



20 | ANNUAL 19 | 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 2019 to 31 December 2019.

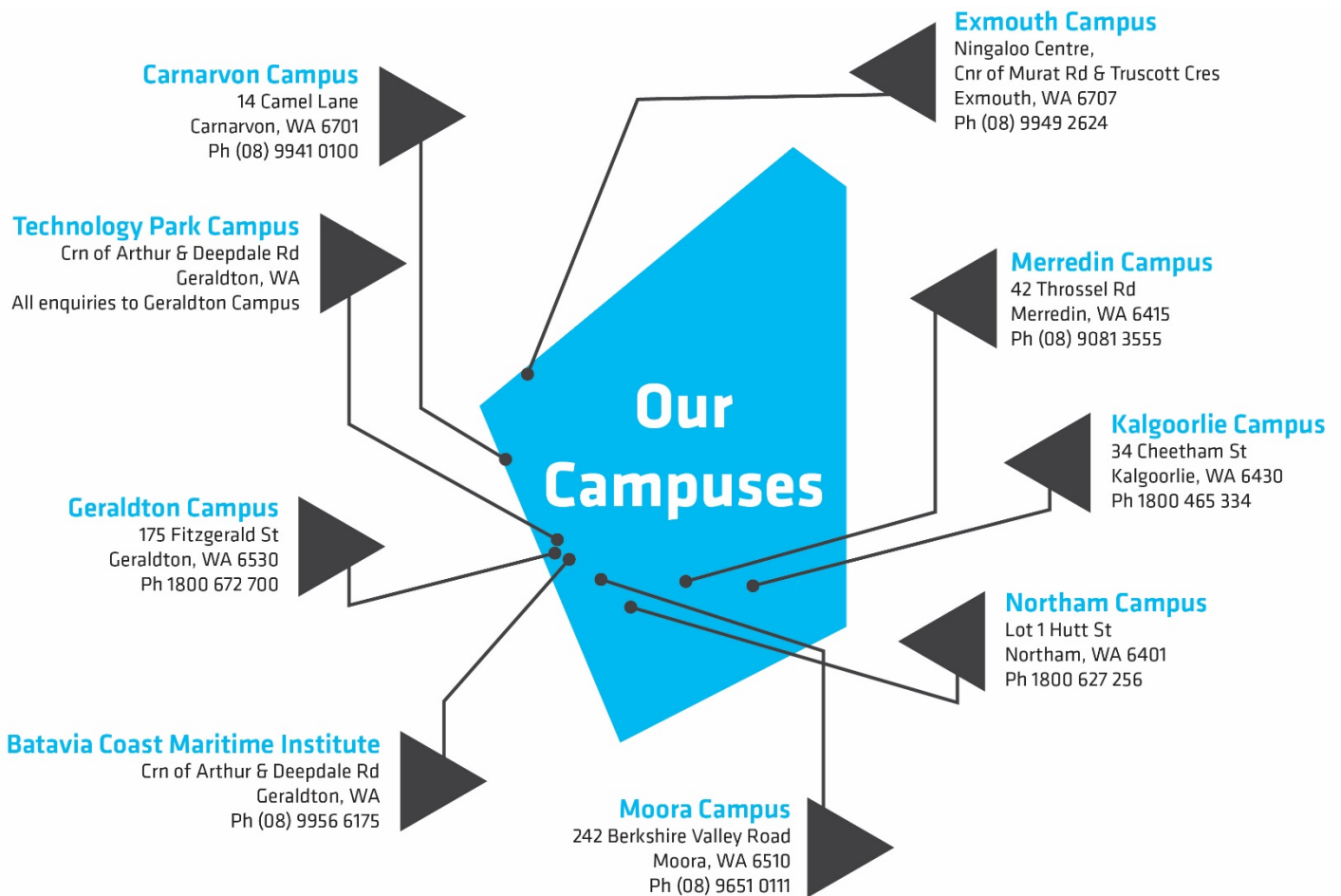
As part of our continuous improvement approach we welcome any feedback on this report or suggestions on how we can enhance the information we provide. This Annual Report is also available in alternative formats upon request.

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



STATEMENT OF COMPLIANCE

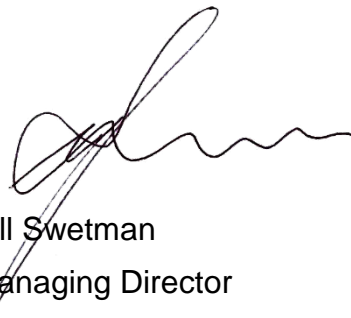
Hon Sue Ellery, MLC
Minister for Education and Training
13th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

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 2019.

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
11 March 2020



Bill Swetman
Managing Director
Central Regional TAFE
11 March 2020

THE YEAR IN REVIEW

MESSAGE FROM THE GOVERNING COUNCIL CHAIR AND MANAGING DIRECTOR

On behalf of Central Regional TAFE (CRT) we are pleased to present the 2019 Annual Report.

Achieving our overall training target for the year proved challenging. However, solid performances in the Mid-West and Gascoyne regions were notable, with the Wheatbelt and Goldfields regions expected to pick up significantly in 2020. For next year, all regions are expecting to achieve a higher response to the Government's *Lower Fees, Local Skills* initiative for students (to enrol in qualifications such as tourism, individual support, mental health, engineering, community services, civil construction and hospitality).

Industry areas that performed well in 2019 included:

- Automotive and Engineering Trades
- Conservation and Land Management
- Education Support and Early Childhood Care
- Courses associated with mining and the broader resources sector including plant operator and civil construction.
- Nursing

Of particular note in 2019 was an increase in delivery to Apprentices across most trades areas and in all three of the College's major campus locations.

Significant achievements were made in 2019 to support Aboriginal students and staff. Most importantly this included establishing a regionally representative Aboriginal Advisory Group. The group will be instrumental in providing input and guidance in our Reconciliation Action Plan, Aboriginal Engagement Strategy and Aboriginal Employment Strategy. Additionally, the Aboriginal Training Plan was revamped to be inclusive of training delivery, student services and organisational capability and retitled Aboriginal Services Capability Plan.

During the year, Central Regional TAFE's Strategic Plan was revised and updated and approved by the College Governing Council following consultation with the Corporate Executive, CRT's Leadership group, staff, students and external stakeholders. In particular, the Plan draws on the WA Government's *Our Priorities: Sharing Prosperity*, in response to the challenge of focusing capacity to deliver better outcomes for all Western Australians and the State Science, Technology, Engineering and Mathematics (STEM) Skills Strategy *Future Jobs Future Skills*.

CRT's 2019 Student Satisfaction rating of 92.6% is a testament to the quality of training that is provided by lecturers across the broad range of qualifications that the College offers. This is a remarkable achievement considering the vastness of the regions covered, number of and location of CRT's nine campuses and the many modes of delivery and assessment options provided. In 2019 there was a greater movement of lecturers between campuses to deliver training, which is a positive indicator for improved operations. This is

significant because travel could mean temporary relocation to Geraldton, Carnarvon, Kalgoorlie or Northam campuses to deliver training, often a week or more at a time over a term, semester or year.

Our college and students again proved to be among the best in 2019; both winning or competing in Regional, State or National events. Notable achievements included:

- Central Regional TAFE: finalist, Large Training Provider of the Year
- Aimee-Lee Vince: gold medal, WorldSkills regional competition (hairdressing)
- Ethan Wallace: gold medal, WorldSkills regional competition (automotive mechanics)
- Bailey O'Donnell: gold medal, WorldSkills regional competition (plumbing)
- Sophie Stribley: gold medal, WorldSkills regional VET delivered to Schools competition (hairdressing)

The success of any training institution can be measured by the strengths it has with its industry partners. This is very true for Central Regional TAFE and we acknowledge the continued support and contribution of employers across many industries and in all regions that we deliver training. We are particularly proud that our apprenticeship and traineeship programs are a strength of the College and expect these to grow in 2020. With financial support from industry we have increased our student scholarship program, student graduation awards, and continue to gratefully receive equipment donations, such as the BHP Nickel West fire truck to support apprenticeship training in Kalgoorlie.

Particular College achievements in 2019 included the following:

- Approval to build a state-of-the-art Health Care Training Centre at the Kalgoorlie campus, to be constructed in 2020. The Centre will allow for expansion of training programs in nursing, aged care, disability services, individual support and mental health. Features include a fully equipped eight bed hospital ward, reception area, medication room, showers, pan room and an aged care residence.
- Based in Geraldton, our Batavia Coast Maritime Institute, in an Australian first for marine ornamentals aquaculture, successfully spawned and cultured a coral reef fish species, flathead perch. This was the first time in the world that a large volume of the species has been brought to market size.
- Hosted events at our Geraldton, Kalgoorlie and Northam campuses to celebrate International Day of People with Disability (IDPwD). IDPwD is a United Nations sanctioned day that aims to increase public awareness, understanding and acceptance of people with disability and celebrate their achievements and contributions.
- GovHack is the largest open government and open data hackathon in the southern hemisphere. CRT was pleased to be able to host this event in Geraldton in 2019. The aim of the event is to produce a “hack” using Australian government data. The international competition attracts thousands of participants each year who come together in simultaneous events taking place in major and regional cities across the country.

- Development of a Reconciliation Action Plan for the College, and the establishment of an Aboriginal Advisory Group with representatives from Carnarvon, Geraldton, Northam, Kalgoorlie and Perth to provide cultural and strategic advice on Vocational Education and Training for Aboriginal people.

Our thanks go to the members of the College Governing Council for their valued contribution and oversight and to the staff of the College who make vocational training and the path to employment a reality for people that live in the regions we service.



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,
MERRIDIN, MOORA,
NORTHAM & THREE IN
GERALDTON



SERVICES A GEOGRAPHIC
AREA OF **1,427,397** KM²
WITH A POPULATION OF
150,000 PEOPLE

ENROLS APPROX. **10,000**
STUDENTS EACH YEAR



X 10000

STRONG EMPHASIS
ON CONSULTATION
WITH INDUSTRY &
THE COMMUNITY



OVER
300
COURSES

NATIONALLY RECOGNISED
TRAINING PROVIDER



WA TRAINING
PROVIDER OF THE
YEAR FINALISTS

2019 WA TRAINING AWARDS

OFFER AN EXTENSIVE RANGE OF QUALIFICATIONS



STRATEGIC PLAN 2020 - 2022

Our Strategic Plan 2020 – 2022 outlines directions for Central Regional TAFE for the next three years and reflects State and regional priorities for training and workforce development, as set out in the following key plans, strategies, initiatives and expectations:

- WA Labor Plan for Jobs
- Our Priorities: Sharing Prosperity
- State Training Plan 2018 – 2021
- Regional Labour Market Reviews
- Priorities for training as indicated by the Department of Training and Workforce Development
- WA Minister for Education and Training, Statement of Expectation.



In particular, the Plan draws on the WA Government's *Our Priorities: Sharing Prosperity*, in response to the challenge of focusing capacity to delivery better outcomes for all Western Australians and the State Science, Technology, Engineering and Mathematics (STEM) Skills Strategy *Future Jobs, Future Skills*.

The Strategic Plan was developed in consultation with the Governing Council, staff, students, industry and community. The outcomes and key strategic initiatives from this consultation process are included in the Plan.

The Strategic Plan 2020 – 2022 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 next three (3) years.

Strategic Goal 1: Provide Industry Relevant and Quality Assured Training

- Ensure that training priorities reflect the needs of industry
- Build, promote and grow areas of specialisation
- Deliver STEM skills embedded within VET qualifications
- Build our digital capability to increase accessibility and efficiency of delivery
- Provide a high-quality student experience
- Enhance training opportunities for Aboriginal people and under-represented groups

Strategic Goal 2: Enhance Strategic Relationships and Partnerships

- Develop and adopt a contemporary engagement model
- Partner with industry, government agencies and stakeholders
- Grow *Jobs and Skills Centres* and ensure they are effective and efficient
- Foster training and education pathways with high schools and universities
- Support regional economies through provision of training and workforce development services

Strategic Goal 3: Be a Sustainable, Business Ready, Can Do Organisation

- Embrace best practice in:
 - Risk Management
 - Budget and resource management
 - Transparency and accountability
 - Providing a safe working environment
 - Governance
 - Workforce management and development
- Foster an organisational culture that reflects our values
- Demonstrate contemporary leadership

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



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 2019

Training Delivery

Central Regional TAFE delivered a total of 1,890,188 Student Curriculum Hours (SCH) to 9,260 students in 10,614 course enrolments over the 2019 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:

- Nursing, Individual Support and Community Services attained consistent enrolment outcomes in the Midwest with enrolments in the Diploma of Nursing also consistent in the Wheatbelt and Goldfields.
- Early Childhood Care and Education Support exhibited growth in enrolments.
- Maritime Operations across several levels of Marine Engine Driving increased in 2019, being delivered in Geraldton, Carnarvon and Exmouth.
- Automotive, including Agricultural Mechanical Technology and Engineering, plus Metal Fabrication enrolments have been strong across CRT's regions.
- The resources sector and associated industries continue to demonstrate strong enrolments across several regions particularly in machinery and plant operator training and civil construction.

A highlight of 2019 was an increase in Employment Based Training, seen across CRT's regions.

Training Priority	Planned SCH	Actual SCH	%
Employment Based Training	247,603	329,417	133.0
Priority Industry Training	467,268	374,143	80.1
General Industry Training	1,201,107	1,186,628	98.8
Total	1,915,978	1,890,188	98.7

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 2019, methods for collecting feedback included:

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

Student Satisfaction Survey

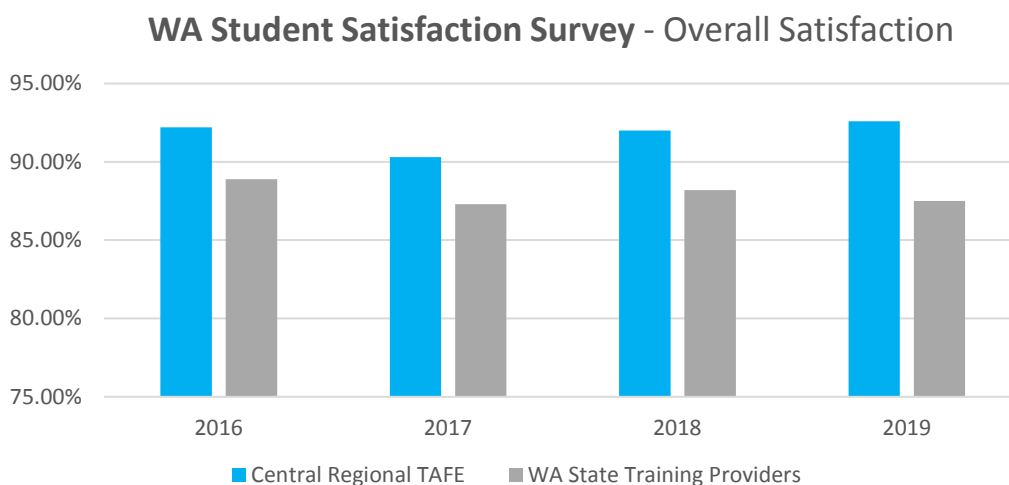
The WA Student Satisfaction Survey is conducted to gain an understanding of students' training requirements and to measure the quality of the delivery of training and services provided by Central Regional TAFE.

Results from the 2019 survey show overall satisfaction of 92.6% for CRT, an increase of 0.6% from 2018.

Further analysis of the data also indicates a positive trend of increasing satisfaction amongst the following client groups and in relation to the quality of trainers and facilities available:

- 94.7% satisfaction by students with disability
- 93.0% satisfaction by institution based students (IBS)
- 92.9% satisfaction with the quality of trainers and instructors
- 90.5% satisfaction with the facilities available

CRT also continues to exceed the state average for student satisfaction.



Source: 2019 WA Student Satisfaction Survey, conducted by EY Sweeney Research on behalf of the Department of Training and Workforce Development.

Student Outcomes Survey

The Student Outcomes Survey 2019 provides information on the outcomes of graduates who completed nationally recognised vocational education and training (VET) during 2018 and were awarded a qualification, or who completed at least one subject and left the VET system without obtaining a qualification.

