from the issuance of AASB 10, AASB 11, AASB 127 <i>Separate Financial Statements</i> and AASB 128 <i>Investments in Associates and Joint Ventures</i> . Treasury has not yet determined the application or the potential impact of the Standard for agencies.	1 Jan 2013
AASB 2011-8	<i>Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]</i> This Standard replaces the existing definition and fair value guidance in other Australian Accounting Standards and Interpretations as the result of issuing AASB 13 in Sep 2011. There is no financial impact.	1 Jan 2013
AASB 2011-9	<i>Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income [AASB 1, 5, 7, 101, 112, 120, 121, 132, 133, 134, 1039 & 1049]</i> This Standard requires to group items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently (reclassification adjustments). Treasury has not yet determined the application or the potential impact of the Standard for agencies.	1 July 2012
AASB 2011-10	<i>Amendments to Australian Accounting Standards arising from AASB 119 (September 2011) [AASB 1, 8, 101, 124, 134, 1049 & 2011-8 and Interpretation 14]</i> This Standard makes amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 119 <i>Employee Benefits</i> in Sep 2011. Treasury has not yet determined the application or the potential impact of the Standard for agencies.	1 Jan 2013
AASB 2011-11	<i>Amendments to AASB 119 (September 2011) arising from Reduced disclosure Requirements</i> This Standard gives effect to Australian Accounting Standards – Reduced Disclosure Requirements for AASB 119 (Sep 2011). Treasury has not yet determined the application or the potential impact of the Standard for agencies.	1 July 2013

Change in Accounting Estimates

There have been no changes in accounting estimates.

Central Institute of Technology
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE YEAR ENDED 31 DECEMBER 2011

	2011	2010
	\$	\$
6 Employee benefits expense		
Wages and salaries (a)	81,362,322	76,014,134
Superannuation - defined contribution plans (b)	7,369,734	6,963,604
	88,732,057	82,977,738
(a)	Includes the value of the fringe benefit to the employee plus the fringe benefits tax component, leave entitlements including superannuation contribution component.	
(b)	Defined contribution plans include West State, and Gold State and GESB Super Scheme (contribution paid).	
	Employment on-costs expenses, such as workers' compensation insurance, are included at note 10 'Other expenses'.	
	Employment on-costs liability is included at note 28 'Provisions'.	
7 Supplies and services		
Consumables and minor equipment	3,534,959	3,544,273
Communication expenses	597,502	604,047
Utilities expenses	2,680,989	2,274,225
Consultancies and contracted services	11,074,416	9,725,146
Minor works	4,485,794	3,675,158
Repairs and maintenance	388,073	391,869
Operating lease and hire charges	1,364,777	1,368,299
Travel and passenger transport	490,001	472,721
Advertising and public relations	578,879	484,516
Supplies and services - other	1,303,389	1,335,682
	26,498,779	23,875,936
8 Depreciation and amortisation expense		
<i>Depreciation</i>		
Buildings	3,082,625	3,259,375
Plant, furniture and general equipment	667,298	738,811
Computers and communication network	640,551	277,243
Total depreciation	4,390,474	4,275,429
9 Grants and subsidies		
<i>Recurrent</i>		
Other	22,635	27,542
	22,635	27,542
10 Other expenses		
Asset revaluation decrement		
Building maintenance	1,745,965	2,068,995
Doubtful debts expense	(20,941)	51,325
Employment on-costs (a)	5,201,155	4,922,545
Donations	-	1,063
Student prizes and awards	67,798	33,587
Losses and write-offs	195,242	185,365
Other (b)	5,868	13,783
	7,195,087	7,276,663

disclosures and legal compliance

(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 29 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

(b) Includes an ex-gratia payment of \$10,000 in 2010 to an ex-employee, per an Industrial Relations order.

11 Fee for service

Fee for service - general	6,265,677	5,253,393
Fee for service - Department of Training and Workforce Development	-	163,813
Fee for service - Government (other than Department of Training and Workforce Development)	1,864,641	2,058,018
International division fees	9,380,788	8,709,769
	17,511,106	16,184,993

12 Student fees and charges

Tuition fees	6,372,339	6,637,153
Resource fees	4,366,264	4,408,618
Other Institute fees	103,007	63,927
	10,841,610	11,109,697

13 Ancillary trading

Live works (not a trading activity)	192,688	84,368
Other ancillary revenue	195,931	238,994
	388,619	323,362

14 Trading profit/(loss)

(a) Bookshop:		
Sales	887,727	897,271
Cost of sales:		
Opening inventory	(265,312)	(372,748)
Purchases	(735,536)	(706,389)
	(1,000,849)	(1,079,137)
Closing inventory	259,008	265,312
Cost of goods sold	(741,841)	(813,824)
Trading profit/(loss) - Bookshop	145,886	83,446

See note 2(1) 'Inventories' and note 21 'Inventories'.

15 Commonwealth grants and contributions

Commonwealth specific purpose grants and contributions	19,486,385	7,033,465
	19,486,385	7,033,465

These grants include funding from the Adult Migrant Education Program (\$7,304,203), Workplace English Language and Literacy program (\$282,637), Better Skills Better Care (\$1,315,004), Indigenous Employment Programs (\$584,541) and Greenskills (\$10,000,000).

16 Interest revenue

Interest revenue	2,187,033	1,400,313
(includes Short term deposits from 28 to 60 days, at call, and operating account interest)	2,187,033	1,400,313

17 Other revenue		
Rental and facilities fees	555,353	556,733
Other direct grants and subsidy revenue	32,250	89,855
Sponsorship and donations revenue	179,271	97,248
Miscellaneous revenue	174,245	145,735
	941,118	889,571

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

Plant, furniture and general equipment	0	0
Computers and communication network	1	0
Works of art	-	800
Total proceeds from disposal of non-current assets	1	800

Costs of disposal of non-current assets

Plant, furniture and general equipment	(29,230)	(7,003)
Computers and communication network	(5,633)	-
Works of art	-	(10,625)
Total cost of disposal of non-current assets	(34,863)	(17,628)

Net gain/(loss)	(34,862)	(16,827)
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See note 25 'Property, plant and equipment'

19 Income from State GovernmentAppropriation received during the yearService appropriation (a) [State funds received from Department of Training and Workforce Development]:

Delivery and Performance Agreement (DPA)	74,675,314	70,718,019
Superannuation	7,369,734	6,963,604
Other recurrent funds	2,222,634	2,806,958
Capital works transferred	-	5,795
Total State funds	84,267,683	80,494,376

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

Department of Training and Workforce Development		
- Corporate systems support	617,787	1,540,190
- Human resources, and industrial relations support	904,042	28,842
- Other	40,000	-
Total resources received free of charge	1,561,829	1,569,032

Total income from State Government	85,829,512	82,063,408
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(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (holding account) comprises the depreciation expense for the year and any agreed increase in leave liability during the year.

(b) In 2008, the reporting of the notional superannuation expense and equivalent notional income has been discontinued. Where the Treasurer or other entity has assumed a liability, the Institute recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.

- (c) Discretionary transfers of assets between State Government agencies are reported as assets assumed/(transferred) under Income from State Government. Non discretionary non reciprocal transfers of net assets (ie. restructuring of administrative arrangements) designated as Contributions by Owners (CBOs) under TI 955 and are taken directly to equity.
- (d) Assets or services received free of charge or for nominal cost are recognised as revenue at fair value of the assets and/or services that can be reliably measured and which would have been purchased if they were not donated. Contribution of assets or services in the nature of contributions by owners are recognised direct to equity.

20 Restricted cash and cash equivalents

Specific capital equipment and minor works (a)	10,000,000	-
Awards (b)	26,544	25,829
Retained Funds (c)	2,496,000	2,215,745
	12,522,544	2,241,574

(a) Capital infrastructure under Greenskills funding

(b) Represents money bestowed on Institute by private companies or individuals for the provision of awards to students.

