



ANNUAL REPORT **2004**





Central TAFE Art & Design Centre at 12 Aberdeen Street, Northbridge

Photo's of Graduate artwork reproduced with permission of 2004 Graduates

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Statement of Compliance

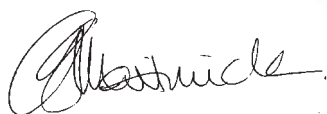
To the Hon Minister for Education and Training, Alan Carpenter, MLA

In accordance with section 66 of the *Financial Administration and Audit Act 1985*, we hereby submit for your information and presentation to Parliament the Report of Central TAFE for the period ending 31 December 2004.

The Report has been prepared in accordance with the provisions of the *Financial Administration and Audit Act 1985*.



Dr Debra Rosser
Chair
Governing Council
Central TAFE



Ms Glenda Martinick
Deputy Chair
Governing Council
Central TAFE

25 February 2005



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From the Managing Director

Central TAFE had a very successful year in 2004, which is reflected in our achievements in vocational education and training outcomes and the College's Strategic Objectives.

The College achieved its overall target in relation to the planned delivery of Student Curriculum Hours (SCH) for Delivery and Performance Agreement funded and fee-for-service training. In addition, it exceeded revenue forecasts and managed expenditure within overall budget estimates.



Central TAFE has continued its focus on academic leadership, with the launch of a new Academic Vision...

During 2004, the College experienced growth in the number of international students studying overseas and expanded its Applied Research and Development activities.

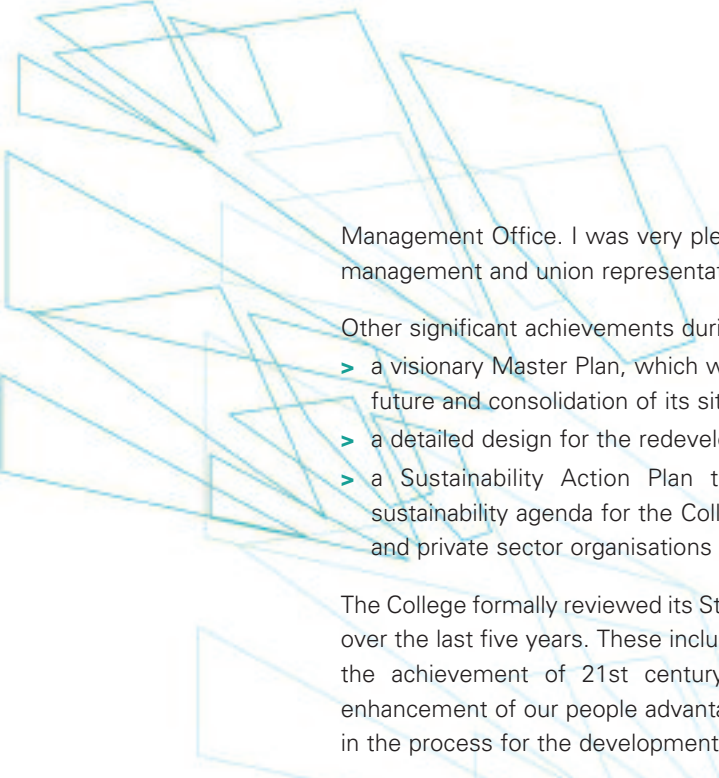
Of particular note was the improved Graduate Satisfaction ratings achieved in the 2004 Graduate Achievement and Destination surveys when compared to previous years. This is a reversal of past trends and a tribute to College staff.

The College continued to respond proactively to the Minister for Education and Training's priorities, including supporting the 15 to 19 year old retention agenda, developing strong articulation arrangements with universities, working with other TAFE colleges on TAFEWA initiatives and promoting jobs growth and career guidance.

Outcomes achieved against the College's stated Key Performance Indicators were generally satisfactory, with sound performance in the indicators relating to total cost of delivery against SCH and Graduate Satisfaction. The only area of concern is the small decrease in the current Student Satisfaction rating, which will be a focus in 2005.

Central TAFE has continued its focus on academic leadership, with the launch of a new Academic Vision, active participation of lecturing staff through involvement in improvement teams, strategic academic projects and professional development. This focus has resulted in a number of awards being made to students and staff by outside organisations for their endeavours during the year. The organisation has also built upon the work undertaken on the new quality system introduced in 2003. This is aimed at improving its academic performance in relation to student outcomes and their learning experience. Regular audits and student feedback surveys have demonstrated real progress in this area.

All of this has been achieved during a period of significant change. The College successfully implemented the recommendations of a Functional Review undertaken in 2003, which resulted in major changes in the organisation's structure and business processes. Central TAFE is now appropriately resourced and structured to support its core business of teaching and learning. Greater emphasis has also been placed on academic development and leadership and new accountability frameworks established to position the College for the future. The change process involved extensive consultation and support, which was coordinated by a dedicated Change



Management Office. I was very pleased with the goodwill and commitment displayed by staff, management and union representatives throughout the transition period.

Other significant achievements during the year include the development of:

- > a visionary Master Plan, which will guide Central TAFE's infrastructure requirements into the future and consolidation of its sites;
- > a detailed design for the redevelopment of the Northbridge Campus; and
- > a Sustainability Action Plan that builds on Government requirements, sets a clear sustainability agenda for the College and supports partnerships developed with Government and private sector organisations to activate sustainability strategies and models.

The College formally reviewed its Strategic Plan 2000 – 2004, which highlighted many successes over the last five years. These included growth in its vocational education and training activities, the achievement of 21st century competency in the application of technology and the enhancement of our people advantage. The outcomes from the review have been incorporated in the process for the development of a new Strategic Plan for the period 2005 to 2010.

Although the new draft Plan does not indicate any major change in direction, greater emphasis will be given to the areas of academic leadership, marketing and the development of a "sense of community" amongst students and staff. This will ensure that the College builds on its 104 year history of serving the Western Australian community and the trust that its stakeholders have placed in us.

In conclusion, I would like to congratulate staff on an outstanding year and thank them for their patience and contribution during challenging times. I would also like to thank our industry partners for the ongoing support in the form of input, advice and the equipment they provide to the College.

It is with great pride that I present Central TAFE's 2004 Annual Report.



Brian T Paterson
Managing Director

Central TAFE Overview

Central TAFE has a long established position within the history of Perth, providing education and training services for more than 100 years.

Central TAFE became a statutory authority, under section 35 of the *Vocational Education and Training Act 1996* on 1 January 1997. Under the Vocational Education and Training Act, Central TAFE is responsible to the Hon Alan Carpenter MLA, Minister for Education and Training, with the primary purpose of delivering training and other activities determined by the Minister.

Central TAFE's Vision is *"to be recognised as an innovative, creative and sought after deliverer of vocational education and training solutions locally, nationally and internationally"*.

As an integral part of the TAFEWA network, Central TAFE is pursuing a market position as a diverse, innovative, contemporary provider of practical, professional and technology oriented vocational training solutions located near the State's central business district.

Quality vocational education and training is provided to more than 25,000 students each year. Central TAFE assists students to achieve their education and training objectives in its targeted industry areas of:

- > Science and Sustainability;
- > Information Communications and Technology;
- > Management and Business;
- > Community, Health Care and Education;
- > Manufacturing, Materials and Engineering;
- > Resources;
- > Art, Design and Media; and
- > Access and Equity.

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*"to be recognised as an innovative,
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vocational education and training
solutions locally, nationally and
internationally"*.

With over 6 million student curriculum hours (SCH) delivered per annum (approximately 27% of total Government-funded training) Central TAFE is the largest of the ten Western Australian TAFE colleges. As a registered training provider, the College offered over 314 fully accredited award courses during 2004, which are provided in accordance with the Australian Quality Training Framework.

Central TAFE also has significant fee-for-service and international activity which supports its core business of Government funded training and provides a source of funding to invest in the future development of the College.

The College is developing a strong research and development capability as part of its innovation policy, which provides contemporary learning pathways for its staff and students. Research and development is also seen as a key initiative for the College to build stronger links with industry and the university sector.

2004 Governing Council Members

As a statutory authority, Central TAFE is a body corporate with the College Governing Council established as the accountable authority.

Appointed under section 39, the College Governing Council consists of a Chairperson, Deputy Chairperson, the College Managing Director and between six and 10 other members. Members are appointed by the Minister for their experience and expertise in education and training, industry or community affairs and for their ability to contribute to the strategic direction of the College.

Whilst the Managing Director has responsibility for the day-to-day operation of the College, the specific functions of the Governing Council under the Vocational Education and Training Act are to guide the strategic direction of the College, oversee the implementation and ongoing development of management plans and ensure the achievement of College commitments under the Delivery and Performance Agreement and any other contractual arrangements.

In addition to these specific functions, the Governing Council executes its powers provided under various statutes including the *Vocational Education and Training Act 1996*, the *Public Sector Management Act 1994* (PSM Act) and the *Financial Administration and Audit Act 1985* (FAAA Act).

During 2004, membership of the Central TAFE Governing Council included:

Dr Debra Rosser: Governing Council Chair from 19 January 2004 for a term to expire 30 June 2005, Dr Rosser has been a member of the Central TAFE Governing Council since 1 January 2000. Dr Rosser was also Deputy Chair from 13 May 2002 to 19 January 2004. Dr Rosser is a principal in Blair Fox Pty Ltd, a company that specialises in research and development in the renewable energy and sustainability industries. Dr Rosser has a PhD in Industrial Sociology.

Ms Glenda Martinick: Appointed to Council on 26 March 2001, Ms Martinick was appointed Deputy Chair on 19 January, 2004 for a term to expire 31 December 2006. Ms Martinick is the Director of Martinick Management Services Pty Ltd, specialising in management consultancy within the information management and technology industries.

Adjunct Professor Mike Grant: An inaugural member of the Central TAFE Governing Council, Professor Grant was first appointed as a member on 1 January 1998, with his current term of appointment from 13 October 2003 to 31 December 2005. Professor Grant has degrees in Law and Education and is currently Executive Director with Avanti Group International.

Mr Noel Bridge: Appointed as a member of Governing Council on 13 May 2002 for a term expiring 30 April 2005, Mr Bridge has extensive experience in Indigenous economic development and in providing business development services and tax advice in various functions within chartered accounting organisations and statutory authorities.

Mr John Burns: Appointed to Council on 13 May 2002 for a term expiring on 30 April 2005, Mr Burns is a lecturer within the WA School of Art, Design and Media at Central TAFE and is a representative of the Australian Education Union.

