

**BUILDING AND CONSTRUCTION
INDUSTRY TRAINING BOARD**

**AUDITED FINANCIAL
STATEMENTS**

For the year ended 30 June 2002

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DIRECTORY

Registered Office of the Building and Construction Industry Training Board and the Building and Construction Industry Training Fund.

Office Address: Business Centre Building
1st Floor/55 Salvado Road
SUBIACO WA 6008

Postal Address: PO Box 746
Wembley WA 6913

Telephone: (08) 9381 3900

Facsimile: (08) 9388 8902

Director: Russell Cooper (Acting)

Internal Auditors: Deloitte Touche Tohmatsu

External Auditors: The Auditor General for Western Australia

Business Hours: 8.30 am to 5.00 pm Monday to Friday

Publications: Information brochures, reports and other material explaining the operation of the BCITB are available from the office.

Website: www.bcitf.org

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

The Building and Construction Industry Training Fund (BCITF) was established on 1 July 1991 by the *Building and Construction Industry Training Fund and Levy Collection Act 1990* which was proclaimed on that date. The Building and Construction Industry Training Board (BCIT Board), also established by the Act, has primary responsibility for collecting a levy on construction work in Western Australia and for establishing strategies, policies and programs to use the funds raised to support training outcomes in the building and construction industry.

The BCITF levy is currently set at 0.182% of the value of construction work for all projects carried out in Western Australia with the exception of:

- Work which is \$20,000 or less in value;
- Work which is maintenance or repairs of a routine or a minor nature carried out by employees for an employer who is not substantially engaged in the building and construction industry; and
- Work which is specifically exempted within the Act.

Current exemptions from the Act were established by amendment proclaimed on 31 January 1995. Construction work in certain areas of agriculture, the resources sector and government work where the work is carried out by government are exempt from the levy. Building and construction industry participants working in industry sectors exempt from the levy and government employees cannot claim BCITF financial assistance for their training needs.

The amendment Act proclaimed in April 1999 contains further provision for exemptions from the levy but the Board has yet to establish and recommend to the Minister suitable exemption criteria.

Operating Framework

The BCIT Board is responsible for establishing an annual Operational Plan. The Operational Plan sets the framework for the Board's support for training within the industry over a period of a financial year. Operational Plans require Ministerial approval prior to implementation.

In establishing Operational Plans for submission to the Minister, the Board considers the broad range of training needs within the industry. These include:

- apprenticeships and other forms of entry level training;
- supplementary or skills enhancement training for those already working in the industry;
- training in technology appropriate to the industry;
- training to meet occupational safety and health requirements;
- recognition, for the purposes of employment in the industry, of people with existing skills and knowledge;
- the quality of training and the accreditation standing of courses relevant to the industry.

Primary Responsibilities of the Board

The role of the Board is to:

- establish the strategic and policy framework for use of the Fund to achieve the objectives of the Act;
- establish an annual Operational Plan and implement the plan as approved by the Minister;
- guide the operations of the Secretariat to ensure efficient collection of the BCITF levy and cost effective management of funding programs;
- assist industry to meet its identified training needs;
- continually evaluate the Fund's performance.

The Secretariat

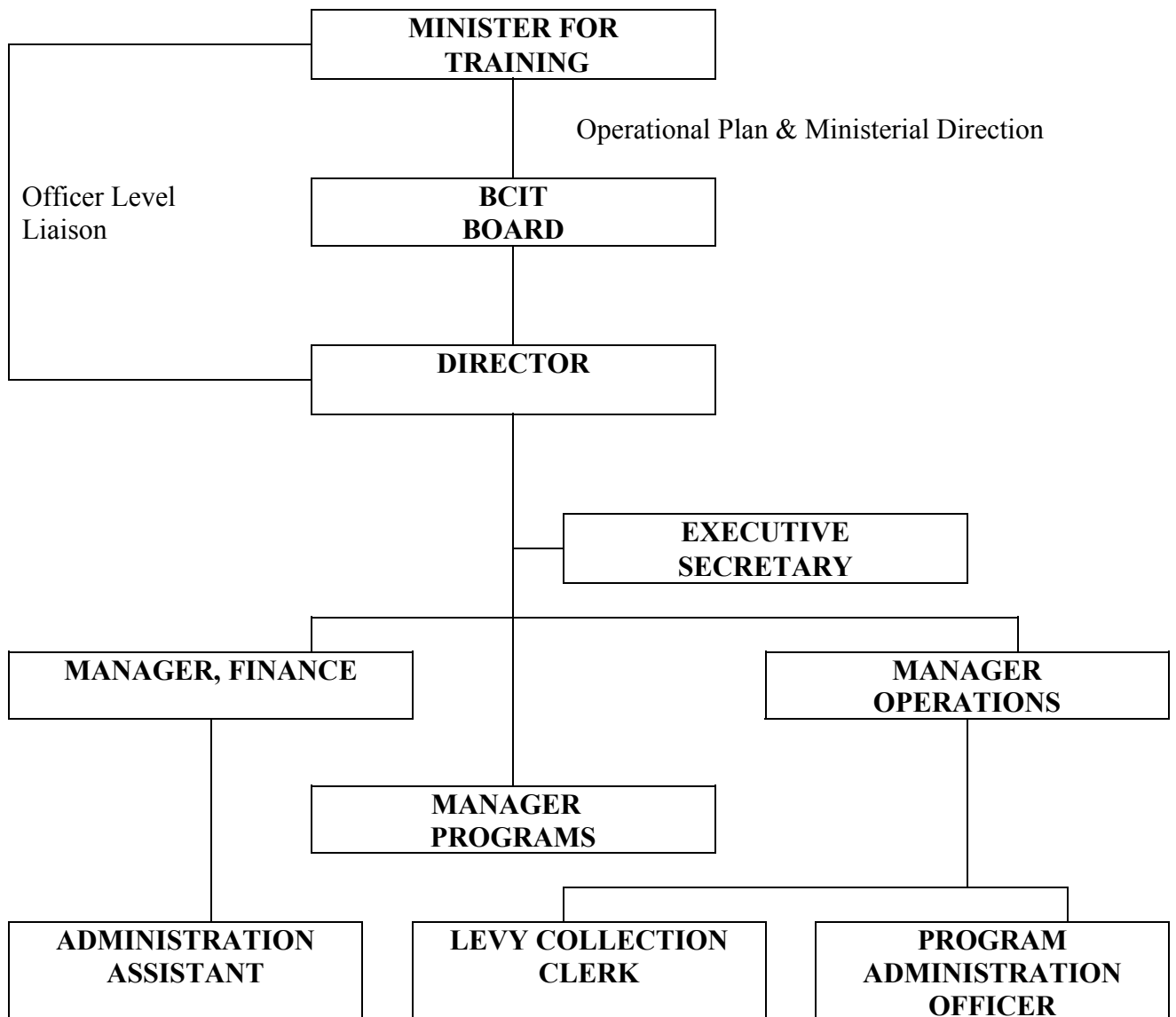
The BCIT Board has authority under the Act to employ staff to assist it to meet the objectives of the Act.

