



Government of **Western Australia**
North Regional **TAFE**

2017 Annual Report



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Statement of Compliance



Hon. Sue Ellery MLC
Minister for Education and Training
Responsible Minister as of 18 March 2017



Hon. Liza Harvey MLA
Minister for Training and
Workforce Development
Responsible Minister until 17 March 2017

In accordance with Section 61 of the Financial Management Act 2006, we hereby submit for your information and presentation to Parliament, the Annual Report of North Regional TAFE for the calendar year ended 31 December 2017.

This Annual Report has been prepared in accordance with the provisions of the Financial Management Act 2006 and the Vocational Education and Training Act 1996.

A handwritten signature in black ink, appearing to read 'Kevin Doig'.

Kevin Doig
Managing Director and Accountable Officer
16 March 2018

A handwritten signature in black ink, appearing to read 'Ian Smith'.

Ian Smith
Chairman, Governing Council
16 March 2018

Governing Council's report



Collaboration and partnership again marked the work of North Regional TAFE in 2017 towards growing the training profile in the North West of Australia.

During 2017, the North Regional TAFE Governing Council worked hard to ensure the organisation achieved reforms, as well as engaging in energetic discussion with industry and community stakeholders to maximise opportunities for growth. We welcomed new members Charlene Peters and Maggie MacFie, appointed on 10 July 2017 increasing membership to the full complement of ten. I would like to acknowledge the contribution and commitment from all members of the Board.

The key direction of the TAFE's Strategic direction were in response to a number of internal and external factors. Early in 2017, the TAFE College's Statement of Expectations and the State Training Plan steered NRT's Strategic Plan to reflect these state and federal government priorities. Our Managing Director and Executive Management Team set the stage for adopting a new vision, mission and values for North Regional TAFE, and developing a 2018-2020 Strategic Plan.

Externally, there were rapid changes occurring in the industry and business sector and in many Aboriginal communities. Internally, the College needed to position itself to take advantage of the impending growth with renewed clarity of vision. The seven broad themes outlined in the College's Statement of Expectations shaped the TAFE's direction.

North Regional TAFE is proud of what it has accomplished in the last twelve months culminating in winning the award for Large Training Provider of the Year. The report that follows provides examples of strong industry and community engagement and how the catalyst of change has provided many opportunities for innovative thinking.

On behalf of Governing Council I would like to thank all management and staff for their dedication and commitment over the last year and their contribution to the year ahead.

A handwritten signature in black ink that reads "Ian Smith". The signature is written in a cursive, flowing style.

Ian Smith
Chair, Governing Council

Managing Director's Review



The North Regional TAFE team continued to demonstrate their commitment to success by achieving our objectives to deliver quality vocational education to support the North West Australian industries in 2017.

We have been able to maintain our position and continue to develop programs to suit students and meet industry needs across vocational education within this challenging market in 2017.

During the past 12 months the College has continued to provide its educational services, delivering 1,078,535 million student contact hours. Our financial result reflects our commitment to improvement. Our specialist positioning and brand, as well as the additional educational services provided to students continues to influence successful transitions to employment.

North Regional TAFE has a strong offering of vocational programs which we develop in close consultation with industry to ensure meaningful career outcomes for our graduates.

Highlights for 2017 include:

- Winner of the WA Large training Provider of the Year
- A successful TAC compliance audit with no non-compliances
- World Skills in the Fitting and Machining category and becoming eligible for the National Finals.

A core focus of our current strategy has been centred on organisational improvement, efficiency and financial sustainability. This year's operating results both educationally and financially show continued improvement which enables the focus for 2018 to centre on educational improvements and a stronger focus on quality.

I would like to acknowledge the time and support provided by the North Regional TAFE Governing Council and would also like to thank all staff across the College's operations as it is their passion for our industry and the sharing of skills and knowledge that facilitates working closely with industry and developing our students to give them the best education outcomes and employment opportunities.

A handwritten signature in black ink, appearing to read 'Kevin Doig'. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kevin Doig
Managing Director

About Us

Our Operating Environment

North Regional TAFE (NRT) is the major provider of post-secondary education in the North West of Australia. There is no other on-campus vocational education in the region, and therefore the College provides the only local post-school vocational training and education for the people of the Kimberley and Pilbara.

The Region

The Kimberley and Pilbara region covers around 1,000,000 square kilometres. The major population centres are the 11 regional towns of Broome, Derby, Fitzroy Crossing, Halls Creek, Kununurra, Wyndham, Port Hedland, Roebourne, Karratha, Tom Price and Newman.

Broome, Kununurra, Port Hedland and Karratha are the four largest towns and are sub-regional centre hubs in the Kimberley and Pilbara areas respectively.

The Pilbara population

The regional population is estimated at around 61,434. The 2016 statistics recorded 11.1 % of the West Pilbara and 17.9% of East Pilbara population as Indigenous.

The Pilbara has a young population with an overall median age of 33.2.

14.1% of Pilbara residents speak a language other than English at home.

The main employment industry is mining with the main occupation of employed persons in the Technicians and Trades workers field (27.2%)

The 2016 Bureau of Statistics states that 1,566 people are receiving Newstart Allowance in the Pilbara with 135 people on support for more than a year.

The Kimberley population

The regional population is estimated at around 36,392. 2016 statistics recorded around 41.6% of the total Kimberley population as Indigenous.

The Kimberley has a young population with an overall median age of 31.3.

20.1% of Kimberley residents speak a language other than English at home

The main employment industry is Health Care and Social Assistance (12.7%), with the main occupation of employed persons being in the professional field 19.2%

The 2016 Bureau of Statistics states that 2,930 people are receiving Newstart Allowance in the Kimberley with 76 people on support for more than a year.

Campus locations



Derby is a town in the Kimberley region of Western Australia. About half the population is of Aboriginal descent

Population: 8,322 Enrolments: 739



Minurmarghali Mia, Roebourne, is a former gold rush town in Western Australia's Pilbara region. It is 202 km from Port Hedland and 1,563 km from Perth

Population: 5,838 Enrolments: 261



Halls Creek is a town situated in the East Kimberley region of Western Australia. It is located between the towns of Fitzroy Crossing and Turkey Creek on the Great Northern Highway. It is the only sizeable town for 600 km on the Highway

Population: 3,598 Enrolments: 437



Newman, originally named Mount Newman until 1981, is a town in the Pilbara region of Western Australia. It is located about 1,186 kilometres north of Perth, and 9 kilometres north of the Tropic of Capricorn

Population: 7,238 Enrolments: 201



Fitzroy Crossing is a small town in the Kimberley region of Western Australia, 400 kilometres east of Broome and 300 kilometres west of Halls Creek. It is approximately 2,524 kilometres from the state capital of Perth

Population: 1,499 Enrolments: 318



Tom Price, situated in the Pilbara region of Western Australia, is a mining town. The town is located inland, at the edge of the Hamersley Range

Population: 3,005 Enrolments: 85



Wyndham is the oldest and northern most town in the Kimberley region of Western Australia, located on the Great Northern Highway, 2,210 kilometres northeast of Perth

Population: 780 Enrolments: 117



Pundulmurra in South Hedland is a suburb of the Town of Port Hedland, in the Pilbara region in north-western Western Australia. It can be reached by the North West Coastal Highway and Great Northern Highway.

Population: 14,251 Enrolments: 1,297



Kununurra is a town in far northern Western Australia located at the eastern extremity of the Kimberley Region approximately 37 kilometres from the border with the Northern Territory

Population: 7,155 Enrolments: 983



Karratha is a city in the Pilbara region of Western Australia, adjoining the port of Dampier. It was established in 1968 to accommodate the processing and exportation workforce of the Hamersley Iron

Population: 16,932 Enrolments: 1,003



Broome is a beach resort town in Western Australia's Kimberley region. Along its Indian Ocean coastline, the white sands of 22km-long Cable Beach offer a dramatic backdrop for sunset walks. Population: 13,984 Enrolments: 2,190

2017 Highlights

SPECIALIST PROGRAMS



Hospitality & Tourism



Education, Arts & Access



Health & Community



Food & Environment



Trades (Auto, Electro-technology, Engineering, Construction and more)



Aviation & Logistics



Business skills



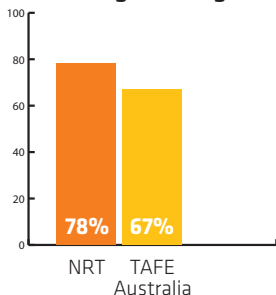
Maritime & Aquaculture



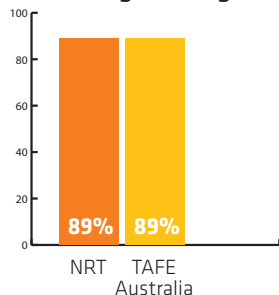
Sport & Recreation

AS A RESULT OF STUDYING WITH NRT - STUDENTS

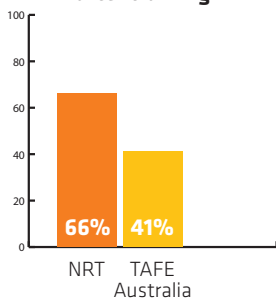
Increased knowledge through training



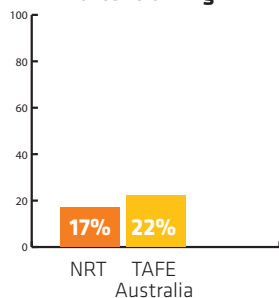
Developed skills through training



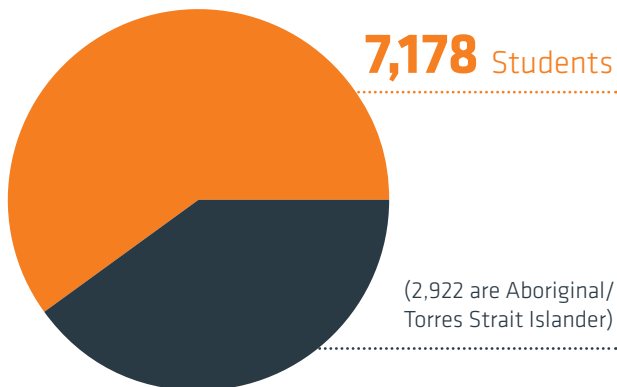
Employed after training



Gained promotion after training



STUDENT DEMOGRAPHIC



724 VET in Schools students

522 apprentices and trainees

340 students with a disability

307 prison students

WHY STUDENTS CHOOSE NRT



Location



Flexible course options



Quality of lecturers

100% COMPLIANCE FOR VET STANDARDS



AWARD WINNING RTO



2017 NRT

WA Large Training Provider of the Year

2017 Wynston Shovellor-Sesar

WA Aboriginal and Torres Strait Islander of the Year student finalist



Source: Student Outcomes Survey, conducted on behalf of National Centre for Vocational Education Research (NCVER) by I-view Pty Ltd NRT's College Management Information System based on the College's final validated full year collection of reportable data

Profile delivery

North Regional TAFE was profiled to deliver 190 qualifications to support workforce development across a range of skill sets.

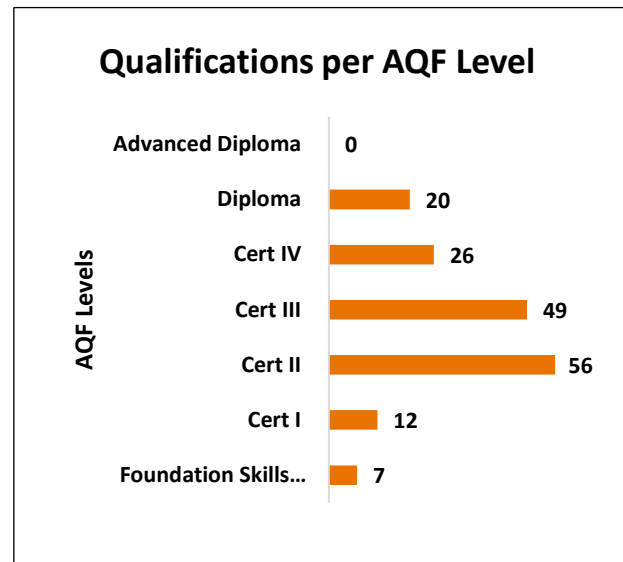
Training packages delivered in 2017 were:

- Agriculture, Horticulture and Conservation and Land Management
- Automotive Industry Retail, Service and Repair Training Package
- Business Services Training Package
- Community Services
- Construction, Plumbing and Services Training Package
- Property Services Training Package
- Creative Arts and Culture Training Package
- Financial Services Training Package
- Health
- Information and Communications Technology
- Maritime Training Package
- Metal and Engineering Training Package
- Manufacturing and Engineering
- Resources and Infrastructure Industry Training Package

Accredited courses ensured NRT catered to local community and industry needs and provided literacy and numeracy support:

- Spoken and Written English
- General Education for Adults
- Applied Vocational Study Skills
- Underpinning Skills for Industry Qualifications
- Gaining Access to Training and Employment (GATE)
- Building and Construction (Pathway - Trades)
- Industrial Skills (Entry Level Training)
- Leadership

Areas of specialisation across North Regional TAFE campuses include Maritime & Aquaculture in Broome, and Hospitality including Cookery, in Broome and Kununurra, however the majority of industry areas spanned both the Kimberley and Pilbara.



- Seafood Industry Training Package
- Hairdressing and Beauty Services Training Package
- Sport, Fitness and Recreation Training Package
- Tourism, Hospitality and Events Training Package
- Transport and Logistics Training Package
- Electrotechnology Training Package

Operational Overview

NRTs training delivery covered both the Kimberley and Pilbara

Study Areas across campuses	Access & Equity	Ag Hort Pastoral & CALM	Art & Music	Automotive & Heavy Diesel	Business IT & TAE	C&J Building Construction	Children's Services, Community Services & Aged Care	Cooking Hospitality & Tourism	Electrical	Engineering & Metals	Hairdressing & Beauty	Health & Nursing	Maritime & Aquaculture	Resources Mining Civil	Sport Rec & Fitness	Transport Logistics Aviation	WHS & Security
Broome	*	*	*	*	*	*	*	*	*	*	*		*	*	*	*	*
Derby (includes Fitzroy Crossing)	*	*	*	*	*	*	*	*		*	*			*			*
Kununurra (includes Wyndham and Halls Creek)	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Karratha (includes Roebourne and Tom Price)	*	*	*	*	*	*	*		*	*	*		*	*	*	*	*
Pundulmurra (includes Newman)	*	*		*	*	*	*		*	*		*	*	*	*	*	*

NRT will deliver training in any area on request

Industry (Non-Profile Activities)

The College is a major contributor to the Pilbara and Kimberley economy by working and liaising with industry, employers and community organisations.

We maintained key relationships with industry groups and worked closely with government agencies, community organisations and Aboriginal Corporations to meet the local workforce needs of communities.

TOP 10 SHORT COURSES

- Drive and Recover 4wd Vehicle
- Introduction to 4 wheel drive
- Safety Representatives - 5 day course
- Snake Handling
- Operate and Maintain a 4WD Vehicle
- Provide First Aid
- Cultural Awareness Training
- Fitness
- Work Safely at Heights
- Licence to Perform Dogging

Directorates

North Regional TAFE had 3 Directorates: Corporate Services, Training Services and Organisational Services.

The Corporate Services Group was comprised of the Director Corporate Services and the five managers within the Directorate.

The purpose of the Corporate Services Group was to receive and provide advice in relation to corporate services and support for the College. In particular the group:



monitored Strategic Plan and Business Plan targets.



monitored financial performance for the College



addressed key operational issues within corporate services



monitored and addressed risk in relation to corporate and regional services and support



ensured quality assurance in corporate service operations



planned professional development for Directorate staff



considered staffing issues within the Directorate



considered the well-being of members of the group and provided support to colleagues



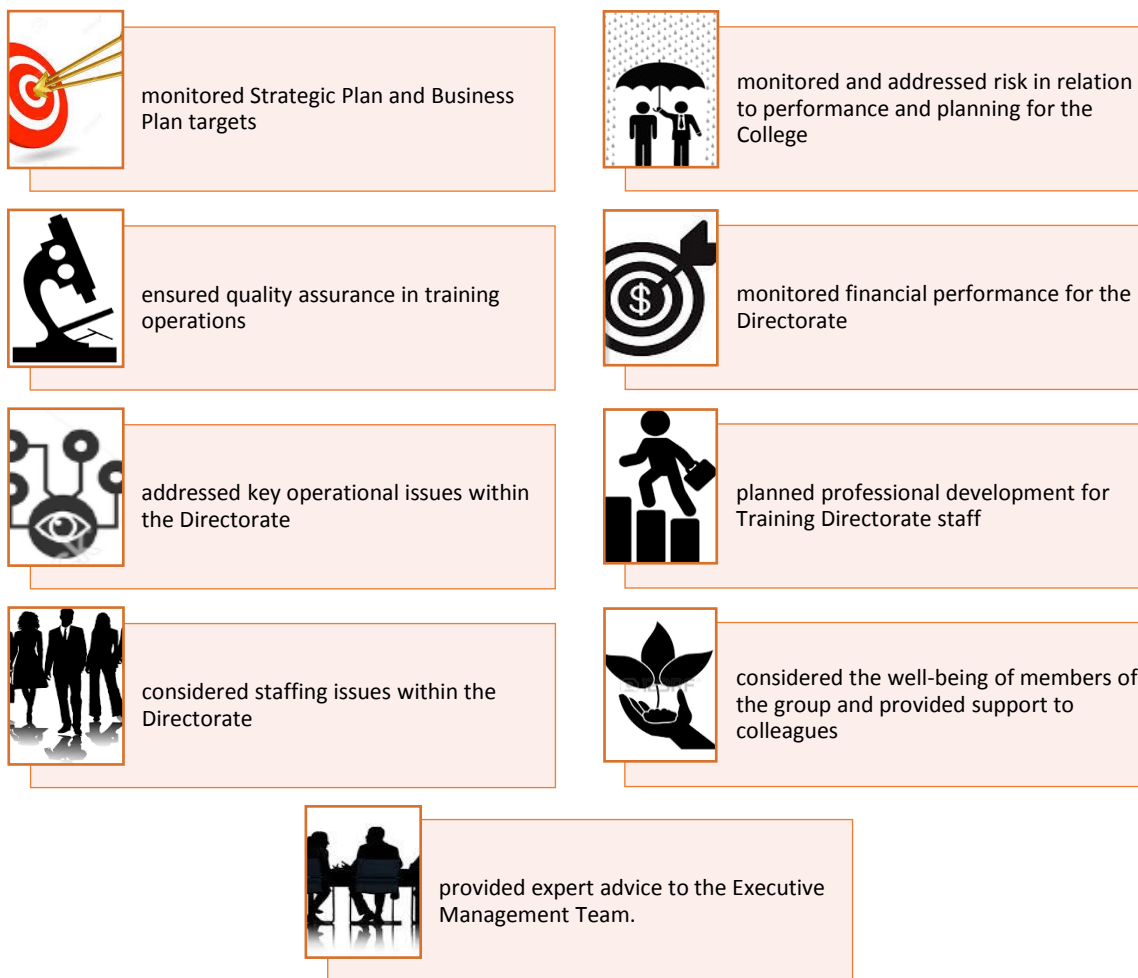
provided expert advice to the Executive Management Team

The Training Management Group comprised the Director Training Services (Pilbara), Director Training Services (Kimberley), Training Managers and Business Community Development Managers. Their focus is on sharing of information, common delivery issues, and business development.

