



# 2018 ANNUAL REPORT



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## ABOUT THIS ANNUAL REPORT

This Annual Report presents easy to read information on the operational, financial and service performance of Central Regional TAFE for the period 1 January 2018 to 31 December 2018.

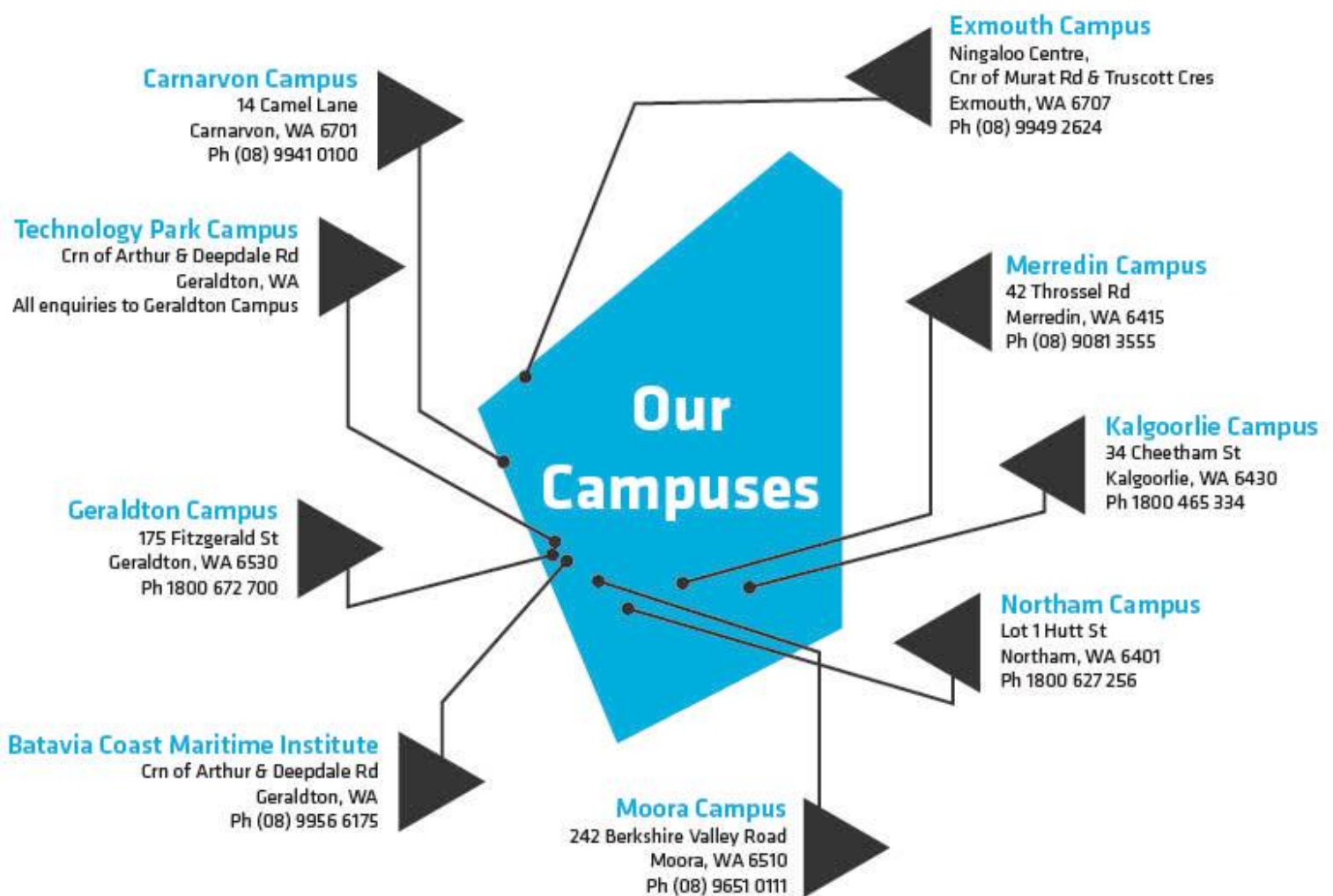
As part of our continuous improvement approach we welcome any feedback on this report or suggestions on how we can enhance the information we provide. This Annual Report is also available in alternative formats upon request.

Enquiries and feedback may be directed to:

Manager Planning and Quality  
Locked Bag 103  
GERALDTON WA 6531

Telephone: (08) 9956 2700

Email: [quality@crtafe.wa.edu.au](mailto:quality@crtafe.wa.edu.au)





## STATEMENT OF COMPLIANCE

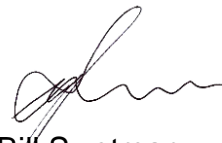
Hon Sue Ellery, MLC  
Minister for Education and Training  
13<sup>th</sup> Floor, Dumas House  
2 Havelock Street  
WEST PERTH WA 6005

In accordance with section 54 of the *Vocational Education and Training Act 1996* and section 63 of the *Financial Management Act 2006*, we hereby submit for your information and presentation to Parliament, the Annual Report for Central Regional TAFE for the year ended 31 December 2018.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and the Public Sector Commission's *Annual Reporting Framework (2017/2018)*.



Mary Woodford  
Governing Council Chair  
Central Regional TAFE  
12 March 2019



Bill Swetman  
Managing Director  
Central Regional TAFE  
12 March 2019

## THE YEAR IN REVIEW

### MESSAGE FROM THE GOVERNING COUNCIL CHAIR AND MANAGING DIRECTOR

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The College continues to establish its identity and strategic directions, while also ensuring the TAFE experience for students is of high quality and training courses provided are what the State and local industry require.

As it was for 2017, the 2018 reporting period proved to be a challenging year with the College achieving 96.9% of its training delivery target. The last quarter of 2018 produced a stronger performance in student enrolments when compared to the first three quarters.

Measured against the Student Curriculum Hours (SCH) target, the College performed well in Employment Based Training, achieving 131% of apprentice planned SCH and 110% of planned trainee SCH, specifically in mining and resources.

Our performances in specific industries including Construction and Resources, Health, Education and Community Services and Marine, Environmental Science and Hospitality are to be noted, and provide encouraging signs for future training demand.

Student achievement and industry collaboration continued to be a strength for Central Regional TAFE in 2018, with finalists and awards in the following categories at the WA and National Training Awards:

- Central Regional TAFE - Winner of the WA and National Training Award for Industry Collaboration, Biodiversity Conservation Project. In collaboration with several environmental conservation stakeholders, the College's Batavia Coast Maritime Institute worked to protect and restore key ecosystems in the Midwest. The collaboration focused on restoring habitats at the Houtman Abrolhos Islands and managing invasive aquatic species.
- Jazmin Hahn - Early Childhood, semi-finalist in the WA Training Awards for WA School-based Apprentice of the Year
- Isabelle Croswell - Hairdressing, semi-finalist in the WA Training Awards for WA Apprentice of the Year

Two Central Regional TAFE students competed at the WorldSkills Australia National Championship held in Sydney, in 2018. Isabelle Croswell from the Geraldton campus placed fifth in the Hairdressing competition and Travis Watts from the Kalgoorlie campus placed sixth in the Automotive Open competition. This is the second time a competitor from the Geraldton campus has represented Western Australia at the national competition and a first for the Kalgoorlie campus.

In 2018 our overall Student Satisfaction rate was worthy of note. At 92%, it was above the 2017 rate of 90.3% and also above the net 2018 rate for all TAFE Colleges and private training providers, at 88.2%. Significantly, satisfaction rates for Students with Disability, Aboriginal and Torres Strait Islander students, Institution Based students and Employment Based students were all above 90%.

During 2018, a number of upgrades and repurposing projects resulted in the provision of state of the art training facilities and equipment. Some of these included:

- Installation of a 25kW Solar Panel Array for the Moora Campus, making the campus energy cost free
- Enhancements to the Kalgoorlie, Northam and Geraldton Campus facilities to establish the new Jobs and Skills Centres
- Improvements to the Nursing and Aged Care facilities at the Northam Campus.

Other achievements for 2018 included:

- New student scholarships were provided by industry partners METSO in Kalgoorlie and Collgar Wind Farm in Merredin
- The launch of a fully illustrated children's book 'Poems for our Mayus', in the local Wajarri language by Aboriginal students, at Geraldton campus
- A new College intranet was designed and implemented across the College
- Continued implementation of the new Student Management System.

We would like to thank members of the Governing Council and all our staff for their dedication and hard work in continuing to provide quality opportunities for training and related services to our students in the region.



Mary Woodford  
Governing Council Chair  
Central Regional TAFE



Bill Swetman  
Managing Director  
Central Regional TAFE

# AGENCY OVERVIEW

## ABOUT US

# Central Regional TAFE



ESTABLISHED  
APRIL 2016



A TOTAL OF NINE CAMPUSES  
LOCATED IN CARNARVON,  
EXMOUTH, KALGOORLIE,  
MERREDIN, MOORA,  
NORTHAM & THREE IN  
GERALDTON



SERVICES A GEOGRAPHIC  
AREA OF 1,427,397 KM<sup>2</sup>  
WITH A POPULATION OF  
150,000 PEOPLE

ENROLS APPROX. 10,000  
STUDENTS EACH YEAR



X 100

STRONG EMPHASIS  
ON CONSULTATION  
WITH INDUSTRY &  
THE COMMUNITY



OVER  
300  
COURSES

NATIONALLY RECOGNISED  
TRAINING PROVIDER



WON A NATIONAL  
TRAINING AWARD  
IN 2018

OFFER AN EXTENSIVE RANGE OF QUALIFICATIONS





## STRATEGIC PLAN 2018 - 2020

Our Strategic Plan 2018 - 2020 is the first for our new organisation and is a direct representation of how our staff, students, industry and community come together to meet the needs of the Midwest, Gascoyne, Wheatbelt and Goldfields regions.

The Strategic Plan 2018 – 2020 takes into consideration the TAFE sector Priorities and Objectives, including the following focus areas:

- Governance and reporting
- Leadership in quality and inclusive services
- Collaboration and specialisation
- College commercial activities
- Efficient operations
- Infrastructure.

Importantly, our staff wanted to be heard through the plan and were very keen to show that it represented staff, students, industry and community coming together for skills development, but equally as important for organisational and people development.

Consultation to develop the plan was extensive, including invitations to staff, students, industry, regional communities, Government agencies, secondary schools, community groups, Aboriginal partnering organisations, and access and equity groups.

People contributing discussion to the Mission and Vision were particularly keen to ensure strong linkage between jobs and future opportunities and building communities and regions.

The Strategic Plan 2018 – 2020 has three Strategic Goals as its pillars, with each of the goals underpinned by a number of key activities that the College will pursue over the life of the plan.

### Strategic Goal 1: Provide Industry Relevant and Quality Assured Training

- Deliver training that aligns to employment opportunities
- Build areas of specialisation
- The quality of our training is of a high standard
- Flexible training will be our strength, a point of difference
- Increase higher-level VET qualifications and university pathways.

### Strategic Goal 2: Enhance Strategic Relationships and Partnerships

- Build regional growth and sustainability.



## Strategic Plan 2018-2020

Central Regional TAFE

#### Our Vision

Training and skills for jobs and future opportunities

#### Our Mission

To provide quality assured training that responds to industry needs and builds communities and regions

#### Our Values

**Customer Service**  
We strive to provide excellence in customer service provision

**Integrity**  
We are honest, respectful and apply high ethical standards

**Innovation**  
We seek solutions that are imaginative and champion flexible thinking and approaches

**Quality**  
We embrace continuous improvement

**Collaboration**  
We work together as a team and communicate openly and honestly with each other

**Diversity**  
We recognise the differences between people and acknowledge that these differences are a valued asset to our organisation

### Strategic Goal 3: Be a Sustainable and Business Ready Organisation

- Invest in staff
- Ensure good governance
- Embrace sound business practice
- Demonstrated leadership in sustainability.

### OUR VISION

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Training and skills for jobs and future opportunities.

### OUR MISSION

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To provide quality assured training that responds to industry needs and builds communities and regions.

### OUR VALUES

---



#### Customer Service

We strive to provide excellence in customer service provision



#### Quality

We embrace continuous improvement



#### Integrity

We are honest, respectful and apply high ethical standards



#### Collaboration

We work together as a team and communicate openly and honestly with each other



#### Innovation

We seek solutions that are imaginative and champion flexible thinking and approaches



#### Diversity

We recognise the differences between people and acknowledge that these differences are a valued asset to our organisation

## EXECUTIVE SUMMARY – A LOOK BACK AT 2018

### Training Delivery

Central Regional TAFE delivered a total of 1,857,162 Student Curriculum Hours (SCH) to 9,327 students in 10,719 course enrolments over the 2018 academic year.

The College's Delivery Performance Agreement included training in the following priority areas and client groups:

- Employment Based Training (EBT)
- Priority Industry Training (PIT)
- Students aged 15 – 24 years
- Aboriginal people (Certificate II and above)
- People with disabilities (Certificate II and above)

Student enrolments were strong in the following industry areas:

- The resources sector continues to achieve higher than planned SCH in the Midwest region
- Also in the Midwest region, Health, Nursing and Community Services attained consistent enrolment outcomes
- Aquaculture continues to grow as an industry
- Automotive and Metal Fabrication enrolments have been strong in the Goldfields
- Enrolments in Nursing and Local Government plus Plant Mechanic and Building and Construction continue to have high student numbers in the Wheatbelt region

A highlight of this year was an increase in Employment Based Training, specifically in the mining and resource sector.

Training Priority	Planned SCH	Actual SCH	%
<b>Employment Based Training</b>	<b>239,810</b>	<b>297,929</b>	<b>124.2%</b>
Priority Industry Training	423,764	365,778	86.3%
General Industry Training	1,252,404	1,193,455	95.3%
<b>Total</b>	<b>1,915,978</b>	<b>1,857,162</b>	<b>96.9%</b>

## Client Satisfaction

Central Regional TAFE values client feedback and actively seeks feedback to facilitate the continuous improvement of training and assessment and student and client support.

In 2018, methods for collecting feedback included:

- Quality Feedback Stations
- Email communication
- Social media
- Student surveys
- Employer surveys
- Industry consultation.

### Student Satisfaction Survey

The WA Student Satisfaction Survey is conducted to gain an understanding of students' training requirements and to measure the quality of the delivery of training and services provided by Central Regional TAFE.

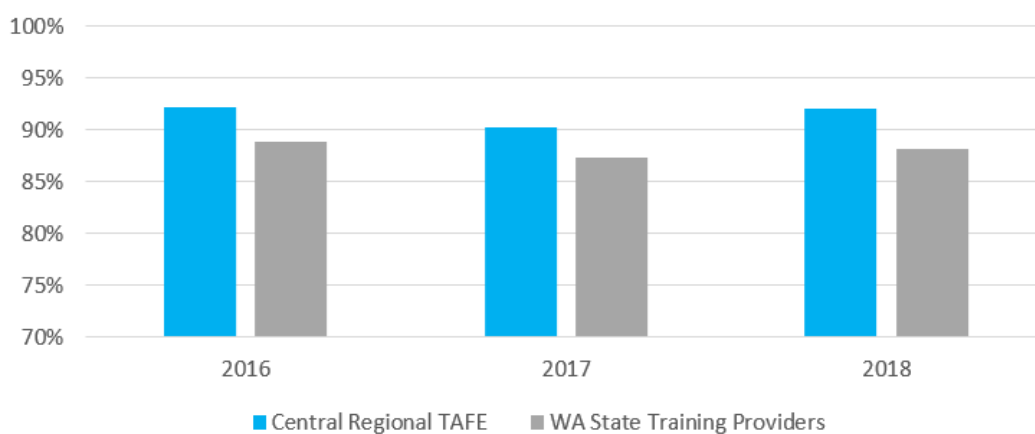
Results from the 2018 survey show overall satisfaction of 92% for the College, an increase of 1.7% from 2017.

Further analysis of the data also indicates a positive trend of increasing satisfaction amongst the following client groups:

- 92.9% Students with disability
- 96.8% Aboriginal or Torres Strait Islander students
- 91.5% Institution based students
- 95.2% Employment based students.

The College also continues to exceed the state average for student satisfaction.

WA Student Satisfaction Survey 2018  
Overall Satisfaction



**Source:** 2018 WA Student Satisfaction Survey, conducted by EY Sweeney Research on behalf of the Department of Training and Workforce Development.

## OPERATIONAL STRUCTURE

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### Enabling Legislation

Central Regional TAFE is a Statutory Authority established through Western Australian legislation - section 35 of the *Vocational Education and Training Act 1996*.

### Responsible Minister

Hon Sue Ellery, MLC

Minister for Education and Training; Leader of the Government in the Legislative Council.

### Accountable Authorities

The Accountable Authority for Central Regional TAFE is the Governing Council. The Managing Director is the Chief Executive Officer who is supported by a Corporate Executive.

### Organisational Structure

Central Regional TAFE is comprised of three Directorates:

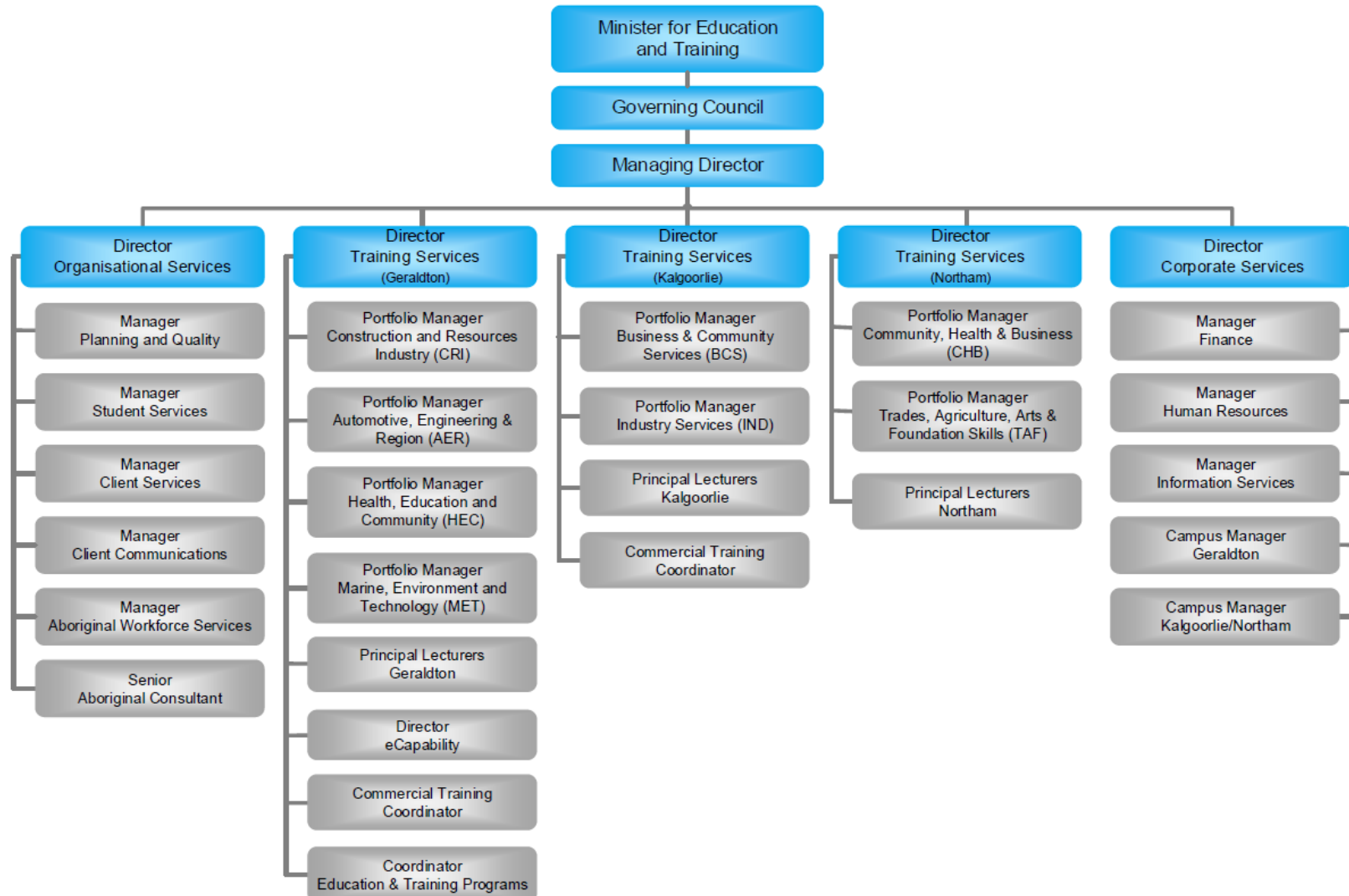
- Corporate Services
- Organisational Services
- Training Services

The organisational chart on the following page illustrates Central Regional TAFE's directorates and subsequent functional areas in 2018.