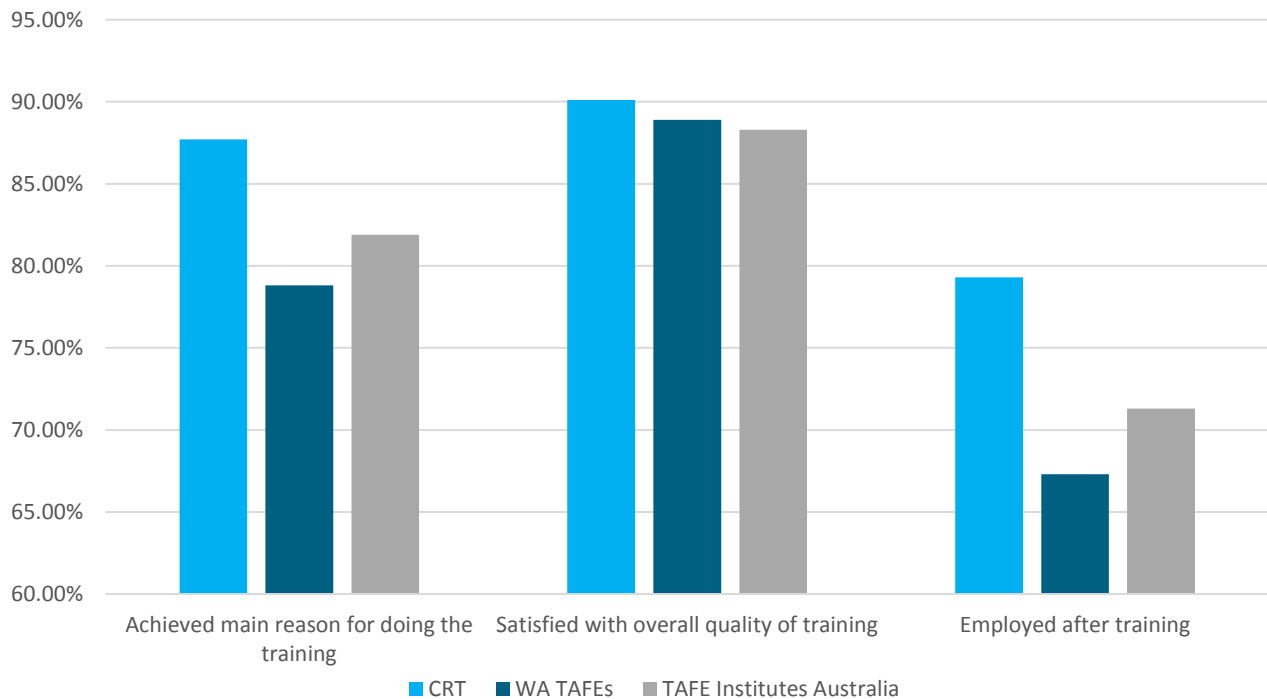
Information is presented on graduates’ reasons for training, employment outcomes, further study outcomes and satisfaction with training.

The following chart is a snapshot of student responses to key questions:

- Achieved main reason for doing the training
- Satisfied with the overall quality of the training
- Employed after training

With reference to the data below, Central Regional TAFE graduates scored significantly higher than WA TAFE Institutes and TAFE Institutes Australia in these three questions.

2019 Student Outcomes Survey (NCVER)



OPERATIONAL STRUCTURE

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.

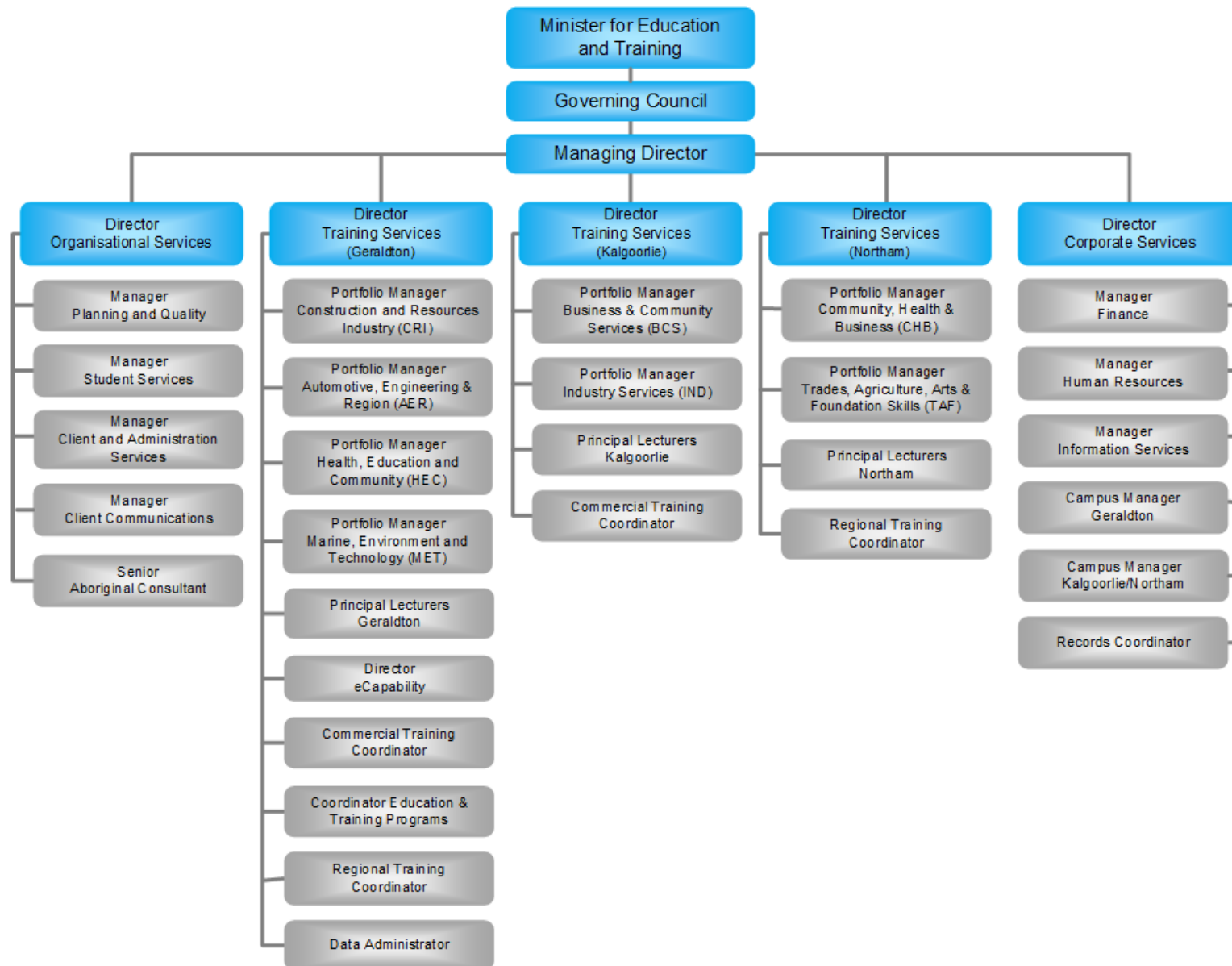
Organisational Structure

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 2019.

Organisational Structure as at December 2019



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, the Finance, Audit and Risk Management Committee and the Nominations Committee, which are sub-committees 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 2019 were: (NB: Robert Jefferies ceased membership of Governing Council on 13 December 2019):



Mary Woodford
(Chair)
LLB, MPH,
BA (Hons)
FAICD FGIA



Christine Rafanelli
(Deputy Chair)
Grad Cert
Management; BEd



Bill Swetman
Managing Director
Central Regional
TAFE



Eileen O’Connell
MAICD



Yvonne Messina, JP
BArts; BEd; Grad
Cert Legal



Graeme Wilmot
Grad Dip
Management



Kylie Le Lieve
Dip Aboriginal
Primary Health Care
Practice



Robert Jefferies
MBA



Anthony Evans
B Bus, Dip Ed,
FCPA, FCIS, FGIA,
FAICD



Colin Murphy
BCom; FCPA; FCA;
FIPAA; GAICD



Rebecca Davidson
GAICD; BA Hons;
M.Sc (Economics)

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 2019:



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.



Chelsie Grace, 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.

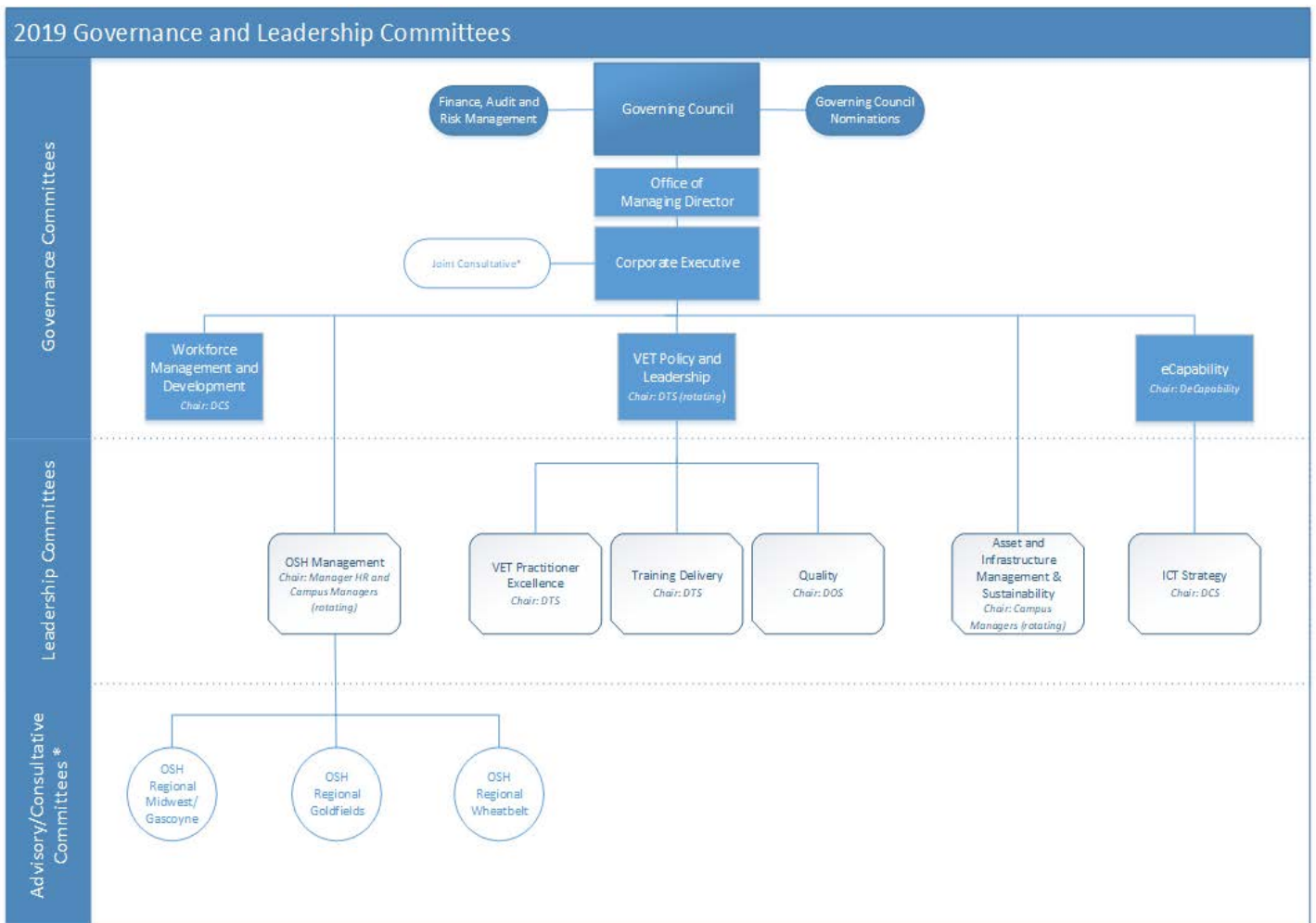
Governance Structure

Initially created in 2016, CRT's Governance and Leadership Framework consists of committees categorised as either Governance, Leadership or Advisory.

It includes the College Governing Council as the accountable authority and Corporate Executive assuming overall strategic and operational management responsibility to acquire and share key strategic information and advice from other Governance and Leadership Committees. Collectively, they contribute to the operation of the College.

Membership of the committees comprises a mixture of staffing appointments to ensure there is an appropriate spread of expertise, responsibilities and representative staff. This provides for decisions and recommendations based on sound advice and aligned to the distinct role and purpose of the committee.

The structure ensures CRT has in place an effective corporate governance framework that focuses on achieving our Strategic Directions. The College governance framework is reviewed annually.



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 CRT. The Finance, Audit and Risk Management Committee provides oversight of the risk management process at CRT and in particular ensures all strategic risks are identified, documented and monitored.

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>Future Jobs and Skills</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"> • Deliver nationally recognised qualification training programs • Provide apprenticeship and traineeship training • Deliver flexible training in a variety of settings and provide a range of delivery modes • Provide learning pathways that offer opportunities for achievement at higher AQF levels • Provide Commercial training - customised training and short courses

Changes to Outcome Based Management Framework

Central Regional TAFE’s Outcome Based Management Framework did not change during 2019.

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. CRT 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	2019 Target	2019 Actual	Variation
Total cost of services (Source: Statement of Comprehensive Income)	\$56,025,841	\$58,532,356	\$2,506,515
Reason for Significant Variation: - \$935k additional lecturing salaries not included in target. - \$782k non-cash depreciation for AASB 16 lease arrangements implemented in 2019 not included in target. - \$518k non-cash asset revaluation decrement from Landgate not included in target. - \$413k additional building repairs, payroll tax (as a result of an increase in salaries) not included in target.			
Net cost of services (Source: Statement of Comprehensive Income)	\$45,905,653	\$47,520,299	\$1,614,646
Reason for Significant Variation: Additional total cost of services of \$2.5m only reduced slightly by an additional \$892k of revenue, where the additional revenue was a non-cash gain in asset revaluation increment from Landgate.			
Total equity (Source: Statement of Financial Position)	\$113,613,041	\$106,005,630	\$7,607,411
Reason for Significant Variation: - \$5.5m additional deficit for 2018 added to accumulated deficit not included in target. - \$2m additional deficit for 2019 not included in target.			
Net increase/(decrease) in cash held (Source: Statement of Cash Flows)	\$(668,467)	\$(2,059,357)	\$(1,390,890)
Reason for Significant Variation: Drawdown on cash reserves of \$1.3m is a result of: - additional employee expenses for lecturing staff - additional building repairs and payroll tax as a result of an increase in salaries - lower student fees - shortfall in training and delivery enrolments, fee waivers, a mix of profile courses and subsequent funding rates - lower interest revenue due to a decline in cash reserves			

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

Summary of Key Performance Indicators

Key Effectiveness Indicators	2019 Target	2019 Actual	Variation
Student Satisfaction			
Overall Student Satisfaction (Source: WA Student Satisfaction Survey)	93.5%	92.6%	0.9% ↓
Reason for Significant Variation: No significant variation. CRT exceeded the WA state average of 87.5%.			
Graduate Achievement Rate			
Achieved main reason for doing course.	91.0%	87.7%	3.3% ↓
Overall quality of training. (Source: Student Outcomes Survey NCVER)	N/A	90.1%	
Reason for Significant Variation: No significant variation. The 2019 actual for graduate achievement rate was slightly lower than expected, however it exceeded the 2019 actuals for TAFE Australia (81.9%) and All VET Providers Australia (83.9%).			
Graduate Destination Rate			
Employed	89.0%	79.3%	9.7% ↓
Unemployed	N/A	11.4%	
Not in Labour Force (Source: Student Outcomes Survey NCVER)	N/A	9.2%	
Reason for Significant Variation: The 2019 actual for the graduate destination rate was lower than expected, however it exceeded the 2019 actuals for TAFE Australia (71.3%) and all VET Providers in Australia (76.6%).			
Achievement of Profile Delivery			
	1,915,978	1,890,188	25,790 ↓
% of Profile Achieved	SCH	SCH	SCH
		98.7%	
Reason for Significant Variation: No significant variation. The College improved performance for planned delivery in comparison to 2018, with a shortfall in the Goldfields and Wheatbelt regions. Factors impacting in the Goldfields include a continuing decline in students in General Education programs, a decline in students in Business and Management courses and in some Community Services delivery areas. Positive results in 2019 include a reduced shortfall in planned vs achieved SCH for CRT overall with a good level of enrolments in the Midwest and an improvement in enrolments in the Gascoyne from previous years. Of note, Employment Based Training (apprentices and trainees) exceeded the planned target for 2019 across CRT. The College has reviewed delivery in 2019 and adjusted planning in 2020 accordingly. Account has been taken of an expected increase in enrolments in courses identified in the Lower Fees, Local Skills initiative. Delivery levels in Kalgoorlie are expected to stabilise in 2020 with the appointment of several lecturers to key roles, the introduction of the Lower Fees, Local Skills courses and the planned development of state of the art training facilities for Nursing and Aged Care scheduled to be completed in 2020. Delivery in the Midwest and Gascoyne regions is expected to be comparatively strong again, as clients access the reduced fees for a number of courses. A number of new courses have been introduced for 2020 in line with State Government priorities for training and with the identified needs of local businesses and industry and will be deployed in across CRT's regions.			