(c) Provision for payment of a 27th pay in 2015

21 InventoriesInventories not held for resale:

Teaching materials (at cost)		
Other (at cost)	22,614	21,539
	22,614	21,539
Less: Provision for obsolete stock		
	22,614	21,539

Inventories held for resale:

Bookshop (at cost)	259,008	265,312
	259,008	265,312
Less: Provision for obsolete stock		
	259,008	265,312

Total

281,622 **286,851**

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

22 ReceivablesCurrent

Receivables - trade	2,349,226	2,507,483
Receivables - students	708,308	696,612
Receivables - other	116,477	96,871
Accrued income	2,233,577	2,395,109
Allowance for impairment of receivables	(179,540)	(200,481)
GST receivable	204,163	278,959
	5,432,212	5,774,552
Total current	5,432,212	5,774,552

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of year	(200,481)	(149,156)
Doubtful debts expense recognised in the Statement of Comprehensive Income	(232,645)	(230,928)
Amount written off during the year	224,414	201,792
Amount recovered during the year	29,172	(22,189)
Balance at end of year	(179,540)	(200,481)

The Institute does not hold any collateral as security or other credit enhancements relating to receivables.

See also note 2(m) 'Receivables' and note 36 'Financial instruments'.

23 Other financial assetsCurrent

Cash investments (a)

4,500,000**4,500,000**

(a) The Institute has a six month deposit held at a banking institution.

24 Other assetsCurrent

Prepayments

720,861

625,887

Other current assets

120,011

24,005

Total current**840,872****649,892****25 Property, plant and equipment**Land

At fair value (a)

55,070,000

58,220,000

55,070,000

58,220,000

Buildings

At fair value (a)

133,381,000

123,305,000

Accumulated depreciation

-

-

133,381,000

123,305,000

Buildings under construction

Construction costs

90,833

(0)

90,833

(0)

Leasehold improvements

At cost

-

303,480

Accumulated depreciation

-

(303,480)

-

-

Plant, furniture and general equipment

At cost

6,786,366

6,440,376

Accumulated depreciation

(4,836,205)

(4,370,212)

1,950,161

2,070,164

Computer equipment, communication network

At cost

5,282,808

4,281,633

Accumulated depreciation

(3,019,554)

(2,803,653)

2,263,254

1,477,980

-

-

Leased computer equipment and communication network

-

1,264,132

Accumulated depreciation

-

(1,264,132)

-

-

Works of art

At fair value

1,518,763

1,504,296

1,518,763

1,504,296

194,274,012**186,577,440**

(a) Freehold land and buildings were revalued as at 1/7/11 by the Western Australian Land Information Authority (Valuation Services). The valuations were performed during the year ended 31/12/11 and recognised at 31/12/11. The fair value of all land and buildings was determined by reference to market values. See note 2(f) 'Property, plant and equipment'.

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

disclosures and legal compliance

	Land	Buildings	Buildings under construction	Plant, furniture and general equipment	Computer equipment, communication network	Works of art	Total
2011	\$	\$	\$	\$	\$	\$	\$
Carrying amount at start of year	58,220,000	123,305,000	(0)	2,070,164	1,477,980	1,504,296	186,577,440
Additions	-	14,000	104,833	633,655	2,520,699	14,695	3,287,882
Transfers	-	-	(14,000)	(57,130)	(1,089,241)	2,273	(1,158,098)
Disposals	-	-	-	(29,229)	(5,633)	(2,500)	(37,362)
Revaluation increments/(decrements)	(3,150,000)	13,144,625	-	-	-	-	9,994,625
Depreciation expense	-	(3,082,625)	-	(667,298)	(640,551)	-	(4,390,474)
Carrying amount at end of year	55,070,000	133,381,000	90,833	1,950,162	2,263,254	1,518,764	194,274,012

	Land	Buildings	Buildings under construction	Plant, furniture and general equipment	Computer equipment, communication network	Works of art	Total
2010	\$	\$	\$	\$	\$	\$	\$
Carrying amount at start of year	62,750,000	130,375,000	955,670	2,149,108	432,015	1,432,011	198,093,804
Additions	-	-	2,054,380	666,870	1,323,208	47,870	4,092,328
Transfers	-	2,652,687	(3,010,050)	-	-	-	(357,363)
Disposals	-	-	-	(7,003)	-	(10,625)	(17,628)
Revaluation increments/(decrements)	(4,530,000)	(6,463,312)	-	-	-	35,040	(10,958,272)
Depreciation expense	-	(3,259,375)	-	(738,811)	(277,243)	-	(4,275,429)
Carrying amount at end of year	58,220,000	123,305,000	-	2,070,164	1,477,980	1,504,296	186,577,440

(a) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in the Statement of Comprehensive Income. Where an asset measured at fair value is written down to recoverable amount, the loss is accounted for as a revaluation decrement.

26 Impairment of assets

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

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

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

27 Payables

Current

Trade payables	133,780	12,299
Accrued expenses	1,781,698	1,444,784
Accrued salaries and related costs	2,235,151	2,024,355
Total current	4,150,629	3,481,438

See also note 2(n) 'Payables' and note 36 'Financial Instruments'.

28 Provisions

Current

Employee benefits provision

Annual leave (a)	3,259,820	3,185,649
Long service leave (b)	8,997,647	8,422,257
	12,257,467	11,607,906

Other provisions

Employment on-costs (c)	790,184	767,525
Total current	13,047,651	12,375,431

Non-currentEmployee benefits provision

Annual leave		
Long service leave (b)	3,850,415	2,918,598
Salary deferment	127,640	133,007
	3,978,055	3,051,605

Other provisions

Employment on-costs (c)	251,227	202,572
	251,227	202,572

Total non-current

	4,229,282	3,254,177
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(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after the reporting period. Assessments indicate that actual settlement of the liabilities will occur as follows:

Within 12 months of the end of the reporting period	3,259,820	3,185,649
More than 12 months after the end of the reporting period	-	-
	3,259,820	3,185,649

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

Within 12 months of the end of the reporting period	3,355,117	4,111,328
More than 12 months after the end of the reporting period	9,492,943	7,229,527
	12,848,060	11,340,855

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

Movements in other provisions

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

Employment on-cost provision

Carrying amount at start of year	970,097	877,959
Additional provisions recognised	71,314	92,138
Carrying amount at end of year	1,041,411	970,097

29 Other liabilitiesCurrent

Income received in advance (a)	3,323,432	2,360,382
Money/deposits held in trust	34,399	31,139
Total current liabilities	3,357,831	2,391,521

(a) Income received in advance comprises:

Other Government (Commonwealth/Local)	1,425,345	-
Fee for service	2,048,281	1,984,972
Student fees and charges	529,912	375,410
	4,003,538	2,360,382

30 Equity

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

Contributed equity

Balance at start of year	7,049,879	7,049,879
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Contributions by owners

Capital appropriation (a)		
Transfer of net assets from other agencies (b)	-	-

Total contributions by owners	-	-
<u>Distributions to owners [c]</u>		
Transfer of net assets to other agencies		
Net assets transferred to Government		
Total distributions to owners	-	-
Balance at end of year	7,049,879	7,049,879

- (a) Treasurer's instruction TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' designates Capital Appropriations as contributions by owners in accordance with AASB Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities'.
- (b) AASB 1004 'Contributions', requires transfers of net assets as a result of a restructure of administrative arrangements to be accounted for as contributions by owners and distributions to owners. Where activities are transferred from one agency to another agency as a result of a restructure of administrative arrangements, AASB 1004 (paragraph 57) requires the transferee agency to disclose the expenses and income attributable to the transferred activities for the reporting period, showing separately those expenses and income recognised by the transferor agency during the reporting period. Furthermore, AASB 1004 (paragraph 58) requires disclosures by class for each material transfer of assets and liabilities in relation to a restructure of administrative arrangements, together with the name of the counterparty transferor/transferee agency. In respect of transfers that are individually immaterial, the assets and liabilities are to be disclosed on an aggregate basis.
- TI 955 designates non-discretionary and non-reciprocal transfers of net assets between state government agencies as contributions by owners in accordance with AASB Interpretation 1038, where the transferee agency accounts for a non-discretionary and non-reciprocal transfer of net assets as a contribution by owners and the transferor agency accounts for the transfer as a distribution to owners.
- (c) TI 955 requires non-reciprocal transfers of net assets to Government to be accounted for as distribution to owners in accordance with AASB Interpretation 1038.