## Organisational Chart

For the reporting period 1 January to 31 December 2018



## Governing Council

The Governing Council has the highest level of decision making at Central Regional TAFE and oversees the organisation's strategic operations and business affairs, in accordance with the Vocational Education and Training Act 1996 – Section 42. The Council is provided advice by Corporate Executive, and the Finance, Audit and Risk Management Committee, which is a sub-committee of the Governing Council.

Membership of the Governing Council is a ministerial appointment, as a result of the members' expertise in a range of industries and specialties, oftentimes gained in the private sector. As members of public sector boards and committees it is imperative that the Governing Council members ensure that business decisions are made in the public's best interest.

Governing Council members as at 31 December 2018 were:



**Mary Woodford**  
(Chairperson)  
General Manager, Advocacy,  
The Law Society of WA



**Christine Rafanelli**  
(Deputy Chair)  
Proprietor,  
Da Vinci Tiles  
Midwest/Gascoyne Region



**Bill Swetman**  
Managing Director,  
Central Regional TAFE



**Eileen O'Connell**  
President,  
Shire of Nungarin  
Wheatbelt Region



**Stuart Smith**  
CEO,  
National Offshore Petroleum  
Safety and Environmental  
Management Authority



**Yvonne Messina**  
Regional Community  
Representative  
Midwest/Gascoyne Region



**Graeme Wilmot**  
Managing Director,  
Wilmot Engineering  
Goldfields Region



**Anthony Evans**  
President and Chairman,  
Royal Automobile Club of  
WA (RAC)



**Kylie Le Lievre**  
Department of Justice,  
Eastern Goldfields Regional  
Prison  
Goldfields Region



**Robert Jefferies**  
Principal,  
Rob Jefferies and  
Associates  
Midwest/Gascoyne Region

## Corporate Executive

Central Regional TAFE's Corporate Executive consists of the Managing Director and five Directors. Corporate Executive has overall responsibility for the day-to-day effective and efficient operations of the College.

Corporate Executive consisted of the following members as at 31 December 2018:



### **Bill Swetman, Managing Director**

Based at the Geraldton campus and exercises the functions of a chief executive officer under the Public Sector Management Act 1994. The Managing Director contributes to the development and achievement of high-level strategic goals for the government. The Managing Director has overall responsibility for the effective and efficient running of Central Regional TAFE. This requires understanding of the policy objectives across the whole of government.



### **David Cohen, Director Corporate Services**

Based at the Geraldton campus and responsible for managing the development and implementation of systems and processes that support the business and administrative environment of the College, ensuring the organisation fulfils its statutory requirements.



### **Steve Cooper, Director Organisational Services**

Based at the Geraldton campus and responsible for managing the College's organisational development through a range of strategic planning, quality assurance and performance management services. Provides a range of services that engage and support students, industry and the community.



### **Delia Pascua-McGlew, Director Training Services Northam**

Based at the Northam campus and responsible for managing the development and delivery of training and assessment programs designed to meet the needs of clients and workforce development of the Wheatbelt region.



### **Joanne Payne, Director Training Services Geraldton**

Based at the Geraldton campus and responsible for managing the development and delivery of training and assessment programs designed to meet the needs of clients and workforce development of the Midwest and Gascoyne regions.



### **Ty Theodore, Director Training Services Kalgoorlie**

Based at the Kalgoorlie campus and responsible for managing the development and delivery of training and assessment programs designed to meet the needs of clients and workforce development of the Goldfields region. As at 31 December 2018, Ty Theodore was on secondment.

## Governance Structure

Initially created in 2016, the College’s Governance and Leadership Framework consists of committees categorised as either Governance, Leadership or Advisory. Collectively they contribute to the operation of the College. The membership of each committee includes staff appointed for their knowledge and understanding of the various areas of operation, together with general staff representative positions and allows staff to be valued by contributing in a meaningful way.

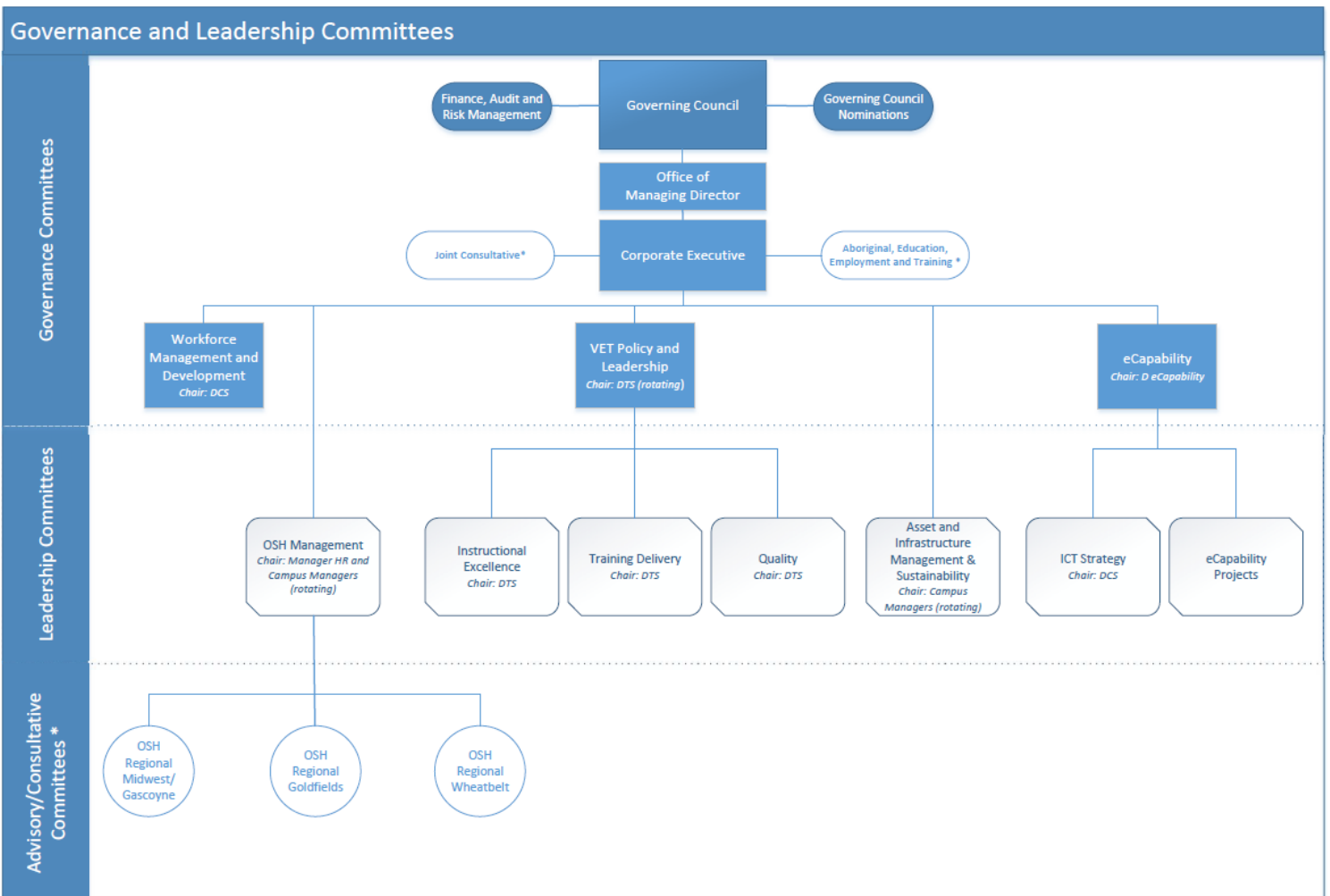
As part of the College’s continuous improvement processes, in 2018 the College undertook a review of the Governance and Leadership Committee Framework in order to ensure the structure is meeting the practical, operational and governance requirements of the College. As a result of the review, three additional committees with a specific strategic focus were formed:

**VET Policy and Leadership** – responsible for setting high-level policies and strategic directions for Vocational Education and Training (VET) in the College.

**Instructional Excellence** – leading the development and implementation of strategies and initiatives that promote excellence in training delivery and assessment practice.

**ICT Strategy** – a high level and strategic focus on the most efficient use of available information and communication technologies and resources.

The improved structure ensures the College has in place an effective corporate governance framework that focuses on achieving our Strategic Directions.



## Risk Management

Central Regional TAFE recognises that risk is inherent in all business activities. The Risk Management policy describes the College's commitment to managing these risks using risk management processes to ensure that objectives are achieved whilst minimising any adverse impact on the College's operations. The identification and management of risk is an integral part of College planning, review and management practices. A risk management framework is in place that clearly articulates processes and procedures of analysing, assessing and remediating risks.

Strategic risks are those key areas that have College wide implications that could affect the strategic position of the College. All identified strategic risks are documented, monitored and reviewed by the Finance, Audit and Risk Management Committee.

## Administered Legislation

The Minister for Education and Training administers the *Vocational Education and Training Act 1996* (the Act).

## Other Key Legislation

In the performance of its functions, Central Regional TAFE complies with the following relevant legislation:

### State Legislation

- Auditor General Act 2006
- Building Act 2011
- Corruption and Crime Commission Act 2003
- Disability Services Act 1993
- Higher Education Act 2004
- Electoral Act 1907
- Equal Opportunity Act 1984
- Financial Management Act 2006
- Freedom of Information Act 1992
- Government Employees Superannuation Act 1987
- Industrial Relations Act 1979
- Industrial Training Act 1975
- Legal Deposit Act 2012
- Minimum Conditions of Employment Act 1993
- Occupational Safety and Health Act 1984
- Public and Bank Holidays Act 1972
- Public Interest Disclosure Act 2013
- Public Sector Management Act 1994
- State Records Act 2000
- State Supply Commission Act 1991
- Vocational Education and Training Act 1996
- Workers' Compensation and Injury Management Act 1981
- Working with Children (Criminal Record Checking) Act 2004

### Commonwealth Legislation

- Copyright Act 1968
- A New Tax System (Goods And Services Tax) Act 1999
- Constitution Act 1889
- Fringe Benefits Tax Act 1986, Commonwealth
- Privacy Act 1988
- Racial Discrimination Act 1975
- Sex Discrimination Act 1984
- Skilling Australia's Workforce Act 2005
- Fair Work Act 2009



## PERFORMANCE MANAGEMENT FRAMEWORK

### Outcome Based Management Framework

Government goals are supported at agency level by specific planned outcomes. Agencies deliver services to achieve these outcomes, which ultimately contribute to meeting the higher level government goals. The following illustrates the relationship between Central Regional TAFE's outcomes and the most appropriate government goal.

Government Goal	Desired Outcome	Central Regional TAFE Services (agency level)
<p><b>Future Jobs and Skills</b></p> <p>Grow and diversify the economy, create jobs and support skills development</p>	<p>The provision of vocational education and training services to meet the community and industry training needs.</p>	<ul style="list-style-type: none"> <li>• Deliver nationally recognised qualification training programs</li> <li>• Provide apprenticeship and traineeship training</li> <li>• Deliver flexible training in a variety of settings and provide a range of delivery modes</li> <li>• Provide learning pathways that offer opportunities for achievement at higher AQF levels</li> <li>• Provide Commercial training - customised training and short courses</li> </ul>

### Changes to Outcome Based Management Framework

Central Regional TAFE's Outcome Based Management Framework did not change during 2018.

### Shared Responsibilities with Other Agencies

Central Regional TAFE receives an annual funding allocation from the State Government through a resource agreement (Delivery and Performance Agreement) with the Department of Training and Workforce Development. The College reports to the Department on outcomes under that agreement. Outcomes also align to the State Training priorities and Government Goals.

# AGENCY PERFORMANCE

## REPORT ON OPERATIONS

### Actual Results versus Budget Targets

#### Summary of Financial Targets

Indicators	2018 Target	2018 Actual	Variation
<b>Total cost of services</b> (Source: Statement of Comprehensive Income)	\$54,971,992	\$60,685,452	\$5,713,459
Reason for Significant Variation: \$3.098m Land and Buildings revaluation decrement expense as well as additional \$2.1m worth of expenses in supplies and services more than estimated (2018: \$10.9m), however consistent with prior year expenditure 2018: \$13m (2017: \$13.7m). The college also expended \$1.67m less on Employee Expenses and Supplies and Services in comparison to 2017			
<b>Net cost of services</b> (Source: Statement of Comprehensive Income)	\$44,143,451	\$51,215,204	\$7,071,753
Reason for Significant Variation: \$3.098m Land and Buildings revaluation decrement expense as well as additional \$2.1m worth of expenses in supplies and services more than estimated (2018: \$10.9m), however consistent with prior year expenditure 2018: \$13m (2017: \$13.7m). A corresponding decline in revenue other than government of \$1.3m, particularly a decline in student revenue of \$854k and fee for service of \$388k. The college also expended \$1.67m less on Employee Expenses and Supplies and Services in comparison to 2017			
<b>Total equity</b> (Source: Statement of Financial Position)	\$125,288,368	\$110,869,829	\$(14,418,539)
Reason for Significant Variation: Variance of \$14m includes asset revaluation decrements (2018: \$3m ; 2017: \$4.9m) that were unknown when the estimates were developed in September 2017; as well as a combination of additional expenditure and reduced revenue that were not estimated as per net cost of services explanation.			
<b>Net increase/ (decrease) in cash held</b> (Source: Statement of Cash Flows)	\$3,924,305	\$2,635,691	\$(1,288,614)
Reason for Significant Variation: Drawdown on cash reserves of \$2.6m is less than the estimated \$3.9m due to reduced estimated training and delivery and appropriate constriction of expenditure.			

Further details are provided in the Financial Statements commencing on [page 51](#)

## Summary of Key Performance Indicators

Key Effectiveness Indicators	2018 Estimate	2018 Actual	Variation
<b>Student Satisfaction</b>			
Overall Student Satisfaction (Source: WA Student Satisfaction Survey)	93.5%	92%	1.5% ↓
Reason for Significant Variation: No significant variation. CRT exceeded the WA state average of 87.3%.			
<b>Graduate Achievement Rate</b>			
Achieved main reason for doing course. Overall quality of training. (Source: Student Outcomes Survey NCVET)	NA	87.2% 89.0%	NA
Reason for Significant Variation: The College was not aware the 2018 Student Outcomes Survey would include agency data as this is usually only provided every second year. Therefore, no target was set.			
<b>Graduate Destination Rate</b>			
Employed Unemployed Not in Labour Force (Source: Student Outcomes Survey NCVET)	NA	78.9% 12.3% 8.8%	NA
Reason for Significant Variation: The College was not aware the 2018 Student Outcomes Survey would include agency data as this is usually only provided every second year. Therefore, no target was set.			
<b>Achievement of Profile Delivery</b>	1,915,978	1,857,162	58,816 ↓
% of Profile Achieved	SCH	SCH 96.9%	SCH
Reason for Significant Variation: The College achieved target delivery levels in some regions but experienced major shortfalls in profile achievement in the Gascoyne and Goldfields regions. The Gascoyne campuses operate in small communities (Carnarvon and Exmouth) and any loss of population and/or businesses has a significant affect on student numbers in training. A number of factors impacted in the Goldfields including a decline in participation in General Education programs, a decline in delivery of VET for secondary students as schools sought alternative delivery programs for their students and to some extent a shortage of lecturers in key delivery areas including several of the trades areas. The College has thoroughly reviewed 2018 delivery and will take steps to address the issues that impacted on outcomes. In particular a number of measures to address the availability of lecturers in the Goldfields; a review of the way in which General Education programs are offered to clients and a number of new programs to be offered in the Gascoyne region in response to a community/industry survey undertaken in late 2018.			

Further details are provided in the Key Performance Indicators commencing on [page 89](#)

## Achievement against Strategic Directions

Central Regional TAFE continued to focus on the priorities outlined in the Business Plan 2018. The following examples highlight the achievement of the College in accordance with its strategic directions defined in the Strategic Plan 2018 – 2020, and in conjunction with the WA Labor Plan for Jobs.

### **Refine an organisational structure that reflects current State Government reforms, inclusive of the current economic and training climate**

- Review and implementation of a new Client Services staffing structure.
- Implementation of a revised Aboriginal staffing structure.
- Enhancements to the Geraldton, Kalgoorlie and Northam campuses to facilitate the new Jobs and Skills Centres. WA Premier Mark McGowan and Minister for Education and Training Sue Ellery officially opened the Kalgoorlie Jobs and Skills Centre on 21 September 2018.
- Review of the Governance Committee Framework to ensure effective decision-making and management of the College.

### **Increase flexible learning and assessment programs and courses**

- The College continues to develop flexible delivery options across many industry areas. Notable programs in 2018 included the online delivery of the Diploma in Early Childhood Education and Care, Diploma of Conservation and Land Management and the Diploma of Visual Arts. Online delivery improved student access to these higher AQF level qualifications, enabling students to acquire higher-level skills in a more flexible and self-managed way.
- In line with the State Training Plan focus, the College has continued to promote growth and diversification in the uptake of traineeships, in particular within the resource sector. In 2018, there were 111 trainee commencements across four qualifications at Certificate II and III. This was an increase of over 120% from 2017. This rise in activity should continue in 2019 based on the collaborative development of an additional four traineeship qualifications and the consolidation of new partnerships with key industry stakeholders.

### **Actively engage employers of apprentices and trainees in contemporary training and assessment practices**

- In partnership with agricultural machinery dealer AFGRI, the College launched a new program to train apprentices in the Certificate III in Agricultural Mechanical Technology and trainees in Automotive Retail Sales at the Moora campus. In 2018, the program commenced with stage one apprentices and the first intake of trainees, with the program building to all stages of the apprenticeship by 2020. AFGRI is an active partner with the College assisting in the planning and development of new facilities at Moora including the provision of industry advice and some equipment for delivery.

- Apprentices from Northern Star Resources in Kalgoorlie have increased from 2017, with female apprentices representing 25% of the 2018 apprentice intake. To facilitate and enhance the apprentices' skill set and ensure training continues to be industry relevant, Northern Star Resources donated specialist drill equipment valued at over \$200,000 to the College. The donation included a state of the art custom-built drill rig; one of only two in Australia.