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 2019. The following examples highlight the achievement of the College in accordance with its strategic directions defined in the Strategic Plan 2019 – 2021, and in conjunction with the WA Labor Plan for Jobs.

Deliver training that aligns to employment opportunities

- The State Governments *Lower Fees, Local Skills* initiative was launched in late 2019 with CRT well positioned to deliver on this in 2020.
- CRT reviewed its course offerings to respond to the challenge of focusing on the State's Science, Technology, Engineering and Mathematics (STEM) Skills strategy *Future Jobs Future Skills*.
- CRT experienced growth in employment-based training including increasing numbers of apprentices in industry areas including automotive, engineering and electrical.
- CRT has trialled the use of innovative delivery technologies using the Digital Classrooms in areas including Financial Services and Local Government. The College will further roll out use of this technology in 2020 to include more qualifications. The Digital Classrooms are a component of a developing E-Learning Strategy aimed at making training more accessible and engaging to more clients.
- Training was delivered under the Indigenous Rangers Program to students in the Midwest, Gascoyne and Goldfields areas enabling participants to develop skills to care for country through a range of qualifications relating to conservation and land management.
- CRT has responded to increasing demand for English Language training within the Goldfields area associated with projects such as the Designated Area Migration Agreement. New training programs are being created to be able to respond to the varied needs of new migrants to the region.

Build areas of specialisation

- Approval was gained from the State government to build a state-of-the-art nursing and aged care training facility at Kalgoorlie campus in early 2020. This will allow for expansion into other health and NDIS related areas such as Individual Support, Disability, Mental Health and Aged Care. On completion of the Kalgoorlie project in 2020, CRT will have state-of-the-art facilities for delivery of these programs in all three major campuses across the Central West regions of WA.
- The delivery of Agricultural Mechanical Technology and Automotive Sales training at the Moora campus in partnership with AFGRI continues to be the flagship model for industry partnership delivery. The model moves into the third year of delivery in 2020 and increasing enrolments evidence the effectiveness of the program and offers a model for other industry areas.
- The Kalgoorlie campus Heavy Plant delivery area has recently been the recipient of a purpose-built training truck - a collaborative project led by Northern Star Resources.

- Plans for the development of further areas of specialisation in 2020 include the growing field of electronic cars, self-drive technology and automation in the automotive/mechanical engineering trades.

Provide high standard, quality training and flexible options

- Achieving higher standards of academic quality assurance and compliance through improved processes and support was a focus in 2019. The College has invested in several projects aimed at improving the way delivery and assessment documents are developed, stored and made accessible across the College.
- Digital Classroom delivery has been piloted across the regions in 2019. Further professional development for lecturers is planned in 2020 to enable a wider range of courses to be delivered using this technology.
- Implementation of "My Profiling", an online platform enabling students doing training in the workplace to record and upload evidence of tasks completed in the workplace has been completed and is being used by students in a number of qualifications in Geraldton. Further widespread roll out across CRT is planned from 2020 onwards.
- A survey of a sample of lecturers was undertaken to identify the online learning platforms and products currently in use, determine what else lecturers would like to use and ascertain the professional development required to better equip lecturers to deliver in this learning environment. Results of the survey have been shared and will help to inform the PD program for 2020.
- A review of the processes, systems and workflows of staff engaged with enrolling, progressing and resulting students was conducted in 2019. In 2020 feedback will be sought from staff and an implementation strategy devised and implemented.

Increase higher level VET qualifications and university pathways

- Delivery of the Bachelor of Agricultural Business Management (BABM), in partnership with Charles Sturt University entered the final stages in 2019 with the program due to conclude in early 2020. CRT acknowledges the support of the State Government and the commitment of staff to ensuring students in this program were able to complete their studies in a quality learning environment.
- The Kalgoorlie Campus recently signed an MOU with Curtin University for the purposes of exploring further collaborative opportunities with its Nursing programs. This includes the development of an articulation pathway between CRT Diploma of Nursing and Curtin's Bachelor of Nursing program.
- In 2019 further development occurred on resources for delivery of the Advanced Diploma of Metalliferous Mining to better meet industry needs and create a clear pathway into study at the WA School of Mines. This program will be available for face to face study in 2020.
- The College continued to identify and introduce higher level VET qualifications in response to industry and community demand. The Certificate IV in Marketing and Communications will be launched in 2020.

Build regional growth and sustainability

- An Aboriginal Engagement Plan has been developed and approved by Corporate Executive, including being presented to the newly established Aboriginal Advisory Group (AAG). The AAG forms a key underpinning component of the Plan.
- New partnerships with industry and community-based organisations include Carnarvon Aboriginal Medical Service and Midwest Community Living (Aged Care and Individual Support); MEEDAC (art and hospitality). Ongoing partnerships with schools, government agencies such as the Department of Biodiversity, Conservation and Attractions; Malgana Rangers Program; and numerous resource sector companies.

Professionally develop, support and retain staff

- CRT has recently finalised its Workforce and Diversity Plan 2020-2024. The plan has five outcomes that will be addressed over the next five years:
 - Attracting and retaining a high-performance workforce
 - Enhancing workforce capacity and capability
 - Creating a safe and supporting workplace culture
 - Ensuring an efficient and effective workforce; and
 - Developing a representative workforce through increased diversity
- The Workforce Management and Development Committee has worked towards increasing access to Professional Development through VELG and Linked in Learning. These are two online providers that have pre-recorded training sessions that are available to staff from their desktop either at work or at home. Both the online and in-house Professional Development sessions are promoted through the College and available via CentraNet.
- The College's eLearning System is ELMO and a new module has recently been purchased by the College which will allow for a customisable Performance Development Plan (PDP) tool. HR staff have commenced work on this tool, which includes a monitoring component, and should be available in the new year.
- Organisational Values and examples of what they look like have been completed. Corporate Services Staff have reviewed the Organisational Values in their teams and developed a list of behaviours that best reflect the Values in their specific work areas.
- A high level of support was provided to lecturers to ensure they were able to meet the new, mandatory requirements of the Certificate IV in Training and Assessment by 1 July 2019.
- Professional development across 2019 also focussed on key training and assessment activities such as validation; designing and writing assessments; and training for lecturers and other staff in supporting students who present with particular learning needs or difficult behaviours.

Ensure good governance and embrace sound business practice underpinned by sustainability

- Following a review of Aboriginal engagement strategies across the College's delivery footprint, an Aboriginal Advisory Group was established in 2019, with representation from each of the regions in which the College delivers. The first meeting was held in November 2019.
- CRT's Strategic Plan was reviewed and updated. The plan now spanning 2020 – 2022.
- Corporate Executive conducted a holistic review of CRT's risks to ensure effective risk management across all areas of the College. CRT's risks will be reviewed by Corporate Executive annually.
- In addition to "Zoom", which has been used extensively across the College for online meetings/communications, CRT is now also trialling Microsoft Teams as another online medium for communication.
- The "e-Portfolio", a methodology for capturing and storing staff PD records, is progressing. The College will use the Records Management system (Content Manager). This database has been developed to allow for appropriate access, multiple locations and a reporting functionality so as to monitor compliance. All the features will contribute to a user friendly and compliant outcome.
- A new "Cyber Security" training module will be added to the ELMO Suite of in-house/online essential training units. The College has performed very well through a range of internal and external audits in relation to ICT Security.
- A new cloud-based NEC phone system commenced implementation in late 2019. The system was rolled out to the Wheatbelt campuses, with the Goldfields, Midwest and Gascoyne campuses expected to follow in early 2020. The new system will provide:
 - Standardisation across TAFE campuses and other government departments
 - Cost savings over traditional campus-based phone systems
 - Greater mobility and flexibility for staff
- CRT continued to support the ongoing implementation of the new Student Management System (SMS) by maintaining the College's project management team. A comprehensive review of the "Student Experience" (the journey from enrolment to completion of study) was undertaken to determine the best approach to managing the continuum of processes that support student administration. The College will utilise the outcomes from the review, and staff feedback, to determine optimal processes to improve the students' experience of engagement with the College.
- Occupational Safety and Health continues to be a focus point at the College. Quarterly workplace inspections are being undertaken by relevant managers and monitored with 100% being achieved in the fourth quarter.

Other noteworthy achievements in 2019

Moora AFGRI Apprentices

Central Regional TAFE has a major partnership with AFGRI Equipment, John Deere Dealer. An established training centre, in partnership with AFGRI Services is located at the Moora Wheatbelt campus and provides training for apprentices from their dealerships across WA (Certificate III in Agricultural Mechanical Technology); trainees in Certificate III in Automotive Sales; and short courses as required eg, Licence to operate a fork lift. AFGRI Equipment assist with resources, either donated or loaned. This is a significant program for Moora campus, and also for the Moora Community as students access accommodation and meals during their time spent training at the Campus.



Moora AFGRI Apprentices

International Day of Disability Events

In partnership with several community organisations, CRT hosted several events across its campuses to celebrate International Day of People with Disability (IDPWD). These events celebrated the learning experience and achievements of TAFE students, and highlighted the work done by our student services teams to support students, particularly those with a disability, to ensure they have everything needed to succeed in their studies.



Kalgoorlie students at IDPWD event

Rare Fish Breeding an Australian First



Flathead Perch

Central Regional TAFE’s Batavia Coast Maritime Institute (BCMI) has succeeded in breeding and raising an extremely rare Australian coral reef species. The broodstock of *Rainfordia Opercularis*, otherwise known as the Flathead Perch, were sourced from the Dampier area region of Western Australia and after ten months of care, staff were surprised to find the fish spawning. This is the first time in the world that a large volume of the species has successfully been brought to market size. The species has been raised once before in 2011 in the

United States of America, however it was of limited numbers. Each fish retails in the marine ornamentals industry at approximately \$5,000.00 US dollars. This project is a significant achievement not only for CRT and the BCMI but also for the Marine Ornamentals Industry in Australia.

Kalgoorlie Hair and Beauty Showcase

Central Regional TAFE held an end of year Hair and Beauty Showcase at the Kalgoorlie campus for the first time since becoming Central Regional TAFE in 2016. The night celebrated the achievements of all the Kalgoorlie Hair and Beauty students from Certificate II to Diploma level studying across a range of qualifications. The evening was well attended by local industry, employers, sponsors, members of Governing Council, friends and family. Students, with the support of lecturers, worked hard all day preparing their models for the event, with interesting themes featuring throughout the night including Whimsical, Boho Wedding, Up-cycled Vintage and Sports. Guests were also treated to an interval make-up demonstration by a beauty services graduate who has recently opened a local beauty therapy business in Kalgoorlie.



Kalgoorlie Hair and Beauty students

Emerging Artists Exhibition at TAFE Gallery Geraldton

Students from Central Regional TAFE's first Arts Leadership Program at the Geraldton campus exhibited their work at the College's art gallery in June to celebrate their graduation. The fifteen week program, a partnership between CRT and Yamatji Art, saw seven emerging female artists graduate with a Certificate I in Leadership including specialised experience in ceramics and textiles, and training in exhibition procedures. Aimed at developing the next generation of arts and cultural leaders, the program also assisted the artists with producing work to exhibit at the Darwin Aboriginal Art Fair in August, Australia's premier Aboriginal-focused art event.



Geraldton Cert I in Leadership students (Arts Program)

Ngaanyatjarra Lands School visit to Kalgoorlie Campus

In semester two, the Kalgoorlie Campus was visited by 23 students from the Ngaanyatjarra Lands School, all from year 10 through to year 12. The Ngaanyatjarra Lands School comprises eight campuses spread across the Western Desert of Western Australia. Although the campuses are separated by large distances, they are bound together by the culture of people from groups including Ngaanyatjarra, Pitantjatjara, Pintupi and others. Students were given a tour of the campus and were then coached in the art of pizza making by our Chef Lecturer and Kitchen Operation students. Feedback indicated that this experience provided the students with an insight into the many study and career opportunities that TAFE can provide.



Ngaanyatjarra Lands School students

Mingenew Midwest Expo



CRT's Mingenev Expo Team

In August 2019, Central Regional TAFE took part in the Mingenev Expo. The College's display was a huge success, with our students providing free health checks, mini makeovers, hair braiding and neck and shoulder massages. To top it all off CRT won the 'Best Education or Information Display'. Lecturers and students provided activities throughout both days of the Expo. These activities certainly were a crowd pleaser and kept the stall very busy with some fantastic feedback received throughout both days.

Marine Discovery Tours

Geraldton Tourism and Business students, supervised by lecturing staff, organised and managed Marine Discovery Tours which were offered to the public and provided students



Tourism and Business students with tour participants ready for lunch at Zeewijk Restaurant

with valuable real-life experience in their area of study. The tours started with a behind the scenes look at Geraldton's Western Rock Lobster Factory, followed by a visit to CRT's Batavia Coast Maritime Institute (BCMI), a specialist state-of-the-art training, research and development facility, to observe the breeding stages of tropical fish and view the very rare Ribbon Sea Dragons. The tours ended with a delicious two course lunch at CRT's award winning training restaurant, the 'Zeewijk', prepared and served by our commercial cookery and hospitality students.

Wall art in Exmouth



Exmouth Art students

Central Regional TAFE partnered with the Shire of Exmouth for a new public street art project where students gained a range of skills whilst creating a series of stencil and graffiti artwork at the iconic location of Town Beach. Some of the new artwork was completed in time for the International Whale Shark Festival. The project provided an opportunity for the students to be involved in a public works project, learn a new visual art skill and practise working as part of a team.

GovHack Competition

Geraldton joined over 26 other Cities across Australia in the GovHack competition in September 2019. Hosted by Central Regional TAFE, the event is the largest open government and open data hackathon in the southern hemisphere. The international competition attracts thousands of participants each year who come together in simultaneous events taking place in major and regional cities across the country. The event requires competitors to work in small teams during the 46 hour event to produce a 'hack' using Australian government data. The most common hacks seen in the past have been mobile or web applications.



GovHack competition at CRT's Geraldton campus

Northam Nursing Graduates secure jobs with Perth Hospitals

Amongst hundreds of applicants applying for highly regarded tertiary programs, three Northam Central Regional TAFE nursing students received offers for post-graduate positions at three prestigious Perth hospitals. Jessica Douglas and Niamh Wooster were both offered positions at St John of God in Midland and Subiaco, and Sarah Bennett was accepted into the Fiona Stanley Peri-Operative program. The nursing program at the Northam campus is highly regarded by industry because of the in-depth theoretical knowledge and practical training provided to students in a simulated workplace environment ensuring they are well-prepared and job ready.



Sarah Bennett

Geraldton Jobs and Skills Centre Launched

In February 2019, The Geraldton Jobs and Skills Centre was officially launched by Hon Sue Ellery, Minister for Education and Training, in company with various other sponsors, students and staff. The Jobs and Skills Centre combines the resources of Central Regional TAFE and Joblink Mid West



to be a one-stop shop. It assists people looking for training opportunities or employers seeking information on training that matches the needs of their workforce. The centre also provides career advice and assistance in preparing resumes.

