

# 2016 Annual Report



Contact:

North Regional TAFE

P O Box 1380

68 Cable Beach Road

BROOME WA 6725

Website: [northregionaltafe.wa.edu.au](http://northregionaltafe.wa.edu.au)

Email: [info@nrtafe.wa.edu.au](mailto:info@nrtafe.wa.edu.au)

Phone: 1300 996 573

## CONTENTS

<b>STATEMENT OF COMPLIANCE .....</b>	<b>5</b>
<b>AGENCY OVERVIEW.....</b>	<b>6</b>
<b>Executive Summary .....</b>	<b>6</b>
Governing Council Report .....	6
Managing Director's Report.....	8
Our Operating Environment .....	9
Campus Locations.....	10
Highlights.....	11
Operational Overview .....	12
Scope of Delivery .....	12
Industry (Non-Profile Activities) .....	13
Directorates .....	14
Governing Council.....	17
Functions of the Governing Council .....	17
Current Governing Council Membership.....	18
Governance Structure .....	19
Relevant Legislation .....	20
<b>Organisational Structure .....</b>	<b>21</b>
<b>Performance Management Framework.....</b>	<b>22</b>
Results-based service delivery.....	22
Financial and economic responsibility.....	23
Social and environmental responsibility .....	23
Stronger focus on the regions .....	23
State building – major projects .....	23
<b>AGENCY PERFORMANCE .....</b>	<b>24</b>
<b>Report on Operations .....</b>	<b>24</b>
Organisational Capacity to Build Networks and Partnerships.....	24
<b>Business Efficiencies for Business Success.....</b>	<b>26</b>
<b>Economic and Social Growth.....</b>	<b>27</b>
Delivery and Performance Agreement (DPA) .....	27
<b>Student outcomes.....</b>	<b>28</b>
NRT Benchmarks for Training Priority Areas 2016 .....	28
State Training Plan.....	28
National Partnership Skills Reform and Student Demographic Response Rate .....	28
<b>Student support .....</b>	<b>28</b>
<b>Aboriginal Training .....</b>	<b>30</b>
<b>VETiS Training Delivery.....</b>	<b>31</b>
Delivery statistics.....	32
<b>SIGNIFICANT ISSUES IMPACTING THE AGENCY.....</b>	<b>35</b>
<b>OTHER LEGAL REQUIREMENTS.....</b>	<b>38</b>
<b>Advertising .....</b>	<b>38</b>
<b>Freedom of Information .....</b>	<b>38</b>
<b>Compliance with Working with Children .....</b>	<b>38</b>

<b>Conflict of Interest Statement .....</b>	<b>38</b>
<b>Code of Ethics and Code of Conduct .....</b>	<b>38</b>
<b>Record Keeping Plan .....</b>	<b>39</b>
Record Keeping Training.....	39
Record Keeping Awareness Training.....	39
<b>Statistics .....</b>	<b>39</b>
<b>Disability Access and Inclusion Plan (DAIP) Outcomes .....</b>	<b>40</b>
<b>Occupational Safety, Health and Injury Management.....</b>	<b>41</b>
<b>Capital Works .....</b>	<b>44</b>
<b>Employment and Industrial Relations .....</b>	<b>45</b>
<b>DISCLOSURE OF LEGAL COMPLIANCE.....</b>	<b>46</b>
<b>Financial Statements .....</b>	<b>50</b>
Statement of comprehensive income .....	51
Statement of financial position .....	52
Statement of cash flows .....	53
Statement of changes in equity .....	54
<b>Notes to the financial statements .....</b>	<b>55</b>
<b>2017 Forward Financial Estimates.....</b>	<b>93</b>
S40 Submission - Statement of comprehensive income.....	93
S40 Submission – Statement of financial position .....	94
S40 Submission – Statement of changes in equity.....	95
S40 Submission – Statement of cash flows .....	96
<b>North Regional TAFE Key Performance Indicators for the period ended 31 December 2016.....</b>	<b>97</b>
Certification of Key Performance Indicators .....	97
Desired Outcomes.....	98
Partial Exemption .....	98
Effectiveness Indicators .....	98
Overall Student Satisfaction .....	98
Graduate Achievement Rate .....	99
Graduate Destination Rate.....	99
Achievement of Profile Delivery .....	99
Profile Analysis for North Regional TAFE .....	101
Profile Achievement (DPA) of 2016 Profile, Planned vs Achieved SCH.....	102
Efficiency Indicator .....	103

# STATEMENT OF COMPLIANCE

For the period 11 April to 31 December 2016



Hon. Liza Harvey MLA  
Minister for Training and Workforce Development

Responsible Minister as of 16 March 2017



Hon. Sue Ellery MLC  
Minister for Education and Training

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 2016.

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  
15 March 2017

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

Ian Smith  
Chairman, Governing Council  
15 March 2017

# AGENCY OVERVIEW

## Executive Summary

### Governing Council Report



The 2016 Annual Report provides an account of the newly established North Regional TAFE. This is the first annual report for the College after Pilbara Institute and Kimberley Training Institute were amalgamated to form North Regional TAFE in April 2016.

In 2015 The State Government launched the Training Sector Reform Project to examine the function and structure of Western Australia's public training system to ensure a sustainable model that equipped students with the best skills for employment.

During 2016, the North Regional TAFE Governing Council worked hard to ensure the organisation achieved these reforms, as well as engaging in energetic discussion with industry and community stakeholders to maximise opportunities for growth.

A new Managing Director and Corporate Executive were appointed, setting the stage for adopting a new vision, mission and values for North Regional TAFE, and developing a 2017-2019 Strategic Plan.

One of the major highlights in 2016 was the opening of the Electrical and Instrumentation Centre in Karratha. These facilities set a standard for future partnerships with industry, not only in terms of upgrading training equipment but also in terms of raising the College profile in the region. These major developments are exciting and central to maintaining our focus on the priority training needs of the State.

In 2016 North Regional TAFE provided training to over 35% Aboriginal and Torres Strait Islander students. Our success was achieved through the provision of culturally appropriate training support initiatives developed by the College dedicated Aboriginal Training Services team. Strategies include the provision of tutors, mentors, case managers and liaison officers to improve the attraction, engagement and retention of students.

Our success in providing culturally appropriate training was demonstrated by the achievement of 91.5% in the category of Aboriginal and Torres Strait Islander student satisfaction (as indicated on the annual survey conducted by the Department of Training and Workforce Development). Our ongoing commitment to providing culturally appropriate training environments was further demonstrated through the development of a North Regional TAFE Reconciliation Action Plan.

During 2016 Tegan Mossop, North Regional TAFE Access lecturer, was recognised as Trainer of the Year at the 2016 WA Training Awards and runner up at the National Awards. Tegan, who is based in Fitzroy Crossing, was recognised for her innovative approach to teaching language, literacy and numeracy. Tegan's passion for equity in education, with a strong focus on 'Closing the Gap' is her driving force for providing contextualised learning and highly successful student engagement.

The College is fortunate indeed to have a team of highly experienced staff with a strong understanding of our region, our responsibilities and of our new brief for a single, large and collaborative TAFE. Our exceptional staff have managed significant organisational change while maintaining an overall student satisfaction result of 92.3%.

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

Our efforts across 2016 have provided a strong foundation that positions North Regional TAFE well to respond to future market challenges and continue to thrive as a vibrant and relevant contributor to industry and community.

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

Ian Smith  
Chair, Governing Council



I am pleased to write the first report on the financial and operational performance for the new North Regional TAFE.

Since commencing as Managing Director in April 2016, I have been impressed by the significant industry partnerships North Regional TAFE has built over time; and by the passion, commitment, capability and professionalism of our staff as we transition to a more efficient, customer-focused business.

North Regional TAFE will harness this passion, commitment and capability as it focuses on addressing significant challenges in 2017 and beyond. One of our greatest strengths is our people and we are confident that the College will rise to future challenges and maintain its current path of continuous improvement.

I would like to acknowledge the time and support provided by the North Regional TAFE Governing Council and the efforts of the Executive Management Team whose quality leadership and dedication has enabled North Regional TAFE to finish 2016 in a positive and optimistic way.

Throughout 2016 the Governing Council has worked diligently with management, government and business in meeting the rapid changes brought about by the Training Sector Reform Project and the systems and delivery challenges facing the sector. It was a year where North Regional TAFE evolved the new organisational structure and developed strategies to reflect the business model in order to ensure the provision of high quality services to students across the organisation.

In 2016 we completed two major infrastructure projects to enable students' access to state of the art facilities through the new Electrical and Instrumentation Centre building in Karratha; and the purpose built Health and Community Services Training Centre at Pundulmurra Campus, South Hedland.

North Regional TAFE acknowledges and thanks the many industry, business and community members that have invested in our training throughout the year. This is an important part of our business and we look forward to ongoing engagement in 2017.

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



## 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 Kimberley and Pilbara regions**

The Kimberley and Pilbara region covers around 1,000,000 square kilometres. The major population centres are the 12 regional towns of Broome, Derby, Fitzroy Crossing, Halls Creek, Kununurra, Wyndham, Port Hedland, Roebourne, Karratha, Tom Price, Newman and Onslow.

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 67,503. (2.6 % of the WA total population). The 2011 census recorded around 12% of the total Pilbara population as Indigenous.

The Pilbara has a young population with an overall median age of 34.9.

11% 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 (26.9%)

The 2014 Bureau of Statistics states that 1,742 people are receiving Newstart Allowance in the Pilbara.

### **The Kimberley population**

The regional population is estimated at around 39,099 (1.1 % of the WA total population). The 2011 census recorded around 40% of the total Kimberley population as Indigenous.

The Kimberley has a young population with an overall median age of 31.4.

17.8% of Kimberley residents speak a language other than English at home

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

The 2014 Bureau of Statistics states that 2,427 people are receiving Newstart Allowance in the Kimberley.

## Campus Locations



**Derby campus**



**Newman campus**



**Karratha campus**



**Pundulmurra campus**



**Wyndham campus**



**Kununurra Campus**



**Minurmarghali Mia (Roebourne)**



**Halls Creek campus**



**Broome campus**

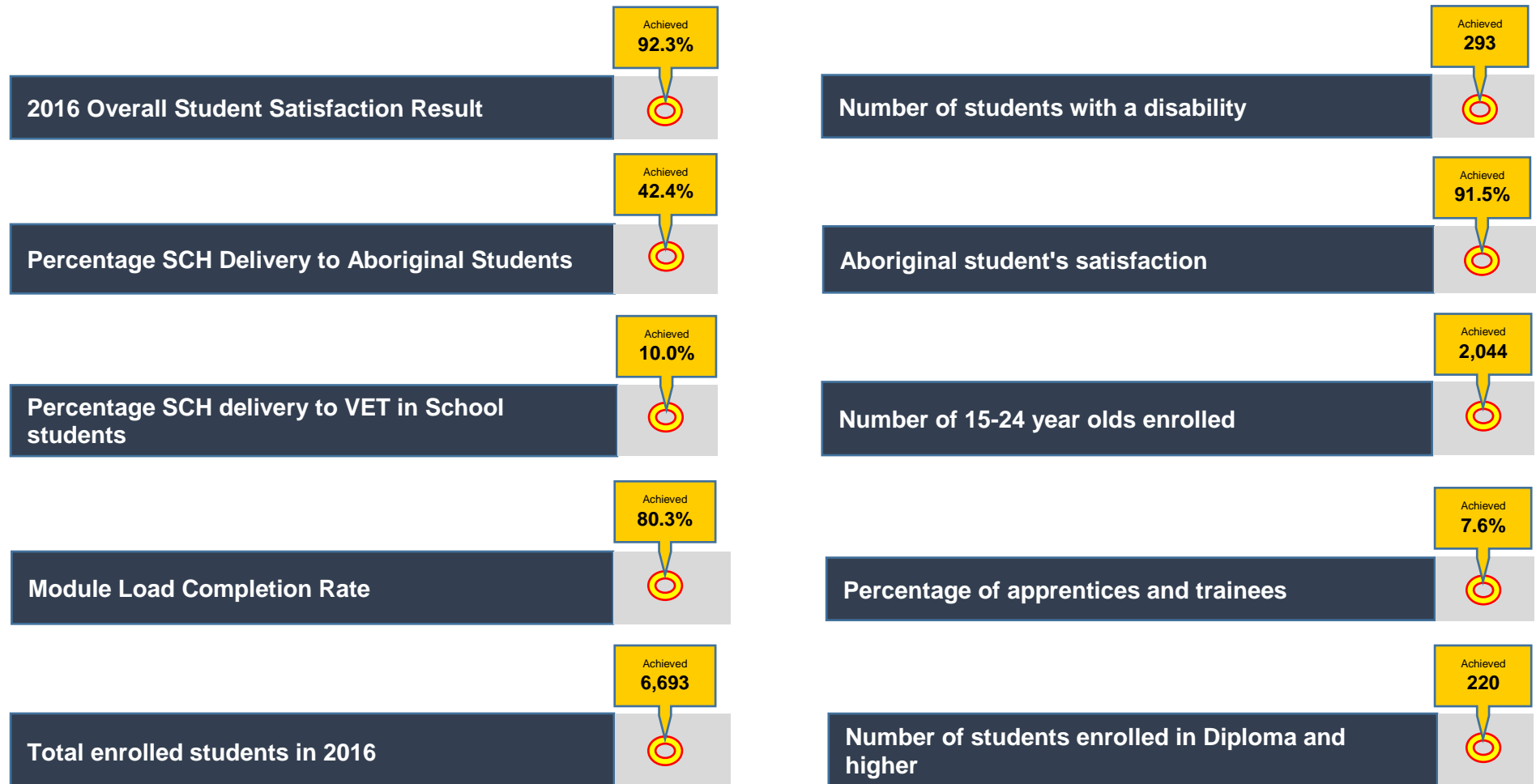


**Fitzroy Crossing campus**



**Tom Price campus**

## Highlights



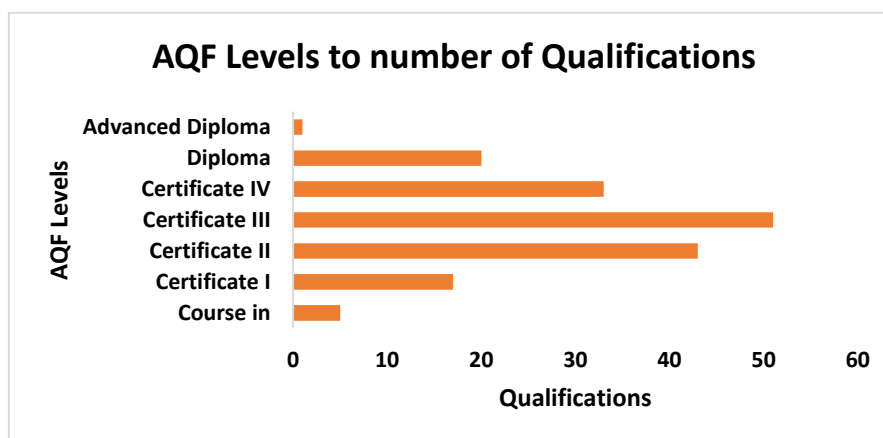
## Operational Overview

The training products offered by North Regional TAFE ranged from entry level certificates through to Advanced Diplomas.

The College offered community capacity building programs such as Work Ready, Return to Work and Literacy/Numeracy as well as customised programs for industry employers. The delivery styles varied to meet the needs of students and our clients, for example, classes are held face to face or on the job. Other flexible options include e-learning and flexible-based learning.

## Scope of Delivery

North Regional TAFE was scoped to deliver 170 qualifications across 27 different Industry Training Packages to support workforce development across a range of skill sets.



NRT delivered training through the following Training Packages:

AGRICULTURE, HORTICULTURE AND CONSERVATION AND LAND MANAGEMENT

AUTOMOTIVE RETAIL, SERVICE AND REPAIR

AVIATION

BEAUTY

BUSINESS SERVICES

COMMUNITY SERVICES

CONSTRUCTION, PLUMBING AND SERVICES

CREATIVE ARTS AND CULTURE

ELECTROTECHNOLOGY

FINANCIAL SERVICES

HAIRDRESSING

HAIRDRESSING AND BEAUTY SERVICES

HEALTH

INFORMATION AND COMMUNICATIONS TECHNOLOGY

MARITIME

METAL AND ENGINEERING

MUSIC

PROPERTY SERVICES

RESOURCES AND INFRASTRUCTURE INDUSTRY

RETAIL SERVICES

SCREEN AND MEDIA

SEAFOOD INDUSTRY

SPORT, FITNESS AND RECREATION

TOURISM, TRAVEL AND HOSPITALITY

TRAINING AND EDUCATION

TRANSPORT AND LOGISTICS

VISUAL ARTS, CRAFTS AND DESIGN

### 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.

#### 2016 Industry Non-Profile Activities

	Total ATSI Students	Total Non-ATSI Students	Total Students
11 - Chief Executives, General Managers and Legislators	-	1	1
12 - Farmers and Farm Managers	-	1	1
14 - Hospitality, Retail and Service Managers	-	3	3
21 - Arts and Media Professionals	-	3	3
23 - Design, Engineering, Science and Transport Professionals	32	61	93
24 - Education Professionals	-	4	4
31 - Engineering, ICT and Science Technicians	-	11	11
32 - Automotive and Engineering Trades Workers	2	5	7
34 - Electrotechnology and Telecommunications Trades Workers	4	35	39
36 - Skilled Animal and Horticultural Workers	1	2	3
39 - Other Technicians and Trades Workers	3	-	3
41 - Health and Welfare Support Workers	4	4	8
42 - Carers and Aides	-	2	2
43 - Hospitality Workers	10	26	36
44 - Protective Service Workers	-	1	1
45 - Sports and Personal Service Workers	7	3	10
51 - Office Managers and Program Administrators	-	16	16
53 - General Clerical Workers	38	154	192
71 - Machine and Stationary Plant Operators	18	94	112
72 - Mobile Plant Operators	66	85	151
74 - Storepersons	21	93	114
82 - Construction and Mining Labourers	45	26	71
83 - Factory Process Workers	6	8	14
84 - Farm, Forestry and Garden Workers	28	8	36
85 - Food Preparation Assistants	-	1	1
89 - Other Labourers	5	59	64
G0 - General Education	85	825	910
GB - Adult Literacy/ESL	-	12	12
GE - Targeted Courses	77	8	85

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 of the Director Training Services (Pilbara) and Director Training Services (Kimberley), Training Managers, Portfolio Managers and Regional Managers. Their focus was on the sharing of information, common delivery issues, and business development.