### **Ensure organisational sustainability in areas of governance, finance, information technology, asset management, staffing, safety and the environment**

- OSH Management and OSH Regional Committee meetings continue to occur regularly with membership incorporating managers, staff and elected Safety and Health Representatives.
- Improved financial reporting frameworks were implemented in order to provide snapshot indicators of financial performance correlated against SCH activity.
- The college has also invested in a number of capital and asset management projects to optimise sustainability of physical infrastructure, refer to [page 29](#) and [page 35](#)
- Increase in the focus of the role of management in the OSH function. 88% of management were trained in OSH and Injury Management in 2018.
- Establishment of the ICT Strategy Committee to ensure strategic and efficient procurement of information and communication technologies and resources
- Business Connectedness Workshops conducted in Geraldton, Kalgoorlie and Northam with a focus on confirming and integrating the organisational values amongst the staff.
- Formation of a College Leadership Group. The group met twice in 2018 to plan and discuss achievements against the strategic plan and further define and embed the College values into the organisation.
- Review of the College Customer Service Charter to ensure it remains current and meaningful to staff.

### **Build strategic relationships and partnerships with industry and community**

- Ongoing partnerships with the Northern Agricultural Catchments Council (NACC), state government agencies, local schools and the City of Greater Geraldton on a range of biodiversity and conservation projects at the Abrolhos Islands and the Chapman River provided a wide range of industry relevant, hands on learning experiences for students in Conservation and Land Management qualifications, from Certificate II to Diploma. This project won the 2018 State and National Training Awards for Industry Collaboration.
- Partnerships made with new Job Services providers APM and Workskills to support the facilitation from training to employment.
- Additional courses were delivered at the Muresk Institute in 2018, as compared to previous years.
- Partnerships are in place with key stakeholders and Aboriginal organisations in the Midwest and Gascoyne to support Aboriginal Ranger programs.



- Ongoing partnerships with local senior and district high schools to facilitate VET Delivered to Secondary Student programs, including profile delivery, auspicing, and school based traineeships and apprenticeships.
- Lecturers continue to maintain memberships in relevant industry partnerships including the WA Industry Advisory Group and the Foundation Skills Network.
- Ongoing partnerships with local businesses and organisations providing scholarships to Central Regional TAFE students.

### **Increase international student enrolments**

- The College continues to collaborate with TAFE International WA (TIWA) to support international students and deliver quality training.
- Managing Director, Bill Swetman, provided representation on the International Education Steering Committee.
- Participation in several TIWA workshops to identify new business opportunities.
- Preliminary discussions occurred with metropolitan TAFE Colleges to offer international students accommodation when participating in metropolitan and regional training experiences. This will be further developed in 2019.

### **Increase commercial training**

- A key area of activity remains the tickets required for licensing or registration within regulated industries such as Auschem training, forklift operations and Workplace Health and Safety representatives. Accounting, bookkeeping and project management are also courses in high demand.
- The College continues to look for opportunities to increase commercial training and to utilise this form of training as a means to respond to the very specific needs of industry and workplaces where most appropriate.

### **Support strategies indicated in the College 2018 Aboriginal Training Plan and implement the Disability Access and Inclusion Plan for the College**

- Aboriginal Training Plan Outcomes, refer to [page 41](#)
- Disability Access and Inclusion Plan Outcomes, refer to [page 43](#)

### **Develop and implement a targeted marketing strategy that builds the brand of the College in the region and meets the needs of local employers and industry**

- The College's 2018 Marketing Plan continued to focus on establishing Central Regional TAFE as a leading State training organisation with our key message being 'Get the skills. Get the job'.
- The strategy focused on building brand recognition through consistent and engaging design in our advertising and marketing across various media platforms. A key focus was to position the College as a key local organisation and service by using local student images and real footage. Also included in the strategy was to continue to build relationships and maintain client retention and loyalty, a process of creating value to clients and helping develop a positive impression of the College.

- A key outcome for 2018 was the development of an effective social media strategy and the implementation of a content marketing plan. The objective of this project was to effectively market the positive and widespread impact we have on the lives of individuals and whole communities throughout the Midwest, Gascoyne, Goldfields and Wheatbelt regions.

### **Professionally develop, support and retain staff**

- Throughout 2018, the College focused on lecturers upgrading their training and assessment qualification to ensure compliance with changes as per the Standards for RTOs 2015.
- Lecturing staff continued to participate in professional development workshops provided by the Department of Training and Workforce Development and the Training Accreditation Council (TAC).
- The Student Services team investigated specific professional development activities to assist and support staff in their interactions with students with disability, including mental health.
- Principal Lecturers from all campuses participated in TAC education workshops focused on assessment with the outcome of using this knowledge to mentor the lecturers.
- A full week of professional development activities was held at all major campuses in April. The program focused on the design and development of assessment tools, and provided continued support for lecturers updating their training and assessment qualification.
- Annual staff performance reviews were conducted to identify individual and collective professional development opportunities.

### **Establish formal agreements with universities and other education and training providers**

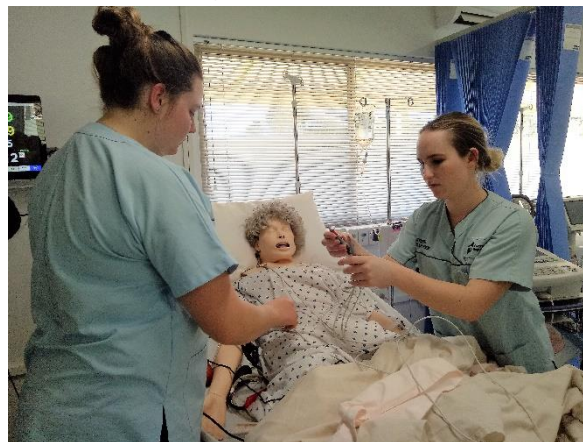
- The College continues to work collaboratively with the Geraldton Universities Centre establishing pathways from TAFE to university.
- The Agreement for Academic Collaboration with Charles Sturt University for the delivery of the Bachelor of Agricultural Business Management (BABM) at the Muresk Institute will continue until mid-2020.
- Articulation arrangements have been confirmed with Curtin University for pathways from the following qualifications:
  - Diploma of Nursing
  - Diploma of Business
  - Diploma of Leadership & Management
  - Diploma of Early Childhood Education and Care
- Preliminary meetings between the WA School of Mines and the College occurred in 2018 for delivery of the Advanced Diploma of Metalliferous Mining and Associate Degree Program. The College expects to finalise this agreement in 2019.

## Other noteworthy achievements in 2018

### Australian Nursing and Midwifery Accreditation Council (ANMAC) Accreditation

Prior to the TAFEWA reform, three separate Registered Training Organisations, C Y O'Connor Institute, Durack Institute and Goldfields Institute held individual ANMAC accreditation to deliver nursing qualifications. With the amalgamation, Central Regional TAFE became a new organisation and therefore the College was required to submit an application for accreditation of the HLT54115 Diploma of Nursing qualification which would be delivered holistically.

The application process involved providing evidence to meet the ANMAC standards across the three nursing delivery sites; Geraldton, Northam and Kalgoorlie. In developing the application, effective communication and collaboration between staff across the campuses was paramount and due to the large geographical area between them was essential. Communication methods such as teleconferencing, online Zoom meetings, phone and emails were utilised to ensure key staff were all aware of the content and progress of the application.



As each standard was addressed, College nursing staff would review the information to confirm it was an accurate representation of the nursing program delivered at their campus. A major requirement from ANMAC was the nursing program must be delivered identically at each campus so that students would be provided with the same training and assessment experience.

The final step in the accreditation application process was a site visit to each of the three campuses. In May 2018 the ANMAC accreditation team conducted day visits to each of the three campuses where they spoke to the nursing staff and inspected the campus nursing facilities and resources to ensure they were compliant with ANMAC standards.

The College was successful in its application and gained accreditation for the HLT54115 Diploma of Nursing qualification. This was a testament to the preparation, coordination and collaboration undertaken by the nursing staff at Geraldton, Northam and Kalgoorlie.

### Wajarri Language Children's Book

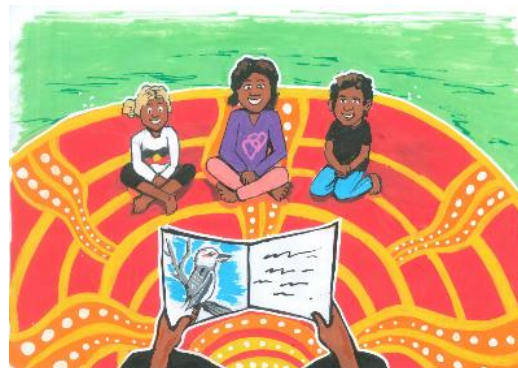
As part of their final assessment, Aboriginal students enrolled in the Certificate II in Leadership course and Certificate III in Business course at the Geraldton campus created an illustrated children's book. The students conducted their own research and identified a gap in local Aboriginal language books suitable for young children. Together, the students decided to create a book to introduce children to common words in Wajarri, the local Aboriginal language.





The students consulted with the Irra Wangga Language Centre and participated in a pronunciation workshop to prepare themselves to read the finished book; this also reinforced identity and connection to the Wajarri language. Each student identified a familiar word in the Wajarri language and from there, developed a poem written in English around the Wajarri word. The book features phonetic spelling as the students wanted non-Aboriginal parents, teachers and children to learn the Wajarri pronunciations.

The book is a successful collaboration between lecturers, students, Aboriginal mentors and the Aboriginal community, whilst also providing a positive learning experience and establishing a sense of culture and identity. 'Poems for our Mayus' is illustrated by local Geraldton artist Shah Jackey and dedicated to 'Our Yamatji'.



### Community Parvovirus Vaccination Program



In 2018, the Certificate II in Animal Studies students studying at the Geraldton campus participated in a project to reduce the impact of the Canine Parvovirus in the local community. This project was conducted in collaboration with the not for profit organisation, Geraldton Dog Rescue, local Veterinary Clinics and the City of Greater Geraldton's Ranger Department.

The project required the students and lecturing staff to conduct several immunisation sessions at the Geraldton campus Veterinary Clinic, with a focus on inoculating dogs from susceptible areas within the community. Not only did the project provide an invaluable experience for the students in dealing with a diverse range of clients, but also resulted in 120 dogs being inoculated, raising over \$2,000 for the Geraldton Dog Rescue organisation.

Based on the success of this project the College Animal Care team are planning to further develop similar initiatives with local community and industry partners in 2019.

### Midwest Aboriginal Ranger Program

Funded by the Department of Prime Minister and Cabinet under the Indigenous Advancement Strategy, the program engaged local Aboriginal people in cultural heritage and environmental conservation activities studying Certificates II and III in Conservation and Land Management.

Led by the Northern Agricultural Catchments Council (NACC); Central Regional TAFE was a key stakeholder together with Western Mulga, Department of Biodiversity, Conservation and Attractions and Geraldton Streetwork Aboriginal Corporation.



The Midwest Aboriginal Ranger Program provided opportunities for local Aboriginal people to contribute to the preservation of land and sea whilst also fostering the cultural relationship between Aboriginal people and their country. In 2018, three land-focused Ranger Programs were delivered in the Midwest and an additional Sea Ranger Program delivered in Shark Bay.

### Carnarvon Horns and Hooves on the Highway

Students enrolled in Certificate II in Rural Operations in Carnarvon participated in a road safety project to build a life-size cow statue from recycled materials. The project was the result of a partnership with the Carnarvon RoadWise Committee to raise awareness of the threat of livestock when travelling on regional and remote Western Australian highways.

With funding assistance from the Shire of Carnarvon's Community Growth Fund, the project was an extension of the 'Horns and Hooves on the Highway' visual campaign, originally launched by Kimberley RoadWise together with Main Roads WA.



Located along the North West Coastal Highway, the statue prompts drivers to take caution and be aware of straying cattle on the roads. The project provided a great learning experience for students and the opportunity to work with local industry partners to achieve student and community outcomes.





## Facility and Equipment Upgrades

To support Central Regional TAFE's commitment in providing quality training, a number of ageing facilities were revitalised and training equipment updated to ensure students learn in a practical and industry related environment:

- Installation of a 25kW solar panel array for the Moora campus, making the campus energy cost free.
- Enhancement of trade training facilities at the Moora campus to support the AFGRI apprenticeship program.
- Enhancements to the Kalgoorlie, Northam and Geraldton campus facilities to establish the new Jobs and Skills Centres.
- Re-sheeting the roof and walls of the automotive and metal fabrication workshops at the Geraldton campus.
- Improvements to the nursing and aged care facilities at the Northam campus.
- Investment in critical training delivery equipment across all campuses including:
  - Twenty Nursing beds
  - Nursing manikin
  - Electrocardiography (ECG) placement trainer
  - Veterinary Nursing dental equipment
  - Plasma cutter and bench
  - Microdermabrasion devices for Beauty Therapy
  - Twenty-one Metal Fabrication welders.
- Replacement of the elevator at the Carnarvon campus.
- Installation of fire detection system upgrades at the Kalgoorlie campus.
- Critical air conditioning replacement and electrical upgrades at the Kalgoorlie campus.
- Repurposing of N Block at the Geraldton campus to upgrade Vet Nursing facilities and create a Student Art Gallery.



## AWARDS AND RECOGNITIONS

### WA Training Awards

#### Winner WA Training Awards and Australian Training Awards

##### Industry Collaboration Award, Integrating Training and Biodiversity Conservation

Central Regional TAFE, in collaboration with several environmental conservation stakeholders, worked together to protect and restore key ecosystems in the Midwest. The collaboration focused on restoring habitats at the Houtman Abrolhos Islands and managing invasive aquatic species in the Chapman River.



Bill Swetman (CRT), Jessica Stingemore (NACC) and Suresh Job (CRT)

The project was a great outcome for the students involved as they gained real world experience on high priority environmental conservation projects, which also impacts employers, the community and the environment.

Collaboration partners included Northern Agricultural Catchments Council, Department of Primary Industries and Regional Development, Department of Biodiversity, Conservation and Attractions, Department of Water and Environmental Regulation, City of Greater Geraldton, and Western Australian Museum.

The College was also a finalist in the WA Training Awards Large Provider of the Year.

### Student Achievements and Awards

Our organisation's success is measured by the success of our students. 2018 saw some significant achievements by our students which the College is very proud of.

#### Semi-Finalist WA International Student of the Year

**Timothy Matthews**, Certificate III in Fishing Operations

#### Semi-Finalist WA Vocational Student of the Year

**Brendan Harris**, Certificate III in Individual Support

#### Finalist WA Apprentice of the Year

**Isabelle Croswell**, Certificate III in Hairdressing

#### Finalist WA School-based Apprentice of the Year

**Jazmin Hahn**, Certificate III in Early Childhood Education and Care



Isabelle Croswell



Jazmin Hahn

## Central Regional TAFE Major Awards

Central Regional TAFE held Student Graduation and Awards Nights at our three major campuses in Geraldton, Kalgoorlie and Northam, as well as in Carnarvon and Exmouth. Outstanding students were presented with a Major Award, sponsored by local businesses and Central Regional TAFE, at their respective campus ceremonies.

### Aboriginal and Torres Strait Islander Student of the Year

**Choco Long**, Certificate I in Conservation and Land Management (Goldfields), sponsored by Skill Hire

**Alitta Simpson**, Diploma of Nursing (Midwest), sponsored by Rio Tinto

**Annette Quartermaine**, Certificate III in Education Support (Wheatbelt), sponsored by Shire of Northam and Central Regional TAFE



Mary Woodford and Choco Long

### Apprentice of the Year

**Christopher Burrows**, Certificate III in Engineering - Mechanical Trade (Goldfields), sponsored by Northern Star Resources

**Isabelle Crowell**, Certificate III in Hairdressing (Midwest), sponsored by ATC Midwest

**David Natkanski**, Certificate III in Engineering - Fabrication Trade (Wheatbelt), sponsored by Valley Ford Northam Hyundai and Central Regional TAFE

### Culturally and Linguistically Diverse Student of the Year

**Firoza Akhter**, Certificate III in Early Childhood Education and Care (Wheatbelt), sponsored by Linley Valley Pork

### Trainee of the Year

**Tipene Kaa**, Certificate II in Automotive Servicing Technology (Goldfields), sponsored by Norton Goldfields Ltd

**Lisa Righton**, Diploma of Early Childhood Education and Care (Midwest), sponsored by Skill Hire

**Catherine Rostron**, Diploma of Early Childhood Education and Care (Wheatbelt), sponsored by Shire of Northam and Central Regional TAFE

### Vocational Student of the Year

**Carolyn Legg**, Certificate III in Education Support (Carnarvon), sponsored by Shire of Carnarvon

**Anna Mysliwska**, Certificate III in Education Support (Exmouth), sponsored by Shire of Exmouth

**Joy Jenner**, Certificate III in Education Support (Goldfields), sponsored by Ausdrill Ltd

**Ryan Mearns**, Diploma of Marine Studies (Midwest), sponsored by Midwest Chamber of Commerce and Industry

**Brendan Harris**, Certificate III in Individual Support (Wheatbelt), sponsored by The Nationals

### James Dawson Award

**Bonnie Glossop**, Diploma of Nursing (Wheatbelt), sponsored by AVIVO

### Outstanding Achievement Award

**Mark Turner**, Certificate III in Vertebrate Pest Management (Carnarvon), sponsored by ANZ Carnarvon

### Maritime Student of the Year

**Jessica Jones**, Certificate III in Maritime Operations (Exmouth), sponsored by Exmouth IGA

### Secondary Student of the Year

**Genavieve Thomson**, Certificate II in Horticulture (Exmouth), sponsored by Exmouth IGA

## Staff Achievements

Central Regional TAFE appreciates the importance of a highly skilled and professional workforce and is proud to recognise the many outstanding achievements of our staff. Implemented in 2018, a recognition program was launched celebrating the individual members of staff who demonstrated exceptional contribution to the College in support of achieving the outcomes of the strategic plan and organisational values during 2017.

Winners of each category received a monetary allocation to put towards professional development activities and were formally acknowledged during the College's Professional Development Week held in April 2018.

### Lecturing Excellence

**Suellen Kelly**, Lecturer Veterinary Nursing, Geraldton

**Shona Andrews**, Lecturer Preparation for Nursing, Northam

### Exceptional Customer Focus

**Kristy Cooper**, Campus Administrator, Merredin

### Innovation Champion

**Mick Stanton**, Campus Manager, Kalgoorlie

### Outstanding Leadership

**Kelly Edwards**, Director eCapability, Geraldton

### High Performing Team

**Resource Sector Team**, Geraldton



Bill Swetman and Kelly Edwards



## Other Achievements

### WorldSkills Australia

Central Regional TAFE again had representation at the WorldSkills Australia National Competition held in Sydney in October 2018. Isabelle Croswell from the Geraldton campus placed fifth in the Hairdressing competition and Travis Watts from the Kalgoorlie campus placed sixth in the Open Automotive Mechanics category.

Kalgoorlie Automotive Lecturer Adrian Gooneratne participated as an automotive judge in the WorldSkills Australia National Competition.



Adrian Gooneratne and Travis Watts

### Inspirational Women in Mining

Central Regional TAFE Kalgoorlie-based Mining Operations Lecturer Allison Golsby was recognised worldwide in November 2018 for her contributions to the mining industry. Women in Mining is a UK based non-profit organisation dedicated to promoting the employment, retention and advancement of women in the mining industry.

Women in Mining annually showcase success stories from around the world of inspiring women with interesting careers in the mining sector. Allison Golsby was listed in the '100 Global Inspirational Women in Mining' for her contribution to the mining industry as well as community projects, like raising \$100,000 for indigenous training resources.

### Gascoyne Regional Business Awards

Central Regional TAFE Carnarvon and Exmouth campuses were recognised in the 2018 Gascoyne Regional Awards in the award category Professional Services. The award recognised the provision of quality training and the close relationship staff have in working with industry and community.



# SIGNIFICANT ISSUES IMPACTING THE AGENCY

## CURRENT AND EMERGING ISSUES AND TRENDS

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### Key Challenges in 2018

- Achieving training targets across four very distinct regions.
- Implementing the new Student Management System.
- Managing the College's lecturing workforce to meet the training needs of industry.
- Ongoing development of consistent processes across all College locations to ensure good business practice including compliance with the Standards for RTOs 2015.
- Establishing Jobs and Skills Centres at Geraldton, Northam and Kalgoorlie campuses.