ReservesAsset revaluation surplus

Balance at start of year	94,635,911	105,594,183
Net revaluation increments/(decrements):		
Land	(3,150,000)	(4,530,000)
Buildings	13,144,625	(6,463,312)
Works of art	-	35,040
Balance at end of year	104,630,535	94,635,911

Accumulated surplus/(deficit)

Balance at start of year	97,564,484	96,926,365
Result for the period	10,457,374	638,120
Income and expense recognised directly to equity	-	-
Balance at end of year	108,021,859	97,564,484

31 Notes to the Statement of Cash FlowsReconciliation 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 on hand	35,372	34,546
Cash at bank	2,601,033	7,687,986
Short term deposits (from 28 to 60 days, at call)	24,000,000	13,000,000
	26,636,405	20,722,531
Restricted cash and cash equivalents (refer to note 20 'Restricted cash and cash equivalents')	12,522,544	2,241,574
	39,158,949	22,964,105

Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities

Net cost of services	(75,372,138)	(81,425,288)
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Non-cash items:

Depreciation and amortisation expense (note 8 'Depreciation and amortisation expense')	4,390,474	4,275,429
Doubtful debts expense (note 10 'Other expenses')	(20,941)	55,600
Superannuation expense	7,369,734	6,963,604
Resources received free of charge (note 20 'Income from State Government')	1,561,829	1,569,032
Net (gain)/loss on sale of property, plant and equipment (note 18 'Net gain/(loss) on sale of non-current assets')	40,331	21,411
Donated Assets	-	(39,460)
Losses and write-offs (excludes cash shortages/thefts of money) (note 10 'Other expenses')	195,242	181,089
Non cash grants from DET	-	5,795
Other non-cash items	54,096	46,190

(Increase)/decrease in assets:

Current receivables (c)	(68,288)	(1,396,532)
Current inventories	5,229	109,932
Other current assets	(29,449)	517,486

Increase/(decrease) in liabilities

Current payables (c)	669,192	207,830
Current provisions	672,220	3,524,366
Other current liabilities	374,178	830,747
Non-current provisions	975,105	(2,720,823)

Net GST receipts/(payments) (a)	(1,534,831)	(1,740,516)
Change in GST in receivables/payables (b)	1,550,064	1,420,666

Net cash provided by/(used in) operating activities	(59,167,953)	(67,593,442)
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(a) This is the net GST paid/received, i.e. cash transactions

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

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

At the end of the reporting period, the Institute had fully drawn on all financing facilities, details of which are disclosed in the financial statements.

Non-cash financing and investing activities**32 Commitments**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	13,165,991	8,103,119
Later than 1 year and not later than 5 years	8,477,287	-
Later than 5 years	-	-
	21,643,278	8,103,119

The capital commitments include amounts for:

Greenskills Building	14,963,896	3,210,000
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Lease commitments

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

Within 1 year	835,024	841,507
Later than 1 year and not later than 5 years	2,084,965	1,319,291
Later than 5 years	386,388	91,222
	3,306,377	2,252,020

Representing:

Cancellable operating leases	515,281	478,173
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Non-cancellable operating leases	2,791,095	1,773,847
	3,306,376	2,252,020

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1 year	671,377	682,592
Later than 1 year and not later than 5 years	1,778,942	1,091,255
Later than 5 years	340,776	
	2,791,095	1,773,847

33 Contingent liabilities and contingent assets

As at reporting date the Institute has no contingent liabilities or contingent assets.

34 Events occurring after the reporting period

There are no significant events occurring after balance date that materially impact the financial statements.

35 Explanatory statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% and \$250,000 or any variance greater than \$500,000.

Significant variances between estimated and actual result for the financial year 2011

	2011 Estimate \$	2011 Actual \$	Variance \$
Employee expenses	82,367,363	88,732,057	(6,364,694)
Depreciation	6,044,775	4,390,474	1,654,301
Supplies and services	22,064,833	26,498,779	(4,433,946)
Fee for Service	13,689,660	17,511,106	(3,821,446)
Ancillary Trading	733,422	388,619	344,803
Interest revenue	866,712	2,187,033	(1,320,321)
Commonwealth Grant & Contributions	12,846,300	19,486,385	(6,640,085)
Service Appropriation	77,428,912	84,267,683	(6,838,771)
Resources Received Free of Charge	1,138,855	1,561,829	(422,974)

Employee expenses

The Institute has experienced growth in delivery of 400,000 Student Contact Hours. This has resulted in an increase in employee expenses that is in the main due to increased numbers of lecturers required to undertake the delivery growth.

Depreciation

Building depreciation in the 2011 Estimates was higher than actual as the Institute was expecting to take ownership of the new campus at 30 Aberdeen st Northbridge from the Department of Training and Workforce Development. This transfer did not occur, thus the expected increase in Depreciation also did not occur.

Supplies and services

Higher costs associated with increased fixed costs including electricity and cleaning contracts. Increased expenditure on minor capital works due to the fitout of the new campus in Northbridge.

Fee for Service

Growth in International students resulted in revenue levels that were higher than expected. The Institute also received increased disbursements from Education and Training International. Customised fee for service revenue also exceeded expectations.

Ancillary Trading

Lower than expected sales of curriculum materials.

Interest revenue

Increased capital works funding for the Greenskills building and the move to quarterly payments from the Department of Training and Workforce Development has increased cash reserves resulting in higher interest earnings.

Commonwealth grants and contributions

The Institute was successful in winning a larger market share of the Adult Migrant English Program, resulting in increased revenues.

The Institute also received increased grant funding for the Greenskills Building and the Better Skills Better Care Program from Commonwealth Government agencies.

Service Appropriation

The Institute has experienced growth in delivery of 400,000 Student Contact Hours. This has resulted in an increase in funds from the Department of Training and Workforce Development.

Resources Received Free of Charge

Initial estimates of resources provided free of charge from the Department of Training and Workforce Development were incorrect, they omitted to include resources provided by the Department of Education.

Significant variances between actual 2011 and prior year actual 2010

	2011	2010	Variance
	\$	\$	\$
Employee expenses	88,732,057	82,977,738	5,754,319
Supplies and services	26,498,779	23,875,936	2,622,842
Fee for Service	17,511,106	16,184,993	1,326,113
Interest revenue	2,187,033	1,400,313	786,720
Commonwealth Grant & Contributions	19,486,385	7,033,465	12,452,919
Service Appropriation	84,267,683	80,494,376	3,773,307

Employee expenses

The Institute has experienced a 3% increase in teaching hours, this has resulted in an increase in employee expenses. There has also been a gradual increase in the take-up of the 5% flexible hours arrangement. Non-lecturing staff received a pay increase of 3.75%.

Long service leave liability has increased, the Actuary has advised that the discount rate used in the liability calculation has decreased from 5.2% to 3.1% per annum, in line with the change in the bond rate. The impact of this has been to increase the LSL liability by 5.8%.

Supplies and services

Higher costs associated with increased fixed costs including electricity and cleaning contracts. Increased expenditure on minor capital works due to the fitout of the new campus in Northbridge.

Fee for Service

Higher revenues from International students and increased commercial and grant activities has boosted fee for service revenues.

Interest revenue

Increased capital works funding for the Greenskills building and the move to quarterly payments from the Department of Training and Workforce Development has increased cash reserves resulting in higher interest earnings.

Commonwealth grants and contributions

The Institute was successful in winning a larger market share of the Adult Migrant English Program, resulting in increased revenues. The Institute also received increased grant funding for the Greenskills Building and the Better Skills Better Care Program from Commonwealth Government agencies.

Service Appropriation

Growth in funding from the Department of Training and Workforce Development to cover increased teaching hours and salary increments.