The purpose of the Training Management Group was 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:

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

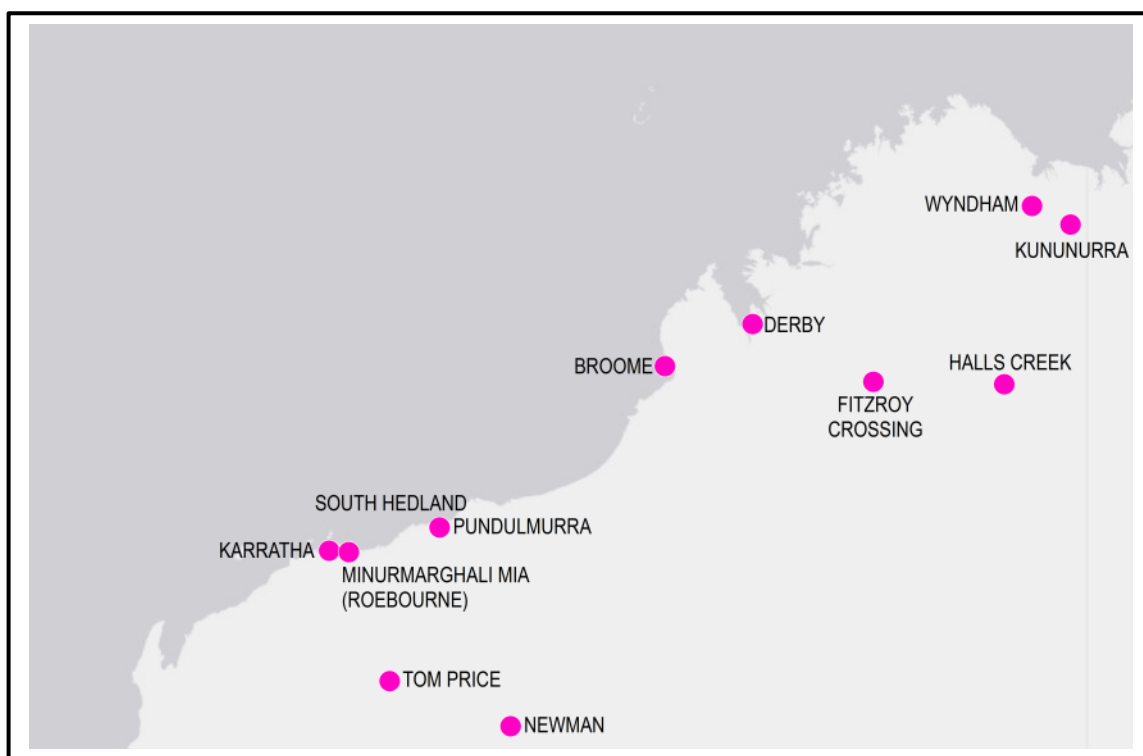
**The Organisational Services Group** is comprised of the Director Organisational Services and the four Managers within the Directorate. The purpose of the Organisational Effectiveness Group was to receive and provide advice in relation to performance and planning matters in the College. In particular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

- monitored Strategic Plan and Business Plan targets
- monitored and addressed risk in relation to performance and planning for the College
- ensured quality assurance in training operations
- monitored financial performance for the Directorate
- addressed key operational issues within the Directorate
- 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.

It provided services and support functions such as planning, governance, quality, customer client services, marketing and Aboriginal Training Services (ATS).

The State Government's decision to reorganise the 11 existing State Training Providers in WA and their campus locations to become five new TAFE Colleges from 11 April 2016 saw Pilbara Institute and Kimberley Training Institute combine to become the North Regional TAFE. The TAFE spans over 1,000,000 sq. kilometres across twelve regional areas to deliver training: Karratha, Roebourne, Tom Price, Newman, Onslow, and Pundulmurra (Parker Street) South Hedland in the Pilbara. Broome, Fitzroy Crossing, Halls Creek, Wyndham, Derby and Kununurra in the Kimberley.

During 2016, the decommissioning of the South Hedland (Hamilton Road) Campus also began.



North Regional TAFE provides services to a wide range of stakeholders across North Western Australia and aligns its efforts to the state and national training priorities.

## NORTH REGIONAL TAFE STUDENT DEMOGRAPHIC



37.0%

Aboriginal students  
enrolled in training in  
2016



9.3%

VETiS students  
enrolled in training in  
2016



3.6%

Students in Prison and  
enrolled in training in  
2016



4.4%

Students with a  
disability enrolled in  
training in 2016

6,693

Total enrolled students in  
2016



## Governing Council

The College's Governing Council is constituted under 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

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.

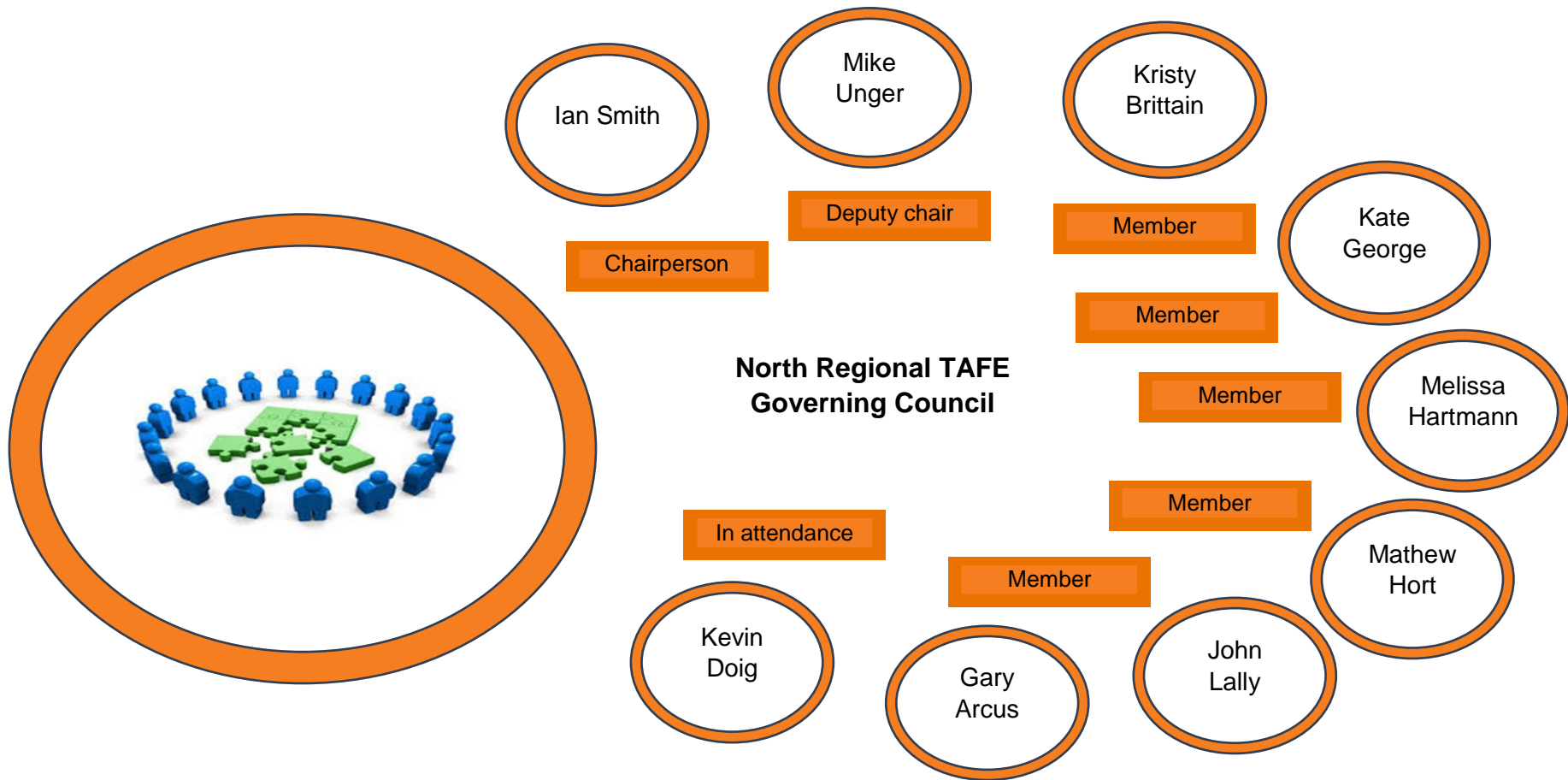
The College Governing Council is responsible for:

- 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:

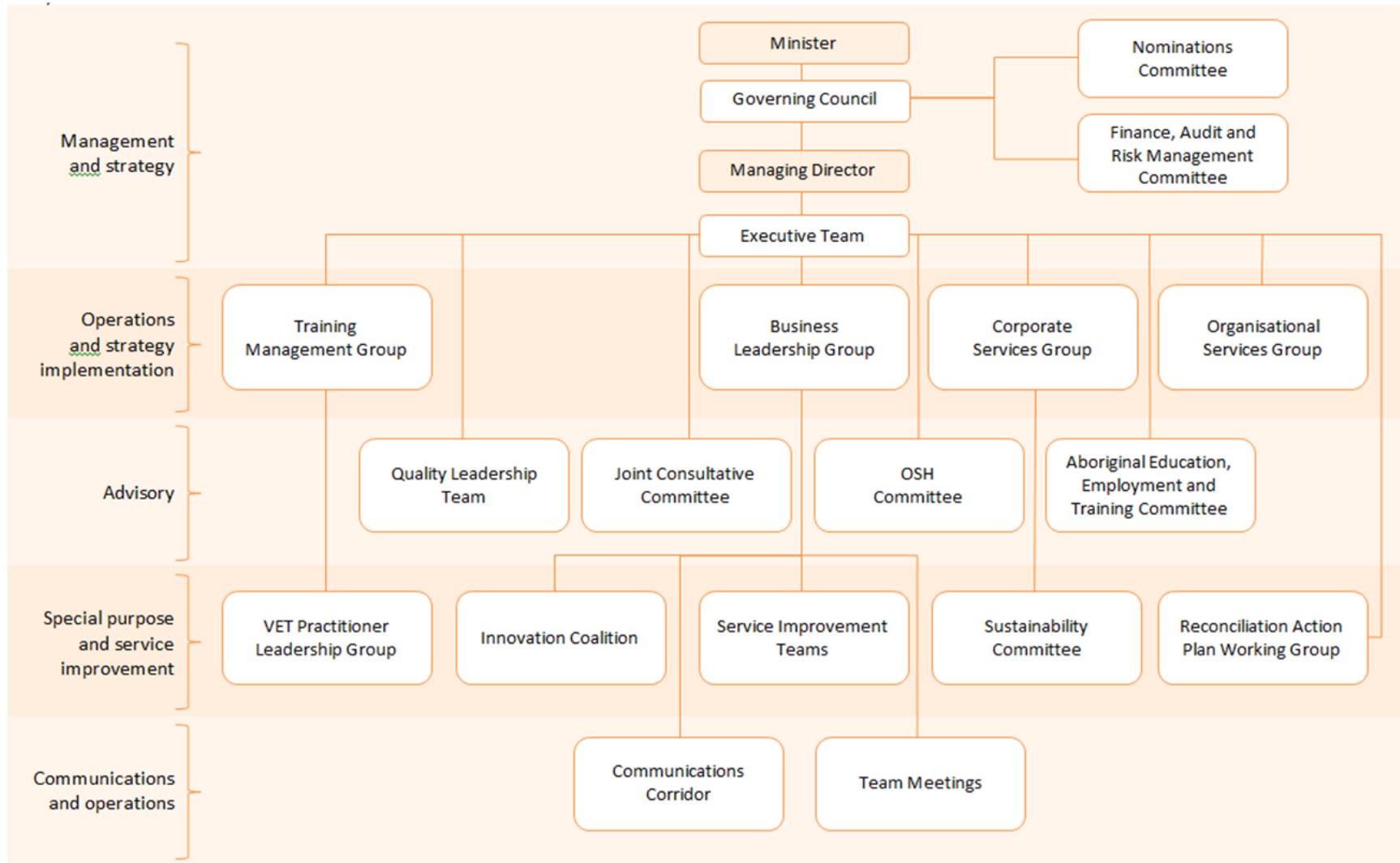
- strategic direction
- financial health
- ensuring funding agreement requirements are met
- ensuring legislative requirements are met
- ensuring the needs of students, industry and the community are met.

Current Governing Council Membership



Sarah Kemp resigned 28 June 2016  
Michele Pucci resigned 3 October 2016

## Governance Structure

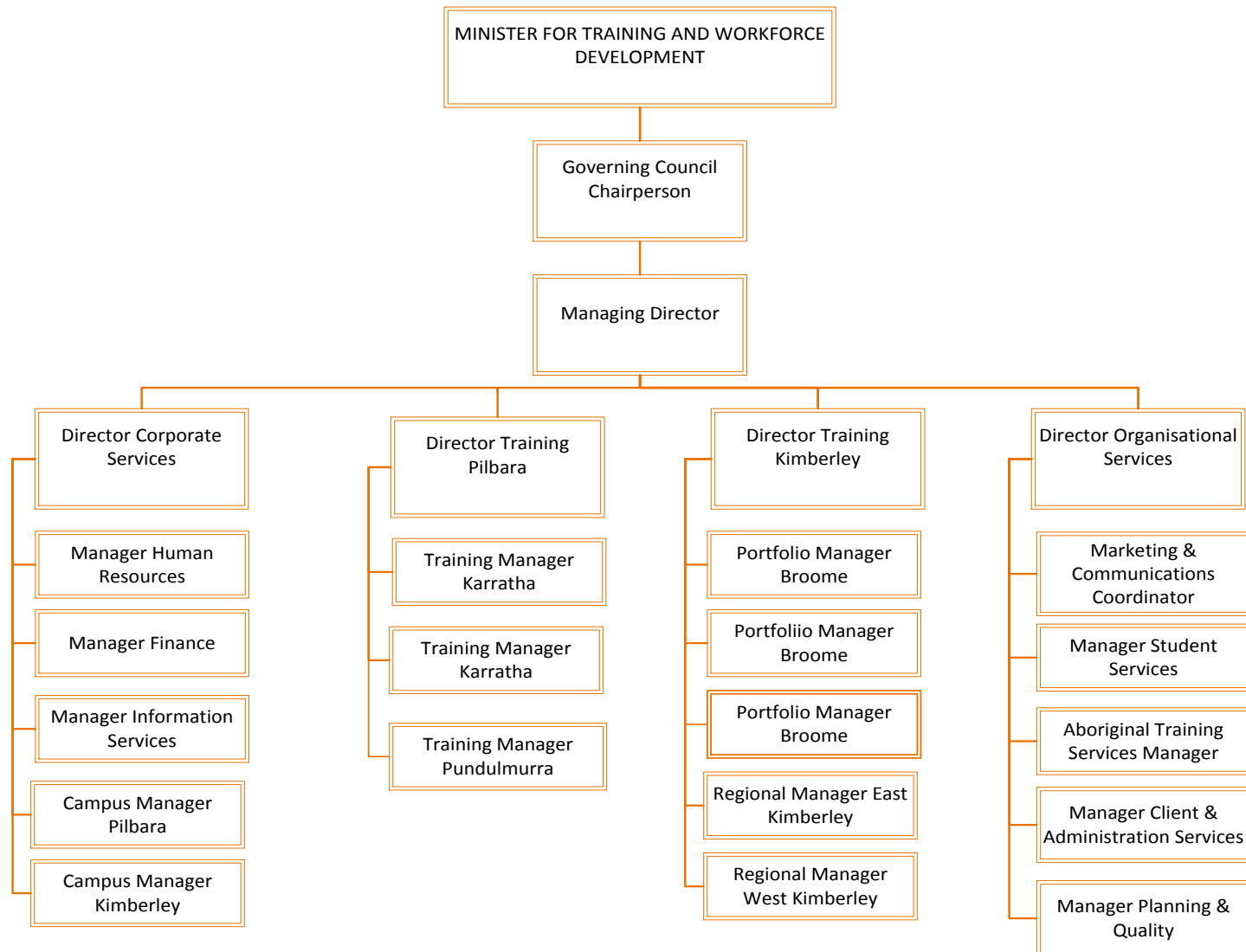


## Relevant Legislation

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

## Organisational Structure



## Performance Management Framework

### Results-based service delivery

In response to key partners, the College continued to deliver a number of programs for Aboriginal clients.

Kimberley Group Training	Hospitality pre-employment program Certificate III Carpentry and Joinery skill sets
Winun Ngari Aboriginal Corporation	Units towards Construction, Automotive and Business Certificates
Department of Education	Certificate I in Industrial Skills Certificate II in Horticulture Certificate II in Beauty Certificate II in Automotive Vocational Preparation Certificate II in Community Services Certificate III in Aquaculture
Yawuru	Certificate I in Tourism GATE PX2 First Aid Keys for Life
Warmun Aboriginal Community	Aged Care and Industry pre-employment program
East Kimberley Job Pathways	Aged Care Industry pre-employment program and Juniper Care Services
Mamabulanjin Aboriginal Corp	Units towards the Certificate II Construction and Land Management

Partnership agreements with the intent of providing training to students on campus and on the job has given relevance to the learners and ensured transfer of skills and knowledge to employment.