### Key Influences in 2018

- Industry and community expectations on the College to meet their training and workforce services needs.
- Western Australian economic outlook.
- Government directions and priorities, including priorities identified in the Plan for Jobs.
- Focus on quality and compliance in delivery and assessment; stakeholders included the Training and Accreditation Council and the Australian Skills Quality Authority.
- A tight College operating budget.

### Key Activities for 2019

- Achieving training targets, particularly in identified priority areas.
- Embedding the new Student Management System.
- Ongoing development of our own workforce, including recruiting lecturing staff to deliver in skill shortage areas.
- A focus on quality delivery and assessment practices and compliance with National Standards for RTOs.
- Embedding Jobs and Skills Centres at Geraldton, Northam and Kalgoorlie campuses.
- Building the skills, abilities and capacity of our lecturing staff.
- Continuing to build a positive student and client centred experience and culture.
- Addressing emerging skills shortage areas, particularly in the Goldfields region.
- Responding to Federal and State priorities to increase employment based training (apprenticeships and traineeships).

## CHANGES IN WRITTEN LAW

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There were no changes in any written law in 2018 that affected Central Regional TAFE.

## DISCLOSURES AND LEGAL COMPLIANCE

### MINISTERIAL DIRECTIVES

Treasurer's Instruction 903 (12) requires Central Regional TAFE 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 Regional TAFE.

### OTHER FINANCIAL DISCLOSURES

#### Pricing Policy

Central Regional TAFE adheres to the Department of Training and Workforce Development's Fee Policy for all non-commercial enrolments. All commercial enrolments are charged out after the College completes a full costing, utilising the costing template in accordance with *Costing and Pricing Government Services: Guidelines for Use by Agencies in the Western Australian Public Sector* published by Treasury.

#### Capital Works

##### Capital Projects Incomplete

Project details	Expected Completion	Est. Cost to Complete ('000)	Est. Total Cost of Project ('000)	Significant Cost Variation Comment
Geraldton campus construction workshop re-roofing	28/02/2019	\$468	\$490	NA

##### Capital Projects Completed

Project details	Campus Location	Completion Date	Total Cost ('000)	Significant Cost Variation Comment
Installation of 25kW solar panel array	Moora	16/11/2018	\$47	NA
Establishment of the Jobs and Skills Centres	Geraldton Kalgoorlie Northam	23/11/2018	\$491	NA
Re-sheeted automotive and metal fabrication workshops	Geraldton	21/11/2018	\$757	NA
Improved nursing and aged care facilities	Northam	23/11/2018	\$74	NA

## DISCLOSURES AND LEGAL COMPLIANCE

Project details	Campus Location	Completion Date	Total Cost ('000)	Significant Cost Variation Comment
Investment in critical training delivery equipment	All	07/12/2018	\$308	NA
Replacement of elevator	Carnarvon	23/11/2018	\$172	NA
Fire detection system upgrade	Kalgoorlie	23/11/2018	\$443	NA
Air-conditioning and electrical upgrades	Kalgoorlie	23/11/2018	\$678	NA

## Employment and Industrial Relations

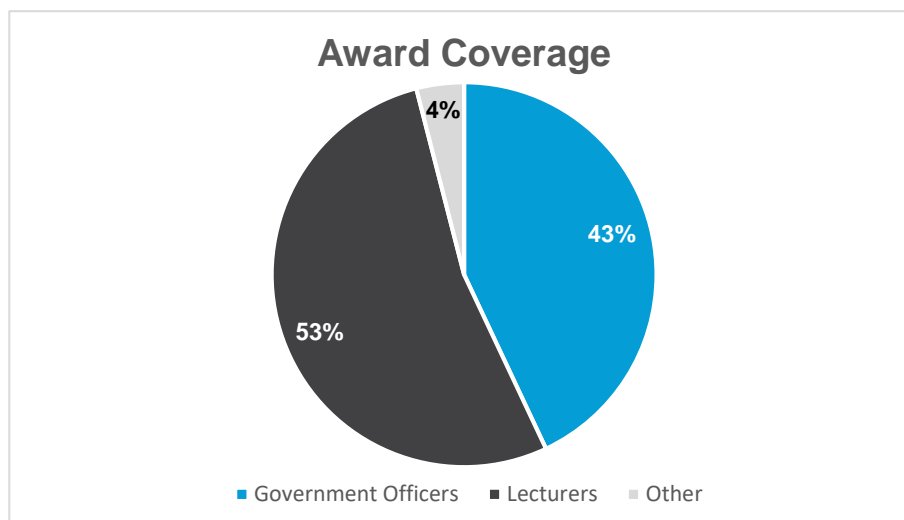
### Staff Profile

Central Regional TAFE employs a diverse range of staff in lecturing, administration and support roles to deliver a wide range of Vocational and Educational Training programs to local businesses and the community across a broad geographical area. The composition of the workforce is as follows:

FTE and Headcount – Quarter Sept 2018		
FTE	Average FTE	Head Count
321	316	401

**Note:** FTE and Headcount are a snapshot of employees as at the last pay period of the quarter, and includes all permanent, fixed term and paid casual employees during that pay period.

Appointment Type	2017	2018
Permanent Full Time	49.4%	50.9%
Permanent Part Time	9.7%	11.5%
Fixed Term Full Time	18.9%	19.0%
Fixed Term Part Time	5.6%	7.2%
Casual	16.5%	11.5%



## DISCLOSURES AND LEGAL COMPLIANCE

Employee Work Location	FTE	Headcount
Gascoyne	10	13
Goldfields	67	85
Midwest	162	208
Wheatbelt	82	95
<b>Total</b>	<b>321</b>	<b>401</b>

Diversity Group Equity Index	CRT	WA Public Sector
Women in management	77.2	74.9
Aboriginal Australians	39.2	38.8
People from culturally and linguistically diverse backgrounds	90.2	100.2
People with disability	73.9	103.5

**Note:** The information above is based on the September Quarter 2018, Minimum Obligatory Reporting Requirements.

### Industrial Relations

No major industrial relations claims are reportable for 2018 and there were no matters referred to the Industrial Relations Commission or similar jurisdictions.

## PERSONAL EXPENDITURE

### Unauthorised Use of Credit Cards

In accordance with the requirements of the Treasurer's Instruction 903(13)(iv) on disclosure of unauthorised use of credit cards, the following transactions occurred for the reporting period 1 January to 31 December 2018.

Details of Transaction	Amount
Number of instances of personal use expenditure	9
Aggregate amount of personal use expenditure	\$511.84
Aggregate amount of personal use expenditure settled by the due date	\$170.30
Aggregate amount of personal use expenditure settled after the period due date	\$341.54
Aggregate amount of personal use expenditure outstanding at the end of the reporting period	-
Number of referrals for disciplinary action instigated by the notifiable authority during the reporting period	0

## GOVERNANCE DISCLOSURES

### Declaration of Interests

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

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

### Public Liability Insurance

Central Regional TAFE has paid \$12,754.59 (incl GST) for the period 1 January to 31 December 2018 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*.



## Board and Committee Remuneration

The individual and aggregate cost of remunerating Governing Council members for attendance at Governing Council meetings at Central Regional TAFE in 2018 was as follows:

Position	Name	Type of remuneration	Period of membership	Gross/actual remuneration
<b>Chairperson</b>	Mary Woodford	Annual	12 months	\$24,819
<b>Deputy Chair</b>	Christine Rafanelli	Per meeting	12 months	\$7,542
<b>Managing Director</b>	Bill Swetman	Not eligible	10 months	-
<b>A/Managing Director</b>	Joanne Payne	Not eligible	2 months	-
<b>Member</b>	Eileen O'Connell	Per meeting	12 months	\$9,329
<b>Member</b>	Stuart Smith	Not eligible	12 months	-
<b>Member</b>	Yvonne Messina	Per meeting	12 months	\$7,085
<b>Member</b>	Graeme Wilmot	Per meeting	12 months	\$3,430
<b>Member</b>	Anthony Evans	Not eligible	6 months	-
<b>Member</b>	Kylie Le Lievre	Not eligible	6 months	-
<b>Member</b>	Robert Jefferies	Per meeting	6 months	\$4,118
<b>Ex-Member</b>	David Nicholson	Not eligible	6 months	-
<b>Ex-Member</b>	Bill McKenzie	Per meeting	6 months	\$1,068
<b>Ex-Member</b>	Vicki Jack	Not eligible	6 months	-
<b>Ex-Member</b>	Mark Simpson	Per meeting	12months	\$2,135
<b>Total</b>				<b>\$59,525</b>

## Public Interest Disclosures

The Public Interest Disclosure Act 2003 (PID Act) enables people to make disclosures about wrongdoing within the WA public sector, local government and public universities and offers protection for doing so.

The College recognises the value and importance of contributions of staff to enhance administrative and management practices and strongly supports disclosures being made about corrupt or improper conduct.

In accordance with the Act, Central Regional TAFE has an appointed Public Interest Disclosure Officer. No public interest disclosures were received in 2018.

## OTHER LEGAL REQUIREMENTS

### Advertising Expenditure

In accordance with s175ZE of the *Electoral Act 1907*, the College incurred the following expenditure in advertising, market research, polling, direct mail and media advertising:

1. Total expenditure for 2018 was \$160,235.48
2. Expenditure was incurred in the following areas:

Area of Expenditure	Organisation	Amount
<b>Advertising Agencies</b>		0
<b>Market Research</b>		0
<b>Polling</b>		0
<b>Direct Mail</b>		0
<b>Media Advertising</b>	Adcorp Australia	\$25,453.32
	Brett Jones Design	\$1,700.00
	Carat Advertising Media Services Pty Ltd	\$96,349.73
	Facebook	\$16,988.80
	Initiative Media	\$7,341.09
	Mailchimp	\$195.60
	Merredin Community Resource Centre	\$363.65
	Mingenew Lions	\$184.36
	Non Stop Adz	\$454.00
	Orana Cinemas	\$5,988.66
	Phoenix	\$109.09
	Shire of Northam	\$48.54
	Vanguard	\$4,715.00
	Kalgoorlie CCI	\$343.64
<b>Total</b>		<b>\$160,235.48</b>

## Aboriginal Training Plan Outcomes

The purpose of the Central Regional TAFE Aboriginal Training Plan is to enable effective coordination towards achievement of the priorities outlined in the College's Strategic Plan 2018 - 2020 and Business Plan 2018. Our Aboriginal Training Plan also reflects the goals outlined in the WA State Training Plan 2017 - 2020 and Training Together, Working Together: Aboriginal Workforce Development Strategy 2014.

### Our Mission

To provide our Aboriginal students with the skills to fulfil their potential and build our region's prosperity

### Guiding Principles

- 1** Increase Aboriginal enrolments and improve retention and graduation of Aboriginal students
- 2** Ensure College programs and services are inclusive of Aboriginal students
- 3** Engage Aboriginal stakeholders in decision making relating to targeted programs and services for Aboriginal students
- 4** Ensure Aboriginal people have equitable access to the College's programs and services
- 5** A commitment to transparency and accountability in decisions relating to targeted programs and services for Aboriginal students

The following is a summary of key activities the College undertook against the 2018 Aboriginal Training Plan:

- High demand and competitive courses have designated places made available for Aboriginal students. All designated places were taken in 2018.
- In 2018, a total of 951 students enrolled at the College who identified as Aboriginal and/or Torres Strait Islander, accounting for 10.2% of total College enrolments.
- The College achieved 95% of the 2018 Delivery and Performance Agreement benchmark for Aboriginal students completing a Certificate II or above.
- Appointment of Aboriginal Elder On-Campus, to mentor and support students and staff at the Geraldton campuses.
- The Aboriginal Tutoring and Mentoring Assistance Program has seen an increase in student accessing these services in 2018.

## DISCLOSURES AND LEGAL COMPLIANCE

- Rio Tinto continued to provide their support to Aboriginal students studying at the College.
- MITSUI E&P Australia scholarship program made available to students enrolled in full time courses in the area of science, technology, engineering or mathematics (STEM), with preference given to Aboriginal students.
- METSO Australia scholarship program available to Aboriginal students studying courses in Engineering and Mining at the Geraldton and Kalgoorlie campuses.
- An increase in scholarship applications made by Aboriginal students, up from eight in 2017 to 17 in 2018. In total six scholarships were offered to Aboriginal students.
- Partnerships with local Aboriginal organisations and communities including a new partnership with Yulella Corporation in Meekatharra for delivery of an aquaculture program on site at Buttah Windee community.
- Face to face consultation conducted with the community in Tjuntjuntjara in 2018 to develop and plan Aboriginal Leadership Training Programs for delivery in 2019.
- Education Support delivery was initiated in the Lands including Wingellina, Warburton and Ngaanyatjaraku in 2018. This has expanded to include the Certificate II in Leadership.
- In October, the College conducted an interactive tour of the Kalgoorlie campus for remote Aboriginal school students from Leonora and provided several hands on experiences in delivery areas including Hairdressing, Beauty, Electrical, Nursing and the Mining simulator.
- A project conducted by Aboriginal students at the Geraldton campus as part of their Certificate II in Leadership and Certificate III in Business to create an illustrated children's book. Written in the Wajarri language, 'Poems for Our Mayus' was launched in December.
- Cultural Awareness training delivered to staff and facilitated by the College's Aboriginal Training Services staff.
- The College worked in collaboration with other State Government agencies and local Aboriginal partnering organisations to deliver Certificates II and III in Conservation and Land Management to Aboriginal people in the Midwest region. The Midwest Aboriginal Ranger Program provided opportunities for local Aboriginal people to engage in the preservation of land and sea whilst also fostering the cultural relationship between Aboriginal people and their country.
- NAIDOC celebrations occurred across the three main campuses. The 2018 theme 'Because of Her We Can' acknowledged the contributions made by Aboriginal and Torres Strait Islander women.



METSO scholarship recipients, Chae and Markey Crowe



Former student and Miss NAIDOC Perth 2018 Runner-up, Krystyn Bonney with Aboriginal Elder On-campus, Allan Headland and Bill Swetman at the Geraldton campus NAIDOC Week celebrations

## Disability Access and Inclusion Plan Outcomes

Central Regional TAFE is dedicated to ensuring all students have appropriate access to College facilities and services and are provided with every opportunity to participate in all aspects of their training experience.

Two of the six College organisational values are Diversity and Customer Service. Staff uphold these values which in turn enhances access and participation for all students and creates opportunities for people with disability to gain employment.

Students who disclose disability, medical condition and/or learning difficulty that may impact their learning are supported by the Student Services team. With team members based at all major campuses, the College provides a point of contact for students, disability service agencies, disability employment providers, community organisations, carers and college staff.

The Student Services team advises College staff on appropriate support strategies, including reasonable adjustment, accommodation and assistive technologies to assist students with disability.

Specific initiatives and programs to support the Disability Access and Inclusion Plan (DAIP) outcomes are listed below:



### **1 People with disability have the same opportunities as other people to access the services of, and any events organised by, Central Regional TAFE**

- Students with disability are offered accredited training in various courses including customised programs or existing qualifications across industry areas.
- Using reasonable adjustment and accommodation principles that allow accessibility to people who would otherwise not be able to access education and training in a post-secondary environment.
- Classroom and on-campus pastoral care support is provided to assist students to enrol, participate in and support completion of training.
- Individualised support for students through discussion with clients and their support networks and use of enrolment processes, including statistical requirements, client needs analysis and case management.
- An Accessible Events Checklist and consultation with relevant parties ensured College events were accessible.
- Student Services staff are available at all enrolment days throughout the year to assist potential, new and continuing students. Liaising with the student and their advocates to ensure this process provides opportunities to discuss individual requirements.



- Student Services staff conducted tours of the College campus and presented information sessions at local high schools to initiate connections and provide support for students transitioning from school into the VET sector.
- The College hosted the following with community partners:
  - Australian Hearing free hearing check
  - Independent Living Centre assistive technology display
  - Carers WA workshop on the National Disability Insurance Scheme (NDIS)
- The College conducted a range of events on campus including:
  - International Day of People with Disability – a four day event including information displays from industry, community partners, employment agencies and interactive activities. The event also included a Mental Health professional development session with College staff.
  - Be Your Own Superhero – an event to highlight individual personal traits in a positive way. The event also included first aid demonstrations, an ambulance display and information for people with disability and their carers.
  - HelpingMinds – the program provided under 18 year old students studying General Education a safe and supportive environment in which to explore mental health topical issues such as self-care, anxiety, depression, bullying and confidence.
  - The College recognised other significant initiatives including R U OK? Day, Wear it Purple Day and Mental Health Week.
- Continued relationships with key community stakeholders to keep informed of any significant legislative changes that may affect the programs and services the College provides.
- Formed reciprocal partnerships with businesses such as; ParentsNext, MEEDAC, Forrest Personnel and Real Futures to provide additional support for community members.
- Partnership with Youth Focus in the Wheatbelt region in an initiative using online technology for face-to-face counselling, thereby easing wait times for regional young people experiencing mental health issues. Initial client feedback on the project was positive.

## **2 People with disability have the same opportunities as other people to access the buildings and other facilities of Central Regional TAFE**

- The College adheres to building codes and legislative requirements, including the use of moveable furniture allowing students more flexibility during breaks and individual study time.
- Jobs and Skills Centres are now located on site at the College's three main campuses. Access and accessibility for people with disability was included in the equipment and infrastructure upgrades.

- The Occupational Safety and Health Committee continues to address access issues in accordance with their terms of reference in relation to access and safety of all students and staff.

### 3

**People with disability receive information from Central Regional TAFE in a format that will enable them to access the information as readily as other people are able to access it.**

- The College utilises focus groups, including people with disability, to ensure clients accessing College resources have opportunity to provide feedback regarding ease of using these resources. Feedback is acknowledged and responses provided to the students.
- The Student Fact Pack provides information on the College and includes links to the DAIP and feedback forms and information on support available to people with disability.
- Lecturing staff, where required, with the support of the Student Services team, continue to adapt projects, training resources, materials and assessments to suit the abilities of the varied student cohort.
- The College continues to apply reasonable adjustment strategies for students with disability to provide equal access to learning.

### 4

**People with disability receive the same level and quality of service from staff of Central Regional TAFE as other people receive from the staff of Central Regional TAFE**

- The College continued to provide professional development and ongoing support for staff to improve their knowledge, confidence and skills when working with people with disability.
- Staff attending professional development opportunities and awareness sessions, shared the information and knowledge gained with their colleagues.
- The College identified specialised support for people with disability requirements and appropriate staffing made available.
- Staff continue to attend community and industry network meetings to foster communication of relevant information between the College and industry partners.

### 5

**People with disability have the same opportunities as other people to make complaints to Central Regional TAFE**

- Students are provided with information on how to provide feedback or lodge a complaint as part of the Student Induction program. This information is also available on the College website.
- Focus groups are held regularly to gain feedback from students with disability.

- Assistance and support from Student Services staff is available to students with disability to complete student surveys.
- The Student Satisfaction Survey conducted by a third party on behalf of DTWD is now available in a shorter version for students who experience difficulty completing the full survey.

## **6 People with disability have the same opportunities as other people to participate in any public consultation by Central Regional TAFE**

- The College has strong partnerships with local service providers and stakeholders and continues to create open, transparent and honest communication for those who advocate for people with disability.
- Students and the community are encouraged to provide feedback and engage in consultative processes through involvement with focus groups, advocacy groups, surveys and individual communication with College staff. Information gained from these sources informs the College on client expectations and impacts decision making within the training environment, including campus layout and equipment and resource requirements.