The purpose of the Training Management Group is to receive and provide advice and take action in relation to optimising the College’s ability to deliver quality VET programs to meet the changing needs of community and industry. In particular, the group planned and managed the College training profile by:

	<p>monitoring Strategic Plan and Business Plan targets, and taking corrective action where targets are not being met</p>		<p>monitoring Delivery and Performance Agreement (DPA) targets and taking corrective action where targets are not being met</p>
	<p>monitoring financial performance, taking corrective action where targets are not being met</p>		<p>monitoring and addressing risk in relation to training delivery</p>
	<p>ensuring quality assurance in training delivery and course development</p>		<p>ensuring that the College’s contracted training projects are appropriately managed, monitored and communicated to stakeholders</p>
	<p>identifying significant business development opportunities and key clients</p>		<p>overseeing the implementation of multi campus and/or College-wide training delivery initiatives and strategies</p>
	<p>sharing information on new areas of training activity and best practice models</p>		<p>ensuring a cohesive, collaborative and targeted approach to working with key clients and stakeholder groups in delivery of training services</p>
	<p>resolving delivery-related staffing issues</p>		<p>considering the well-being of members of the group and providing support to colleagues</p>
		<p>providing expert advice to the Director Training Services (Pilbara) and Director Training Services (Kimberley) as required</p>	

The Organisational Services Group is comprised of the Director Organisational Services and the four Managers within the Directorate. The purpose of the Group was to receive and provide advice in relation to performance and planning matters in the College. In particular the group:



Organisational services provide services and support functions such as planning, governance, quality, student services (including disability support), customer client services, marketing and Aboriginal Training Services (ATS).

Governing Council

The College's Governing Council is constituted under the Vocational Education and Training Act 1996. The role, structure and responsibilities of the Governing Council are detailed in the State Training Provider Governing Council Handbook published by the Department of Training and Workforce Development.

Under the terms of the Vocational Education and Training Act (1996) the Governing Council is the governing body of the College with authority in the name of the College to perform the functions of the College and govern its operations and affairs.

Functions of the Governing Council

The Governing Council ensures that clear management, effective decision making and governance frameworks are in place.

The Governing Council is accountable to the Minister and broader Western Australia community for the performance of North Regional TAFE. In performing its role, the Governing Council aspires to excellence in governance standards.

The College Governing Council is responsible for:

- strategic plans
- annual business plans
- by-laws
- delegating the Governing Council's authority to the Managing Director and any other College employees
- College employees.

The Governing Council is also responsible for the monitoring of the organisation's performance in:

- strategic direction
- financial health
- ensuring funding agreement requirements are met
- ensuring legislative requirements are met
- ensuring the needs of students, industry and the community are met.

Remuneration

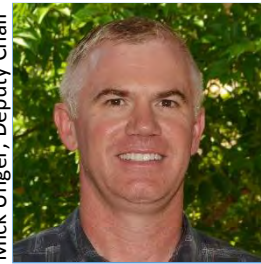
Position	Name	Type of remuneration*	Period of membership	Commenced	Gross/actual remuneration 2017 financial year*
Chair	Ian Smith	Annual	12 months	11/04/16	\$22,665
Deputy Chair	Michael Unger	N/A	12 months	11/04/16	-
Member	Melissa Hartmann*	6xHalf +4xFull	12 months	11/04/16	\$5,259
Member	John Lally*	N/A	12 months	11/04/16	-
Member	Kristy Brittain	1xHalf + 4xFull	12 months	11/04/16	\$3,339
Member	Kate George	2xHalf + 2xFull	12 months	11/04/16	\$2,334
Member	Matthew Hort	N/A	12 months	20/09/16	-
Member	Gary Arcus	6xHalf +4xFull	12 months	20/09/16	\$5,259
Member	Maggie MacFie	N/A	5 months	10/07/17	-
Member	Charlene Peters	2xFull	5 months	10/07/17	\$1,182
Managing Director	Kevin Doig*	N/A	12 months	11/04/17	-

* Member of the Finance, Audit and Risk Management Committee as well as the Governing Council.

North Regional TAFE Governing Council 2017



Ian Smith, Chair



Mick Unger, Deputy Chair



Veronica (Maggie) Macfie



John Lally



Charlene Peters



Melissa Hartmann



Gary Arcus



Matthew Hort

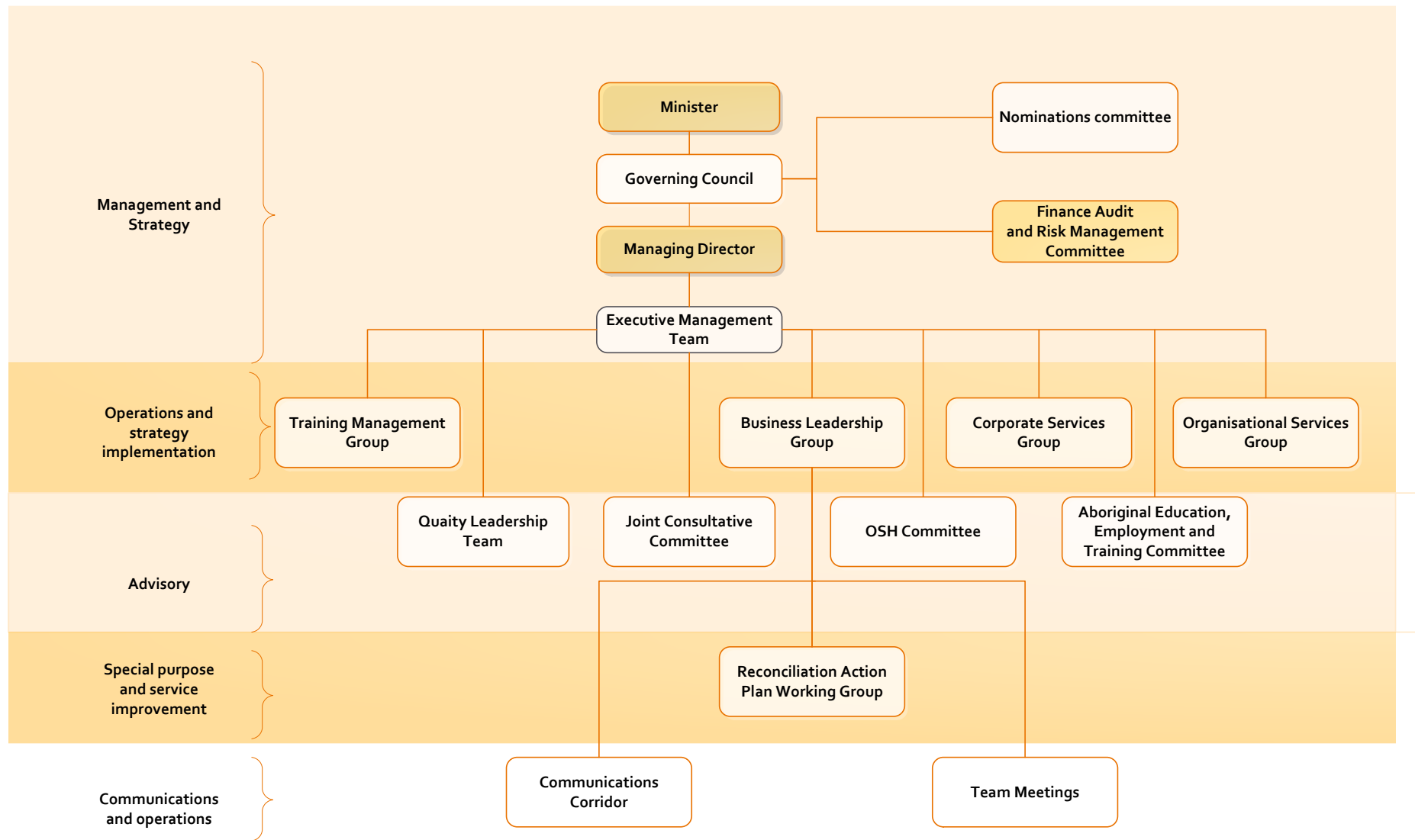


Kristy Brittain



Kate George

Governance Structure

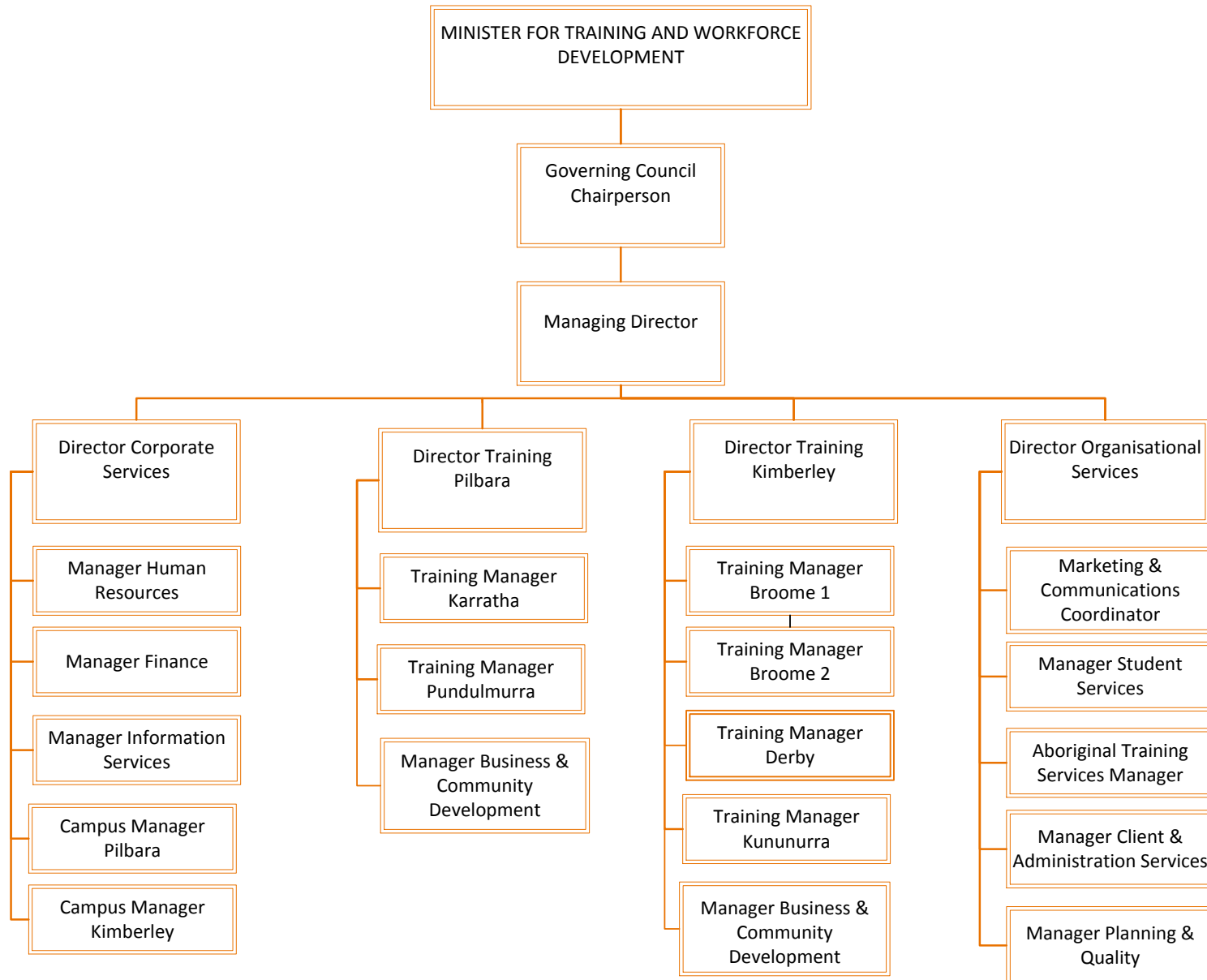


Relevant Legislation

In the performance of its functions, North Regional TAFE complies with the following relevant written laws:

- Aboriginal and Torres Strait Islander Act 2005
- Acts Amendment (Higher School Leaving Age and Related Provisions) Act 2005
- Auditor General Act 2006
- Children and Community Services Act 2004
- Competition and Consumer Act 2010
- Copyright Amendment (Digital Agenda) Act 2000
- Corporations Act 2001
- Corruption and Crime Commission Act 2003
- Criminal Code Act 1995
- Disability Discrimination Act 1992
- Disability Services Act 1993
- Electronic Transactions Act 2011
- Employment Dispute Resolutions Act 2008
- Employment, Education and Training Amendment Act 2000
- Equal Opportunity Act 1984
- Financial Management Act 2006
- Financial Management and Accountability Amendment Act 2000
- Freedom of Information Act 1992
- Fringe Benefits Tax Act 1986
- Immigration (Education) Charge Act 1992
- Income Tax Assessment Act 1997
- Skilling Australia's Workforce Act 2005
- State Records Act 2000
- State Supply Commission Act 1991
- Trade Practices Act 1974-1975
- State Superannuation Act 2000
- SPAM Act 2003
- Industrial Relations and Other Legislation Amendment Act 1995
- Labour Relations Reform Act 2002
- Library Board of Western Australia Act 1951
- Limitation Act 2005
- Minimum Conditions of Employment Act 1993
- Mutual Recognition Act 1992
- National Vocational Education and Training Regulator Act 2011
- Occupational Safety and Health Act 1984
- Privacy Act 1988
- Public and Bank Holidays Act 1972
- Public Interest Disclosure Act 2003
- Public Sector Management Act 1994
- Racial Discrimination Act 1975
- Salaries and Allowances Act 1975
- School Education Act 1999
- Vocational Education and Training (General) Regulations 2009
- Western Australia Public Sector Code of Ethics 2008
- Workers Compensation and Injury Management Act 1981
- Working with Children (Criminal Record Checking) Act 2004
- Training Legislation Amendment and Repeal Act 2008
- Vocational Education and Training Act 1996

Operational Structure

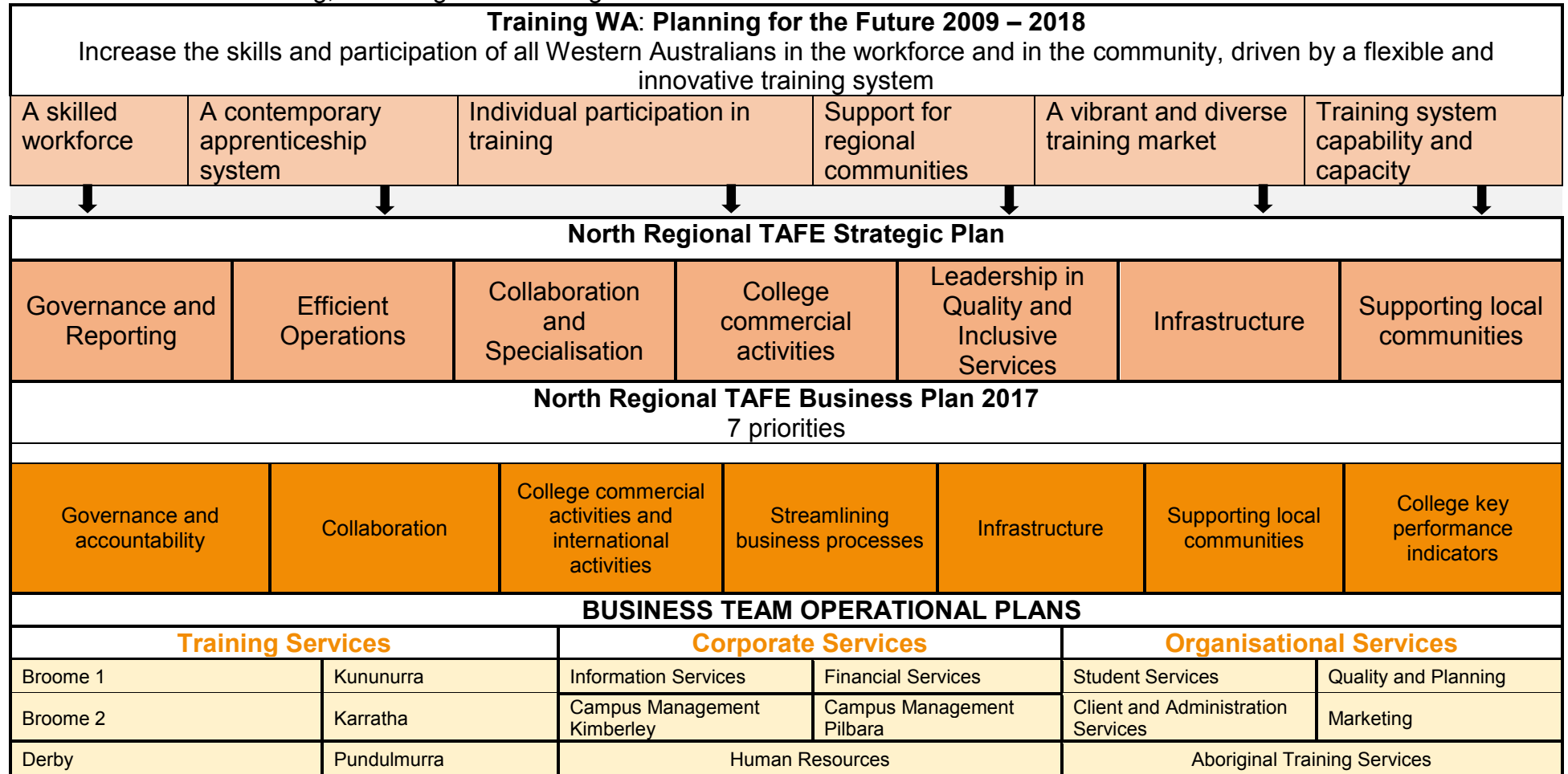


Performance Management Framework

Mapping between the State Government Goals, TAFE Colleges Statement of Expectations, the strategies contained within Training WA: Planning for the Future 2009 -2018 and the North Regional TAFE Business Plan 2017.

STATE GOVERNMENT GOALS:

Focus on building, attracting and retaining a skilled workforce to meet the economic needs of Western Australia



Agency Performance

Supporting Local Communities

As part of its Equity and Diversity policy NRT sought to identify barriers that contribute to marginalisation in our community and developed programs and support mechanisms to address these barriers.

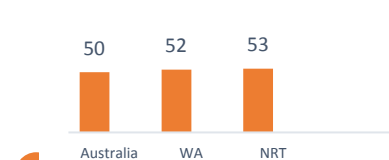
CAVSS Support and enrolments

The Course in Applied Vocational Study Skills (CAVSS) is an accredited course designed to improve outcomes for students enrolled in vocational qualifications. CAVSS uses a collaborative teaching approach to mainstream literacy support. It combines Language, Literacy and Numeracy (LLN) teaching expertise with industry training expertise, as a means for teaching students enrolled in vocational qualifications to apply LLN skills to their training activities. CAVSS is always co-delivered with a vocational qualification.

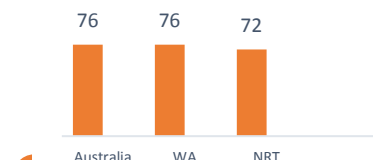
In 2017 two further staff members completed CAVSS training bringing NRT's total number of trained CAVSS trainers to nine.

PWD Support and enrolments

North Regional TAFE has a Disability Support Coordinator to provide information and advice, and to assist in the coordination of individual tutorial support for students. Students are encouraged to talk with their lecturer and the Disability Support Coordinator, about the impact that their disability or medical condition may have on their study. NRT works with students to meet their study needs and ensure they are supported through their studies.



% Students with disabilities employed after training mentoring and extra tuition



% Students with disabilities employed or enrolled in further training after study



% Students with disabilities satisfied with training

Source: Data obtained from the North Regional TAFE College Management Information System and based on the College's final validated full year collection of reportable data.

Aboriginal and Torres Strait Islander (ATSI) Support and enrolments

Integrating the needs and interests of Aboriginal people into training depended upon NRT engaging with local communities. Aboriginal Training Services, managed by Aboriginal people, supported trainers to set up training that was culturally appropriate and easily accessible. 2,333 hours of tutorial and 395 hours of mentoring support was provided to students in 2017.

NRT increased the number of Aboriginal Training Service support staff by 19 FTE in 2017 compared to 10 FTE in 2016. We also increase casual mentors to 15 in 2017 compared to 8 in 2016.