NRT also had training agreements with BHP Billiton, Woodside, Department of Corrective Services, Education Department, Marine Produce Australia (MPA), AARLI MAYI, Seaways Consultants, Greening Australia, Mamabulanjin Aboriginal Corporation, Muresk, Shell, Buru Energy, INPEX, Goolarri Media Enterprises, Kimberley Group Training, Central Queensland University, Edith Cowan University, WA Country Health Services, South Metropolitan Health Services, Wirraka Maya Health Service, Kinetic Health and Meath Care Inc. to deliver training in various qualifications

North Regional TAFE's focus was to:

- provide best practice training and assessment focussing on student outcomes
- align training to industry and community needs
- introduce new programs to meet future industry needs
- improve youth pathways from school to VET
- provide support for Aboriginal and Torres Strait Islander (ATSI) students to increase student retention and completion.

## Financial and economic responsibility

In 2016 North Regional TAFE experienced a decline in enrolment numbers with most delivery areas experiencing the impact of this decline. The Training Sector Reforms directed NRT focus to the realignment of staffing and services and undertake a budgeting process to ensure appropriate financial resources were allocated for the delivery of programs and services whilst being able to meet government required efficiencies. Further reviews will be undertaken to ensure that services match the current demand for training across the region.

North Regional TAFE's focus was to:

- use lean management principles to ensure organisational effectiveness
- streamline business processes from enrolment to awarding
- conduct periodic internal reviews and audits
- ensure all business information was shared and accessible
- meet all financial targets
- reduce dependence on state government funding
- ensure profitability of all commercial activity.

## Social and environmental responsibility

North Regional TAFE has focussed on minimising our operational impact on the Kimberley and Pilbara environment by actively managing the College's Sustainability Plan objectives to:

- reduce energy consumption
- reduce water consumption
- reduce fuel consumption
- increase recycling and reduce unnecessary expenditure.

## Stronger focus on the regions

North Regional TAFE aligned training delivery with workforce needs. Training delivery in skill sets was continued to meet regional industry needs in combination with a greater focus on service delivery, infrastructure investment and economic development to improve the overall quality of life in remote and regional areas.

## State building – major projects

With the support of the Western Australian Government, North Regional TAFE has had a strong focus on building strategic infrastructure that provides state of the art training facilities that leads to the creation of jobs and underpins Western Australia's long-term economic development. An alliance established in 2012 with Woodside and the then Pilbara Institute, set a benchmark for industry-standard training, for an electrotechnology centre to be constructed in Karratha. This construction was opened by Hon Brendon Grylls, MLA, Leader of the National Party of Australia (WA); Minister for Housing; Racing and Gaming in November 2016. North Regional TAFE now has the capacity for apprentices across the Pilbara and Kimberley to learn their trade on the latest equipment, using cutting edge technology.



**Karratha Electrical Centre officially opens**

# AGENCY PERFORMANCE

## Report on Operations

### Organisational Capacity to Build Networks and Partnerships

#### Industry and Community relationships

North Regional TAFE has worked to support training delivery in partnership with other key stakeholders and the community to ensure training demands are met.



Business After Hours - Pundulmurra

#### Partnerships and collaborative agreements

North Regional TAFE continued to strengthen its focus on working with others over 2016 with the aim to advance mutual workforce solutions. Partnerships also allowed NRT to increase the likelihood of achieving its strategic priorities of enhancing the efficiency and range of training delivery throughout the North West.


Partnerships are essential in rural and remote regions and working to fully utilise resources across the sector allows opportunities for sharing and learning education and administrative work practices including efficiencies in whole of College operations.

The College worked collaboratively with the Department of Training and Workforce Development (DTWD) in the amalgamation of 11 state training providers into five TAFE's. The Training Sector reform has seen TAFE Directors form a collegiate working group that meets to identify efficiencies in operational practices across the TAFE sector. The aim has been to minimise the duplication of effort by all staff in all areas of operations but particularly in the recognition, modifying and development of joint monitoring tools.




Partnerships were maintained or new partnerships were established to achieve local solutions for workforce development.

### Employers

Strategy	Measure	Achievement	
Partnerships with employers	Partnerships involving workforce development	Resource Industries e.g. BHP, Rio Tinto, Woodside, Commonwealth and State Governments, Aboriginal Corporations, Apprenticeship Centres	


### Pathways

Viable pathways to University remain achievable through the College's shared facility agreement with CQU


Strategy	Measure	Achievement	
Pathways to higher studies	Agreement signed with higher education provider	Study Hub	

The College remains committed to supporting WACE 2016 initiatives through the provision of VETiS VET qualifications and skills development.



### Schools

Strategy	Measure	Achievement	
School based training programs	School based training program enrolments	97 students in ASBT programs	

### Corrective Services


Strategy	Measure	Achievement	
Prison training programs	Prison training program offered	20 training programs delivered	

### Aboriginal Communities

Strategy	Measure	Achievement	
Partnerships with Indigenous communities to promote skills and workforce development	Partnerships developed and maintained with Indigenous corporations and organisations	Maintained relationships with the Workforce Development Centre, Job Services Australia (JSAs) and Remote Jobs and Communities Programs (RJCPs), Mentors/Tutors, Interpreting Services Kimberley Personnel, Disability Services Commission, Real Employment for Aboriginal People (REFAP), Kimberley Job Network, Remote Jobs and Community Program personnel.	
Strategy	Measure	Achievement	
Partnerships with Indigenous communities to promote skills and workforce development	A Reconciliation Action Plan	Endorsed	

### Apprentices and Trainees


NRT has continued an ongoing positive relationship with apprentices, trainees, employers and AASN's in the Pilbara and Kimberley:

Strategy	Measure	Achievement	
Apprentice and Trainee satisfaction	Student satisfaction survey	85.5%	


## Business Efficiencies for Business Success

North Regional TAFE streamlined business processes and evolve our business model, organisational structure, business systems and processes to become more efficient and successful.


The Quality Management System was reviewed and a new Policy and Management Framework was launched.


Strategy	Measure	Achievement	
Quality Management System Procedures documented and followed	Key procedures on intranet	Procedures exist for all key operations	

A new organisational structure was implemented and completed during 2016.


Strategy	Measure	Achievement	
Fit for Purpose organisational structure	Organisational structure published	Public Sector Training Reform changes implemented	

The 'Roll Creation Wizard' designed to streamline the roll creation process and consequently the enrolment process and already implemented in the Kimberley was rolled out in the Pilbara.

Strategy	Measure	Achievement	
Business Efficiencies	Business processes from enrolment to awarding streamlined	Roll Creation Wizard	

Strategy	Measure	Achievement	
Enrolment Audit	Business processes from enrolment to awarding streamlined	Increased student satisfaction	

### A Sustainability Action Plan 2015-2016

Strategy	Measure	Achievement	
Operational impact on the environment	Purchasing of energy reduction equipment	Solar panels installed at Broome Campus	

## Economic and Social Growth

### Student satisfaction

Student satisfaction levels continued to be a highlight of the College's performance. In the 2016 DTWD Student Satisfaction survey, 92.3% of students were either very satisfied or satisfied with their training. This compared very favourably to the state average of 88.9%.

Other significant results from the DTWD Student Satisfaction Survey included:

- 93.2% of Aboriginal and Torres Strait Islander (ATSI) students were satisfied with their course (*WA state average 91.5%*)
- 94.9% of students indicated that they have increased their knowledge through the training they received (*KTI and PI specific question – no WA comparison*)
- 92.9% indicated that they have developed their skills through the training they received (*KTI and PI specific question – no WA comparison*)
- 91.6% of students were satisfied with the quality of their lecturer (*WA state average 88.4 %*)
- 93% of Apprentices were satisfied with the quality of their lecturers (*WA state average 88.4%*)
- 86.0% of students were satisfied with the College's facilities (*WA state average 84.8%*)
- 86.5% of students were satisfied with the College's reputation (*WA state average 84.9%*)
- 70.3% of students were satisfied with the cost of their course (*WA state average 54.7%*)
- 87.6% of students were satisfied with the information and customer services provided by staff in student services (*WA state average 81.7%*)
- 93.5% of students were satisfied with the mentor or person to support them during their studies (*WA stat average 93.5%*)
- 97.5% of students were satisfied with the English language assistance they received (*WA state average 92.2%*)
- 58.1% of students had someone else pay for their course (*WA state average 48.0%*)
- 73.9% of students found it easy to access information about the fees for their course (*WA state average 63.9%*)
- 91.2% of students were satisfied that the way they were assessed was a fair test of their skills and knowledge (*WA state average 86.4%*).

### Delivery and Performance Agreement (DPA)

North Regional TAFE is a State Training Provider contracted by the Department of Training and Workforce Development to provide services that contribute to the successful delivery of a quality workforce and develop strategies and training programs aligned to the State Training Plan.

The College's aim was to meet the training priority, certificate level, and occupational group assigned to the qualification targets set out in the DPA.

The State Training Priorities are developed through extensive consultation, validation, feedback and negotiation with stakeholders throughout Western Australia, including industry and enterprises; Industry Training Advisory groups; regional and community organisations; equity groups; training providers; and government agencies

## Student outcomes

In terms of student head count we had 6,693 students enrolled, of which 37% were Aboriginal and Torres Strait Islanders.

The total number of students under 18 years comprised 12.1% of our total enrolments.

65.8% of students under 18 years were enrolled through VETiS programs, and many of the remainder were enrolled through pre-employment programs, particularly those supported by government employment agencies.

At the 31 December we had 506 apprentices and trainees in training. The Module Load Completion Rate for apprentices and trainees was 77.7%.

Employment Based Training students recorded an 85.5% student satisfaction rating in the DWTD survey in late 2016.

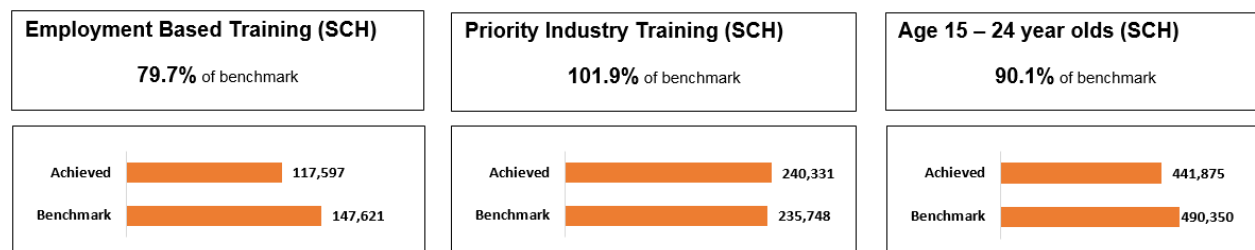
9.5% of students undertook Certificate IV and above, but this was still low due to the introduction of higher students fees.

Training at Diploma level will be further impacted by the Australian Government's capping of VET FEE-HELP which means that the College was no longer able to offer loans to commencing students.

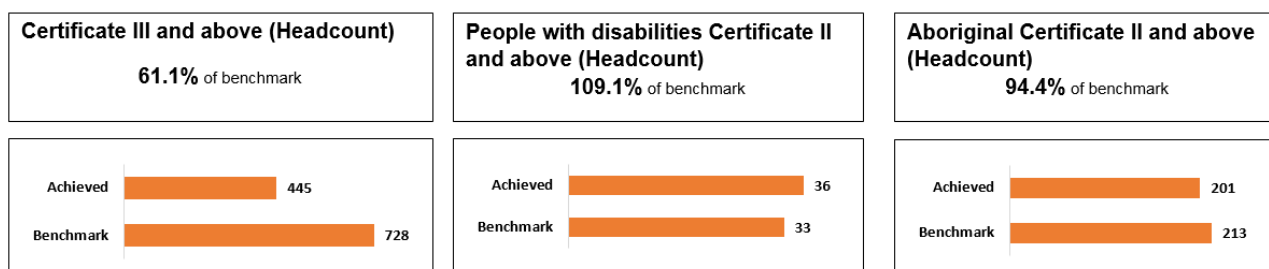
Our 2016 Module Load Completion Rate was 80.3% an improvement on 78% in 2015, which was a pleasing result in our complex environment.

### NRT Benchmarks for Training Priority Areas 2016

#### State Training Plan



#### National Partnership Skills Reform and Student Demographic Response Rate



## Student support

Our positive student satisfaction outcomes were in part achieved because of the very strong emphasis on support for students through their learning journey.

### Aboriginal Training Services support

Our 2016 Aboriginal Training Plan set targets in terms of Aboriginal student attraction, engagement and retention and we made considerable progress in achieving these. We employed a team of 10 Aboriginal dedicated non-teaching staff across our campuses. These staff members played a key role in maintaining connections to community and country, and provided case management support for many of the College's Indigenous students. We also employed mentors

and ITAS tutors to provide additional wrap-around support. The outcome was an increase in Aboriginal student participation and 91.5% of Aboriginal students were satisfied with their training experience with the College.

We ran a number of youth programs across 2016 to address the needs of young people who have become disengaged from mainstream education and to provide a supportive transition back into further education and training. These programs were highly intensive and involved a team of staff working extensively to address educational, social and emotional needs. In particular, a program run in conjunction with Broome Girl's Academy saw 12 disengaged students participate in an 18 week program designed to provide a re-entry into mainstream education. Six students completed all requirements of the program and four of these are continuing with vocational education.

### **Literacy numeracy and study support**

North Regional TAFE enrolled 792 students in CAVSS or USIQ during 2016.

Course in Applied Vocational Study Skills (CAVSS) is a framework for teaching adult literacy and numeracy skills in direct application to VET training activities. It is designed to be delivered in an integrated manner, in a dual enrolment with a vocational 'parent' training package qualification. It is a teaching methodology rather than a course.

A team-teaching methodology is used, where the vocational lecturer and the literacy lecturer are teaching the same group of students in the same place at the same time. This approach ensures that literacy and numeracy support is relevant and limited to the competencies in the VET qualification.

Course in Underpinning Skills for Industry Qualifications (USIQ) aims to address the different categories of students who may require additional time and specialised teaching to successfully complete an industry specific vocational qualification, enabling them to develop, consolidate and apply a range of mathematical, technological, cognitive, social communication and problem-solving skills required to be competent in the workplace.

Students who are eligible for this course had already enrolled in a vocational qualification and been identified as having one or more indicators of additional educational need. To meet this need the USIQ teacher provided contextualised, structured and targeted learning to support and enable the students to acquire and demonstrate the necessary skills to complete their qualification.

### **Disability support**

North Regional TAFE's Disability Support Team enhanced access and participation for students with disabilities in 2016. NRT's Disability Support Coordinator provided information and advice, and arranged individual study support with students. Students were encouraged to speak with their lecturer or the Disability Support Team about the impact of their disability or medical condition to help determine what assistance or adjustments need to be made in order for them to achieve their vocational goals.

North Regional TAFE had 293 students identify themselves as having a disability.

### **Student Support Hub**

Students requiring additional tutoring support, particularly those with special needs, were able to drop into the Student Support Hub located at our Broome campus. The hub is fitted with soft colourful furnishings, iPads, computers with touchscreen and voice recognition software, and NRT brochures and literature.

## Aboriginal Training

### Skilling the Aboriginal Workforce

Raise awareness with our stakeholders of our commitment to Aboriginal reconciliation

**NAIDOC Activities held across NRT**

**8**

Develop positive relationships with key stakeholders, and contribute to communality capacity building

**Cultural Awareness Training to external agencies**

**9**

**Number of mentors**

**8**

Develop the College workforce to meet the needs of all ATSI stakeholders

**ASTI Apprentices and Trainees**

**46**

**ABST enrolments**

**97**

Achieve sustainable employment or pathways to higher learning for ATSI students

**ASTI Apprentices and Trainees**

**216**

**Percentage ATSI continuing students in 2016**

**2,478**

**Number of ATSI students transitioned from schools to traineeship or apprenticeship in 2016**

**2,478**

Provide best practice case-management, mentoring and tutoring to ATSI students to assist them into employment or further study

**Retention rate for ATSI overall**

**82%**

**Students overall participation in 2016**

**2,478**

**ATSI students enrolled in Foundation and General Education courses**

**820**

## VETiS Training Delivery

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 624 students enrolled into 24 VETiS courses in 2016. Certificate II in Engineering remained popular, followed by Certificate II in Business and Certificate II in Electro-technology.

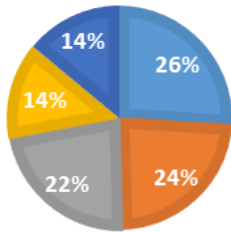
17 schools participated in programs delivered on North Regional TAFE campuses.