The Board has established a secretariat as its operational body to work with the network of organisations and individuals with an interest in training within the building and construction industry in Western Australia.

The primary operational responsibilities of the secretariat are to:

- manage and implement the operational plan determined by the Board and approved by the Minister;
- advise the Board on current and emerging issues for training within the industry;
- develop strategy and policy options for consideration by the Board;
- promote the work of the Board to the industry and the community;
- recommend appropriate research and development tasks to the Board;
- propose cost effective methods for achieving the objectives of the Act and implementing the strategies and policies put in place by the Board; and
- liaise with stakeholders locally and nationally.

**THE BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND
STRUCTURE at 30th June 2002**



**BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND
STAFF STRUCTURE AS AT 30TH JUNE 2002**

Operational Staff:

| | |
|--|-----|
| Acting Director, Russell Cooper | (F) |
| Manager Operations, Russell Cooper - Covering | (F) |
| Manager, Finance, Howard Hughes – Contract | (P) |
| Manager Programs, Heidi Schmidt | (F) |
| Administration Assistant, Jenny Le Caudey | (F) |
| Executive Secretary, Anna Buttsworth | (F) |
| Program Administration Officer, Andrew Kirei | (F) |
| Levy Collection Clerk, - Sonia Christos – Temp | (P) |

F = Full Time ; P = Part Time

The Mission and Objectives of the Board

During the 2001/02 year the Board's mission statement was:

to assist the Building and Construction industry to have available an adequate number of appropriately trained people.

A change in emphasis in the Board's forward vision includes the need to address quality in training and funding program performance and outcomes directed towards facilitating an appropriate skills balance within the industry. The mission statement recognises the opportunities provided by the amendment Act 1998. It also sets the platform for a focus on skill needs in Western Australia within the context of the national training framework for the building and construction industry.

BOARD MEMBERSHIP

During 2001/02 the Board has continued to meet on a regular monthly schedule.

Scheduled meetings 11

Board members are appointed by the Minister.

BOARD MEMBERSHIP AT 30 JUNE 2002

| Members | Meetings Attended |
|---------------------------------|--------------------------|
| Garry Spencer (Chairman) | 10 |
| Len Hitchen | 8 |
| Mark Smith | 10 |
| Kevin Watson | 10 |
| Ian Kuba | 11 |
| Peter Lee | 11 |

Juliette Hunt resigned from the Board in January 2002

YEAR IN REVIEW

The past year has seen the BCITF focus on achieving outcomes required by industry resulting in further improvements to program and funding structures, greater diversity in training supported and increased industry participation in skills training.

In developing its Operational Plan for 2001/02, the Board gained significant industry input into its direction and priorities through an extensive consultation process. From this feedback the Board identified priorities for action in 2001/02:

The Board recognises that the availability of skilled labour is vital to the efficiency and productivity of the industry and maintained its emphasis on supporting entry level training. The restructuring of funding for entry level training programs continued with an increase in the first year incentive payment for direct indenture employers, further reducing the gap in funding levels between group training schemes and direct indenture employers. Direct indenture program participation levels increased by 24% during the period.

The new Construction Skills and Industry Skills Programs saw the allocation for funding support for skills training increased by \$0.5 million to \$1.8 million, resulting in a significant increase in the number of courses available to industry, more training providers offering a more diverse range of courses and greater participation in training by building and construction workers.

STRATEGIC ISSUES – The BCIT Board’s Forward Strategies for 2001/2002

The Board continues to operate under the Strategic Plan framework established for the Fund in the first half of 2000. The mission of the Building and Construction Industry Training Fund is:

‘To assist the building and construction industry to have available an adequate number of appropriately trained people.’

To achieve this mission, three key strategies have been identified with initiatives under each strategy to be implemented in partnership with industry and government:

- **Strategy 1, Career Opportunity** - focuses on improving perceptions of the industry as a career choice, delivering effective and flexible entry level programs in shorter timeframes, and improving the retention rate of people in the industry.
- **Strategy 2, Provision of Skills** - focuses on having the required number of appropriately skilled people available to meet local demand and to contribute to industry effectiveness and productivity.
- **Strategy 3, Training Awareness** - focuses on promoting and encouraging training, increasing the commitment to training by employers and builders, and achieving effective two-way communication between the Board, industry and the community.

INCOME AND EXPENDITURE ESTIMATES 2002/03

The Minister for Training has approved an Operational Plan (OP) for the twelve month period from 1 July 2002 to 30 June 2003.

The estimates for the period are based on the actual income and expenditure results for the 2001/02 financial year

OPERATIONAL PLAN (1 JULY 2002 TO 30 JUNE 2003)

INCOME

| | |
|---------------------|-----------|
| Levy Receipts (net) | 7,852,000 |
| Interest Income | 366,000 |

| | |
|---------------------|-------------------------|
| TOTAL INCOME | <u>8,218,000</u> |
|---------------------|-------------------------|

TRAINING EXPENDITURE

| | |
|-------------------------------|-----------|
| Group Training Schemes | 3,632,000 |
| Direct Indenture | 1,752,000 |
| Construction/ Industry Skills | 1,670,000 |

| | |
|----------------------------|------------------|
| Total Training Expenditure | <u>7,054,000</u> |
|----------------------------|------------------|

PROGRAMS AND COMPLIANCE

| | |
|--------------------------------|---------|
| Strategic Initiatives Programs | 590,000 |
| Compliance Programs | 80,000 |

| | |
|-------------------------------|----------------|
| Total Projects and Compliance | <u>670,000</u> |
|-------------------------------|----------------|

ADMINISTRATION

| | |
|------------------------|---------|
| Administration – BCITF | 761,827 |
|------------------------|---------|

| | |
|----------------------|----------------|
| Total Administration | <u>761,827</u> |
|----------------------|----------------|

| | |
|--------------------------|-------------------------|
| TOTAL EXPENDITURE | <u>8,485,827</u> |
|--------------------------|-------------------------|

| | |
|-------------------------------------|-----------------|
| Deficit Funded From Reserves | -267,827 |
|-------------------------------------|-----------------|

| | |
|--------------------------------------|------------------------|
| Total Provision From Reserves | <u>-267,827</u> |
|--------------------------------------|------------------------|



AUDITOR GENERAL

To the Parliament of Western Australia

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD PERFORMANCE INDICATORS FOR THE YEAR ENDED JUNE 30, 2002

Matters Relating to the Electronic Presentation of the Audited Performance Indicators

This audit opinion relates to the performance indicators of the Building and Construction Industry Training Board for the year ended June 30, 2002 included on the Board's web site. The Board is responsible for the integrity of the Board's web site. I have not been engaged to report on the integrity of the Board's web site. The audit opinion refers only to the performance indicators named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these performance indicators. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited performance indicators to confirm the information included in the audited performance indicators presented on this web site.