Geraldton Jobs and Skills Centre –Mid West Joblink and CRT staff

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:

- The Northam Library was refurbished in 2019, providing the campus with a modern and contemporary shared learning and socialising space. The works also included a new computer room and a new training and meeting room adjacent to the newly established Jobs and Skills Centre.
- The roofs, gutters and downpipes were replaced on the electrical and construction workshops at the Geraldton campus.
- Works commenced on replacing the air conditioning equipment on the Trades facilities at the Kalgoorlie campus



Student computer room



Student socialising space

AWARDS AND RECOGNITIONS

Student Achievements and Awards

Our organisation's success is measured by the success of our students. The College takes prides in some significant achievements by our students in 2019.

Semi-Finalist WA Aboriginal and Torres Strait Islander Student of the Year

Charmaine Champion, Certificate III in Beauty Services

Semi Finalist WA Vocational Apprentice of the Year

Emily Bradbury, Certificate IV in Community Services

Michelle Groom, Diploma of Enrolled Nursing

Stephen Papadopoulos, Certificate III in Community Services

Semi-Finalist/Finalist WA Cultural Diversity Training Award

Bronwyn McKane, Certificate IV in Community Services

Semi Finalist WA School-based Apprentice of the Year

Emily McAuley, Certificate IV in Allied Health Assistance

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

Charmaine Champion, Certificate III in Beauty Services (Goldfields), sponsored by BHP

Erin Dawson, Diploma of Beauty Therapy (Midwest), sponsored by Rio Tinto

Decima Jugen, Certificate III in Business Administration (Wheatbelt), sponsored by Bendigo Bank



Matthew Terry, Barry Dixon and Charmaine Champion

Apprentice of the Year

Luke Belgrove, Certificate III in Engineering – Mechanical Trade (Goldfields), sponsored by Northern Star Resources

Cameron Christie, Certificate III in Automotive (Midwest), sponsored by Skill Hire

Ryan West, Certificate III in Engineering - Fabrication (Wheatbelt), sponsored by AGImplements

Culturally and Linguistically Diverse Student of the Year

Bronwyn McKane, Certificate IV in Community Services (Wheatbelt), sponsored by Linley Valley Pork

Trainee of the Year

Nakita Muir, Certificate III in Community Services (Goldfields), sponsored by Norton Goldfields Ltd

Tianni Brown, Certificate II in Resource Processing (Midwest), sponsored by Skill Hire

Jazmin Hahn, Certificate III in Early Childhood Education and Care (Wheatbelt), sponsored by Shire of Northam

Vocational Student of the Year

Michael Ajok, Advanced Diploma in Metalliferous Mining (Goldfields), sponsored by Hahn Electrical

Michelle Groom, Diploma of Nursing (Midwest), sponsored by Mid West Chamber of Commerce and Industry

Steven Papdopoulos, Certificate III in Community Services (Wheatbelt), sponsored by Laurie Graham MLC and Darren West, Members for Agricultural Region

James Dawson Award

Rebecca Hadlow, Certificate II in Retail Services (Wheatbelt), sponsored by Senses Australia

Outstanding Achievement Award

Lauren Wolfs, Certificate I in Information, Digital Media & Technology (Carnarvon), sponsored by Shire of Carnarvon

Maritime Student of the Year

Shea Clancy, Certificate III in Maritime Operations (Exmouth), sponsored by MG Kailis Seafood

Secondary Student of the Year

Lochlan Preest, Certificate III in Retail (Exmouth), sponsored by Ningaloo 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. Our staff recognition program celebrates 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. The selection criteria for these awards is closely aligned with our College values.

Winners of each category received a monetary allocation to put towards professional development activities and formal acknowledgement during the College's Professional Development Week held in April 2019.

Lecturing Excellence

Rebecca Higgins, Lecturer Business and Leadership

Rising Star Lecturing

Michelle Harvey, Lecturer Business and Financial Services

Values Champion (Goldfields)

Darren Winstanley, Technical Officer Industry Services, Kalgoorlie

Values Champion (Midwest)

Tanya Copley, Lecturer Health, Geraldton

Values Champion (Wheatbelt)

Su Anderson, Access and Equity Officer, Northam

Other Achievements

WorldSkills Australia



Judges, CRT lecturers and Worldskills VETiS Automotive gold medal winner, Christian Cockburn

In 2019, Central Regional TAFE hosted three WorldSkills Regional Competitions. Our Kalgoorlie campus held a VET Delivered to Secondary Students (VETDSS) and open competition in Automotive. The Geraldton campus hosted competitions in Plumbing as well as VETDSS and open competition in Hairdressing. All students received excellent feedback and scores from the judges, with four Gold medallists advancing to represent the WA team at the WorldSkills National Competition to be held in Perth in 2020.

WorldSkills Regional Competition

Bailey O'Donnell, Open Plumbing – Gold Medal

Cody Bell, Open Plumbing – Silver Medal

Tom Collins, Open Plumbing – Bronze Medal

Ethan Wallace, Automotive Mechanics – Gold Medal

Sean French, Automotive Mechanics – Silver Medal

Aimee-Lee Vince, Hairdressing – Gold Medal

Demi Ennis, Hairdressing – Silver Medal

Hazel Hobbs, Hairdressing – Bronze Medal

Mitchell Schutze, Automotive Mechanics – Bronze Medal

Sophie Stribley, VETiS Hairdressing – Gold Medal

Bohdi Thackray, VETiS Hairdressing – Silver Medal

Brianna James, VETiS Hairdressing – Bronze Medal

Christian Cockburn, VETiS Automotive – Gold Medal

Connor Moore, VETiS Automotive – Silver Medal

Dueul Carpio, VETiS Automotive – Bronze Medal



CRT lecturers and Worldskills VETiS Hairdressing medal winners, Brianna James, Bohdi Thackray and Sophie Stribley.

SIGNIFICANT ISSUES IMPACTING THE AGENCY

CURRENT AND EMERGING ISSUES AND TRENDS

Key Challenges in 2019

- Achieving training targets, particularly in the Wheatbelt and Goldfields regions.
- Attracting and retaining staff, both teaching and non-teaching, particularly in the Goldfields region.
- Providing training and goods and services within a tight budgetary framework.

Key Influences in 2019

- Plan for Jobs Initiative.
- WA State Training Plan.
- Western Australia's economic outlook.

Key Activities in 2019

- Establishing Jobs and Skills Centres at Geraldton, Northam and Kalgoorlie campuses.
- Increased focus on ensuring high standards of academic Quality Assurance and compliance.
- Establishing a new CRT Aboriginal Advisory Group, including a Reconciliation Action Plan and Aboriginal Engagement Strategy
- Reviewing and updating CRT's Strategic Plan.
- Embedding the Student Management System (SMS).

Key Influences for 2020

- Capitalising on the training opportunities offered through the State Government's *Lower fees, local skills* initiative.
- WA State Training Plan.
- Western Australia's economic outlook.
- Using the data from the outcomes from the Regional Labour Market Review

Key Activities for 2020

- Establishing a contemporary nursing and aged care training facility at the Kalgoorlie campus.
- Embracing digital transformation and new technologies, in the courses we offer, the way we train students and in how we do our day-to-day business.
- Providing new courses, particularly in the growing aged care and disabilities services sectors.
- Attracting and retaining lecturing staff in skills shortage areas.
- Continuing to grow training partnerships with industry, with a particular focus on increasing apprenticeships and traineeships.
- Implementing CRT's Aboriginal Engagement Strategy.

CHANGES IN WRITTEN LAW

There were no changes in any written law in 2019 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
Department of Training and Workforce Development funded				
Air-conditioning upgrades – Trades – Kalgoorlie Campus	30/06/2020	\$1,000	\$1,000	NA
Nursing refurbishment – Kalgoorlie				NA
Bin storage – Exmouth		\$35	\$35	NA
Own-source funded				
Nil				

Capital Projects Completed

Project details	Campus Location	Completion Date	Total Cost ('000)	Significant Cost Variation Comment
Department of Training and Workforce Development Funded				
Replacement of Roofs, Gutters and Downpipes on the Electrical and Construction Workshops	Geraldton	1/5/2019	\$490	NA
Roofing – additional	Geraldton	06/12/2019	\$53	NA
Library Refurbishment	Northam	18/10/2019	\$86	NA
Disability access and electrical upgrades	Kalgoorlie	04/06/2019	\$16	NA
Library Refurbishment – additional works in 2019	Geraldton	04/06/2019	\$20	NA
Own Source funded				
Solar panel	All Campuses		\$42	NA
CCTV	Geraldton		\$255	NA
Interactive classrooms	All Campuses		\$74	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 July 2019		
FTE	Average FTE	Head Count
333	327	422

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	2018	2019
Permanent Full Time	50.9%	48.6%
Permanent Part Time	11.5%	12.8%
Fixed Term Full Time	19.0%	18%
Fixed Term Part Time	7.2%	6.4%
Casual	11.5%	14.2%

DISCLOSURES AND LEGAL COMPLIANCE

Employee Work Location	FTE	Head Count
Gascoyne	12	16
Goldfields	69	89
Midwest	175	229
Wheatbelt	77	88
Total	333	422

Diversity Group Equity Index	CRT	WA Public Sector
Women in management	81.1	75.8
Aboriginal Australians	49.5	41.1
People from culturally and linguistically diverse backgrounds	109.2	103.4
People with disability	79.9	99.8

Note: The information above is based on the July Quarter 2019, Minimum Obligatory Reporting Requirements.

Industrial Relations

No major industrial relations claims are reportable for 2019 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 2019.

Details of Transaction	Amount
Number of instances of personal use expenditure	4
Aggregate amount of personal use expenditure	146.86
Aggregate amount of personal use expenditure settled by the due date	11.50
Aggregate amount of personal use expenditure settled after the period due date	135.36
Aggregate amount of personal use expenditure outstanding at the end of the reporting period	0
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 \$13,312.01 (incl GST) for the period 1 January to 31 December 2019 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 2019 was as follows:

Position	Name	Governing Council Eligibility to attend *	Attended	Finance, Audit and Risk Management Eligibility to attend	Attended	Governing Council Nominations Eligibility to attend	Attended	Type of remuneration **	Period of membership	Gross/actual remuneration ***
Chairperson	Mary Woodford	6	6	N/A	N/A	3	3	Annual	12 months	\$24,819
Deputy Chair	Christine Rafanelli	6	6	6	6	3	3	Per meeting	12 months	\$7,876
Managing Director	Bill Swetman**	6	6	6	6	N/A	N/A	Not eligible	12 months	0
Member	Eileen O'Connell	6	6	6	6	N/A	N/A	Per meeting	12 months	\$8,932
Member	Yvonne Messina	6	6	6	6	N/A	N/A	Per meeting	12 months	\$6,826
Member	Graeme Wilmot	6	6	N/A	N/A	3	3	Per meeting	12 months	\$4,077
Member	Anthony Evans	6	4	6	5	N/A	N/A	Per meeting	12 months	\$4,271
Member	Kylie Le Lievre**	6	3	N/A	N/A	N/A	N/A	Not eligible	12 months	0
Member	Robert Jefferies	6	6	6	6	3	3	Per meeting	12 months	\$7,484
Member	Rebecca Davidson**	3	3	N/A	N/A	N/A	N/A	Not eligible	6 months	\$46 (reimbursement for expenses)
Member	Colin Murphy	3	3	N/A	N/A	N/A	N/A	Per meeting	6 months	\$2,362
Ex-Member	Stuart Smith	3	1	N/A	N/A	N/A	N/A	Not eligible	6 months	0
Total										\$66,692

*additional Strategic Planning Workshop held

**Not eligible as Government Employee

***includes any out of pocket expenses (ie motor vehicle allowance, parking fees etc)

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 2019

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 2019 was \$210,425.68
2. Expenditure was incurred in the following areas:

Area of Expenditure	Organisation	Amount
Advertising Agencies		0
Market Research		0
Polling		0
Direct Mail		0
Media Advertising	Australian Municipal Yearbook	1,000.00
	Dowerin Events Management	1,186.36
	Everything Geraldton	250.00
	Facebook	16,734.88
	Goldfields Printing	1,440.00
	Guardian Print	6,002.73
	Initiative Media Australia Pty Ltd	142,496.70
	Kalgoorlie Boulder CCI	983.72
	Kick Solutions	2,181.28
	Marsh Agencies	995.45
	Merredin Community Resource Centre	949.63
	Midwest Times	806.14
	Mingenew Lions	1,354.55
	Orana Cinemas	4,581.85
	Snap Printing	1,119.25
	Vanguard Press	15,840.00
	VISSIGN Australia	4,895.00
	Vivid Ads	7,574.05
	Wave Video	34.09
Total		210,425.68

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 CRT's Strategic Plan 2019 - 2021 and Business Plan 2019. Our Aboriginal Training Plan also reflects the goals outlined in the WA State Training Plan 2018 - 2021 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 2019 Aboriginal Training Plan:

- In 2019, a total of 1,109 students enrolled at CRT who identified as Aboriginal and/or Torres Strait Islander, accounting for 12% of total College enrolments.
- Achievement of 97.5% of the 2019 Delivery and Performance Agreement benchmark for Aboriginal students completing a Certificate II or above.
- An increase in overall activity for Aboriginal training at CRT of 29%.
- Continuation of designated places for Aboriginal Students in high demand and competitive courses following previous successes.
- An increase in mentors actively engaged to service students undertaking CGEA, Leadership, Hospitality, and Conservation and Land Management studies.

DISCLOSURES AND LEGAL COMPLIANCE

- Significant growth in Leadership training as a pathways engagement course that cuts across Mining, Engineering and Transport; strongly supported by Aboriginal organisations.
- 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.
- An Aboriginal Regional Training Coordinator appointed in Northam to identify training opportunities for local Aboriginal people in the Wheatbelt region.
- Aboriginal Engagement Project undertaken, including face-to-face consultations with Aboriginal and Non-Aboriginal communities and stakeholders to determine how our campuses can better meet training needs and employment outcomes for Aboriginal people in the Gascoyne, Midwest, Wheatbelt and Goldfields regions.
- An Aboriginal Advisory Group with representatives from Carnarvon, Geraldton, Northam, Kalgoorlie and Perth was established to provide cultural and strategic advice on Vocational Education and Training for Aboriginal people.
- Achieved conditional endorsement of CRT's Reconciliation Action Plan.
- Aboriginal Employment Strategy endorsed and ready for implementation in 2020.
- Increased delivery of programs in Geraldton town centre and regional and remote communities, including Yamatji-Marlpa Malgana Rangers Program (Shark Bay); Mt Magnet Horticulture; Mt Magnet Kitchen Operations; Mt Magnet VETDSS Kitchen Operations; Yullella Horticulture Meekatharra; Streeties Indigenous Youth Council Program; Moora VETDSS Horticulture; Morawa VETDSS Kitchen Operations
- Partnership with Ngaanyatjarra Lands Schools in the Goldfields region, providing training in Certificate I in Leadership for the Aboriginal and Islander Education Officers (AIEO) across seven campuses.
- Pilot programs were implemented in Mental Health and Leadership delivery in the Goldfields Lands, utilising interactive classrooms.
- Aboriginal Ranger Programs delivered in Kalgoorlie, Norseman and Wiluna, providing opportunities for local Aboriginal people to engage in the preservation of land.
- Continuation of the successful EMR Bayalgu Program in the Mid West region.
- Cultural Awareness training delivered to staff and facilitated by the College's Aboriginal Training Services staff.
- Reconciliation Week and NAIDOC celebrated across the three main campuses (Geraldton, Northam and Kalgoorlie); 2019 theme 'Voice. Treaty. Truth. Let's work together for a shared future'.

Disability Access and Inclusion Plan Outcomes

Central Regional TAFE continues to be dedicated in ensuring all students have appropriate access to products, services and facilities and are provided with support and encouragement to participate in all aspects of their training experience.

Three of the six College organisational values are Diversity, Customer Service and Integrity. 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, including mental health, medical conditions and or learning difficulty that may impact their learning, are supported by academic and support staff.