36 Financial instruments**(a) Financial risk management objectives and policies**

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

Credit risk

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

The maximum exposure to credit risk at end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment as shown in the table at note 36(c) 'Financial instruments disclosures' and note 22 'Receivables'.

Credit risk associated with the Institute's financial assets is minimal because the main receivable is the amounts receivable for services (holding account). For receivables other than government, the Institute trades only with recognised, creditworthy third parties.

The Institute has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the Institute's exposure to bad debt is minimal. At the end of the reporting period there are no significant concentrations of credit risk.

Liquidity risk

Liquidity risk arises when the Institute is unable to meet its financial obligations as they fall due.

The Institute is exposed to liquidity risk through its trading in the normal course of business.

The Institute has appropriate procedures to manage cash flows including drawdowns of appropriations by monitoring forecast cash flows to ensure that sufficient funds are available to meet its commitments.

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the Institute's income or the value of its holdings of financial instruments.

The Institute does not trade in foreign currency and is not materially exposed to other price risks.

The Institute's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations.

Other than as detailed in the Interest rate sensitivity analysis table at Note 36(c), the Institute is not exposed to interest rate risk because apart from minor amounts of restricted cash, all other cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings.

(b) Categories of financial instruments

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

	2011 \$	2010 \$
Financial Assets		
Cash and cash equivalent	26,636,405	20,722,531
Restricted cash and cash equivalent	12,522,544	2,241,574
Receivables (a)	5,228,049	5,495,594
Other financial assets	4,500,000	4,500,000
Financial Liabilities		
Payables	4,150,629	3,479,574

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

(c) Financial instrument disclosures**Credit risk and interest rate exposures**

The following table discloses the Institute's maximum exposure to credit risk, interest rate exposure and the ageing analysis of financial assets. The Institute's maximum exposure to credit risk at the end of the reporting period is the carrying amount of financial assets as shown below. The table discloses the ageing of financial assets that are past due but not impaired and impaired financial assets. The table is based on information provided to senior management of the Institute.

The Institute does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.

The Institute does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

36

Interest rate exposure and ageing analysis of financial assets (a)

	Weighted Average Effective Interest Rate	Interest rate exposure				Past due but not impaired				Impaired Financial Assets
		Carrying Amount	Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing	> 30 days	> 60 days	> 90 days	> 120 days	
Financial Assets										
2011										
Cash and cash equivalent	5.44%	26,636,405	-	26,636,405	-	-	-	-	-	-
Restricted cash and cash equivalent	5.44%	12,522,544	-	12,522,544	-	-	-	-	-	-
Receivables (a)		5,228,049	-	-	5,228,049	289,967	95,264	371,534	827,272	-
Other financial assets	6.10%	4,500,000	-	4,500,000	-	-	-	-	-	-
		48,886,997	-	43,658,949	5,228,049	289,967	95,264	371,534	827,272	-
2010										
Cash and cash equivalent	4.98%	20,722,531	-	20,722,531	-	-	-	-	-	-
Restricted cash and cash equivalent	4.98%	2,241,574	-	2,241,574	-	-	-	-	-	-
Receivables (a)		5,495,594	-	-	5,495,594	615,767	1,065,096	94,841	638,360	-
Other financial assets	5.86%	4,500,000	-	4,500,000	-	-	-	-	-	-
		32,959,699	-	27,464,105	5,495,594	615,767	1,065,096	94,841	638,360	-

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

Liquidity risk

The following table details the contractual maturity analysis for financial liabilities. The contractual maturity amounts are representative of the undiscounted amounts as at the end of the reporting period. The table includes interest and principal cash flows. An adjustment has been made where material.

Interest rate exposure and maturity analysis of financial liabilities (a)

	Weighted Average Effective Interest Rate %	Carrying Amount	Interest rate exposure				Total Nominal Amount	Maturity date		
			Fixed Interest Rate	Variable Interest Rate	Non Interest Bearing	Adjustment for discounting		> 30 days	> 60 days	> 90 days
Financial Liabilities										
2011										
Payables		4,150,629	-	-	4,150,629	-	-	45,736	29,966	38,703
		4,150,629	-	-	4,150,629	-	-	45,736	29,966	38,703
2010										
Payables		3,479,574	-	-	3,479,574	-	-	816	3,363	4,653
		3,479,574	-	-	3,479,574	-	-	816	3,363	4,653

Interest rate sensitivity analysis

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

	Carrying amount	- 100 Basis Points		+ 100 Basis Points	
		Surplus	Equity	Surplus	Equity
	\$	\$	\$	\$	\$
2011					
<u>Financial Assets</u>					
Cash and cash equivalent	26,636,405	(266,364)	(266,364)	266,364	266,364
Restricted cash and cash equivalent	12,522,544	(125,225)	(125,225)	125,225	125,225
Other financial assets	4,500,000	(45,000)	(45,000)	45,000	45,000
Total Increase/(Decrease)	43,658,949	(436,589)	(436,589)	436,589	436,589
2010					
<u>Financial Assets</u>					
Cash and cash equivalent	20,722,531	(207,225)	(207,225)	207,225	207,225
Restricted cash and cash equivalent	2,241,574	(22,416)	(22,416)	22,416	22,416
Other financial assets	4,500,000	(45,000)	(45,000)	45,000	45,000
Total Increase/(Decrease)	27,464,105	(274,641)	(274,641)	274,641	274,641

Fair values

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

37 Remuneration of members of the Institute and senior officers

Remuneration of members of the Institute

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

\$	2011	2010
\$0 - \$10,000	13	12
\$210,001 - \$220,000	-	1
\$230,001 - \$240,000	1	-

	\$	\$
The total remuneration of the members of the Institute is:	272,233	238,697

Total remuneration includes the superannuation expense incurred by the Institute in respect of members of the Institute.

Remuneration of senior officers

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

	2011	2010
\$		
\$30,001 - \$40,000	1	-
\$100,001 - \$110,000	1	-
\$130,001 - \$140,000	1	-
\$140,001 - \$150,000	-	3
\$150,001 - \$160,000	1	1
\$160,001 - \$170,000	1	2
\$170,001 - \$180,000	2	-

	\$	\$
The total remuneration of senior officers is:	949,446	915,629

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

No senior officers are members of the Pension Scheme.

38 Remuneration of auditor

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

	2011	2010
	\$	\$
Auditing the accounts, financial statements and performance indicators	90,000	92,000

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

39 Related bodies

The Institute has no related bodies.

40 Affiliated bodies

The Institute has no affiliated bodies.

41 Supplementary financial information

Write-Offs

	2011	2010
	\$	\$
Public property	68,578	-
Bad debts	224,414	201,792
Inventory	-	4,275
	292,992	206,067

Losses through theft, defaults and other causes

Losses of public and other moneys and public and other property through theft, default or otherwise	-	1
Amount recovered	-	-

Gifts of Public Property

Gifts of Public Property provided by the Institute	-	-
--	---	---

42 Schedule of income and expenditure by service

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

annual estimates

In accordance with Treasurer's Instruction 953, the annual estimates for the 2012 year are hereby included in the 2011 Annual Report. These estimates do not form part of the 2011 financial statements and are not subject to audit.