Scope

I have audited the key effectiveness and efficiency performance indicators of the Building and Construction Industry Training Board for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Board is responsible for developing and maintaining proper records and systems for preparing and presenting performance indicators. I have conducted an audit of the key performance indicators in order to express an opinion on them to the Parliament as required by the Act. No opinion is expressed on the output measures of quantity, quality, timeliness and cost.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, evidence supporting the amounts and other disclosures in the performance indicators, and assessing the relevance and appropriateness of the performance indicators in assisting users to assess the Board's performance. These procedures have been undertaken to form an opinion as to whether, in all material respects, the performance indicators are relevant and appropriate having regard to their purpose and fairly represent the indicated performance.

The audit opinion expressed below has been formed on the above basis.

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Building and Construction Industry Training Board are relevant and appropriate for assisting users to assess the Board's performance and fairly represent the indicated performance for the year ended June 30, 2002.

A handwritten signature in black ink, appearing to read 'D D R Pearson'.

D D R PEARSON
AUDITOR GENERAL
November 15, 2002

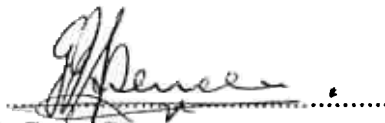
**BUILDING AND CONSTRUCTION
INDUSTRY TRAINING BOARD**

PERFORMANCE INDICATORS

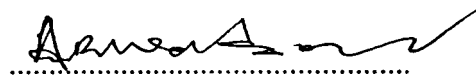
For the year ended 30 June 2002

Certification of Performance Indicators

We hereby certify that the Performance Indicators are relevant and appropriate for assisting users to assess the Board's performance and fairly represent the performance of the Building and Construction Industry Training Board for the year ending 30 June 2002. Proper records exist to validate the performance outcomes.



Mr Garry Spencer
Chairman
for the BCIT Board



BCIT Board Member

Dated: 12 day of NOVEMBER 2002



PERFORMANCE INDICATORS

The Building and Construction Industry Training Board's (BCITB's) statements relating to mission, objectives and performance indicators for the 2001/02 year are summarised in this section.

Levy collection and program funding outcomes for the year have resulted in continuing improvement in performance since 1996/97 which was the first year the Board operated with performance measures.

1

BCITB Mission

For the 2001/02 financial year, the BCITB operated under the following Mission Statement :

**to assist the Building and Construction industry to have
available an adequate number of appropriately trained people.**

2

The Building & Construction Industry Training Fund and Levy Collection Act 1990 - Outcomes

- To increase the number of skilled persons in the building and construction industry.

3

Objectives of the Building & Construction Industry Training Board

- To meet the needs of the building & construction industry in terms of skilled people, having regard to the fluctuations in demand occurring as a result of the business cycle.
- To meet the needs of the building & construction industry in terms of skilled people arising from increasing demand due to population growth.
- To meet the needs of the building & construction industry in terms of skilled people arising from normal inflows and outflows of labour.
- To increase the level of skills in the industry, in particular multi skilling, management skills and new technological skills.

4

Performance Outcome - To increase the number of skilled persons

Note: To increase the number of skilled persons in the industry identified as apprentices, trades persons, business managers and construction workers. Increasing skills means increasing the number of skilled people and increasing the skill levels

Effectiveness Indicators

A1. The relative number of apprentices trained in the current year compared to the level of apprentices in the year prior to the commencement of the scheme (1990).

A2. The number of BCITB apprentices gaining trade certificate status per year relative to the number of West Australian's employed in the construction industry.

A3. Ratio of levies collected to total construction in Western Australia.

5

Performance Output - Efficient collection of levy and allocation of Board resources to target skills

Efficiency Indicators development programs.

B1. The average cost per person of training trades apprentices during the year.

B2. The average cost of training other non trades related persons during the year.

PERFORMANCE INDICATORS

| | 2001/02 | 2000/01 | 1999/00 |
|---|---------|---------|---------|
| Effectiveness Indicators | | | |
| A1. Relative no. of apprentices trained for the year Vs no. prior to Scheme commencement. | 1.28 | 1.28 | 1.1 |
| A2. No. of apprentices qualifying relative to the number of West Australians employed in the construction industry. | 11.0 | 10.5 | 10.0 |
| A3. Ratio of levies collected to total construction in WA (ABS) | .124% | .121% | .152% |
| Efficiency Indicators | | | |
| B1. The administration cost per person of training trades apprentices during the year. | \$301 | \$301 | \$279 |
| B2. The cost of training persons in non trades related skills. | \$12.53 | \$10.77 | \$6.50 |

COMMENTS

A1 In the year prior to the commencement of the BCITB (1989/1990) 1580 apprentices were in training compared with 2023 in 2001/02. This ratio shows an improvement or deterioration in the number of apprentices in training during the year.

A2 This ratio indicates that apprenticeship completions were 11.0 apprentices per one thousand persons employed in the Western Australian building and construction industry.

- A3 The levy collections increased sharply as did the total value of construction in Western Australia. This measure shows a slight improvement in the recovery rate of levies collected.
- B1 This indicator measures the administration costs of training support for a total of 2,023 apprentices during the year.
- B2 This indicator measures the administration costs of training support for 10,113 persons in non trade related training courses during the year. The cost per person rose by \$2 although the subsidy rate remained at the same rate. This reflects variations in course costs set by training providers.

STATUTORY AND OTHER INFORMATION

Staffing

The number of employees as at 30th June 2002. 30 June 2001

Operational Staff

| | | |
|--------------|-----|-----|
| Approved FTE | 7.4 | 7.4 |
| Full-time | 5.0 | 7.0 |
| Part-time | 1.2 | 0.4 |

Full-time Equivalent = 6.2

Staffing Policies

Staffing policies, including recruitment procedures, are consistent with Public Sector Standards and a comprehensive human resources manual is maintained. Industrial relations procedures are defined in the human resources manual. The training requirements of all staff are reviewed every six months and multi skilling within the office is encouraged.

The Board is a signatory to the GOSAC Award. Permanent staff are covered by the GOSAC Award in terms of salary and leave conditions.

Worker's compensation cover is held through Riskcover Insurance. There were no claims during the year.

Ministerial Directions

There were no Ministerial directions given to the Board under section 9 of the Act in 2001/2002.