## **7 People with disability have the same opportunities as other people to obtain and maintain employment with Central Regional TAFE**

Central Regional TAFE abides by all recruitment and employment policies, procedures and guidelines and is committed to Equal Employment Opportunity. We are committed to ensuring that all people are able to access the full range of resources, services and facilities. To achieve this outcome, the following initiatives and strategies are being pursued:

- Obtaining employment – identifying the barriers to obtaining employment and implementing mechanisms to remove those barriers. Initiatives include:
  - Encouraging applicants with disability to apply.
  - Systems and processes that are inclusive and supportive.
  - Education and training for those involved in the process to support applicants with a disability.
- Maintaining employment – identifying strategies to support reasonable adjustments for people with disability. Strategies include:
  - Education and training for all staff to be inclusive and aware.
  - Embedding support and diversity within the organisational culture.
  - Education and training for managers.

## Compliance with Public Sector Standards and Code of Ethics

Central Regional TAFE is committed to ensuring compliance and best practice in all aspects of the Commissioner's Instructions, Public Sector Standard in Human Resource Management, the Public Sector Code of Ethics and the College's Code of Conduct. Policies, procedures, guidelines, training and awareness raising are in place to ensure all staff meet these obligations. This includes:

- Easy access and promotion of policies, procedures and guidelines through the College's intranet;
- Guidance provided from supervisors and Human Resources;
- Comprehensive online induction for new staff;
- Discussions between current and new staff at team meetings and open forums;
- Staff participation in Accountable and Ethical Decision Making training, Cultural Awareness training and staff professional development;
- Regular review of policies, procedures and guidelines in consultation with managers and staff with updated policies promoted throughout the College.

Compliance Category	Upheld Breaches
Public Sector Standards in Human Resource Management	0
Public Sector Code of Ethics	1
Central Regional TAFE Code of Conduct	1

## Recordkeeping Plans

Central Regional TAFE is committed to records management that is compliant with relevant legislation. The College continues to monitor and review the Records Business Plan, to ensure effective and efficient recordkeeping is maintained.

The TAFE Sector Records Managers Network along with the Department of Training and Workforce Development (DTWD) collaborated to implement a standardised electronic record keeping system to suit the TAFE Sector. DTWD will be the main system administrators, with College Records Managers as local administrators. The first phase of this project was launched in June 2018 in preparation for phase two to take place in January 2019.

The TAFE Sector Records Managers Network also undertook the following projects in preparation for the standardised record keeping system:

- TAFE Sector Consolidated Record Keeping Plan
- Records Management Policy
- Business Classification Scheme
- Sector Disposal Authority for State Training Providers
- Configuration of the Sector Wide electronic records management system, HP Content Manager.

### Records induction program

The records management induction is integrated into the College's formalised induction program for new staff and addresses recordkeeping compliance.

Records management policies are communicated to staff through the provision of regular inductions and training, and are available on the College's intranet.

### Recordkeeping training program

Further records awareness training was provided via the College's staff eLearning system. This training is a mandatory requirement prior to gaining access to the new sector wide electronic records management system. Further training specific to the College's record management system is provided by the Records Management Coordinator before granting staff access.

A high number of staff received training in 2018 with a small number receiving refresher training. The action procedure for purchasing card reconciliations introduced in 2018 has created more demand for training. Specific additional training for archiving was provided as required.

Training was delivered to staff at all campuses, using video conferencing and through individual or group training sessions. This creates a continued overall improvement in the registering of records, information sharing and correct usage of the records system.

Records staff provided ongoing advice and support on records management to College staff.

## GOVERNMENT POLICY REQUIREMENTS

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### Occupational Safety, Health and Injury Management

#### Statement of commitment to occupational safety and health, and injury management

Central Regional TAFE recognises and accepts its statutory obligations under the Western Australian Occupational Safety and Health Act 1984. The College is committed to providing a safe and healthy environment for all employees, students, volunteers, visitors and contractors, ensuring they are not exposed to hazards which may result in injury or harm to their health. The College is committed to maximising opportunities for continuous improvement and reviewing its safety performance.

Central Regional TAFE managers are responsible for the implementation of the Occupational Safety and Health (OSH) Policy within their workplace and organisational area. This responsibility includes:

- Integrating OSH into all aspects of work practices.
- Planning, developing, implementing and monitoring safe systems of work to maximise opportunities for continuous improvement in safety performance.
- Managing risks as far as practicable within the working environment.



- Providing adequate information, training and supervision for all staff, contractors, students and visitors to ensure they are able to work in a safe and healthy environment.

### **Formal mechanism for consultation with employees on occupational safety and health matters**

The College actively consults with employees on occupational safety and health matters through the following framework and systems:

- The OSH Policy Statement outlines management and staff commitment to consult and cooperate on OSH matters and support and promote OSH in the workplace. This policy statement includes first aid support for all staff, students, visitors and contractors; and injury management support with return to work programs. This policy is reviewed annually.
- OSH Management Committee membership representation consists of management and Safety and Health Representatives from a large cross section of the College and includes participation by Corporate Executive. The Committee takes a consultative and collaborative approach to meeting OSH outcomes and objectives by making recommendations to the Managing Director. Four Management Committee meetings and eight Regional Committee meetings are held per year. The responsibilities for these committees is outlined in the OSH Management Committee Terms of Reference.
- Safety and Health Representatives provide advice and support for workplace safety concerns. Representation covers every work area, including the regional campuses.
- Management conduct regular workplace inspections with the relevant Safety and Health Representative to identify hazards and ensure OSH compliance. These are completed a minimum of twice per annum with additional inspections carried out as required in high risk areas.
- Incident and hazard reporting processes are available to all staff, students, visitors and contractors. Each incident report is investigated by management and Safety and Health Representative/s; then tabled at the OSH Committee meetings where outcomes are ratified and communicated.
- OSH Working Groups are formed when necessary to research, examine and recommend new or alternative systems and procedures.
- A range of OSH training opportunities are provided for staff throughout the year.

### **Statement of compliance with injury management requirements of the *Workers' Compensation and Injury Management Act 1981***

The College is committed to injury management support to all workers who sustain a work related injury or illness, including a safe return to meaningful work.

The Policy for Injury Management and Workers' Compensation is supported by an injury management system that provides guidelines and aims to assist the injured worker in consultation with the treating medical practitioner/s, the College, the insurer and vocational rehabilitation service providers to develop a Return to Work Plan to support the injured worker to:

- Return to the same position, or modified position/role;
- Deploy to another position within the organisation where unable to return to the same position, or;
- Re-train for a position within another organisation.

Central Regional TAFE has six active workers' compensation claims

Claim Year	2014	2016	2018
Number of Active Claims	1	1	4

### Assessment of occupational safety and health management system

The College OSH system is documented and includes policies, procedures and plans that are available to all employees through the College intranet. These documents provide employees and managers guidance and resources which clearly identify OSH responsibilities and how these responsibilities are implemented and managed.

Since the merger of Durack Institute, Goldfields Institute and CY O'Connor Institute into Central Regional TAFE, the harmonisation and standardisation of OSH related policy and procedures is ongoing with a plan for independent assessment of the system once the process is finalised in 2019.

The following table summarises the College's OSH and Injury Management Performance for 2018:

Indicator	Results against Target				Comment on results
	2016 Actual	2017 Actual	2018 Actual	Target	
Number of fatalities	0	0	0	0	
Lost time injury/disease (LTI/D) incidence rate	0	0.29	0.95	0 or 10% reduction	Increase from 1 LTI in 2017 to 3 LTIs as reported in the Riskcover Workers' Compensation Class Report.
Lost time injury/disease severity rate	0	100%	66.6%	0 or 10% reduction	Increase from 1 LTI in 2017 to 3 LTIs as reported in the Riskcover Workers' Compensation Class Report.
% of injured workers returned to work within:					
(i) 13 weeks	0%	0%	0%		
(ii) 26 weeks	0%	0%	33.3%		
% of managers trained in OSH and injury management responsibilities	77.3%	41.3%	88%	Greater than or equal to 80%	The rollout of the OSH for Managers and Supervisors in the online training system in 2018 increased College performance for this indicator.

Source: Riskcover Workers' Compensation Class Report and Public Sector Commission Quarterly Entity Profile Report

## FINANCIAL STATEMENTS



### Auditor General

#### INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

#### CENTRAL REGIONAL TAFE

#### Report on the Financial Statements

##### **Opinion**

I have audited the financial statements of Central Regional TAFE which comprise the Statement of Financial Position as at 31 December 2018, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows for the year then ended, and Notes comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of Central Regional TAFE for the year ended 31 December 2018 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

##### **Basis for Opinion**

I conducted my audit in accordance with the Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the TAFE in accordance with the *Auditor General Act 2006* and the relevant ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial statements. I have also fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### **Responsibility of the Governing Council 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, the *Financial Management Act 2006* 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.

In preparing the financial statements, the Governing Council is responsible for assessing the agency's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Western Australian Government has made policy or funding decisions affecting the continued existence of the TAFE.

##### **Auditor's Responsibility for the Audit of the Financial Statements**

As required by the *Auditor General Act 2006*, my responsibility is to express an opinion on the financial statements. The objectives of my audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.



As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the agency's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Governing Council.
- Conclude on the appropriateness of the Governing Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the agency's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Governing Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

## Report on Controls

### **Opinion**

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by Central Regional TAFE. The controls exercised by the TAFE are those policies and procedures established by the Governing Council to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

My opinion has been formed on the basis of the matters outlined in this report.

In my opinion, in all material respects, the controls exercised by Central Regional TAFE are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions during the year ended 31 December 2018.

### **The Governing Council's Responsibilities**

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



**Auditor General's Responsibilities**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements and plan and perform my procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on my judgement, including the assessment of the risks that controls are not suitably designed or implemented as designed. My procedures included testing the implementation of those controls that I consider necessary to achieve the overall control objectives.

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

**Limitations of Controls**

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may become unsuitable because of changes in conditions.

**Report on the Key Performance Indicators****Opinion**

I have undertaken a reasonable assurance engagement on the key performance indicators of Central Regional TAFE for the year ended 31 December 2018. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In my opinion, in all material respects, the key performance indicators of Central Regional TAFE are relevant and appropriate to assist users to assess the TAFE's performance and fairly represent indicated performance for the year ended 31 December 2018.

**The Governing Council's Responsibility for the Key Performance Indicators**

The Governing Council is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal control as the Governing Council determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

In preparing the key performance indicators, the Governing Council is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 *Key Performance Indicators*.

**Auditor General's Responsibility**

As required by the *Auditor General Act 2006*, my responsibility as an assurance practitioner is to express an opinion on the key performance indicators. The objectives of my engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the agency's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.



I conducted my engagement in accordance with Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that I comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on my judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments I obtain an understanding of internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

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

### **My Independence and Quality Control Relating to the Reports on Controls and Key Performance Indicators**

I have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements*, the Office of the Auditor General maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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

This auditor's report relates to the financial statements and key performance indicators of Central Regional TAFE for the year ended 31 December 2018 included on the TAFE's website. The TAFE's management is responsible for the integrity of the TAFE's website. This audit does not provide assurance on the integrity of the TAFE's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



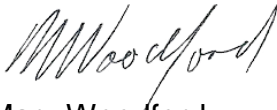
SANDRA LABUSCHAGNE  
DEPUTY AUDITOR GENERAL  
Delegate of the Auditor General for Western Australia  
Perth, Western Australia  
08 March 2019

## Certification of Financial Statements

For the reporting period ended 31 December 2018.

The accompanying financial statements of Central Regional TAFE 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 reporting period ended 31 December 2018 and the financial position as at 31 December 2018.

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.



Mary Woodford  
Chairperson of Governing Council  
Central Regional TAFE

05 March 2019



Bill Swetman  
Managing Director  
(Member of Governing Council)  
Central Regional TAFE

05 March 2019



Serena Cruickshank  
Chief Financial Officer  
Central Regional TAFE

05 March 2019

## DISCLOSURES AND LEGAL COMPLIANCE

<b>Central Regional TAFE</b>			
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>FOR THE YEAR ENDED 31 DECEMBER 2018</b>	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>COST OF SERVICES</b>			
<b>Expenses</b>			
Employee benefits expense	2.1	36,107,296	37,084,428
Supplies and services	2.3	13,055,675	13,749,345
Asset revaluation decrement	2.3	3,098,296	4,931,686
Other expenses	2.3	4,159,812	3,528,137
Cost of sales	3.3	432,954	336,500
Depreciation and amortisation expense	4.1,4.2	3,831,419	3,818,095
<b>Total cost of services</b>		<b>60,685,452</b>	<b>63,448,191</b>
<b>Income</b>			
<i>Revenue</i>			
Fee for service	3.2	1,248,990	1,856,563
Student fees and charges	3.2	5,482,205	6,598,684
Ancillary trading	3.2	292,551	301,926
Sales	3.3	586,206	446,339
Commonwealth grants and contributions	3.4	31,630	138,607
Interest revenue	3.5	314,954	391,224
Other revenue	3.6	1,513,710	1,617,581
<b>Total revenue</b>		<b>9,470,246</b>	<b>11,350,924</b>
<b>Total income other than income from State Government</b>		<b>9,470,246</b>	<b>11,350,924</b>
<b>NET COST OF SERVICES</b>		<b>51,215,206</b>	<b>52,097,267</b>
<b>Income from State Government</b>			
Service appropriation	3.1	40,121,099	41,005,623
Services received free of charge	3.1	1,771,285	1,506,089
<b>Total income from State Government</b>	3.1	<b>41,892,384</b>	<b>42,511,712</b>
<b>(DEFICIT) FOR THE PERIOD</b>		<b>(9,322,822)</b>	<b>(9,585,555)</b>
<b>TOTAL COMPREHENSIVE (DEFICIT) FOR THE PERIOD</b>		<b>(9,322,822)</b>	<b>(9,585,555)</b>

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

## DISCLOSURES AND LEGAL COMPLIANCE

<b>Central Regional TAFE</b>			
<b>STATEMENT OF FINANCIAL POSITION</b>		<b>2018</b>	<b>2017</b>
<b>AS AT 31 DECEMBER 2018</b>	<b>Notes</b>	<b>\$</b>	<b>\$</b>
<b>ASSETS</b>			
<b>Current Assets</b>			
Cash and cash equivalents	6.1	7,053,734	9,803,851
Receivables	5.1	2,546,564	2,446,001
Inventories	3.3	67,565	112,177
Other current assets	5.2	480,781	380,490
<b>Total Current Assets</b>		<b>10,148,644</b>	<b>12,742,519</b>
<b>Non-Current Assets</b>			
Restricted cash and cash equivalents	6.1	474,153	359,727
Property, plant and equipment	4.1	110,071,879	113,630,806
<b>Total Non-Current Assets</b>		<b>110,546,032</b>	<b>113,990,533</b>
<b>TOTAL ASSETS</b>		<b>120,694,676</b>	<b>126,733,052</b>
<b>LIABILITIES</b>			
<b>Current Liabilities</b>			
Payables	5.3	1,400,076	1,202,261
Employee related provisions	2.1	4,973,326	4,911,797
Other current liabilities	5.4	1,434,395	984,522
<b>Total Current Liabilities</b>		<b>7,807,797</b>	<b>7,098,580</b>
<b>Non-Current Liabilities</b>			
Employee related provisions	2.1	2,017,050	2,180,577
<b>Total Non-Current Liabilities</b>		<b>2,017,050</b>	<b>2,180,577</b>
<b>TOTAL LIABILITIES</b>		<b>9,824,847</b>	<b>9,279,157</b>
<b>NET ASSETS</b>		<b>110,869,829</b>	<b>117,453,895</b>
<b>EQUITY</b>			
Contributed equity	8.8	134,325,753	131,586,997
Accumulated surplus/(deficit)		(23,455,924)	(14,133,102)
<b>TOTAL EQUITY</b>		<b>110,869,829</b>	<b>117,453,895</b>

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

<b>Central Regional TAFE</b>			
<b>STATEMENT OF CASH FLOWS</b>			
<b>FOR THE YEAR ENDED 31 DECEMBER 2018</b>	<b>Notes</b>	<b>2018</b>	<b>2017</b>
		<b>\$</b>	<b>\$</b>
<b>CASH FLOWS FROM STATE GOVERNMENT</b>			
Service appropriation – Department of Training and Workforce Development		40,292,940	36,951,142
Capital appropriation – Department of Training and Workforce Development		-	-
Royalties for Regions Fund		-	-
<b>Total Net cash provided by State Government</b>		<b>40,292,940</b>	<b>36,951,142</b>
Utilised as follows:			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Payments</b>			
Employee benefits		(36,009,959)	(37,142,659)
Supplies and services		(11,222,486)	(12,554,291)
Grants and subsidies		-	-
GST payments on purchases		(1,338,723)	(1,418,379)
GST payments to taxation authority		-	(1,601)
Other payments		(4,284,144)	(3,904,629)
<b>Receipts</b>			
Fee for service		1,295,635	2,233,597
Student fees and charges		5,325,156	6,640,173
Ancillary trading		292,551	301,926
Commonwealth grants and contributions		31,630	138,607
Interest received		318,040	395,361
GST receipts on sales		310,858	285,873
GST receipts from taxation authority		1,094,935	863,953
Other receipts		1,726,083	2,088,755
<b>Net cash used in operating activities</b>	6.1	<b>(42,460,424)</b>	<b>(42,073,314)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
<b>Payments</b>			
Purchase of non-current physical assets		(873,207)	(175,966)
Capital Contribution		-	-
<b>Receipts</b>			
Proceeds from sale of non-current physical assets		405,000	-
Capital Contribution		-	-
<b>Net cash provided by investing activities</b>		<b>(468,207)</b>	<b>(175,966)</b>
Net increase in cash and cash equivalents		<b>(2,635,691)</b>	<b>(5,298,138)</b>
Cash and cash equivalents at beginning of period		10,163,578	15,461,716
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>	6.1	<b>7,527,887</b>	<b>10,163,578</b>

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



DISCLOSURES AND LEGAL COMPLIANCE

<b>Central Regional TAFE</b>					
<b>STATEMENT OF CHANGES IN EQUITY</b>					
<b>FOR THE YEAR ENDED 31 DECEMBER 2018</b>					
	<b>Notes</b>	<b>Contributed Equity</b>	<b>Reserves</b>	<b>Accumulated Surplus / (Deficit)</b>	<b>Total Equity</b>
		<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance at 1 January 2017</b>		<b>128,076,576</b>	-	<b>(4,547,547)</b>	<b>123,529,029</b>
Restated balance at 1 January 2017		128,076,576	-	(4,547,547)	123,529,029
Surplus/(deficit)				(9,585,555)	(9,585,555)
Total comprehensive income for the period		-	-	(9,585,555)	(9,585,555)
Transaction with owners in their capacity as owners:	8.8				
Capital appropriations		3,510,421	-	-	3,510,421
Total		3,510,421	-	-	3,510,421
<b>Balance at 31 December 2017</b>		<b>131,586,997</b>		<b>(14,133,102)</b>	<b>117,453,895</b>
<b>Balance at 1 January 2018</b>		<b>131,586,997</b>	-	<b>(14,133,102)</b>	<b>117,453,895</b>
Restated balance at 1 January 2018		131,586,997	-	(14,133,102)	117,453,895
Surplus/(deficit)				(9,322,822)	(9,322,822)
Total comprehensive income for the period		-	-	(9,322,822)	(9,322,822)
Transaction with owners in their capacity as owners:	8.8				
Capital appropriations		2,738,756	-	-	2,738,756
Distribution to owners		-	-	-	-
Total		2,738,756	-	-	2,738,756
<b>Balance at 31 December 2018</b>		<b>134,325,753</b>	-	<b>(23,455,924)</b>	<b>110,869,829</b>

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

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

##### 1. Basis of preparation

Central Regional TAFE (the College) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The College is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units.