15-25 year olds

NRT is an adult learning centre. It trains people for the workforce. Young students may be in classes with adults.

All students undergo an induction at the start of their course. As well as the general student induction, students under the age of 18 are also inducted in the following:

- The process for notifying parents/guardians of any absences
- Protective behaviours including how to deal with sexual harassment, harassment and bullying
- Reporting of bullying and harassment
- Health care agreements (to be discussed with the student only)
- Rights and responsibilities, including standards of acceptable behaviour.

In 2017, 813 (12.1%) of students were under 18 at the time of enrolment.

Disengaged Youth

Youth disengagement remains a social concern in the northwest. In order to address some of the issues facing young people NRT developed training programs which embraced a holistic and integrated approach to teaching and learning that encompassed the social needs of the students as well as their educational needs. Partnerships with local schools also reduced the burden of the intense support required for the disengaged student. Information sessions with families, communities and organisations promoted NRT scholarships and the types of additional support on offer when studying with NRT.

Collaboration

NRT invested in opportunities for programs by collaborating with others to increase the College's capacity to respond to emerging industry and community needs. In 2017 NRT had formal partnership arrangements in the form of MOUs between northwest schools, TIWA and local community organisations for the provision of training.

Nursing, electro-technology

Collaboration between Woodside, Royalties for Regions and the College strengthened our training delivery in Electrical qualifications.

The uptake in Nursing was strengthened through accreditation with the Australian Nursing & Midwifery Accreditation Council (ANMAC) and our relationships with WA hospitals for clinical placements.

Collaboration between campuses

NRT worked across campuses to develop more efficient use of NRT resources resulting in an increase of apprenticeship travel in the Pilbara in 2017 compared to 2016.

STUDENT TRAVEL	Total apprentices 2016	2016 travel	% apprentices travelling	Total apprentices 2017	2017 travel	% apprentices travelling
<u>Pilbara</u>	229	59	25.7%	202	135	66.8%
<u>Kimberley</u>	79	37	46.8%	89	116	76.7%

Increase in on-line delivery: e-Learning coordinator

In 2017 NRT appointed an e-Learning Leader who is responsible for researching, promoting, stimulating and implementing the practical application of digital technologies to support training and assessment. In addition this position is required to actively contribute towards a culture of embracing, utilising and seeking out digital technologies to underpin professional practice in all areas of training that enhances the student experience. Sixty-two courses were developed and placed in the Blackboard on-line delivery platform in 2017.

Aboriginal Community projects

NRT's Aboriginal Training Services (ATS) aims is to increase the level of Aboriginal participation in our regional workforce. In 2017 ATS undertook community field trips to promote our training programs, seek feedback about existing programs, identify community priorities in training and employment and identify potential students.

ATS maintained effective partnerships with field and regional officers of Government Departments, non-Government organisations and employment agencies by attending interagency meetings and attending regional planning forums as well as promoting and delivering Cultural Awareness Training to people responsible for delivering front-line services to Indigenous people. Six inter-agency Cultural Awareness training sessions were delivered in 2017.

Streamlining Business Processes

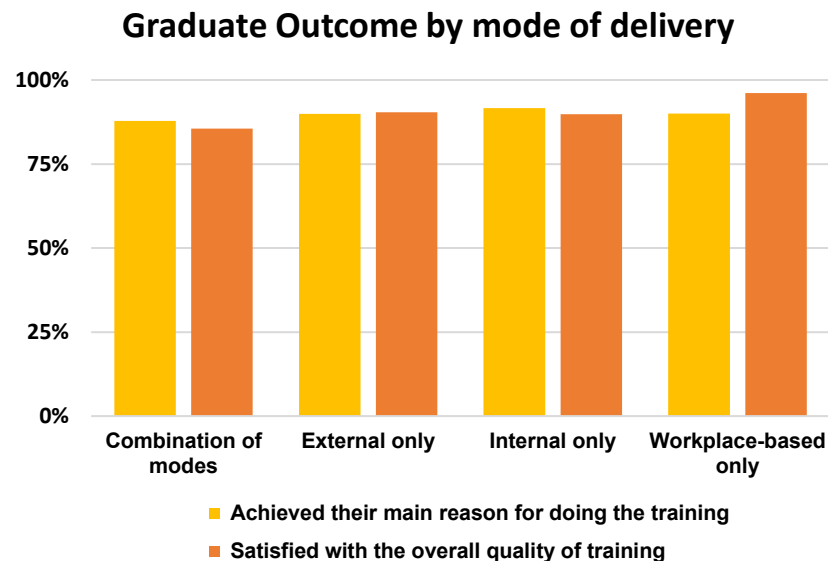
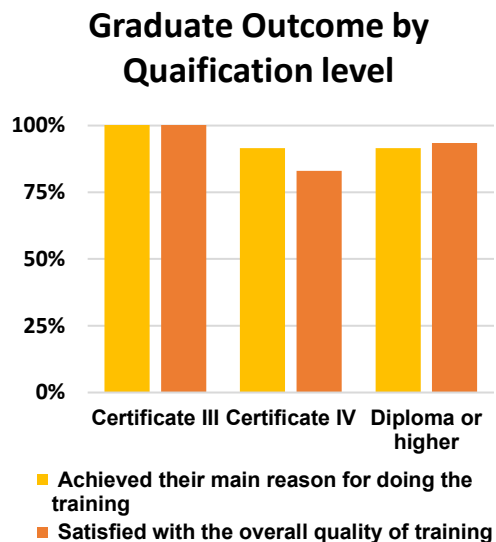
Process improvement to identify, analyse and improve existing processes within NRT is informed by a variety of sources. Two important reports are the Student Satisfaction Survey and the Student Outcomes Survey.

Student Satisfaction

Student satisfaction levels continued to be a highlight of the College's performance. In the 2017 DTWD Student Satisfaction survey, 90.9% of students were either very satisfied or satisfied with their training. This compared very favourably to the state average of 87.3%.

Further significant results can be drawn from the National Student Outcomes Survey. The information on students' reasons for training, their employment outcomes, satisfaction with training, benefits of the training and further study outcomes helps NRT ensure vocational training is of a high quality and to students.

The information below shows student satisfaction by the qualification level studied and the mode of study followed.



As the estimates from the National Student Outcomes Survey are based on information provided by a sample rather than on a population, they are subject to sampling variability; that is, they may differ from the statistics that would have been produced had all students been included and responded to the survey.

Infrastructure

Use of facilities by 3rd parties

NRT made provision for third party access to our College facilities to over 40 other organisations in 2017 demonstrating our commitment to broadening the College's links to community, industry and educational stakeholders.

Progress towards the Strategic Infrastructure Plan (SIP) targets

Much of NRTs infrastructure investment in 2017 was in maintenance, refurbishment and new and replacement equipment.

Projects undertaken comprise:

- Upgrading of all air conditioning throughout Karratha campus
- Landscaping
- Installation of solar power
- Underpinning of subsidence around buildings

College commercial activities and international activities

The majority of commercial services revenues was derived from accredited industry based training, along with a small amount of international and multi-jurisdictional education.

In 2017 NRT worked collaboratively with the Department's international division, TAFE International WA, to present a united brand when engaging with the international student market. To this end we contributed to the development of a standardised costing model to meet the requirement for competitive neutral pricing for commercial services.

2017 saw 17 overseas and 9 multijurisdictional students enrol in training at NRT.

International Training	Multi-jurisdictional
Certificate II in Business	Certificate IV in Leadership and Management
Certificate III in Business	Certificate IV in Human Resources
Certificate III in Early Childhood Education and Care	Certificate IV in Work Health and Safety
Diploma of Early Childhood Education and Care	Diploma of Business
Certificate III in Music	Diploma of Leadership and Management
Certificate IV in Music	Certificate III in Music
	Diploma of Music
	Diploma of Fisheries Compliance

Governance and Accountability

Risk

The College identifies and oversees its risk by ensuring that risk is managed according to the requirements of:

- Public Sector Commissioner's Circular 2009/19
- relevant Treasurer's instructions
- relevant Australian standards.

The College has a risk management plan and register which is regularly reported to Governing Council through the Finance Audit and Risk Management Committee (FARM).

One of our key task in 2017 was to set firm controls and accountability in our internal quality assurance system to ensure that we achieved a successful outcome in the 2017 compliance audit carried out by the Training Accreditation Council (TAC).

Accountability Framework

NRT has an Accountability Framework that sets out the expectations of North Regional TAFE's Governing Council and management team in relation to governance and accountability. NRT annually analyses its governance maturity with the aim to achieve good governance and achieve our objectives while managing risks within the context of planning, measuring and reporting operational activities. We have participated in collegiate working groups such as the Governance, Accountability and Information Network (GAIN) to identify innovative practices that will streamline our services, systems and product performance; and contributed in the review of the new Governance Maturity Assessment tool.

TAC Compliance Audit

The Training Accreditation Council (TAC) found that North Regional TAFE had demonstrated compliance with the requirements of the Standards for RTOs. The audit found that the Quality Leadership Team had implemented NRT policy, procedure and forms consistently across the audited campuses and also had ensured consistent training and assessment resourcing between the campuses where qualifications are delivered on multiple sites. TAC identified the industry areas audited were immersed with direct industry contacts through the commercial ventures and engagement to provide workplace specific training and assessment.

Large Training Provider of the Year

North Regional TAFE was awarded the Large Training Provider of the Year 2017. This is very much a shared award with each and every staff member contributing to NRT being recognised in this way. The judges spoke of our combined passion for the student experience and how we work with industry and communities.

Training Priority Areas

State Training Plan

Employment Based Training

Priority Industry Training

Age 15-24 years old

Employment Based Training (SCH)

85.7% of benchmark

Priority Industry Training (SCH)

99.5% of benchmark

Age 15 – 24 year olds (SCH)

93.7% of benchmark

Achieved 126,461
Benchmark 147,621

Achieved 234,595
Benchmark 235,748

Achieved 460,594
Benchmark 491,390

National Partnership (NP) Skills Reform

Certificate III and above

Aboriginal Certificate II and above

People with Disabilities Certificate II and above

Certificate III and above (Headcount)

57.8% of benchmark

People with disabilities Certificate II and above (Headcount)

77.8% of benchmark

Aboriginal Certificate II and above (Headcount)

87.7% of benchmark

Achieved 389
Benchmark 673

Achieved 28
Benchmark 36

Achieved 200
Benchmark 228

Note: Achievement includes all training delivery

VET in Schools

VET in Schools (VETiS) programs provide school students with recognition towards a nationally recognised VET qualification upon completion and provide training and assessment that reflects specific industry competency standards which is delivered and resulted by NRT in partnership with a school.

The partnership between NRT and schools in the North West utilises both Fee for Service and VETiS Profile modes of arrangement. Written agreements are prepared and signed prior to the commencement of any delivery specifying the roles and responsibilities of each partner including a costing structure, appropriate timeframes and reporting responsibilities.

The VETiS Qualification Register guides the selection of appropriate qualifications and units of competency to be delivered.

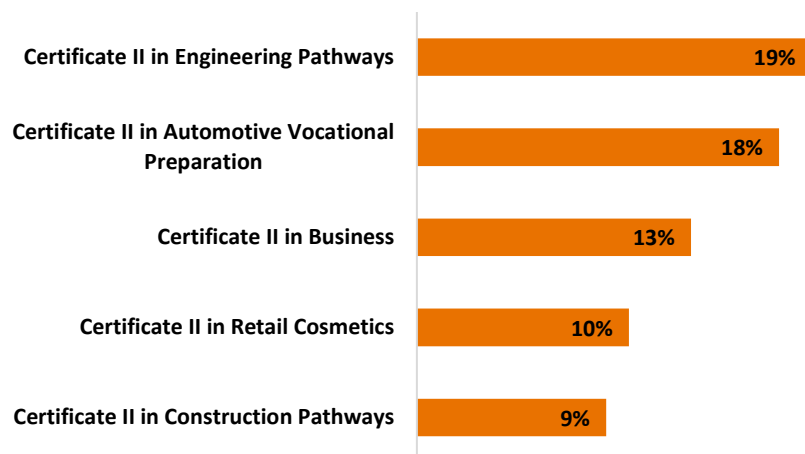
NRT VETiS Coordinators, based in Karratha and Broome, are responsible for the implementation and monitoring of the partnership and meet with the school VETiS Coordinators to arrange school timelines with NRTs for example: dead-lines for enrolments, results and reports.

There were 731 students enrolled into 30 VETiS courses in 2017. Certificate II in Engineering remained popular, followed by Certificate II in Automotive Vocational Preparation and Certificate II in Business.

21 schools participated in programs delivered on North Regional TAFE campuses.



Top 5 most popular VETiS Courses NRT



Schools participating in VETiS programs (total students)

Karratha Senior High School	177
Hedland Senior High School	78
Kununurra District High School	68
Broome Senior High School	52
Derby District High School	49
St Luke's College	38
Newman Senior High School	37
St Mary's College	36
Yiramalay/Wesley Studio School	31
Tom Price Senior High School	23
La Grange Remote Community School	22
Halls Creek District High School	20
Fitzroy Valley District High School	19
Wyndham District High School	19
One Arm Point Remote Community School	19
Newman College	12
Jigalong Remote Community School	9
Onslow Primary School	7
Ngalangangpum School	7
Yandeyarra Remote Community School	7
Kimberley Education Regional Office	1

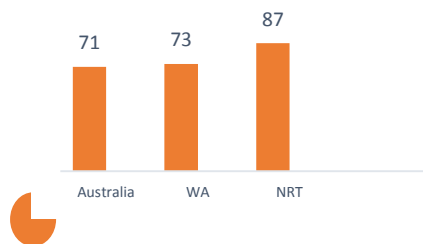
Aboriginal Training

Keeping Aboriginal culture safe includes recognising Aboriginal people as active participants in training with the ability to provide feedback on programs and ensuring Aboriginal people are engaged in decision making. NRT, through its Aboriginal Training Services team, aimed to ensure it met the training needs of Aboriginal people by providing staff training in cultural awareness and cultural safety.

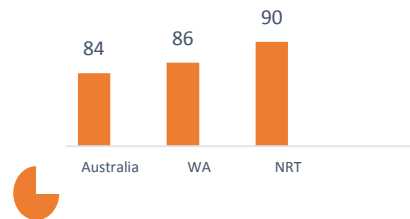
In 2017 AEETC meetings were held throughout the year and across the regions. Programs and projects identified ensured:

- Staff who are appropriately qualified and trained in implementing support strategies
- Transport to and from training
- Culturally responsive training instruction
- Partnerships with others to reduce the burden of resource costs
- Participation, relationship and community support
- Student access to mentors and extra tutorial assistance.

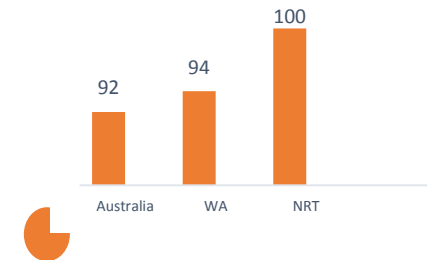
NRT's Aboriginal Training Services unit assists students with the enrolment process and provides mentoring and tuition services to students who need it while they are studying. They also provide wellbeing assistance to students in the areas of accommodation, money management, health care, meal assistance, transport, Centrelink and Job networks navigation and career guidance.



% ATSI students employed after training



% ATSI students employed or enrolled in further study after training



% ATSI students satisfied with training

Source: Student Outcomes Survey, conducted on behalf of National Centre for Vocational Education Research (NCVER) by I-view Pty Ltd.
Patterson Market Research (2017) Student Satisfaction Survey, conducted on behalf of Department of Training and Workforce Development (DTWD).

Corrective Services Training

Training in prisons rose in 2017

Qualifications delivered in 2017 to students in prison

- Certificate I in Construction
- Certificate I in Hospitality
- Certificate I in Leadership
- Certificate II in Aboriginal and Torres Strait Islander Cultural Arts
- Certificate II in Agriculture
- Certificate II in Aquaculture
- Certificate II in Automotive Vocational Preparation
- Certificate II in Civil Construction
- Certificate II in Conservation and Land Management
- Certificate II in Construction
- Certificate II in Engineering
- Certificate II in Horticulture
- Certificate II in Kitchen Operations
- Certificate II in Logistics
- Certificate II in Resources and Infrastructure Work Preparation
- Certificate II in Retail Cosmetics
- Certificate II in Warehousing Operations
- Certificate III in Civil Construction Plant Operations
- Certificate III in Community Services
- Certificate III in Hospitality
- Certificate III in Logistics
- Certificate IV in Community Services
- Course In Underpinning Skills for Industry Qualifications

Prison enrolments



Student honours and awards

Certificate III in Conservation and Land Management student Wynston Shovellor-Sesar was a finalist in the WA Aboriginal and Torres Strait Islander of the year category of the 2017 WA Training Awards.

A passion for his Karajarri country and dedication to conservation has seen Wynston travel the globe. Wynston was invited to attend the Future Leaders of the Pacific sub-conference in Honolulu last year and was selected for an exchange program with British Columbia First Nations people. The Kimberley Land Council ranger now applies his international knowledge locally, leading a team to monitor turtles and conduct tourist education.



Photo: Kimberley Land Council

Significant Issues impacting NRT

Key challenges in 2017

- Travel to remote location

North Regional TAFE covers a very large geographic area to service (approximately one eighth the size of Australia) and has created a challenge in the form of access between campuses. The cessation of Air North Services between Broome and Karratha means that staff in the Kimberley and Pilbara are now required to travel via Perth rather than directly between towns adding sometimes up to an 8 hour wait or an overnight stay between flights. The alternative of travelling by car takes 10 hours one way. Not only is this a significant time away from work, the cost of the travel can sometimes be prohibitive.

- Attracting and retaining knowledgeable staff

Recruitment to the northwest of Australia is problematic due to high extremes of climate and a rural life-style with limited access to retail and government facilities in some remote locations.

Key influences for 2017

- Change of government - government priorities changed
- VET Standards Compliance audit held in 2017
- VET student loans requirements changed

Key influences for 2018

- The implementation of the new Student Management System and timetabling tool in 2018 for regional colleges.
- The introduction of the Job and Skills Centres (JSC) in Karratha and Broome to enhance existing career and job services, and join with other government services to achieve better outcomes and realise efficiencies.
- A reduction in first year apprenticeship signs ups on some campuses in 2017 will affect consequent 2nd and 3rd year enrolments.

Key activities for 2018

- To model shared values and use these to live our vision and be customer focused in all we do.
- Provide clear strategic direction and shared understanding of core business
- Foster effective leadership and collaboration of staff. The Executive Management Team and Governing Council to enable changes that address the shifting landscape.
- Develop, attract and retain knowledgeable and trained staff.
- To sustainably provide training to all potential students and engage students effectively to achieve our Mission.
- Financial sustainability and performance including growth and options for diversification across the business.
- Evidence-based reporting frameworks that are meaningful and enable good decision making.
- Build and use strong business support systems - ICT, human resources, financial, academic and asset management.

- Develop and maintain well-coordinated engagement strategies with key stakeholders and employers.
- Foster innovation and creativity across NRT.

Critical Success Factors

- Develop and attract and retain knowledgeable staff.
- Financial sustainability and performance including growth and options for diversification across the business.
- Achievement of 2018 Delivery and Performance targets.

Other Legal Requirements

Advertising

	Total Expenditure	Accounts paid
Advertising agencies	\$188,801.37	OMD, Carat, Redwave Media, Dilate, Market Creations, Renny Penny Designs, Facebook and Goolarri Media.
Staff advertising (Recruitment)	\$34,733.90	
Direct mail	\$1,174.80	Dilate
Market research organisation	nil	nil
Polling organisation	nil	nil

Freedom of Information

North Regional TAFE had no Freedom of Information requests in 2017.