FREEDOM OF INFORMATION

The BCIT Board did not receive any Freedom of Information application during the year.

EEO

At 30 June 2002 the Board employed four women and three men.

PUBLIC SECTOR STANDARDS - RECRUITMENT SELECTION

There were two resignations during the year, both full time positions which were yet to be filled at the end of June. The Board adheres to the employment principles documented in human resource guidelines provided under the Public Sector Management Act 1994.

STATEMENT OF COMPLIANCE WITH RELEVANT WRITTEN LAW

ENABLING LEGISLATION

The Administration of the Building and Construction Industry Training Fund is controlled by the Building and Construction Industry Training Board, both of which have been established under the '*Building and Construction Industry Training Fund and Levy Collection Act of 1990*'.

LEGISLATION ADMINISTERED

Apart from the Act, the Board administers the '*Building and Construction Industry Training Fund and Levy Collection Regulations of 1991*'.

LEGISLATION IMPACTING ON FUND ACTIVITIES

In the performance of its functions, the BCIT Board complies with the following relevant written laws.

Anti Corruption Act 1988.

Building and Construction Industry Training Fund Levy Collection Act 1990.

Commercial Arbitration Act 1984.

Copyright Act 1968.

Electoral Act 1907

Equal Opportunity Act 1994.

Financial Administration and Audit Act 1985.

Freedom of Information Act 1992.

Fringe Benefits Tax Act 1986.

Industrial Relations Act 1979 (Employment Act).

Library Board of Western Australia Act 1951-1983

Local Government Act 1960.

Occupational Health, Safety and Welfare Act 1984.

Public and Bank Holidays Act 1972.

Public Sector Management Act 1994.

A New Tax System (Goods & Services Tax) Act 1999.

Statutory Corporations (Liability of Directors) Act 1996.

Superannuation Guarantee (Administration) Act 1992.

Vocational Education and Training Act 1996.

Workers Compensation and Rehabilitation Act 1981.

Work Place Agreement Act 1993.

**PUBLIC SECTOR STANDARDS IN HUMAN RESOURCE MANAGEMENT
COMPLIANCE REPORTING REQUIREMENTS 2001/2002**

1. The Board has complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and our code of conduct in the administration of the Building and Construction Industry Training Fund.
2. The Board has put in place procedures designed to ensure such compliance and has conducted appropriate internal assessments to satisfy the Board that the statement made in (1) above is correct.
3. There were three complaints lodged with the Equal Opportunity Commission during the year. The grievances were resolved by mediation agreements in May 2002.

Signed on behalf of the Board


Garry Spencer
Chairman

FINANCIAL RESULTS

Levy receipts in the ordinary course of business were \$1.47 million higher this financial year with \$8.8 million collected. The increase was due to strong activity in the housing sector where levy collections were \$1.4 million or 36% higher than the previous year as a result of the increased grants available under the Federal Government's first home owners scheme. The commercial sector also contributed to robust growth in the industry and levy collections in this sector were up by 9%.

Interest income was \$53,000 lower due to a significant fall in interest rates during the year. The fall was offset to a large degree by the higher accumulation of investment balances which stood at \$9 million at the end of the reporting period.

Total administration expenses for the Fund were 4% lower than the previous period but 16% below budgeted expenditure. This was due mostly to position vacancies occurring during the year. Administration costs were 8% of net levy income.

Training expenditure was down by 4% on the previous year which was entirely due to falling apprentice numbers in group training schemes. Strong growth in support to employers of directly indentured apprentices continued throughout the year with total payments up by \$338,000. This follows greater awareness of BCITF support programs following increased marketing activities. Contributing also was an increase in the level of support for direct employers who now receive \$7,000 over a the first two years of the apprenticeship. Demand for skills training remained buoyant with expenditure increasing by 11% with over 10,000 industry workers attending training courses.

Principal Accounting Officer


Russell Cooper

**BUILDING AND CONSTRUCTION
INDUSTRY TRAINING BOARD**

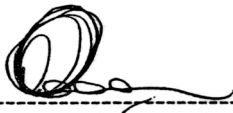
FINANCIAL STATEMENTS

For the year ended 30 June 2002

STATEMENT OF CERTIFICATION

The accompanying financial statements of the Building and Construction Industry Training Board have been prepared in compliance with the provisions of the Financial Administration and Audit Act 1985 from proper accounts and records to present fairly the financial transactions for the period ending June 30, 2002 and the financial position as at June 30, 2002.

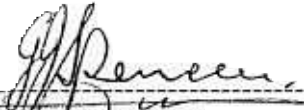
At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Principal Accounting Officer

12-11-2002


Date



For the BCIT Board

12-11-02

Date



For the BCIT Board

12-11-2002

Date





AUDITOR GENERAL

To the Parliament of Western Australia

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2002

Matters Relating to the Electronic Presentation of the Audited Financial Statements

This audit opinion relates to the financial statements of the Building and Construction Industry Training Board for the year ended June 30, 2002 included on the Board's web site. The Board is responsible for the integrity of the Board's web site. I have not been engaged to report on the integrity of the Board's web site. The audit opinion refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to or from these statements. If users of this opinion are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial statements to confirm the information included in the audited financial statements presented on this web site.

Scope

I have audited the accounts and financial statements of the Building and Construction Industry Training Board for the year ended June 30, 2002 under the provisions of the Financial Administration and Audit Act 1985.

The Board is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing and presenting the financial statements, and complying with the Act and other relevant written law. The primary responsibility for the detection, investigation and prevention of irregularities rests with the Board.

My audit was performed in accordance with section 79 of the Act to form an opinion based on a reasonable level of assurance. The audit procedures included examining, on a test basis, the controls exercised by the Board to ensure financial regularity in accordance with legislative provisions, evidence to provide reasonable assurance that the amounts and other disclosures in the financial statements are free of material misstatement and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions so as to present a view which is consistent with my understanding of the Board's financial position, its financial performance and its cash flows.

The audit opinion expressed below has been formed on the above basis.

**Building and Construction Industry Training Board
Financial statements for the year ended June 30, 2002**

Audit Opinion

In my opinion,

- (i) the controls exercised by the Building and Construction Industry Training Board provide reasonable assurance that the receipt, expenditure and investment of moneys and the acquisition and disposal of property and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) the Statement of Financial Performance, Statement of Financial Position and Statement of Cash Flows and the Notes to and forming part of the financial statements are based on proper accounts and present fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia and the Treasurer's Instructions, the financial position of the Board at June 30, 2002 and its financial performance and its cash flows for the year then ended.