### List of Schools participating in VETiS programs (incl. total students)

	Total Students
Hedland Senior High School	125
Karratha Senior High School	104
Broome Senior High School	91
Derby District High School	57
Kununurra District High School	56
St Luke's College	40
Newman Senior High School	28
La Grange Remote Community School	24
Roebourne District High School	18
St Mary's College	16
Yiramalay/Wesley Studio School	15
Fitzroy Valley District High School	15
Wyndham District High School	15
Ngalangangpum School	9
Jigalong Remote Community School	7
Halls Creek District High School	5
One Arm Point Remote Community School	4

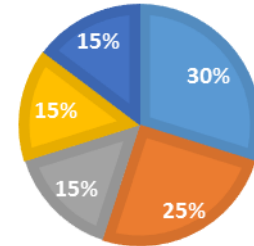
### Top 5 VETiS qualification enrolments - Pilbara

- Certificate II in Business
- Certificate II in Engineering Pathways
- Certificate II in Engineering
- Certificate II in Automotive Vocational Preparation
- Certificate II in Building and Construction (Pathway - Trades)



### Top 5 VETiS qualification enrolments - Kimberley

- Certificate II in Building and Construction (Pathway - Trades)
- Certificate II in Sport and Recreation
- Certificate III in Hospitality
- Certificate II in Automotive Vocational Preparation
- Certificate II in Engineering Pathways

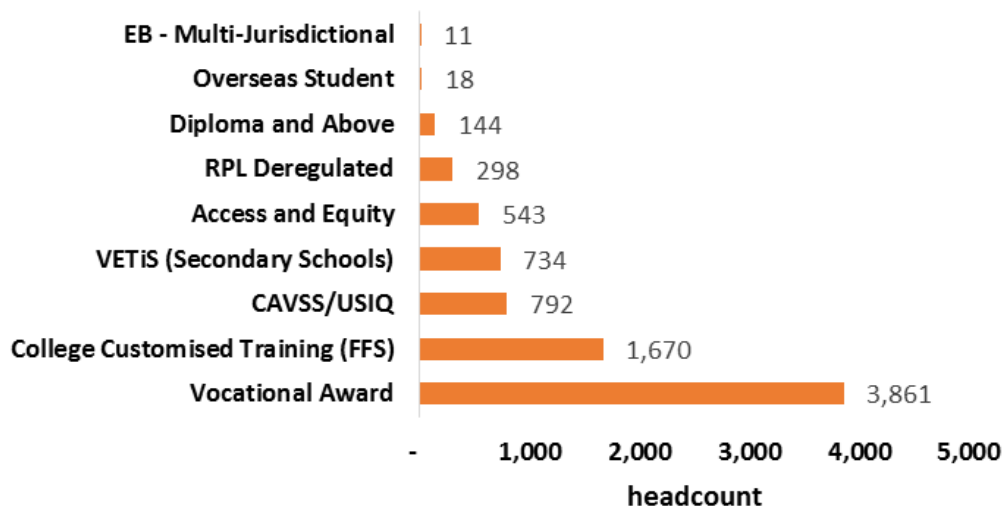


### TAFE-Wide Top 5 most popular VETiS Courses (ordered by most to least popular)

	% of Total College VETiS Students	Total Students
Certificate II in Building and Construction (Pathway - Trades)	17.0%	106
Certificate II in Business	15.2%	95
Certificate II in Engineering Pathways	15.1%	94
Certificate II in Automotive Vocational Preparation	11.4%	71
Certificate II in Sport and Recreation	9.6%	60

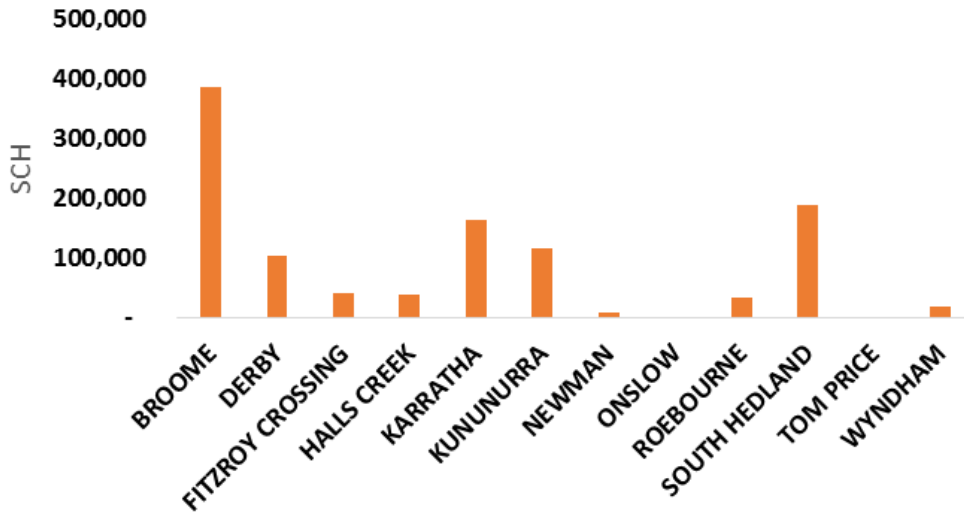
### Delivery statistics

#### Enrolment Type (Headcount)

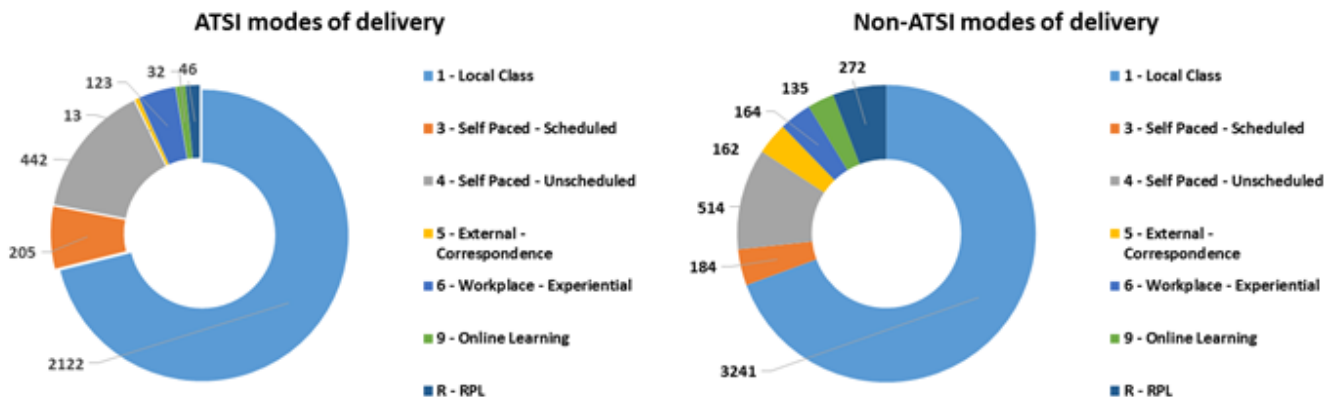




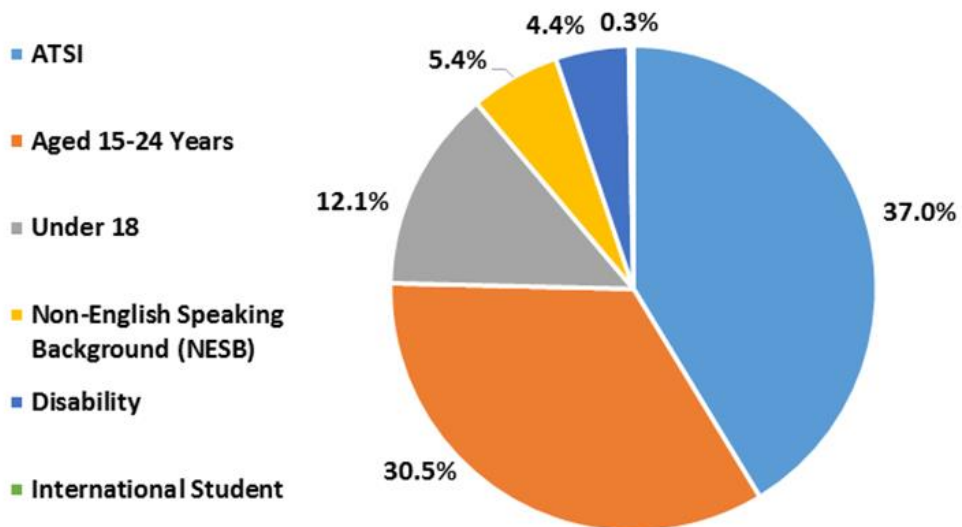
### Delivery by location



### Modes of Delivery



### Delivery Spread -Target Groups



### Tegan takes out top honour

North Regional TAFE lecturer Tegan Mossop was awarded Trainer of the Year at the 2016 WA Training Awards before taking out national runner-up in Darwin last month. “Blown away” by the recognition, Tegan claimed the State’s top spot at a presentation evening in Perth before finishing in second place against seven other national finalists in Darwin.



Hailing from the remote Kimberley town of Fitzroy Crossing, the Language, Literacy and Numeracy (LLN) lecturer was singled out for her innovative approach to teaching. Tegan teaches LLN, along with a range of other work, life and leadership skills to students in surrounding Aboriginal communities. She has been praised for her ability to contextualise learning, engage students with limited resources, and combat language barriers, all while gaining the respect of her students, community members and peers.

Tegan said she felt honoured to be recognised with a State award, and privileged to be given the opportunity to collaborate, inspire and learn at a national level.

Tegan’s passion for equity in education is the driving force behind her success, and she plans to continue playing a part in ‘closing the gap’ in Australia’s education, by providing opportunities and support for all, despite background, economic status, gender, race, or location.

### Karratha medallists shine

Three North Regional TAFE students were selected to showcase their trade’s skills on the national stage after claiming gold medals in the WorldSkills Australia Regional Competition.



Karratha apprentices Scott Dorning, fitter, Ethan Wayne, metal fabricator and Jessi Turner, studying electro technology were the first NRT students selected to compete at a national level, taking on Australia’s best in Melbourne from the 6 – 8 October 2016.

The WorldSkills Australia competition nurtures young apprentices by providing them with a platform to showcase their skills, build their talent and celebrate their excellence. Scott was challenged to build a complex mechanical drive assembly; Ethan fabricated and welded a model locomotive body assembly; and Jessi was put to the test building an intricate switchboard assembly.

While the local competitors did not win a national medal, Mechanical lecturer Reme Pereira, who also represented NRT on the national stage, said “Scott missed the medal due to some minor last minute errors but reaching so close to the medal has given him great confidence,” Reme said. “We (NRT) and their employers are very proud of these candidates, and it’s also opened up wider opportunities for them at work for advanced skills and higher studies.”

Reme plans to grow the competition at a regional level and indicated the recent achievements were a sign of more to come from local students. “It was a great honour to attend the event at a national level, and I plan to implement some of the ideas from national experts to grow the next regional event. Next year we plan to have more involvement from employers and more input into the event so that we can achieve the desired results. So far, 11 Karratha candidates have won regional medals and I am confident we will bring home a few medals at the next national event.”

# SIGNIFICANT ISSUES IMPACTING THE AGENCY

## **Key challenges in 2016**

### **Travel to remote locations**

The joining of Pilbara Institute and Kimberley Training Institute into North Regional TAFE resulted in 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.

### **The attraction and retention of staff**

The freeze on external recruitment during the period of January to July 2016 prevented recruitment of new employees, permanent, fixed term or casual staff into North Regional TAFE.

### **Low literacy and numeracy**

There are many people in the Kimberley and Pilbara for whom English is a second or third language, and many students are referred to North Regional TAFE with profound barriers to learning including poor language, literacy and numeracy.

The College's commitment to Foundation Skills programs is addressing this issue, but we are finding that many learners, especially those who have been disengaged for some time, required more intensive LLN, emotional and vocational support than we are resourced to provide.

## **Key influences for 2016**

### **The implementation of the Training Sector Reform**

The implemented functional reforms and governance arrangements within the training sector saw North Regional TAFE reviewing policies, processes and organisational structure to come into line with the reforms.

### **The impact of changes to the resource sector**

Downturn in the resources sector has negatively affected apprentice and trainee enrolments.

### **Changes to VET Fee Help**

The Australian Government's policy change at the end of 2015 to cap RTO VET FEE-HELP availability to 2015 levels affected participation in training for the most disadvantaged student cohort in Australia.

### **Student fees**

The increase in student fees has directly impacted student enrolments at North Regional TAFE.

## **Looking ahead to 2017**

## **Key influences for 2017**

### **Significant issues impacting the Public Sector Commission**

#### **Increasing efficiency and flexibility**

The Agency Expenditure Review (AER) process, intends to increase the transparency of agency operations and drive a critical examination and re-definition of agency programs.

#### **Promoting transparency in evaluation and reporting**

The year ahead will bring fundamental changes to the way in which PSC collect and manage public sector data.

## **Building an inclusive and diverse workforce**

During the year ahead the PSC will support chief executives to lead change through their agencies by coordinating a collective response to key diversity and inclusion issues.

This includes:

- providing better statistical and best practice information
- ensuring diversity and inclusion becomes more central to leadership and talent identification
- incorporating diversity and inclusion into relevant system priorities
- exploring new approaches to talent supply and recruitment and a review of panel interview processes.

## **Expanding partnerships**

Collaboration across jurisdictions is key to strengthening public sector reform and further building connections with national and international counterparts.

## **Recognising Achievement**

Encourage all public sector employees to strive for excellence

## **2017 WA State election**

### **Government Priorities**

The 2017 Western Australian state election was held on Saturday 11 March 2017 to elect 59 members to the Legislative Assembly and 36 members to the Legislative Council.

## **The implementation of the Training Sector Reforms**

### **Next steps**

The next steps to implement the recommendations of the Training Sector Reform Project report which will influence North Regional TAFE include:

- a review of the funding model for the delivery of publicly funded training programs
- increasing the specialisation of training delivery by metropolitan TAFE Colleges to achieve best practice outcomes for students
- development of a more collaborative approach to delivering training among TAFE Colleges aimed at improving the student experience especially in regional and remote areas
- greater management and coordination of TAFE College participation in international markets by the Department, and greater alignment with the State's international trade priorities
- greater utilisation of training infrastructure.

## **VET student loans funding**

### **Limitations to funding**

From 2017 VET FEE-HELP will cease and VET Student Loans will commence. The restrictions to loan fee assistance has severely restricted students studying Diploma or higher qualifications therefore, affecting our effort to increase enrolments in those areas.

## **Key activities for 2017**

### **Training Services**

#### **New Training Services structure**

A new organisational structure for training areas will be implemented in 2017 introducing Training Coordinators to assist Training Managers to identify current and emerging training opportunities throughout the North-west. Principal Lecturers will be assigned specific qualifications within their areas of expertise to assist the training teams to deliver a more targeted response to training

## **Aged Care Training**

### **Actively pursue funding for aged care training in remote communities**

Current project funding from the Australian Government to support aged care training in remote communities across the Kimberley and Pilbara ceases 30 June 2017. North Regional TAFE will continue until this time and actively pursue a continuation of funding to continue with this successful project.

## **Commercial Activities**

### **Increase commercial activities**

Commercial activity will align with the States strategic goals outlined in the Pilbara and Kimberley Workforce Development Plan and complement private training markets to ensure community access and choice of quality training by increasing the range of offerings in customised training by 5%.

## **Efficiencies**

### **Reduce Budget**

Due to the many significant changes in 2016 NRT did not reach anticipated profile targets therefore North Regional TAFE have identified efficiencies in spending in 2017.

## **The levels of literacy and numeracy of students**

### **Literacy and numeracy support**

During 2016, 792 students (20.5%) who were enrolled into vocational award qualifications, accessed literacy and numeracy support in 2016. North Regional TAFE intends to expand this support by implementing a whole of College literacy and numeracy strategy; develop a coordinated approach to literacy and numeracy support for all training areas to increase student completion rates and recruiting a pool of literacy and numeracy specialists.

## **Crucial success factors**

### **2017 Delivery and Performance Targets**

#### **Achievement of 2017 profile**

In 2016 the College worked hard to increase the take-up of enrolments by targeting advertising to existing students and radio, social media and newspaper advertising to recruit new students. The College intends to continue to improve strategies to attract new students in the North West and reach 2017 Delivery and Performance targets.

#### **Renewal of Registration Audit**

#### **Maintain registration**

A crucial success factor for 2017 is to retain our current training registration. In order to maintain registration, NRT must comply with the Standards for Registered Training Organisations (RTOs) 2015 and operate in accordance with the relevant provisions of the Vocational Education and Training Act 1996 (WA).

## OTHER LEGAL REQUIREMENTS

### Advertising

	Total Expenditure	Accounts paid
Advertising agencies	\$152,300.00	OMD, Carat, Market Creations, Redwave Media, Facebook, Google Adwords, The West Australian, Waringarri Media, Challenger Institute, South Metropolitan TAFE, Renny Penny Designs
Staff advertising (Recruitment)	\$18,100.00	e.g. Adcorp
Direct Mail organisations	\$417.00	Dilate
Market Research Organisation	N/A	N/A
Polling Organisations	N/A	N/A

### Freedom of Information

North Regional TAFE had no Freedom of Information requests in 2016.

### 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 2016, the College received 0 allegations 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 2016 were:

Standard		Outcome	Actions
Disciplinary Issues Raised	5	Reprimand and / or warning	2

## Record Keeping Plan

April 11th 2016 saw the unification of Pilbara and Kimberley Institutes in to the single entity called North Regional TAFE. The merge revealed considerable differences in sector-wide record keeping practices and a variety of software systems in use. In response a workgroup has been established and in collaboration with the Department of Training and Workforce Development (DTWD) it will review recordkeeping practices and develop a standardised sector approach to records management practice for the future.

North Regional TAFE is currently a signatory to a new interim sector-wide Record Keeping Plan which was approved by the State Records Commission in December 2016 as prescribed by the State Records Act 2000. The College is required to report as required by the State Records Office, Principles and Standards 2002 (Standard 2, Principle 6, numbers 1-5) Compliance. A new Record Keeping Plan is expected to replace the interim document by December 2017.

During 2016 North Regional TAFE continued to utilise both separate record keeping systems for each region, the Electronic Record keeping Management System (EDRMS) Hewlett Packard's TRIM version 7.3.5 for Kimberley and HPRM 8.2 for Pilbara. 2017 will see the implementation of a single instance of a recordkeeping system HPRM 8.3 and appropriate training to be decided.

### Record Keeping Training

A transitional environment, geographical distances and movement of employees impacted consistent training delivery in 2016. The result has been training delivery in response to demand, usually delivered locally through colleagues or supervisors. This challenges the quality of the training provided in record management and will be addressed through a move towards standardised sector-wide EDRMS training delivery in 2017. Furthermore TRIM training will become mandatory before access permission is granted to employees. This will guarantee a high quality of record keeping for the organisation. Training may incorporate an online module based platform. There are also significant challenges with document management, student records and archiving which are under scrutiny and will be areas of improvement in to 2017.