Compliance with Working with Children

North Regional TAFE has an obligation under the Working with Children (WWC) (Criminal Record Checking) Act 2004 to ensure the safety of children in our community by helping to prevent people who have a criminal history that indicates they may harm children, from working with children.

The College records all WWC checks including copies of WWC cards to ensure compliance with legislative requirements

Conflict of Interest Statement

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

Code of Ethics and Code of Conduct

In 2017, the college received no allegation for breaches pertaining to the Public Sector Standards and Ethical Codes.

Breach claims against the Public Sector Standards in Human Resources Management lodged under the Public Sector Management (Breaches of Public Sector Standards) Procedures 2005 at North regional TAFE during 2017 were: 1

Standard		Outcome	Actions
Disciplinary Issues Raised	1	Reprimand and / or warning	1

Record Keeping Plan

North Regional TAFE is committed to best practice records management that complies with legislation. In accordance with the State Records Act 2000, a current approved Record Keeping Plan (RKP) and an approved Sector Disposal Authority (SDA) is in place. Rigorous development of new sector wide RKP documents are awaiting sector wide TAFE Executive signoff prior to implementation.

In 2017, North Regional TAFE maintained two Electronic Document Record Management Systems (EDRMS) - Hewlett Packard's TRIM 7.3.5 in the Kimberley and HPRM 8.2 Record Manager in the Pilbara as official systems. The centralised EDRMS HP Content Manager 9 for all TAFEs is in the testing stage at the Department of Training and Workforce Development.

Record Keeping Training

Consistent recordkeeping training delivery in 2017 has continued to be impacted by a transitional environment, geographical distances and movement of employees. The result has been training delivery given in response to demand, and aside from Broome Campus, usually delivered locally through colleagues or supervisors. This challenged the quality of the training provided in record management and will be addressed through a move towards standardised sector-wide EDRMS training delivery upon implementation of the new centralised system in 2018. Training is a requirement before access permission is granted to employees.

Record Keeping Awareness Training

Mandatory on-line Record Awareness Training (RAT) conducted through Blackboard is part of new employee induction. All staff must complete this induction training and 100% of TRIM.

One on one sessions of recordkeeping awareness training was implemented during induction and EDRMS basic training. Training and assistance was readily available to staff to assist them in meeting their recordkeeping responsibilities.

By the end of 2017 NRT had 243 active users of TRIM and 94 in HPRM.

The online course RAT was completed by 69 staff during 2017.

The following records were created in 2017:

Activity	Kimberley TRIM 2017	Pilbara HPRM 2017	Total NRT2017	Total all years
Containers created	6,338	1,486	7,824	32,915 / 18620
Documents registered	186,014	25,229	211,243	673,226 / 79,981
Archive boxes created	137	N/A	137	884 / 0 (different system)
TOTALS	192,489	26,715	219,204	707,025 / 143,385

Disability Access and Inclusion Plan (DAIP) Outcomes

We recognise that the environment in which we work is increasing in complexity, which requires of us a more mature and sophisticated approach, with the staff, infrastructure, and financial viability that will support our ambition to be equitable, accessible and responsive.

It is a requirement of the Disability Services Act 1993 that public authorities develop and implement a Disability Access and Inclusion Plan that outlines the ways in which the College will ensure that people with Disability have equal access to its facilities and services. 2017 has seen further development of the NRT DAIP. Consultation with staff, students, community members and Disability Services Commission was critical in ensuring the DAIP was designed to achieve the desired seven outcomes.

Desired DAIP outcomes	College strategies
<p><u>Outcome 1:</u> People with disability have the same opportunities as other people to access the services of, and any events organised by North Regional TAFE.</p>	<p>Ensured that:</p> <ul style="list-style-type: none"> ▪ All people are provided with opportunities to comment on access to services. ▪ College policies and practices are inclusive of people with disability and medical conditions and consistent with the College’s Access Policy, Disability Services Act, Disability Discrimination Act (1992) and Educational Standards ▪ Resources and equipment required to access and participate in training at the College are provided. ▪ College events, both on and off campus, are inclusive and accessible for all. ▪ College staff, agents and contractors are aware of the relevant requirements of the Disability Services Act and the College’s Disability Access and Inclusion Plan.
<p><u>Outcome 2:</u> People with disability have the same opportunities as other people to access the buildings and other facilities of North Regional TAFE.</p>	<ul style="list-style-type: none"> ▪ All buildings and facilities are accessible. ▪ Staff and students are aware of emergency evacuation procedures and plans. ▪ All future premises leased by the College are accessible. ▪ The quantity and location of easy access parking meets the needs of people with a disability.
<p><u>Outcome 3:</u> People with disability receive information from North Regional TAFE in a format that will enable them to access the information as readily as other people are able to access it.</p>	<ul style="list-style-type: none"> ▪ Information about the College’s services, facilities and events is available in alternative formats and is clear and concise ▪ Staff, students and the community are informed that College information is available in alternative formats on request. ▪ Staff are informed of accessible information needs and support to provide and obtain information in other formats.

	<ul style="list-style-type: none"> ▪ Learning resources, including online learning resources, are available in accessible formats, complying with copyright regulations. ▪ The College’s website meets Web Content Accessibility Guidelines WCAG2.0.
<p><u>Outcome 4:</u> People with disability receive the same level and quality of service from the staff of North Regional TAFE as other people receive from the staff of North Regional TAFE.</p>	<ul style="list-style-type: none"> ▪ Staff awareness of disability and access issues is raised and training provided to improve skills to provide good service. ▪ College staff are aware of the relevant requirements of the Disability Services Act, Disability Discrimination Act and Education Standards. ▪ The College provides an inclusive environment free from harassment and discrimination.
<p><u>Outcome 5:</u> People with disability have the same opportunities as other people to make complaints to North Regional TAFE.</p>	<ul style="list-style-type: none"> ▪ Feedback and grievance mechanisms are accessible for all people. ▪ Support is provided for people with disability in making complaints, if requested.
<p><u>Outcome 6:</u> People with disability have the same opportunities as other people to participate in any public consultation by North Regional TAFE.</p>	<ul style="list-style-type: none"> ▪ Students and staff are informed about consultation processes at the College. ▪ Strategic partnerships with key agencies are developed and maintained to maximise access to services for people with disability. ▪ The DAIP is monitored to ensure implementation and satisfactory outcomes.
<p><u>Outcome 7:</u> People with disability have the same opportunities as other people to obtain and maintain employment with North Regional TAFE.</p>	<ul style="list-style-type: none"> ▪ All College facilities continue to be compliant with Disability Access Inclusion requirements (with relevant guidelines and processes). ▪ Recruitment, induction and performance development processes for staff identify and support diversity requirements. ▪ College developed and maintained relationships with key stakeholders and provided a supportive environment for people with disability seeking employment. ▪ College provided a supportive environment for students seeking employment e.g.: Open Days, Careers Days, and VET Programme at schools. ▪ Equitable employment practices were implemented within at the College.

Occupational Safety, Health and Injury Management

1) Statement of the agency's commitment to occupational safety and health, and injury management with an emphasis on Executive commitment.

North Regional TAFE has developed a combined Occupational Health and Safety Commitment which is an excerpt of the NRT OSH Policy (which has also been combined and updated). This commitment has been communicated to all staff, personally signed by the Managing Director, framed and placed around all North Regional TAFE campuses in reception areas and other strategic areas.

North Regional TAFE is committed to providing a work environment for employees, clients and visitors that will not affect their health and safety. Health and safety is a value of the College that is displayed through its culture and management system.

North Regional TAFE Management is committed to:

- Providing a safe, healthy and injury free workplace
- Improving the standards of safety and health in all work areas
- Compliance with all applicable laws, regulations and standards as a minimum
- Setting measurable OSH targets and objectives to achieve continuous improvement
- Integrating OSH into the workplace through established safe systems of work
- Communication and consultation with the workforce & stakeholders on OSH matters
- Investigating all incidents and implementing measures to prevent reoccurrence
- Reducing risk through hazard identification, assessment, control and monitoring
- Working with contractors to ensure they meet NRT OSH standards
- Providing training and resources to enable personnel to conduct their roles safely
- Developing and maintaining an AS/NZS 4801 compliant OSH Management System

This commitment is an obligation to all North Regional TAFE's employees, contractors, students, clients and visitors, and will be reviewed and managed by the Executive Management Team.

The 2017 OSH initiatives were as follows:

- Continued progress on achieving North Regional TAFE combined (Kimberley and Pilbara region) Occupational Management System.
- Development of North Regional TAFE's OSH Annual Plan.
- Continued progress on merged OSH documentation 2017 has included the review and development of Travel Management Procedure, Workstation Design and Ergonomics Policy and Procedure, PPE Policy and Procedure and the Emergency Management Procedure.
- Development of OSH monthly reporting for distribution to the Management Team.
- Undertaking comprehensive workplace inspections and developing reports with action plans for key stakeholders.
- Improvements to the OSH SharePoint system and transitioning towards Kimberley Staff utilising the system.

2) A description of the formal mechanism for consultation with employees on occupational safety and health matters.

Continuation in 2017 with the two OSH Consultant positions for the College i.e. designated OSH staff member for Pilbara and Kimberley.

OSH Representatives are appointed throughout the College. The OSH Consultants and appointed H&S representatives formally meet on a quarterly basis to discuss and minute OSH issues, initiatives and continuous improvements.

A combined North Regional TAFE OSH committee has been formed, consisting of both Pilbara and Kimberley regions' former OSH committee members, meeting quarterly. The OSH Committee Terms of Reference outlines the following functions:

- Facilitate consultation and co-operation between NRT and staff to identify, develop and implement measures designed to promote & improve the safety and health of the workplace.
- Promote risk management and a safe working environment for staff, visitors and clients.
- Initiate corrective and preventive action in relation to identified risks, hazards and accidents/incidents.
- Ensure compliance with OSH legislative requirements Review & where appropriate action any issues that are referred to the committee.
- Identify potential trends and report to the Managing Director if/when required.
- Remain informed of standards relating to occupational safety and health generally.
- Make recommendations to the Managing Director on policies, procedures and/or guidelines relating to the safety and health of staff.
- Perform other functions prescribed in the regulations or given to the committee, with its consent by NRT.

In the latter half of 2017 the Executive team agreed the OSH SharePoint system, currently running in the Pilbara, will become the one intranet page for all OSH matters from committee meeting minutes, OSH related material, hazards, incidents, corrective actions, etc.

Newly developed and updated policies and procedures are made available on the MyNRT Intranet where employees are given the opportunity to view and comment on these documents.

3) A statement of compliance with injury management requirements of the Worker's Compensation and Injury Management Act 1981 including the development of return to work plans.

North Regional TAFE is committed to ensuring compliance with the requirements of the Workers' Compensation and Injury Management Act 1981 and adhering to the following principles:

- Ensuring all claims are to be treated in an ethical and responsible manner;
- Ensure that the principles of Natural Justice are observed and upheld in the handling of claims and decisions made in all Workers Compensation matters;
- Ensuring that all claims are treated as confidential including where provisions of the Privacy Act 1988 apply; and
- The efficient and timely consideration of all matters in relation to a claim lodged.

The College remains committed to monitoring, management and development of strategies to reduce workplace injuries and accidents. Ongoing emphasis is placed on development and review of return to work plans to support injured staff safe and timely return to work.

4) A statement confirming that an assessment of the occupational safety and health management system has been completed (within the past five years or sooner depending on the risk profile of the agency) using a recognised assessment tool and reporting the percentage of actions completed.

During this period of the formation of North Regional TAFE’s amalgamation, the respective stand-alone systems remains in place whilst the Business produces a merged OSH Management System.

Pilbara region

An external audit was conducted by WA Safety Solutions on the OSHMS in April 2015 based on the Work Safe Plan audit tool. Through the findings of this audit an external consultant was engaged in June 2015 to review and improve the OSHMS for Pilbara Institute (as it was known at this time). In November 2015 a second internal audit was conducted (using the same tool) on the OSHMS to identify Pilbara Institute’s improved OSHMS is 96% compliant to AS 4801.

Kimberley region

An external audit was conducted by Franklyn Work Safety on the OSHMS in April 2014 based on the Work Safe Plan audit tool. A total of 78% agreed actions and recommendations have been introduced/completed. The outstanding action items will be addressed as part of North Regional TAFE’s OSH Annual Plan.

Forthcoming for NRT

An assessment of the merged North Regional TAFE’s OSHMS is planned to take place during 2019 and to be based on the Work Safe Plan.

5) A report of Performance against the following targets:

Indicator	Actual Results				Results Against Target	
	2015	2016		2017	Target	Comment
Org.	KTI	PI	NRT	NRT		
*Number of Fatalities	0	0	0	0	Zero (0)	Achieved
Lost Time Injury/ Disease Rate	0	0.54	1.61	0.41	Zero or 10% improvement on the previous three (3) years	1 LTI for PI in 2015 (average FTE of 184) 1 LTI for NRT in 2017 (average FTE of 244)
*Lost Time Injury Severity Rate	0	0	25	0	Zero or 10% improvement on the previous three (3) years	2016 saw 4 lost time injuries with one case 262 days lost
*% of injured workers returned to work:						
i. 13 weeks	N/A	100 %	50%	100%	Greater or equal to 80% return to work within 26 weeks.	Not Achieved in 2016 Achieved in 2017
ii. 26 weeks	N/A	N/A	25%	N/A		
% of managers & supervisors trained in OSH & injury mgt. responsibilities	94%	100 %	94%	90%	Greater or Equal to 80%	
Note: These figures are based on North Regional TAFE’s actual data collated by the organisation. RiskCover data may be different.						

Note: The statistics provided (*) are provided by RiskCover

Capital Works

Project	Funding Source	Initial Estimated Cost	Final Estimated Cost	Funds Acquitted	Original Completion Date	Current Est Completion Date	Notes
Roof Mount Solar PV System - Karratha Campus	DTWD grant NRT contributions	\$350,000 \$200,000	\$350,000 \$200,000	Will be acquitted at the end of the project.	Dec 2017	March 2018	Due to be commissioned end of Feb 2018
Scorecard Critical Remedial Works Karratha Campus	DTWD	\$4m	\$4m		June 2020	June 2020	
Electrical and Instrumentation Centre of Specialisation - (including 700 block, hair and beauty) Karratha Campus	Royalties for Regions, Woodside	\$9.5m	\$9.5m	Funds controlled by DTWD	February 2016 Dec 2017	February 2018 February 2018	Practical Completion portion 1 26 th October 2016 700 block estimated finish February 2018
Health and Community Services Training Centre - (including beautification of grounds) Pundulmurra Campus	Pilbara Cities, Pilbara Institute, Royalties for Regions	\$15.4m	\$15.7m	Funds controlled by DTWD	March 2015 June 2018	November 2016 October 2018	Practical completion 23 rd November 2016
Capital and sundry works - Karratha and Pundulmurra Campuses, includes Industry Skills Centre at Karratha Campus	Royalties for regions	\$15.566m	\$15.219m	Funds controlled by DTWD	May 2014	June 2017	KISC Practical completion 23 rd Feb 2015 Car and Machinery sheds / compounds completed 2017

Employment and Industrial Relations

	2016	% Total 2016	2017	% Total 2017
FTE for year	234.53	N/A	253.18	N/A
Academic Delivery	112.64	48%	123.08	48.61%
Academic Support Services/ corporate Services	121.89	52%	130.1	51.38%
Registerable	0	0	0	0

NB: FTE does not include casual employees

2017 data sourced from the Empower Payroll System, FTE figures have been taken as at 31 December 2017 and are subject to vary across the year by +/- 10% due to fluctuating training demands.

Substantive Equity

Equal Opportunity Management Plan Outcomes 2017				
Indicator	2016 Target	2016 Result	2017 Target	2017 Result
Women represented in management Tiers 2 & 3	72.6%	60.5%	46.1%	45.0%
Employees from culturally-diverse backgrounds*	12.6%	12.8%	12.9%	11.4%
Aboriginal Australia employees*	2.7%	9.4%	2.7%	12.5%
Employees who identify as people with disabilities*	2.1%	1.7%	1.8%	3.0%
Employees who are youth	4.2%	0.8%	4.2%	1.9%

NB Target is set as per the WA public sector results,

*results are based on the % of valid responses,

2017 data is based on September MOIR data as 2017 December data is not yet available

Disclosure of Legal Compliance



Auditor General

INDEPENDENT AUDITOR'S REPORT

To the Parliament of Western Australia

NORTH REGIONAL TAFE

Report on the Financial Statements

Opinion

I have audited the financial statements of North Regional TAFE which comprise the Statement of Financial Position as at 31 December 2017, 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 North Regional TAFE for the year ended 31 December 2017 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the Treasurer's Instructions.

Basis for Opinion

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

Responsibility of the Governing Council for the Financial Statements

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

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

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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

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

Report on Controls

Opinion

I have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by North 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 North 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 2017.

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 North Regional TAFE for the year ended 31 December 2017. 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 North 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 2017.

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 North Regional TAFE for the year ended 31 December 2017 included on the TAFE's website. The TAFE's management is responsible for the integrity of the TAFE's website. This audit does not provide assurance on the integrity of the TAFE's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.



COLIN MURPHY
AUDITOR GENERAL
FOR WESTERN AUSTRALIA
Perth, Western Australia
19 March 2018

Financial Statements

Certification of financial statements

For the year ended 31 December 2017

The accompanying financial statements of North 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 year ended 31 December 2017 and the financial position as at 31 December 2017.

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.