D D R PEARSON
AUDITOR GENERAL
November 15, 2002

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Statement of Financial Position
as at 30 June 2002

| | Note | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|--------------------------------------|------|-----------------------|-----------------------|
| CURRENT ASSETS | | | |
| Cash assets | 13 | 792 | 214 |
| Receivables | 14 | 65 | 80 |
| Other financial assets | 15 | 8,233 | 6,787 |
| Other assets | 16 | 805 | 822 |
| Total Current Assets | | <u>9,895</u> | <u>7,903</u> |
| NON-CURRENT ASSETS | | | |
| Plant, equipment and vehicles | 17 | 39 | 65 |
| Total Non-Current Assets | | <u>39</u> | <u>65</u> |
| Total Assets | | <u>9,934</u> | <u>7,968</u> |
| CURRENT LIABILITIES | | | |
| Payables | 18 | 423 | 489 |
| Provisions | 19 | 16 | 35 |
| Total Current Liabilities | | | <u>524</u> |
| NON CURRENT LIABILITIES | | | |
| Provisions | 19 | 23 | 28 |
| Total Non-Current Liabilities | | <u>23</u> | <u>28</u> |
| Total Liabilities | | <u>462</u> | <u>552</u> |
| Net assets | | <u>9,472</u> | <u>7,416</u> |
| EQUITY | | | |
| Retained profits | 25 | 9,472 | 7,416 |
| Total Equity | | <u>9,472</u> | <u>7,416</u> |

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



BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD (BCITB)
Statement of Financial Performance
for the year ended 30 June 2002

| | Note | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|--|------|-----------------------|-----------------------|
| REVENUE FROM ORDINARY ACTIVITIES | | | |
| Revenue from operating activities | | | |
| Net levy receipts | 10 | 8,833 | 7,360 |
| Revenue from non-operating activities | | | |
| Interest revenue | 2 | 361 | 414 |
| Net profit on disposal of non current assets | 12 | <u>-</u> | <u>16</u> |
| Total revenue from ordinary activities | | | |
| EXPENSES | | | |
| Expenses from ordinary activities | | | |
| Employee expenses | 3 | 424 | 444 |
| Supplies and services | 4 | 56 | 64 |
| Depreciation expense | 5 | 29 | 39 |
| Administration expenses | 6 | 172 | 145 |
| Accommodation expenses | 7 | 48 | 49 |
| Other expenses from ordinary activities | 8 | <u>7</u> | <u>28</u> |
| Total expenses before grants & subsidies | | | |
| Grants and subsidies | | | |
| BCITF programs | 9 | 377 | 447 |
| Training expenditure | 11 | <u>6,025</u> | <u>6,337</u> |
| Total grants & subsidies | | <u>6,402</u> | <u>6,784</u> |
| Total expenses from ordinary activities | | <u>7,138</u> | <u>7,553</u> |
| Net Profit | | <u><u>2,056</u></u> | <u><u>237</u></u> |
| Total changes in equity other than those resulting from transactions with WA State Government as owners | | 2056 | 237 |

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



BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Statement of Cash Flows
for the year ended 30 June 2002

| | Note | 2001/2002 (\$'000) Inflows (Outflows) | 2000/2001 (\$'000) Inflows (Outflows) |
|---|------|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Receipts | | | |
| Levy from project owners | | 8,844 | 7,315 |
| Interest received | | 366 | 416 |
| GST receipts from taxation authority | | 599 | 576 |
| Payments | | | |
| Employee costs | | (451) | (405) |
| Supplies and services | | (59) | (62) |
| GST payments on purchases | | (585) | (653) |
| Program expenditure | | (425) | (376) |
| Training expenditure | | (6,015) | (6,222) |
| Other payments | | (247) | (208) |
| Net cash provided by operating activities | 20 | <u>2,027</u> | <u>381</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Proceeds from the sale of non current assets | | - | 22 |
| Payments for purchase of non current assets | | (3) | (31) |
| Net cash (used in) investing activities | | <u>(3)</u> | <u>(9)</u> |
| Net increase in cash held | | 2,024 | 372 |
| Cash assets at the beginning of the financial year | | <u>7,001</u> | <u>6,629</u> |
| Cash assets at the end of the financial year | 21 | <u>9,025</u> | <u>7,001</u> |

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



BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended 30 June 2002

1. Significant Accounting Policies

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

(a) General Statement

- (i) The financial statements are prepared in accordance with the Financial Administration and Audit Act 1985.
- (ii) Subject to the exceptions noted in these accounting policies, the financial statements have been drawn up on the basis of historical cost principles.
- (iii) The accrual basis of accounting is being applied.
- (iv) The financial statements constitute a general purpose financial report which has been prepared in accordance with Australian Accounting Standards, Statement of Accounting Standards Board, and Urgent Issues Group (UIG) Consensus Views as applied by the Treasurer's Instructions. Several of these are modified by the Treasurer's Instructions to vary the application, disclosure, format and wording. The Financial Administration and Audit Act and the Treasurer's Instructions are legislative provisions governing the preparation of financial statements and take precedence over Australian Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board and UIG Consensus Views. The modifications are intended to fulfil the requirements of general application to the public sector together with the need for greater disclosure and also to satisfy accountability requirements.

If any such modification has a material or significant financial effect upon the reported results, details of that modification and where practicable, the resulting financial effect is disclosed in individual notes to these financial statements.

(b) Depreciation of non-current assets

All non-current assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their future economic benefits. Depreciation is provided for on the reducing balance basis, using rates which are reviewed annually. Useful lives for each class of depreciable assets are:

| | |
|--------------------------------|---------|
| Office furniture and equipment | 5 years |
| Computer equipment | 3 years |
| Motor Vehicles | 4 years |

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended 30 June 2002

(c) Employee entitlements

(1) Annual leave

Annual leave entitlement is calculated at current remuneration rates and is measured as the amount unpaid at the reporting date in respect to employee's service up to that date.

(2) Long service leave

A liability for long service leave is recognised, and is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given, when assessing expected future payments, to expected future wage and salary levels including relevant on costs, experience of employee departures and periods of service. Expected future payments are discounted using interest rates to obtain the estimated future cash outflows.

This measurement of the liability is consistent with Australian Accounting Standard AAS 30 "Accounting for Employee Entitlements".

(3) Superannuation

No staff are members of State superannuation funds, however the Board complies with Commonwealth legislation by making contributions according to individual requirements. Contributions are paid to selected superannuation funds complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992.

(d) Revenue

The principal revenue is levy collection based on the value of that construction work in accordance with Section 21 of the Building and Construction Industry Training Fund and Levy Collection Act of 1990. Revenue is recognised on receipt from project owners and in respect of collection agents, when the levy is received by the agent. Estimates of funds held by agents at the end of the reporting period is recognised as income for the period. Levy receipts are shown net of refunds : 2002 \$339,812 (2001 : \$264,487).