Central Institute of Technology
S40 SUBMISSION
Statement of Comprehensive Income

	2012 Estimate \$
COST OF SERVICES	
Expenses	
Employee benefits expense	89,955,640
Supplies and services	26,691,874
Depreciation and amortisation expense	6,023,000
Grants and subsidies	3,411
Loss on disposal of non-current assets	27,161
Cost of sales	650,000
Other expenses	7,327,136
Total Cost of Services	130,678,222
Income	
Revenue	
Fee for service	13,088,770
Student charges and fees	11,886,413
Ancillary trading	363,935
Sales	800,000
Commonwealth grants and contributions	9,656,000
Interest revenue	1,700,000
Other revenue	705,112
Total Revenue	38,200,230
Total income other than income from State Government	38,200,230
NET COST OF SERVICES	-92,477,992
INCOME FROM STATE GOVERNMENT	
State funds	86,049,675
Resources received free of charge	1,400,000
Total income from State Government	87,449,675
SURPLUS (DEFICIT) FOR THE PERIOD	-5,028,317
OTHER COMPREHENSIVE INCOME	
Changes in asset revaluation reserve	5,000,000.00
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	-28,317

Central Institute of Technology
S40 SUBMISSION
BALANCE SHEET

	2012 Estimate \$
ASSETS	
Current Assets	
Cash and cash equivalents	19,672,214
Inventories	286,851
Receivables	5,724,444
Other current assets	5,200,000
Total Current Assets	30,883,509
Non-Current Assets	
Property, plant and equipment	248,621,033
Total Non-Current Assets	248,621,033
TOTAL ASSETS	279,504,542
LIABILITIES	
Current Liabilities	
Payables	3,481,438
Provisions	12,375,431
Other current liabilities	2,391,520
Total Current Liabilities	18,248,389
Non-Current Liabilities	
Provisions	3,254,177
Total Non-Current Liabilities	3,254,177
TOTAL LIABILITIES	21,502,566
NET ASSETS	258,001,976
EQUITY	
Contributed Equity	53,549,879
Reserves	104,635,911
Accumulated surplus/(deficiency)	99,816,186
TOTAL EQUITY	258,001,976

Central Institute of Technology
S40 SUBMISSION
CHANGES IN EQUITY STATEMENT

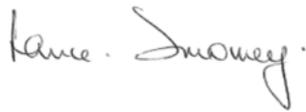
	2012 Estimate \$
Balance of equity at start of period	258,030,293
CONTRIBUTED EQUITY	
Balance at start of period	53,549,879
Other contributions by owners	
Distributions to owners	
Balance at end of period	53,549,879
RESERVES	
Asset Revaluation Reserve	
Balance at start of period	99,635,911
Changes in accounting policy or correction of prior period errors	
Restated balance at start of period	99,635,911
Gains/(losses) from asset revaluation	5,000,000
Balance at end of period	104,635,911
ACCUMULATED SURPLUS (RETAINED EARNINGS)	
Balance at start of period	104,844,503
Changes in accounting policy or correction of prior period errors	
Restated balance at start of period	104,844,503
Surplus/(deficit) or profit/(loss) for the period	-5,028,317
Gains/(losses) recognised directly in equity	
Balance at end of period	99,816,186
Balance of equity at end of period	258,001,976
Total income and expense for the period	-28,317

Central Institute of Technology
S40 SUBMISSION
CASH FLOW STATEMENT

	2012 Estimate \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	78,678,746
Capital contributions	286,418
Net cash provided by State Government	78,965,164
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	-83,951,129
Supplies and services	-25,941,874
Grants and subsidies	-3,411
GST payments on purchases	-3,326,901
Other payments	-7,327,136
Receipts	
Fee for service	13,088,770
Student fees and charges	11,886,413
Ancillary trading	1,163,935
Commonwealth grants and contributions	9,656,000
Interest received	1,700,000
GST receipts on sales	1,495,782
GST receipts from taxation authority	1,831,119
Other receipts	705,112
Net cash provided by/(used in) operating activities	-79,023,320
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of non-current physical assets	
Purchase of non-current physical assets	-13,932,830
Net cash provided by/(used in) investing activities	-13,932,830
Net increase/(decrease) in cash held and cash equivalents	-13,990,986
Cash and cash equivalents at the beginning of the period	38,163,200
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	24,172,214

certification of key performance indicators

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



Professor Lance Twomey AO
Chair
Governing Council
Central Institute of Technology
22 February 2012



Mr Neil Fernandes
Managing Director
Central Institute of Technology
22 February 2012

key performance indicators

Desired Outcomes

The provision of vocational education and training services to meet community and industry training needs

The Effectiveness Indicators have been developed to assist in the Institute's monitoring and management processes and to enhance accountability to the people of Western Australia.

The Performance Indicators of the Institute measure the efficiency and effectiveness of Central Institute of Technology's efforts of addressing community and industries training needs.

The data is subject to audit under the *Financial Management Act 2006*.

Achievement of Institute Profile

This performance indicator reports the effectiveness of the Institute in meeting Delivery and Performance Agreement targets, enabling customer needs to be achieved, through which Central Institute of Technology is resourced to deliver courses under Government purchased funding guidelines. This purchased delivery took into consideration the needs of the local community, individuals and the training plans of industry. The diversity of delivery indicates the extent to which the Institute has met the strategic training needs of the State as defined in the State Training Profile as well as additional delivery provided under a fee-for-service arrangement.

Measure A: Profile Analysis for Central Institute of Technology (Effectiveness Indicator)

This indicator details the total number of Student Curriculum Hours (SCH) delivered (both Delivery and Performance Agreement Funded and fee-for-service).

Department of Training and Workforce Development Industry Groups		2009 Actual Profile {SCH}	2010 Actual Profile {SCH}	2011 Planned Profile {SCH}	2011 Actual Profile {SCH}
01A	Recreation Sports and Entertainment	235,559	235,861	227,165	215,787
01B	Visual and Performing Arts	656,959	678,282	611,602	618,350
01C	Design	486,064	534,143	489,447	494,720
02A	Automotive	442	0	0	0
03A	Building and Construction	65,700	77,520	122,786	147,372
03B	Surveying and Building	543,796	586,010	494,825	506,681
04A	Community Service Workers	359,360	339,474	263,370	343,451
04B	Education and Childcare	284,935	339,442	345,081	314,870
04C	Health	493,456	650,957	753,189	797,053
04D	Library Workers	114,635	121,455	87,263	89,615
05A	Finance Insurance Property Service Workers	111,052	63,300	83,400	48,355
07A	Clothing Footwear and Soft Furnishings	23,300	28,330	38,160	40,250
08B	Printing and Publishing	221,464	218,072	195,525	173,980
09A	Engineering and Drafting	426,462	359,206	377,388	292,739
09B	Metal and Mining	110,165	94,815	86,216	120,789
10D	Horticulture	5,993	6,689	5,900	3,796
11A	Process Manufacturing	21,858	23,316	31,640	19,796
12A	Personal Service	139,893	141,920	126,370	124,426

Department of Training and Workforce Development Industry Groups		2009	2010	2011	
		Actual Profile [SCH]	Actual Profile [SCH]	Planned Profile [SCH]	Actual Profile [SCH]
12B	Retail	11,120	11,373	15,392	14,780
13B	Hospitality	98,185	129,840	127,000	135,711
13C	Tourism	97,043	55,792	64,263	79,133
13D	Travel Agents	106,361	116,770	106,707	103,285
15A	Electrical and Electronic Engineering	192,874	216,894	142,339	185,013
15B	Electrical Trades	120	25,223	38,632	45,730
16A	Accounting and Other Business Services	440,400	467,852	437,284	433,408
16B	Management*	154,715	183,987	164,997	182,480
16C	Office and Clerical	252,120	292,110	271,370	305,055
17A	Computing	224,757	212,507	220,275	215,690
18A	Science and Technical Workers	147,452	177,621	162,110	210,297
19B	Adult Literacy/ESL	594,688	587,340	561,757	584,060
19C	Languages	187,356	179,928	145,469	174,895
19E	Targeted Access and Participation Courses	58,370	45,635	58,324	59,170
Total Profile Delivery		6,866,654	7,201,664	6,855,246	7,080,737
Non Profile Delivery		3,944,810	3,709,587	4,142,250	3,865,584
Institute Total Delivery		10,811,464	10,911,251	10,997,496	10,946,321

Notes: (for Measure A):

- Source:** Central Institute of Technology Delivery and Performance Agreement
- Definition:** The table indicates the quota and actual achievement of SCH in the profiled Department of Training and Workforce Development Industry Group Categories. The classification of these Industry Groups is based on the occupation or outcome the course is intended to serve and highlights the Institute's performance in achieving industry delivery targets.
- Derivation:** DPA data represents the actual achievement of SCH in respective years. Planned data is obtained from the DPA and actual SCH from the College Management Information System (CMIS). Non-profile delivery SCH is the actual SCH count of enrolments not funded under the DPA in CMIS.
- Comments:** In 2011 the Institute delivered above its Profile target. This was due to continued strong demand for training.