A description of the nature of its operations and its principal activities have been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Managing Director of the College on 5 March 2019.

##### Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- 1) The *Financial Management Act 2006* (FMA)
- 2) The Treasurer's Instructions (the Instructions or TI)
- 3) Australia Accounting Standards (AAS) including applicable interpretations
- 4) Where appropriate, those AAS paragraphs applicable for not-for profit entities have been applied.

The *Financial Management Act 2006* and the Treasurer's Instructions (the Instructions) take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had 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.

##### Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and historical cost convention. Certain balances will apply a different measurement basis (such as fair value basis). Where this is the case the different measurement basis is disclosed in the associated note.

##### Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

##### Contributed equity

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

The transfer of net assets to/from other agencies, other than as a result of a restructure of administrative arrangements, are designated as contributions by owners where the transfers are non-discretionary and non-reciprocal

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

#### 2. Use of our funding

##### Expenses incurred in the delivery of services

This section provides additional information about how the College's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the College in achieving its objectives and the relevant notes are:

	Notes	2018	2017
Employee benefits expenses	2.1(a)	36,107,296	37,084,428
Employee related provisions	2.1(b)	6,990,376	7,092,374
Other expenditure	2.3	20,313,782	22,209,168

##### 2.1(a) Employee benefits expenses

	2018	2017
Wages and salaries	32,212,881	33,971,418
Termination benefits	763,449	-
Superannuation – defined contribution plans <sup>(a)</sup>	3,130,966	3,113,010
<b>Total employee benefits expenses</b>	<b>36,107,296</b>	<b>37,084,428</b>

<sup>(a)</sup> Defined contribution plans includes West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBS) and other eligible funds.

**Wages and salaries:** Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax and leave entitlements.

**Termination benefits:** Payable when employment is terminated before normal retirement date, or when an employee accepts an offer of benefits in exchange for the termination of employment. Termination benefits are recognised when the College is demonstrably committed to terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

**Superannuation:** The amount recognised in profit or loss of the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESBS, or other superannuation funds. The employer contribution paid to the Government Employees Superannuation Board (GESB) in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for College purposes because the concurrent contributions (defined contributions) made by the College to GESB extinguishes the College's obligations to the related superannuation liability.

The College does not recognise any defined benefit liabilities because it has no legal or constructive obligation to pay future benefits relating to its employees. 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 College to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

**Central Regional TAFE**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2018**

**2.1(b) Employee related provisions**

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered.

	<b>2018</b>	<b>2017</b>
<b>Current</b>		
<u>Employee benefits provision</u>		
Annual leave <sup>(a)</sup>	1,940,834	2,019,906
Long service leave <sup>(b)</sup>	2,702,027	2,598,274
Deferred salary scheme <sup>(c)</sup>	81,595	38,615
Purchased leave <sup>(d)</sup>	1,232	4,478
	<b>4,725,689</b>	<b>4,661,274</b>
<u>Other provisions</u>		
Employment on-costs <sup>(e)</sup>	247,637	250,523
<b>Total current employee benefits provisions</b>	<b>4,973,326</b>	<b>4,911,797</b>
<b>Non-current</b>		
<u>Employee benefits provision</u>		
Long service leave <sup>(b)</sup>	1,943,286	2,090,896
	<b>1,943,286</b>	<b>2,090,896</b>
<u>Other provisions</u>		
Employee on-costs <sup>(e)</sup>	73,764	89,681
<b>Total non-current employee benefits provisions</b>	<b>2,017,050</b>	<b>2,180,577</b>
<b>Total employee benefits provisions</b>	<b>6,990,376</b>	<b>7,092,374</b>

(a) **Annual leave liabilities:** Classified as current as there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

The provision for annual leave is calculated at the present value of expected payments to be made in relation to services provided by employees up to the reporting date.

(b) **Long service leave liabilities:** 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 end of the reporting period.

Pre-conditional and 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.

The provision for long services leave liabilities are calculated at present value as the College does not expect to wholly settle the amounts within 12 months. The present value is measured taking into account the present value of expected future payments to be made in relation to services provided by employees up to the reporting date. These payments are estimated using the remuneration rate expected to apply at the time of settlement, and 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.

(c) **Deferred salary scheme liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period.

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

(d) **Purchased leave liabilities:** Classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. This leave must be used each calendar year and cannot be accrued from year to year.

(e) **Employment on-costs:** 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.

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when the employment to which they relate has occurred. Employment on-costs are included as part of Note 2.3 Other expenditure (apart from the unwinding of the discount (finance cost)) and are not included as part of the College's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'.

#### Employment on-costs provisions

	2018	2017
Carrying amount at start of period	340,204	401,485
Additional / (reversals of) provisions recognised	(18,803)	(61,281)
<b>Total Carrying amount at end of period</b>	<b>321,401</b>	<b>340,204</b>

#### Key sources of estimation uncertainty – long service leave

Key estimates and assumptions concerning the future 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.

Several estimates and assumptions are used in calculating the College's long service leave provision. These include:

- Expected future salary rates
- 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.

Any gain or loss following revaluation of the present value of long service leave liabilities is recognised as employee benefits expense.

#### 2.2 Grants and subsidies

Transactions in which the College provides goods, services, assets (or extinguishes a liability) or labour to another party without receiving approximately equal value in return are categorised as 'Grant expenses'. Grants can either be operating or capital in nature.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable. They include transactions such as: grants, subsidies, personal benefit payments made in cash to individuals, other transfer payments made to public sector agencies, local government, non-government schools and community groups.



**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018****2.3 Other expenditure**

	<b>2018</b>	<b>2017</b>
<b>Supplies and services</b>		
Consumables and minor equipment	2,113,991	2,009,491
Communication expenses	295,971	263,634
Utilities expenses	1,278,724	1,196,835
Consultancies and contracted services	5,342,176	5,163,746
Minor works	379,152	850,592
Repairs and maintenance	471,391	645,838
Operating lease and hire charges	1,450,024	1,955,594
Travel and passenger transport	622,810	495,607
Advertising and public relations	203,463	285,036
Staff professional development activities	85,309	112,523
Supplies and services - other	812,664	770,449
<b>Total supplies and services expenses</b>	<b>13,055,675</b>	<b>13,749,345</b>
<b>Other expenses</b>		
Audit fees	173,000	170,000
Building maintenance	1,206,408	1,089,877
Doubtful debts expense	221,681	-
Employment on-costs	2,168,339	2,056,574
Donations	-	1,500
Student prizes and awards	48,124	72,774
Losses and write-offs	143,464	137,408
Other	198,794	4
<b>Total other expenses</b>	<b>4,159,812</b>	<b>3,528,137</b>
<b>Asset revaluation decrement</b>		
Asset revaluation decrement	3,098,296	4,931,686
<b>Total asset revaluation decrement</b>	<b>3,098,296</b>	<b>4,931,686</b>
<b>Total other expenditure</b>	<b>20,313,782</b>	<b>22,209,168</b>

**Supplies and services:**

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any materials held for distribution are expensed when the materials are distributed.

**Repairs, maintenance and minor works:**

Repairs and maintenance costs are recognised as expenses as incurred, except where they relate to the replacement of a significant component of an asset. In that case, the costs are capitalised and depreciated.

**Other expenses:**

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

**Doubtful debts expense:**

Doubtful debts expense was recognised as the movement in the allowance for doubtful debts. From 2018 expected credit losses expense is recognised as the movement in the allowance for expected credit losses. The allowance for expected credit losses of receivables is measured at the lifetime expected credit losses at each reporting date. The College has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018****Employment on-costs:**

Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liabilities is included at Note 2.1(b) Employee related provisions. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.

**3. Our funding sources****How we obtain our funding**

This section provides additional information about how the College obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the College and the relevant notes are:

	Notes	2018	2017
Income from State Government	3.1	41,892,384	42,511,712
User charges and fees	3.2	7,023,746	8,757,173
Trading profit	3.3	153,252	109,839
Commonwealth grants and contributions	3.4	31,630	138,607
Interest revenue	3.5	314,954	391,224
Other revenue	3.6	1,513,710	1,617,581

**3.1 Income from State Government**

	2018	2017
Appropriation received during the period:		
Service appropriation <sup>(a)</sup>		
Delivery and Performance Agreement (DPA)	38,783,339	39,859,638
Non-DPA Grants from Department of Training and Workforce Development (DTWD)	1,337,760	1,145,985
	<u>40,121,099</u>	<u>41,005,623</u>
Services received free of charge from other State Government agencies during the period:		
Department of Training and Workforce Development		
- Corporate systems support	1,192,301	1,212,771
- Marketing and publications	20,379	22,415
- Human resources and industrial relations support	71,679	80,916
- Other	486,926	189,987
	<u>1,771,285</u>	<u>1,506,089</u>
<b>Total income from State Government</b>	<b><u>41,892,384</u></b>	<b><u>42,511,712</u></b>

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

Service appropriations fund the net cost of services delivered. Appropriate revenue comprises the following:

- Cash component

**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018****3.2 User charges and fees**

	<b>2018</b>	<b>2017</b>
<b>Fee for service</b>		
Fee for service - general	855,641	1,144,056
Fee for service - Government (other than DTWD)	34,150	68,120
International fees	83,630	182,606
Higher education	275,569	461,781
<b>Total fee for service</b>	<b>1,248,990</b>	<b>1,856,563</b>
<b>Student fees and charges</b>		
Tuition fees	4,253,893	5,046,150
Enrolment and Resource fees	957,034	1,124,088
Recognition of prior learning (RPL) fees	170,956	159,172
Incidental fees	26,952	52,854
Other College fees	73,369	216,420
<b>Total student fees and charges</b>	<b>5,482,205</b>	<b>6,598,684</b>
<b>Ancillary trading</b>		
Liveworks (not a trading activity)	284,919	264,422
Contracting and Consulting Revenue	-	12,186
Other Ancillary Revenue	7,632	25,318
<b>Total ancillary trading</b>	<b>292,551</b>	<b>301,926</b>
<b>Total User charges and fees</b>	<b>7,023,746</b>	<b>8,757,173</b>

Revenue is recognised and measured at the fair value of consideration received or receivable. Revenue is recognised for the major business activities when fees and charges are due.

**3.3 Trading Profit**

	<b>2018</b>	<b>2017</b>
<b>Bookshop</b>		
Sales	60,812	88,156
Cost of Sales:		
Opening Inventory	(108,404)	(112,680)
Purchases	(64,760)	(124,294)
	(173,165)	(236,974)
Closing Inventory	61,994	108,404
Cost of Goods Sold	(111,171)	(128,570)
<b>Total trading profit/(loss) - Bookshop</b>	<b>(50,358)</b>	<b>(40,414)</b>
<b>Cafeteria (non-training related)</b>		
Sales	519,839	356,001
Cost of Sales:		
Opening Inventory	(3,772)	(2,726)
Purchases	(323,582)	(208,976)
	(327,354)	(211,702)
Closing Inventory	5,571	3,772
Cost of Goods Sold	(321,783)	(207,930)
<b>Total trading profit/(loss) – Cafeteria (non-training related)</b>	<b>198,056</b>	<b>148,071</b>
<b>Other trading</b>		
Sales	5,555	2,182
<b>Total trading profit/(loss) – Other trading</b>	<b>5,555</b>	<b>2,182</b>
<b>Total trading profit/(loss)</b>	<b>153,252</b>	<b>109,839</b>

**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018****Closing Inventory comprises:****Current Inventories**

Finished goods

At cost

Total current inventory trading activities

**Total current inventories**

	<b>2018</b>	<b>2017</b>
	(67,565)	(112,177)
	(67,565)	(112,177)
	<b>(67,565)</b>	<b>(112,177)</b>

**Sales**

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

**Inventories**

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

**3.4 Commonwealth grants and contributions**

	<b>2018</b>	<b>2017</b>
Commonwealth specific purpose grants and contributions	31,630	138,607
	<b>31,630</b>	<b>138,607</b>

The grant has been recognised in its entirety upon receipt as the only condition applying to its use is how it can be expended and it is not subject to performance measures in terms of service delivery. As at 31 December 2018, \$31,630 of the grant has been spent.

For non-reciprocal grants, the College recognises revenue when the grant is receivable at its fair value and when its fair value as can be reliably measured.

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

**3.5 Interest revenue**

	<b>2018</b>	<b>2017</b>
Interest revenue	314,954	391,224

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

**3.6 Other revenue**

	<b>2018</b>	<b>2017</b>
Rental and facilities fees	998,359	1,217,652
Sponsorship and donations revenue	267,813	53,992
Miscellaneous revenue	247,539	345,937
	<b>1,513,710</b>	<b>1,617,581</b>

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

- Sponsorship and donations – including awards night sponsorship and donations, asset donations.
- Miscellaneous – including insurance and expense recoveries, fuel tax credits, revenue from prior years.

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

#### 4. Key assets

##### Assets utilised for economic benefit or service potential

This section includes information regarding the key assets the College utilised to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets:

	Notes	<b>2018</b>	<b>2017</b>
Property, plant and equipment	4.1.1	110,071,879	113,630,806
Total key assets		<u>110,071,879</u>	<u>113,630,806</u>

#### 4.1 Property, plant and equipment

	Land	Buildings	Buildings under construction	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Total
	\$	\$	\$	\$	\$	\$	\$
<b>Year ended 31 December 2018</b>							
<b>1 January 2018</b>							
Gross carrying amount	10,971,500	100,387,637	-	550,872	2,900,914	205,370	115,016,292
Accumulated depreciation	-	-	-	(265,230)	(994,894)	(125,363)	(1,385,487)
<b>Carrying amount at start of period</b>	10,971,500	100,387,637	-	285,642	1,906,020	80,007	113,630,806
Additions		2,761,450	55,405		638,624		3,455,479
Other disposals		(76,691)			(8,000)		(84,691)
Revaluation increments/(decrements)	(1,710,000)	(1,388,296)					(3,098,296)
Depreciation	-	(3,129,287)	-	(118,791)	(525,673)	(57,668)	(3,831,419)
<b>Carrying amount 31 December 2018</b>	9,261,500	98,554,813	55,405	166,851	2,010,970	22,339	110,071,879
Gross carrying amount	9,261,500	98,554,813	55,405	550,872	3,531,537	205,370	112,159,498
Accumulated depreciation	-	-	-	(384,021)	(1,520,567)	(183,031)	(2,087,619)



## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

##### Initial recognition

Items of property, plant and equipment, costing \$5,000 or more are measured initially at cost. Where an asset is acquired for no or nominal cost, the cost is valued at its fair value at the date of acquisition. Items of property plant and equipment 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).

Assets transferred as part of a machinery of government change are transferred at their fair value.

The cost of a leasehold improvement is capitalised and depreciated over the shorter of the remaining term of the lease or the estimated useful life of the leasehold improvement.

The initial cost for a non-financial physical asset under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

##### Subsequent measurement

Subsequent to initial recognition of an asset, the revaluation model is used for the measurement of land and buildings.

Land is carried at fair value.

Buildings are carried at fair value less accumulated depreciation and accumulated impairment losses. All other property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

**Land and buildings** are independently valued annually by the Western Australian Land Information Authority (Valuations and Property Analytics) 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.

Land and buildings were revalued as at 31 December 2018 by the Western Australian Land Information Authority. (Valuations and Property Analytics). The valuations were performed during the year ended 31 December 2018 and recognised at 31 December 2018. In undertaking the revaluation, fair value was determined by reference to market values for land: \$9,261,500 (2017: \$10,971,500) and buildings: \$98,554,813 (2017: \$100,387,637). For the remaining balance, fair value of buildings was determined on the basis of comparison with market evidence for land with low level utility (high restricted use land).

Revaluation model:

- a) Fair Value where market-based evidence is available:  
The fair value of land and buildings is determined on the basis of current market 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.

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

b) Fair value in the absence of market-based evidence:

**Buildings are specialised or where land is restricted:** Fair value of land and buildings is determined on the basis of existing use.

**Existing use buildings:** Fair value 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 determined on the depreciated replacement cost basis, the gross carrying amount is adjusted in a manner that is consistent with the revaluation of the carrying amount of the asset and the accumulated depreciation is adjusted to equal the difference between the gross carrying amount and the carrying amount of the asset.

**Restricted use land:** Fair value is determined by comparison with market evidence for land with similar approximate utility (high restricted use land) or market value of comparable unrestricted land (low restricted use land).

#### Significant assumptions and judgements

The most significant assumptions and judgements in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated economic 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.

#### 4.1.1 Depreciation and impairment

##### Charge for the period

	2018	2017
<u>Depreciation</u>		
Buildings	3,129,287	3,060,969
Motor vehicles, caravans and trailers	118,791	140,016
Plant, furniture and general equipment	525,673	545,398
Computers and communication network	57,668	71,712
<b>Total depreciation for the period</b>	<b>3,831,419</b>	<b>3,818,095</b>

As at 31 December 2018 there were no indications of impairment to property, plant and equipment.

All surplus assets at 31 December 2018 have either been classified as assets held for sale or written-off.

Please refer to Note 4.2 Intangible assets for guidance in relation to the impairment assessment that has been performed for intangible assets.

#### Finite useful lives

All property, plant and equipment having a limited useful life are systematically depreciated over their estimated useful lives in a manner that reflects the consumption of their future economic benefits. The exception to this rule includes items under operating leases.

Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Building	40 years
Motor vehicles, caravans and trailers	3 to 23 years
Plant, furniture and general equipment	3 to 28 years
Computer and communication equipment	1 to 15 years
Marine craft	7 to 10 years

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments should be made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

Land and works of art, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

#### Impairment

Non-financial assets, including items of property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired. 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.

Where an asset measured at cost is written down to its recoverable amount, an impairment loss is recognised through profit or loss.

Where a previously revalued asset is written down to its recoverable amount, the loss is recognised as a revaluation decrement through other comprehensive income.

As the College is a not-for-profit entity, the recoverable amount of regularly revalued specialised assets is anticipated to be materially the same as fair value.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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 future consumption or expiration of the asset's economic benefits and to evaluate any impairment risk from declining replacement costs.

#### 4.2 Intangible assets

The College held no goodwill or intangible assets with an indefinite useful life during the reporting period.

#### 5. Other assets and liabilities

This section sets out those assets and liabilities that arose from the College's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2018	2017
Receivables	5.1	2,546,564	2,446,001
Other assets	5.2	480,781	380,490
Payables	5.3	1,400,076	1,202,261
Other liabilities	5.4	1,434,395	984,522

**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018****5.1 Receivables**

	<b>2018</b>	<b>2017</b>
<b>Current</b>		
Receivables – Trade	1,593,038	1,510,148
Receivables – Students	1,031,638	591,431
Allowance for impairment of receivables	(608,704)	(421,862)
Accrued revenue	372,413	444,724
GST receivable	158,180	321,560
<b>Total current</b>	<b>2,546,564</b>	<b>2,446,001</b>

Receivables are recognised at original invoice amount less any allowances for uncollectible amounts (i.e. impairment). The carrying amount of net receivables is equivalent to fair value as it is due for settlement within 30 days.

**5.2 Other assets**

	<b>2018</b>	<b>2017</b>
<b>Current</b>		
Prepayments	480,175	380,000
Other	606	490
<b>Total current</b>	<b>480,781</b>	<b>380,490</b>

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**5.3 Payables**

	<b>2018</b>	<b>2017</b>
<b>Current</b>		
Trade payables	73,906	125,081
Accrued expenses	973,710	824,599
Accrued salaries and related costs	350,303	246,951
Paid parental leave payable	2,158	5,630
<b>Total current</b>	<b>1,400,076</b>	<b>1,202,261</b>

Payables are recognised at the amounts payable when the College becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30 days.