Other revenue is described in the Statement of Financial Performance.

(e) Receivables and Payables

Accounts receivables are recognised as being due for settlement no more than 30 days from the date of recognition.

Collectability of receivables is reviewed on an ongoing basis. Debts which are known to be uncollectable are written off. A provision for doubtful debts is raised where some doubts as to collection exists and in any event where the debt is more than 60 days overdue.

Accounts payables, including accruals not yet billed, are recognised when the Authority becomes obliged to make future payments as a result of a purchase of assets or services. Accounts payables are generally settled within 30 days.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended 30 June 2002

(f) Net Fair Values of Financial Assets and Liabilities

Net fair values of financial instruments are determined on the following bases:

- Monetary financial assets and liabilities are not traded in an organised financial market, consequently the carrying amounts of accounts receivable, accounts payable and accruals approximates net fair value.
- With leave liabilities - current risk adjusted market rates.

(g) Income Tax

The BCITB has been exempted from Income Tax under the provisions of paragraph 23(d) of the Income Tax Assessment Act.

(g) Leased Assets

The Board has entered into an operating lease agreement for the rent of the office building where the lessor effectively retains all of the risks and benefits incident to ownership of the items held under the operating lease. Equal instalments of the lease payments are charged to the Statement of Financial Performance over the lease term as this is representative of the pattern of benefits to be derived from the leased property.

(h) Comparative Information

— Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current financial year amounts and disclosures.

(i) Rounding

Amounts in the financial statements have been rounded to the nearest thousand dollars, or in certain cases, to the nearest dollar.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD**Notes to the Financial Statements****For the year ended '30 June 2002**

| | 2001/2002 | 2000/2001 |
|---|------------------|------------------|
| | (\$'000) | (\$'000) |
| 2 Interest revenue | | |
| Interest earned on bank current accounts plus investments by way of term deposits and bank accepted bills. | <u>361</u> | <u>414</u> |
| 3 Employee expenses | | |
| Salaries & wages | 329 | 337 |
| Other employee costs | 99 | 50 |
| Superannuation | 19 | 28 |
| Change in annual leave entitlements | (14) | 4 |
| Change in long service leave entitlements | (9) | 25 |
| | <u>424</u> | <u>444</u> |
| 4 Supplies and services | | |
| Bank charges | 3 | 7 |
| Communications costs | 19 | 22 |
| Consumables | 24 | 25 |
| Other supplies & services | 10 | 10 |
| | <u>56</u> | <u>64</u> |
| 5 Depreciation expense | | |
| Office furniture and equipment | 13 | 13 |
| Computer equipment | 9 | 18 |
| Motor vehicles | 7 | 8 |
| | <u>29</u> | <u>39</u> |
| 6 Administration expenses | | |
| Accounting & audit fees | 22 | 25 |
| Board costs | 79 | 83 |
| Insurance & legal fees | 58 | 35 |
| Other expenses | 13 | 2 |
| | <u>172</u> | <u>145</u> |
| 7 Accommodation expense | | |
| Rent, outgoings & cleaning | <u>48</u> | <u>49</u> |
| 8 Other expenses | | |
| Travel costs | <u>7</u> | <u>28</u> |
| 9 BCITF - Programs | | |
| Industry Communication and Liaison | 20 | 53 |
| Industry Initiatives Fund | 169 | 64 |
| Youth Induction Program | 142 | 293 |
| Compliance | - | 10 |
| Competency Assessment | 26 | - |
| BCITF Programs | 19 | - |
| Other expenses | 1 | 27 |
| | <u>377</u> | <u>447</u> |

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to the Financial Statements

For the year ended '30 June 2002

| | 2001/2002 | 2000/2001 |
|--|------------------|------------------|
| | (\$'000) | (\$'000) |
| 10 Levy receipts | | |
| Levy receipts | 8,931 | 7,423 |
| Less: Levy collection fees | <u>(98)</u> | <u>(63)</u> |
| Net levy receipts | <u>8,833</u> | <u>7,360</u> |
| Gross levy receipts by sector | | |
| Housing | 5,328 | 3,920 |
| Commercial | 2,259 | 2,074 |
| Engineering construction | <u>1,344</u> | <u>1,429</u> |
| | <u>8,931</u> | <u>7,423</u> |
| 11 Training expenditure | | |
| Sector : | | |
| Housing | 3,647 | 3,968 |
| Commercial | 2,017 | 2,060 |
| Engineering construction | <u>361</u> | <u>309</u> |
| | <u>6,025</u> | <u>6,337</u> |
| 12 Net profit on disposal of non-current assets | | |
| Profit on Disposal of Non Current Assets | <u>-</u> | <u>16</u> |
| Gross proceeds from disposal of assets were :- | - | 22 |
| Carrying value of asset | - | 6 |
| Less: Gross proceeds | <u>-</u> | <u>22</u> |
| Profit on disposal of assets | <u>-</u> | <u>16</u> |
| 13 Cash assets | | |
| Bank accounts | 772 | 194 |
| Funds on deposit | <u>20</u> | <u>20</u> |
| | <u>792</u> | <u>214</u> |
| 14 Receivables | | |
| Accounts receivable | 2 | 3 |
| GST receivable | <u>63</u> | <u>77</u> |
| | <u>65</u> | <u>80</u> |
| Credit Risk - The Board does not have any significant exposure to any individual customer or counterparty. There are no major concentrations of credit risk in the Board's receivables | | |
| Net Fair Value - The Board considers the carrying amount of accounts receivable approximates their net fair value. | | |
| 15 Other Financial Assets | | |
| Investments BankWest - Bank Bills | <u>8,233</u> | <u>6,787</u> |
| 16 Other assets | | |
| Prepayments | 1 | - |
| Accrued levy income | 801 | 814 |
| Interest receivable | <u>3</u> | <u>8</u> |
| | <u>805</u> | <u>822</u> |

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to the Financial Statements

For the year ended '30 June 2002

| | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|---|-----------------------|-----------------------|
| 17 Plant, equipment and vehicles | | |
| Computers & Equipment - at cost | 115 | 122 |
| Accumulated Depreciation | (95) | (83) |
| | <u>20</u> | <u>39</u> |
| Motor Vehicles - at cost | 27 | 27 |
| Accumulated Depreciation | (8) | (1) |
| | <u>19</u> | <u>26</u> |
| | <u>39</u> | <u>65</u> |

| | Computers & Equipment | | Motor Vehicles | | Total Non Current Assets | |
|--------------------------------|-----------------------|--------------------|--------------------|--------------------|--------------------------|--------------------|
| | 2001/02 (\$000) | 2000/01 (\$000) | 2001/02 (\$000) | 2000/01 (\$000) | 2001/02 (\$000) | 2000/01 (\$000) |
| Opening Cost | 122 | 163 | 27 | 32 | 149 | 195 |
| Additions | 3 | 4 | - | 27 | 3 | 31 |
| Disposals | (10) | (45) | - | (32) | (10) | (77) |
| Closing Cost | 115 | 122 | 27 | 27 | 142 | 149 |
| Opening Accum. Depn | (83) | (99) | (1) | (16) | (84) | (115) |
| Depn Charge | (22) | (31) | (7) | (8) | (29) | (39) |
| Depn Write Back | 10 | 47 | - | 23 | 10 | 70 |
| Closing Accum. Depn | (95) | (83) | (8) | (1) | (103) | (84) |
| Carrying amount at end of year | 20 | 39 | 19 | 26 | 39 | 65 |

18 Payables

| | | |
|----------------------|------------|------------|
| Accounts payable | 33 | 60 |
| Training commitments | 390 | 429 |
| | <u>423</u> | <u>489</u> |

The BCITB considers the carrying amount of accounts payable approximates their net fair value.