Mr John Davies: Appointed on 13 October 2003 for a term expiring 30 June 2006, Mr Davies is a qualified Primary School Teacher who, after an early career change, amassed more than 20 years experience in Graphic Design and runs his own Graphic Design consultancy company.

Dr Steve Harvey: Appointed as a member of Governing Council on 19 January 2004 for a term expiring 31 December 2006. As a member of the Exploration and Mining Division of CSIRO, Mr Harvey is a valuable addition to the Council, particularly with regard to the development of the College's Applied Research and Development activities.

Ms Marita Walker: Appointed as a member of the Governing Council on 13 October 2003 for a term expiring 30 June 2006, Ms Walker is Chief Executive Officer of Perth Home Care Services and has qualifications in science and physiotherapy.

Ms Dianne LeCornu: Appointed as a Governing Council Member on 13 October 2003 for a term expiring 30 June 2006, Ms Le Cornu has a nursing background and up until recently held the position of Executive Director of Nursing and Clinical Services at St John of God Health Care, Subiaco.

Ms Jacqueline Quantock: Appointed as a Governing Council member on 13 October 2003 for a term expiring 31 December 2005, Ms Quantock is a former Student of the Year of Central TAFE. Ms Quantock works as an architectural draftsman and is currently undertaking further studies with the College.

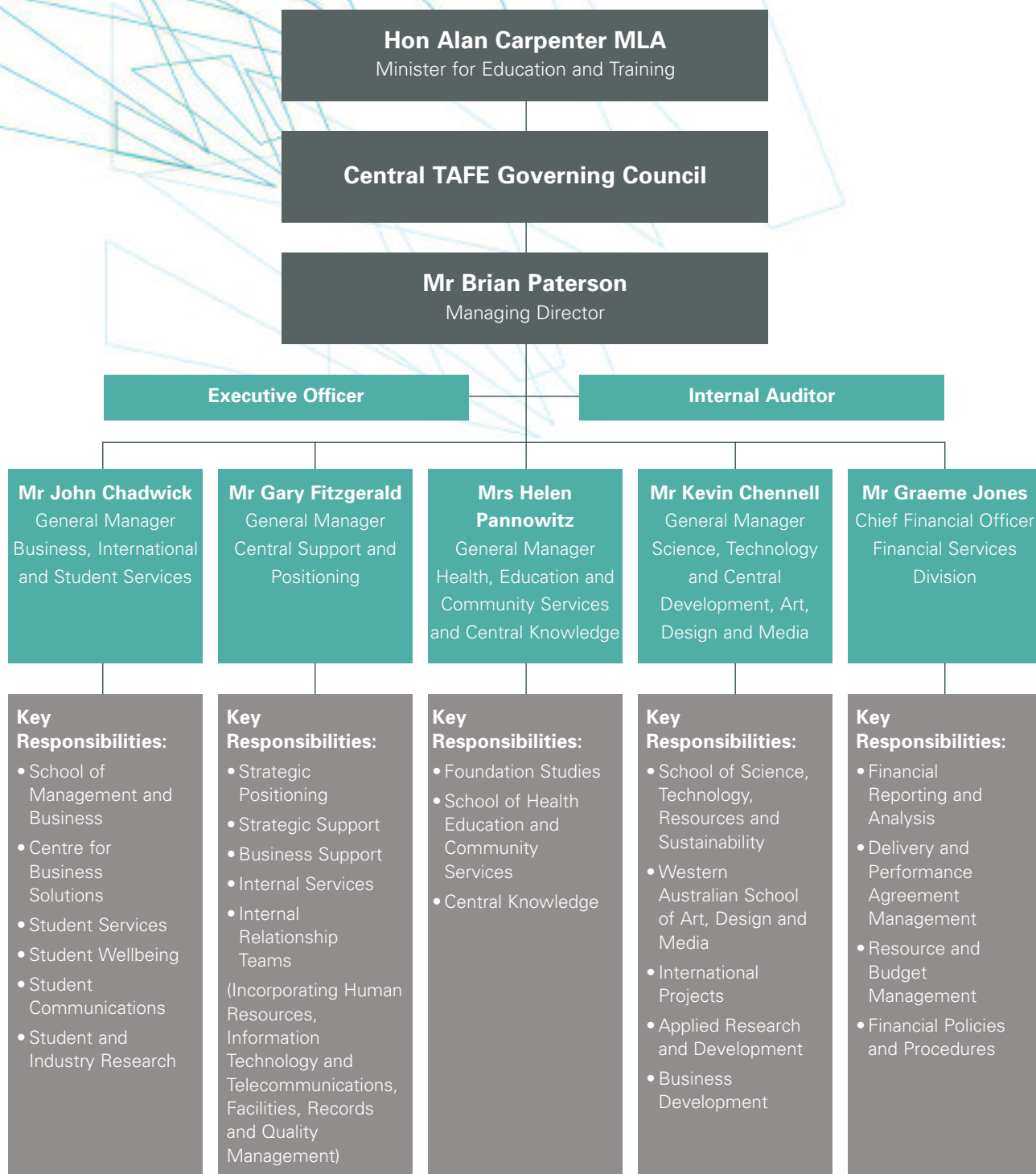
Mr Kelvin Leek: Appointed on 13 October 2003 for a term expiring 31 December 2005, Mr Leek is an employee of Central TAFE, a representative of the Community and Public Sector Union. He is also a Branch Councillor of the CPSU/CSA and a Councillor of UnionsWA.

Ms Moya Icton: Ms Icton was appointed a member of Council in October 2003 and resigned on 27 October 2004 to take up employment in Victoria.

Mr Brian Paterson: As Managing Director of Central TAFE, Mr Paterson is an ex-officio member of Council. Prior to his appointment as Managing Director in 1994, Mr Paterson held senior positions within the banking, finance and corporate sectors, including serving on company boards. Mr Paterson has Post Graduate qualifications in Management and Business.



Central TAFE Structure – 2004





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College Vision and Vision Drivers

The Strategic Plan 2000-2004 details the College's Vision and Vision Drivers.

The Central TAFE Vision is:

"We will be recognised as an innovative, creative and sought after deliverer of vocational education and training solutions locally, nationally and internationally".

Five Vision Drivers were identified to provide focus in achieving the Vision. They are:

- > becoming more learner focussed;
- > forging closer alignment with our industries and clients;
- > developing partnerships and alliances that will help us to access resources and create new education and training solutions for our identified markets;
- > building an operating culture that is innovative, creative and fulfilling; and
- > operating within a disciplined business framework which applies technology and (our) knowledge, to continually improve performance and speed to outcome.

In addition, several strategic and cultural shifts were identified to assist the College in achieving its Vision. These are to:

- > build the College's Business by moving towards a more sales/commercial orientation;
- > improve the customers' experience by becoming more learner-centred and customer-focussed;
- > adopt a more robust approach in the application of technology;
- > manage an environment that encourages innovation, creativity and cross-functional involvement;
- > leverage the College's human resource and intellectual property capabilities; and
- > develop partnerships and alliances in order to access resources and increase client base.



Strategic Objectives

Four Strategic Objectives were established for Central TAFE through the Strategic Plan 2000–2004. The following section provides an overview of each of these Strategic Objectives, its purpose and major achievements related to each Objective in 2004.

Objective One: Expand our client base by consistently growing our WA Government funded business and aggressively growing our business with other sectors.

Objective One recognises the importance of increasing revenue streams by growing the College's business with its main partner, the Department of Education and Training, as well as other public, enterprise and individual clients, locally, nationally and internationally.

To achieve this objective, Central TAFE requires a proactive approach to identifying and understanding customer needs, working with customers to develop relevant solutions and delivering those solutions in a learner focused way. Expanding the College's client base will require an operating culture which provides students and customers with the best possible outcomes.



Achievements attained by Central TAFE related to Objective One in 2004 include:

- > Central TAFE delivered more than its planned target 7.7 million student curriculum hours (SCH);
 - > Central TAFE met its *Vocational Education and Training in Schools* target in a collaborative approach with the Schools Sector by providing programs for 1,028 students who had been identified as being at educational risk;
 - > a contract was secured to offer Certificate II and III in Business and Public Management to 40 Vocational Education and Training in Schools trainees;
 - > a total of 366 new apprenticeship and traineeship students were enrolled at Central TAFE during 2004, in line with the Government objective to increase opportunities in this area;
 - > the number of international students studying at Central TAFE grew by 2% over 2003 enrolments and international English activity also increased by 2% during the year. The number of International students studying offshore was up 29%, from 381 students in 2003 to 492 students in 2004;
 - > courses were run in the Mining area during 2004, with up to 16 students enrolled in each of these courses and more than 50 students being placed in the mining industry in 2004;
 - > the College was a partner in the Co-operative *Research Centre of Sustainable Resource Processing*, and took an active role in vocational education and training course development and delivery to the mining industry;
- > applied research and development projects initiated by the College in 2004 had a distinct focus on the resource sector – with the College being involved in developing new technology for hands-on operator training, investigating the production of geopolymers from mining waste, and developing the technology for investigating mining accidents in an interactive virtual environment;

- > engagement in collaborative applied research and development expanded, with the College entering Memoranda of Understanding with other research institutions, securing support from diverse industry partners for research projects, conducting fee-for-service research consultancies for industry, and targeting and securing high profile research funding in collaboration with State and Federal research agencies. The applied research and development program provided practical benefits to research and industry partners, professional development of staff, and stimulating opportunities for students;
- > Central TAFE significantly expanded its fee-for-service activities in 2004. Overall revenues from fee-for-service activities grew by 9.4% on 2003 figures, maintaining previous growth trends; and
- > In 2004 the College increased the number of articulation arrangements with local universities, which has resulted in a number of graduating students achieving entrance to university in 2005.

Objective Two: Enhance the College's people advantage, its culture and workforce skills.