Ian Smith
Governing Council Chair
16 March 2018



Kevin Doig
Managing Director
16 March 2018



Katherine Reeves
Chief Financial Officer
16 March 2018

Statement of comprehensive income

For the year ended 31 December 2017

	Notes	1 Jan – 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Cost of services			
Expenses			
Employee benefits expense	6	36,400,709	26,285,711
Supplies and services	8	13,683,896	9,834,148
Depreciation and amortisation expense	9	4,616,688	3,284,017
Cost of sales	16	8,793	13,494
Loss on disposal of non-current assets	20	205,227	979
Asset revaluation decrement	10	19,876,008	6,556,306
Other expenses	11	3,058,035	2,332,609
Total cost of services		77,849,356	48,307,264
Income			
Revenue			
Fee for service	13	2,488,353	2,397,646
Student fees and charges	14	2,664,547	2,169,545
Ancillary trading	15	77,137	76,949
Sales	16	19,779	20,290
Commonwealth grants and contributions	17	750,000	518,502
Interest revenue	18	494,148	344,881
Other revenue	19	1,254,785	314,486
Total revenue		7,748,749	5,842,299
Total income other than income from State Government		7,748,749	5,842,299
Net cost of services		(70,100,607)	(42,464,965)
Income from the State Government	21		
Service appropriation		44,503,590	34,513,060
Services received free of charge		1,571,450	1,073,161
Total income from State Government		46,075,040	35,586,221
Surplus/(Deficit) for the period		(24,025,567)	(6,878,744)
Other comprehensive income			
Changes in asset revaluation surplus		-	-
Total other comprehensive income		-	-
Total comprehensive income/(deficit) for the period		(24,025,567)	(6,878,744)

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

Statement of financial position

As at 31 December 2017

	Notes	2017	2016
		\$	\$
Assets			
Current Assets			
Cash and cash equivalents	34	13,321,319	11,925,675
Restricted cash and cash equivalents	22,34	4,095,797	7,094,359
Inventories	23	21,132	22,828
Receivables	24	1,175,928	1,706,002
Other current assets	25	505,215	849,984
Total Current Assets		19,119,391	21,598,848
Non-Current Assets			
Restricted cash and cash equivalents	22	312,714	198,966
Property, plant and equipment	26	143,525,764	160,512,390
Intangible assets	28	339,657	14,738
Total Non-Current Assets		144,178,135	160,726,094
Total assets		163,297,526	182,324,942
Liabilities			
Current Liabilities			
Payables	30	1,655,537	2,189,707
Provisions	31	4,406,923	4,276,389
Other current liabilities	32	4,457,734	6,383,777
Total Current Liabilities		10,520,194	12,849,873
Non-Current Liabilities			
Provisions	31	981,402	1,192,292
Total Non-Current Liabilities		981,402	1,192,292
Total liabilities		11,501,596	14,042,165
Net assets		151,795,930	168,282,777
Equity			
Contributed equity	33	182,700,241	175,161,521
Accumulated surplus/(deficit)		(30,904,311)	(6,878,744)
Total Equity		151,795,930	168,282,777

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

Statement of cash flows

For the year ended 31 December 2017

	Notes	1 Jan – 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Cash flows from State Government			
Service appropriation – Dept. of Training and Workforce Development		42,566,203	36,760,315
Capital appropriation – Dept. of Training and Workforce Development		-	200,000
Net cash provided by State Government		42,566,203	36,960,315
<i>Utilised as follows:</i>			
Cash flows from operating activity			
Payments			
Employee benefits		(36,569,397)	(26,136,852)
Supplies and services		(13,081,988)	(8,356,493)
Cost of sales		(7,097)	(13,494)
GST payments on purchases		(1,427,047)	(968,458)
Other payments		(3,083,059)	(2,319,566)
Receipts			
Fee for service		2,680,908	2,100,892
Student fees and charges		2,880,834	2,804,695
Ancillary trading and bookshop sales		96,917	97,239
Interest received		494,148	344,881
Commonwealth grants and contributions		750,000	600,599
GST receipts on sales		306,384	186,686
GST receipts from taxation authority		1,295,014	734,049
Other receipts		1,254,785	314,486
Net cash provided by/(used in) operating activities	34	(44,409,599)	(30,611,336)
Cash flow from investing activities			
Payments			
Purchase of non-current physical assets		(747,673)	(168,589)
Capital Contribution towards Health & Allied Services Training Centre		-	(1,737,982)
Receipts			
Equity investments - capital works funded by DTWD		961,444	-
Proceeds from sale of non-current physical assets		140,455	109,228
Net cash provided by/(used in) investing activities		354,226	(1,797,343)
Cash flow from financing activities			
Receipts			
Establishment of College funds as part of the Training Sector Reform Project		-	2,597,688
Net increase/(decrease) in cash and cash equivalents		(1,489,170)	7,149,324
Cash and cash equivalents at the beginning of period		19,219,000	12,069,676
Cash and cash equivalents at the end of period	34	17,729,830	19,219,000

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

Statement of changes in equity

For the year ended 31 December 2017

	Note	Contributed Equity	Reserves	Accumulated Surplus/ (Deficit)	Total Equity
		\$	\$	\$	\$
Balance at 11 April 2016					
Surplus/(deficit) for the period		-	-	(6,878,744)	(6,878,744)
Total comprehensive income for the period		-	-	(6,878,744)	(6,878,744)
<i>Transaction with owners in their capacity as owners :</i>					
Capital appropriations		-	-	-	-
Other contributions by owners		180,158,718	-	-	180,158,718
Distribution to owners		(4,997,197)	-	-	(4,997,197)
Total		175,161,521	-	-	175,161,521
Balance of 31 December 2016	33	175,161,521	-	(6,878,744)	168,282,777
Balance at 1 January 2017		175,161,521	-	(6,878,744)	168,282,777
Surplus/(deficit) for the period		-	-	(24,025,567)	(24,025,567)
Asset revaluation surplus/(deficit)		-	-	-	-
Total comprehensive income for the period		175,161,521	-	(30,904,311)	144,237,210
<i>Transaction with owners in their capacity as owners:</i>					
Capital appropriations		-	-	-	-
Other contributions by owners		7,538,720	-	-	7,538,720
Distribution to owners		-	-	-	-
Total		7,538,720	-	-	7,538,720
Balance at 31 December 2017	33	182,700,241	-	(30,904,311)	151,795,930

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

Note 1. Australian Accounting Standards

(a) General

The College's financial statements for the year ended 31 December 2017 have been prepared in accordance with Australian Accounting Standards. The term 'Australian Accounting Standards' includes Standards and Interpretations issued by the Australian Accounting Standard Board (AASB).

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

(b) Early adoption of standards

The College cannot early adopt an Australian Accounting Standard unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. There has been no early adoption of any other Australian Accounting Standards that have been issued or amended (but not operative) by the College for the year ended 31 December 2017.

Note 2. Summary of significant accounting policies

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

(a) General statement

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

The Financial Management Act 2006 and the Treasurer's instructions impose legislative provisions that govern the preparation of financial statements and take precedence over the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB. Where modification is required and has 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.

(b) Basis of preparation

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, except for land and buildings which have been measured at fair value. The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars (\$).

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

Note 4 'Key sources of estimation uncertainty' discloses key assumptions made concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The financial statements have been prepared on a going concern basis which assumes that the College will be able to generate sufficient positive cash flows to meet its financial obligations and realise its assets and extinguish its liabilities in the normal course of business.

(c) Reporting entity

The reporting entity comprises the College. The College has no 'related bodies'.

(d) 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 transfers 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. See Note 33 'Equity'.

(e) Income

Revenue recognition

Revenue is recognised and measured at the fair value of consideration received or receivable. The majority of operating revenue of the College represents revenue earned from student fees and charges, fee for service, ancillary services, trading activities and Commonwealth grants and contributions.

The following specific recognition criteria must also be met before revenue is recognised for the major business activities as follows:

Sale of goods

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.

Provision of services

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

Interest

Revenue is recognised as the interest accrues.

Grants, donations, gifts and other non-reciprocal contributions

Capital grants are recognised at fair value when the College obtains control over the assets comprising the contributions, usually when cash is received. Revenue comprising non-capital grants that relate to the provision of services is recognised by reference to the stage of completion of the service provision. Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Service appropriations

Service Appropriations are recognised as revenues at fair value in the period in which the College gains control of the appropriated funds. The College gains control of appropriated funds at the time those funds are deposited to the bank account.

State funds

The funds received from the Department of Training and Workforce Development in respect of the delivery of services forming part of the Delivery Performance Agreement are included in State funds, disclosed under 'Income from State Government'. They are the result of training successfully tendered for under competitive tendering arrangements. This revenue is recognised at nominal value in the period in which the College meets the terms of the Agreement. See Note 21 'Income from State Government'.

Gains

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

(f) Property, plant and equipment

Capitalisation/expensing of assets

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

Initial recognition and measurement

Property, plant and equipment are initially recognised at cost.

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

Subsequent measurement

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

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

In the absence of market-based evidence, fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or

where land use is restricted. Fair value for existing use buildings 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 and the accumulated depreciation are restated proportionately. Fair value for restricted use land 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).

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

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

Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets. Refer to Note 26 'Property, plant and equipment' for further information on revaluations.

Derecognition

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

Asset revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets on a class of assets basis.

Depreciation

All non-current assets 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.

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

Buildings	40 years
Motor vehicles, caravans and trailers	5 to 8 years
Plant, furniture and general equipment	4 to 8 years
Computing, communications and software ^(a)	2 to 8 years
Marine craft	5 to 8 years

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

Land is not depreciated.

(g) Intangible assets

Capitalisation/Expensing of assets

Acquisitions of intangible assets costing \$5,000 or more and the cost of utilising the assets is expensed (amortised) over their useful life. Costs incurred below these thresholds are immediately expensed directly to the Statement of Comprehensive Income.

Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

The cost model is applied for subsequent measurement requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets controlled by the College have a finite useful life and zero residual value. The expected useful lives for each class of intangible asset are:

Software ^(a)	2 to 3 years
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(a) Software that is not integral to the operation of any related hardware.

Computer software

Software that is an integral part of the related hardware is recognised as property, plant and equipment. Software that is not an integral part of the related hardware is recognised as an intangible asset. Software costing less than \$5,000 is expensed in the year of acquisition.

(h) Impairment of assets

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

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life. Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of asset's future economic benefits and to evaluate any impairment risk from falling replacement costs.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment at the end of each reporting period irrespective of whether there is any indication of impairment. The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured. Surplus assets at cost are tested for indications of impairment at the end of each reporting period.

See Note 29 'Impairment of assets' for the outcome of impairment reviews and testing. See Note 2(n) 'Receivables' and Note 24 'Receivables' for impairment of receivables.

(i) Leases

The College has entered into operating lease arrangements for building premises and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased assets. See Note 36 'Commitments'.

(j) Financial instruments

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

- Receivables; and
- Financial liabilities measured at amortised cost.

These have been disaggregated into the following classes:

Financial assets

- Cash and cash equivalents
- Restricted cash and cash equivalents
- Receivables

Financial liabilities

- Payables
- DPA repayable to DTWD

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

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

(k) Cash and cash equivalents

For the purpose of the Statement of Cash Flows, cash and cash equivalents include restricted cash and cash equivalents (comprising cash on hand).

(l) Accrued salaries

Accrued salaries (see Note 30 'Payables') represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period does not coincide with the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The College considers the carrying amount of accrued salaries to be equivalent to its fair value.

The accrued salaries suspense account ("27th pay") (see Note 22 'Restricted cash and cash equivalents') consists of amounts set aside annually into a suspense account over a period of ten financial years to largely meet the additional cash outlay in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

(m) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being 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. See Note 23 'Inventories'.

(n) Receivables

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

See Note 2(j) 'Financial instruments' and Note 24 'Receivables'.

(o) Payables

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

(p) Provisions

Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period. See Note 31 'Provisions'.

(i) Provisions - employee benefits

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

Annual leave

Annual leave that is expected to be settled wholly within 12 months after the end of the reporting period is considered to be a 'short term employee benefit'. The annual leave liability is recognised and measured at the undiscounted amounts expected to be paid when the liability is settled.

Annual leave is not expected to be settled wholly within 12 months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is recognised and measured at the present value of amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

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

reporting period on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

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

Deferred Leave

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

Purchased leave

The provision for purchased leave relates to Public Service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

North West leave

The provision for North West leave relates to Public Service employees whose headquarters are located north of 26 degrees South latitude who are entitled to an additional 37.5 hours leave in addition to the employee's normal entitlement to annual leave. The provision for North West leave is classified as a current liability as the College does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

Long service leave

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

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

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

Superannuation

The Government Employees Superannuation Board (GESB) and other funds 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.

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

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension Scheme or the GSS became non-contributory members of the West State Superannuation Scheme (WSS). Employees commencing employment on or after 16 April 2007 became members of the GESB Super Scheme (GESBS). From 30 March 2012, existing members of the WSS or GESBS and new employees have been able to choose their preferred superannuation fund provider. The College makes contributions to GESB or other funds providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. Contributions to these accumulation schemes extinguish the College's liability for superannuation charges in respect of employees who are not members of the Pension Scheme or GSS.

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

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

The GESB makes all benefit payments in respect of the Pension Scheme and GSS, and is recouped from the Treasurer for the employer's share. See also Note 2(q) 'Superannuation expense'.

(ii) Provisions - other

Employment on-costs

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 'Other expenses' and are not included as part of the College's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See Note 11 'Other expenses' and Note 31 'Provisions'.)

(q) Superannuation expense

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

(r) Assets and services received free of charge or for nominal cost

Assets or services received free of charge or for nominal cost that the College would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

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

(s) Comparative figures

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

Note 3. Judgements made by management in applying accounting policies

The preparation of financial statements requires management to make judgements about the application of accounting policies that have a significant effect on the amounts recognised in the financial statements. The College evaluates these judgements regularly.

Operating Lease Commitments

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

Note 4. Key sources of estimation uncertainty

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.

Long Service Leave

Several estimations and assumptions in calculating the College's long service leave provision 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.

Note 5. Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The College has applied the following Australian Accounting Standards effective or adopted, for annual reporting periods beginning on or after 1 January 2017 that impacted on the College.

AASB 1057	Application of Australian Accounting Standards This Standard lists the application paragraphs for each other Standard (and Interpretation), grouped where they are the same. There is no financial impact.
AASB 2014-3	Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11] The College does not have any Joint Operations therefore, there is no financial impact on application of the Standard.
AASB 2014-3	Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 & 11] The College does not have any Joint Operations therefore, there is no financial impact on application of the Standard.

AASB 2014-4	<p>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 & 138]</p> <p>The adoption of this Standard has no financial impact for the College as depreciation and amortisation is not determined by reference to revenue generation, but by reference to consumption of future economic benefits.</p>
AASB 2014-9	<p>Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 & 128]</p> <p>This Standard amends AASB 127, and consequentially amends AASB 1 and AASB 128, to allow entities to use the equity method of accounting for investments in subsidiaries, joint ventures and associates in their separate financial statements. The College does not have any Joint Operations therefore, there is no financial impact on application of the Standard.</p>
AASB 2015-1	<p>Amendments to Australian Accounting Standards - Annual Improvements to Australian Accounting Standards 2012-2014 Cycle [AASB 1, 2, 3, 5, 7, 11, 110, 119, 121, 133, 134, 137 & 140]</p> <p>These amendments arise from the issuance of International Financial Reporting Standard Annual Improvements to IFRSs 2012-2014 Cycle in September 2014, and editorial corrections. The College has not yet determined the application or the potential impact of the Standard.</p>
AASB 2015-2	<p>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 & 1049]</p> <p>This Standard amends AASB 101 to provide clarification regarding the disclosure requirements in AASB 101. Specifically, the Standard proposes narrow-focus amendments to address some of the concerns expressed about existing presentation and disclosure requirements and to ensure entities are able to use judgement when applying a Standard in determining what information to disclose in their financial statements. There is no financial impact.</p>
AASB 2015-6	<p>Amendments to Australian Accounting Standards - Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 & 1049]</p> <p>The amendments extend the scope of AASB 124 to include application by not-for-profit public sector entities. Implementation guidance is included to assist application of the Standard by not-for-profit public sector entities. There is no financial impact.</p>
AASB 2015-10	<p>Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 & 128</p> <p>This Standard defers the mandatory effective date (application date) of amendments to AASB 10 & 128 that were originally made in AASB 2014-10 so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2016. The College has not yet determined the application or the potential impact of AASB 2014-10.</p>

This disclosure is required when the initial application of an Australian Accounting Standard or Interpretation has an effect on the current period or any prior period, or would have such an effect, except that it is impracticable to determine the amount of the adjustment, or might have an effect on future periods.

Voluntary changes in accounting policy

No voluntary changes in accounting policy have been made.

Future impact of Australian Accounting Standards not yet operative

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

		Operative for reporting periods beginning on/after
AASB 9	<p>Financial Instruments</p> <p>This Standard supersedes AASB 139 Financial Instruments: Recognition and Measurement, introducing a number of changes to accounting treatments.</p> <p>The mandatory application date of this Standard is currently 1 January 2018 after being amended by AASB 2012-6, AASB 2013-9, and, AASB 2014-1 Amendments to Australian Accounting Standards. The College has assessed that this is likely to have a minimal impact given the types of financial instruments held.</p>	1 Jan 2018
AASB 15	<p>Revenue from Contracts with Customers</p> <p>This Standard establishes the principles that the College shall apply to report useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from a contract with a customer.</p> <p>The College's income is principally derived from appropriations which will be measured under AASB 1058 Income of Not for Profit Entities and will be unaffected by this change. However, the College has not yet determined the potential impact of the Standard on 'User charges and fees' and 'Sales' revenues. In broad terms, it is anticipated that the terms and conditions attached to these revenues will defer revenue recognition until the College has discharged its performance obligations.</p>	1 Jan 2019

		Operative for reporting periods beginning on/after
AASB 16	<p>Leases</p> <p>This Standard introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value.</p> <p>Whilst the impact of AASB 16 has not yet been quantified, the College notes that it currently has operating lease commitments for \$1,434,663 and the College anticipates most of this amount will be brought onto the statement of financial position. Interest and amortisation expense will increase and rental expense will decrease.</p>	1 Jan 2019
AASB 1058	<p>Income of Not-for-Profit Entities</p> <p>This Standard clarifies and simplifies the income recognition requirements that apply to not for profit (NFP) entities, more closely reflecting the economic reality of NFP entity transactions that are not contracts with customers. Timing of income recognition is dependent on whether such a transaction gives rise to a liability, or a performance obligation (a promise to transfer a good or service), or, an obligation to acquire an asset. The College has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2010-7	<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Int 2, 5, 10, 12, 19 & 127]</p> <p>This Standard makes consequential amendments to other Australian Accounting Standards and Interpretations as a result of issuing AASB 9 in December 2010. The mandatory application date of this Standard has been amended by AASB 2012-6 and AASB 2014-1 to 1 January 2018. The College has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2014-1	<p>Amendments to Australian Accounting Standards</p> <p>Part E of this Standard makes amendments to AASB 9 and consequential amendments to other Standards. It has not yet been assessed to determine the application or potential impact.</p>	1 Jan 2018
AASB 2014-5	<p>Amendments to Australian Accounting Standards arising from AASB 15</p>	1 Jan 2018

		Operative for reporting periods beginning on/after
	This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15. The College has not yet determined the application or the potential impact of the Standard.	
<i>AASB 2014-7</i>	<p>Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)</p> <p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 9 (December 2014). The College has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
<i>AASB 2014-10</i>	<p>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & 128]</p> <p>This Standard amends AASB 10 and AASB 128 to address an inconsistency between the requirements in AASB 10 and those in AASB 128 (August 2011), in dealing with the sale or contribution of assets between an investor and its associate or joint venture.</p> <p>The mandatory application date of this Standard has been amended by AASB 2015-10 to 1 January 2018. The College has determined that the Standard has no financial impact.</p>	1 Jan 2018
<i>AASB 2015-8</i>	<p>Amendments to Australian Accounting Standards – Effective Date of AASB 15</p> <p>The Standard amends the mandatory effective date (application date) of AASB 15 Revenue from Contracts with Customers so that AASB 15 is required to be applied for annual reporting periods beginning on or after 1 January 2018 instead of 1 January 2017. For Not For Profit entities, the mandatory effective date has subsequently been amended to 1 January 2019 by AASB 2016 7. The College has not yet determined the application or the potential impact of AASB 15.</p>	1 Jan 2019
<i>AASB 2016-2</i>	<p>Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107</p> <p>This Standard amends AASB 107 Statement of Cash Flows (August 2015) to require disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from</p>	1 Jan 2018

		Operative for reporting periods beginning on/after
	cash flows and non-cash changes. There is no financial impact.	
<i>AASB 2016-3</i>	<p>Amendments to Australian Accounting Standards – Clarifications to AASB 15</p> <p>This Standard clarifies identifying performance obligations, principal versus agent considerations, timing of recognising revenue from granting a licence, and, provides further transitional provisions to AASB 15. The College has not yet determined the application or the potential impact.</p>	1 Jan 2018
<i>AASB 2016-4</i>	<p>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</p> <p>This Standard clarifies that the recoverable amount of primarily non-cash-generating assets of not for profit entities, which are typically specialised in nature and held for continuing use of their services capacity, is expected to be manually the same as fair value determined under AASB 13 Fair Value Measurements. There is no financial impact.</p>	1 Jan 2019
<i>AASB 2016-7</i>	<p>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</p> <p>This Standard amends the mandatory effective date of AASB 15 for not-for-profit entities so that AASB 15 is required to be applied by such entities for annual reporting periods beginning on or after 1 January 2019 instead of 1 January 2018. There is no financial impact.</p>	1 Jan 2019
<i>AASB 2016-8</i>	<p>Amendment to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</p> <p>This Standard inserts Australian requirements and authoritative implementation guidance for not-for-profit entities into AASB 9 and AASB 15. This guidance assists not-for-profit entities in applying those Standards to particular transactions and other events. There is no financial impact.</p>	1 Jan 2019
<i>AASB 2017-2</i>	<p>Amendments to Australian Accounting Standards - Further Annual Improvements 2014-2016 Cycle</p> <p>This Standard clarifies the scope of AASB 12 by specifying that the disclosure requirements apply to an entity's interests in other entities that are classified as held for sale, held for distribution to owners in their capacity as owners or discontinued operations in accordance with AASB 5. There is no financial impact.</p>	

Note 6. Employee benefits expense

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Wages and salaries ^(a)	33,656,574	24,414,893
Superannuation - defined contribution plans ^(b)	2,744,135	1,870,818
	36,400,709	26,285,711

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

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

Employment on-costs expenses, such as workers' compensation insurance, are included at Note 11 'Other expenses'. Employment on-costs liability is included at Note 31 'Provisions'.