### Record Keeping Awareness Training

Mandatory on-line Record Awareness Training (RAT) conducted on-line through Blackboard is part of new employee induction. All staff must complete this induction training and 100% of TRIM licenced users are trained in TRIM and HPRM use, ensuring compliance.

## Statistics

- By the end of 2016 NRT had 154 active users of TRIM and 41 in HPRM.
- The online course RAT was completed by 45 staff during 2016.
- 30 staff, 14 Lecturers and 16 non lecturers, received training in TRIM in 2016.

The following records were created in 2016:

Activity	Kimberley TRIM 2016	Pilbara HPRM 2016	Total NRT2016	Total all years
Containers created	4954	4203	9157	26,723 / 12,980
Documents registered	136,458	29,090	165,548	483,678 / 54,350
Archive boxes created	155	N/A	155	959 / 0 (different system)
<b>TOTALS</b>	<b>141,567</b>	<b>33,293</b>	<b>174,860</b>	<b>511,360 / 141,567</b>

## Disability Access and Inclusion Plan (DAIP) Outcomes

Since the merging of Pilbara Institute and Kimberley Training Institute in April 2016, North Regional TAFE has maintained its commitment to provide equitable and accessible training options to Western Australians and we understand our responsibilities and obligations to people with disability.

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. 2016 has seen the development of a new DAIP to represent the newly established NRT. Consultation with staff, students, community members and Disability Services Commission was critical in ensuring the DAIP is designed to achieve the desired seven outcomes.

Desired DAIP outcomes	2016 TAFE outcomes
1. A disability access and inclusion plan must provide a means of ensuring that people with disability have the same opportunities as other people to access the services of, and any events organised by North Regional TAFE.	<ul style="list-style-type: none"> <li>• Ensured that College policies and practices were 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 .</li> <li>• Ensured that resources and equipment required to access and participate in training at the College were provided.</li> <li>• Ensured that College events, both on and off campus, were inclusive and accessible for all.</li> <li>• Ensured that College staff, agents and contractors were aware of the relevant requirements of the Disability Services Act and the College's Disability Access and Inclusion Plan.</li> </ul>
2. A disability access and inclusion plan must provide a means of ensuring that people with disability have the same opportunities as other people to access the buildings and other facilities of the North Regional TAFE.	<ul style="list-style-type: none"> <li>• Ensured that all buildings and facilities were accessible.</li> <li>• Ensured staff and students were aware of emergency evacuation procedures and plans.</li> <li>• Ensured that all premises leased by the College were accessible.</li> </ul>
3. A disability access and inclusion plan must provide a means of ensuring that people with disability receive information from the North Regional TAFE in a format that will enable them to access the information as readily as other people are able to access it.	<ul style="list-style-type: none"> <li>• Ensured that information about the College's services, facilities and events was available in alternatives formats and was clear and concise.</li> <li>• Informed staff of accessible information needs and how to provide and obtain information in other formats.</li> <li>• Ensured learning resources, including online learning resources, were available in</li> </ul>



Desired DAIP outcomes	2016 TAFE outcomes
	accessible formats, complying with copyright regulations.
4. A disability access and inclusion plan must provide a means of ensuring that people with disability receive the same level and quality of service from the staff of the North Regional TAFE as other people receive from that authority.	<ul style="list-style-type: none"> <li>• Raised staff awareness of disability and access issues and provided training to improve skills to provide good service.</li> <li>• Ensured that College staff were aware of the relevant requirements of the Disability Services Act, Disability Discrimination Act and Education Standards.</li> <li>• Ensured that the College provided an inclusive environment free from harassment and discrimination.</li> </ul>
5. A disability access and inclusion plan must provide a means of ensuring that people with disability have the same opportunities as other people to make complaints to the North Regional TAFE.	<ul style="list-style-type: none"> <li>• Ensured that grievance mechanisms were accessible for all people.</li> <li>• Provided support for people with disability in making complaints.</li> </ul>
6. A disability access and inclusion plan must provide a means of ensuring that people with disability have the same opportunities as other people to participate in any public consultation by the North Regional TAFE.	<ul style="list-style-type: none"> <li>• Informed students and staff about consultation processes at the College.</li> <li>• Monitored the DAIP to ensure implementation and satisfactory outcomes.</li> <li>• Developed and maintain strategic partnerships with key agencies to maximise access to services for people with disability.</li> </ul>
7. A disability access and inclusion plan must provide a means of reducing barriers to people with disability obtaining and maintaining employment.	<ul style="list-style-type: none"> <li>• All NRT facilities continued to be compliant with Disability Access Inclusion requirements (with relevant guidelines and processes).</li> <li>• Recruitment, induction and performance development processes for staff were identified and support given.</li> <li>• NRT developed and maintained relationships with key stakeholders and provided a supportive environment for students seeking employment.</li> <li>• Ensured equitable employment practices at the College.</li> </ul>

## 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 OHS 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 and 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 2016 OSH initiatives were as follows:

- planning towards North Regional TAFE combined (Kimberley and Pilbara region) Occupational Management System
- development of North Regional TAFE OHS Commitment
- development of North Regional TAFE OHS Policy
- development of North Regional TAFE OHS Terms of Reference
- development of North Regional TAFE's OHS Annual Plan, including planning towards OHS key elements such as workplace inspections, training, policies and procedures and emergency response.

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

With the forming of North Regional TAFE, it was confirmed to continue with two OSH specific positions for the College, a designated OSH staff member for each of the regions.

Currently, the Pilbara and Kimberley region's Colleges continue with their respective intranet OSH sites, which allows all staff to view key OSH matters from committee meeting minutes, OSH related material, hazards, incidents, corrective actions, etc.

OSH Representatives are appointed throughout the College. 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 and 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 and 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.

Newly developed and updated policies and procedures are made available on the 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:

- ensure 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
- ensure 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.**

**Pilbara region**

An external audit was conducted by WA Safety Solutions on the Occupational Safety and Health Management Systems (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.

In November 2015 a second internal audit was conducted (using the same tool) on the OSHMS to ensure Pilbara Institute's improved OSHMS is 96% compliant to AS 4801. No corrective actions are currently in place from the recent audit as the audit report is yet to be approved.

**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.

An assessment of the merged North Regional TAFE's OSHMS is planned to take place during 2018 and to be based on the Work Safe Plan or other appropriate audit tool.

## 5. A report of Performance against the following targets:

Indicator	Actual Results					Results Against Target	
	2014		2015		2016	Target	Comment
Org.	KTI	PI	KTI	PI	NRT		
Number of Fatalities	0	0	0	0	0	Zero (0)	Achieved
Lost Time Injury/ Disease Rate	1.11	0	0	0	1.61	Zero or 10% improvement on the previous three (3) years	New organisation
Lost Time Injury Severity Rate	100	0	0	0	25	Zero or 10% improvement on the previous three (3) years	New organisation
% of injured workers returned to work:							
i. 13 weeks	85%	0	N/A	0	100%	Greater or equal to 80% return to work within 26 weeks.	Achieved
ii. 26 weeks	100%	0	N/A	0	N/A		
% of managers and supervisors trained in OSH and injury mgt. responsibilities	No Data	No Data	94%	100%	94%	Greater or Equal to 80%	Achieved in past 3 years. New training planned for 2017

**Note:** These figures are based on North Regional TAFE's actual data collated by the organisation. RiskCover data may be different.

## Capital Works

The major developments of the Karratha Campus Electrical and Instrumentation facility and the Health and Community Services Training Centre at Pundulmurra campus was officially opened by the Hon Brendon Grylls, MLA, Leader of the National Party of Australia (WA); Minister for Housing; Racing and Gaming in 2016.

North Regional TAFE is continuing with capital development as outlined in the Pilbara and Kimberley Strategic Infrastructure Plans.

Project	Funding Source	Initial Estimated Cost	Final Estimated Cost	Funds Acquired	Original Completion Date	Current Est Completion Date	Notes
Kimberley projects: Roof Mount Solar PV System - Broome Campus	DTWD grant NRT contributions	\$200,000 \$392,325	\$200,000 \$392,325	Will be acquitted at the end of the project.	Dec 2016	24 <sup>th</sup> Feb 2017	Due to be commissioned end of Feb 2017
Electrical and Instrumentation Centre of Specialisation - Karratha Campus	Royalties for Regions, Woodside	\$9.5m	\$9.5m	Funds controlled by DTWD	February 2016	October 2016	Officially opened by Brendon Grylls On 30 <sup>th</sup> November 2016 Practical Completion portion 1 26 <sup>th</sup> October 2016
Health and Community Services Training Centre - Pundulmurra Campus	Pilbara Cities, Pilbara Institute, Royalties for Regions	\$15.4m	\$15.7m	Funds controlled by DTWD	March 2015	November 2016	Officially opened by Brendon Grylls 31 <sup>st</sup> Jan 2017 Practical completion 23 <sup>rd</sup> November 2016

Project	Funding Source	Initial Estimated Cost	Final Estimated Cost	Funds Acquitted	Original Completion Date	Current Est Completion Date	Notes
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 2016	KISC Practical completion 23 <sup>rd</sup> Feb 2015

## Employment and Industrial Relations

### Staff Profile Matrix

	2016 (Including Casuals)	2016 (Excluding Casuals)	% Total 2016 (Including Casuals)	% Total 2016 (Excluding Casuals)
FTE for year	260.40	234.53	247.47 ( average FTE casual and non casual)	
Academic Delivery	126.44	112.64	49%	48%
Academic Support Services/corporate Services	133.96	121.89	51%	52%
Registerable*	0	0	0	0

Sourced from Payroll System and Empower HRMIS. \*\* Registerable employees introduced July 2014. **NB:** Information provided as at December 2016. FTE figures can vary across the year by +/- 10% due to training demand fluctuations.

### Substantive Equity

(NRT) Pilbara and Kimberley combined

Indicator	2016	% Total 2016
Women represented in management Tiers 2 & 3	8	57%
Employees from culturally-diverse backgrounds	37	14.95%
Aboriginal Australia employees	26.5	10.70%
Employees who identify as people with disabilities	7	2.82%
Employees who are youth < 24 yrs	5	2.02%

# 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 2016, the Statement of Comprehensive Income, Statement of Changes in Equity, and Statement of Cash Flows for the period 11 April to 31 December 2016, 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 period 11 April to 31 December 2016 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 TAFE's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

#### **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.
- 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 TAFE'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 those charged with governance 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 period 11 April to 31 December 2016.

### ***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 period 11 April to 31 December 2016. 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 period 11 April to 31 December 2016.

##### ***Matters of Significance***

###### ***Under Treasurer's Exemption***

As stated in the key performance indicators, North Regional TAFE received an exemption from the Under Treasurer from the requirements under Treasurer's Instruction 904 *Key Performance Indicators* to disclose budget targets for the key performance indicators and to report against Key Efficiency Indicator 'Overall Cost Per Student Curriculum Hour'. The exemption was approved because of the partial year reporting period and the unavailability of campus level data. Consequently, this information has not been reported. My opinion is not modified in respect of this matter.

###### ***Profile Achievement***

I also draw your attention to the notes to the key effectiveness indicator 'Profile Achievement' which explain that the two amounts used to calculate the indicator were based on actual SCH and planned SCH for the full year. Using full year data to calculate this indicator for the reporting period 11 April to 31 December 2016 does not materially affect the accuracy of the indicator. My opinion is not modified in respect of this matter.

##### ***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 TAFE'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 audit 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 period 11 April to 31 December 2016 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  
15 March 2017

## Financial Statements

Certification of financial statement  
for the period from 11 April 2016 to 31 December 2016

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 period from 11 April 2016 to 31 December 2016 and the financial position as at 31 December 2016.

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.



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Ian Smith  
Governing Council Chair

15 March 2017



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Kevin Doig  
Managing Director

15 March 2017



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Katherine Reeves  
Chief Finance Officer

15 March 2017

## Statement of comprehensive income

For the period 11 April to 31 December 2016

	Notes	11/4/16 - 31/12/16
		\$
<b>Cost of services</b>		
<b>Expenses</b>		
Employee benefits expense	6	26,285,711
Supplies and services	7	9,834,148
Depreciation and amortisation expense	8	3,284,017
Cost of sales	14	13,494
Loss on disposal of non-current assets	18	979
Asset revaluation decrement	9	6,556,306
Other expenses	10	2,332,609
<b>Total cost of services</b>		<b>48,307,264</b>
<b>Income</b>		
<b>Revenue</b>		
Fee for service	11	2,397,646
Student fees and charges	12	2,169,545
Ancillary trading	13	76,949
Sales	14	20,290
Commonwealth grants and contributions	15	518,502
Interest revenue	16	344,881
Other revenue	17	314,486
<b>Total revenue</b>		<b>5,842,299</b>
<b>Total income other than income from State Government</b>		<b>5,842,299</b>
<b>Net cost of services</b>		<b>(42,464,965)</b>
<b>Income from State Government</b>	19	
Service appropriation		34,513,060
Services received free of charge		1,073,161
<b>Total income from State Government</b>		<b>35,586,221</b>
<b>Surplus/(Deficit) for the period</b>		<b>(6,878,744)</b>
<b>Other comprehensive income</b>		
<b><u>Items not reclassified subsequently to profit or loss</u></b>		
Changes in asset revaluation surplus		-
<b>Total other comprehensive income</b>		-
<b>Total comprehensive income/(deficit) for the period</b>		<b>(6,878,744)</b>

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

## Statement of financial position

As at 31 December 2016

	Notes	31 Dec 2016
		\$
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	32	11,925,675
Restricted cash and cash equivalents	20,32	7,094,359
Inventories	21	22,828
Receivables	22	1,706,002
Other current assets	23	849,984
<b>Total Current Assets</b>		<b>21,598,848</b>
<b>Non-Current Assets</b>		
Restricted cash and cash equivalents	20,32	198,966
Property, plant and equipment	24	160,512,390
Intangible assets	26	14,738
<b>Total Non-Current Assets</b>		<b>160,726,094</b>
<b>Total assets</b>		<b>182,324,942</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Payables	28	2,189,707
Provisions	29	4,276,389
Other current liabilities	30	6,383,777
<b>Total Current Liabilities</b>		<b>12,849,873</b>
<b>Non-Current Liabilities</b>		
Provisions	29	1,192,292
<b>Total Non-Current Liabilities</b>		<b>1,192,292</b>
<b>Total liabilities</b>		<b>14,042,165</b>
<b>Net assets</b>		<b>168,282,777</b>
<b>Equity</b>	31	
Opening balance		-
Contributed equity		175,161,521
Reserves		-
Accumulated surplus/(deficit)		(6,878,744)
<b>Total Equity</b>		<b>168,282,777</b>

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

## Statement of cash flows

For the period 11 April to 31 December 2016

	Note	11/4/16 - 31/12/16
		\$
<b>Cash flows from State Government</b>		
Service appropriation – Department of Training and Workforce Development		36,760,315
Capital appropriation – Department of Training and Workforce Development		200,000
<b>Net cash provided by State Government</b>		<b>36,960,315</b>
<i>Utilised as follows:</i>		
<b>Cash flows from operating activity</b>		
<b>Payments</b>		
Employee benefits		(26,136,852)
Supplies and services		(8,356,493)
Cost of sales		(13,494)
GST payments on purchases		(968,458)
Other payments		(2,319,566)
<b>Receipts</b>		
Fee for service		2,100,892
Student fees and charges		2,804,695
Ancillary trading		97,239
Commonwealth grants and contributions		600,599
Interest received		344,881
GST receipts on sales		186,686
GST receipts from taxation authority		734,049
Other receipts		314,486
<b>Net cash provided by/(used in) operating activities</b>	32	<b>(30,611,336)</b>
<b>Cash flow from investing activities</b>		
<b>Payments</b>		
Purchase of non-current physical assets		(168,589)
Capital Contribution towards Health and Allied Services Training Centre		(1,737,982)
<b>Receipts</b>		
Proceeds from sale of non-current physical assets		109,228
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,797,343)</b>
<b>Cash flow from financing activities</b>		
<b>Receipts</b>		
Establishment of College funds as part of the Training Sector Reform Project		2,597,688
Net increase/(decrease) in cash and cash equivalents		7,149,324
Cash and cash equivalents at the beginning of period		12,069,676
<b>Cash and cash equivalents at the end of period</b>	32	<b>19,219,000</b>

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

**Statement of changes in equity**

For the period 11 April to 31 December 2016

	Note	Contributed Equity	Reserves	Accumulated Surplus / (Deficit)	Total Equity
		\$	\$	\$	\$
<b>Balance at 11 April 2016</b>		-	-	-	-
Surplus/(deficit) for the period		-	-	(6,878,744)	(6,878,744)
Asset revaluation deficit		-	-	-	-
<b>Total comprehensive income for the period</b>		-	-	(6,878,744)	(6,878,744)
<i>Transactions 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)
<b>Total</b>		<b>175,161,521</b>	-	-	<b>175,161,521</b>
<b>Balance at 31 December 2016</b>	31	<b>175,161,521</b>	-	<b>(6,878,744)</b>	<b>168,282,777</b>

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

## Notes to the financial statements

For the period 11 April to 31 December 2016

### Note 1. Australian Accounting Standards

#### (a) General

The College's financial statements for the period ended 31 December 2016 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 reporting period from 11 April to 31 December 2016.

### 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 year.

#### (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 31 '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.

Royalties for Regions funds are recognised as revenue at fair value in the period in which the College obtains control over the funds. The College obtains control of the funds at the time the funds are deposited into the College's bank account.



## 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 19 '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 24 '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)	3 to 5 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 26 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(n) 'Receivables' and note 22 '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 34 '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:

- 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 28 '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 (see note 20 'Restricted cash and cash equivalents') consists of amounts paid 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 21 '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 22 '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 28 '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 29 '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 10 'Other expenses' and note 29 '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

As this is the first reporting period for North Regional TAFE, which was established effective from 11 April 2016, there are no comparative figures to disclose.