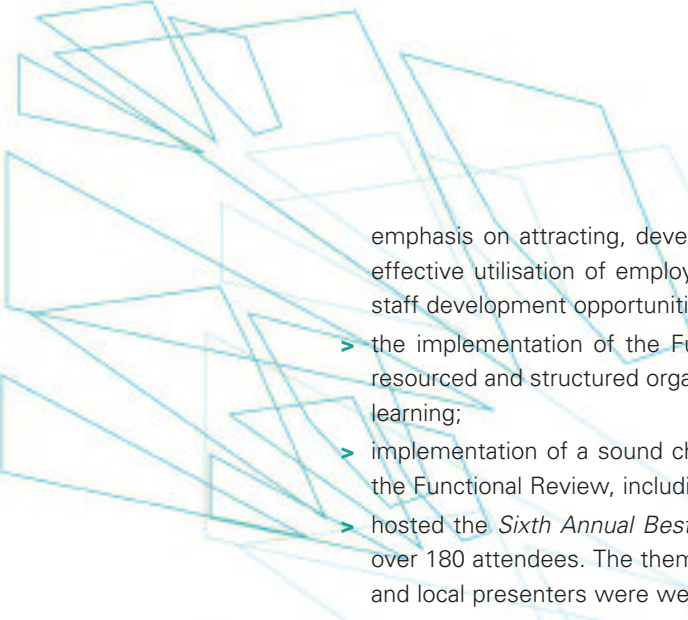


Central TAFE's staff are the College's most sustaining strength. The constantly changing environment requires staff to have contemporary, up to date skills, both professionally and vocationally, in order to meet the challenges of the future. The College culture and the skills of its staff must be continuously enhanced. The implementation of personal development, training and change programs will assist Central TAFE to achieve the desired outcomes.

The College aims to achieve real competitive advantage through its people. This means people applying skills that match the College's vision, objectives and values. A continuing strong emphasis will be based on encouraging a culture of innovation and creativity within Central TAFE staff.

Achievements attained by Central TAFE in 2004 relating to Objective Two include:

- > a Professional Development Plan with a focus on the teaching, learning and assessment activities and business literacy was implemented. In addition to training, Central TAFE provided a number of workshops and forums for its staff and other college practitioners. These included an Assessment Fair, which stimulated lecturers to adopt creative and practical assessment strategies that incorporate quality principles; a Best Practice Teaching Forum that showcased good teaching practices and provided practical examples and strategies from state, national and international levels; and Academic Leadership workshops which explored concepts and ideas of what academic leadership means at Central TAFE;
- > launch of the Academic Vision "*Empowered to Learn*" during 2004. The Vision underpins the College's commitment to support professional development for all staff;
- > engagement of staff through the establishment of consultative forums and project teams for a range of important strategic and operational issues and initiatives;
- > a Corporate Communication program was established to ensure effective communication in the College and to engage staff in taking an active role in the decision making process;
- > a Workforce Plan for 2004/2005 was completed and endorsed by Corporate Executive with



emphasis on attracting, developing and retaining a competent workforce resulting in more effective utilisation of employees whilst enhancing job satisfaction, workplace stability and staff development opportunities;

- > the implementation of the Functional Review, which has resulted in a more appropriately resourced and structured organisation to support the College's core business of teaching and learning;
- > implementation of a sound change management process to support the implementation of the Functional Review, including a dedicated Change Management office; and
- > hosted the *Sixth Annual Best Practice Teaching Forum* in December 2004, which attracted over 180 attendees. The theme for the 2004 forum was "See Change" and the international and local presenters were well received.

Objective Three: Strengthen our financial position in order to establish reserves and to reinvest in training and delivery and support services.

As a statutory TAFE college, Central TAFE is responsible for funding its own operations and finding the resources to invest in its future. The College has a number of strategies in place to achieve this objective, supported by a Financial Services Division, which is responsible for the implementation and administration of systems for financial control within the College, in accordance with the *Financial Administration and Audit Act 1985* and in line with the Australian Quality Training Framework.

In the provision of financial management services, Central TAFE has ensured compliance with applicable *Accounting Standards*, the *Financial Administration and Audit Act 1985* and *Treasurer's Instructions*. This has been supported by the successful completion of the annual audit cycle with the Office of the Auditor General.

Central TAFE also has a Finance and Audit Committee, which is a sub-committee of the Governing Council. This committee is responsible for considering and monitoring the strategic financial and audit plans and their performance within the College.

Achievements attained by Central TAFE related to Objective Three in 2004 include:

- > the appointment of a Chief Financial Officer, with the primary responsibility of facilitating the strengthening of the College's financial position in order to reinvest in training and delivery;
- > the College continued to invest in the future of the College by funding \$1.3m for Corporate Initiatives;
- > achievement of a successful outcome in all audits, highlighting the efficiencies and compliance within the College's policies and procedures;
- > maintained efficiency in operational costs with the key performance indicator of delivery cost per student curriculum hour held at similar level (\$11.50 average) for four consecutive years;
- > completion of a Master Planning Study, which recommended consolidation of the eight College sites to two main sites, Northbridge and East Perth in the long term;
- > met the College's prudential standards and bettered the Section 42 of the FAAA Act reporting requirements in terms of its operating results;
- > contribution of a net \$3.8m to the operations of the College from commercial activities;

- > in response to the 2003 Risk Management Review, a plan was developed and implemented in 2004, which addressed the major areas of the College's risk profile. A major review of the Strategic and Operational Risks commenced in late 2004 to support the new draft Strategic Plan and identify operational risks to be addressed in 2005; and
- > in line with a review of the College's product portfolio to achieve greater focus and consistency, the total product offering of the College was reduced from 385 to 314. The College also introduced 75 new products during 2004, thus refreshing the organisation's product portfolio.

Objective Four: Become 21st Century competent in the application of technology to achieving the College's vision.

Central TAFE aims to be a model of 21st Century competency in the application of technology to achieve enhanced customer services and gain administrative efficiencies.

Given the substantial investment that Central TAFE had made in the previous three years, it was decided that during 2004, the College would concentrate on consolidating its business processes relating to the technology initiatives previously deployed. This related to the Student Portal, WebCT learning support system, use of Short Message Service (SMS) marketing and e-newsletter, direct entry of results into the College Management Information System by lecturing staff and wider use of the Management Information System.



Central TAFE aims to be a model of 21st Century competency in the application of technology to achieve enhanced customer services and gain administrative efficiencies.

A successful pilot on the capture of assessment instruments by two study areas in an Electronic Document Management System (EDMS) was undertaken. The College also participated in the TAFEWA initiative in providing laptops for lecturers.

In addition to the above, Central TAFE continued to address some critical Information Communications and Technology infrastructure issues, such as the upgrade of server and backup technology, "PC" refresh and installation of security applications. A new library system was also implemented in the Learning Resource Centre which has improved services to students.

The College also undertook a major review of its Information Technology and Telecommunications Disaster Recovery Plans.

In focusing on this objective, the College maintained its commitment to supporting the Government's goal of increasing the use of Information Communications and Technology in providing better services to the community.

New Strategic Plan 2005-2010



Central TAFE has reached the end of the current five year *Strategic Plan 2000-2004* period and during 2004 a process was put in place to deliver a new Strategic Plan that will guide Central TAFE into the future.

A Strategic Planning Peak Group, consisting of members of the College Corporate Executive and three members from the College Governing Council, was established to guide the development of the new Strategic Plan. During a number of workshops, a strategic analysis of the College and its environment was conducted, the College Vision was reviewed and Strategic Goals and Objectives were developed.

A Staff Consultative Committee was also established to provide input and several stakeholder forums were held.

In an overall sense, the strategic planning process has not indicated the need for any major change in direction. What it has confirmed is the need for the College to build on what has been learned from the strategic journey over the last five years and to position itself to respond proactively to its ever-changing environment.

As part of the process, the Strategic Plan 2000-2004 was formally reviewed and many successes and several gaps were highlighted. In summary, the major achievements were:

- > growth in the College's vocational education and training delivery for both Government funded and fee-for-service activities;
- > enhanced 21st century literacy skills and positive cultural change in the application of technology;
- > development of the organisation's people advantage; and
- > maintenance of strategic reserves and investment in initiatives that support both the College's core business of teaching and learning and its future development requirements.

The issues identified that require greater emphasis and support in the new Strategic Plan are:

- > academic leadership;
- > marketing;
- > development of a "sense of community" amongst students and staff; and
- > improving the total student experience.

The new Plan is scheduled for completion in early 2005.

Academic Framework

Academic Vision

The Academic Vision "Empowered to Learn" was officially launched to the Central TAFE community during 2004 and became the explicit statement of the College's commitment to providing the best education and training possible for the WA community and for our international collaborators. The Academic Vision is set out below.

Central TAFE – Empowered to Learn

Central TAFE is a learning organisation with best practice as our benchmark.

Our core business is teaching and learning.

We are committed to continuous improvement.

We aim to inspire and support our learners to achieve their personal best.

We will achieve this through our commitment to:

- provide effective, workplace relevant learning experiences;
- support staff to be critically reflective and future orientated;
- create a culture that draws upon our individual and collective community spirit; and
- be innovative and creative in response to those we serve.

Central TAFE – inclusive, collegiate & celebratory.

The Vision is proving to be a powerful tool for promoting efforts to strive for good academic practice and for Central TAFE to benchmark itself against the best in the world. The Vision also underpins the College's commitment to support professional development for lecturers and other staff, making improvements to teaching and learning a key focus for its activities.

Academic Leadership

The College's Academic Board is responsible for academic leadership within the organisation. The Board meets every month to set policy direction, address strategic academic issues and monitor academic standards and performance.

Following the Functional Review, the portfolio and academic governance structure below Board level was greatly enhanced, in order to better support the overall academic framework of the College. A key feature is the significant number of consultative forums for lecturers and others who need to have input to academic decision making. This includes Academic Leadership Groups within every portfolio, increased support via a reduction in teaching hours for the College's Principal Lecturers and the continuance of the Academic Project Team which is made up of senior academic staff from across the College. This more democratic and open structure contributes to the College's commitment to being a Learning Organisation, where every member of staff is encouraged to be an active participant in the life of Central TAFE.

In addition to this, a unit called Central Knowledge was created to provide teaching and learning support across the College and co-ordination of academic leadership at a strategic level. The unit also oversees the management of the College's product portfolio and quality system.

This initiative is a major investment in developing the academic capability of the organisation and will position the College well for the future.

Australian Quality Training Framework (AQTF)

The Australian Quality Training Framework is a national quality management system which applies to all registered training organisations, including TAFE colleges.

Central TAFE continued to consolidate its successful approach to compliance with Australian Quality Training Framework during 2004 and undertook a number of internal AQTF audits, including a major audit conducted by consultants Canington International Training during November. Areas for improvement and rectification were identified and addressed as a matter of priority. This supports the College's desire to demonstrate excellent teaching and learning practice and therefore high levels in student outcomes.