19 Provisions

| | | |
|--------------------|-----------|-----------|
| Current | | |
| Annual leave | 12 | 26 |
| Long service leave | 4 | 9 |
| | <u>16</u> | <u>35</u> |
| Non current | | |
| Long service leave | 23 | 28 |
| | <u>39</u> | <u>63</u> |

The Board considers the carrying amount of employee entitlements approximates the net fair value.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended '30 June 2002

| | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|---|-----------------------|-----------------------|
| 20 Reconciliation of net cash provided by operating activities to net profit | | |
| Net cash from operating activities as per Statement of Cash Flows | 2,027 | 381 |
| Reconciling items : | | |
| Depreciation | (29) | (39) |
| Increase/ (decrease) in accounts receivable | (14) | 70 |
| Increase/ (decrease) in accrued income | (18) | 51 |
| Increase/ (decrease) in prepayments | 1 | (6) |
| Decrease / (increase) in accounts payable | 8 | 11 |
| Decrease/ (increase) in accrued expenditure | 57 | (202) |
| Decrease/ (increase) in employee entitlements | 24 | (29) |
| Net profit as per statement of financial performance | <u>2,056</u> | <u>237</u> |

21 Reconciliation of cash

For the purposes of the Statement of Cash Flows, cash includes cash at bank and investments in money market instruments. Cash at the end of the financial year as shown in the statement of cash flows is reconciled to the related items in the statement of financial position as follows:

| | | |
|--|--------------|--------------|
| Cash assets | 772 | 214 |
| Other financial assets (Bank bills) | <u>8,253</u> | <u>6,787</u> |
| Cash assets as per statement of cash flows | 9,025 | 7,001 |

22 Remuneration of Accountable Authority and Senior Officers

The BCITB (Accountable Authority) resolved that members would be entitled to receive fees for their services. Total amount of remuneration for the members are

| | |
|-----------|-----------|
| <u>76</u> | <u>80</u> |
|-----------|-----------|

The number of members of the Accountable Authority whose fees received or due and receivable for the financial year, falls within the following bands:

| | 2001/2002 | 2000/2001 |
|---------------------|-----------|-----------|
| \$0 - \$10,000 | 5 | 6 |
| \$10,000 - \$20,000 | - | - |
| \$20,000 - \$30,000 | 1 | 1 |

The superannuation included here represents the superannuation expense included by the Authority in respect of members of the Accountable Authority.

The total fees, salaries, superannuation and other benefits received or due and receivable for the financial year by Senior Officers other than members of the accountable authority, from the statutory or any related body.

| | |
|------------|------------|
| <u>190</u> | <u>165</u> |
|------------|------------|

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended '30 June 2002

22 Remuneration of Accountable Authority and Senior Officers (cont'd)

The number of senior officers other than members of the Accountable Authority, whose total of fees, salaries and other benefits received or due and receivable for the financial year, falls within the following bands :

| | 2001/2002 | 2000/2001 |
|-----------------------|-----------|-----------|
| \$50,000 - \$60,000 | - | 1 |
| \$80,000 - \$90,000 | 1 | - |
| \$90,000 - \$100,000 | 1 | - |
| \$100,000 - \$110,000 | - | 1 |

The superannuation included here represents the superannuation expense incurred by Authority in respect of senior officers other than senior officers reported as members of the Accountable Authority.

| | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|---|-----------------------|-----------------------|
| 23 Remuneration of Auditor | | |
| The total of fees paid or due and payable for the external audit for the financial year is as follows : | | |
| Fees to the Office of the Auditor General for the external audit. | <u>17</u> | <u>16</u> |

24 Explanatory statement

(a) Comparison of actual results with those of the preceding year

Details and reasons for significant variations between actual revenue and expenditure and the corresponding item of the preceding year are detailed below. Significant variations are considered to be those greater than 10% and \$10,000.

| | 2001/2002 <u>Actual</u> \$'000 | 2000/2001 <u>Actual</u> \$'000 | <u>Variation</u> \$'000 | note |
|-----------------------|--------------------------------------|--------------------------------------|----------------------------|------|
| REVENUE | | | | |
| Levy receipts - gross | 8,931 | 7,423 | 1,508 | (1) |
| Interest | 361 | 414 | (53) | (2) |
| | <u>9,292</u> | <u>7,837</u> | <u>1,455</u> | |
| EXPENDITURE | | | | |
| Employee costs | 424 | 444 | (20) | (3) |
| Administration | 172 | 145 | 27 | (4) |
| Supplies & Services | 59 | 64 | (5) | (5) |
| Depreciation | 29 | 39 | (10) | |
| Other expenses | 7 | 92 | (85) | |
| BCITF - programs | 377 | 447 | (70) | (6) |
| Training expenditure | 6,025 | 6,337 | (312) | (7) |
| | <u>7,093</u> | <u>7,568</u> | <u>(475)</u> | |

24 Explanatory statement (cont'd)

- (1) The housing sector was stronger than anticipated during the year with the primary driver being the first home buyer grant. Consequently, levy collections in the housing sector finished 33% ahead of budget. The commercial sector was more active than forecast and it ended 27% over budget.
- (2) Although net cash reserves increased by \$2million during the period, interest income was \$53,000 lower than the previous year which was due to lower average interest rates.
- (3) Employee cost were 37% below budget as a result of position vacancies during the year.
- (4) Administration expenses increased over the previous year but concluded 16% below budget.
- (5) Similarly, supplies & services were lower than expected.
- (6) Expenditure on BCITF programs fell as a result of winding up of the Youth Induction program.
- (7) Training expenditure did not meet expectations due in part to high level of building activity which curtailed the amount of time available for training. Group training schemes experienced a downturn in apprentice numbers and expenditure was lower as a consequence. In contrast, direct employers of apprentices were in demand and numbers grew significantly and the budget fully expended.