Measure B: Profile Achievement (Effectiveness Indicator)

This performance indicator shows the percentage of Student Curriculum Hours (SCH) achieved for activities as contracted with Department of Training and Workforce Development for vocational education and training delivery through the Delivery and Performance Agreement.

$$\text{Profile Achievement} = \frac{\text{Actual Delivery and Performance Agreement SCH Achieved}}{\text{Target SCH contained within Delivery and Performance Agreement}}$$

2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2011 Target
97.0%	100.0%	115.6%	111.1%	103.3%	100.0%

Notes (for Measure B):

- Source:** Central Institute of Technology Delivery and Performance Agreement.
- Derivation:** DPA data represents the actual achievement of SCH in respective years.
- Comments:** During 2011 the Institute continued to experience strong demand for training services, but did not experience the high rates of growth reported in 2009 and 2010 in the wake of the global financial crisis.

Overall Cost per SCH (Efficiency Indicator)

The overall cost per SCH demonstrates the efficiency with which Central Institute of Technology manages its resources to enable the provision of vocational education and training programs.

$$2011 \text{ Actual Cost} = \frac{\text{Total Cost of Services}}{\text{Total SCH}}$$

2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2011 Target
\$11.86	\$10.36	\$9.92	\$10.93	\$11.65	\$10.80

Notes (for Cost per SCH):

- Source:** Financial Statements and the College Management Information System.
- Derivation:** The total delivery cost per SCH is calculated by dividing the total cost of services measured on an accrual basis by the total SCH delivered. The total SCH is the total number of enrolments multiplied by the hourly duration of these modules as registered in the College Management Information System in accordance with the Australian Vocational Education and Training Management Information Statistical Standard. Delivery from all funding sources is included. The total cost of services figure is obtained from the Annual Financial Statements.
- Comment:** The increase in overall cost per SCH reflects the growth in the price of fixed costs including increases in utility costs and facilities contracts. There has also been an increase in total cost of services due to the outlay of funds to fit-out the new campus in Northbridge plus the refurbishment of other campuses. There has also been a slight decline in profile SCH delivered due to ceilings on growth imposed by the Department of Training and Workforce Development.

Department of Training and Workforce Development Student Satisfaction Survey

The 2011 Student Satisfaction Survey has been administered on behalf of the Department of Training and Workforce Development by Patterson Research Group. The survey is used to measure the quality of the service which is provided by the Department and State Training Providers, and to gain a better understanding of its customers and their needs. Institute specific data is reported as well as comparisons with other State Training Providers.

The usable state target population was established as 56,990 and the response rate for the State was 18.8%. From a usable population of 13,490 at Central Institute of Technology, 3,050 usable returns were received (making the response rate 22.6%).

Overall Student Satisfaction Rating (Effectiveness Indicator)

The overall student satisfaction rating expresses the number of 'satisfied' and 'very satisfied' respondents. The results provide an overall expression of how satisfied students are with various services provided by the Institute.

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2011 Target
Central Institute of Technology	86.0%	83.1%	83.2%	85.5%	87.0%	85.0%
Western Australia	86.8%	85.4%	85.6%	86.7%	88.4%	n.a.

Notes:

- Source:** Department of Training and Workforce Development, 2011 Student Satisfaction Survey.
- Derivation:** The standard error for the survey was calculated at 0.54%, with a relative sampling error of $\pm 1.1\%$ with a 95% confidence level.
- Comments:** The overall satisfaction score at Central Institute of Technology for 2011 increased by 1.5% from the previous year to 87%. The State increased by 1.7%.

Student Outcome Survey

The Student Outcomes Survey is conducted on behalf of the National Centre for Vocational Education Research (NCVER) by the Social Research Centre. The aim of the survey is to measure vocational education and training students' employment, further study and the opinions of the training undertaken.

Questionnaires were sent to a stratified (field of education, sex and age), randomly selected sample of Central Institute of Technology graduates who successfully completed a qualification in the previous reporting period.

Graduate Achievement Rating (Effectiveness Indicator)

The Graduate Achievement Rating is an indicator that measures the extent to which Central Institute of Technology graduates have fully or partly achieved their main reason for undertaking the training.

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2011 Target
Central Institute of Technology	82.1%	n.a.	80.2%	81.4%	81.8%	85.0%
Western Australia	87.0%	n.a.	87.1%	86.7%	87.5%	n.a.
Australia	86.4%	n.a.	85.9%	85.1%	85.8%	n.a.

Notes:

- Source:** Student Outcome Survey, National Centre for Vocational Education Research (NCVER).
Please Note: The 2011 report presents the data from graduates of the 2010 academic year.
- Derivation:** The relative 95% confidence interval was $\pm 1.8\%$ for Central graduates.
- Comments:** Although 12.2% of Central Institute of Technology graduates identified further study as their main reason for undertaking their training, 45.4% were enrolled in further study after their training. Achievement of the initial main reason may not therefore be a reliable indicator of effectiveness when considered independently of other data. However, 71.5% of graduates who undertook training for employment related reasons and were employed after training felt that they had received a job-related benefit.

Graduate Destination (Effectiveness Indicator)

The proportion of graduates in employment is a performance indicator, as at 27 May 2011, which shows the extent to which Central Institute of Technology is providing relevant and quality training that improves student employability.

Employed	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Target 2011
Central Institute of Technology	79.7%	n.a.	70.9%	70.7%	74.4%	n.a.
Western Australia	83.0%	n.a.	78.0%	79.0%	79.7%	n.a.
Australia	80.2%	n.a.	77.1%	76.5%	77.1%	n.a.

Unemployed	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Target 2011
Central Institute of Technology	7.3%	n.a.	13.5%	13.7%	12.1%	n.a.
Western Australia	6.2%	n.a.	10.1%	8.8%	9.9%	n.a.
Australia	9.2%	n.a.	11.3%	12.4%	12.0%	n.a.

Not in Labour Force						
	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Target 2011
Central Institute of Technology	12.8%	n.a.	15.5%	15.2%	13.3%	n.a.
Western Australia	10.6%	n.a.	11.8%	11.7%	10.0%	n.a.
Australia	10.2%	n.a.	11.1%	10.8%	10.6%	n.a.

Enrolled in Further Study After Training						
	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Actual 2011	Target 2011
Central Institute of Technology	43.7%	n.a.	43.6%	47.8%	45.4%	n.a.
Western Australia	33.7%	n.a.	32.8%	35.2%	34.0%	n.a.
Australia	31.2%	n.a.	32.8%	32.8%	32.8%	n.a.

Notes:

- a. **Source:** Student Outcome Survey, National Centre for Vocational Education Research (NCVER).
- b. **Derivation:** Graduate labour force status was derived according to the standard definitions of the Australian Bureau of Statistics of employed, unemployed and not in the labour force.
- c. **Comment:** Central, with its comparatively strong focus on higher level qualifications, has the lowest proportion of students who undertook the training because it was part of a traineeship or apprenticeship (Central 10.6%; WA TAFE 22.1% and Australia TAFE 20.2%). While Central had comparatively fewer graduates employed after training compared to WA TAFE and Australia TAFE, 10.2% of Central graduates were enrolled at university after training (WA TAFE 5.8% and Australia TAFE 7.0%) while 31.1% of Central graduates were enrolled at a TAFE institute after training (WA TAFE 22.8% and Australia TAFE 19.7%). A higher proportion of Central graduates undertook training for further study reasons (Central 12.2%; WA TAFE 6.9% and Australia TAFE 5.3%).

Please Note: No targets for this indicator have been set as graduate destination is beyond the influence and control of the Institute.

ministerial directives

Treasurer's Instruction 903 (12) requires Central Institute of Technology to disclose details of any Ministerial directives relevant to the setting of desired outcomes or operational objectives, the achievement of desired outcomes or operational objectives, investment activities and financing activities.