### 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 11 April 2016 that impacted on the College.

AASB 1057	<i>Application of Australian Accounting Standards</i> 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	<i>Amendments to Australian Accounting Standards - Accounting for Acquisitions of Interests in Joint Operations [AASB 1 &amp; 11]</i> The College does not have any Joint Operations therefore, there is no financial impact on application of the Standard.
AASB 2014-4	<i>Amendments to Australian Accounting Standards - Clarification of Acceptable Methods of Depreciation and Amortisation [AASB 116 &amp; 138]</i> 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.
AASB 2014-9	<i>Amendments to Australian Accounting Standards - Equity Method in Separate Financial Statements [AASB 1, 127 &amp; 128]</i> <i>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.</i>

AASB 2014-10	<p><i>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 &amp; 128]</i></p> <p><i>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. The College has not yet determined the application or the potential impact of the Standard.</i></p>
AASB 2015-1	<p><i>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 &amp; 140]</i></p> <p><i>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.</i></p>
AASB 2015-2	<p><i>Amendments to Australian Accounting Standards - Disclosure Initiative: Amendments to AASB 101 [AASB 7, 101, 134 &amp; 1049]</i></p> <p><i>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.</i></p>
AASB 2015-3	<p><i>Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality</i></p> <p><i>This Standard completes the withdrawal of references to AASB 1031 in all Australian Accounting Standards and Interpretations, allowing that Standard to effectively be withdrawn. There is no financial impact.</i></p>
AASB 2015-10	<p><i>Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 &amp; 128</i></p> <p><i>This Standard defers the mandatory effective date (application date) of amendments to AASB 10 &amp; 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.</i></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 not yet determined the application or the potential impact of the Standard.</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. The mandatory application date of this Standard has been amended by AASB 2015-8 to 1 January 2018. The College has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
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. The College has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2019
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 &amp; 1038 and Int 2, 5, 10, 12, 19 &amp; 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
	<p>This Standard gives effect to the consequential amendments to Australian Accounting Standards (including Interpretations) arising from the issuance of AASB 15.</p> <p>The College has not yet determined the application or the potential impact of the Standard.</p>	
AASB 2014-7	<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
AASB 2014-10	<p>Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 &amp; 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 Authority has not yet determined the application or the potential impact of the Standard.</p>	1 Jan 2018
AASB 2015-6	<p>Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, 124 &amp; 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. The College will be required to make related party disclosures, though there is no financial impact.</p>	1 Jul 2016
AASB 2015-8	<p>Amendments to Australian Accounting Standards – Effective Date of AASB 15</p> <p>The Standard amends the mandatory effective date of AASB 15, consequential amendments originally set out in AASB 2014-5, and, Interpretation 1052 Tax Consolidation Accounting. There is no financial impact.</p>	1 Jan 2017
AASB 2016-2	<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 cash flows and non-cash changes. There is no financial impact.</p>	1 Jan 2017

		Operative for reporting periods beginning on/after
AASB 2016-3	<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
AASB 2016-4	<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. The College has not yet determined the application of potential impact.</p>	1 Jan 2017
AASB 2016-7	<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 2017
AASB 2016-8	<p>Amendments 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. There is no financial impact.</p>	1 Jan 2019

### Changes in accounting estimates

There have been no changes in accounting estimates for the period from 11 April to 31 December 2016.

### Note 6. Employee benefits expense

	11 Apr– 31 Dec 2016
	\$
Wages and salaries <sup>(a)</sup>	24,414,893
Superannuation - defined contribution plans <sup>(b)</sup>	1,870,818
	<b>26,285,711</b>

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

<sup>(b)</sup> 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 10 'Other expenses'. Employment on-costs liability is included at note 29 'Provisions'.

**Note 7. Supplies and services**

	11 Apr– 31 Dec 2016 \$
Consumables and minor equipment	790,612
Communication expenses	179,019
Utilities expenses	1,979,047
Consultancies and contracted services	2,972,307
Minor works	846,630
Repairs and maintenance	540,420
Operating lease and hire charges	581,635
Travel and passenger transport	1,031,191
Advertising and public relations	246,229
Supplies and services - other	619,220
Supplies and services – PD staff	47,838
	<b>9,834,148</b>

**Note 8. Depreciation and amortisation expense**

	11 Apr– 31 Dec 2016 \$
<b>Depreciation</b>	
Buildings	2,539,672
Motor vehicles, caravans and trailers	113,132
Plant, furniture and general equipment	419,432
Computers and communication network	199,990
Marine craft	2,643
<b>Total depreciation</b>	<b>3,274,869</b>
<b>Amortisation</b>	
Software	9,148
<b>Total amortisation</b>	<b>9,148</b>
<b>Total depreciation and amortisation</b>	<b>3,284,017</b>

**Note 9. Asset revaluation decrement**

	11 Apr– 31 Dec 2016 \$
Land	680,000
Buildings	5,876,306
	<b>6,556,306</b>

Land and Buildings 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.

## Note 10. Other expenses

	11 Apr– 31 Dec 2016 \$
Building maintenance	811,114
Doubtful debts expense	13,487
Employment on-costs <sup>(a)</sup>	1,250,844
Student prizes and awards	71,711
Losses and write-offs <sup>(b)</sup>	27,363
Other <sup>(c)</sup>	158,090
	<b>2,332,609</b>

(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 29 '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 42 'Supplementary financial information'

(c) Other expenses includes OAG Audit fees. See also note 40 'Remuneration of Auditor'

## Note 11. Fee for service

	11 Apr– 31 Dec 2016 \$
Fee for service - general	1,319,220
Fee for service - Government (other than Department of Training and Workforce Development)	821,833
International division fees	256,593
	<b>2,397,646</b>

## Note 12. Student fees and charges

	11/4/16 – 31/12/16 \$
Tuition fees	1,746,699
Resource fees	247,258
Other College fees including RPL and incidental fees	175,588
	<b>2,169,545</b>

## Note 13. Ancillary trading

	11 Apr– 31 Dec 2016 \$
Live works (not a trading activity)	4,377
Contracting and consulting	41,953
Other ancillary revenue	30,619
	<b>76,949</b>

## Note 14. Trading profit/(loss) Bookshop

	11 Apr– 31 Dec 2016 \$
Sales	20,290
Cost of sales:	
Opening inventory	(22,828)
Purchases	(13,494)
	<b>(36,322)</b>

	11 Apr– 31 Dec 2016 \$
Closing inventory	22,828
Cost of goods sold	13,494
<b>Trading profit/(loss) - Bookshop</b>	<b>6,796</b>

See note 2(m) 'Inventories' and note 21 'Inventories'

**Note 15. Commonwealth grants and contributions**

	11 Apr– 31 Dec 2016 \$
Commonwealth specific purpose grants and contributions	518,502
	<b>518,502</b>

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

**Note 16. Interest revenue**

	11 Apr– 31 Dec 2016 \$
Interest revenue from CBA interest-bearing operating account	344,881
	<b>344,881</b>

**Note 17. Other revenue**

	11 Apr– 31 Dec 2016 \$
Rental and facilities fees	243,168
Other direct grants and subsidy revenue	22,509
Sponsorship and donations revenue	909
Miscellaneous revenue	47,900
	<b>314,486</b>

**Note 18. Net gain/(loss) on disposal of non-current assets**

	11 Apr– 31 Dec 2016 \$
<b>Net proceeds from disposal of non-current assets</b>	
Buildings	98,465
Plant, furniture and general equipment	6,572
Total proceeds from disposal of non-current assets	105,037
<b>Carrying amount of non-current assets disposed</b>	
Buildings	(86,281)
Plant, furniture and general equipment	(19,735)
Total proceeds from disposal of non-current assets	(106,016)
<b>Net gain/(loss)</b>	<b>(979)</b>

See note 24 'Property, plant and equipment'.

**Note 19. Income from State Government**11 Apr– 31 Dec 2016  
\$

Appropriation received during the period:	
Service appropriation <sup>(a)</sup> (State funds received from Department of Training and Workforce Development):	
Delivery and Performance Agreement (DPA)	30,997,986
Capital grants (solar installation contract)	200,000
Other recurrent funds (GROH and special purpose grants)	3,315,074
<b>Total State funds</b>	<b>34,513,060</b>
Services received free of charge from other State government agencies during the financial period :	
Department of Training and Workforce Development	
. Corporate systems support	925,912
. Human resources and industrial relations support	79,716
. Other	58,271
	1,063,899
Department of Finance	
. Government accommodation – Leasing	9,262
<b>Total Resources received free of charge</b>	<b>1,073,161</b>
<b>Total income from State Government</b>	<b>35,586,221</b>

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

**Note 20. Restricted cash and cash equivalents**31 Dec 2016  
\$

<b>Current</b>	
DTWD refund due for 2016 SCH shortfall	5,706,477
Electrical Instrumentation Centre - Woodside plant and 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
VET Fee HELP funding received in advance	214,256
	<b>7,094,359</b>
<b>Non-current</b>	
Accrued salaries suspense account (27th Pay provision)	198,966
	<b>198,966</b>

**Note 21. Inventories**31 Dec 2016  
\$

<b>Inventories held for resale:</b>	
Bookshop (at cost)	22,828
<b>Total</b>	<b>22,828</b>

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

## Note 22. Receivables

	31 Dec 2016 \$
<b>Current</b>	
Receivables - trade	1,079,848
Receivables - students	146,420
Accrued revenue	415,114
Allowance for impairment of receivables	(66,268)
GST receivable	130,888
<b>Total current</b>	<b>1,706,002</b>
<b>Reconciliation of changes in the allowance for impairment of receivables:</b>	
Balance at start of period	53,225
Doubtful debts expense	13,487
Impairment losses reversed during the period	(444)
<b>Doubtful debt provision balance at end of period</b>	<b>66,268</b>

The College does not hold any collateral or other credit enhancements as security for receivables. See also note 2(n) 'Receivables' and note 38 'Financial instruments'.

## Note 23. Other assets

	31 Dec 2016 \$
<b>Current</b>	
Prepayments	849,984
<b>Total current</b>	<b>849,984</b>

## Note 24. Property, plant and equipment

	31 Dec 2016 \$
<b>Land</b>	
At fair value <sup>(a)</sup>	20,728,000
	20,728,000
<b>Buildings</b>	
At fair value <sup>(a)</sup>	137,476,105
	137,476,105
<b>Motor vehicles, caravans and trailers</b>	
At cost	489,237
Accumulated depreciation	(113,132)
	376,105
<b>Plant, furniture and general equipment</b>	
At cost	2,003,834
Accumulated depreciation	(414,994)
	1,588,840
<b>Computer equipment, communication network</b>	
At cost	525,229
Accumulated depreciation	(199,990)
	325,239
<b>Marine craft</b>	
At cost	20,744
Accumulated depreciation	(2,643)
	18,101
	<b>160,512,390</b>



(a) Land and buildings were revalued as at 1 July 2016 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 31 December 2016 and the decrement was recognised as a charge to the profit and loss during the period to 31 December 2016. 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 25.

A reconciliation 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 \$	Motor vehicles, caravans and trailers \$	Plant, furniture and general equipment \$	IT equipment, communication network \$	Marine craft \$	Total \$
<b>Carrying amount at start of period</b>	21,248,000	128,196,258	489,237	1,869,212	513,998	20,744	152,337,449
Revaluation increments/(decrements) <sup>(a)</sup>	(680,000)	(5,876,306)	-	-	-	-	(6,556,306)
Additions	-	-	-	142,357	11,232	-	153,589
Transfers from DTWD <sup>(b)</sup>	160,000	17,782,105	-	20,628	-	-	17,962,733
Other Disposals	-	(86,282)	-	(24,174)	-	-	(110,456)
Depreciation	-	(2,539,671)	(113,132)	(419,432)	(199,991)	(2,643)	(3,274,869)
<b>Carrying amount at end of period</b>	<b>20,728,000</b>	<b>137,476,104</b>	<b>376,105</b>	<b>1,588,591</b>	<b>325,239</b>	<b>18,101</b>	<b>160,512,140</b>

(a) Recognised in the Statement of Comprehensive Income. Where an asset measured at cost is written down to recoverable amount, an impairment loss is recognised in 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.

(b) The Department of Training and Workforce Development transferred capital works during 2016 in relation to new buildings at the Karratha and Pundulmurra campuses and land in South Hedland as follows:

- Electrical and Instrumentation Centre of Specialisation (Karratha) \$6,483,087;
- Health and Allied Services Training Centre (Pundulmurra) \$11,299,018; and
- Walkington theatre screen \$20,628.
- land on which Somerset units are built \$160,000.

These transfers were recognised as equity investments.

Information on fair value measurements is provided in note 25.

## Note 25. Fair value measurements

Assets measured at fair value:	Level 1	Level 2	Level 3	Fair Value At end of period
	\$	\$	\$	\$
<b>2016</b>				
Land (Note 24)	-	1,280,000	19,448,000	20,728,000
Buildings (Note 24)	-	1,150,000	136,326,104	137,476,104
	-	<b>2,430,000</b>	<b>155,774,104</b>	<b>158,204,104</b>

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 \$
Fair Value at start of period	19,448,000	122,324,051
Transfers from Department of Training and Workforce Development		17,782,105
Revaluation increments/(decrements) recognised in Profit or Loss		(1,264,190)
Disposals	-	(86,282)
Depreciation Expense	-	(2,429,580)
<b>Fair Value at end of period</b>	<b>19,448,000</b>	<b>136,326,104</b>

### 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 26. Intangible assets

	31 Dec 2016 \$
<b>Computer software</b>	
At cost	23,886
Accumulated amortisation	(9,148)
	<b>14,738</b>
<b>Reconciliations</b>	
<b>Computer software</b>	
Carrying amount at start of period	8,886
Additions	15,000
Amortisation expense	(9,148)
<b>Carrying amount at end of period</b>	<b>14,738</b>

### Note 27. Impairment of assets

Land and buildings were revalued during the year with the revaluation decrement recognised in the profit and loss, see note 9. Other than land and buildings, there were no indications of impairment to property, plant and equipment or intangibles at 31 December 2016.

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 28. Payables

	31 Dec 2016 \$
<b>Current</b>	
Trade payables	312,305
Accrued expenses	1,581,128
Accrued salaries and related costs	295,332
Paid parental leave payable	942
<b>Total current</b>	<b>2,189,707</b>

See also note 2(o) 'Payables' and note 38 'Financial Instruments'.

## Note 29. Provisions

	31 Dec 2016 \$
<b>Current</b>	
<i>Employee benefits provision</i>	
Annual leave <sup>(a)</sup>	1,865,327
Long service leave <sup>(b)</sup>	2,133,469
Deferred Salary Scheme <sup>(c)</sup>	19,123
Purchased leave liability	1,019
	<b>4,018,938</b>
<i>Other provisions</i>	
Employment on-costs <sup>(d)</sup>	257,451
<b>Total current</b>	<b>4,276,389</b>
<b>Non-current</b>	
<i>Employee benefits provision</i>	
Long service leave <sup>(b)</sup>	1,120,415
	<b>1,120,415</b>
<i>Other provisions</i>	
Employment on-costs <sup>(d)</sup>	71,877
<b>Total non-current</b>	<b>1,192,292</b>

(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 2016 \$
Within 12 months of the end of the reporting period	1,279,081
More than 12 months after the end of the reporting period	586,247
	<b>1,865,328</b>

(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 2016 \$
Within 12 months of the end of the reporting period	749,128
More than 12 months after the end of the reporting period	2,504,756
	<b>3,253,884</b>

(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:

	31 Dec 2016 \$
Within 12 months of the end of the reporting period	-
More than 12 months after the end of the reporting period	19,123
	<b>19,123</b>

(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 10 'Other expenses'.

#### Movements in other provisions

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

	31 Dec 2016 \$
<b>Employment on-cost provision</b>	
Carrying amount at start of period	343,928
Additional provisions recognised	(14,600)
<b>Carrying amount at end of period</b>	<b>329,328</b>

#### Note 30. Other current liabilities

	31 Dec 2016 \$
<b>Current</b>	
Income received in advance <sup>(a)</sup>	6,208,126
Grants and advances <sup>(b)</sup>	158,899
Money/deposits held in trust	16,752
<b>Total other current liabilities</b>	<b>6,383,777</b>
(a) Income received in advance comprises:	
Department of Training and Workforce Development – DPA refund for under delivery	5,706,476
Other Government - VET Fee Help	213,601
Fee for service	36,643
Student fees and charges	251,406
	<b>6,208,126</b>
(b) Grants and advances includes:	
Rural and Remote Aged Care grant - funds received not yet earned	158,899
	<b>158,899</b>

#### Note 31. Equity

The Kimberley Training Institute and Pilbara Institute amalgamated to form the new North Regional TAFE, with effect from 11 April 2016.