The Student Services team is represented at all major campuses, providing a point of contact for students, families and carers, disability service agencies, disability employment providers and community organisations to discuss options and available support.

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

Specific initiatives and programs to support the Disability Access and Inclusion Plan (DAIP) outcomes are listed in the table on the following pages.



Students and staff participating in International Day of People with Disability activities at the Geraldton Campus.

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 can access accredited training in various courses including customised programs or existing qualifications across industry areas.
- Reasonable adjustment and accommodation principles are implemented to allow accessibility to people who would otherwise not be able to engage in education and training in a post-secondary environment.
- On-campus and classroom support is provided to assist students to enrol, participate and potentially complete their training.
- Pastoral care is provided to students when requested during their learning journey, including referrals to appropriate support agencies. The College works collaboratively with students, their families and agencies to create individualised wraparound support.
- Statistical information to support students is gathered through the enrolment process, client needs analysis and case management plans.
- Student Services staff are available at enrolment days and throughout the year to assist potential, new and continuing students with the enrolment process and discuss individual requirements with the student and their advocate(s).
- Events and initiatives held in liaison with community partners included:
 - Free hearing assessments with Australian Hearing
 - Independent Living Centre – assistive technology interactive display
 - APM Employment Services – National Disability Insurance Scheme (NDIS) pre-planning presentation and interactive activities for students with intellectual disability, including a question and answer session.
 - International Day of People with Disability – events on the three main campuses including information displays from industry, community partners, employment agencies and interactive class activities.
 - HelpingMinds – provision of a safe and supportive environment in which to explore mental health topical issues such as self-care, anxiety, depression, bullying and confidence for under 18 year old students studying General Education.
 - Passport 2 Employment (P2E) program, assisting school leavers with the transition to employment.



Free hearing assessments

- Partnering with APM and PCYC, a safe environment was created for current retail students with disability to volunteer at the Avon-A-Go Colour Run, assisting them to put knowledge into practice.
- Continued partnership with Youth Focus in the Wheatbelt region used technology to provide virtual face-to-face counselling sessions, thereby easing wait times for regional young people experiencing mental health issues.

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

- CRT adheres to building codes and legislative requirements, including the use of moveable furniture allowing students more flexibility during breaks and individual study time.
- CRT's Access and Equity staff continue to work with the Jobs and Skills Centre to ensure equitable provision and access to services.
- 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 people on campus.
- The College makes continual improvements to buildings and facilities and, if required, seeks assistance from agencies for assessments and funding, including Job Access.
- The residential unit designed for wheelchair users was recently reviewed by an occupational therapist. The unit was deemed compliant and no modifications were required.

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.

- CRT acknowledges the importance of consultation and continues to utilise focus groups, including people with disability, to ensure clients accessing College products and services have opportunity to provide comment regarding ease of use of these products. Feedback is provided to the students.
- The Student Information Pack contains information on the College and includes links to the Disability Access and Inclusion Plan, feedback forms and information on support available to people with disability.
- Lecturing staff, with the support of the Student Services team (when required), continue to modify training resources, materials and assessments to suit the learning styles of the varied student cohort.
- The College website and Student Portal contains information for future and current students to assist them with all aspects of college life.
- At the start of a course, students are scheduled as a group to attend a Student Induction conducted by a member of the Student Services Team.

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

- Student Services staff offer support to students with meeting lecturing staff, enrolling, payments and campus orientation.
- Potential and current students are encouraged to meet with lecturing staff and Student Services either prior to enrolment or during their training journey to ensure clarity of expectations, progression and outcomes are transparent to all parties.
- Professional development and ongoing support was provided to 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 resources were made available.
- Staff continue to attend community and industry network meetings to foster communication of relevant information between CRT and industry partners. This has become more relevant with current changes to funding with the rollout of the National Disability Insurance Scheme. Community and industry networks remained a priority for CRT which allowed a free flow of information between all parties. Student Services staff had a better understanding of this process which they were able to convey to students, who in turn, made better informed choices, as well as helping to create pathways into employment.



Health checks at International Day of People with Disability

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

- Information on the feedback process, including how to lodge a complaint, is part of the Student Induction program, with this information also available on CRT's website.
- Information on lodging a complaint or appealing a result is provided to prospective students in the course pre-enrolment pack.

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

- CRT 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.
- People with disability are provided with opportunities throughout the year to participate in feedback in a way that is most accessible to them. This may include assistance from Student Services staff, hard copies, access to computers, interpreters or submitting the feedback verbally.
- 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, 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 continue to be pursued:

- Obtaining employment – identifying the barriers to obtaining employment and implementing mechanisms to remove those barriers. Initiatives include:
 - Encouraging applicants with disability to apply for jobs
 - 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.

In accordance with section 31(1) of the Public Sector Management Act 1994, Central Regional TAFE provides the following statistics regarding compliance with the Public Sector Standards, the Public Sector Code of Ethics and the Central Regional TAFE Code of Conduct; all breaches indicated below have been appropriately resolved.

Compliance Category	Upheld Breaches
Public Sector Standards in Human Resource Management	1
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.

From January 2019 the new standardised electronic record keeping system, configured by the TAFE Sector Records Managers Network and the Department of Training and Workforce Development (DTWD), was implemented across the state. TSES and TSFS now share files with the TAFE Human Resource and Finance teams, which means there are no duplicate files. The local administrators in the Colleges were also given back administrator rights from DTWD after identifying that the workload needed to be shared with the Colleges. Records Managers/Coordinators are now able to add or remove staff from the system and make minor changes locally in individual datasets to suit each College's processes. The TAFE Sector Records Managers Network worked throughout 2019 on completing the following documents:

- Business Classification Scheme (which is now complete).
- Training Sector Disposal Authority for State Training Providers (almost ready to be forwarded to the State Records office of WA for endorsement).

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 CRT's intranet.

Recordkeeping training program

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

A high number of staff received training and refresher training in 2019 and the majority of these were for the purpose of being able to utilise the action procedures used for the purchasing card reconciliations. Specific additional training for archiving was provided as required including a session for lecturers in Northam.

Training was delivered to staff at all campuses, using video conferencing and through mainly individual one on one sessions. Extra group sessions for Administration and Academic Program Assistants in the main campuses were provided for the purpose of extending their knowledge to be able to assist staff in their areas. This has created 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

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

Central Regional TAFE 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 are 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 four times 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;

DISCLOSURES AND LEGAL COMPLIANCE

- 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 seven active workers' compensation claims

Claim Year	2014	2018	2019
Number of Active Claims	1	3	3

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.

The following table summarises CRT's OSH and Injury Management Performance:

Indicator	Results against Target				
	2017 Actual	2018 Actual	2019 Actual	Target	Comment on results
Number of fatalities	0	0	0	0	
Lost time injury/disease (LTI/D) incidence rate	0.29	0.95	0.30	0 or 10% reduction	Decrease from 3 LTIs in 2018 to 1 LTI in 2019
Lost time injury/disease severity rate	100%	66.6%	100%	0 or 10% reduction	Decrease from 3 LTIs in 2018 to 1 LTI in 2019
% of injured workers returned to work within:					
(i) 13 weeks	0%	0%	100%		
(ii) 26 weeks	0%	33.3%	0%		
% of managers trained in OSH and injury management responsibilities	41.3%	88%	90%	Greater than or equal to 80%	OSH for Managers and Supervisors managed through an online training system. Performance is continuing to improve.

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 the Central Regional TAFE which comprise the Statement of Financial Position as at 31 December 2019 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 the Central Regional TAFE for the year ended 31 December 2019 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.

A further description of my responsibilities for the audit of the financial statements is located at the Auditing and Assurance Standards Board website at https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of my auditor's report.

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the 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 the 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 2019.

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 the Central Regional TAFE for the year ended 31 December 2019. 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 the 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 2019.

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 the Central Regional TAFE for the year ended 31 December 2019 included on 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

 March 2020

Certification of Financial Statements

For the reporting period ended 31 December 2019.

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 2019 and the financial position as at 31 December 2019.

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

3 March 2020

Chairperson of Governing Council

Central Regional TAFE



Bill Swetman

3 March 2020

Managing Director

(Member of Governing Council)

Central Regional TAFE



Serena Cruickshank

3 March 2020

Chief Financial Officer

Central Regional TAFE

DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2019		2019	2018
	Notes	\$	\$
COST OF SERVICES			
Expenses			
Employee benefits expense	2.1	37,001,948	36,107,296
Supplies and services	2.3	11,923,957	13,055,675
Finance Cost	6.3	78,065	-
Asset revaluation decrement	2.3	518,000	3,098,296
Other expenses	2.3	3,940,896	4,159,812
Cost of sales	3.3	434,463	432,954
Loss on disposal of non-current assets	3.7	22,577	-
Loss on disposal of lease arrangements	3.7	135	-
Depreciation and amortisation expense	4.1(d), 4.2.1	4,612,315	3,831,419
Total cost of services		58,532,356	60,685,452
Income			
<i>Revenue</i>			
Fee for service	3.2	1,297,362	1,248,990
Student fees and charges	3.2	4,984,806	5,482,205
Ancillary trading	3.2	344,321	292,551
Sales	3.3	614,630	586,206
Commonwealth grants and contributions	3.4	-	31,630
Interest revenue	3.5	195,003	314,954
Other revenue	3.6	1,727,076	1,513,710
Total revenue		9,163,198	9,470,246
<i>Gains</i>			
Gain arising from changes in fair value - buildings	3.7	1,848,859	-
Total gains		1,848,859	-
Total income other than income from State Government		11,012,057	9,470,246
NET COST OF SERVICES		47,520,299	51,215,206
Income from State Government			
Grants and subsidies	3.1	41,152,311	40,121,099
Services received free of charge	3.1	1,328,210	1,771,285
Total income from State Government	3.1	42,480,521	41,892,384
TOTAL COMPREHENSIVE DEFICIT FOR THE PERIOD		(5,039,778)	(9,322,822)

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

The balances and movements detailed are rounded which may result in discrepancies between totals and the sum of components.

DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2019		2019	2018
	Notes	\$	\$
ASSETS			
Current Assets			
Cash and cash equivalents	6.1	4,866,958	7,053,734
Receivables	5.1	1,244,327	2,546,564
Inventories	3.3	47,028	67,565
Other current assets	5.2	651,251	480,781
Total Current Assets		6,809,564	10,148,644
Non-Current Assets			
Restricted cash and cash equivalents	6.1	601,571	474,153
Property, plant and equipment	4.1	109,023,528	110,071,879
Right-of-use assets	4.1	2,078,153	-
Total Non-Current Assets		111,703,252	110,546,032
TOTAL ASSETS		118,512,816	120,694,676
LIABILITIES			
Current Liabilities			
Payables	5.3	1,252,850	1,400,076
Lease liabilities	6.2	540,489	-
Employee related provisions	2.1	4,713,311	4,973,326
Other current liabilities	5.5	2,016,806	1,434,395
Total Current Liabilities		8,523,456	7,807,797
Non-Current Liabilities			
Lease liabilities	6.2	1,580,321	-
Employee related provisions	2.1	2,403,409	2,017,050
Total Non-Current Liabilities		3,983,730	2,017,050
TOTAL LIABILITIES		12,507,186	9,824,847
NET ASSETS		106,005,630	110,869,829
EQUITY			
Contributed equity	8.9	134,501,332	134,325,753
Accumulated surplus / (deficit)		(28,495,702)	(23,455,924)
TOTAL EQUITY		106,005,630	110,869,829

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

The balances and movements detailed are rounded which may result in discrepancies between totals and the sum of components.

DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2019		2019	2018
	Notes	\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Grants and subsidies - Department of Training and Workforce Development		42,013,465	40,292,940
Total Net cash provided by State Government		42,013,465	40,292,940
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(36,816,381)	(36,009,959)
Supplies and services		(10,960,556)	(11,222,486)
Finance Cost		(78,065)	-
GST payments on purchases		(1,325,533)	(1,338,723)
Other payments		(4,125,565)	(4,284,144)
Receipts			
Fee for service		1,268,817	1,295,635
Student fees and charges		5,419,938	5,325,156
Ancillary trading		344,321	292,551
Commonwealth grants and contributions		-	31,630
Interest received		243,149	318,040
GST receipts on sales		284,029	310,858
GST receipts from taxation authority		1,015,844	1,094,935
Other receipts		2,576,330	1,726,083
Net cash used in operating activities		(42,153,672)	(42,460,424)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current physical assets		(1,212,238)	(873,207)
Receipts			
Capital Contribution		-	405,000
Net cash provided by investing activities		(1,212,238)	(468,207)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments			
Principal elements of lease (2018 – finance lease) payments		(706,912)	-
Net cash provided by/(used in) financing activities		(706,912)	-
Net increase in cash and cash equivalents		(2,059,357)	(2,635,691)
Cash and cash equivalents at the beginning of period		7,527,887	10,163,578
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	6.1	5,468,530	7,527,887

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

The balances and movements detailed are rounded which may result in discrepancies between totals and the sum of components.

DISCLOSURES AND LEGAL COMPLIANCE

Central Regional TAFE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2019		Contributed Equity	Reserves	Accumulated Surplus / (Deficit)	Total Equity
	Notes	\$	\$	\$	\$
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)
Transactions with owners in their capacity as owners:	8.9				
Capital appropriations		2,738,756	-		2,738,756
Total		2,738,756	-	-	2,738,756
Balance at 31 December 2018		134,325,753	-	(23,455,924)	110,869,829
Balance at 1 January 2019		134,325,753	-	(23,455,924)	110,869,829
Surplus/(deficit)				(5,039,778)	(5,039,778)
Total comprehensive income for the period		-	-	(5,039,778)	(5,039,778)
Transactions with owners in their capacity as owners:	8.9				
Capital appropriations		175,579	-		175,579
Other contributions by owners		-	-		-
Total		175,579	-	-	175,579
Balance at 31 December 2019		134,501,332	-	(28,495,702)	106,005,630

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

1 Basis of preparation

Central Regional TAFE (CR TAFE) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. CR TAFE 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 CR TAFE on 05 March 2020.

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 (TIs)
- 3) Australian 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 the 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.

Significant judgements and estimates have been made to meet the requirements of the new standards AASB 16, AASB 15 and AASB 1058.

AASB 16:

Key judgements to be made for AASB 16 include identifying leases within contracts, determination whether there is reasonable certainty around exercising extension and termination options, identifying whether payments are variable or fixed in substance and determining the stand-alone selling prices for lease and non-lease components.

Estimation uncertainty that may arise is the estimation of the lease term, determination of the appropriate discount rate to discount the lease payments and assessing whether the right-of-use asset needs to be impaired.

AASB 15:

Key judgements include determining the timing of revenue from contracts with customers in terms of timing of satisfaction of performance obligations and determining the transaction price and the amounts allocated to performance obligations.

Estimation uncertainty include determining the transaction prices (estimating variable consideration, adjusting the consideration for the time value of money and measuring non-cash considerations), allocating the transaction price, including estimating stand-alone selling prices and allocating discounts and variable consideration.

AASB 1058:

Key judgements include determining the timing in the satisfaction of obligations and judgements used in determining whether funds are restricted.

Refer to Note 8.2 for the impact of the initial adoption and the practical expedients applied in the initial recognition.

DISCLOSURES AND LEGAL COMPLIANCE

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.

2 Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how CR TAFE'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 CR TAFE in achieving its objectives and the relevant notes are:

	Notes	2019	2018
Employee benefits expenses	2.1(a)	37,001,948	36,107,296
Employee related provisions	2.1(b)	7,116,720	6,990,376
Grants and subsidies	2.2	-	-
Other expenditure	2.3	16,382,853	20,313,782

2.1(a) Employee benefits expenses

	2019	2018
Short-term employee benefits ^(a)	33,672,845	32,976,330
Termination benefits	116,320	-
Superannuation - defined contribution plans ^(b)	3,212,783	3,130,966
Total employee benefits expenses	37,001,948	36,107,296
Add: AASB 16 Non-monetary benefits ^(c)		
Provision of vehicle benefits	-	-
Less: Employee Contributions	-	(4,231)
Provision of housing benefits	358,443	-
Less: Employee Contributions	(162,175)	-
Provision of Other benefits	-	-
Less: Employee Contributions	(53,280)	-
Net employee benefits expenses	37,144,935	36,111,527

^(a) Include wages, salaries and social contributions, paid annual leave and paid sick leave, profit-sharing and bonuses; and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employees.