Note 7. Compensation of Key Management Personnel

The College has determined that key management personnel include Ministers, Governing Council members and senior officers of the College. However, the College is not obligated to compensate Ministers and therefore disclosures in relation to Ministers' compensation may be found in the Annual Report on State Finances.

Total compensation for key management personnel, comprising Governing Council members and senior officers of the College for the reporting period are presented within the following bands:

Compensation of members of the accountable authority	1 Jan to 31 Dec 2017	11 Apr to 31 Dec 2016
Compensation Band (\$)		
0 – 10,000	9	9
10,001 – 20,000	-	1
20,0001 – 30,000	1	-
210,0001 – 220,000	-	1
330,001 – 340,000	1	-
Compensation of senior officers		
Compensation Band (\$)		
80,001 – 90,000	-	1
100,001 – 110,000	-	1
130,001 – 140,000	-	2
150,001 – 160,000	-	1
180,001 – 190,000	1	-
200,001 – 210,000	1	-
210,001 – 220,000	2	-
	\$	\$
Short term employee benefits	1,097,854	716,829
Post employment benefits	93,109	62,954
Other long term benefits	5,856	11,019
Termination benefits	-	57,408
Total compensation of Key Management Personnel	1,196,819	848,210

Note 8. Supplies and services

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Consumables and minor equipment	1,159,606	790,612
Communication expenses	167,563	179,019
Utilities expenses	2,795,187	1,979,047
Consultancies and contracted services	4,508,767	2,972,307
Minor works	1,042,004	846,630
Repairs and maintenance	742,832	540,420
Operating lease and hire charges	613,974	581,635
Travel and passenger transport	1,564,381	1,031,191
Advertising and public relations	234,301	246,229
Supplies and services - other	762,670	619,220
Supplies and services – PD staff	92,612	47,838
	13,683,897	9,834,148

Note 9. Depreciation and amortisation expense

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Depreciation		
Buildings including dwellings	3,877,892	2,539,672
Motor vehicles, caravans and trailers	131,793	113,132
Plant, furniture and general equipment	455,082	419,432
IT equipment and communication network	114,544	199,990
Marine craft	2,601	2,643
Total depreciation	4,581,912	3,274,869
Amortisation		
Software	34,776	9,148
Total amortisation	34,776	9,148
Total depreciation and amortisation	4,616,688	3,284,017

Note 10. Asset revaluation decrement

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Land	9,310,000	680,000
Buildings	10,469,130	5,876,306
Dwellings	96,878	-
	19,876,008	6,556,306

Land, Buildings and Dwellings were revalued during the period by Western Australian Land Information Authority (Landgate) resulting in a significant decrement being charged to the profit and loss rather than reserves as North Regional TAFE is a new legal entity and does not have an asset revaluation surplus.

Note 11. Other expenses

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Audit fees	185,000	158,090
Building maintenance	796,157	811,114
Doubtful debts expense	(25,024)	13,487
Employment on-costs ^(a)	2,050,949	1,250,844
Student prizes and awards	12,606	71,711
Losses and write-offs	38,347	27,363
	3,058,035	2,332,609

- (a) Employment on-costs include workers' compensation insurance and other employment on-costs. The on-costs liabilities associated with the recognition of annual and long service leave liabilities are included at Note 31 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.
- (b) See Note 43 'Supplementary financial information'
- (c) Other expenses includes OAG Audit fees. See also Note 41 'Remuneration of Auditor'.

Note 12. Related Party Transactions

The College is a wholly owned and controlled entity of the State of Western Australia. In conducting its activities, the College is required to pay various taxes and levies based on the standard terms and conditions that apply to all tax and levy payers to the State and entities related to the State.

Related parties of the department include:

- all 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 public sector entities included in the whole of government consolidated financial statements;
- associates and joint ventures, that are included in the whole of government consolidated financial statements; and
- the Government Employees Superannuation Board (GESB).

Significant transactions with government related entities

Significant transactions during the year to 21 December 2017 include:

- service appropriations from Department of Training & Workforce Development (Note 21);
- service appropriations from Department of Health for the provision of Rural & Remote Health Training (Note 17);
- superannuation payments to GESB
- insurance payments to Riskcover (\$728,075.70)

Material transactions with related parties

- remuneration for services provided by the Auditor General (Note 41).
- commitments for future lease payments to the former Department of Finance (Note 36);
- Department of Finance (BMW) for routine maintenance \$822,614.96;
- lease rentals payments for fleet leasing to the Department of Finance (State Fleet) \$376,981.37

The College had no other material related party transaction with Ministers/senior officers or their close family members or their controlled (or jointly controlled) entities for disclosure.

Note 13. Fee for service

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Fee for service - general	1,991,778	1,319,220
Fee for service - Government (other than DTWD)	355,976	821,833
International fees	140,599	256,593
	2,488,353	2,397,646

Note 14. Student fees and charges

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Tuition fees	2,109,792	1,746,699
Resource fees	376,233	247,258
Other College fees including RPL and incidental fees	178,522	175,588
	2,664,547	2,169,545

Note 15. Ancillary trading

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Live works (not a trading activity)	12,465	4,377
Contracting and consulting	-	41,953
Other ancillary revenue	64,672	30,619
	77,137	76,949

Note 16. Trading profit/(loss)

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Bookshop:		
Sales	19,779	20,290
Cost of sales:		
Opening inventory	22,828	22,828
Purchases	10,488	13,494
	33,316	36,322
Closing inventory	(21,132)	(22,828)
Cost of goods sold	8,793	13,494
Trading profit/(loss) - Bookshop	10,986	6,796

See Note 2(m) 'Inventories' and Note 23 'Inventories'

Note 17. Commonwealth grants and contributions

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Commonwealth specific purpose grants and contributions	750,000	518,502
	750,000	518,502

This grant was received from the Department of Health in relation to health training delivered in Rural and Remote regions.

Note 18. Interest revenue

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Interest revenue from CBA interest-bearing Operating Account	494,148	344,881
	494,148	344,881

Note 19. Other revenue

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Rental and facilities fees	623,998	243,168
Other direct grants and subsidy revenue	15,000	22,509
Sponsorship and donations revenue	7,276	909
Miscellaneous revenue	608,511	47,900
	1,254,785	314,486

Note 20. Net gain/(loss) on disposal of non-current assets

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Net gain/(loss) from disposal of non-current assets disposed		
Buildings	-	98,465
Plant, furniture and general equipment	126,881	6,572
Total proceeds from disposal of non-current assets	126,881	105,037
Carrying amount of non-current assets disposed		
Buildings	(73,240)	(86,281)
Motor vehicles, caravans and trailers	(6,890)	-
Plant, furniture and general equipment	(185,146)	(19,735)
Computers and communication network	(66,826)	-
Marine craft	(6)	-
Total cost of disposal of non-current assets	(332,108)	(106,016)
Net gain/(loss)	(205,227)	(979)

See Note 26 'Property, plant and equipment'.

Note 21. Income from State Government

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Appropriation received during the year:		
Service appropriation ^(a) (State funds received from Department of Training and Workforce Development):		
Delivery and Performance Agreement (DPA)	40,802,172	30,997,986
Capital grants (solar installation contract)	-	200,000
Other recurrent funds (GROH and special purpose grants)	3,701,418	3,315,074
Total State funds	44,503,590	34,513,060
Services received free of charge from other State government agencies during the financial period :		
Department of Training and Workforce Development		
• Corporate systems support	1,463,049	925,912
• Human resources and industrial relations support	59,897	79,716
• Other	48,504	58,271
Department of Finance		
• Government accommodation - Leasing	1,571,450	1,063,899
	-	9,262
Total Resources received free of charge	1,571,450	1,073,161
Total income from State Government	46,075,040	35,586,221

^(a) Service appropriations fund the net cost of services delivered.

Note 22. Restricted cash and cash equivalents

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Current		
DTWD refund due for SCH shortfall	3,769,090	5,706,477
Electrical Instrumentation Centre – Woodside plant & equipment capital contribution	-	638,993
DTWD funds received for solar installation contract	-	200,000
Royalties for Regions funds received for capital works	-	175,734
Dept of Health grant funds received not yet expended	158,899	158,899
VET Fee HELP funding received in advance	167,808	214,256
	4,095,797	7,094,359
Non-current		
Accrued salaries suspense account (27th Pay provision)	312,714	198,966
	312,714	198,966

Note 23. Inventories

	31 Dec 2017 \$	31 Dec 2016 \$
Inventories held for resale:		
Bookshop (at cost)	21,132	22,828
Total	21,132	22,828

See also Note 2(m) 'Inventories' and Note 16 'Trading profit/(loss)'.

Note 24. Receivables

	31 Dec 2017 \$	31 Dec 2016 \$
Current		
Receivables - trade	915,389	1,079,848
Receivables - students	118,709	146,420
Accrued revenue	226,537	415,114
Allowance for impairment of receivables	(41,244)	(66,268)
GST receivable	(43,463)	130,888
Total current	1,175,928	1,706,002

Reconciliation of changes in the allowance for impairment of receivables:

Balance at start of period	66,268	53,225
Doubtful debts expense	-	13,487
Impairment losses reversed during the period	(25,024)	(444)
Doubtful debt provision balance at end of period	44,244	66,268

The College does not hold any collateral or other credit enhancements as security for receivables. See also Note 2(n) 'Receivables' and Note 40 'Financial instruments'.

Note 25. Other assets

	31 Dec 2017 \$	31 Dec 2016 \$
Current		
Prepayments	505,215	849,984
Total current	505,215	849,984

Note 26. Property, plant and equipment

	31 Dec 2017 \$	31 Dec 2016 \$
Land		
At fair value ^(a)	11,418,000	20,728,000
	11,418,000	20,728,000
Buildings		
At fair value ^(a)	127,316,442	137,476,105
	127,316,442	137,476,105
Dwellings		
At fair value ^(a)	2,230,000	-
	2,230,000	-
Work in Progress		
At cost	851,722	-
	851,722	-
Motor vehicles, caravans and trailers		
At cost	477,223	489,237

	31 Dec 2017	31 Dec 2016
	\$	\$
Accumulated depreciation	(239,802)	(113,132)
	237,421	376,105
Plant, furniture and general equipment		
At cost	2,085,160	2,003,834
Accumulated depreciation	(777,347)	(414,994)
	1,307,813	1,588,840
Computer equipment, communication network		
At cost	372,067	525,229
Accumulated depreciation	(223,195)	(199,990)
	148,872	325,239
Marine craft		
At cost	19,979	20,744
Accumulated depreciation	(4,485)	(2,643)
	15,494	18,101
	143,525,764	160,512,390

^(a) Land and buildings were revalued as at 1 July 2017 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the period ended 31 December 2017 and the decrement was recognised as a charge to the profit and loss during the period to 31 December 2017. In undertaking the revaluation, fair value of buildings was determined on the basis of depreciated replacement cost and fair value of land was determined on the basis of current use as lands are intended to be continued for use in training purposes with a limited market for disposal (low restricted use land). See Note 2(f) 'Property, plant and equipment'.

Information on fair value measurements is provided in Note 27.

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

	Land \$	Buildings including dwellings \$	Work in Progress \$	Motor vehicles, caravans and trailers \$	Plant, furniture and equipment \$	IT equipment, communication network \$	Marine craft \$	Total \$
2017								
Carrying amount at start of period	20,728,000	137,476,105	-	376,105	1,588,840	325,239	18,101	160,512,390
Additions	-	10,200	701,722	-	50,544	5,003	-	767,469
Transfers from DTWD ^(a)	-	6,577,276	961,444	-	-	-	-	7,538,720
Transfers from Work In Progress	-	-	(322,231)	-	322,231	-	-	-
Revaluation decrements ^(b)	(9,310,000)	(10,566,008)	-	-	-	-	-	(19,876,008)
Disposals	-	(73,240)	-	(6,890)	(198,720)	(66,826)	(6)	(345,682)
Transfer to intangible assets	-	-	(359,695)	-	-	-	-	(359,695)
Minor works expensed	-	-	(129,518)	-	-	-	-	(129,518)
Depreciation	-	(3,877,892)	-	(131,793)	(455,082)	(114,544)	(2,601)	(4,581,912)
Carrying amount at end of period	11,418,000	129,526,441	851,722	237,422	1,307,813	148,872	15,494	143,525,764
2016								
Carrying amount at start of period	21,248,000	128,196,258	-	489,237	1,869,212	513,998	20,744	152,337,449
Additions	-	-	-	-	142,357	11,232	-	153,589
Transfers from DTWD	160,000	17,782,105	-	-	20,628	-	-	17,962,733
Revaluation increments/(decrements)	(680,000)	(5,876,306)	-	-	-	-	-	(6,556,306)
Other Disposals	-	(86,282)	-	-	(24,174)	-	-	(110,456)
Depreciation	-	(2,539,671)	-	(113,132)	(419,432)	(199,991)	(2,643)	(3,274,869)
Carrying amount at end of period	20,728,000	137,476,104	-	376,105	1,588,591	325,239	18,101	160,512,140

^(a) The Department of Training and Workforce Development transferred capital works during 2017 in relation to buildings at the Karratha and Pundulmurra campuses as follows:

- Electrical and Instrumentation Centre of Specialisation (Karratha) \$2,078,815;
- Health & Allied Services Training Centre (Pundulmurra) \$1,325,652;
- Sundry works contracts at Karratha & Pundulmurra campuses \$2,275,339; and
- Air-conditioning upgrades at Newman and Pundulmurra campuses \$897,470.

A further \$961,444 was received from DTWD for equipment and other capital works. These transfers were recognised as equity investments.

^(b) Recognised in the profit and loss. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in the profit or loss. Where a previously revalued asset is written down to recoverable amount, the loss is recognised as a revaluation decrement in other comprehensive income.

Note 27. Fair value measurements

Assets measured at fair value:	Level 1	Level 2	Level 3	Fair Value At end of period
	\$	\$	\$	\$
2017				
Land (Note 26)	-	1,280,000	10,138,000	11,418,000
Buildings including dwellings (Note 26)	-	1,150,000	128,396,441	129,546,441
	-	2,430,000	138,534,441	140,964,441

Assets measured at fair value:	Level 1	Level 2	Level 3	Fair Value At end of period
	\$	\$	\$	\$
2016				
Land (Note 26)	-	1,280,000	19,448,000	20,728,000
Buildings including dwellings (Note 26)	-	1,150,000	136,326,104	137,476,104
	-	2,430,000	155,774,104	158,204,104

There were no transfers between Levels 1, 2 or 3 during the current period.

Valuation techniques to derive Level 2 fair values

Level 2 fair values of land and buildings are derived using the market approach. Market evidence of sales prices of comparable land and buildings in close proximity is used to determine price per square metre. Fair value has been determined by reference to market evidence of sales prices of comparable assets.

Fair value measurements using significant unobservable inputs (Level 3)

	Land	Buildings
	\$	\$
2017		
Fair Value at start of period	19,448,000	136,326,104
Additions	-	10,200
Transfers from Department of Training and Workforce Development	-	6,577,276
Revaluation increments/(decrements) recognised in Profit or Loss	(9,310,000)	(10,566,008)
Disposals	-	(73,240)
Depreciation Expense	-	(3,877,892)
Fair Value at end of period	10,138,000	128,396,441
	Land	Buildings
	\$	\$
2016		
Fair Value at start of period	19,448,000	122,324,051
Transfers from Department of Training and Workforce Development	-	17,782,105

	Land \$	Buildings \$
2016		
Revaluation increments/(decrements) recognised in Profit or Loss	-	(1,264,190)
Disposals	-	(86,282)
Depreciation Expense	-	(2,429,580)
Fair Value at end of period	19,448,000	136,326,104

Valuation processes

There were no changes in valuation techniques during the period.

Transfers in and out of a fair value level are recognised on the date of the event or change in circumstances that caused the transfer. Transfers are generally limited to assets newly classified as non-current assets held for sale as Treasurer's instructions require valuations of land and buildings to be categorised within Level 3 where the valuations utilise significant Level 3 inputs on a recurring basis.

Land (Level 3 fair values)

Fair value for restricted use land is based on comparison with market evidence for land with low level utility (high restricted use land).

The relevant comparators of land with low level utility is selected by the Western Australian Land Information Authority (Valuation Services) and represents the application of a significant Level 3 input in this valuation methodology. The fair value measurement is sensitive to values of comparator land, with higher values of comparator land correlating with higher estimated fair values of land.

Buildings (Level 3 fair values)

Fair value for existing use specialised building is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Depreciated replacement cost is the current replacement cost of an asset less accumulated depreciation calculated on the basis of such cost to reflect the already consumed economic benefit, expired economic benefit or obsolescence, and optimisation (where applicable) of the asset.

Determination of the current replacement cost of such assets held by the College is calculated by reference to market observable replacement cost of a substitute asset of comparable utility and gross project size specifications.

Valuation using depreciated replacement cost utilises the significant Level 3 input, consumed economic benefit/obsolescence of asset which is estimated by the Western Australian Land Information Authority (Valuation Services). The fair value measurement is sensitive to the estimate of consumption/obsolescence, with higher values of the estimate correlating with lower estimated fair values of buildings.

Basis of Valuation

In the absence of market-based evidence due to the specialised nature of the assets, non-financial assets are valued at Level 3 of the fair value hierarchy on an existing use basis. The existing use basis recognises that restrictions or limitations have been placed on their use and disposal when they are not determined to be surplus to requirements. These restrictions are imposed by virtue of the assets being held to deliver a specific community service and the College's enabling legislation.

Note 28. Intangible assets

	31 Dec 2017	31 Dec 2016
	\$	\$
Computer software		
At cost	383,581	23,886
Accumulated amortisation	(43,924)	(9,148)
	339,657	14,738
Reconciliations		
Computer software		
Carrying amount at start of period	14,738	8,886
Additions	359,695	15,000
Amortisation expense	(34,776)	(9,148)
Carrying amount at end of period	339,657	14,738

Note 29. Impairment of assets

Land and buildings were revalued during the year with the revaluation decrement recognised in the profit and loss, see Note 10. Other than land and buildings, there were no indications of impairment to property, plant and equipment or intangibles at 31 December 2017.

The College held no goodwill or intangible assets with an indefinite useful life during the reporting period. At the end of the reporting period there were no intangible assets not yet available for use.

Note 30. Payables

	31 Dec 2017	31 Dec 2016
	\$	\$
Current		
Trade payables	58,812	312,305
Accrued expenses	1,388,782	1,581,128
Accrued salaries and related costs	203,495	295,332
Paid parental leave payable	4,448	942
Total current	1,655,537	2,189,707

See also Note 2(o) 'Payables' and Note 40 'Financial Instruments'.