Following the Functional Review, a new position of Academic Policy and Practices Team Leader was created within Central Knowledge. This position will focus on supporting portfolio staff in their understanding and implementation of the College's academic policies, including the Academic Vision. This, in turn, will support the College's progress towards achieving world class standards in its practice and the promotion of the inherent excellence of the WA system internationally.

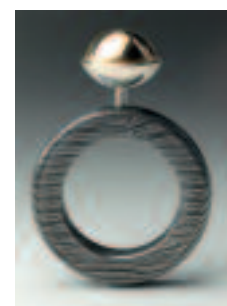
Innovative Delivery Models

In 2004, the Central Knowledge Unit was formed at Central TAFE to provide across the board teaching and learning support. During the year, Central Knowledge organised several forums which showcased innovative delivery and assessment practices within Central TAFE, most notably the Assessment Fair in October and the sixth Annual Best Practice Forum held in December. The Deputy Director General, Training, opened the Best Practice Forum and described it as a significant catalyst for the dissemination of innovation in teaching and learning across the training sector in WA. In addition, the College supported a team of Learning Technology Mentors and a Good Teaching Practices Trainer, whose role it is to identify and promulgate innovative and contemporary teaching methodologies with their colleagues.

JEWELLERY –

A combination of ancient metal working techniques and modern industrial technology is the driving force behind my work. The mastering of many techniques and materials allows me freedom in design.

“In my Eyes” wedding ring by Tasman Kerley



Further to the above, Central TAFE's School of Business has partnered with Sanitarium and set up a practice firm. Assisted by staff of Sanitarium and using marketing literature provided by the company, the students of the Certificate III in Business or Certificate III Business Administration course set up a "sub division" of Sanitarium within the College. This creates an environment for students to have interaction with customers, participate in the process of buying, selling and managing the financial side of a business. Students who complete this course can go on to do the Certificate IV of Business, Certificate IV of Business Administration or go directly into the workplace.

Another example of an innovative delivery model is the course support to students undertaking Aboriginal and Disability studies, English, English as a Second Language (ESL), English Language Intensive Courses for Overseas Students (ELICOS), Adult Migrant English Program (AMEP), Communication Studies and Pathways Programs within the School of Health Education and Community Services. Support is available at Northbridge, Mt Lawley, Leederville and e-Central campuses. The support may take the form of an additional lecturer in a class for Pathway courses; or lecturer support for small groups or individual students with disabilities; or via the Independent Learning Centre (ILC) based at Northbridge Campus for English as a Second Language learners.

This innovative support has seen a dramatic decrease in the attrition rate of students from courses. Particular successes in 2004 have included Lab Technician students at e-Central, IT students at Leederville and Nursing, Aged Care and Child Care students at Mt Lawley.



Response to Government Direction and Priorities

As a Government body, Central TAFE's operations are largely guided by its public obligations. Development of the College's Annual *Operational Plan* includes consideration of requirements under various Government reports, Cabinet decisions, Acts of Parliament and Ministerial directions. These include:

- > **2001 Election Policy Statements**, including efforts to achieve:
 - increased training to apprentices and trainees as required under the Election Policies *Employment and Training, A Focus on Young People, and Youth*; and
 - increased collaboration with local secondary schools as required under the Election Policy *Investing in Our Schools*;
- > **Machinery of Government Report** – which noted, in relation to the training sector, the importance of developing systems to reduce duplication in Corporate Services;
- > **Premier's Circulars**, and **Circular to Departments and Authorities** – (published by the Department of Consumer and Employment Protection);
- > **Creating the Future** – key priorities for the Vocational Education and Training sector as determined by the Minister for Education and Training;
- > **Review of the WA Training Sector** – (McRae Report), which recommended enhanced collaboration and communication both internally and with key stakeholders of TAFE colleges;
- > **Review of the Interface between Education and Training in Western Australia** (Tannock Review) – where various issues and challenges were identified and recommended to be resolved as a matter of urgency;
- > **Burrup Skills Taskforce Report** – which outlines Government efforts required to ensure the availability of skilled personnel as required by emerging industries on the Burrup Peninsular;
- > **Making it Happen** – an action plan with specific targets for improving training and employment opportunities for Indigenous Western Australians, which was released by the Premier and agreed to by the Department of Education and Training and all public training providers;
- > **Better Planning: Better Services** – provided under the Premier's Circular to Ministers 2003/16, which requires outcomes achieved for groups of customers to be reported by agencies within their Annual Report;

- > **Disability Service Plan Outcomes** – required to be developed and progress reported, under section 29 of the *Disabilities Services Act 1993*;
- > **Equal Opportunity Outcomes** – including the development of, and reporting against, an Equal Opportunity Management Plan, as required under section 146 of the *Equal Opportunity Act 1984*;
- > **Cultural Diversity and Language Services Outcomes** – as established under the Cabinet decision *Language Service Policy of the Policy Sector*;
- > **Youth Outcomes** – as established under the Cabinet decision *Action: A State Government Plan for Young People 2002-03*;
- > **Knowledge and Information Management** – requirements under the *Freedom of Information Act 1993* and the *State Records Act 2000*;
- > **Public Sector Standards Compliance** – including requirements relating to Human Resource Management Standards and Codes of Ethics and Conduct;
- > **Advertising and Sponsorship** – obligations to minimise expenditure and comply with sector badging and limits of Television and Radio advertising in line with Government policy and reporting obligations under the *Electoral Act 1907*;
- > **Waste Paper Recycling, Energy Smart Government Policy and the Sustainability Code of Practice for Government Agencies** – under the *Cabinet Minute 2.7* of October 1991, *Premier's Circular No. 2002/13* and *Premier's Circular No. 2004/14* respectively; and
- > **Obligations under the *Financial Administration and Audit Act, and Treasurer's Instructions.***

Central TAFE is committed to its public sector obligations of ensuring that the needs of Western Australians are met by addressing Government priorities. A particular focus in 2004 has been supporting the Minister for Education and Training's priorities outlined in "Creating the future".



FASHION AND TEXTILE DESIGN

I am interested in the links between maths and beauty and life. I started off with perfect geometric shapes, but in the working little mistakes appear and are built upon, creating something more worthwhile.

– Jade McCormick



Creating the future

Central TAFE has included the achievement of the Minister's *Creating the future* priorities as a major feature of its operational planning framework. Below is a summary of achievements in 2004 against each of the six key priorities.

1. Increasing Retention Rates

In 2004, Central TAFE fully utilised the total 46,411 SCH for *Vocational Education and Training in Schools* program. Interest was high in all programs, many of which were over-subscribed. Participation and completion rates were solid, with an improvement on what was achieved in 2003.

A range of delivery modes were utilised in 2004, including onsite delivery at TAFE and schools, auspicing with Schools and mixed mode arrangements. Relationships with schools and Education District Offices across the Metropolitan Area have strengthened, which has resulted in greater student interest for 2005, with larger numbers on waiting lists for the coming year and a greater diversity of programs being requested by schools.

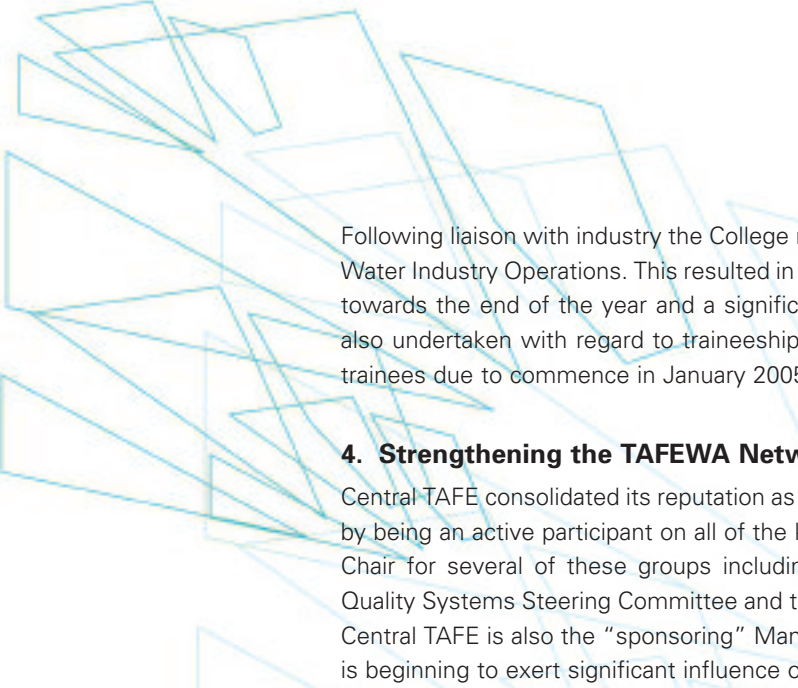
A "Student at Risk" pilot was completed for 145 students in conjunction with West Coast District Education Office. In addition, a "District Education and Training Plan" was developed in conjunction with West Coast District Education Office and West Coast TAFE, with Central TAFE also preparing a research paper on "Youth at Risk" for the West Coast Education District's Youth Advantage plan. Later in 2004, a draft proposal for a collaborative project with a community organisation to identify and address "Youth at Risk" was developed for consideration in 2005.

2. Improving and making easier transfer between Vocational Education and Training and Universities

During 2004, Central TAFE continued to work with universities and the Department of Education & Training to improve articulation pathways for students. By the end of 2004, fourteen formal arrangements for international students had been signed off between Curtin University of Technology and Central TAFE in the areas of Art, Design and Media and Engineering. An Agreement was also negotiated with the University of Western Australia (UWA) that enables international students from Qatar Petroleum, who successfully complete Central TAFE's Advanced Diploma of Engineering (Oil and Gas), to articulate to the second year of UWA's Bachelor of Engineering Courses in Petroleum Engineering, Process Engineering, Offshore Engineering & Naval Architecture or Oil and Gas Engineering. In addition, Central TAFE participated in TAFEWA arrangements negotiated with the University of Notre Dame Australia in the areas of Environmental Science and Information Technology. These and other articulation arrangements are also being made available to local students.

3. Increasing the number of apprenticeships and traineeships

During the 2004 academic year, a total of approximately 700 apprentices and trainees were enrolled to receive training on a full-time or part-time basis in areas ranging from financial services and printing, to process manufacturing and community services. 366 were new commencements, with approximately a quarter in the Business and Administration area and the remainder in the areas of Children Services, Travel and Tourism, Printing, Engineering Trades and Plastics and Rubber. In addition, the College continued to deliver the Beauty Therapy and Printing training packages to apprentices and custodial trainees and Asset Maintenance training to Department of Justice trainees.