**Accrued salaries** represent the amount due to staff but unpaid at the end of the reporting period. Accrued salaries are settled within a fortnight of the reporting period end. The College considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account (see Note 6.1 Cash and cash equivalents) consists of amounts paid annually from the College appropriations for salaries expense, into a Treasury suspense account to meet the additional cash outflow for employee salary payments in reporting periods with 27 pay days instead of the normal 26 pay days. No interest is received on this account.

**Central Regional TAFE**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2018**

**5.4 Other liabilities**

<b>Current</b>	<b>2018</b>	<b>2017</b>
Income received in advance <sup>(a)</sup>	634,785	359,789
Grants and advances other <sup>(b)</sup>	777,977	606,133
Monies/deposits held in trust	21,600	18,600
Other current liabilities	33	-
<b>Balance at end of period</b>	<b>1,434,395</b>	<b>984,522</b>

<sup>(a)</sup> Includes unspent funds provided under the VET Student Loan arrangements not yet allocated to student enrolments and income received in advance from students.

<sup>(b)</sup> Provision for shortfall in student curriculum hours (SCH) delivery during the year and unspent government regional officer housing (GROH) funding.

**6. Financing**

This section sets out the material balances and disclosures associated with the financing and cashflows of the College.

	Notes
Cash and cash equivalents	6.1
Commitments	6.2

**6.1 Cash and cash equivalents**

<b>Current</b>	<b>2018</b>	<b>2017</b>
Cash and cash equivalents		
Cash on hand	4,912	4,362
Cash at bank	7,048,822	9,799,489
<b>Total cash and cash equivalents</b>	<b>7,053,734</b>	<b>9,803,851</b>
<b>Total current</b>	<b>7,053,734</b>	<b>9,803,851</b>
<b>Non-current</b>		
Restricted cash and cash equivalents non-current <sup>(a)</sup>	474,153	359,727
<b>Total non-current</b>	<b>474,153</b>	<b>359,727</b>
<b>Balance at end of period</b>	<b>7,527,887</b>	<b>10,163,578</b>

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

<sup>(a)</sup> Includes 27th pay provision.



**Central Regional TAFE**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2018**

**6.2 Commitments**

Other expenditure commitments, (Motor vehicles, Exmouth storage, Ningaloo Centre, Carnarvon airport, Merredin workshop, Muresk) contracted for at the end of the reporting period but not recognised as liabilities are payable as follows:

	<b>2018</b>	<b>2017</b>
Within 1 year	346,105	292,304
Later than 1 year and not later than 5 years	335,238	460,800
Later than 5 years	3,624	4,842
<b>Balance at end of period</b>	<b>684,967</b>	<b>757,946</b>

The totals presented for capital commitments are GST inclusive.

**Judgements made by management in applying accounting policies – operating lease commitments**

The College has entered into a number of leases for buildings for branch office accommodation. Some of these leases relate to buildings of a temporary nature and it has been determined that the lessor retains substantially all the risks and rewards incidental to ownership. Accordingly, these leases have been classified as operating leases.

**7. Risks and Contingencies**

This note sets out the key risk management policies and measurement techniques of the College.

	Notes
Financial Instruments	7.1
Contingent assets	7.2.1
Contingent liabilities	7.2.2

**7.1 Financial Instruments**

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

	<b>2018</b>	<b>2017</b>
<u>Financial assets</u>		
Cash and cash equivalents	7,053,734	9,803,851
Restricted cash and cash equivalents	474,153	359,727
Receivables <sup>(a)</sup>	2,388,384	2,124,441
<b>Total financial assets</b>	<b>9,916,271</b>	<b>12,288,019</b>
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	1,400,076	1,202,261
<b>Total financial liabilities</b>	<b>1,400,076</b>	<b>1,202,261</b>

<sup>(a)</sup> The amount excludes GST recoverable from the ATO (statutory receivable).

**7.2 Contingent assets and liabilities**

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

**7.2.1 Contingent assets**

The College has no contingent assets.

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

##### 7.2.2 Contingent liabilities

The College has no contingent liabilities.

##### Contaminated Sites

Under the Contaminated Sites Act 2003, the College is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulations (DWER). In accordance with the Act, DWER classifies these sites on the basis of the risk to human health, the environment and environmental values. Where sites are classified as contaminated - remediation required or possibly contaminated - investigation required, the College may have a liability in respect of investigation or remediation expenses.

During the period ended 31 December 2012 the former CY O'Connor Institute, which is now part of the College, reported a suspected contaminated site (the Northam Campus) to DWER. The site was subsequently classified by DWER as 'Possibly contaminated and required further investigation'. As at the date of this report, in conjunction with the Department of Training and Workforce Development (DTWD), DWER and Building Management and Works (BMW), the remediation and routine maintenance has involved the removal of a building containing asbestos and an annual burn off in October of the surrounding land to reduce fuel and identification of any Asbestos Contained Material (ACM).

##### 8. Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Events occurring after the end of the reporting period	8.1
Initial application of Australian Accounting Standards	8.2
Key management personnel	8.3
Related parties	8.4
Related bodies	8.5
Affiliated bodies	8.6
Remuneration of auditors	8.7
Non-current assets classified as held for transfer	8.8
Supplementary financial information	8.9
Explanatory statement	8.10

##### 8.1 Events occurring after the end of the reporting period

There were not significant event occurring after the reporting period.

##### 8.2 Initial application of Australian Accounting Standards

###### AASB 9 Financial instruments

AASB 9 Financial instruments replaces AASB 139 Financial instruments: Recognition and Measurements for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

The College applied AASB 9 prospectively, with an initial application date of 1 January 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, the College has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in Accumulated surplus/(deficit).

## Central Regional TAFE

### Notes to the Financial Statements

#### For the year ended 31 December 2018

The effect was not considered to be material therefore no adjustment was made to comparative information.

##### *(a) Classification and measurement*

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the College's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the College's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the College. The following are the changes in the classification of the College's financial assets:

- Receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 January 2018.
- The College did not designate any financial assets as at fair value through P/L.

In summary, upon the adoption of AASB 9, the College had the following required (or elected) reclassifications as at 1 January 2018:

	AASB 9 category		
	Amortised cost \$	Fair value through OCI \$	Fair value through P/L \$
<b>AASB 139 category</b>			
Receivables	2,546,564	-	-
	2,546,564	-	-

##### *(b) Impairment*

The adoption of AASB 9 has fundamentally changed the College's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires the College to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

The effect was not considered to be material therefore no adjustment was made to comparative information.

### 8.3 Key management personnel

The College has determined key management personnel to include the Managing Director, Governing Council, senior officers of the College and the Minister that the College assists. The College does not incur expenditures to compensate Ministers and those disclosures may be found in the Annual Report on State Finances.

**Central Regional TAFE****Notes to the Financial Statements****For the year ended 31 December 2018**

The total fees, salaries, superannuation, non-monetary benefits and other benefits for members of the Accountable Authority and senior officers of the College for the reporting period are presented within the following bands:

	<b>2018</b>	<b>2017</b>
<b>Compensation of the accountable authority (\$)</b>		
280,001 – 290,000		1
270,001 – 280,000	1	
40,001 – 50,000	1	
20,001 – 30,000	1	1
0 – 10,000	12	11
<b>Compensation of the senior officers (\$)</b>		
190,001 – 200,000	1	1
170,001 – 180,000		1
160,001 – 170,000	1	2
140,001 – 150,000	1	
130,001 – 140,000	1	1
110,001 – 120,000	1	
100,001 – 110,000		1
90,001 – 100,000	1	
20,001 – 30,000	1	
10,001 – 20,000	2	1
Accountable Authority	377,864	343,314
Senior Officers	897,587	963,707
<b>Total compensation of key management personnel</b>	<b>1,275,451</b>	<b>1,307,021</b>

Total compensation includes the superannuation expense incurred by the College in respect of key management personnel.

**8.4 Related parties**

The College is a wholly owned public sector entity that is controlled by the State of Western Australia.

Related parties of the College include:

- all cabinet ministers and their close family members, and their controlled or jointly controlled entities;
- all senior officers and their close family members, and their controlled or jointly controlled entities;
- other departments and statutory authorities, including related bodies included in the whole of government consolidated financial statements (i.e. wholly-owned public sector entities);
- associates and joint ventures of a wholly-owned public sector entity; and
- the Government Employees Superannuation Board (GESB).

**Material transactions with other related parties**

Outside of normal citizen type transactions with the College, there were no other related party transactions that involved key management personnel and/or their close family members and/or their controlled (or jointly controlled) entities.

**8.5 Related bodies**

The College has no related bodies.

**Central Regional TAFE**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2018**

**8.6 Affiliated bodies**

The College has no affiliated bodies.

**8.7 Remuneration of auditors**

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

	<b>2018</b>	<b>2017</b>
Auditing the accounts, financial statements, controls and key performance indicators	173,000	170,000

**8.8 Equity**

**Contributed equity**

	<b>2018</b>	<b>2017</b>
Balance at start of period	131,586,997	128,076,576
<i>Contributions by owners</i>		
Capital appropriation	2,738,756	3,510,421
<b>Total contributions by owners</b>	<b>134,325,753</b>	<b>131,586,997</b>
<i>Distributions to owners</i>		
Transfers to other government agencies	-	-
<b>Total distributions to owners</b>	<b>-</b>	<b>-</b>
<b>Balance at the end of period</b>	<b>134,325,753</b>	<b>131,586,997</b>

**8.9 Supplementary financial information**

**(a) Write-offs**

During the financial year, \$41,476 (2017: \$137,367) of debts due to the College were written off and \$76,691 (2017: \$0) was written off the asset register and \$25,297 (2017: \$0) of obsolete inventory.

	<b>2018</b>	<b>2017</b>
The accountable authority	143,464	137,408
	143,464	137,408

**8.10 Explanatory statement (Controlled Operations)**

All variances between estimates (original budget) and actual results for 2018, and between the actual results for 2018 and 2017. Narratives are provided for key major variances, which are generally greater than:

- 5% and \$1.1 million for the Statements of comprehensive income and cash flows, and
- 5% and \$2.5 million for the Statement of financial position.



## 8.10.1 Statement of Comprehensive Income Variances

	Variance Note	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>Expenses</b>						
Employee benefits expense		36,069,923	36,107,296	37,084,428	37,373	(977,131)
Grants and subsidies		10,133	-	-	(10,133)	-
Supplies and services	1	10,919,434	13,055,675	13,749,345	2,136,241	(693,671)
Asset revaluation decrement	2, A	-	3,098,296	4,931,686	3,098,296	(1,833,390)
Other expenses		3,746,847	4,159,812	3,528,137	412,965	631,674
Cost of sales		327,134	432,954	336,500	105,820	96,453
Depreciation and amortisation expense		3,900,385	3,831,419	3,818,095	(68,966)	13,324
<b>Total cost of services</b>		<b>54,973,856</b>	<b>60,685,452</b>	<b>63,448,191</b>	<b>5,711,595</b>	<b>(2,762,740)</b>
<b>Income</b>						
<i>Revenue</i>						
Fee for service		1,636,703	1,248,990	1,856,563	(387,713)	(607,573)
Student fees and charges	B	6,337,203	5,482,205	6,598,684	(854,999)	(1,116,480)
Ancillary trading		293,310	292,551	301,926	(759)	(9,375)
Sales		459,283	586,206	446,339	126,923	139,867
Commonwealth grants and contributions		137,506	31,630	138,607	(105,876)	(106,977)
Interest revenue		423,532	314,954	391,224	(108,578)	(76,270)
Other revenue		1,541,004	1,513,710	1,617,581	(27,294)	(103,871)
<b>Total revenue</b>		<b>10,828,541</b>	<b>9,470,246</b>	<b>11,350,924</b>	<b>(1,358,294)</b>	<b>(1,880,677)</b>
<i>Gains</i>						
Gain on disposal of non-current assets		1,864	-	-	(1,864)	-
<b>Total gains</b>		<b>1,864</b>	<b>-</b>	<b>-</b>	<b>(1,864)</b>	<b>-</b>
<b>Total income other than income from State Government</b>		<b>10,830,405</b>	<b>9,470,246</b>	<b>11,350,924</b>	<b>(1,360,158)</b>	<b>(1,880,677)</b>
<b>NET COST OF SERVICES</b>		<b>44,143,451</b>	<b>51,215,205</b>	<b>52,097,267</b>	<b>7,071,753</b>	<b>(882,064)</b>

## DISCLOSURES AND LEGAL COMPLIANCE

Variance Note	Variance Note	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>Income from State Government</b>						
	Service appropriation	40,023,252	40,121,099	41,005,623	97,847	(884,524)
	Services received free of charge	1,391,908	1,771,285	1,506,089	379,377	265,196
	<b>Total income from State Government</b>	<b>41,415,160</b>	<b>41,892,384</b>	<b>42,511,712</b>	<b>477,224</b>	<b>(619,327)</b>
	<b>(DEFICIT) FOR THE PERIOD</b>	<b>(2,728,291)</b>	<b>(9,322,822)</b>	<b>(9,585,555)</b>	<b>(6,594,528)</b>	<b>262,736</b>
<b>TOTAL COMPREHENSIVE DEFICIT FOR THE PERIOD</b>						
		<b>(2,728,291)</b>	<b>(9,322,822)</b>	<b>(9,585,555)</b>	<b>(6,594,528)</b>	<b>262,736</b>

### Major Estimate and Actual (2018) Variance Narratives

1. Supplies and Services savings not achieved against a very conservative estimate, when compared with prior year actuals. Specifically, the estimates did not include the third party training and delivery arrangements that the College has in place. The estimate for the upcoming 2019 year has been increased to reflect actual expenditure.
2. Land and building asset revaluation decrement by Landgate was not included in the estimates.

### Major Actual 2018 and Comparative (2017) Variance Narratives

- A. Land and Building asset revaluation decrement by Landgate for 2018 was more favourable than 2017.
- B. Student revenue less than prior year as a result of a combination of a decrease in enrolments, mix of profile courses and fee waivers.

DISCLOSURES AND LEGAL COMPLIANCE

8.10.2 Statement of Financial Position Variances

	Variance Note	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>ASSETS</b>						
<b>Current Assets</b>						
Cash and cash equivalents	3, C	11,821,749	7,053,734	9,803,851	(4,768,015)	(2,750,117)
Restricted cash and cash equivalents		76,000	-	-	(76,000)	-
Receivables		1,158,764	2,546,564	2,446,001	1,387,800	100,564
Inventories		99,591	67,565	112,177	(32,026)	(44,612)
Other current assets		303,804	480,781	380,490	176,977	100,292
<b>Total Current Assets</b>		<b>13,459,908</b>	<b>10,148,644</b>	<b>12,742,518</b>	<b>(3,311,264)</b>	<b>(2,593,874)</b>
<b>Non-Current Assets</b>						
Restricted cash and cash equivalents		-	474,153	359,727	474,153	114,426
Property, plant and equipment	4	120,027,734	110,071,879	113,630,806	(9,955,855)	(3,558,927)
Other non-current assets		526,711	-	-	(526,711)	-
<b>Total Non-Current Assets</b>		<b>120,554,445</b>	<b>110,546,032</b>	<b>113,990,533</b>	<b>(10,008,413)</b>	<b>(3,444,502)</b>
<b>TOTAL ASSETS</b>		<b>134,014,353</b>	<b>120,694,676</b>	<b>126,733,051</b>	<b>(13,319,677)</b>	<b>(6,038,375)</b>
<b>LIABILITIES</b>						
<b>Current Liabilities</b>						
Payables		1,611,528	1,400,076	1,202,261	(211,452)	197,815
Employee related provisions		4,560,500	4,973,326	4,911,797	412,826	61,529
Other current liabilities		276,887	1,434,395	984,522	1,157,508	449,874
<b>Total Current Liabilities</b>		<b>6,448,915</b>	<b>7,807,797</b>	<b>7,098,579</b>	<b>1,358,882</b>	<b>709,218</b>

## DISCLOSURES AND LEGAL COMPLIANCE

	Variance Note	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>Non-Current Liabilities</b>						
Employee related provisions		2,277,070	2,017,050	2,180,577	(260,020)	(163,527)
<b>Total Non-Current Liabilities</b>		<b>2,277,070</b>	<b>2,017,050</b>	<b>2,180,577</b>	<b>(260,020)</b>	<b>(163,527)</b>
<b>TOTAL LIABILITIES</b>		<b>8,725,985</b>	<b>9,824,847</b>	<b>9,279,156</b>	<b>1,098,862</b>	<b>545,691</b>
<b>NET ASSETS</b>						
		<b>125,288,368</b>	<b>110,869,829</b>	<b>117,453,895</b>	<b>(14,418,539)</b>	<b>(6,584,066)</b>
<b>EQUITY</b>						
Contributed equity		134,581,577	134,325,754	131,586,997	(255,823)	2,738,756
Accumulated surplus / (deficit)		(9,293,209)	(23,455,925)	(14,133,102)	(14,162,716)	(9,322,822)
<b>TOTAL EQUITY</b>		<b>125,288,368</b>	<b>110,869,829</b>	<b>117,453,895</b>	<b>(14,418,539)</b>	<b>(6,584,066)</b>

### Major Estimate and Actual (2018) Variance Narratives

3. Cash balances did not achieve the optimistic level of estimates in 2018 as a result of an increase in debtor / receivables levels, a decrease in revenue, drawdown on cash reserves for non-current physical assets.
4. Property, plant and equipment did not increase to the expected levels due to a decrease in non-current physical assets as well as Landgate's asset revaluation decrement.

### Major Actual 2018 and Comparative (2017) Variance Narratives

- C. Cash balances were lower in 2018 due to an increase in debtor / receivables levels, a decrease in revenue, drawdown on cash reserves for non-current physical assets.

## 8.10.3 Statement of Cash Flows Variances

	Variance Note	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>CASH FLOWS FROM STATE GOVERNMENT</b>						
Service appropriation - DTWD	5, D	36,273,252	40,292,940	36,951,142	4,019,688	3,341,798
<b>Total Net cash provided by State Government</b>		<b>36,273,252</b>	<b>40,292,940</b>	<b>36,951,142</b>	<b>4,019,688</b>	<b>3,341,798</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
<b>Payments</b>						
Employee benefits		(36,007,923)	(36,009,959)	(37,142,659)	(2,036)	1,132,700
Supplies and services	6, E	(9,202,536)	(11,222,486)	(12,554,291)	(2,019,950)	1,331,805
Grants and subsidies		(10,133)	-	-	10,133	-
GST payments on purchases		(1,316,566)	(1,338,723)	(1,418,379)	(22,157)	79,656
GST payments to taxation authority		-	-	(1,601)	-	1,601
Other payments		(3,819,643)	(4,284,144)	(3,904,629)	(464,501)	(379,515)
<b>Receipts</b>						
Fee for service		1,646,703	1,295,635	2,233,597	(351,068)	(937,962)
Student fees and charges	F	6,322,270	5,325,156	6,640,173	(997,114)	(1,315,017)
Ancillary trading		293,310	292,551	301,926	(759)	(9,375)
Commonwealth grants and contributions		137,506	31,630	138,607	(105,876)	(106,977)
Interest received		423,532	318,040	395,361	(105,492)	(77,321)
GST receipts on sales		607,786	310,858	285,873	(296,928)	24,985
GST receipts from taxation authority		748,780	1,094,935	863,953	346,155	230,982
Other receipts		1,845,852	1,726,083	2,088,755	(119,769)	(362,672)
<b>Net cash used in operating activities</b>		<b>(38,331,062)</b>	<b>(42,460,424)</b>	<b>(42,073,314)</b>	<b>(4,129,362)</b>	<b>(387,110)</b>



## DISCLOSURES AND LEGAL COMPLIANCE

	Variance notes	2018		Actual 2017	Variance Between Estimate and Actual	Variance Between Actual Results for 2018 and 2017
		Estimate	Actual			
		\$	\$			
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Payments</b>						
Purchase of non-current physical assets		(1,868,359)	(873,207)	(175,966)	995,152	(697,241)
<b>Receipts</b>						
Proceeds from sale of non-current physical assets		1,864	-	-	(1,864)	-
Capital Contribution		-	405,000	-	405,000	405,000
<b>Net cash provided by investing activities</b>		<b>(1,866,495)</b>	<b>(468,207)</b>	<b>(175,966)</b>	<b>1,398,288</b>	<b>(292,241)</b>
Net increase in cash and cash equivalents		(3,924,305)	(2,635,691)	(5,298,138)	1,288,614	2,662,447
Cash and cash equivalents at the beginning of period		16,348,765	10,163,578	15,197,431	(6,185,187)	(5,033,853)
<b>CASH AND CASH EQUIVALENTS AT THE END OF PERIOD</b>		<b>12,424,460</b>	<b>7,527,887</b>	<b>10,163,578</b>	<b>(4,896,573)</b>	<b>(2,635,691)</b>

### Major Estimate and Actual (2018) Variance Narratives

5. Service Appropriation or funding from the Department of Training and Workforce Development more than estimated. The 2018 estimate was based on the 2017 September Variation of the Delivery and Performance Agreement that include a portion of SCH handback that subsequently formed the basis for the 2018 service appropriation estimate. The estimate for the upcoming 2019 year has been increased to reflect actual expenditure.
6. Supplies and Services savings not achieved against a very conservative estimate, when compared with prior year actuals. Specifically, the estimates did not include the third party training and delivery arrangements that the College has in place. The estimate for the upcoming 2019 year has been increased to reflect actual expenditure.