^(b) Defined contribution plans includes West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS) Government Employees Superannuation Board Schemes (GESBS) and other eligible funds.

^(c) Additional non-monetary benefits include the provision of vehicle and housing benefits measured at cost in accordance with the application of AASB 16.

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 CR TAFE 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 CR TAFE purposes because the concurrent contributions (defined contributions) made by CR TAFE to GESB extinguishes CR TAFE's obligations to the related superannuation liability.

DISCLOSURES AND LEGAL COMPLIANCE

CR TAFE 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 CR TAFE 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.

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.

	2019	2018
Current		
<u>Employee benefits provision</u>		
Annual leave ^(a)	1,877,854	1,940,834
Long service leave ^(b)	2,480,412	2,702,027
Deferred salary scheme ^(c)	75,570	81,595
Purchased leave ^(d)	13,408	1,232
	4,447,244	4,725,689
<u>Other provisions</u>		
Employment on-costs ^(e)	266,067	247,637
Total current employee benefits provisions	4,713,311	4,973,326
Non-current		
<u>Employee benefits provision</u>		
Long service leave ^(b)	2,304,100	1,943,286
	2,304,100	1,943,286
<u>Other provisions</u>		
Employment on-costs ^(e)	99,309	73,764
Total non-current employee benefits provisions	2,403,409	2,017,050
Total employee benefits provisions	7,116,720	6,990,376

^(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 CR TAFE 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 CR TAFE 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 service leave liabilities are calculated at present value as CR TAFE 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.

^(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.

DISCLOSURES AND LEGAL COMPLIANCE

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 CR TAFE's 'employee benefits expense'. The related liability is included in 'Employment on-costs provision'

Employment on-costs provisions	2019	2018
Carrying amount at start of period	321,401	340,204
Additional / (reversals of) provisions recognised	43,975	(18,803)
Total Carrying amount at end of period	365,376	321,401

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 CR TAFE'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

CR TAFE had no grants and subsidies.

2.3 Other expenditure

Supplies and services	2019	2018
Consumables and minor equipment	2,863,333	2,433,244
Communication expenses	348,535	295,971
Utilities expenses	1,316,606	1,278,724
Consultancies and contracted services	4,945,267	5,342,176
Minor works	89,831	59,899
Repairs and maintenance	552,136	471,391
Rental Cost ^(a)	159,628	1,450,024
Travel and passenger transport	654,305	622,810
Advertising and public relations	225,461	203,463
Staff professional development activities	81,276	85,309
Supplies and services - other	687,579	812,664
Total supplies and services expenses	11,923,957	13,055,675
Other expenses		
Audit fees	162,000	173,000
Building maintenance	1,233,931	1,206,408
Expected credit losses expense	66,743	221,681
Employment on-costs	2,302,616	2,168,339
Student prizes and awards	41,947	48,124
Losses and write-offs	133,641	143,464
Other	17	198,794
Total other expenses	3,940,896	4,159,812
Asset revaluation decrement		
Asset revaluation decrement	518,000	3,098,296
Total asset revaluation decrement	518,000	3,098,296
Total other expenditure	16,382,853	20,313,782

(a) Included within rental costs are short-term and low value leases of up to \$5,000. This excludes leases with another wholly-owned public sector entity lessor agency. Refer to note 6.2 for aggregate short-term and low value leases expense.

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.

DISCLOSURES AND LEGAL COMPLIANCE

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.

The allowance for expected credit losses of trade receivables is measured at the lifetime expected credit losses at each reporting date. CR TAFE 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. Please refer to note 5.1. Movement in the allowance for impairment of trade receivables.

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.

Asset Revaluation Decrement:

Revaluation increment is credited directly to an asset revaluation reserve, except to the extent that any increment reverses a revaluation decrement of the same class of assets previously recognised as an expense. Revaluation decrement is recognised as an expense, except to the extent of any balance existing in the asset revaluation reserve in respect of that class of assets.

3 Our funding sources

How we obtain our funding

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

	Notes	2019	2018
Income from State Government	3.1	42,480,521	41,892,384
User charges and fees	3.2	6,626,488	7,023,746
Trading profit	3.3	180,167	153,252
Commonwealth grants and contributions	3.4	-	31,630
Interest revenue	3.5	195,003	314,954
Other revenue	3.6	1,727,076	1,513,710
gain/(loss)	3.7G	(22,577)	-

3.1 Income from State Government

	2019	2018
Grants and subsidies from Department of Training and Workforce Development (DTWD) ^(a)		
Delivery and Performance Agreement (DPA)	38,365,305	38,783,339
Non-DPA Grants	2,787,006	1,337,760
	41,152,311	40,121,099
Services received free of charge from other State Government agencies during the period:		
Department of Training and Workforce Development		
- Corporate systems support	1,057,451	1,192,301
- Marketing and publications	18,917	20,379
- Human resources and industrial relations support	79,033	71,679
- Other	172,810	486,926
	1,328,210	1,771,285
Total income from State Government	42,480,521	41,892,384

(a) When DTWD specific purpose funding is received, contributions received are deferred and revenue is recognised when or as the performance obligation is satisfied. Grants and subsidies from DTWD fund the net cost of services delivered.

3.2 User charges and fees

	2019	2018
Fee for service		
Fee for service - general	1,035,698	855,641
Fee for service - Government (other than DTWD)	22,427	34,150
International fees	70,779	83,630
Higher education	168,458	275,569
Total fee for service	1,297,362	1,248,990

DISCLOSURES AND LEGAL COMPLIANCE

Student fees and charges

Tuition fees	3,601,165	4,253,893
Enrolment and Resource fees	987,370	957,034
Recognition of prior learning (RPL) fees	336,473	170,956
Incidental fees	2,225	26,952
Other College fees	57,573	73,369
Total student fees and charges	4,984,806	5,482,205

Ancillary trading

Live works (not a trading activity)	334,139	284,919
Other Ancillary Revenue	10,182	7,632
Total ancillary trading	344,321	292,551
Total User charges and fees	6,626,488	7,023,746

Revenue is recognised and measured at the fair value of consideration received or receivable. Student fees and charges are recognised over time as and when the course is delivered to students. Revenue from fee for service is recognised over time as and when the service is provided. Revenue from ancillary trading is recognised when the service or goods are provided.

3.3 Trading profit

	2019	2018
Bookshop		
Sales	50,962	60,812
Cost of Sales:		
Opening Inventory	(61,994)	(108,404)
Purchases	(75,048)	(64,760)
	(137,042)	(173,165)
Closing Inventory	39,657	61,994
Cost of Goods Sold	(97,384)	(111,171)
Total trading profit/(loss) - Bookshop	(46,423)	(50,358)
Cafeteria (non-training related)		
Sales	561,978	519,839
Cost of Sales:		
Opening Inventory	(5,571)	(3,772)
Purchases	(338,878)	(323,582)
	(344,449)	(327,354)
Closing Inventory	7,370	5,571
Cost of Goods Sold	(337,079)	(321,783)
Total trading profit/(loss) - Cafeteria (non-training related)	224,899	198,056
Other trading		
Sales	1,690	5,555
	-	-
Total trading profit/(loss) - Other trading	1,690	5,555
Total Trading profit/(loss)	180,167	153,252
Closing Inventory comprises:		
Current Inventories		
Finished goods		
At cost	(47,028)	(67,565)
Total current inventory trading activities	(47,028)	(67,565)
Total current inventories	(47,028)	(67,565)

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.

DISCLOSURES AND LEGAL COMPLIANCE

3.4 Commonwealth grants and contributions

	2019	2018
Commonwealth specific purpose grants and contributions	-	31,630
	-	31,630

CR TAFE has no grants as at 31 December 2019.

For non-reciprocal grants, CR TAFE recognises revenue when the grant is receivable at its fair value as and when its fair value 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

	2019	2018
Interest revenue	195,003	314,954

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

	2019	2018
Rental and facilities fees	966,153	998,359
Sponsorship and donations revenue	234,336	267,813
Miscellaneous revenue	526,587	247,539
	1,727,076	1,513,710

Revenue is recognised and measured at the 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.

3.7 Gains/(Losses)

	2019	2018
<u>Carrying amount of non-current assets disposed</u>		
Buildings	(21,750)	-
Plant, furniture and general equipment	(827)	-
Net gain/(loss)	(22,577)	-
<u>Other gains/(loss)</u>		
Gain/(loss) arising from lease arrangements	(135)	-
Gain/(loss) arising from changes in fair value - buildings	1,848,859	-
Other gains/(loss)	1,848,724	-
Total gains/(loss)	1,826,147	-

Realised and unrealised gains are usually recognised on a net basis. These include the gains arising on the disposal of non-current assets and some revaluations of non-current assets.

Gains and losses on the disposal of non-current assets are presented by deducting from the proceeds on disposal the carrying amount of the asset and related selling expenses. Gains and losses are recognised in profit or loss in the statement of comprehensive income (from the proceeds of sale).

4 Key assets

Assets utilised for economic benefit or service potential

This section includes information regarding the key assets CR TAFE 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	2019	2018
Property, plant and equipment	4.1(a)	109,023,528	110,071,879
Right-of-use assets	4.1(b)	2,078,153	-
Total key assets		111,101,681	110,071,879

DISCLOSURES AND LEGAL COMPLIANCE

4.1(a) Property, plant and equipment

	Land \$	Buildings \$	Buildings under construction \$	Motor vehicles, caravans and trailers \$	Plant, furniture and general equipment \$	Computer equipment, communica- tion network \$	Total \$
Year ended 31 December 2019							
1 January 2019							
Gross carrying amount	9,261,500	98,554,813	55,405	550,872	3,531,538	205,370	112,159,498
Accumulated depreciation	-	-	-	(384,021)	(1,520,567)	(183,031)	(2,087,619)
Accumulated impairment losses	-	-	-	-	-	-	-
Carrying amount at start of period	9,261,500	98,554,813	55,405	166,851	2,010,971	22,339	110,071,879
Additions	-	671,882	14,035	-	856,262	14,134	1,556,313
Transfers (a)	255,000	(255,000)	-	3,650	(3,650)	-	-
Other disposals	-	(21,750)	-	-	(50,891)	-	(72,641)
Revaluation increments/(decrements)	(518,000)	1,848,859	-	-	-	-	1,330,859
Depreciation	-	(3,156,824)	-	(103,999)	(581,434)	(20,623)	(3,862,881)
Carrying amount 31 December 2019	8,998,500	97,641,980	69,440	66,501	2,231,258	15,849	109,023,528
Gross carrying amount	8,998,500	97,641,980	69,440	559,054	4,316,831	219,504	111,805,308
Accumulated depreciation	-	-	-	(492,552)	(2,085,573)	(203,654)	(2,781,780)
Accumulated impairment losses	-	-	-	-	-	-	-

DISCLOSURES AND LEGAL COMPLIANCE

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.

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 2019 by the Western Australian Land Information Authority (Valuations and Property Analytics). The valuations were performed during the year ended 31 December 2019 and recognised at 31 December 2019. In undertaking the revaluation, fair value was determined by reference to market values for land: \$8,998,500 (2018: \$9,261,500) and buildings :\$97,641,980 (2018: \$98,554,813) 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.

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(b) Right -of-use assets

Land
Buildings
Government Regional Officers' Housing
Vehicles
Total Right -of-use assets:

Notes	2019	2018
	-	-
	1,361,173	-
	485,131	-
	231,849	-
	2,078,153	-

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4.1(c) Depreciation charge of right-of-use assets

Buildings	229,251	-
Government Regional Officers' Housing	345,865	-
Vehicles	174,318	-
Total right-of-use asset depreciation	749,434	-
Lease interest expense (included in 6.3 Finance cost)	78,065	-
Expenses relating to variable lease payments not included in lease liabilities (included in administrative expenses)	64,593	-
Short-term leases (included in 2.3 Other Expenditure)	34,476	-
Low-value leases (included in 2.3 Other Expenditure)	2,453	-
The total cash outflow for leases in 2019 was	179,587	-

Right-of-use assets are measured at cost including the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs, including dismantling and removing the underlying asset.

Right-of-use assets are generally depreciated on a straight line basis over the shorter of the asset's useful life and the lease term. If the agency is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

4.1(d) Depreciation and impairment

Charge for the period

	2019	2018
<u>Depreciation</u>		
Buildings	3,156,824	3,129,287
Motor vehicles, caravans and trailers	103,999	118,791
Plant, furniture and general equipment	581,434	525,673
Computers and communication network	20,623	57,667
Right of Use Asset	749,434	-
Total depreciation for the period	4,612,315	3,831,419

As at 31 December 2019 there were no indications of impairment to property, plant and equipment.

All surplus assets at 31 December 2019 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

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.

Under the College capitalisation policy, the library collection is recognised as a grouped asset at year end in accordance with Treasurer's Instruction 1101, and depreciated under a rolling depreciation methodology. Purchases in a given year are 100% depreciated in the fifth year following purchase and derecognised in the seventh year following purchase.

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Under the College capitalisation policy, like Computer equipment items, less than the capitalisation threshold is recognised as a grouped asset at year end in accordance with Treasurer's Instruction 1101. Purchases in a given year are depreciated over future years in line with standard college depreciation rates.

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 CR TAFE 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 CR TAFE's controlled operations and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2019	2018
Receivables	5.1	1,244,327	2,546,564
Other assets	5.2	651,251	480,781
Payables	5.3	1,252,850	1,400,076
Contract liabilities	5.4	-	-
Other liabilities	5.5	2,016,806	1,434,395

5.1 Receivables

	2019	2018
Current		
Receivables - Trade	486,861	1,593,038
Receivables - Students	798,891	1,031,638
Allowance for impairment of receivables	(596,374)	(608,704)
Accrued revenue	393,089	372,413
GST receivable	161,860	158,180
Total current	1,244,327	2,546,564

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

	2019	2018
Current		
Prepayments	650,921	480,175
Other	331	606
Total current	651,251	480,781

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.

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5.3 Payables

	2019	2018
Current		
Trade payables	16,337	73,906
Accrued expenses	813,588	973,710
Accrued salaries and related costs	418,020	350,303
Paid parental leave payable	4,905	2,158
Total current	1,252,850	1,400,076

Payables are recognised at the amounts payable when CR TAFE 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. CR TAFE 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 CR TAFE 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.

5.4 Contract liabilities

Contract liabilities, classified as amounts due to customers for services yet to be provided, primarily relate to when CR TAFE has received consideration in advance of satisfying the performance obligation. Refer to Notes 3.2 for details of the revenue recognition policy.

5.5 Other liabilities

	2019	2018
Current		
Income received in advance	447,982	634,785
Grants and advances (provision for under-delivery in Government funded courses)	1,554,265	777,977
Monies/deposits held in trust	14,560	21,600
Other current liabilities	-	33
Balance at end of period	2,016,806	1,434,395

5.6 Contract assets

Where CR TAFE performs by transferring either goods or services to a customer before the payment is due or before the customer pays for consideration, then these are to be classified as contract assets. Contract assets exclude any amounts presented as a receivable.

6 Financing

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

	Notes
Cash and cash equivalents	6.1
Leases	6.2
Finance costs	6.3
Commitments	6.4

6.1 Cash and cash equivalents

	2019	2018
Current		
Cash and cash equivalents		
Cash On Hand	4,762	4,912
Cash At Bank	4,862,196	7,048,822
Total cash and cash equivalents	4,866,958	7,053,734
Total current	4,866,958	7,053,734
Non-current		
Restricted cash and cash equivalents non-current ^(a)	601,571	474,153
Total non-current	601,571	474,153
Balance at end of period	5,468,530	7,527,887

^(a) Includes 27th pay provision

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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.