Schedule of assets and liabilities taken over at 11 April 2016	Pilbara Institute \$	Kimberley Training Institute \$	Total \$
Cash Assets	6,256,871	2,522,300	8,779,171
Restricted Cash Assets	2,820,837	469,668	3,290,505
Receivables	847,818	1,500,559	2,348,377
Prepayments and accrued income	177,478	189,442	366,920
Inventories	-	47,828	47,828
Property, Plant and Equipment	87,792,434	64,553,899	152,346,333
Payables and accruals	(912,144)	(506,212)	(1,418,356)
Income received in advance	(724,663)	(210,776)	(935,439)
Provisions	(2,500,830)	(2,886,685)	(5,387,515)
<b>Total Net Assets</b>	<b>93,757,801</b>	<b>65,680,023</b>	<b>159,437,824</b>

		<b>11 April 2016</b>
		<b>\$</b>
Net Assets inherited from Pilbara Institute		93,757,801
Net Assets inherited from Kimberley Training Institute		65,680,023
		<b>159,437,824</b>
		<b>31 Dec 2016</b>
		<b>\$</b>
<b>Contributed equity</b>		
Balance at start of period		-
<b>Contributions by owners</b>		
Net assets inherited from amalgamation of Pilbara and Kimberley Institutes		159,437,824
Transfer of Somerset Units land		160,000
Transfer of Electrical Instrumentation Centre of Specialisation		6,483,087
Transfer of Health and Allied Services Training Centre		11,299,018
Establishment of College funds as part of the Training Sector Reform Project		2,597,688
Walkington Theatre screen and R&M Fitzroy Crossing roadworks		181,101
<b>Total contributions by owners</b>		<b>180,158,718</b>
<b>Distributions to owners</b>		
Funds transferred to Government - Health and 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)
<b>Total distributions to owners</b>		<b>(4,997,197)</b>
<b>Balance at end of period</b>		<b>175,161,521</b>
<b>Accumulated surplus/(deficit)</b>		
Balance at start of period		-
Result for the period		(6,878,744)
Income and expense recognised directly in equity		-
<b>Balance at end of period</b>		<b>(6,878,744)</b>
<b>Total Equity at end of period</b>		<b>168,282,777</b>

### Note 32. Notes to the Statement of Cash Flows

#### Reconciliation of cash

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

		<b>11 Apr– 31 Dec 2016</b>
		<b>\$</b>
Cash on hand		3,490
Cash and cash equivalents		11,922,185
Restricted cash and cash equivalents (refer to note 20 'Restricted cash and cash equivalents')		7,293,325
		<b>19,219,000</b>

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

	11 Apr– 31 Dec 2016 \$
Net cost of services	(42,464,965)
<b>Non-cash items:</b>	
Depreciation and amortisation expense (note 8 'Depreciation and amortisation expense')	3,284,017
Decrement on revaluation of land and buildings (note 9: Asset revaluation decrement)	6,556,306
Doubtful debts expense (note 10 'Other expenses')	13,043
Resources received free of charge (note 19 'Income from State Government')	1,073,161
Repairs and maintenance paid for by DTWD (note 31: Equity)	160,473
Net (gain)/loss on sale of property, plant and equipment (note 18 'Net gain/(loss) on sale on non-current assets')	979
<b>(Increase)/decrease in assets:</b>	
Current receivables <sup>(a)</sup>	984,186
Current inventories	25,000
Other current assets	3,051
Accrued Income	(296,755)
Prepayments	(489,165)
<b>Increase/(decrease) in liabilities</b>	
Current payables <sup>(a)</sup>	772,822
Current provisions	153,975
Other current liabilities	(266,938)
Non-current provisions	(72,806)
Net GST receipts/(payments) <sup>(b)</sup>	(47,720)
<b>Net cash provided by/(used in) operating activities</b>	<b>(30,611,336)</b>

<sup>(a)</sup> 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

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

### Note 33. 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 34. Commitments

The commitments below are inclusive of GST.

	31 Dec 2016 \$
<b>Non-cancellable operating lease commitments for vehicles</b>	
Commitments for minimum lease payments are payable as follows:	
Within 1 year	146,491
Later than 1 year and not later than 5 years	255,734
Later than 5 years	4,510
	<b>406,735</b>

### 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.

	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	179,135
Later than 1 year and less than 5 years	149,286
	<b>328,421</b>

	31 Dec 2016 \$
<b>Capital expenditure commitments</b>	
Capital expenditure commitments, being contracted capital expenditure additional to the amounts reported in the financial statements, are payable as follows:	
Within 1 year	422,773
	<b>422,773</b>

The capital commitments include amounts for:	
Plant & Equipment - solar power installation	391,287
Plant & Equipment – air conditioning installation	31,486
	<b>422,773</b>

	31 Dec 2016 \$
<b>Other expenditure commitments</b>	
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	246,572
	<b>246,572</b>

### Note 35. Contingent liabilities and contingent assets

#### Contingent liabilities and contingent assets

The College had no contingent liabilities or contingent assets at 31 December 2016.

#### 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 36. 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 has significantly affected the results or the state of affairs of the College in the ensuing or any subsequent years.

**Note 37. Explanatory statement**

Major variances between estimates and actual results for the period from 11 April to 31 December 2016 are shown below. Major variances are considered to be those greater than 5% and 2% of Total Cost of Services (\$966,145).

Statement of Comprehensive Income	Note	11 Apr 2016	11 Apr 2016	Variance	
		to 31 Dec 2016 Actual \$	to 31 Dec 2016 Estimate \$	Estimate to Actual \$	%
<b>COST OF SERVICES</b>					
<b>Expenses</b>					
Employee benefits expense	1	26,285,711	30,783,601	(4,497,890)	-15%
Supplies and services	2	9,834,148	11,932,646	(2,098,498)	-18%
Depreciation and amortisation expenses		3,284,017	3,604,703	(320,686)	-9%
Grants and subsidies		-	457,468	(457,468)	100%
Cost of sales		13,494	19,466	(5,972)	-31%
Loss on disposal of non-current assets		979	-	979	
Asset revaluation decrement	3	6,556,306	-	6,556,306	
Other expenses		2,332,609	2,054,214	278,395	14%
<b>Total cost of services</b>		<b>48,307,264</b>	<b>48,852,098</b>	<b>(544,834)</b>	<b>-1%</b>
<b>Income</b>					
Fee for service	4	2,397,646	3,299,555	(901,909)	-27%
Student fees and charges		2,169,545	2,343,789	(174,244)	-7%
Ancillary Trading		76,949	59,264	17,685	30%
Sales		20,290	23,592	(3,302)	-14%
Commonwealth grants and contributions		518,502	526,092	(7,590)	-1%
Interest revenue		344,881	283,666	61,215	22%
Other revenue	5	314,486	947,623	(633,137)	-67%
<b>Total Revenue</b>		<b>5,842,299</b>	<b>7,483,581</b>	<b>(1,641,282)</b>	<b>-22%</b>
Total income other than income from State Government		5,842,299	7,483,581	(1,641,282)	
<b>NET COST OF SERVICES</b>		<b>(42,464,965)</b>	<b>(41,368,517)</b>	<b>(1,096,448)</b>	<b>3%</b>

<b>Statement of Comprehensive Income</b>		<b>11 Apr 2016 to 31 Dec 2016 Actual \$</b>	<b>11 Apr 2016 to 31 Dec 2016 Estimate \$</b>	<b>Variance Estimate to Actual</b>	
Note				\$	%
<b>INCOME FROM GOVERNMENT</b>					
	Service appropriation	34,513,060	36,997,179	(2,484,119)	-7%
	Service received free of charge	1,073,161	763,914	309,247	40%
	<b>Total Income from State Government</b>	<b>35,586,221</b>	<b>37,761,093</b>	<b>(2,174,872)</b>	<b>-6%</b>
	<b>SURPLUS/ DEFICIT FOR THE PERIOD</b>	<b>(6,878,744)</b>	<b>(3,607,424)</b>	<b>(3,271,320)</b>	<b>91%</b>
<b>OTHER COMPREHENSIVE INCOME</b>					
Items not classified subsequently to profit or loss					
	Changes in asset revaluation surplus	-	(682,500)	682,500	
	Total Other Comprehensive Income	-	(682,500)	682,500	
	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(6,878,744)</b>	<b>(4,289,924)</b>	<b>(2,588,820)</b>	

**Narrative on variances between 2016 estimate and 2016 actual:**

1. The savings in employment costs of \$4.5m (15%) compared to estimate were due to a delay in re-employment following the recruitment freeze early in 2016 and some voluntary severances as a result of the amalgamation of Pilbara and Kimberley Institutes into North Regional TAFE.
2. Supplies and services were \$2.1m (18%) lower than estimate due to savings being made as a result of lower delivery, cost restrictions being imposed and lower staff numbers than planned.
3. The \$6.5m asset revaluation decrement related to a decrease in value of two properties in South Hedland due to the decline in property values in the Pilbara region.
4. The \$0.9m (27%) shortfall in fee for service compared to estimate was due to poor economic conditions in the Pilbara and Kimberley regions.
5. The \$0.6m (67%) shortfall in other revenue compared to estimate was due to a number of sub-lease rental arrangements ceasing during the period.
6. The \$2.5m (7%) reduction in service appropriation revenue from DTWD compared to estimate was due to a shortfall in delivery during the period.

### Note 37 Explanatory statement (continued)

Major variances between estimates and actual results for the period from 11 April to 31 December 2016 are shown below. Major variances are considered to be those greater than 5% and 2% of Total Assets (\$3,646,499).

Statement of Financial Position	Note	11 Apr 2016	11 Apr 2016	Variance	
		to 31 Dec 2016 Actual \$	to 31 Dec 2016 Estimate \$	Estimate to Actual \$	%
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash and Cash equivalents		11,925,675	12,119,013	(193,338)	-2%
Restricted cash and cash equivalents	7	7,094,359	1,933,016	5,161,343	267%
Inventories		22,828	449	22,379	4984%
Receivables		1,706,002	1,475,651	230,351	16%
Other current assets		849,984	1,219,990	(370,006)	-30%
<b>Total Current Assets</b>		<b>21,598,848</b>	<b>16,748,119</b>	<b>4,850,729</b>	<b>29%</b>
<b>Non-Current Assets</b>					
Restricted cash and cash equivalents		198,966	47,381	151,585	320%
Property, plant and equipment	8	160,512,390	177,740,078	(17,227,688)	-10%
Intangible assets		14,738	(3,100)	17,838	575%
<b>Total Non-Current Assets</b>		<b>160,726,094</b>	<b>177,784,359</b>	<b>(17,058,265)</b>	<b>-10%</b>
<b>TOTAL ASSETS</b>		<b>182,324,942</b>	<b>194,532,478</b>	<b>(12,207,536)</b>	<b>-6%</b>
<b>LIABILITIES</b>					
<b>Current Liabilities</b>					
Payables	9	2,189,707	1,643,171	546,536	33%
Provisions		4,276,389	4,308,917	(32,528)	-1%
Other current liabilities	10	6,383,777	4,044,843	2,338,934	58%
<b>Total Current Liabilities</b>		<b>12,849,873</b>	<b>9,996,931</b>	<b>2,852,942</b>	<b>29%</b>
<b>Non-Current Liabilities</b>					
Provisions		1,192,292	1,271,466	(79,174)	-6%
<b>Total Non-Current Liabilities</b>		<b>1,192,292</b>	<b>1,271,466</b>	<b>(79,174)</b>	

Statement of Financial Position	Note	11 Apr 2016 to 31 Dec 2016 Actual \$	11 Apr 2016 to 31 Dec 2016 Estimate \$	Variance Estimate to Actual	
				\$	%
<b>TOTAL LIABILITIES</b>		14,042,165	11,268,397	2,773,768	25%
<b>NET ASSETS</b>		168,282,777	183,264,081	14,981,304	8%
<b>EQUITY</b>					
Contributed equity		175,161,521	187,554,0	(12,392,485)	-7%
Results for the period		(6,878,744)	(4,289,924)	(2,588,820)	60%
<b>TOTAL EQUITY</b>		168,282,777	183,264,082	(14,981,305)	-8%

**Narrative on variances between 2016 estimate and 2016 actual:**

7. The increase in restricted cash of \$5.2m (267%) when compared to estimate was primarily due to the inclusion of the DPA refund due to DTWD of \$5.7m at December 2016 which previously had not been included in restricted cash.
8. The lower than anticipated property values was primarily due to a \$6.5m decrement on assets transferred from Pilbara Institute, particularly the Somerset units, combined with an over-estimation of the value of properties to be transferred during 2016.
9. The increase in payables of \$0.5m (33%) when compared to estimate was due to a higher level of accruals than had been anticipated and a backlog of invoice processing due to systems issues as a result of the data migration in November.
10. The increase in other current liabilities of \$2.3m (58%) compared to estimate is due to a higher than anticipated refund due to DTWD for the SCH shortfall against target in the period.

### Note 37. Explanatory statement (continued)

Major variances between estimates and actual results for the period from 11 April to 31 December 2016 are shown below. Major variances are considered to be those greater than 5% and 2% of Total Cost of Services (\$966,145).

Statement of Cash Flows	Note	11 Apr 2016 to 31 Dec 2016 Actual \$	11 Apr 2016 to 31 Dec 2016 Estimate \$	Variance Estimate to Actual	
				\$	%
<b>CASH FLOWS FROM STATE GOVERNMENT</b>					
Service appropriation		36,760,315	36,199,359	560,956	2%
Capital appropriations		200,000	-	-	
<b>Net cash provided by State Government</b>		<b>36,960,315</b>	<b>36,199,359</b>	<b>560,956</b>	
<b>CASHFLOWS FROM OPERATING ACTIVITIES</b>					
<b>Payments</b>					
Employee benefits	11	(26,136,852)	(30,086,965)	3,950,113	-13%
Supplies and Services	12	(8,356,493)	(11,148,912)	2,792,419	-25%
Grants and subsidies		-	(457,468)	457,468	-100%
Cost of sales		(13,494)	-	(13,494)	
GST payments on purchases		(968,458)	(864,641)	(103,817)	12%
Other payments		(2,319,566)	(1,978,041)	(341,525)	17%
<b>Receipts</b>					
Fee for service	13	2,100,892	3,251,990	(1,151,099)	-35%
Student fees and charges		2,804,695	2,151,727	652,968	30%
Ancillary trading		97,239	59,264	37,975	64%
Commonwealth grants and contributions		600,599	526,092	74,507	14%
Interest received		344,881	282,096	62,785	22%
GST receipts on sales		186,686	264,672	(77,986)	-29%
GST receipts from taxation authority		734,049	336,938	397,111	118%
Other receipts	14	314,486	890,765	(576,279)	-65%
<b>Net cash provided by/(used in) operating activities</b>		<b>(30,611,336)</b>	<b>(36,772,483)</b>	<b>(580,017)</b>	<b>2%</b>

Statement of Cash Flows	Note	11 Apr 2016 to 31 Dec 2016 Actual \$	11 Apr 2016 to 31 Dec 2016 Estimate \$	Variance Estimate to Actual	
				\$	%
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>					
Payments					
Purchase of non-current assets		(168,589)	(650,000)	481,411	-286%
Capital Contribution towards Health and Allied Services Training Centre		(1,737,982)	-	(1,737,982)	
Receipts					
Proceeds from sale of non-current assets		109,228	-	109,228	100%
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,797,343)</b>	<b>(650,000)</b>	<b>(1,797,343)</b>	<b>177%</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>					
Receipts					
Establishment of College funds as part of the Training Sector Reform Project		2,597,688	-	2,597,688	
<b>Net cash provided by/(used in) financing activities</b>		<b>2,597,688</b>	<b>-</b>	<b>2,597,688</b>	
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>7,149,324</b>	<b>(1,223,124)</b>	<b>8,372,448</b>	<b>-685%</b>
Cash and cash equivalents at the beginning of the period		12,069,676	15,322,534	(3,252,858)	-21%
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		<b>19,219,000</b>	<b>14,099,410</b>	<b>5,119,590</b>	<b>36%</b>

**Narrative on variances between 2016 estimate and 2016 actual:**

11. The savings in employment costs of \$3.9m (13%) compared to estimate were due to a delay in re-employment following the recruitment freeze early in 2016 and some voluntary severances as a result of the amalgamation of Pilbara and Kimberley Institutes into North Regional TAFE.
12. Supplies and services were \$2.8m (25%) lower than estimate due to savings being made as a result of lower delivery, cost restrictions being imposed and lower staff numbers than planned.
13. The \$1.2m (35%) shortfall in fee for service compared to estimate was due to poor economic conditions in the Pilbara and Kimberley regions.
14. Other receipts were significantly reduced against \$40 estimate due primarily to a reduction in rental received during the period.

## Note 38. 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 38(c) 'Financial instruments disclosures' and note 22 '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 38(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:

	<b>31 Dec 2016</b>
	<b>\$</b>
<b>Financial Assets</b>	
Cash and cash equivalents	11,925,675
Restricted cash and cash equivalents	7,293,325
Receivables <sup>(a)</sup>	1,575,113
<b>Financial Liabilities</b>	
Payables	2,189,707
DPA refund due to DTWD	5,706,476

## (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

	Carrying Amount \$	Not past due and not impaired \$	Past due but not impaired			1 – 5 years \$	Impaired Financial Assets \$
			Up to 1 month \$	1 - 3 months \$	3 months to 1 year \$		
<b>Financial Assets</b>							
<b>31 Dec 2016</b>							
Cash and cash equivalents	11,925,675	11,925,675	-	-	-	-	-
Restricted cash and cash equivalents	7,293,325	7,293,325	-	-	-	-	-
Receivables <sup>(a)</sup>	1,575,113	672,191	582,286	214,469	106,168	-	-
	<b>20,794,113</b>	<b>19,891,191</b>	<b>582,286</b>	<b>214,469</b>	<b>106,168</b>	-	-

<sup>(a)</sup> The amount of receivables and payables excludes the GST receivable/payable from/to 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 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 \$
<b>31 Dec 2016</b>								
<b>Financial Assets</b>								
Cash and cash equivalents	2.14%	11,925,675	11,925,675	-	11,925,675	11,925,675	-	-
Restricted cash and cash equivalents	2.14%	7,293,325	7,293,325	-	7,293,325	7,293,325	-	-
Receivables <sup>(a)</sup>		1,575,113	-	1,575,113	1,575,113	-	-	-
		<b>20,794,113</b>	<b>19,219,000</b>	<b>1,575,113</b>	<b>20,794,113</b>	<b>19,219,000</b>	-	-
<b>Financial Liabilities</b>								
Payables		2,189,707		2,189,707	2,189,707	2,189,707	-	-
DPA refund due to DTWD		5,706,477		5,706,477	5,706,477	5,706,477	-	-
		<b>7,896,183</b>		<b>7,896,183</b>	<b>7,896,183</b>	<b>7,896,183</b>	-	-

<sup>(a)</sup> 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.