Following liaison with industry the College registered new traineeships in Certificates II and III in Water Industry Operations. This resulted in two Water Corporation trainees commencing training towards the end of the year and a significant number anticipated for 2005. Negotiations were also undertaken with regard to traineeships in the Certificate II in Driller's Assistant, with new trainees due to commence in January 2005.

4. Strengthening the TAFEWA Network

Central TAFE consolidated its reputation as one of the pre-eminent training providers in the State by being an active participant on all of the key sector groups and committees, and provided the Chair for several of these groups including the Common Systems Steering Committee, the Quality Systems Steering Committee and the Training Delivery Group. The Managing Director of Central TAFE is also the "sponsoring" Managing Director for the Training Delivery Group, which is beginning to exert significant influence on the academic development of the sector.

Central TAFE consolidated its reputation as one of the pre-eminent training providers in the State by being an active participant on all of the key sector groups and committees...

Key TAFEWA projects to which Central TAFE staff also made contributions during 2004 include the Training Delivery Model Project, the Review of Minimum Entry Requirements, a Review of Graded Performance and the High Level Review of Training Packages by the Australian National Training Authority. Central TAFE worked closely

with other metropolitan TAFE colleges to develop areas of specialisation to strengthen the training sector and has a strong representative on the TAFEWA Professional Development Network and also participates on a number of collaborative projects with other colleges. Central TAFE also negotiated to transfer Oil and Gas programs to Challenger TAFE and for Challenger and Central to deliver collaboratively at the Subiaco Campus. An Industry Cluster scoping project was also completed with Challenger TAFE and the Department of Education and Training during 2004.

During 2004, Central TAFE worked with Professor Peter Newman from the Office of the Premier, and the Department of Education and Training to develop an overarching model on how the TAFE Sector can respond to and lead in relation to the State Sustainability Strategy. Integral to this work was the development of the concept for an Applied Research and Development Sustainability Hub for the sector that could be managed from Central TAFE, in collaboration with other TAFEWA Colleges. A series of draft recommendations were developed on this Hub for presentation to the Department of Education and Training Corporate Executive.

5. Supporting jobs growth

Central TAFE's Government-funded training has a strong focus on sustainable and emerging industries, including the areas of Science and Sustainability, Information Communication Technology, Telecommunications and Electronic Engineering, Management and Business, Community and Health Care, Manufacturing Materials and Engineering, Resources and Infrastructure and Art, Design and Media. 75 new courses were offered to students in 2004, a number of which relate specifically to workplace skills and key job growth areas.

In addition, a successful proposal to the Department's Training Technology and Equipment Submissions resulted in the portfolio of Media being awarded a grant for \$300,000 to enable upgrading of post-production film and television facilities to current industry standards. Students in Film and Television will now be trained on identical equipment to that used by the broadcast television and film industries.

In the health and fitness area, two initiatives were implemented as a result of feedback and consultation with industry. They were:

- > upgrade of the Certificate IV in Enrolled Nursing to a Diploma with the first delivery expected in 2005; and
- > approval by the Department of Education and Training to deliver on Profile the Certificate IV in Fitness in 2005.

6. Providing better career guidance and preparation for employment

All Central TAFE students and graduates of up to 12 months post-study can access free services such as Job Preparation, Job Placement, Work Experience and Self Help Resources through the JobCentral initiative. Of the 472 students registered at JobsCentral, 82 students were provided with job placements and 458 work experience placements were provided for Central TAFE students during 2004.

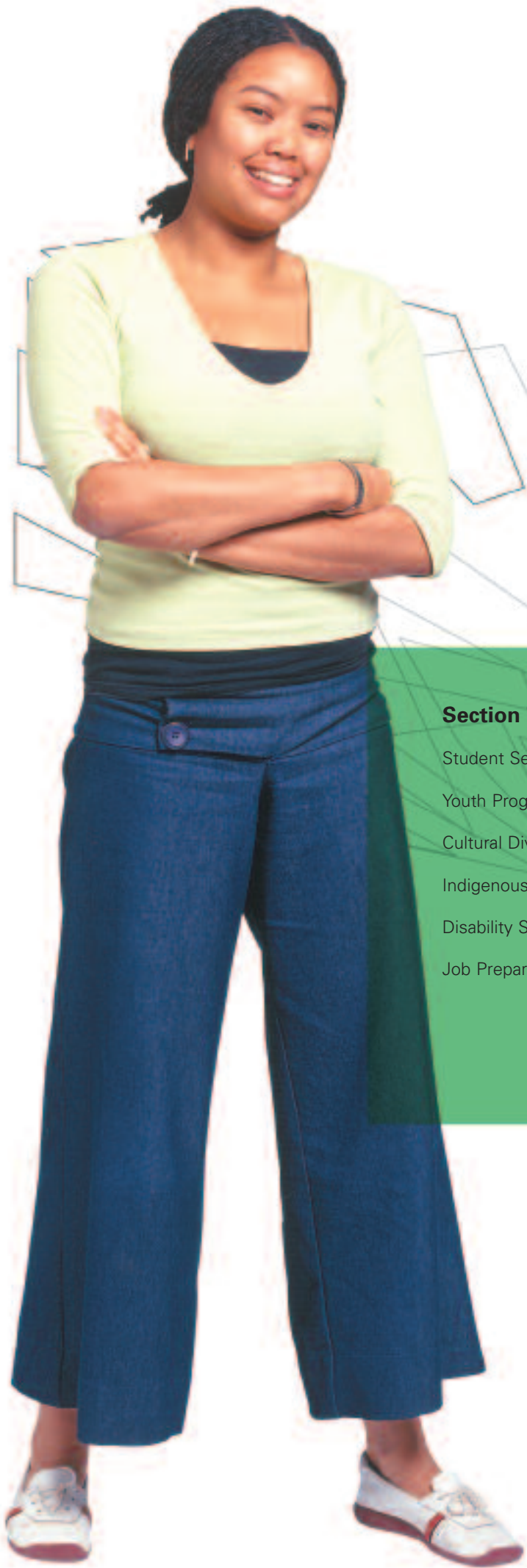
INTERIOR DESIGN

My inspiration and passion for Interior Design originates from my interest in human behaviour.

Examining how we interact with our surroundings and what makes us fundamentally comfortable is what I enjoy exploring.

– Sophie Fernandez





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Student Services Overview

Central TAFE has a diverse student population made up of local and international students. Local students undertaking studies at the College are classified by their objectives for undertaking study as:

- labour market entrants;
- apprentices/trainees;
- career changers;
- seeking articulation to university;
- skill improvers;
- bridgers;
- skill developers; and
- self employed.



Central TAFE provides vocational education and training products within the Australian Qualification Framework that are accredited with the Training Accreditation Council. The College predominantly offers Certificate IV, Diploma and Advanced Diploma Courses and also provides a range of customised fee-for-service training courses.

Central TAFE provides the following educational support services:

- Learning Resource Centres;
- Bookshop;
- Job Placement services;
- Student Wellbeing Centre;
- Chaplin and Psychologist;
- Enquiry and communication services through its Front Counter and Call Centre; and
- Independent learning services for students who require additional learning support.



The College also provides students, and the community at large, with information about Central TAFE via its website and, in particular, details of courses and career options through the Product and Services Catalogue.

In accordance with Government policy, Central TAFE offers specialised preparatory studies for youth, people from non-English speaking backgrounds, Indigenous people and students with disabilities.

The College is committed to involving and consulting with its student body. It receives feedback on the services it provides from the annual Student Satisfaction Survey, student focus groups and the Modular Completion Survey for each module of competency completed. Central TAFE also has a Complaints Policy and Procedure which was reviewed during the year, to ensure that the College offers the right services. In addition, Central TAFE has a Student Council which contributes to the overall feedback framework.

Youth Programs

Forty percent of the total College delivery relates to students aged between 17 and 19 years.

Following the successful implementation of a number of programs initiated in response to "Creating the future", Central TAFE has been working with District Education Offices in the identification of programs to support the implementation of District Education Plans. These plans have been developed in response to the Youth Advantage Strategy and are designed to address the needs of students within individual areas.



Forty percent of the total College delivery relates to students aged between 17 and 19 years.

Short programs for students at educational risk have proven both popular and effective in increasing retention of students at school, with ongoing improvements in student behaviour. Vocational Education and Training in Schools programs have provided attractive pathways for year 11 and 12 students looking for an alternative to University study. Involvement of school students in these programs has increased with more and more schools approaching Central TAFE to partner them through an auspicing arrangement so that students can achieve Units of Competency alongside their school curriculum subjects. A number of mixed mode delivery arrangements have been developed to allow schools to deliver Units of Competency for which they are equipped, whilst Central TAFE delivers more specific Units within a qualification that requires access to specialist resources or equipment.

Both Government and private schools are involved in vocational education and training delivery and in accessing training for their students at Central TAFE.

Vocational Education and Training in Schools offered a range of programs for high school students who were identified as being at risk of dropping out. These programs were run at Central TAFE, high schools and various colleges, with approximately 1,028 students participating. Many of the students who completed the Vocational Education and Training in Schools program have indicated that they will move into full time study with Central TAFE in 2005. For example, of the 16 students who completed the Tourism course during 2004, 11 have indicated their intention to attend Central TAFE full time in 2005.

Cultural Diversity and Language Services

The implementation of the Access and Equity Strategic Vision 2001-2004 saw notable changes across the organisation with access and participation principles being incorporated as part of ongoing business practices.

The acceptance and outcomes of the Access and Equity Strategic Vision over the last four years has been very positive.

Specialist "English as a Second Language" pathway courses have been expanded to support students with diverse needs into mainstream courses, with English and Applied Vocation Study Skills courses underpinning their learning. Pathways are offered in Aged Care, Childcare, IT, Nursing and Laboratory Technician.

Central TAFE allocates 7% of its State Government funded training towards access and equity programs. During 2004, increased training was undertaken by academic staff in cultural awareness.

During 2004, plans were put into place to start 2005 with an inclusive strategy in which many of the entry level courses of Training Packages are to be offered to students directly through the Industry mainstream area, rather than being separated to the Access Portfolio. These groups are supported by literacy and numeracy specialists to ensure the best possible outcomes.