Note 31. Provisions

	31 Dec 2017	31 Dec 2016
	\$	\$
Current		
Employee benefits provision		
Annual leave ^(a)	1,872,637	1,865,327
Long service leave ^(b)	2,205,612	2,133,469
Deferred Salary Scheme ^(c)	61,944	19,123
Purchased leave liability	4,157	1,019
	4,144,350	4,018,938
Other provisions		
Employment on-costs ^(d)	262,572	257,451
Total current	4,406,922	4,276,389

	31 Dec 2017 \$	31 Dec 2016 \$
Non-current		
<i>Employee benefits provision</i>		
Long service leave ^(b)	922,265	1,120,415
	922,265	1,120,415
<i>Other provisions</i>		
Employment on-costs ^(d)	59,137	71,877
	59,137	71,877
Total non-current	981,402	1,192,292

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

	31 Dec 2017 \$	31 Dec 2016 \$
Within 12 months of the end of the reporting period	1,286,750	1,279,081
More than 12 months after the end of the reporting period	585,888	586,247
	1,872,638	1,865,328

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

	31 Dec 2017 \$	31 Dec 2016 \$
Within 12 months of the end of the reporting period	719,744	749,128
More than 12 months after the end of the reporting period	2,408,133	2,504,756
	3,127,877	3,253,884

(c) Deferred salary scheme liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after the end of the reporting period. Assessments indicate that actual settlement of the liabilities is expected to occur as follows:

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Within 12 months of the end of the reporting period	-	-
More than 12 months after the end of the reporting period	61,944	19,123
	61,944	19,123

(d) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in Note 11 'Other expenses'.

Movements in other provisions

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

	31 Dec 2017 \$	31 Dec 2016 \$
Employment on-cost provision		
Carrying amount at start of period	329,328	343,928
Unwinding of provisions	(7,619)	(14,600)
Carrying amount at end of period	321,709	329,328

Note 32. Other current liabilities

	31 Dec 2017 \$	31 Dec 2016 \$
Current		
Income received in advance ^(a)	4,298,836	6,208,126
Grants and advances ^(b)	158,898	158,899
Money/deposits held in trust	-	16,752
Total other current liabilities	4,457,734	6,383,777

(a) Income received in advance comprises:

Department of Training and Workforce Development – DPA refund for under delivery	3,769,090	5,706,476
Other Government - VET Fee Help	167,808	213,601
Fee for Service	32,652	36,643
Student fees and charges	329,286	251,406
	4,298,936	6,208,126

(b) Grants and advances includes:

Rural & Remote Aged Care grant – funds received not yet earned	158,898	158,899
	158,898	158,899

Note 33. Equity

	31 Dec 2017 \$	31 Dec 2016 \$
Contributed equity		
Balance at start of period	175,161,521	-
Contributions by owners		
Net assets inherited from amalgamation of Pilbara and Kimberley Institutes	-	159,437,824
Establishment of College funds as part of the Training Sector Reform Project	-	2,597,688

	31 Dec 2017 \$	31 Dec 2016 \$
Transfer of Electrical Instrumentation Centre of Specialisation	2,078,815	6,483,087
Transfer of Health & Allied Services Training Centre	1,325,652	11,299,018
Sundry upgrade works contracts at Pundulmurra and Karratha campuses	2,275,338	181,101
Air-conditioning upgrade works	897,470	-
Transfer of Somerset Units land	-	160,000
Other capital contributions by DTWD	961,444	-
Total contributions by owners	7,538,719	180,158,718
Distributions to owners		
Funds transferred to Government – Health & Allied Services Training Centre contribution	-	(1,737,982)
Liability in relation to SCH shortfall by Kimberley and Pilbara institutes assumed by NR TAFE	-	(3,259,215)
Total distributions to owners	-	(4,997,197)
Balance at end of period	182,700,240	175,161,521
Accumulated surplus/(deficit)		
Balance at start of period	(6,878,744)	-
Result for the period	(24,025,567)	(6,878,744)
Balance at end of period	(30,904,311)	(6,878,744)
Total Equity at end of period	151,795,930	168,282,777

Note 34. Notes to the Statement of Cash Flows

Reconciliation of cash

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

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Cash on hand	1,300	3,490
Cash and cash equivalents	13,320,019	11,922,185
Restricted cash and cash equivalents (refer to Note 22 'Restricted cash and cash equivalents')	4,408,511	7,293,325
	17,729,830	19,219,000

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

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Net cost of services	(70,120,607)	(42,464,965)
Non-cash items:		

	1 Jan to 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Depreciation and amortisation expense (Note 9 'Depreciation and amortisation expense')	4,616,688	3,284,017
Decrement on revaluation of land and buildings (Note 10: Asset revaluation decrement)	19,876,008	6,556,306
Reduction in Doubtful debts provision (Note 11 'Other expenses')	(25,024)	13,043
Resources received free of charge (Note 21 'Income from State Government')	1,571,450	1,073,161
Repairs and maintenance paid for by DTWD (Note 21: Equity)	-	160,473
Net (gain)/loss on sale of property, plant and equipment (Note 20 'Net gain/(loss) on sale on non-current assets')	205,227	979
(Increase)/decrease in assets:		
Current receivables ^(a)	192,170	984,186
Current inventories	1,696	25,000
Other current assets	-	3,051
Accrued Income	188,577	(296,755)
Prepayments	(506,953)	(489,165)
Increase/(decrease) in liabilities		
Current payables ^(a)	(550,921)	772,822
Current provisions	130,533	153,975
Other current liabilities	28,096	(266,938)
Non-current provisions	(210,890)	(72,806)
Net GST receipts/(payments) ^(b)	174,351	(47,720)
Net cash provided by/(used in) operating activities	(44,409,599)	(30,611,336)

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

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

Note 35. Services provided free of charge

The College did not engage in any activities during this reporting period which resulted in providing resources to agencies free of charge for functions outside the normal operations of the College.

Note 36. Commitments

The commitments below are inclusive of GST

	1 Jan to 31 Dec 2017	11 Apr to 31 Dec 2016
	\$	\$
Non-cancellable operating lease commitments for vehicles		
Commitments for minimum lease payments are payable as follows:		
Within 1 year	398,903	146,491
Later than 1 year and not later than 5 years	761,080	255,734
Later than 5 years	43,885	4,510
	1,203,868	406,73

Non-cancellable operating lease commitments for premises

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

	1 Jan to 31 Dec 2017	11 Apr to 31 Dec 2016
	\$	\$
Building Lease expenditure commitments contracted for at the end of the reporting period date but not recognised as liabilities are payable as follows:		
Within 1 year	83,701	179,135
Later than 1 year and not less than 5 years	147,094	149,286
	230,795	328,421

Capital expenditure commitments

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

Within 1 year	564,707	422,773
	564,707	422,773

The capital commitments include amounts for:

Plant & Equipment – solar power installation	556,721	391,287
Plant & Equipment – Air-conditioning installation	-	31,486
Plant & Equipment - other	7,986	-
	564,707	422,773

Other expenditure commitments

Other expenditure commitments such as contracted services (cleaning and gardening) contracted for at the end of the reporting period date but not recognised as liabilities are payable as follows:

Within 1 year	340,844	246,572
Later than 1 year and not later than 5 years	-	-
	340,844	246,572

Note 37. Contingent liabilities and contingent assets

Contingent liabilities

The College has no contingent liabilities or contingent assets as at 31 December 2017.

Contaminated sites

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

The Governing Council is not aware of any contaminated sites on any of the properties under its control as at balance date.

Note 38. Events occurring after the reporting period

The College is not aware of any other matter or circumstances that had arisen since the end of the financial year to the date of this report which have significantly affected the results or the state of affairs of the College in the ensuing or any subsequent years.

Note 39. Explanatory statement

All results between statements (original budget) and actual results for 2017, and between the actual results for 2017 and the period 11 April to 31 December 2016 are shown below. Narratives have been provided for major variances which are considered to be those greater than:

- 5% and \$0.97 million for the Statement of Comprehensive Income and Cash Flows, and;
- 5% and \$3.65 million for the Statement of Financial Position.

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
Statement of Comprehensive Income						
COST OF SERVICES						
Expenses						
Employee benefits expense	1,A	36,400,709	38,543,542	26,285,711	(2,142,833)	10,114,998
Supplies and services	B	13,683,896	13,518,007	9,834,148	165,889	3,849,748
Depreciation and amortisation expenses	C	4,616,688	4,878,031	3,284,017	(261,343)	1,332,671
Cost of sales		8,793	24,619	13,494	(15,826)	(4,701)
Loss on disposal of non-current assets		205,227	-	979	205,227	204,248
Asset revaluation decrement	3,D	19,876,008	-	6,556,306	19,876,008	13,319,702
Other expenses		3,058,035	2,936,613	2,332,609	121,422	725,426
Total cost of services		77,849,356	59,900,812	48,307,264	17,948,544	29,542,092
Income						
Fee for service		2,488,353	2,115,598	2,397,646	372,755	90,707
Student fees and charges		2,664,547	3,162,036	2,169,545	(497,489)	495,002
Ancillary Trading		77,137	127,113	76,949	(49,976)	188
Sales		19,779	35,729	20,290	(15,950)	(511)
Commonwealth grants and contributions		750,000	535,877	518,502	214,123	231,498
Interest revenue		494,148	498,797	344,881	(4,649)	149,267
Other revenue		1,254,785	647,467	314,486	607,318	940,299
Total Revenue		7,748,749	7,122,617	5,842,299	626,132	1,906,450

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
Total income other than income from State Government		7,748,749	7,122,617	5,842,299	626,132	1,906,450
NET COST OF SERVICES		(70,100,607)	(52,778,195)	(42,464,965)	17,322,412	(27,635,642)
INCOME FROM GOVERNMENT						
Service appropriation	2,E	44,503,590	47,706,051	34,513,060	(3,202,461)	9,990,530
Service received free of charge		1,571,450	1,508,326	1,073,161	63,124	498,289
Total Income from State Government		46,075,040	49,214,377	35,586,221	(3,139,337)	10,488,819
SURPLUS/ DEFICIT FOR THE PERIOD		(24,025,567)	(3,563,818)	(6,878,744)	(20,461,749)	(17,146,823)
OTHER COMPREHENSIVE INCOME						
Changes in asset revaluation surplus	3	-	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(24,025,567)	(3,563,818)	(6,878,744)	(20,461,749)	(17,146,823)

Narrative on variances between estimate and actual:

1. The savings in employment costs of \$2.1m (5.2%) compared to estimate was due to containing costs as a result of a shortfall in DPA delivery.
2. The shortfall in service appropriation from DTWD of \$3.2m (6.7%) was due to reduced training as a result of the economic environment recovering slower than anticipated.
3. The \$19.9m asset revaluation decrement related to a decrease in value of land across the TAFE and in building property values across the Pilbara and Kimberley regions.

Narrative on variances between year ended 31 December 2017 and the period from 11 April 2016 to 31 December 2016:

- A The increase in employment costs of \$10.1m (38.5%) compared to prior period was due to comparing a full year to an 8 month period.
- B The increase in supplies and services of \$3.8m (39.1%) compared to prior period was due to comparing a full year to an 8 month period.
- C The increase in depreciation and amortisation of \$1.3m (40.6%) compared to prior period was due to comparing a full year to an 8 month period.
- D The increase in asset revaluation decrement of \$13.3m (203%) was due to a further decline in the value of land and buildings in the region.
- E The increase in service appropriation from DTWD of \$9.9m (29%) was due to comparing a full year to an 8 month period.

Statement of Financial Position

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
ASSETS						
Current Assets						
Cash and Cash equivalents	4	13,321,319	9,198,339	11,925,675	4,122,980	1,395,644
Restricted cash and cash equivalents		4,095,797	4,530,723	7,094,359	(434,926)	(2,998,562)
Inventories		21,132	23,705	22,828	(2,573)	(1,696)
Receivables		1,175,928	1,931,734	1,706,002	(755,806)	(530,074)
Other current assets		505,215	599,941	849,984	(94,726)	506,953
Total Current Assets		19,119,391	16,284,442	21,598,848	(2,834,949)	(1,627,735)
Non-Current Assets						
Restricted cash and cash equivalents		312,714	446,381	198,966	(133,667)	113,748
Property, plant and equipment	5,F	143,525,764	171,566,690	160,512,390	(28,040,926)	(17,858,348)
Intangible assets		339,657	-	14,738	339,657	324,919
Total Non-Current Assets		144,178,135	172,013,071	160,726,094	(27,834,936)	(17,419,681)
TOTAL ASSETS		163,297,526	188,297,513	182,324,942	(24,999,987)	(19,047,416)
LIABILITIES						
Current Liabilities						
Payables		1,655,537	1,643,231	2,189,707	12,306	(534,170)
Provisions		4,406,923	3,932,877	4,276,389	474,046	130,534
Other current liabilities		4,457,734	3,655,049	6,383,777	802,685	(1,926,043)
Total Current Liabilities		10,520,194	9,231,157	12,849,873	1,289,037	(2,329,679)

Statement of Financial Position (cont.)

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
Non-Current Liabilities						
Provisions		981,402	1,286,588	1,192,292	(305,186)	(210,890)
Total Non-Current Liabilities		981,402	1,286,588	1,192,292	(305,186)	(210,890)
TOTAL LIABILITIES		11,501,596	10,517,745	14,042,165	983,851	(2,540,569)
NET ASSETS		151,795,930	177,779,768	168,282,777	(25,983,838)	(16,506,847)
EQUITY						
Contributed equity		182,700,241	189,839,481	175,161,521	(7,139,240)	7,538,720
Reserves		-	(5,000,000)	-	(5,000,000)	-
Accumulated surplus/(deficit)	6,G	(30,904,311)	(7,059,713)	(6,878,744)	(23,844,598)	(24,025,567)
TOTAL EQUITY		151,795,930	177,779,768	168,282,777	(25,983,838)	(16,486,847)

Narrative on variances between estimate and actual:

4. The increase in cash of \$3.5m when compared to estimate was due to savings made on employment costs.
5. The reduction in property, plant and equipment of \$28.0m when compared to estimate was primarily due to the revaluation decrement of \$19.9m during the year.
6. The increase in the deficit for the year of \$16.9m when compared to estimate was primarily due to the asset revaluation decrement of \$19.9 m during the year.

Narrative on variances between 31 December 2017 and 31 December 2016:

- F The reduction in property, plant and equipment of \$16.9m when compared to the prior year was primarily due to the revaluation decrement of \$19.9m during the year.
- G The increase in the deficit for the year of \$17.1m when compared to the prior period was primarily due to the asset revaluation decrement of \$19.9m during the year.

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
Statement of cash flows						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation	7,H	42,566,203	47,706,051	36,760,315	(5,139,848)	5,805,888
Capital appropriations		-	-	200,000	-	(200,000)
Special purpose grant transferred to DTWD	I	-	(1,734,000)	-	1,734,000	-
Net cash provided by State Government		42,566,203	45,972,051	36,960,315	(3,405,848)	5,605,888
CASHFLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	J	(36,569,397)	(38,392,159)	(26,136,852)	1,822,762	(10,432,546)
Supplies and Services	K	(13,081,988)	(12,016,074)	(8,356,493)	(1,065,914)	(4,725,496)
Cost of Sales		(7,097)	-	(13,494)	(7,097)	6,397
GST payments on purchases		(1,427,047)	-	(968,458)	(1,427,047)	(458,589)
Other payments		(3,083,059)	(2,925,250)	(2,319,566)	(157,809)	(763,494)
Receipts						
Fee for service		2,680,908	2,055,596	2,100,892	625,312	580,017
Student fees and charges		2,880,834	3,104,570	2,804,695	(223,736)	76,139
Ancillary trading		96,917	127,113	97,239	(30,196)	(322)
Commonwealth grants and contributions		494,148	535,877	600,599	(41,729)	(106,451)
Interest received		750,000	498,797	344,881	251,203	405,119
GST receipts on sales		306,384	-	186,686	306,384	119,698
GST receipts from taxation authority		1,295,014	-	734,049	1,295,014	560,965
Other receipts		1,254,785	659,474	314,486	595,311	940,299
Net cash provided by/(used in) operating activities		(44,409,599)	(46,352,056)	(30,611,336)	1,942,457	(13,798,263)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
		(747,673)	(650,000)	(168,589)	(97,673)	(579,084)

	Note	1 Jan to 31 Jan 2017 Actual	1 Jan to 31 Jan 2017 Estimate	11 Apr 2016 to 31 Dec 2016 Actual	Variance Estimate to Actual	Variance Actual 2017 to 2016
		\$	\$	\$	\$	\$
Statement of cash flows						
Purchase of non-current assets						
Capital Contribution towards Health & Allied Services Training Centre	L	-	-	(1,737,982)	-	1,737,982
Receipts						
Equity investments - capital works funded by DTWD		961,444	-	-	961,444	961,444
Proceeds from sale of non-current assets		140,455	-	109,228	140,455	31,227
Net cash provided by/(used in) investing activities		354,226	(650,000)	(1,797,343)	1,004,226	2,151,569
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts						
Establishment of College funds as part of the Training Sector Reform Project	M	-	-	2,597,688	-	(2,597,688)
Net cash provided by/(used in) financing activities		-	-	2,597,688	-	(2,597,688)
Net increase/(decrease) in cash and cash equivalents		(1,489,170)	(1,030,005)	7,149,324	(459,165)	(8,638,494)
Cash and cash equivalents at the beginning of the period		19,219,000	15,205,449	12,069,676	4,013,551	7,149,324
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		17,729,830	14,175,444	19,219,000	3,554,386	(1,489,170)

Narrative on variances between estimate and actual

7. The cash flow from Government was \$5.1m (10.8%) lower than estimated due to the repayment of the DPA refund to DTWD in relation to the 2016 shortfall of \$5.7m.

Narrative on variances between year ended 31 December 2017 and period from 10 April 2016 to 31 December 2016:

H. The increase in service appropriation of \$5.8m (15.8%) was due to the current period being a 12 month period and the prior period being only 8 months.

I. The estimated special purpose cash grant to Government of \$1.7m in 2017 actually occurred at the end of 2016 and is disclosed in the investing activities section.

J. The increase in employment cashflows of \$10.4m (39.9%) compared to prior period was due to comparing a full year to an 8 month period.

K. The increase in supplies and services of \$4.7m (56.5%) compared to prior period was due to comparing a full year to an 8 month period.

L. The capital contribution of \$1.7m in 2016 was a one-off contribution towards the capital costs of the building.

M. The cash inflow of \$2.59m was part of the establishment of College funds from the Training Sector Reform Project and was a one-off commencement amount.

Note 40. Financial instruments

(a) Financial risk management objectives and policies

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

Credit risk

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

The maximum exposure to credit risk at the end of the reporting period in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any allowance for impairment as shown in the table at Note 40(c) 'Financial instruments disclosures' and Note 24 'Receivables'.

Credit risk associated with the College's financial assets is minimal because the College trades only with recognised, creditworthy third parties. The College has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the College's exposure to bad debt is minimal. At the end of the reporting period there are no significant concentrations of credit risk. Past due receivables management is outsourced to a debt collection agency under a common use agreement.

Liquidity risk

Liquidity risk arises when the College is unable to meet its financial obligations as they fall due. The College is exposed to liquidity risk through its trading in the normal course of business.

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

Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates and interest rates will affect the College's income or the value of its holdings of financial instruments. The College does not trade in foreign currency and is not materially exposed to other price risks (for example, equity securities or commodity prices changes). The College's exposure to market risk for changes in interest rates relates primarily to the long-term debt obligations.

Other than as detailed in the Interest rate sensitivity analysis table at Note 40(c), the College is not exposed to interest rate risk because the majority of cash and cash equivalents and restricted cash are non-interest bearing and it has no borrowings.