(b) Comparison of Estimates and Actual Results

Section 42 of the Financial Administration and Audit Act requires statutory authorities to prepare annual budget estimates.

Treasurer's Instruction 945 requires an explanation of significant variations between these estimates and actual results.

Significant variations are considered to be those greater than 10% of budget and \$10,000.

The budget figures contained in this Note to the Financial Statements were drawn from the Operational Plan endorsed by the Minister for Training during the course of the year to 30 June 2002.

| | <u>Budget</u> | <u>Actual</u> | <u>Variation</u> | |
|---------------------|---------------|---------------|------------------|------|
| | \$'000 | \$'000 | \$'000 | |
| | 2001/2002 | 2001/2002 | | |
| REVENUE | | | | note |
| Levy receipts - Net | 6,936 | 8,833 | 1,897 | 1 |
| Interest | 242 | 361 | 119 | 2 |
| EXPENDITURE | | | | |
| Employee costs | 575 | 424 | (151) | 3 |
| Travel costs | 33 | 7 | (12) | 8 |
| Legal fees | 12 | 43 | 31 | 6 |

- 1 Both the housing and commercial sectors outperformed expectations and levy collections were 27% above budget. The first home buyers incentives and subdued interest rates contributed to this result.
- 2 Interest income was 33% lower than the previous year due to lower interest rates on investments. The fall in interest income was offset by growth in funds invested by \$2 million.
- 3 Several position vacancies during the year is the main reason for the shortfall in employee costs.
- 4 Subdued operational activity and position vacancies contributed to the low level of expenditure on travel.
- 5 Legal fees exceeded budget by \$19,000 following three complaints the Equal Opportunity Commission during the year which required the Board to engage legal representation. The complaints were settled in May 2002 and there were no outstanding legal fees at 30th June.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD
Notes to the Financial Statements
For the year ended '30 June 2002

| 25 Retained Profits | 2001/2002 (\$'000) | 2000/2001 (\$'000) |
|----------------------------|-------------------------------|-------------------------------|
| Opening balance | 7,416 | 7,179 |
| Net profit | <u>2,056</u> | <u>237</u> |
| Closing balance | <u>9,472</u> | <u>7,416</u> |

26 Lease commitments

The BCITB operating lease commitments as at 30 June 2002 were limited to the leasing of premises.

| | |
|---|----------|
| Commitments within 1 year are | \$33,983 |
| Commitments greater than 1 year and less than 5 years are | nil |

The lease is for a period of 4 years and expires on 31 December 2002 with a renewal option of 3 years.

27 Capital Commitments

There were no capital commitments at year end.

28 Contingent liabilities

The Building & Construction Industry Training Fund & Levy Collection Act 1990 contains a sunset clause which provides for the closure of the Fund and the cessation of levy collections as at 31st December 2002. The Fund will commence the winding up of its operations on 1st January 2003. The Fund has forward commitments for training expenditure for group training schemes to 30th June 2003 and to employers of directly indentured apprentices until December 2005.

In the event that there is no amendment to the sunset clause, the Fund will have forward commitments estimated at \$4.188 million at the date of closure.

During the 2001/2002 year \$8.833 million dollars was collected as levies. Under the Act, these are payable before the commencement of construction and are refundable wholly or in part if the construction is not completed. The proportion representing incomplete work is not known and according to past experience the amount of the refunds in proportion to the total amount collected is relatively insignificant and in the year ended 30 June, 2002 amounted to approximately \$262,468 being 3.0% of the amount received. No other contingent liabilities have since come to our knowledge.

There are no known legal claims pending by third parties against the BCITB other than those matters referred to our lawyers or insurers in the normal course of business for which we consider there are no significant liabilities.

BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD**Notes to the Financial Statements****For the year ended '30 June 2002****29 Interest Rate Risk**

The BCITB's exposure to interest rate risk, repricing maturities and the effective interest rates on financial instruments as at 30th June 2002 are :

| | Effective | Floating | Interest rate maturities | | Total |
|------------------------------|------------------|---------------|--------------------------|--------------|-------|
| | Weighted average | interest rate | 1year or less | non interest | |
| | interest rate % | \$000's | \$000's | \$000's | |
| Assets | | | | | |
| Bank account | 3.47 | | 772 | | 772 |
| Bank bills | 4.17 | | 8,233 | | 8,233 |
| Term Deposit | 4.60 | | 20 | | 20 |
| Accounts receivable | | | | 66 | 66 |
| Accrued income | | | | 804 | 804 |
| Total financial assets | | - | 9,025 | 870 | 9,895 |
| Liabilities | | | | | |
| Accounts payable | | | | 33 | 33 |
| Accrued salaries | | | | - | 0 |
| Accrued training expenditure | | | | 390 | 390 |
| Employee entitlements | | | | 39 | 39 |
| Total financial liabilities | | - | | 462 | 462 |
| Net Financial Assets | | - | 9,025 | 408 | 9,433 |

Interest Rate Risk - 2000/01 Comparative Table

The BCITB's exposure to interest rate risk as at 30th June 2001 was:

| | Effective | Floating | Interest rate maturities | | Total |
|-----------------------------|------------------|---------------|--------------------------|--------------|-------|
| | Weighted average | interest rate | 1year or less | non interest | |
| | interest rate | \$000's | \$000's | \$000's | |
| Assets | | | | | |
| Cash at bank | 4.70 | | 194 | | 194 |
| Bank bills | 5.86 | | 6,787 | | 6,787 |
| Term Deposit | 5.00 | | 20 | | 20 |
| Accounts receivable | | | | 79 | 79 |
| Accrued income | | | | 822 | 822 |
| Total financial assets | | | 7,001 | 901 | 7,902 |
| Liabilities | | | | | |
| Accounts payable | | | | 60 | 60 |
| Accrued salaries | | | | - | - |
| Accrued Expenditure | | | | 429 | 429 |
| Employee entitlements | | | | 63 | 63 |
| Total financial liabilities | | | | 552 | 552 |
| Net Financial Assets | | | 7,001 | 349 | 7,350 |

Credit Risk

All financial assets are unsecured.

There are no amounts owing by Government agencies.

There are no exposures to foreign exchange contracts or to any other type of financial instruments or contracts.

30 Events occurring after Reporting Date

There have been no significant events occurring since reporting date.

31 Affiliated bodies

There are no bodies associated with the BCITB which would constitute that of an affiliated body according to the disclosure requirements of the FAAA.

32 Related bodies

There are no bodies associated with the BCITB which would constitute that of a related body according to the disclosure requirements of the FAAA.

33 Losses, gifts and write offs of property

The were no material losses, gifts or write offs of public property.