31 Dec 2016	Carrying amount \$	- 100 Basis Points		+ 100 Basis Points	
		Surplus \$	Equity \$	Surplus \$	Equity \$
<b>Financial Assets</b>					
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 39. Remuneration of members of the Governing Council

### Remuneration of members of the College

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

	31 Dec 2016 \$
\$0 - \$10,000	9
\$10,001 - \$20,000	1
\$180,001 - \$190,000	1

	31 Dec 2016 \$
Base remuneration and superannuation	163,574
Annual leave and long service leave accruals	12,915
Other benefits	43,451
<b>Total remuneration of the members of the College</b>	<b>219,940</b>

The total remuneration includes the superannuation expense incurred by the College in respect of members of the College.

### Remuneration of senior officers

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

	31 Dec 2016
\$80,001 - \$90,000	1
\$100,001 - \$110,000	1
\$130,001 - \$140,000	2
\$150,001 - \$160,000	1

	31 Dec 2016 \$
Base remuneration and superannuation	521,959
Annual leave and long service leave accruals	(6,475)
Other benefits	103,525
<b>Total remuneration of the members of the College</b>	<b>619,009</b>

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

## Note 40. Remuneration of auditor

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

	31 Dec 2016 \$
Auditing the financial statements and key performance indicators	158,000

#### Note 41. Related and affiliated bodies and Joint operations

The College has no related or affiliated bodies.

#### Note 42. Supplementary financial information

	31 Dec 2016 \$
<b>(a) Write-Offs</b>	
Bad debts	27,364
	<b>27,364</b>
<b>(b) Losses through theft, defaults and other causes</b>	
Losses of public money and public and other property through theft or default - amount recoverable	42
	<b>42</b>

#### (c) Gifts of public property

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

#### Note 43. 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.

## 2017 Forward Financial Estimates

In accordance with Treasurer's Instruction 953, the annual estimates for the 2017 year are hereby included in the 2016 Annual Report. These estimates do not form part of the 2016 financial statements and are not subject to audit.

### S40 Submission - Statement of comprehensive income

	2017 Estimate \$
<b>COST OF SERVICES</b>	
<b>Expenses</b>	
Employee benefits expense	38,543,542
Supplies and services	13,518,007
Depreciation and amortisation expense	4,878,031
Grants and subsidies	-
Cost of sales	24,619
Other expenses	2,936,613
<b>Total Cost of Services</b>	<b>59,900,812</b>
<b>Income</b>	
<b>Revenue</b>	
Fee for service	2,115,598
Student charges and fees	3,162,036
Ancillary trading	127,113
Sales	35,729
Commonwealth grants and contributions	535,877
Interest revenue	498,797
Other revenue	647,467
<b>Total Revenue</b>	<b>7,122,617</b>
<b>Gains</b>	-
<b>Total income other than income from State Government</b>	<b>7,122,617</b>
<b>NET COST OF SERVICES</b>	<b>(52,778,195)</b>
<b>INCOME FROM STATE GOVERNMENT</b>	
State funds	47,706,051
Resources received free of charge	1,508,326
<b>Total income from State Government</b>	<b>49,214,377</b>
<b>SURPLUS/(DEFICIT) FOR THE PERIOD</b>	<b>(3,563,818)</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(3,563,818)</b>

	<b>2017 Estimate \$</b>
<b>ASSETS</b>	
<b>Current Assets</b>	
Cash and cash equivalents	9,198,339
Restricted cash and cash equivalents	4,530,723
Inventories	23,705
Receivables	1,931,734
Other current assets	599,941
<b>Total Current Assets</b>	<b>16,284,442</b>
<b>Non-Current Assets</b>	
Restricted cash and cash equivalents	446,381
Property, plant and equipment	171,566,690
<b>Total Non-Current Assets</b>	<b>172,013,071</b>
<b>TOTAL ASSETS</b>	<b>188,297,513</b>
<b>LIABILITIES</b>	
<b>Current Liabilities</b>	
Payables	1,643,231
Provisions	3,932,877
Other current liabilities	3,655,049
<b>Total Current Liabilities</b>	<b>9,231,157</b>
<b>Non-Current Liabilities</b>	
Provisions	1,286,588
<b>Total Non-Current Liabilities</b>	<b>1,286,588</b>
<b>TOTAL LIABILITIES</b>	<b>10,517,745</b>
<b>NET ASSETS</b>	<b>177,779,768</b>
<b>EQUITY</b>	
Contributed Equity	189,839,481
Reserves	(5,000,000)
Accumulated surplus/(deficiency)	(7,059,713)
<b>TOTAL EQUITY</b>	<b>177,779,768</b>

S40 Submission – Statement of changes in equity

	<b>2017 Estimate</b>
	<b>\$</b>
<b>Balance of equity at start of period</b>	158,712,587
<b>CONTRIBUTED EQUITY</b>	
Balance at start of period	167,208,481
Capital contribution	26,165,000
Distribution to owners	(3,534,000)
<b>Balance at end of period</b>	<b>189,839,481</b>
<b>RESERVES</b>	
<b>Asset Revaluation Reserve</b>	
Balance at start of period	(5,000,000)
Gains/(losses) from asset revaluation	-
<b>Balance at end of period</b>	<b>(5,000,000)</b>
<b>ACCUMULATED SURPLUS (RETAINED EARNINGS)</b>	
Balance at start of period	(3,495,894)
Surplus/(deficit) or profit/(loss) for the period	(3,563,819)
Gains/(losses) recognised directly in equity	-
<b>Balance at end of period</b>	<b>(7,059,713)</b>
<b>Balance of equity at end of period</b>	<b>177,779,768</b>
<b>Total income and expense for the period</b>	<b>(3,563,819)</b>

	<b>2017 Estimate \$</b>
<b>CASH FLOWS FROM STATE GOVERNMENT</b>	
State funds	47,706,051
Capital contributions	
Special purpose grant transferred to DTWD	(1,734,000)
<b>Net cash provided by State Government</b>	<b>45,972,051</b>
<b>Utilised as follows:</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
<b>Operating Payments</b>	
Employee benefits	(38,392,159)
Supplies and services	(12,016,074)
Grants and subsidies	-
GST payments on purchases	-
Other payments	(2,925,250)
<b>Operating Receipts</b>	
Fee for service	2,055,596
Student fees and charges	3,104,570
Ancillary trading	127,113
Commonwealth grants and contributions	535,877
Interest received	498,797
GST receipts from taxation authority	-
Other receipts	659,474
<b>Net cash provided by/(used in) operating activities</b>	<b>(46,352,056)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sale of non-current physical assets	-
Purchase of non-current physical assets	(650,000)
<b>Net cash provided by/(used in) investing activities</b>	<b>(650,000)</b>
<b>Net increase/(decrease) in cash held and cash equivalents</b>	<b>(1,030,005)</b>
Cash and cash equivalents at the beginning of the period	15,205,449
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>14,175,444</b>



## North Regional TAFE Key Performance Indicators for the period ended 31 December 2016

### 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 2016.



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Ian Smith  
Chairperson, Governing Council  
North Regional TAFE

15 March 2017



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Kevin Doig  
Managing Director  
Member, Governing Council

15 March 2017

## 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.

## Partial Exemption

Due to the WA Training Sector Reform in April 2016, the Under Treasurer granted the partial exemption under the Treasurer's Instruction 904 for the:

- disclosure of budget targets for all KPIs; and
- reporting against key efficiency indicator – overall cost per student curriculum hour.

Accordingly, no targets except for Planned Profile SCH have been reported in the Key Performance Indicators for 2016. In addition the 'overall cost per student curriculum hour' key efficiency indicator has also been omitted for 2016.

## 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 2016. 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 2016 Training WA Student Satisfaction Survey, 92.3% of students who responded were either very satisfied or satisfied with their chosen course at North Regional TAFE. Compared to the State average of 88.9% North Regional TAFE has achieved better than the state average.

**Table 1**

2016 Student Satisfaction	2016 Actual
North Regional TAFE	92.3%
Western Australia	88.9%

**Notes:** Source: Patterson Market Research (2016) Student Satisfaction Survey. Derivation: The response rate for the survey was 22.6%. Confidence interval is  $\pm 1.7\%$  and a confidence level of 95%. Total population of 3,268 with a sample size of 740 students. 2016 TAFE-level figures reflect student satisfaction with both STPs and TAFE's, since the survey sample included STP-only students and finished prior to 11 April 2016.

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 Achievement Rate

### Graduates in Employment

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 25<sup>th</sup> 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, the last year being 2015. Therefore no information is available for the current year. Results for this KPI will be reported in 2017.

## Graduate Destination Rate

Graduates who have wholly or partly achieved their main reason for undertaking the course.

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, the last year being 2015. Therefore no information is available for the current year. Results for this KPI will be reported in 2017.

## 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.

The diversity of the delivery indicates the extent to which the College has met its strategic training needs as defined in the State Training Profile as well as additional delivery provided under a fee-for-service arrangement.

This indicator details the total number of Student Curriculum Hours (SCH) delivered from 1 January to 31 December 2016 under the College's DPA.

Table 2

<b>Detailed breakdowns by ANZSCO</b>				
<b>ANZSCO Group</b>		<b>2016 Planned Profile SCH</b>	<b>2016 Profile SCH Achieved</b>	<b>% Achieved</b>
<b>1</b>	<b>MANAGERS</b>	<b>54,835</b>	<b>34,251</b>	<b>62.5%</b>
11	Chief Executives, General Managers and Legislators	10,550	10,230	97.0%
12	Farmers and Farm Managers	41,795	23,636	56.6%
13	Specialist Managers	990		0.0%
14	Hospitality, Retail and Service Managers	1,500	385	25.7%
<b>2</b>	<b>PROFESSIONALS</b>	<b>127,642</b>	<b>120,602</b>	<b>94.5%</b>
21	Arts and Media Professionals	32,206	23,557	73.1%
22	Business, Human Resource and Marketing Professionals	8,730	9,825	112.5%
23	Design, Engineering, Science and Transport Professionals	49,481	75,290	152.2%
24	Education Professionals	34,165	10,330	30.2%
26	ICT Professionals	1,740	460	26.4%
27	Legal, Social and Welfare Professionals	1,320	1,140	86.4%
<b>3</b>	<b>TECHNICIANS AND TRADES WORKERS</b>	<b>198,389</b>	<b>128,074</b>	<b>64.6%</b>
31	Engineering, ICT and Science Technicians	54,678	23,249	42.5%
32	Automotive and Engineering Trades Workers	45,990	33,854	73.6%
33	Construction Trades Workers	38,034	26,631	70.0%
34	Electrotechnology and Telecommunications Trades Workers	29,321	24,722	84.3%
35	Food Trades Workers	10,799	6,085	56.3%
36	Skilled Animal and Horticultural Workers	9,163	5,808	63.4%
39	Other Technicians and Trades Workers	10,404	7,725	74.3%
<b>4</b>	<b>COMMUNITY AND PERSONAL SERVICE WORKERS</b>	<b>235,818</b>	<b>203,968</b>	<b>86.5%</b>
41	Health and Welfare Support Workers	58,921	64,240	109.0%
42	Carers and Aides	106,593	96,614	90.6%
43	Hospitality Workers	13,989	6,627	47.4%
44	Protective Service Workers	15,824	14,486	91.5%
45	Sports and Personal Service Workers	40,491	22,001	54.3%
<b>5</b>	<b>CLERICAL AND ADMINISTRATIVE WORKERS</b>	<b>102,010</b>	<b>92,382</b>	<b>90.6%</b>
51	Office Managers and Program Administrators	18,895	11,915	63.1%
53	General Clerical Workers	60,635	61,447	101.3%
55	Numerical Clerks	15,640	10,970	70.1%
59	Other Clerical and Administrative Workers	6,840	8,050	117.7%
<b>6</b>	<b>SALES WORKERS</b>	<b>2,350</b>	<b>-</b>	<b>0.0%</b>
62	Sales Assistants and Salespersons	2,350	-	0.0%
<b>7</b>	<b>MACHINERY OPERATORS AND DRIVERS</b>	<b>64,244</b>	<b>75,214</b>	<b>117.1%</b>
71	Machine and Stationary Plant Operators	28,880	22,523	78.0%
72	Mobile Plant Operators	30,964	46,791	151.1%

74	Storepersons	4,400	5,900	134.1%
<b>8</b>	<b>LABOURERS</b>	<b>236,248</b>	<b>167,523</b>	<b>70.9%</b>
82	Construction and Mining Labourers	42,396	42,986	101.4%
83	Factory Process Workers	45,887	29,285	63.8%
84	Farm, Forestry and Garden Workers	58,364	38,071	65.2%
85	Food Preparation Assistants	16,407	803	4.9%
89	Other Labourers	73,194	56,378	77.0%
<b>G</b>	<b>GENERAL EDUCATION</b>	<b>189,788</b>	<b>137,900</b>	<b>72.7%</b>
GB	Adult Literacy/ESL	84,521	68,535	81.1%
GE	Targeted Courses	105,267	69,365	65.9%
<b>NORTH REGIONAL TAFE TOTAL</b>		<b>1,211,324</b>	<b>959,914</b>	<b>79.2%</b>

Note: 2016 DPAs for TAFES were produced on a full-year basis and included profile delivery by STPs up to 11 April 2016

The College also delivers a range of programs which are not funded by government. These programs include fee for service and are priced on a commercial basis but exclude credit transfer, exam only and continuing students.

**Table 3**

	2016 Planned Non- Profile SCH	2016 Non- Profile SCH Achieved
Non-profile delivery	217,071	149,902
% of training delivery	15.2%	13.5%

*Non-profile delivery is the total of SCH delivered for the full-year which were not funded through the College's DPA. It includes non-profile delivered by STPs up to 11 April 2016*

### 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).

#### **Variances in delivery by more than 10% are explained by the following reasons:**

- demand for training was less than expected because of the downturn in the resources sector, resulting in families moving away from the North West.
- planning for delivery continues to be a challenge in the North West due to the strong economic drivers and constantly changing market demands
- the transition to the Standards for Training Packages resulted in there being a temporary surge in the number of revised training products endorsed by the Australian Industry and Skills Committee (AISC). The peak of activity for release of revised training packages was within the period September 2015 to March 2016 meaning there was a surge of demand to register some training qualifications
- less Remote Jobs and Communities Program (RJCP) and Job Provider referrals.
- changes to the existing worker traineeship funding arrangements
- delivery by private registered training organisation (RTO)
- the freeze on external recruitment during the period of January to July 2016 prevented recruitment of new employees, permanent, fixed term or casual staff, into North Regional TAFE.

Demand less than expected ANZCO Groups – Managers (62%), Technical and Trades Workers (65%), Sales Workers (0%), Labourers (71%) and General Education (70%), Community and Personal Service Workers (86%).

Demand greater than expected ANZCO Group – Machinery Operators and Drivers (117%).

Detailed analysis by Major ANZSCO Groups:

**ANZSCO 1 – Managers** - demand less than expected due to less Remote Jobs and Communities Program (RJCP) & Job Provider referrals.

**ANZSCO 2 – Professionals** – Certificate IV in Training and Assessment down due to changes in the qualification and students waiting for new qualification. Certificate I in Visual Arts (Access and Equity) down due to low demand but was offset with an increase in enrolments in Conservation and Land Management due to increased demand in Green Army projects.

**ANZSCO 3 – Technicians and Trade Workers** – all down due to downturn in the economy in the Pilbara resources industry.

**ANZSCO 4 – Community and Personal Services Workers** – Certificate II in Hospitality down due to less Remote Jobs and Communities Program (RJCP) and Job Provider referrals and Certificate III in Fitness down due to an increase in the more general qualification of Sport and Recreation as it has more job prospects.

**ANZSCO 5 – Clerical and Administrative Workers** – Certificate IV Front Line Management down due to less demand because of the changes in the resources sector and changes to the existing worker traineeship funding arrangements. Diploma in Business Administration lower than expected due to changes to the existing worker traineeship funding arrangements. Sport and Recreation up (refer Fitness down above). Logistics enrolments up due to the ramp-up in line with proposed projects in the Kimberley and Pilbara.

**ANZSCO 6 – Sales Workers** - No delivery in Retail Services due to private RTO taking all delivery.

**ANZSCO 7 – Machinery Operators and Drivers** - Increase in Maritime certificates due to increasing delivery in Pilbara and students quality delivery awareness. Increase in Civil Plant Operation due to clients getting ready for proposed projects in the Kimberley and Pilbara.

**ANZSCO 8 – Labourers** - Decrease in Certificate II Engineering due to the lower demand for trade apprentices - feeder qualifications were lower. Decrease in Horticulture due to anticipated Mowanjum Aboriginal Art & Culture Centre project being delayed beyond expectations. Decrease in Kitchen Operations due to less RJCP and Job Provider referrals.

**ANZSCO G – General Education** – Certificates of General Education (CGEA), Gaining Access to Training and Employment (GATE) and Certificates in Spoken and Written English (CSWE) lower due to staffing not being able to be recruited in time (staffing freeze – see Key challenges in 2016 p40). Underpinning Skills for Industry Qualification (USIQ) and Course in Applied Vocational Study Skills (CAVSS) reflects our student base.

#### Profile Achievement (DPA) of 2016 Profile, Planned vs Achieved SCH

This performance indicator 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

Given the nature of this indicator it is not possible to report a partial year result. Profile delivery targets and student curriculum hours are both reported under an end of study paradigm, where delivery must be assigned a final outcome before it can be counted. Targets are set in relation to full year outcomes and accurate reporting of SCH on an end of study basis can only occur on full year results. Importantly, one snapshot cannot be subtracted from another to produce a part year figure, as the two collections will not include the same records. Nonetheless, since the majority of final outcomes were recorded later in the year, the timing of end of study reporting means that full year 2016 figures do still fairly represent TAFE performance for the reporting period 11 April to 31 December 2016.

**Table 4**

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

**Notes:** **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.

#### Efficiency Indicator

Unable to report against the overall cost per SCH due to the campus transfers between regional TAFE's in 2016.

This indicator has been exempted from being reported in the current period.