No such directives were issued to Central Institute of Technology.

other financial disclosures

Pricing Policies for Services Provided

Under the Vocational Education and Training Regulations 1996, the Institute may determine fees and charges for services, other than for services prescribed by the Minister for Training and Workforce Development. The Institute has documented fees and charges payable, including those gazetted by the Minister, in its annual Fees and Charges Policy.

Included in the 2011 Fees and Charges Policy is the application of statutory fees and charges in Schedule 1 of the Policy, of Institute fees and charges in Schedule 2 of the Policy and of Resource Fees in Schedule 3. In 2011, Central Institute of Technology's fees and charges were increased by 3.4% which was applied in accordance with the Policy Guidelines for Publicly Funded Registered Training Organisations.

Capital Works

Central Institute of Technology's capital works program was funded by internally generated revenue and State and Commonwealth Government contributions. An overview of the major capital works completed and in progress is presented below.

Completed Capital Projects

30 Aberdeen Street Northbridge

Officially opened by the Premier in April, 30 Aberdeen Street in Northbridge forms the cornerstone of the Perth precinct. Funded by the State and Federal Governments, the building accommodates the Engineering, Beauty Therapy, Massage and

Architectural and Building Studies learning areas together with essential support services including the Aboriginal and Torres Strait Islander Support Unit, Library, and IT Support. The total cost of the project was \$62 million.

C-Block Refurbishment

Officially opened by the Minister for Training and Workforce Development in September, the building features a large open area arranged in four distinct spaces that can be used independently or interdependently as a larger, flexible activity area. When required, doors and pivoting panels provide visual or acoustic separation and enable the space to be subdivided into more focused training spaces. Located at the Human Services Precinct, the converted warehouse enables students to engage with members of the community and provides a space to gain experience in delivering a range of services. The \$1.68 million project was funded by the State Government.

Lift Refurbishment

The \$1.5 million refurbishment of seven lifts at 25 Aberdeen Street in Northbridge was funded by the State Government.

Capital Works in Progress

Signage Project

This project involves the development of a style guide and the replacement of internal and external signage at the Perth, East Perth and Leederville sites. A pre-tender estimate of \$890,000 was \$300,000 above the initial estimate, which was quoted prior to the establishment of a detailed schedule and independent cost assessment. This estimate will be further scrutinised through the tendering process. This is expected to be completed in 2012.

Leederville Customer Service and Facade Project

At a cost of \$3.41 million, the redevelopment of the Leederville campus aims to improve the appearance of the Oxford Street facade, achieve a more prominent and attractive entry from Oxford Street, improve the Student Services area and take the first step toward making a central Student Services hub, comprising the café, student services, library and management centre.

The facade will feature lightweight metal cladding panels of aluminium and zinc and the addition of new awnings and windows cut into the existing brickwork. The brickwork will also be repainted to achieve a more attractive and contemporary appearance. This is expected to be completed in 2012. This project is being funded by the State Government.

Leederville Air Conditioning Upgrade

At a cost of \$800,000, this project involves the replacement of air conditioning systems in the west block of the Leederville campus. This is expected to be completed in 2012.

Employment and Industrial Relations

Staff Profile

Staff Category	2011	2010
Number of permanent, contract staff	1,061	1,027
Number of casual staff	342	317
Percentage of full-time staff (permanent and contract)	65.0%	66.9%
Percentage of part-time staff (permanent and contract)	35.0%	33.1%
Percentage of male staff (permanent and contract)	38.0%	37.5%
Percentage of female staff (permanent and contract)	62.0%	62.5%
Percentage of academic staff (permanent and contract)	57%	56.4%
Percentage of academic support staff (permanent and contract)	43%	43.6%
Percentage of staff with a disability (permanent and contract)	2.0%	2.1%
Percentage of Indigenous staff (permanent and contract)	1.0%	1.3%
Percentage of staff from an ethnic background (permanent and contract)	41.0%	37.6%
Percentage of staff under 25 years of age (permanent and contract)	4.0%	3.9%

Staff Development

TAE Conversion

In May 2010 the National Quality Council endorsed the TAE10 Training and Education Training Package. The National Quality Council agreed to a two year transition period to allow providers time to adopt a planned approach to ensure all trainers and assessors meet the new requirements under Standard 1.4(a) of the AQTF by 17 June 2012.

Central introduced a program to support academic staff to upgrade to the new TAE40110 Certificate IV in Training and Assessment via a number of pathways including recognition of prior learning and skills gap identification, a conversion process and tailored training programs.

Workforce Development

A five day workforce development workshop, facilitated by Becky Saunders was launched in 2010. The workshop brought together the essential skills required of the VET practitioner. Twenty two staff completed the workshop in 2011.

Accountable and Ethical Decision Making (AEDM)

Central continued to offer AEDM sessions for staff throughout 2011. The Institute's AEDM training included a mix of face-to-face sessions presented by a Senior HR Consultant as well as an online module. To date, 1,086 staff have completed AEDM training via online and face-to-face sessions.

Instructional Intelligence

Central's Instructional Intelligence program continued to grow in stature with the program being offered to full-fee paying external participants from other organisations. The Institute now has 136 staff trained in Intellectual Intelligence.

Just in Time Training

In 2011 the Workforce Development and Training team worked closely with the divisions to address the training needs of learning portfolios within a short timeframe. Significant effort was put into developing effective and relevant just-in-time training for more than 200 staff.

Industrial Relations

Organisational Development continued to work closely with managers to resolve long-standing discipline matters and to develop managers' skills in effectively dealing with employee relations issues.

Workshops for managers on managing risk and disciplinary matters were conducted in 2011. Fifty eight managers attended the workshop which was addressed by two Crime and Corruption Commission representatives.

A series of workshops with managers on Institute-wide employee relations matters were also conducted. The Senior Labour Relations Consultant continued to work closely with managers and the Occupational Safety and Health Consultant to effectively resolve long-term personal leave matters.

governance disclosures

Declaration of Interests

In accordance with the requirements of Treasurer's Instruction 903(14) on disclosure of interests of senior officers:

- no senior officer has had any shareholding in the Institute; and
- to the best of our knowledge, no senior officer has any interest in contracts made or proposed with the Institute.

Public Liability Insurance

Central Institute of Technology has paid \$11,665 for Directors and Officers Liability Insurance to indemnify any director (as defined in Part 3 of the Statutory Corporations (Liability of Directors) Act 1996) against a liability incurred under sections 13 or 14 of the Statutory Corporations (Liability of Directors) Act 1996.

other legal requirements

Advertising

In accordance with Section 175ZE of the *Electoral Act 1907*, the following is a statement for all expenditure

incurred by Central Institute of Technology during 2011 in relation to advertising, market research, polling, direct mail and media advertising organisations:

1. The total expenditure for 2011 was \$232,711
2. Expenditure was incurred in the following areas:

Type and External Agency	Cost
Advertising agencies	\$77,858
Gatecrasher Advertising	\$76,819
BrainCells Advertising	\$1,039
Media advertising organisations	\$137,961
OMD	\$121,761
Mitchell Media	\$16,200
Online	\$12,492
Google AdWords	\$12,492
Market research organisations	\$4,400
Polling organisations	Nil
Direct mail organisations	Nil

Disability Access and Inclusion Plan Outcomes

Central is very committed to ensuring all students can achieve their academic potential by supporting them to fully participate in all aspects of their training. Central openly encourages all students to complete an Individual Student Needs Checklist form at the start of each semester, which assists students to proactively identify where they might need assistance and also informs them how they can access assistance either through our Access and Equity Support Service Team or directly from teaching staff. Our Access and Equity Support Service operates from the premise of identifying what reasonable adjustments can be made to the delivery of courses to build the student's capacity to participate and learn, so as to ensure they independently attain the required level of competency.