### Major Actual 2018 and Comparative (2017) Variance Narratives

- D. Service Appropriation or funding from the Department of Training and Workforce Development more than compared with prior year, reflecting a lower clawback provision for finalised 2018 SCH.
- E. Savings achieved between prior year and current year due to constricted expenditure, specifically plant and equipment purchases, repairs and maintenance, gas usage, gardening and third party training and delivery arrangements.
- F. Student revenue less than prior year as a result of a combination of a decrease in enrolments, mix of profile courses and fee waivers.

**ANNUAL ESTIMATES**

In accordance with Treasurer's Instruction 953, the annual estimates for the 2019 year are hereby included in the 2018 Annual Report. These estimates do not form part of the 2018 financial statements and are not subject to audit.

<b>Central Regional TAFE</b>	<b>2019</b>
<b>2019 S40 SUBMISSION</b>	<b>Estimate</b>
<b>Statement of Comprehensive Income</b>	<b>\$</b>
<b>COST OF SERVICES</b>	
<b>Expenses</b>	
Employee benefits expense	36,066,733
Supplies and services	12,163,362
Depreciation and amortisation expense	3,829,848
Cost of sales	438,397
Other expenses	3,527,500
<b>Total Cost of Services</b>	<b>56,025,840</b>
<b>Income</b>	
<b>Revenue</b>	
Fee for service	1,023,220
Student charges and fees	6,320,700
Ancillary trading	305,313
Sales	500,215
Commonwealth grants and contributions	90,907
Interest revenue	299,600
Other revenue	1,580,233
<b>Total Revenue</b>	<b>10,120,187</b>
<b>Total income other than income from State Government</b>	<b>10,120,187</b>
<b>NET COST OF SERVICES</b>	<b>(45,905,653)</b>
<b>INCOME FROM STATE GOVERNMENT</b>	
State funds	41,047,021
Resources received free of charge	1,385,315
<b>Total income from State Government</b>	<b>42,432,336</b>
<b>SURPLUS (DEFICIT) FOR THE PERIOD</b>	<b>(3,473,317)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(3,473,317)</b>

DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE 2019 S40 SUBMISSION Statement of Financial Position	2019 Estimate \$
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	8,251,326
Inventories	112,187
Receivables	2,086,001
Other current assets	280,510
<b>Total Current Assets</b>	<b>10,730,024</b>
<b>Non-Current Assets</b>	
Restricted cash and cash equivalents	550,611
Property, plant and equipment	111,920,583
<b>Total Non-Current Assets</b>	<b>112,471,194</b>
<b>TOTAL ASSETS</b>	<b>123,201,217</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Payables	1,677,264
Provisions	5,351,946
Other current liabilities	378,390
<b>Total Current Liabilities</b>	<b>7,407,600</b>
<b>Non-Current Liabilities</b>	
Provisions	2,180,577
<b>Total Non-Current Liabilities</b>	<b>2,180,577</b>
<b>TOTAL LIABILITIES</b>	<b>9,588,177</b>
<b>NET ASSETS</b>	<b>113,613,042</b>
<b>EQUITY</b>	
Contributed Equity	134,997,153
Accumulated surplus/(deficiency)	(21,384,112)
<b>TOTAL EQUITY</b>	<b>113,613,042</b>

DISCLOSURES AND LEGAL COMPLIANCE

<b>Central Regional TAFE</b>	<b>2019</b>
<b>2019 S40 SUBMISSION</b>	<b>Estimate</b>
<b>Statement of Cash Flows</b>	<b>\$</b>
<b>CASH FLOWS FROM STATE GOVERNMENT</b>	
State funds	41,039,521
Special purpose grant/cash transferred from DTWD	0
<b>Net cash provided by State Government</b>	<b>41,039,521</b>
<b>Utilised as follows:</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>Operating Payments</b>	
Employee benefits	(36,034,233)
Supplies and services	(10,628,047)
GST payments on purchases	(1,356,566)
Cost of goods sold	(107,992)
Other payments	(3,645,720)
<b>Operating Receipts</b>	
Fee for service	1,441,407
Student fees and charges	6,077,581
Ancillary trading	305,313
Commonwealth grants and contributions	90,907
Interest received	299,600
GST receipts on sales	607,786
GST receipts from taxation authority	748,780
Sale of Goods	40,633
Other receipts	1,902,564
<b>Net cash provided by/(used in) operating activities</b>	<b>(40,257,988)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Purchase of non-current physical assets	(1,450,000)
<b>Net cash provided by/(used in) investing activities</b>	<b>(1,450,000)</b>
<b>Net increase/(decrease) in cash held and cash equivalents</b>	<b>(668,467)</b>
Cash and cash equivalents at the beginning of the period	9,470,405
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>8,801,937</b>

## DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE 2019 S40 SUBMISSION Statement of Changes in Equity	2019 Estimate \$
<b>Balance of equity at start of period</b>	<b>116,286,359</b>
<b>CONTRIBUTED EQUITY</b>	
Balance at start of period	134,197,153
Capital contribution	800,000
Balance at end of period	<b>134,997,153</b>
<b>RESERVES</b>	
<b>Asset Revaluation Reserve</b>	
Balance at start of period	0
Gains/(losses) from asset revaluation	0
Balance at end of period	0
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>	
Balance at start of period	(17,910,795)
Restated balance at start of period	<b>(17,910,795)</b>
Surplus/(deficit) or profit/(loss) for the period	(3,473,317)
Balance at end of period	<b>(21,384,112)</b>
<b>Balance of equity at end of period</b>	<b>113,613,041</b>
<b>Total income and expense for the period</b>	<b>(3,473,317)</b>



## KEY PERFORMANCE INDICATORS

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### Certification of Key Performance Indicators

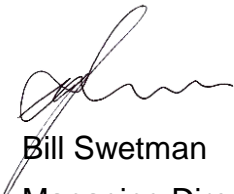
We hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Central Regional TAFE's performance, and fairly represent the performance of the Central Regional TAFE for the year ended 31 December 2018.



Mary Woodford

Governing Council Chair  
Central Regional TAFE

05 March 2019



Bill Swetman

Managing Director  
Member of Governing Council  
Central Regional TAFE

05 March 2019

## Government Goals

**Future Jobs and Skills:** Grow and diversify the economy, create jobs and support skills and development.

## Desired Outcome

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

Central Regional TAFE has developed key performance indicators to report performance relating to the effectiveness and efficiency with which the above outcome has been achieved. The College uses these indicators in reviewing its performance and in its ongoing commitment to improve its programs and services.

## Effectiveness Indicators

The effectiveness indicators measure the achievement of vocational education and training in meeting community and industry needs via student and graduate satisfaction, labour force status of graduates and profile achievement.

### Key Effectiveness Indicator 1.1: Overall Student Satisfaction

To determine performance against Key Performance Indicator 1.1 (Student Satisfaction), the College has used the WA Student Satisfaction Survey 2018, conducted by EY Sweeney on behalf of the Western Australian Department of Training and Workforce Development (DTWD).

The aim of the survey is to gain an understanding of students' training requirements and to measure the quality of the delivery of training and services provided by Central Regional TAFE.

The overall student satisfaction rating calculates 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 College. Students were asked to respond to the question 'Overall, how satisfied were you with your course?' on a five point scale where one is 'very satisfied' and five is 'very dissatisfied'. Table One shows the proportion of respondents who were either very satisfied or satisfied overall with their course(s).

Table One: Overall Student Satisfaction Rate

	2016 Actual	2017 Actual	2018 Target	2018 Actual
Central Regional TAFE	92.2%	90.3%	93.5%	92.0%
Western Australia	88.9%	87.3%	NA	88.2%

**Source:** EY Sweeney, Student Satisfaction Survey 2018

#### Derivation:

The total population for Central Regional TAFE was 4,609 students and 896 responses were received. This represents a response rate of 19.44%. The College's relative confidence interval was  $\pm 1.6\%$  at the 95% confidence level.

The total population for the whole of Western Australia (excluding private training providers) was 48,090 students and 10,921 responses were received. This represents a response rate of 22.7%. The whole of Western Australia's relative confidence interval was  $\pm 0.5\%$  at the 95% confidence level.

**Notes:** These figures are representative for the whole of 2018.

The WA Student Satisfaction Survey is an annual survey amongst students who are funded under the National Agreement for Skills and Workforce Development. The following student groups have been excluded from the scope of the survey: international full fee paying students, students undergoing training through a school based program VET Delivered to Secondary Students (VETDSS), students who are in a correctional facility and students aged less than 15 years.

All data described in this report have been weighted to reflect the total student population based on a combination of student gender (male/female), age group (15-19, 20-29, 30-44, 45+), student status (IBS, EBS) and training provider. Weight cells with a zero count for the population and survey data were removed.

**Key Effectiveness Indicator 1.2: Graduate Achievement Rate**

The Social Research Centre conducts the annual Student Outcomes Survey on behalf of the National Centre for Vocational Education and Research (NCVER). The aim of the survey is to measure vocational education and training students’ employment status, further study and the options of the training undertaken.

Graduate achievement is a question in the Student Outcomes Survey and measures the extent to which the College graduates have wholly or partly achieved their main reason for undertaking their course. The measure shows the proportion of graduates who indicated they had fully achieved or partly achieved their main reason for doing the training. The question has four response options ‘Yes’, ‘No’, ‘Partly’ or ‘Don’t know yet’.

Past Student Outcome Survey data was only available for agencies biennially.

In 2018 the survey was expanded to include data for all Register Training Organisations with:

- 100 or more domestic graduates in 2017
- 860 or more domestic potential subject completers in 2017.

The College was not aware of the changes made to the 2018 Student Outcomes Survey and as a result, no 2018 targets were set. For comparative purposes, the 2017 targets have been included in the report.

Table Two: Graduate Achievement

	2017 Target	2017 Actual	2018 Actual
Central Regional TAFE	91.0%	89.1%	87.2%
TAFE Australia	NA	83.2%	82.1%
All VET providers Australia	NA	84.2%	84.2%

**Source:** 2018 Student Outcomes Survey, National Centre for Vocational Education Research (NCVER)

**Derivation:** The total population of Central Regional TAFE graduates is 917 and 308 valid responses were received. The College’s relative confidence interval was ±2.2% at the 95% confidence level.

**Key Effectiveness Indicator 1.3: Graduate Destination Rate**

Graduation destination data is also taken from the Student Outcome Survey and measures the proportion of graduates in employment. This measure shows the extent to which the organisation is providing relevant, quality training that enhances student employability. Graduate employment status measures who was employed, unemployed or not in the labour force.

## DISCLOSURES AND LEGAL COMPLIANCE

Table Three: Graduate Employment Outcomes

	2017 Target	2017 Actual	2018 Actual
<b>Graduates Employed</b>			
Central Regional TAFE	89.0%	80.6%	78.9%
TAFE Australia	NA	73.1%	72.4%
All VET providers Australia	NA	77.7%	77.3%
<b>Graduates Unemployed</b>			
Central Regional TAFE	NA	13.5%	12.3%
TAFE Australia	NA	16.5%	16.5%
All VET providers Australia	NA	14.4%	14.2%
<b>Graduates Not in Labour Force</b>			
Central Regional TAFE	NA	5.9%	8.8%
TAFE Australia	NA	10.4%	11.0%
All VET providers Australia	NA	7.9%	8.5%

**Source:** 2018 Student Outcomes Survey, National Centre for Vocational Education Research (NCVER)

**Derivation:**

The total population of Central Regional TAFE graduates was 917 and 308 valid responses were received.

The total population of TAFE Australia graduates was 118,297 and 47,806 valid responses were received.

The total population of All VET providers Australia graduates was 393,156 and 143,519 valid responses were received.

### Key Effectiveness Indicator 1.4: Achievement of Profile Delivery

This performance indicator reports the effectiveness of Central Regional TAFE in meeting targets in the Delivery and Performance Agreement (DPA), through which the College is resourced to deliver training purchased by Government. Purchased delivery takes into consideration the needs of the local community, individuals and the workforce development requirements of industry. Through this delivery the College is able to assist clients to achieve their desired training outcomes.

Table Four: Achievement of 2018 Profile, Estimated Vs Achieved SCH

	Target SCH	Achieved SCH	% Achieved
2016	2,283,668	1,876,357	82.2%
2017	2,240,292	1,929,043	86.1%
2018	<b>1,915,978</b>	<b>1,857,162</b>	<b>96.9%</b>

**Source:** Central Regional TAFE Delivery and Performance Agreement (DPA) for the target SCH and TECH One Student Management System for achieved SCH

**Notes:**

- i 2016 DPAs were produced on a full-year basis. The above target SCH included profile delivery up to 11 April 2016.
- ii The % Profile Achievement is obtained by dividing the actual DPA SCH achieved by the Target SCH contained within the DPA

## Overall Achievement of Profile Delivery

This performance indicator shows the overall percentage of Student Curriculum Hours (SCH) achieved for training purchased by the Department of Training and Workforce Development and summarises the data in Table Five.

## Achievement of Profile Delivery by ANZSCO Group

This measure indicates the estimate (i.e. amount purchased) and actual achievement of Student Curriculum Hours (SCH) by the State Australian and New Zealand Standard Classification of Occupation (ANZSCO) Groups. The classification of these Groups is based on the occupation or outcome the course is intended to serve, and highlights the College's performance in achieving delivery targets.

Table Five: Achievement of 2018 Profile by the State Australian and New Zealand Standard Classification of Occupation Groups

ANZSCO Group		2018 Target SCH	2018 Actual SCH
<b>1</b>	<b>MANAGERS</b>	<b>46,840</b>	<b>38,181</b>
11	Chief Executives, General Managers and Legislators	14,000	13,455
12	Farmers and Farm Managers	5,900	4,805
13	Specialist Managers	6,440	6,080
14	Hospitality, Retail and Service Managers	20,500	13,841
<b>2</b>	<b>PROFESSIONALS</b>	<b>131,934</b>	<b>118,602</b>
21	Arts and Media Professionals	29,000	23,848
22	Business, Human Resource and Marketing Professionals	6,720	2,460
23	Design, Engineering, Science and Transport Professionals	67,525	60,059
24	Education Professionals	17,689	15,395
26	ICT Professionals	11,000	15,640
27	Legal, Social and Welfare Professionals	-	1,200
<b>3</b>	<b>TECHNICIANS AND TRADES WORKERS</b>	<b>331,733</b>	<b>378,077</b>
31	Engineering, ICT and Science Technicians	65,649	26,742
32	Automotive and Engineering Trades Workers	110,975	181,844
33	Construction Trades Workers	38,243	53,054
34	Electrotechnology and Telecommunications Trades Workers	39,000	36,460
35	Food Trades Workers	36,702	33,347
36	Skilled Animal and Horticultural Workers	31,864	38,095
39	Other Technicians and Trades Workers	9,300	8,535
<b>4</b>	<b>COMMUNITY AND PERSONAL SERVICE WORKERS</b>	<b>446,560</b>	<b>446,749</b>
41	Health and Welfare Support Workers	178,485	155,713
42	Carers and Aides	169,855	234,807
43	Hospitality Workers	18,360	8,780
44	Protective Service Workers	5,000	-
45	Sports and Personal Service Workers	74,860	47,449
<b>5</b>	<b>CLERICAL AND ADMINISTRATIVE WORKERS</b>	<b>149,675</b>	<b>168,557</b>
51	Office Managers and Program Administrators	17,500	17,025
53	General Clerical Workers	77,175	67,337
55	Numerical Clerks	26,800	37,285
59	Other Clerical and Administrative Workers	28,200	46,910
<b>6</b>	<b>SALES WORKERS</b>	<b>17,135</b>	<b>7,476</b>
61	Sales Representatives and Agents	12,000	520
62	Sales Assistants and Salespersons	5,135	6,956



## DISCLOSURES AND LEGAL COMPLIANCE

ANZSCO Group		2018 Target SCH	2018 Actual SCH
<b>7</b>	<b>MACHINERY OPERATORS AND DRIVERS</b>	<b>262,400</b>	<b>305,840</b>
71	Machine and Stationary Plant Operators	112,400	37,069
72	Mobile Plant Operators	126,000	267,206
73	Road and Rail Drivers	24,000	1,565
<b>8</b>	<b>LABOURERS</b>	<b>285,181</b>	<b>251,925</b>
82	Construction and Mining Labourers	52,100	62,766
83	Factory Process Workers	31,445	24,311
84	Farm, Forestry and Garden Workers	93,441	75,038
85	Food Preparation Assistants	12,270	11,072
89	Other Labourers	95,925	78,738
<b>G</b>	<b>GENERAL EDUCATION</b>	<b>244,520</b>	<b>141,755</b>
GB	Adult Literacy	128,700	56,835
GE	Targeted Courses	115,820	84,920
<b>Total SCH</b>		<b>1,915,978</b>	<b>1,857,162</b>

**Source:** Central Regional TAFE Delivery and Performance Agreement (DPA) for the target SCH and TECH One Student Management System for achieved SCH

**Note:** A decline in student numbers in the Gascoyne and Goldfields regions attributed to the shortfall of total SCH achieved.

### Efficiency Indicator

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

#### Key Efficiency Indicator 1.1: Overall cost per SCH

The overall cost per SCH demonstrates the efficiency with which the College manages its resources to enable the provision of vocational education and training services to meet community and industry needs.

The aggregate unit cost is calculated by determining the total cost of services, as reported in the College's 2018 Financial Statements, and dividing by the actual SCH delivered for profile and non-profile, excluding credit transfers, exam only and continuing students.

Table Six: Cost per Student Curriculum Hours (\$/SCH)

	2016 Actual	2017 Actual	2018 Target	2018 Actual
\$ per SCH	NA	\$30.30	\$26.74	\$30.42

**Source:** Financial Statements and TECH One Student Management System.

**Notes:**

- i The College was exempt from reporting cost per SCH in 2016.
- ii The leading cause of the overrun was the shortfall in SCH delivered due to fewer student enrolments than expected in the Gascoyne and Goldfields.
- iii Other causes for higher Cost per SCH than target were the \$3.1m Land and Buildings revaluation decrement and additional supplies and services expense of \$2.1m than originally estimated.