6.2 Leases

a. The statement of financial position shows the following amounts relating to lease liabilities:

6.2.1 Lease liabilities

	2019	2018
Current	540,489	-
Non-current	1,580,321	-
Balance at end of period	2,120,810	-

b. CR TAFE leasing activities and how these are accounted for:

When a lease contract contains a lease component and non-lease component, and if the non-lease component is material, CR TAFE account for the amount of the non-lease component separately, where practicable from the lease amount by applying other applicable Standards.

Immaterial non-lease component(s) may be included in the lease amount, and accounted for as a single lease.

Lessees were required to classify leases as either finance leases or operating leases until 31 December 2018. From 1 January 2019, at the commencement date, lessees are required to recognise leases as right-of-use assets and associated lease liabilities in the Statement of Financial Position.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The interest on the lease liability is recognised in profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Lease liabilities do not include any future changes in variable lease payments (that depend on an index or rate) until they take effect, in which case the lease liability is reassessed and adjusted against the right-of-use asset.

c. Variable Lease payments

Variable lease payments that are dependant on sales are recognised in profit or loss in the period in which the condition that triggers those payment occurs.

d. Extension and termination options

Periods covered by extension or termination options are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

e. Short-term and low-value leases

Payments associated with short-term and low-value leases are recognised as an expense in the statement of comprehensive income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets are assets that are individually valued less than \$5,000 at cost. This excludes leases with another wholly-owned public sector entity lessor agency. These expenses are included within note 2.3 Other Expenditure.

6.3 Finance costs

	2019	2018
Finance costs		
Lease interest expense	78,065	-
Finance costs expensed	78,065	-

'Finance cost' includes the interest component of lease liability repayments

6.4 Commitments

Other expenditure commitment (Carnarvon airport) contracted for at the end of the reporting period but not recognised as liabilities are payable as follows:

	2019	2018
Within 1 year	106	346,105
Later than 1 year and not later than 5 years	319	335,238
Later than 5 years		3,624
Balance at end of period	425	684,967

The totals presented for capital commitments are GST inclusive.

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

CR TAFE 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 CR TAFE.

	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:

	2019	2018
<u>Financial assets</u>		
Cash and cash equivalents	4,866,958	7,053,734
Restricted cash and cash equivalents	601,571	474,153
Receivables ^(a)	1,082,467	2,388,384
Total financial assets	6,550,996	9,916,271
<u>Financial liabilities</u>		
Financial liabilities measured at amortised cost	3,373,660	1,400,076
Total financial liabilities	3,373,660	1,400,076

^(a) 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

CR TAFE has no contingent assets.

7.2.2 Contingent liabilities

CR TAFE has no contingent liabilities.

Contaminated Sites

Under the Contaminated Sites Act 2003, the CR TAFE is required to report known and suspected contaminated sites to the Department of Water and Environmental Regulation (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, CR TAFE 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 CR TAFE, 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).

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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
Equity	8.9
Supplementary financial information	8.10
Explanatory statement	8.11

8.1 Events occurring after the end of the reporting period

There were no significant events occurring after the reporting period

8.2 Initial application of Australian Accounting Standards

(a) AASB 15 Revenue from Contract with Customers and AASB 1058 Income of Not-for-Profit Entities

AASB 15 Revenue from Contracts with Customers replaces AASB 118 Revenue and AASB 111 Construction Contracts for annual reporting periods on or after 1 January 2019. Under the new model, an entity shall recognise revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service and is based upon the transfer of control rather than transfer of risks and rewards.

AASB 15 focuses on providing sufficient information to the users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from the contracts with customers.

Revenue is recognised by applying the following five steps:

- Identifying contracts with customers
- Identifying separate performance obligations
- Determining the transaction price of the contract
- Allocating the transaction price to each of the performance obligations
- Recognising revenue as each performance obligation is satisfied.

Revenue is recognised either over time or at a point in time. Any distinct goods or services are separately identified and any discounts or rebates in the contract price are allocated to the separate elements.

In addition, the agency derives income from appropriations which are recognised under AASB 1058. AASB 1058 is applied to Not-for-Profit Entities for recognising income that is not revenue from contracts with customers. Timing of income recognition under AASB 1058 depends on whether such a transaction gives rise to a liability or other performance obligation (a promise to transfer a good or service), or a contribution by owners, related to an asset (such as cash or another asset) recognised by an agency.

The agency will adopt the modified retrospective approach on transition to AASB 15 and AASB 1058.

No comparative information will be restated under this approach, and the agency will recognise the cumulative effect of initially applying the standard as an adjustment to the opening balance of accumulated surplus/(deficit) at the date of initial application (1 January 2019).

Under this transition method, agency may elect to apply the Standard retrospectively only to contracts and transactions that are not completed contracts at the date of initial application.

Refer to Note 3.1, 3.2 and 3.3 for the revenue and income accounting policies adopted from 1 January 2019.

The effect of adopting AASB 15, AASB 16 and AASB 1058 as at 1 January 2019 was, as follows:

	Adjustments	1 January 2019
Assets		
Right of use asset	8.2(b)	<u>2,555,103</u>
Total Assets		<u>2,555,103</u>
Liabilities		
Lease liabilities	8.2(b)	<u>2,555,103</u>
Total Liabilities		<u>2,555,103</u>

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With these changes, the net impact on retained earnings on 1 Jan 2019 was nil.

AASB 15 Revenue from Contracts with Customers

When either party to the contract has performed the obligation, the agency shall present the contract in the statement of financial position as a contract asset or a contract liability. The agency shall present any unconditional rights to consideration separately as a receivable:

(a) A contract asset is recognised if the agency transfers goods or services to a customer before the customer pays consideration or the payment is due.

For reporting periods that include the date of initial application, the agency shall provide both the following additional disclosures if this Standard is applied retrospectively in accordance with paragraph C3(b):

- The amount by which each financial statement line item is affected in the current reporting period by the application of this Standard as compared to AASB 111, AASB 118 and related Interpretations that were in effect before the change; and
- An explanation of the reasons for significant changes identified in the above comparison.

(b) AASB 16 Leases

From 1 January 2019, AASB 16 Leases supersedes AASB 117 Leases, Interpretation 4 Determining whether an Arrangement contains a Lease, Interpretation 115 Operating Leases – Incentives and Interpretation 127 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. AASB 16 primarily affects lessee accounting and provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. The main changes introduced by the new Standard include identification of lease within a contract and a new lease accounting model for lessees that require lessees to recognise all leases (operating and finance leases) on the Statement of Financial Position as a right-of-use asset and lease liability, except for short term leases (lease terms of 12 months or less at commencement date) and low-value assets (valued less than \$5,000). The operating lease and finance lease distinction for lessees no longer exists.

The agency has applied the modified retrospective approach on initial adoption. As permitted under the specific transition provisions in the standard, comparatives have not been restated. The cumulative effect of initially applying this Standard as an adjustment to the opening balance of retained earnings. Lease liabilities recognised are measured at present value of the remaining lease payments, discounted using the incremental borrowing rate.

The agency is permitted on a lease-by-lease basis to apply the following practical expedients:

- (a) A single discount rate may be applied to a portfolio of leases with reasonably similar characteristics.
- (b) Agency relies on its assessment of whether leases are onerous applying AASB 137 Provisions, Contingent Liabilities and Contingent Assets immediately before 1 January 2019 as an alternative to performing an impairment review, the agency shall adjust the right-of-use asset at the date of initial application by the amount of any provision for onerous leases recognised in the statement of financial position immediately before the date of initial application.
- (c) Exclusion of initial direct costs from the measurement of right-of-use asset at the date of initial application.
- (d) Use of hindsight, such as in determining the lease term if the contract contains options to extend or terminate the lease.

AASB 16 takes into consideration all operating leases that were off balance sheet under AASB 117 and recognises:

- a) Right of use assets and lease liabilities in the statement of financial position, initially measured at the present value of future lease payments, discounted using the incremental borrowing rate on 1 January 2019.
- b) Depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income.
- c) The total amount of cash paid as principal amount, which is presented in the cash flows from financing activities, and interest paid, which is presented in the cash flows from operating activities, in the statement of cash flows.

For leases previously classified as finance leases in 2018, the carrying amount of the lease asset and lease liability immediately before transition has been used as the carrying amount of the right-of-use asset and the lease liability as of 1 January 2019.

Measurement of lease liabilities

Operating Lease Commitments disclosed as at 31 December 2018	684,967
Discounted using incremental borrowing rate at date of initial application	<u>2,555,103</u>
Lease liability recognised at 1 January 2019	<u>2,555,103</u>
Current lease liabilities	434,293
Non-current lease liabilities	2,120,810

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8.3 Key management personnel

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

The total fees, salaries, superannuation, non-monetary benefits and other benefits for members of The Accountable Authority and key management personnel of CR TAFE for the reporting period are presented within the following bands:

	2019	2018
Compensation of the accountable authority (\$)		
280,001 - 290,000	1	
270,001 - 280,000		1
40,001 - 50,000		1
20,001 - 30,000	1	1
0 - 10,000	10	12
Compensation of the senior officers (\$)		
190,001 - 200,000		1
180,001 - 190,000	2	
170,001 - 180,000	1	
160,001 - 170,000	1	1
140,001 - 150,000		1
130,001 - 140,000		1
110,001 - 120,000		1
90,001 - 100,000		1
50,001 - 60,000	1	
20,001 - 30,000	2	1
10,001 - 20,000		2
Accountable Authority	347,901	377,864
Senior Officers	808,525	897,587
Total compensation of key management personnel	1,156,426	1,275,451

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

8.4 Related parties

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

Related parties of CR TAFE 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 CR TAFE, 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

CR TAFE has no related bodies.

8.6 Affiliated bodies

CR TAFE 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:

	2019	2018
Auditing the accounts, financial statements, controls and key performance indicators	162,000	173,000

8.8 Non-current assets classified as held for transfer

CR TAFE has no non-current assets classified as held for transfer.

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8.9 Equity

	2019	2018
Contributed equity		
Balance at start of period	134,325,753	131,586,997
<i>Contributions by owners</i>		
Capital appropriation	175,579	2,738,756
<i>Transfer of net assets from other entities</i>		
Transfer of assets from other entities	-	-
Total contributions by owners	134,501,332	134,325,753
Balance at the end of period	134,501,332	134,325,753

8.10 Supplementary financial information

(a) Write-offs

During the financial year, \$128,466 (2018: \$41,476) of debts due to the College were written off and \$0 (2018: \$76,691) was written off the asset register and \$5,174 (2018: \$25,297) of obsolete inventory under the authority of:

	2019	2018
The accountable authority	133,641	143,464
	133,641	143,464

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8.11 Explanatory statement (Controlled Operations)

All variances between estimates (original budget) and actual results for 2019, and between the actual results for 2019 and 2018. Narratives are provided for key major variances, which are generally greater than:

- 5% and \$1.2 million for the Statements of comprehensive income and cash flows, and
- 5% and \$2.4 million for the Statement of financial position.

8.11.1 Statement of Comprehensive

Income Variances

Variance Note	Estimate 2019 \$	Actual 2019 \$	Actual 2018 \$	Variance between estimate and actual \$	Variance between actual results for 2019 and 2018 \$
Expenses					
Employee benefits expense	36,066,734	37,001,948	36,107,296	935,214	894,652
Finance cost	-	78,065	-	78,065	78,065
Supplies and services	12,163,362	11,923,957	13,055,675	(239,405)	(1,131,718)
Asset revaluation decrement	-	518,000	3,098,296	518,000	(2,580,296)
Other expenses	3,527,500	3,940,896	4,159,812	413,396	(218,916)
Cost of sales	438,397	434,463	432,954	(3,934)	1,509
Loss on disposal of non-current assets	-	22,577	-	22,577	22,577
Loss on disposal of lease arrangements	-	135	-	135	135
Depreciation and amortisation expense	3,829,848	4,612,315	3,831,419	782,467	780,897
Total cost of services	56,025,841	58,532,356	60,685,451	2,506,515	(2,153,095)
Income					
<i>Revenue</i>					
Fee for service	1,023,220	1,297,362	1,248,990	274,142	48,372
Student fees and charges	6,320,700	4,984,806	5,482,205	(1,335,894)	(497,399)
Ancillary trading	305,313	344,321	292,551	39,008	51,770
Sales	500,215	614,630	586,206	114,415	28,424
Commonwealth grants and contributions	90,907	-	31,630	(90,907)	(31,630)
Interest revenue	299,600	195,003	314,954	(104,597)	(119,951)
Other revenue	1,580,233	1,727,076	1,513,710	146,843	213,366
Total revenue	10,120,188	9,163,198	9,470,247	(956,990)	(307,049)
<i>Gains</i>					
Other gains	-	1,848,859	-	1,848,859	1,848,859
Total gains	-	1,848,859	-	1,848,859	1,848,859
Total income other than income from State Government	10,120,188	11,012,058	9,470,247	891,870	1,541,810
NET COST OF SERVICES	45,905,653	47,520,299	51,215,204	1,614,646	(3,694,905)
Income from State Government					
Grants and subsidies	41,047,021	41,152,311	40,121,096	105,290	1,031,215
Services received free of charge	1,385,315	1,328,210	1,771,285	(57,105)	(443,075)
Total income from State Government	42,432,336	42,480,521	41,892,382	48,185	588,140
SURPLUS/(DEFICIT) FOR THE PERIOD	(3,473,317)	(5,039,778)	(9,322,822)	(1,566,461)	4,283,045
OTHER COMPREHENSIVE INCOME					
Items not reclassified subsequently to profit or loss					
Changes in asset revaluation surplus	-	-	-	-	-
Total other comprehensive income	-	-	-	-	-
TOTAL COMPREHENSIVE DEFICIT FOR THE PERIOD	(3,473,317)	(5,039,778)	(9,322,822)	(1,566,461)	4,283,045

Major Estimate and Actual (2019) Variance Narratives

1. Student revenue less than estimates as a result and a combination of a shortfall in training and delivery enrolments, fee waivers, a mix of profile courses and subsequent funding rates.
2. Landgate land and building asset revaluations for 2019 were more favourable than 2018. In 2019 net land decrement of \$518k (2018: \$1.7m net decrement) and net buildings increment of \$1.8m (2018: \$1.38m net decrement).

Major Actual 2019 and Comparative (2018) Variance Narratives

- A. Landgate land and building asset revaluations for 2019 were more favourable than 2018. In 2019 net land decrement of \$518k (2018: \$1.7m net decrement) and net buildings increment of \$1.8m (2018: \$1.38m net decrement).