(b) Categories of 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:

	31 Dec 2017	31 Dec 2016
	\$	\$
Financial Assets		
Cash and cash equivalents	13,321,319	11,925,675
Restricted cash and cash equivalents	4,408,511	7,293,325
Receivables ^(a)	1,575,112	1,575,113

	31 Dec 2017 \$	31 Dec 2016 \$
Financial Liabilities		
Payables	1,655,537	2,189,707
DPA refund due to DTWD	3,769,090	5,706,476

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

(c) Financial instrument disclosures

Credit risk

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

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

Ageing analysis of financial assets

	Past due but not impaired						Impaired Financial Assets \$
	Carrying Amount	Not past due and not impaired	Up to 1 month	1 - 3 months	3 months to 1 year	1 – 5 years	
	\$	\$	\$	\$	\$	\$	
Financial Assets							
31 Dec 2017							
Cash and cash equivalents	13,321,319	13,321,319	-	-	-	-	-
Restricted cash and cash equivalents	4,408,511	4,408,511	-	-	-	-	-
Receivables ^(a)	1,219,391	841,452	268,849	58,590	50,500	-	-
	18,949,221	18,571,282	268,849	58,590	50,500	-	-
31 Dec 2016							
Cash and cash equivalents	11,925,675	11,925,675	-	-	-	-	-
Restricted cash and cash equivalents	7,293,325	7,293,325	-	-	-	-	-
Receivables ^(a)	1,575,113	672,191	582,286	214,469	106,168	-	-
	20,794,113	19,891,191	582,286	214,469	106,168	-	-

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

Liquidity risk and interest rate exposure

The following table details the College's interest rate exposure and the contractual maturity analysis of financial assets and financial liabilities. The maturity analysis section includes interest and principal cash flows. The interest rate exposure section analyses only the carrying amounts of each item.

Interest rate exposure and maturity analysis of financial assets and financial liabilities

	Weighted Average Effective Interest Rate %	Carrying Amount \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal amount \$	Maturity Dates		
						Up to 1 month \$	1-3 months \$	3 months to 1 year \$
31 Dec 2017								
Financial Assets								
Cash and cash equivalents	1.93%	13,321,319	13,321,319	-	13,321,319	13,321,319	-	-
Restricted cash and cash equivalents	1.93%	4,408,511	4,408,511	-	4,408,511	4,408,511	-	-
Receivables ^(a)		1,219,391	-	1,219,391	1,219,391	1,219,391	-	-
		18,949,221	17,729,830	1,219,391	18,949,221	18,949,221	-	-
Financial Liabilities								
Payables		1,655,537	-	1,655,537	1,655,537	1,655,537	-	-
DPA refund due to DTWD		3,769,090	-	3,769,090	3,769,090	3,769,090	-	-
		5,424,627	-	5,424,627	5,424,627	5,424,627	-	-

	Weighted Average Effective Interest Rate \$	Carrying Amount \$	Variable Interest Rate \$	Non-Interest Bearing \$	Nominal amount \$	Maturity Dates		
						Up to 1 month \$	1-3 months \$	3 months to 1 year \$
31 Dec 2016								
Financial Assets								
Cash and cash equivalents	2.14%	11,925,675	11,925,675	-	11,925,675	16,398,163	-	-
Restricted cash and cash equivalents	2.14%	7,293,325	7,293,325	-	7,293,325	2,820,837	-	-
Receivables ^(a)		1,575,113	-	1,575,113	1,575,113	1,575,113	-	-
		20,794,113	19,219,000	1,575,113	20,794,113	20,794,113	-	-
Financial Liabilities								
Payables		2,189,707		2,189,707	2,189,707	2,189,707		
DPA refund due to DTWD		5,706,476		5,706,476	5,706,476	5,706,476	-	-
		7,896,183		7,896,183	7,896,183	7,896,183	-	-

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

Interest rate sensitivity analysis

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

	Carrying amount \$	- 100 Basis Points		+ 100 Basis Points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
31 Dec 2017					
Financial Assets					
Cash and cash equivalents	13,321,319	(133,213)	(133,213)	133,213	133,213
Restricted cash and cash equivalents	4,408,511	(44,085)	(44,085)	44,085	44,085
	Carrying amount \$	- 100 Basis Points		+ 100 Basis Points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
31 Dec 2016					
Financial Assets					
Cash and cash equivalents	11,925,675	(119,257)	(119,257)	119,257	119,257
Restricted cash and cash equivalents	7,293,325	(72,933)	(72,933)	72,933	72,933

Fair values

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

Note 41. Remuneration of auditor

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

	1 Jan – 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
Auditing the financial statements and key performance indicators	185,000	158,000

Note 42. Related and affiliated bodies

The College has no related or affiliated bodies.

Note 43. Supplementary financial information

	1 Jan – 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
(a) Write-Offs		
Bad debts written off by the Governing Council	24,774	27,364
Financial assets not found written off by the Governing Council	13,574	-
	38,348	27,364

	1 Jan – 31 Dec 2017 \$	11 Apr to 31 Dec 2016 \$
(b) Losses through theft, defaults and other causes		
There have been no losses of public money and public and other property through theft or default.	-	42
	-	42

(c) Gifts of public property

There have been no gifts of public property provided by the College

Note 44. Schedule of income and expenditure by service

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

2018 Forward Financial Estimates

In accordance with Treasurer's Instruction 953, the annual estimates for the 2017 year are hereby included in the 2017 Annual Report. These estimates do not form part of the 2017 financial statements and are not subject to audit.

S40 Submission - Statement of comprehensive income

	2018 Estimate \$
COST OF SERVICES	
Expenses	
Employee benefits expense	37,265,127
Supplies and services	13,316,866
Depreciation and amortisation expense	3,771,178
Cost of sales	13,922
Other expenses	2,910,560
Total Cost of Services	57,277,651
Income	
Revenue	
Fee for service	2,423,020
Student charges and fees	2,386,982
Ancillary trading	27,025
Sales	25,301
Commonwealth grants and contributions	376,216
Interest revenue	492,479
Other revenue	644,321
Total Revenue	6,375,344
Gains	-
Total income other than income from State Government	6,375,344
NET COST OF SERVICES	(50,902,308)
INCOME FROM STATE GOVERNMENT	
State funds	45,981,082
Resources received free of charge	1,323,722
Total income from State Government	47,304,804
SURPLUS/(DEFICIT) FOR THE PERIOD	(3,597,503)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(3,597,503)

S40 Submission – Statement of financial position

	2018 Estimate \$
ASSETS	
Current Assets	
Cash and cash equivalents	13,013,280
Restricted cash and cash equivalents	1,413,147
Inventories	22,828
Receivables	1,482,770
Other current assets	723,247
Total Current Assets	16,655,272
Non-Current Assets	
Restricted cash and cash equivalents	398,966
Property, plant and equipment	147,917,452
Intangible assets	183,865
Total Non-Current Assets	148,500,284
TOTAL ASSETS	165,155,556
LIABILITIES	
Current Liabilities	
Payables	1,540,438
Provisions	4,541,978
Other current liabilities	1,458,008
Total Current Liabilities	7,540,424
Non-Current Liabilities	
Provisions	1,237,628
Total Non-Current Liabilities	1,237,628
TOTAL LIABILITIES	8,778,052
NET ASSETS	156,377,504
EQUITY	
Contributed Equity	186,809,522
Accumulated surplus/(deficiency)	(30,432,018)
TOTAL EQUITY	156,377,504

S40 Submission – Statement of changes in equity

	2018 Estimate
	\$
Balance of equity at start of period	154,855,008
CONTRIBUTED EQUITY	
Balance at start of period	181,689,522
Capital contribution	6,200,000
Distributions to owners	(1,080,000)
Balance at end of period	186,809,522
RESERVES	
Asset Revaluation Reserve	
Balance at start of period	-
Balance at end of period	-
ACCUMULATED SURPLUS (RETAINED EARNINGS)	
Balance at start of period	(26,834,514)
Restated balance at start of period	(26,834,514)
Surplus/(deficit) or profit/(loss) for the period	(3,597,504)
Balance at end of period	(30,432,018)
Balance of equity at end of period	156,377,504

S40 Submission – Statement of cash flows

	2018 Estimate \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	43,631,083
Special purpose grant/cash transferred from DTWD	350,000
Net cash provided by State Government	43,981,083
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Operating Payments	
Employee benefits	(37,144,761)
Supplies and services	(12,019,177)
GST payments on purchases	(30,396)
Other payments	(2,857,959)
Operating Receipts	
Fee for service	2,339,024
Student fees and charges	2,392,273
Ancillary trading	27,025
Commonwealth grants and contributions	376,216
Interest received	493,296
GST receipts from taxation authority	30,396
Other receipts	638,324
Net cash provided by/(used in) operating activities	(45,755,739)
Net operating cash flows	(1,774,656)
CASH FLOWS FROM INVESTING ACTIVITIES	
Purchase of non-current physical assets	(550,000)
Net cash provided by/(used in) investing activities	(550,000)
Net increase/(decrease) in cash held and cash equivalents	(2,324,656)
Cash and cash equivalents at the beginning of the period	17,150,049
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	14,825,393

Key Performance Indicators

Certification of Key Performance Indicators

We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the North Regional TAFE's performance, and fairly represent the performance of North Regional TAFE for the financial period ended 31 December 2017.



Ian Smith
Chairperson, Governing Council
North Regional TAFE

16 March 2018



Kevin Doig
Managing Director
North Regional TAFE
Member, Governing Council

16 March 2018

Desired Outcomes

North Regional TAFE has developed the following Key Performance Indicators (KPIs) to provide an overall indication of the College's operations as prescribed in the Vocational Education and Training Act 1996 and program objectives as embodied in the College's vision/mission statement.

The desired outcome of the College is the provision of services to meet community and industry training needs.

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.

Overall Student Satisfaction

The table below presents information about the satisfaction levels amongst students at North Regional TAFE for 2017. The figures are derived from the WA Student Satisfaction Survey which is used to measure the quality of the service provided by the College, and to gain a better understanding of their customers and their needs.

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

In the 2017 Training WA Student Satisfaction Survey, 90.9% of students who responded were either very satisfied or satisfied with their chosen course at North Regional TAFE. Compared to the State average of 87.3%. North Regional TAFE achieved higher satisfaction ratings than the state average.

Table 1

2017 Student Satisfaction	2017 Actual	2017 Target	2016 Actual
North Regional TAFE	90.9%	89%	92.3%
Western Australia	87.3%		88.9%

Source: Patterson Market Research (2017) Student Satisfaction Survey. Derivation: The response rate for the survey was 25.1%. Confidence interval is 95% and a confidence level of 1.6%. Total population of 3,481 with a sample size of 874 students.

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 in schools), students who are in a correctional facility and students aged less than 15 years.

Graduate Destination Rate

This particular KPI involves the proportion of graduates in employment, demonstrating the extent to which the College is providing relevant training that improves student employability. The performance indicator shows the proportion of graduates responding to the NCVET Student Outcomes Survey who are in paid employment as at the 25th May, the year following graduation.

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

Although the Student Outcomes Survey is conducted annually, sample sizes only allow provider-level outputs to be produced biennially. 2017 was the first survey undertaken and data received for North Regional TAFE as a single entity.

Table 2

	2017 Target	2017 Actual
North Regional TAFE	89.4%	88.0%
Western Australia		73.6%
TAFE Australia		73.1%

Notes: The North Regional TAFE results were surveyed at 95% confidence, with $\pm 3.6\%$ margin of error.

Graduate Achievement Rate

The graduate achievement is a key performance indicator that measures the extent to which North Regional TAFE Graduates have wholly or partly achieved their main reason for undertaking the course.

Figures for this KPI are obtained from The Student Outcomes Survey, conducted on behalf of National Centre for Vocational Education Research (NCVER) by I-view Pty Ltd. The aim of the survey is to measure vocational education and training students' employment, further study and the opinions of the training undertaken.

Although the Student Outcomes Survey is conducted annually, sample sizes only allow provider-level outputs to be produced biennially, 2017 was the first survey undertaken and data received for North Regional TAFE as a single entity.

Table 3

	2017 Target	2017 Actual
North Regional TAFE	85.9%	90.5%
Western Australia		83.4%
TAFE Australia		83.2%

Notes: The North Regional TAFE results were surveyed at 95% confidence, with $\pm 3.2\%$ margin of error.

Achievement of Profile Delivery

North Regional TAFE is resourced to deliver courses under Government-purchased funding guidelines to meet consumer demand and respond to local community needs, individual requirements and workforce development plans. This performance indicator reports the effectiveness of the College in meeting Delivery and Performance Agreement (DPA) targets.

Profile Achievement (DPA) of 2017 Profile, Planned vs Achieved SCH

Table 4 shows the percentage of student curriculum hours (SCH) achieved for activities as contracted with the Department of Training and Workforce Development for vocational education and training delivery through the Delivery and Performance Agreement.

Profile Achievement = Actual Delivery and Performance Agreement SCH Achieved/Target SCH contained within Delivery and Performance Agreement

The full year 2017 figures represent TAFE performance for the reporting period 31 December 2017.

Table 4

<u>PROFILE SUMMARY TABLE</u>	Year	Target	Actual	% Achievement
Achievement of profile delivery	2017	1,211,324	1,078,535	89.0%
	2016	1,211,324	959,914	79.2%

Source: North Regional TAFE Delivery and Performance Agreement for planned SCH and College Management Information System for Actual SCH. Comments: Planned targets are based on the original DPA.

Table 5 gives a detailed breakdown indicating the extent to which the College has met its strategic training needs as defined in the State Training Profile.

Table 5

Detailed breakdowns by ANZSCO

ANZSCO Group		2017 Planned Profile SCH	2017 Profile SCH Achieved	2017 % Achieved	2016 % Achieved
1	MANAGERS	54,835	24,895	45.4%	62.5%
11	Chief Executives, General Managers and Legislators	10,550	9,780	92.7%	97.0%
12	Farmers and Farm Managers	41,795	13,070	31.3%	56.6%
13	Specialist Managers	990	1,290	130.3%	0.0%
14	Hospitality, Retail and Service Managers	1,500	755	50.3%	25.7%
2	PROFESSIONALS	127,642	119,430	93.6%	94.5%
21	Arts and Media Professionals	32,206	16,973	52.7%	73.1%
22	Business, Human Resource and Marketing Professionals	8,730	6,915	79.2%	112.5%
23	Design, Engineering, Science and Transport Professionals	49,481	80,212	162.1%	152.2%
24	Education Professionals	34,165	14,145	41.4%	30.2%
26	ICT Professionals	1,740	1,185	68.1%	26.4%
27	Legal, Social and Welfare Professionals	1,320	-	0.0%	86.4%
3	TECHNICIANS AND TRADES WORKERS	198,389	134,239	67.7%	64.6%
31	Engineering, ICT and Science Technicians	54,678	16,402	30.0%	42.5%
32	Automotive and Engineering Trades Workers	45,990	36,640	79.7%	73.6%
33	Construction Trades Workers	38,034	33,519	88.1%	70.0%
34	Electrotechnology and Telecommunications Trades Workers	29,321	24,825	84.7%	84.3%
35	Food Trades Workers	10,799	6,653	61.6%	56.3%
36	Skilled Animal and Horticultural Workers	9,163	12,385	135.2%	63.4%
39	Other Technicians and Trades Workers	10,404	3,815	36.7%	74.3%
4	COMMUNITY AND PERSONAL SERVICE WORKERS	235,818	231,958	98.4%	86.5%
41	Health and Welfare Support Workers	58,921	73,245	124.3%	109.0%
42	Carers and Aides	106,593	113,549	106.5%	90.6%
43	Hospitality Workers	13,989	9,008	64.4%	47.4%

ANZSCO Group		2017 Planned Profile SCH	2017 Profile SCH Achieved	2017 % Achieved	2016 % Achieved
44	Protective Service Workers	15,824	6,124	38.7%	91.5%
45	Sports and Personal Service Workers	40,491	30,032	74.2%	54.3%
5	CLERICAL AND ADMINISTRATIVE WORKERS	102,010	103,175	101.1%	90.6%
51	Office Managers and Program Administrators	18,895	11,400	60.3%	63.1%
53	General Clerical Workers	60,635	72,075	118.9%	101.3%
55	Numerical Clerks	15,640	10,015	64.0%	70.1%
59	Other Clerical and Administrative Workers	6,840	9,685	141.6%	117.7%
6	SALES WORKERS	2,350	-	0.0%	0.0%
62	Sales Assistants and Salespersons	2,350	-	0.0%	0.0%
7	MACHINERY OPERATORS AND DRIVERS	64,244	57,452	89.4%	117.1%
71	Machine and Stationary Plant Operators	28,880	19,095	66.1%	78.0%
72	Mobile Plant Operators	30,964	36,977	119.4%	151.1%
74	Storepersons	4,400	1,380	31.4%	134.1%
8	LABOURERS	236,248	174,664	73.9%	70.9%
82	Construction and Mining Labourers	42,396	34,178	80.6%	101.4%
83	Factory Process Workers	45,887	26,578	57.9%	63.8%
84	Farm, Forestry and Garden Workers	58,364	44,957	77.0%	65.2%
85	Food Preparation Assistants	16,407	417	2.5%	4.9%
89	Other Labourers	73,194	68,534	93.6%	77.0%
G	GENERAL EDUCATION	189,788	232,722	122.6%	72.7%
GB	Adult Literacy/ESL	84,521	74,595	88.3%	81.1%
GE	Targeted Courses	105,267	158,127	150.2%	65.9%
NORTH REGIONAL TAFE TOTAL		1,211,324	1,078,535	89.0%	79.2%

Notes: 2017 DPAs for TAFES were produced on a full-year basis.

Profile Analysis for North Regional TAFE

Definition: The table indicates delivery profile by major ANZCO groupings. The classification definitions are based on the skill level and specialisation usually necessary to perform the tasks of the specific occupation, or of most occupations in the group.

Derivation: DPA data represents the actual achievement of SCH in respective years. Planned data is obtained from the DPA and actual SCH from the College Unified Enrolments System (UE).

Variations in delivery by more than 10% are explained by the following reasons:

ANZCO Groups where demand was less than expected.

2017 saw the mining sector having its second consecutive period of contraction. As mining is a major industry in the North West, it has led to a decline in direct and related industry training demand and delivery, affecting the colleges overall achievement against planned targets.

- 3 - Technicians and Trades Workers with 32% less actual delivery than planned in areas of WHS (Work Health & Safety workers and supervisors) and Instrumental Engineering;
- 7 Machinery Operators and Drivers with 11% less actual delivery than planned in areas of Surface Extraction and Warehousing;
- 8 - Labourers with 26% less actual delivery than planned in areas of Engineering and related industry of Construction.
- 1 - Managers with 55% less actual delivery than planned in the area of Agriculture, which has been a continuing decline due to the higher fees associated with existing worker traineeships;
- 6 - Sales Workers with 100% less actual delivery than planned in areas of Retail sales, as the major retailers opted for all training to be provided in-house.

ANZCO Group where demand was greater than expected.

With the North West being identified as one of the most, if not the most, disadvantaged and/or challenged socioeconomic area, NRT focused on student support and help in the form of Language Literacy and Numeracy (LLN) support and LLN based pre-employment courses. This focus with students, agencies and communities in effect increased our actual delivery by more than 10% than planned.

- GE - General Education with 23% more actual delivery than planned in areas of Gaining Access to Employment (GATE) and Underpinning Skills for Industry Qualifications (USIQ).

The overall 2017 achievement of the college, even though lower than the planned target, has increased by 12% compared to 2016.

Efficiency Indicator

Cost per Student Curriculum Hours

This is a measure of the extent to which the college is able to efficiently use resources for the delivery of vocational education and training, which is the TAFE's only service. The overall cost per SCH is an efficiency measure that shows the aggregate unit cost of delivery output per SCH based on the delivery costs (Total Cost of Services) as detailed in the Financial Statements.

Table 6

	Target Cost per SCH	Actual Cost per SCH
North Regional TAFE	\$43.00	\$63.76

Notes: The Actual cost per SCH calculation is significantly higher than the Target cost per SCH primarily due to an unbudgeted asset revaluation decrement of \$19.9M. The asset revaluation decrement is not an ongoing operating cost of the College and if excluded from the costs Actual cost per SCH is adjusted to \$47.47. In addition to the revaluation decrement, there was a SCH shortfall of 12.3% against targeted SCH which contributed to the higher than budgeted cost per SCH.



Government of Western Australia North Regional TAFE

Servicing an area of 1,000,000km²