2005 will see renewed discussions and plans being put in place to ensure that Central TAFE is both proactive and diligent in ensuring engagement by all staff and students with the Access and Participation Strategies.



Indigenous Services

During 2004, the Aboriginal Programs area at Central TAFE was renamed Nyoongar Kadadjiny Kulark Kart.

A number of strategies were implemented in 2004 to support the 122 Indigenous students who study at Central TAFE and to increase their retention rates. One of these strategies was the employment of a qualified psychologist to provide confidential counselling and support for the Aboriginal students.

The Nyoongar Kadadjiny Kulark Kart Centre was enhanced through an Indigenous Public Art Program and the launching of the "Sense of Place", a bush tucker garden and mural at the Leederville campus developed by the 2004 Indigenous Public Art Students. This dedicated area is a testimony to the importance of offering Aboriginal students an appropriate learning environment.

The greatest achievement in 2004 was the successful completion of a program by a number of Indigenous students to gain the academic and physical requirements to be selected into the Police Training course.

A Youth Work course was also offered for the first time in 2004 and Central TAFE partnered "Great Mates", a youth mentor organisation. The students in this program were all employees of Great Mates and work with youth at risk and provide mentoring in schools.



Disability Services

During 2004, approximately 620 students with disabilities, including mental health issues, hearing and vision impairment and intellectual disabilities, attended Central TAFE.

In the last two years there has been a noticeable shift in the disability profile of the student population, from a predominance of students with physical disabilities and hearing and vision impairment to students who have mental health issues. Central TAFE is making an important contribution to addressing issues in this area, as access to education provides a significant opportunity for the inclusion of people who are marginalised by disability in the social and economic life of the community.



During 2004, approximately 620 students with disabilities, including mental health issues, hearing and vision impairment and intellectual disabilities, attended Central TAFE.

In order to provide support for Central's lecturing and support staff working with these students, Central TAFE has made a significant effort to provide professional development for staff dealing with students with challenging behaviours and psychiatric illness and has developed procedures that relate to whole of College policies.

In conjunction with Ruah Inreach, Central TAFE is developing a bridging course to prepare people with mental health issues for entry into TAFE. The course is designed to give the students the skills needed for successful study and an understanding of the support available.

250 students with an intellectual disability enrolled at Central TAFE in 2004. The clarification of courses being offered to these students and clear enrolment and selection processes has assisted students, parents and carers in making informed choices. The College offers Certificate courses in Business, Retail, Work Education and Horticulture

as well as classes in Literacy, Numeracy, and Technology to people with an intellectual disability. Many of these students moved on to further training or employment at the end of 2004.

The College has also developed maps of all campuses and these are available for organisations such as the Association for the Blind to give to their staff to assist with orientation for students who are blind or vision impaired. These maps are freely available to all students.

Job Preparation and Placement

Central TAFE provides a job preparation service which aims to empower its students and graduates of up to 12 months with the required level of skills to be self sufficient in the job market.

The intention is to provide the necessary skills, which students can take from Central TAFE and apply throughout their lifetime. In all, 1,838 students accessed this service, which provides a range of services including one-on-one consultations, generic and customised workshops, guest speakers and career roadshows.

In addition, a job placement service is available to all Central TAFE students and graduates of up to 12 months and is provided as a free, value add service to the student community. A total of 472 students were registered for JobsCentral services during 2004 and 348 students were interviewed by the Job Placement Co-ordinator. This service includes handling all student and employer contact, vetting of vacancies, undertaking job matching and organising referrals. The unit manages a total of 2,113 employers on its database; this figure continues to increase, with a number of employers choosing to repeat business with the College. 545 employment opportunities were lodged with JobsCentral and 82 students advised of their success in gaining employment. The placement figure provided is not truly indicative of the final outcome, as there is a heavy reliance on students and/or employees providing the necessary feedback.

JobsCentral provided 1,053 referrals to industry. This affords Central's students the opportunity and experience to participate in the job hunting market and empowers them with the skills that they require to be self sufficient in manoeuvring today's labour market.

A total of 458 work experience placements were offered to Central TAFE students during 2004.



...472 students were registered for JobsCentral services during 2004 and 348 students were interviewed by the Job Placement Co-ordinator.



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Report to Public Sector Standards Commissioner

To the Commissioner for Public Sector Standards

In its administration of Central TAFE, the College Governing Council has ensured compliance with the *Public Sector Standards in Human Resource Management* and the *Public Sector Code of Ethics*.

Central TAFE has policies, guidelines and processes that support the Standards. Policies and associated procedures are available to all staff through the College's Intranet site.

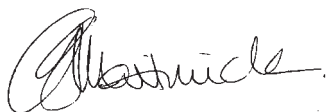
A high level of importance is placed on the resolution of staff grievances and other workplace issues. Senior Human Resource Consultants case manage all issues raised and have been trained in the process of resolution. In addition, trained Grievance Officers are located on all campuses and their role is to assist in the facilitation of resolutions at the source.

Ten formal grievances and ten workplace issues were managed during 2004, in comparison with three formal grievances and ten workplace issues during 2003. The level of grievances and workplace issues is due to the degree of change undertaken by the College during the year and is indicative of staff's awareness of their ability to raise issues and have them addressed in a structured, consultative environment.

There were thirteen claims of breaches of Public Sector Standards in *Human Resource Management* lodged during 2004, all in relation to the *Recruitment, Selection and Appointment Standard*. None of these claims was upheld by the Office of the Public Sector Standards Commissioner. Five of these claims were withdrawn and six were not found to be substantiated. Two remain outstanding at the end of the year as they are still undergoing review.



Dr Debra Rosser
Chair
Governing Council
Central TAFE



Ms Glenda Martinick
Deputy Chair
Governing Council
Central TAFE

25 February 2005

Managing Human Resources

1. Workforce Planning

Central TAFE has a Workforce Plan which addresses the following objectives: staff surpluses and shortages; recruitment and retention; and skill shortages. The plan provides a framework for the control and management of the changing nature of the workforce, the ageing profile of the workforce and ensures the necessary supply of appropriate staff to meet current and future workforce requirements.

Full Time Equivalent (FTE) staff employed by Central TAFE

(Includes Permanent, Contract and Casual Staff)

	2002	2003	2004
Year to Date Average FTE for Calendar Year	855.49	908.84	906.66
Academic (Direct Delivery)	54%	55.5%	55.1%
Academic Support & Services (Inc Commercial Activities)	31.7%	30.02%	30.1%
Corporate Services	10.6%	9.9%	10.5%
Casual Support (Non Delivery)	3.7%	4.4%	4.2%

2. Diversity

The Central TAFE *Workforce Equity and Diversity Plan 2002–2005* is designed to meet the requirements of its diverse customer base and was developed in response to the Government's priority to increase the diversity of the Public Sector at all levels in order to improve equity and service delivery. The Public Sector Objective for employment of people from culturally diverse backgrounds was set at 5.5% in 2003. During 2004, 14% of Central TAFE employees were from culturally diverse backgrounds.

Central TAFE aims to develop a corporate culture that values diversity and employment practices, which recognise and, where appropriate, include measures to achieve diversity and equality of employment for members of designated equity groups.

To contribute to the diversity of our workforce in 2004, specific vacancies were identified for applicants from diversity groups and recruitment activities were designed to achieve this outcome. Links have also been made with groups in Western Australia who support and assist people from diverse backgrounds to find employment.

Specific targets for the diversity profile of the Central TAFE workforce have been established, with priority equity groups of Indigenous Australians, people with disabilities and youth (under the age of 25 years) being identified.

3. Industrial Relations

A new *General Agreement for all Government Officers* within the Public Sector was registered in August 2004.

The *Western Australian TAFE Lecturers' Certified Agreement 2003* expired on 31 December, 2004 with a replacement agreement negotiated prior to its expiry, and now lodged with the Australian Industrial Relations Commission.



4. Occupational Safety and Health (OSH)

The College is committed to providing a safe work environment for staff and students. The annual *Corporate Occupational Safety & Health Operational Plan* is designed to demonstrate the College's commitment to Occupational Safety and Health, as well as providing a clear direction for the improvement of the OSH management system at Central TAFE.

The main focus of the Plan is on critical success factors, such as continued management commitment, individual ownership and accountability, managing major hazards, and a flexible Governance Framework that meets the business needs of the College. These critical success factors are integral to the achievement of the five legislative elements contained in the *Worksafe Plan* and provide a framework for success.

5. Professional Development

Following extensive consultation with staff across all areas of the College, a new program was designed in 2003 to provide Central TAFE staff with engaging learning opportunities that will benefit individual staff and assist in the achievement of the College's strategic and operational plans. This continued in 2004, with a major focus of this program, known as Good Opportunities for Learning and Development (GOLD) being on the provision of better teaching and learning practices and specific skills development.

All staff are encouraged to undertake two hours of professional development each week and a training calendar is provided which lists the courses and workshops available to College employees.

In 2004, Central TAFE also put in place a structured process to ensure that all new staff met the Induction requirements of the College (as per College policy and Australian Quality Training Framework compliance). This process was re-engineered in August 2004 to ensure that compliance and monitoring of the completion of induction was adequately addressed. Feedback from staff on the induction program has been positive.

6. Performance Management

Central TAFE is committed to a performance management process for all employees. The College was found to be compliant when a sample audit of the *Central TAFE Performance Management System* was assessed as part of an Australian Quality Training Framework audit during 2004. A number of recommendations were made as a result of this audit and these will be assessed and adopted as part of a general review of the process in 2005.

7. Modes of Employment and the Management of Surplus Employees

Central TAFE has adopted practices that ensure the College is staffed appropriately whilst complying with the Government's commitment to greater job security in the public sector. All positions are assessed prior to advertising to ascertain the most appropriate mode of employment.

As at 31 December 2004, eighty one percent of all non casual staff at Central TAFE were permanent employees.

Central TAFE is committed to the equitable management of an employee following a decision to make a job function surplus to operational requirements. This practice aims to maximise the potential for efficiently placing a redeployed person into suitable alternative employment whilst they undertake temporary roles within the College.

Capital Infrastructure Planning

During 2004, Central TAFE, in conjunction with the Department of Education and Training, completed a *Master and Space Planning Study*, which recommended the consolidation of current College sites to two main campuses at Northbridge and East Perth in the long term.