DISCLOSURES AND LEGAL COMPLIANCE

8.11.2 Statement of Financial Position Variances

	Variance Note	Estimate 2019 \$	Actual 2019 \$	Actual 2018 \$	Variance between estimate and actual \$	Variance between actual results for 2019 and 2018 \$
ASSETS						
Current Assets						
Cash and cash equivalents	3	8,251,326	4,866,958	7,053,734	(3,384,368)	(2,186,776)
Receivables		2,086,001	1,244,327	2,546,564	(841,674)	(1,302,237)
Inventories		112,187	47,028	67,565	(65,159)	(20,537)
Other current assets		280,510	651,251	480,781	370,741	170,470
Total Current Assets		10,730,024	6,809,564	10,148,644	(3,920,460)	(3,339,080)
Non-Current Assets						
Restricted cash and cash equivalents		550,611	601,571	474,153	50,960	127,418
Property, plant and equipment		111,920,583	109,023,528	110,071,879	(2,897,055)	(1,048,350)
Right of Use Assets		-	2,078,153	-	2,078,153	2,078,153
Total Non-Current Assets		112,471,194	111,703,253	110,546,032	(767,941)	1,157,221
TOTAL ASSETS		123,201,218	118,512,817	120,694,676	(4,688,401)	(2,181,859)
LIABILITIES						
Current Liabilities						
Payables		1,677,264	1,252,850	1,400,076	(424,414)	(147,226)
Lease Liabilities		-	540,489	-	540,489	540,489
Employee related provisions		5,351,946	4,713,311	4,973,326	(638,635)	(260,015)
Other current liabilities		378,390	2,016,806	1,434,395	1,638,416	582,411
Total Current Liabilities		7,407,600	8,523,456	7,807,797	1,115,856	715,659
Non-Current Liabilities						
Lease liabilities		-	1,580,321	-	1,580,321	1,580,321
Employee related provisions		2,180,577	2,403,409	2,017,050	222,832	386,359
Total Non-Current Liabilities		2,180,577	3,983,730	2,017,050	1,803,153	1,966,680
TOTAL LIABILITIES		9,588,177	12,507,186	9,824,847	2,919,009	2,682,339
NET ASSETS		113,613,041	106,005,631	110,869,829	(7,607,410)	(4,864,198)
EQUITY						
Contributed equity		134,997,153	134,501,333	134,325,754	(495,820)	175,579
Accumulated surplus / (deficit)		(21,384,112)	(28,495,702)	(23,455,925)	(7,111,590)	(5,039,778)
TOTAL EQUITY		113,613,041	106,005,631	110,869,829	(7,607,410)	(4,864,198)

Major Estimate and Actual (2019) Variance Narratives

3. Cash reserves estimate of \$9.4m was established in August 2018, however the ending cash balance December 2018 and beginning January 2019 balance was \$7.5m, Therefore 2019 began \$1.9m below the estimate. Other pressures on the actual cash reserves balance compared with estimates include:

- additional employee expenses for lecturing staff
- additional building repairs, payroll tax as a result of an increase in salaries
- lower student fees - shortfall in training and delivery enrolments, fee waivers, a mix of profile courses and subsequent funding rates
- lower interest revenue due to a decline in cash reserves

DISCLOSURES AND LEGAL COMPLIANCE

8.11.3 Statement of Cash Flows Variances

Variance Note	Estimate 2019 \$	Actual 2019 \$	Actual 2018 \$	Variance between estimate and actual \$	Variance between actual results for 2019 and 2018 \$
CASH FLOWS FROM STATE GOVERNMENT					
Grants and subsidies - DTWD	41,039,521	42,013,465	40,292,940	973,944	1,720,525
Total Net cash provided by State Government	41,039,521	42,013,465	40,292,940	973,944	1,720,525
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee benefits	(36,034,233)	(36,816,381)	(36,009,959)	(782,148)	(806,422)
Supplies and services	(10,628,047)	(10,960,556)	(11,222,486)	(332,509)	261,930
Finance Cost	-	(78,065)	-	(78,065)	(78,065)
GST payments on purchases	(1,356,566)	(1,325,533)	(1,338,723)	31,033	13,190
Other payments	(3,753,712)	(4,125,565)	(4,284,144)	(371,853)	158,579
Receipts					
Fee for service	1,441,407	1,268,817	1,295,635	(172,590)	(26,818)
Student fees and charges	6,077,581	5,419,938	5,325,156	(657,643)	94,782
Ancillary trading	305,313	344,321	292,551	39,008	51,770
Commonwealth grants and contributions	90,907	-	31,630	(90,907)	(31,630)
Interest received	299,600	243,149	318,040	(56,451)	(74,891)
GST receipts on sales	607,786	284,029	310,858	(323,757)	(26,829)
GST receipts from taxation authority	748,780	1,015,844	1,094,935	267,064	(79,091)
Other receipts	1,943,197	2,576,330	1,726,083	633,134	850,247
Net cash used in operating activities	(40,257,988)	(42,153,672)	(42,460,424)	(1,895,685)	306,752
CASH FLOWS FROM INVESTING ACTIVITIES					
Payments					
Purchase of non-current physical assets	(1,450,000)	(1,212,238)	(873,207)	237,762	(339,031)
Receipts					
Capital Contribution	-	-	405,000	-	(405,000)
Net cash provided by investing activities	(1,450,000)	(1,212,238)	(468,207)	237,762	(744,031)
CASH FLOWS FROM FINANCING ACTIVITIES					
Payments					
Principal elements of lease (2018 – finance lease) payments	-	(706,912)	-	(706,912)	(706,912)
Net cash provided by/(used in) financing activities	-	(706,912)	-	(706,912)	(706,912)
Net increase in cash and cash equivalents	(668,467)	(2,059,357)	(2,635,691)	(1,390,891)	576,334
Cash and cash equivalents at the beginning of period	9,470,403	7,527,887	10,163,578	(1,942,516)	(2,635,691)
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	8,801,937	5,468,530	7,527,887	(3,333,407)	(2,059,357)

ANNUAL ESTIMATES

Central Regional TAFE
2020 S40 SUBMISSION
Statement of Comprehensive Income

	2020 Budget Estimate \$
COST OF SERVICES	
Expenses	
Employee benefits expense	35,713,764
Supplies and services	11,766,332
Depreciation and amortisation expense	3,554,775
Cost of sales	398,397
Revaluation decrement	0
Other expenses	3,477,500
Total Cost of Services	54,910,768
Income	
Revenue	
Fee for service	945,186
Student charges and fees	4,467,739
Ancillary trading	305,313
Sales	550,215
Commonwealth grants and contributions	0
Interest revenue	296,604
Other revenue	1,480,233
Total Revenue	8,045,290
Total income other than income from State Government	8,045,290
NET COST OF SERVICES	(46,865,478)
INCOME FROM STATE GOVERNMENT	
State funds	42,125,255
Resources received free of charge	1,202,556
Total income from State Government	43,327,811
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(3,537,667)

**Central Regional TAFE
2020 S40 SUBMISSION
STATEMENT OF FINANCIAL POSITION**

	2020 Budget Estimate \$
ASSETS	
Current Assets	
Cash and cash equivalents	6,545,219
Restricted cash and cash equivalents	0
Inventories	47,565
Receivables	1,996,564
Other current assets	480,781
Total Current Assets	9,070,129
Non-Current Assets	
Restricted cash and cash equivalents	665,037
Property, plant and equipment	107,627,040
Total Non-Current Assets	108,292,077
TOTAL ASSETS	117,362,207
LIABILITIES	
Current Liabilities	
Payables	1,955,078
Provisions	4,973,326
Other current liabilities	860,922
Total Current Liabilities	7,789,326
Non-Current Liabilities	
Provisions	2,017,050
Total Non-Current Liabilities	2,017,050
TOTAL LIABILITIES	9,806,376
NET ASSETS	107,555,831
EQUITY	
Contributed Equity	136,961,586
Accumulated surplus/(deficiency)	(29,405,755)
TOTAL EQUITY	107,555,831

**Central Regional TAFE
2020 S40 SUBMISSION
STATEMENT OF CASH FLOWS**

	2020 Budget Estimate \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	42,114,254
Net cash provided by State Government	42,114,254
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Payments	
Employee benefits	(35,612,764)
Supplies and services	(10,273,775)
GST payments on purchases	(1,356,566)
Cost of goods sold	(64,688)
Other payments	(3,577,652)
Operating Receipts	
Fee for service	1,313,374
Student fees and charges	4,324,620
Ancillary trading	305,313
Commonwealth grants and contributions	(0)
Interest received	296,604
GST receipts on sales	607,786
GST receipts from taxation authority	748,780
Sale of Goods	90,633
Other receipts	1,801,190
Net cash provided by/(used in) operating activities	(41,397,146)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current physical assets	(1,000,000)
Net cash provided by/(used in) investing activities	(1,000,000)
Net increase/(decrease) in cash held and cash equivalents	(282,892)
Cash and cash equivalents at the beginning of the period	7,493,148
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7,210,256

DISCLOSURES AND LEGAL COMPLIANCE

**Central Regional TAFE
2020 S40 SUBMISSION
STATEMENT OF CHANGES IN EQUITY**

	2020 Budget Estimate \$
Balance of equity at start of period	113,613,041
CONTRIBUTED EQUITY	
Balance at start of period	135,661,586
Capital contribution	1,300,000
Balance at end of period	136,961,586
RESERVES	
Asset Revaluation Reserve	
Balance at start of period	0
Gains/(losses) from asset revaluation	0
Balance at end of period	0
ACCUMULATED SURPLUS (RETAINED EARNINGS)	
Balance at start of period	(25,868,088)
Restated balance at start of period	(25,868,088)
Surplus/(deficit) or profit/(loss) for the period	(3,537,668)
Balance at end of period	(29,405,755)
Balance of equity at end of period	107,555,831
Total income and expense for the period	(3,537,668)

KEY PERFORMANCE INDICATORS

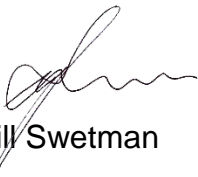
Certification of Key Performance Indicators

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 2019.



Mary Woodford
Governing Council Chair
Central Regional TAFE

3 March 2020



Bill Swetman
Managing Director
Member of Governing Council
Central Regional TAFE

3 March 2020

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 2019, 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

	2017 Actual	2018 Actual	2019 Target	2019 Actual
Central Regional TAFE	90.3%	92.0%	93.5%	92.6%
Western Australia	87.3%	88.2%	NA	87.5%

Source: EY Sweeney, Student Satisfaction Survey 2019

Derivation:

The total population for Central Regional TAFE was 4,057 students and 874 responses were received. This represents a response rate of 21.54%. The College's relative confidence interval was $\pm 1.5\%$ at the 95% confidence level.

The total population for the whole of Western Australia (excluding private training providers) was 44,531 students and 9,758 responses were received. This represents a response rate of 21.91%. The whole of Western Australia's relative confidence interval was $\pm 0.6\%$ at the 95% confidence level.

Notes: These figures are representative for the whole of 2019.

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’.

Table Two: Graduate Achievement

	2017 Actual	2018 Actual	2019 Target	2019 Actual
Central Regional TAFE	89.1%	87.2%	91.0%	87.7%
TAFE Australia	83.2%	82.1%	N/A	81.9%
All VET Providers Australia	84.2%	84.2%	N/A	83.9%

Source: 2019 Student Outcomes Survey, National Centre for Vocational Education Research (NCVER)

Derivation: The total population of Central Regional TAFE graduates is 998 and 305 valid responses were received. The College’s relative confidence interval was ±3.1% at the 95% confidence level.

Notes: In 2019, NCVER conducted a national Apprentice and Trainee Experience and Destination (ATED) survey that was integrated with the 2019 National Student Outcomes Survey. The surveys ran concurrently. Key National Student Outcomes Survey questions were included in the ATED questionnaire alongside other questions specific to apprentices and trainees. Where a student was sampled for both surveys, they were invited to participate in one survey only-ATED. Following a mode effects analysis, the responses to these key questions were merged back into the National Student Outcomes Survey response file. As a result of this approach, apprentices and trainees sampled for both surveys did not answer all questions in the National Student Outcomes Survey. ATED students were not asked the achievement question.

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 Actual	2018 Actual	2019 Target	2019 Actual
Graduates Employed				
Central Regional TAFE	80.6%	78.9%	89.0%	79.3%
TAFE Australia	73.1%	72.4%	N/A	71.3%
All VET providers Australia	77.7%	77.3%	N/A	76.6%
Graduates Unemployed				
Central Regional TAFE	13.5%	12.3%	N/A	11.4%
TAFE Australia	16.5%	16.5%	N/A	17.1%
All VET providers Australia	14.4%	14.2%	N/A	14.6%
Graduates Not in Labour Force				
Central Regional TAFE	5.9%	8.8%	N/A	9.2%
TAFE Australia	10.4%	11.0%	N/A	11.6%
All VET providers Australia	7.9%	8.5%	N/A	8.7%

Source: 2019 Student Outcomes Survey, National Centre for Vocational Education Research (NCVER)

Derivation:

The total population of Central Regional TAFE graduates was 998 and 319 valid responses were received.

The total population of TAFE Australia graduates was 120,586 and 40,302 valid responses were received.

The total population of All VET providers Australia graduates was 359,262 and 119,153 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 2019 Profile, Estimated Vs Achieved SCH

	Target SCH	Achieved SCH	% Achieved
2017	2,240,292	1,929,043	86.1%
2018	1,915,978	1,857,162	96.9%
2019	1,915,978	1,890,188	98.7%

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

Notes:

- i 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 2019 Profile by the State Australian and New Zealand Standard Classification of Occupation Groups

ANZSCO Group		2019 Target SCH	2019 Actual SCH
1	MANAGERS	44,340	20,008
11	Chief Executives, General Managers and Legislators	13,000	940
12	Farmers and Farm Managers	4,400	
13	Specialist Managers	6,440	2,900
14	Hospitality, Retail and Service Managers	20,500	16,168
2	PROFESSIONALS	148,334	110,230
21	Arts and Media Professionals	33,700	17,265
22	Business, Human Resource and Marketing Professionals	6,720	
23	Design, Engineering, Science and Transport Professionals	57,325	64,600
24	Education Professionals	39,589	20,635
26	ICT Professionals	11,000	5,765
27	Legal, Social and Welfare Professionals		1,965
3	TECHNICIANS AND TRADES WORKERS	352,365	377,997
31	Engineering, ICT and Science Technicians	65,649	46,443
32	Automotive and Engineering Trades Workers	126,725	183,466
33	Construction Trades Workers	38,243	34,518
34	Electrotechnology and Telecommunications Trades Workers	37,400	33,652
35	Food Trades Workers	36,702	24,278
36	Skilled Animal and Horticultural Workers	38,346	45,975
39	Other Technicians and Trades Workers	9,300	9,665
4	COMMUNITY AND PERSONAL SERVICE WORKERS	448,820	382,646
41	Health and Welfare Support Workers	143,680	133,470
42	Carers and Aides	212,880	198,359
43	Hospitality Workers	18,360	8,200
44	Protective Service Workers	5,000	
45	Sports and Personal Service Workers	68,900	42,617
5	CLERICAL AND ADMINISTRATIVE WORKERS	140,590	122,889
51	Office Managers and Program Administrators	16,500	9,125
53	General Clerical Workers	70,090	61,659
55	Numerical Clerks	25,800	26,215
59	Other Clerical and Administrative Workers	28,200	25,890
6	SALES WORKERS	25,350	6,186
61	Sales Representatives and Agents	12,000	
62	Sales Assistants and Salespersons	13,350	6,186

DISCLOSURES AND LEGAL COMPLIANCE

ANZSCO Group		2019 Target SCH	2019 Actual SCH
7	MACHINERY OPERATORS AND DRIVERS	248,050	338,536
71	Machine and Stationary Plant Operators	113,050	111,201
72	Mobile Plant Operators	126,000	227,335
73	Road and Rail Drivers	9,000	
8	LABOURERS	265,909	262,819
82	Construction and Mining Labourers	45,430	45,032
83	Factory Process Workers	30,795	29,644
84	Farm, Forestry and Garden Workers	84,333	109,484
85	Food Preparation Assistants	12,270	11,190
89	Other Labourers	93,081	67,469
G	GENERAL EDUCATION	242,220	268,877
GB	Adult Literacy	160,800	174,450
GE	Targeted Courses	81,420	94,427
Total SCH		1,915,978	1,890,188

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

Note: Lower than expected enrolment numbers in the Goldfields and Wheatbelt regions attributed to the shortfall in total SCH in 2019

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 2019 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)

	2017 Actual	2018 Actual	2019 Target	2019 Actual
\$ per SCH	\$30.30	\$30.42	\$27.79	\$28.77

Source: Financial Statements and TECH One Student Management System.

Notes:

- i The total cost of services used to calculate the Cost per SCH includes non-cash items such as depreciation, asset revaluation decrements and resources received free of charge totalling \$6.4m.
- ii The 2019 actual Cost per SCH is \$0.98 more than the target. The reason for the variance is a combination of not meeting profile training and delivery (26k SCH shortfall), as well as an increase in lecturing salaries, non-cash asset revaluation decrement and depreciation (as a result of the introduction of accounting standard AASB 16 for leases) totalling \$2.5m compared with estimates / targets.

College Key Performance Indicators

The following information was provided in the 2019 Business Plan:

Benchmarks will be established for the following key performance indicators for Jobs and Skills Centres, newly established in 2019:

- Training and Employment Outcomes
- Cost per Client Contact

Each key performance indicator will be measured by both an individual and employer outcome target.

It has proven difficult to establish individual and employer outcome targets for the Jobs and Skills Centres because initial data is still being collected by DTWD, through the Customer Relationship Management (CRM) system. Additionally, the performance of Jobs and Skills Centres will be reported collectively by DTWD and not at an individual college level.