The Institute has a Student Support Access and Equity (SSAE) Steering Committee that is responsible for managing and evaluating the implementation of its Disability Access and Inclusion Plan (DAIP). During 2011 the SSAE undertook a full review of the Institute's DAIP in line with legislative requirements. After

considerable public and internal consultation the Institute has prepared a new DAIP that covers the period 2012-2016, which has been lodged and accepted by the Disability Services Commission.

Listed below against the six DAIP desired outcomes are some of the initiatives undertaken during 2011:

1. People with disabilities have the same opportunities as other people to access the services of, and any events organised by Central Institute of Technology. This resulted in the:
 - Introduction of a semester based Access and Equity Scholarship.
 - Increased student access to Disability Services officers across all major campuses.
 - Increased collaborative liaison with learning portfolio staff to support students at risk.
 - Continued provision of wheelchair access and interpreters at Central's events when required.
 - Implementation of Disabled Australian Apprenticeship Wage Support funding for students in apprenticeships and traineeships programs requiring additional assistance.
2. People with disabilities have the same opportunities as other people to access buildings and other facilities of Central Institute of Technology. The following upgrades were made:
 - New stair lift installed to accommodate wheelchairs within the Art Department.
 - New campus constructed in Aberdeen Street is compliant with Building Code of Australia Access Standards.
 - Continued building upgrades and renewal of lifts and automatic doors where required.
 - Continued upgrade of signage in raised/tactile format to all campuses.
3. People with disabilities receive information from

Central Institute of Technology in a format that will enable them to access the information as readily as other people are able to access it. This includes:

- Development of a webpage to assist all students with enrolments.
 - Continued provision of electronic formatted books/texts, lesson notes, course information and adaptive technology assistance for vision impaired students and other students with a disability.
 - Continued provision of training material in format appropriate to student needs.
 - Continued provision of the Central in-house Interpreting service for deaf students.
 - Introduction of Kurzweil adaptive technology for blind students.
 - Customised training for staff and interpreters/assistants in the use of BrailleNote to assist a blind/deaf student.
4. People with disabilities receive the same level and quality of service from the staff of Central Institute of Technology as other people through:
 - Staff awareness and training sessions on reasonable adjustment requirements, universal design practices, and equal employment opportunity obligations.
 - Staff consultation and participation in the development of the new DAIP including website posting of the new DAIP.
 - Continued team consultation between members of Student Support (Psychologist, Career Counsellors, Job Central and Disability Services) to ensure smooth transition into training pathways and employment.
 - Continued investigation into assistive technologies that aid curriculum and learning outcomes available to students.

- Continued provision of ongoing liaison and training with staff as to the technologies available to improve learning outcomes.
 - Ensuring all Central contractors and agents are aware of their obligations and responsibilities to people with disabilities by including a clause in all contracts and agreements as stated in Central's DAIP.
5. People with disabilities have the same opportunities as other people to make complaints at Central Institute of Technology. This includes:
- Ensuring the Central customer complaint process is accessible for students wishing to raise an issue with the Institute and mediation processes are in formats appropriate to the needs of students.
 - Successful negotiation through consultation and mediation meetings with relevant stakeholders to resolve issues of complaint.
6. People with disabilities have the same opportunities as other people to participate in any public consultation at Central Institute of Technology. The following principles and feedback mechanisms were implemented:
- Any public consultation undertaken by Central is extended to the wider Western Australian community to provide comment.
 - Any public consultation pertaining to access improvements is extended to relevant stakeholders such as students with a disability, disability consumer agencies, peak disability organisations, and carers of people with disabilities.
 - Students receiving support through our Disability Services are given the opportunity to provide feedback each semester on the services they received and any improvements that could be made.

Compliance with Public Sector Standards and Ethical Codes

Central conducted a review of the Staff Code of Conduct in 2011 with a view to implementing a number of improvements in 2012. Institute values will be amended to include statements on sustainability, growth and learning and celebration.

A comprehensive guide to the Staff Code of Conduct will be introduced to provide practical examples and advice to staff on working within the Staff Code of Conduct. As part of the guidelines, Central will for the first time introduce minimum Professional Standards of Conduct to recognise the unique position of trust and influence academic staff hold in their relationships with students, employers and industry.

An Academic Practice statement will also be introduced as part of the Academic Practice @ Central Handbook to provide academic staff with an understanding of the behaviours, activities and standards required to maintain and improve professional knowledge and practice.

Central managed one breach of standard claim against the Public Sector Standards in Human Resource Management. The claim was dismissed and no further action was taken.

The Organisational Development team continued to work with staff and managers to identify and resolve workplace grievances at the local level. Six formal grievances were lodged and resolved in 2010-11 against the Public Sector Standards in Human Resource Management.

Thirteen breaches of discipline were recorded in 2011 under the *Public Sector Management Act 1994*. While all breaches were managed by Organisational Development, seven were managed in conjunction with Crime and Corruption Commission requirements. Two breaches of discipline carried over from 2010 were concluded in 2011.

Recordkeeping Plan

Central operates within a sector-wide Recordkeeping Plan reflecting the de-merger with the Department of Education. Relevant policies and procedures have been reviewed to ensure efficient destruction of records in accordance with the General Disposal Authorities issued by the State Records Office.

The Institute's records management policies and procedures have been reviewed to ensure compliance with legislative requirements. Central promotes records awareness through:

- ongoing training scheduled through the Professional Development calendar;
- the provision of onsite training and support to all staff;
- staff induction process, including the Code of Conduct; and
- Online Records Awareness training.

No audit was conducted in 2011.

government policy requirements

Occupational Safety, Health and Injury Management

Central is committed to the safety and health of staff and students. Central actively promotes occupational safety and health (OSH) information and systems within the Institute and provides guidance to staff and students through these systems.

Significant occupational safety and health initiatives undertaken in 2011 include:

- convening a consultative working group to address a Crisis Response strategy for each of campuses and the Institute collectively;
- undertaking a significant security review of all sites to ensure the safety of life (staff and students) and assets;
- establishing a renewed and more supportive

process focusing on injury management and early intervention to support staff with non-workers compensation injuries and illnesses to return to the workplace;

- implementing emergency procedures and training at 30 Aberdeen Street in Northbridge;
- ongoing simplification of OSH information, policies, plans and guidelines; and
- ongoing development of a culture where individual and collective responsibilities and accountability is integrated into everyday institute planning and course delivery.

To comply with the mandated manager and supervisor training requirements outlined in the Staff Code of Conduct, Central conducted an online training session focusing on management of safe systems of work, violence in the workplace and risk management. Sixty one managers and supervisors undertook the mandated training in 2011.

Central actively sought consultation with employees on OSH issues through:

- Safety and Health Representatives who were promoted via the intranet and attended safety inspections with management;
- five local-site OSH Campus Safety Committees which met quarterly to discuss local OSH issues;
- Strategic Safety Committee which met quarterly to discuss strategic OSH issues; and
- regular contact with statutory authorities, unions, State Training Providers and government agencies.

Central has a hazard and injury management reporting system. Hazards are analysed for any trends and reported to the Strategic Safety Committee.

During 2011 Central managed three Return to Work Programs in accordance with the *Workers' Compensation and Injury Management Act 1981*.

disclosures and legal compliance

To meet legislative requirements when dealing with hazardous substances, Central continued to maintain the ChemWatch database. ChemWatch users can add all hazardous substances within their area, produce Material Data Safety Sheets and carry out risk

assessments to identify storage compatibility, safe use and handling, exposure levels and identify any Personal Protective Equipment.

Indicator	Target	2011	2010	2009
Number of fatalities	Zero (0)	0	0	0
Lost time injury/disease (LTI/D) incidence rate	Zero (0) or 10% reduction on the previous year	0	0.84	0.54
Lost time injury severity rate	Zero (0) or 10% improvement on the previous year	71	18	12.5
Percentage of injured workers returned to work within 28 weeks	Actual percentage result to be reported	71%	100%	100%
Percentage of managers trained in occupational safety, health and injury management responsibilities	Greater than or equal to 50%	64%	93%	28%