The Northbridge site will consolidate all Art, Design and Media programs, Cultural, Health Education and Community Services and Management and Business programs. The East Perth site will consolidate the Science, Information Communication Technology, Sustainability, Engineering and Resources programs.

A detailed staging of the agreed works is now underway. This includes the detailed design of a new facility to house the Printing programs from the Wembley site at the Northbridge Campus. In addition, concept planning is underway for the development of the Northbridge site to accommodate delivery programs from the Mount Lawley Campus, the contemporary music program from the Leederville campus and the creation of a new student precinct. All new building infrastructure will be designed to meet relevant sustainability design guidelines.

The College also prepared a draft asset replacement plan in 2004 to assist in infrastructure planning and funding.

PHOTOGRAPHY

I enjoy taking my photographs and finally producing something with a different look and feel to what people would usually consider normal but still shows reality, only in a different light.

– “Brooke” by Mandy Pugh



Environmental Sustainability

Towards the end of 2004, the College developed a *Sustainability Action Plan 2005-2007*, which was submitted to the Sustainability Policy Unit in December 2004.

The plan outlines actions that the College will undertake over a three year period to support its commitment to the *Sustainability Code of Practice for Government Agencies*. All identified actions will be incorporated into the College Strategic and Operational Plans.

All Sustainable Energy Development Office reporting requirements for Government agencies have been met and listed below are the results for energy reduction targets.

1. Energy Smart Government Policy

The Energy Smart Government Policy states that government agencies must reduce their energy consumption by 12% by 2006/07, with an annual energy reduction milestone of 6% for 2003/04. Central TAFE managed a reduction of 5.2% for 2003/04, which was marginally less than the required target. A significant increase in gas consumption of approximately 25% was the major factor affecting the overall result and an analysis of this issue has been undertaken to

ensure that strategies to improve Central's performance are put into place.

...Central TAFE has developed an *Energy Reduction Plan 2004-2005* and implemented a number of energy saving initiatives in 2004.

To this end, Central TAFE has developed an *Energy Reduction Plan 2004-2005* and implemented a number of energy saving initiatives in 2004.

A proposed new building, adjacent to the Art and Design Centre at 12 Aberdeen Street, will be built using sustainability principles as outlined by the Department of Housing and Works and the East Perth Redevelopment Authority. This demonstrates the College's continuing commitment to the Energy Smart Government Policy.

2. Sustainable Energy Development Office Grants

In 2004, Central TAFE received two grants from the Sustainable Energy Development Office Grants.

i) Energy Performance Contract

Work occurred during 2004 to examine the feasibility of Central TAFE combining its facilities management and energy needs into a combined Energy Performance Contract which will ensure that facility maintenance carried out by contractors incorporates sustainability and energy reduction principles.

ii) Eco Lighting

Central TAFE received a grant for the installation of devices to reduce energy used in lighting across College sites.

3. Greenhouse Gas Challenge

Central TAFE has a voluntary *Greenhouse Gas Challenge Cooperative Agreement* with the Commonwealth of Australia, whereby the College undertakes cost-effective actions to reduce greenhouse gas emissions. In 2004, the College achieved a number of actions identified in the agreement and will progress the remaining actions in 2005.

4. Waste Paper Recycling

Waste paper is recycled on a site by site basis at Central TAFE. Bins are located at eCentral, Northbridge, Leederville and Wembley campuses and at the College Print Cell which is located at WestOne. The total quantity of paper collected for recycling purposes equates to approximately 120,000 litres annually. In December 2004, the College called for a waste audit, which will identify ways in which Central TAFE can improve its paper recycling.

5. Western Australia Cleaner Production Statement

Central TAFE is a signatory to the *Western Australia Cleaner Production Statement* and is committed to the objectives of cleaner production and eco efficiency principles. In 2004, the College completed a number of actions identified as part of the agreement.

5. Water

In November 2004, the College met with the Water Corporation to produce a *Water Management Report*. The report identified five major areas for Central TAFE to concentrate its efforts in water management in 2005, which include developing consumption patterns and reduction targets.

6. Multifunctional Devices

During 2004, the College began work on a proposal to implement a fully networked series of multifunctional devices to replace current printers and copiers. Benefits will include reduced toner, paper and energy consumption and cheaper copies.

7. Central TAFE Gardens

All College garden waste is mulched for reuse in garden beds. Extended planting of native plants continues at all sites including work with environmental students in seed collection, storing and germination for use in revegetation projects.

8. Sustainable Energy Sources

In 2004, Central TAFE converted four cars from the College's pool fleet to LPG and is planning to convert a further seven cars during 2005.

Central TAFE offers courses in renewable energy through the School of Science, Technology, Resources and Sustainability. Students benefit from a high standard of theoretical training combined with hands-on experience with the latest industry standard technology. Through the many strong alliances the School has established with industry, students are guaranteed up-to-date relevant training.



Information Management

1. Legislation Impacting on College Activities

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

Archives Act 1983, Commonwealth

Censorship Act 1996

Commercial Tenancy (Retail Shops) 1989

Copyright Act 1968, Commonwealth

Disability Services Act 1993

Education Service Providers (Full Fee Overseas Students) Registration Act 1991

Education Services for Overseas Students (Registration of Providers and Financial Registration) Act 1991 Commonwealth

Electoral Act 1907

Corruption and Crime Commission Act 2003

Education Services for Overseas Students Act 2000, Commonwealth

Equal Opportunity Act 1984

Financial Administration and Audit Act 1985

Freedom of Information Act 1992

Government Employees Superannuation Act 1987

Income Tax Assessment Act 1936

Industrial Relations Act 1979

Industrial Relations Act 1990, Commonwealth

Industrial Training Act 1975

Library Board of Western Australia Act 1951-1983

Minimum Conditions of Employment Act 1993

Occupational Safety and Health Act 1984

Privacy Act 1988, Commonwealth

Public Interest Disclosure Act 2003

Public Sector Management Act 1994

Spam Act 2003, Commonwealth

State Records Act 2000

State Supply Commission Act 1991

Vocational, Education and Training Act 1996

Workers' Compensation and Rehabilitation Act 1981

Workplace Relations Act 1996, Commonwealth

2. Ministerial Reporting

Central TAFE conformed with the reporting requirements of statutory authorities stated in the *Financial Administrative and Audit Act 1985* and in the *Treasurer's Instructions*. Annual Reports were provided to the Minister for Education and Training and the Office of the Auditor General for audit within the required timeframe.

The College responded promptly to Ministerial Queries and Parliamentary Questions. During 2004, the College provided 24 Ministerial Briefings and 58 Ministerial Responses as well as responding to a Parliamentary Question relevant to its operational objectives, investing and financing activities.

3. Declaration of Interests

In accordance with the requirements of Treasury on disclosure of interests of senior officers:

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

4. State Records Act 2000

In order to provide evidence of compliance with the State Records Act, the College has participated in the development of a sector-wide recordkeeping plan, which reflects the current recordkeeping practices of each agency within the Education and Training Sector, and identifies areas for improvement and appropriate timelines, some of which relate specifically to TAFE Colleges. Central TAFE conducted and reviewed a recordkeeping training program for staff throughout the year and continues to work with the sector towards best practice in recordkeeping. A program which ensures employee roles and responsibilities are compliant with the *Recordkeeping Plan* is being developed to form part of the staff induction program.

Central TAFE has recently given priority to a project that will ensure College information is captured and managed in digital format through its records management system.

5. Freedom of Information Act 1992

The *Freedom of Information Act 1992* was proclaimed in Western Australia on 1 November 1993 to provide the public general right of access to documents held by Government agencies and the right to apply for an amendment to personal information that is out of date, misleading or inaccurate.

Central TAFE has appointed a Freedom of Information Coordinator to ensure its compliance with the provisions of the Act and facilitate the handling of requests made under this statute.

Applications for access to agency documents, or amendment of personal information, may be lodged at any Central TAFE campus. Contact details of College campuses are provided on the back cover of this Report. For assistance in lodging an application under this Act or for further information about Freedom of Information processes, please contact the Freedom of Information Coordinator at Central TAFE Leederville Campus, Richmond Street, Leederville or by phone on (08) 9202 4824.

During 2004, four applications for access to information, in accordance with the *Freedom of Information Act 1992*, were processed by Central TAFE. Further statistical information about agency compliance of the provisions of the Freedom of Information Act are published in the *Freedom of Information Annual Report*, available from the Office of the Information Commissioner's website at www.foi.wa.gov.au

Central TAFE produces a number of documents for public usage. Applications are not required to be made under the Freedom of Information Act for access to documents listed under the publication section of this report. Many of these documents are available on the College's website, at www.central.wa.edu.au

Publications, Promotions and Advertising

Publications

Central TAFE produced a range of publications to satisfy compliance, stakeholder and potential customer requirements. Copies of publications and all corporate documents are available online at Central's Home Page www.central.wa.edu.au or by contacting the Customer Contact Centre on 1300 300 822. Examples of publications available in 2004 are as follows:

Communications to Students

- > Course information including Flexible Learning and Skills Recognition
- > Course Lists
- > Course Information Brochures
- > College and School Brochures
- > College Handbook & Diary – including By-laws and Student Code of Conduct
- > Website – comprehensive list of College, course and module information
- > Monthly electronic newsletter
- > Frequently Asked Questions Booklets for Parents/Guardians
- > Various Promotional brochures, posters and advertisements
- > Marketing support for all portfolios within Central TAFE

Learning Resource Centre

- > Referencing Guide: using the Harvard Referencing System
- > Your Guide to the LRC
- > Learning Resource Centre Services to Staff
- > Self Paced Orientation to the Learning Resource Centre
- > Self Paced Guide to Research
- > Self Paced Guide to the World Wide Web
- > Self Paced Guide to Creating an Email Account

Central Support and Positioning

- > Central TAFE Annual Report 2003
- > Strategic Plan
- > Business Performance Review – Quarterly Reports
- > AQTF Response to Audit (RTO – Action Sheet)
- > Audit Skills Training Manual
- > Quality Document Developers Guide
- > Quality Training Manual for Learning Portfolio Manual
- > Quality Training Manual for Learning Portfolio Administrators
- > Brochures and pamphlets on Human Resource and Occupational Safety and Health issues and Equal Opportunities issues.
- > Recruitment documentation
- > Staff Training Pamphlets and Staff Training Calendar
- > Staff Code of Conduct



Central Knowledge

- > Skills Recognition Information Booklet
- > Academic Development Centre Booklet
- > A Guide to Central Knowledge (replaced the Academic Development Centre Booklet in Semester 2)
- > Numerous learning guides and texts – published by WestOne by the Product Sales and Information Officer on behalf of program areas
- > Flexible eLearning support materials
- > Off-campus course lists
- > Off-campus information brochures
- > A Handbook for Lecturing Staff at Central TAFE
- > Central TAFE Academic Framework 2002 – 2004
- > Professional Development Training Guides
- > CentrePoints (an academic research digest)
- > A brief guide to the Training Delivery Group

Promotions

As part of the TAFEWA network, major promotional campaigns regarding TAFE college products and services are undertaken by the Department of Education and Training on behalf of the whole sector.

The Student Communications Branch runs tactical promotion campaigns on behalf of internal clients, to promote specific areas within the College, as and when the need arises.

Market Research

Full-time campaign: research was undertaken by Central TAFE in 2004 to test the effectiveness of the full-time advertising campaign which ran from 27 July to 27 September, 2003.

The research measured pre- and post- campaign attitudes and awareness of Central TAFE amongst key target markets. Perceptions amongst prospective students significantly improved post campaign in regard to:

- > Central TAFE being contemporary
- > Central TAFE students getting real careers
- > Prospective students now also more likely than parents to feel that Central TAFE is dynamic.

General awareness levels of Central TAFE maintained at consistently high levels (over 75%).

The research gave valuable insight into the decision making process of prospective students and their parents and also provided the College with information about which communication channels are most effective for reaching our target audience.

Central TAFE name: research was undertaken by Central TAFE in 2004 to investigate what role the name Central TAFE might play in promoting the College to overseas students. The research looked at a number of possible alternative names, and investigated the role these names might play in the decision making process for overseas students and local students. This research has provided a large number of valuable insights into the factors which cause students to choose one education provider over another, and a number of practical suggestions to promote Central TAFE more effectively.

Advertising and Sponsorship

As required under Section 175ZE of the *Electoral Act 1907 (Commonwealth)*, the following is a statement for all expenditure incurred by Central TAFE during 2004 in relation to advertising, market research, polling, direct mail and media advertising organisations:

Advertising Agencies:

Core Marketing	\$176,076
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Market Research Organisations:

Research Solutions	\$30,000
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Market Equity	\$24,277
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Media Advertising Organisations:

Media Decisions	\$254,801
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Total	\$485,154
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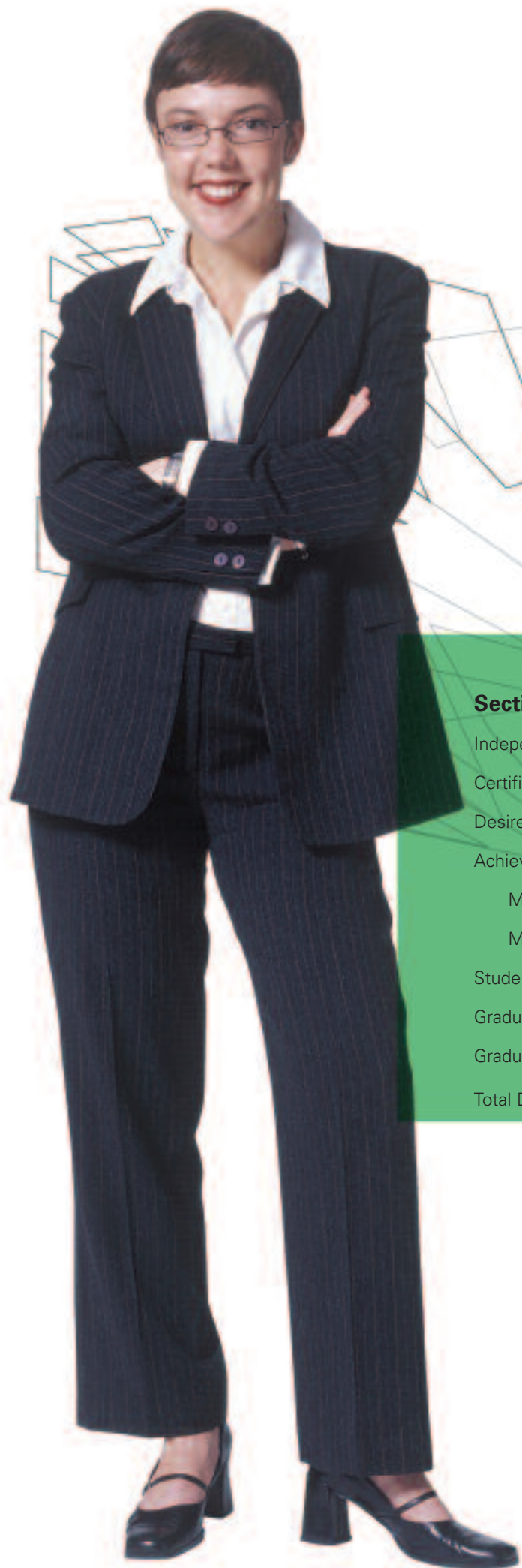
Internal Audits

During 2004, Central TAFE's internal audit functions were managed by the College's Finance and Audit Subcommittee of the Governing Council in accordance with the agreed *2004 Central TAFE Internal Audit Plan*. The Plan identified various policies, procedures and activities, which were audited during 2004 to ensure the appropriateness of College practices and also to identify opportunities for improvement. Audits completed in 2004 included:

- > Enterprise Risk Management;
- > Australian Qualification Training Framework;
- > Procurement;
- > Complaints Management;
- > General IT Controls;
- > College Management Information System;
- > Audit of Physical Control over Assets and Movements; and
- > An audit on the Progression of Actions recommended by the Office of the Auditor General and through previous internal audits.

Pricing Policy

Central TAFE's fees and charges are applied in accordance with the policy provided in the *Policy Guidelines for Publicly Funded Registered Training Organisations* as determined by the Minister for Education and Training. Orientation processes now include ensuring that students are aware of the College Fee Waiver process, should they be experiencing extreme financial difficulty.



Section Five : Key Performance Indicators

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AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

CENTRAL TAFE PERFORMANCE INDICATORS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion, the key effectiveness and efficiency performance indicators of the Central TAFE are relevant and appropriate to help users assess the College's performance and fairly represent the indicated performance for the year ended December 31, 2004.

Scope

The Governing Council's Role

The Governing Council is responsible for developing and maintaining proper records and systems for preparing performance indicators.

The performance indicators consist of key indicators of effectiveness and efficiency.

Summary of my Role

As required by the Financial Administration and Audit Act 1985, I have independently audited the performance indicators to express an opinion on them. This was done by looking at a sample of the evidence.


An audit does not guarantee that every amount and disclosure in the performance indicators is error free, nor does it examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the performance indicators.

D D R PEARSON
AUDITOR GENERAL
March 31, 2005



Certification of Performance Indicators

We hereby certify that the Performance Indicators are based on proper records, are relevant and appropriate for assisting users to assess Central TAFE's performance, and fairly represent the performance of the College for the financial year ended 31st December 2004.



Dr Debra Rosser
Chair
Governing Council
Central TAFE
25th February 2005



Mr. Brian Paterson
Managing Director
Central TAFE
25th February 2005

Desired Outcome

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



Achievement of College Profile

This performance indicator reports the effectiveness of the College in meeting Delivery and Performance Agreement targets and enabling customer needs to be achieved. The College was funded under the Delivery and Performance Agreement (DPA) to deliver 6,245,689 Student Curriculum Hours (SCH) distributed amongst the State defined industry groups. This purchased delivery took into consideration the needs of the local community, individuals and the training plans of industry. The diversity of delivery indicates the extent to which the College has met its strategic training needs of the State as defined in the State Training Profile as well as additional delivery provided under a fee for service arrangement.

Measure A: Profile Analysis for Central TAFE (Effectiveness Indicator)

This indicator details the total number of Student Curriculum Hours (SCH) delivered (both Delivery and Performance Agreement Funded and fee-for-service).

Department of Education and Training Industry Group	2003 Planned Profile (SCH)	2003 Actual Profile (SCH)	2004 Planned Profile (SCH)	2004 Actual Profile (SCH)
01A Recreation Sports and Entertainment	164,582	162,872	172,359	186,890
01B Visual and Performing Arts	556,189	534,003	525,079	514,827
01C Design	350,358	342,339	366,443	367,697
03A Building and Construction	119,104	133,614	137,000	138,802
03B Surveying and Building	420,446	425,825	416,000	413,358
04A Community Service Workers	275,512	277,980	251,315	236,370
04B Education and Childcare	288,472	319,757	325,108	337,488
04C Health	302,888	291,781	321,196	329,219
04D Library Workers	83,349	89,109	95,349	96,925
05A Finance Insurance Property Service Workers	143,648	172,418	153,940	161,075
07A Clothing Footwear and Soft Furnishings	71,000	59,530	71,000	67,080
08B Printing and Publishing	202,864	191,631	167,780	158,469
09A Engineering and Drafting	158,219	164,606	180,032	193,388
09B Metal and Mining	149,976	147,418	144,916	150,749
10D Horticulture	2,400	3,254	0	150
11A Process Manufacturing	34,000	30,432	23,819	14,241

Department of Education and Training Industry Group		2003 Planned Profile (SCH)	2003 Actual Profile (SCH)	2004 Planned Profile (SCH)	2004 Actual Profile (SCH)
12A	Personal Service	142,029	144,725	148,242	135,942
12B	Retail	6,200	17,473	14,352	11,408
13C	Tourism	146,461	143,304	161,461	158,729
13D	Travel Agents	87,458	86,665	85,000	90,009
15A	Electrical and Electronic Engineering	300,859	232,529	203,000	197,247
15B	Electrical Trades	10,740	11,754	7,000	5,160
16A	Accounting and Other Business Services	391,832	401,217	416,247	407,057
16B	Management	359,483	385,995	348,276	319,405
16C	Office and Clerical	129,160	121,659	130,110	121,410
17A	Computing	476,766	481,798	419,957	417,671
18A	Science and Technical Workers	230,373	233,725	249,194	258,874
19B	Adult Literacy/ESL	323,678	336,270	346,822	353,558
19C	Languages	272,789	293,556	256,311	269,679
19D	Miscellaneous	0	6	13,000	9,605
19E	Targeted Access and Participation Courses	79,675	70,254	95,381	92,890
Total Profile Delivery		6,283,060	6,308,479	6,245,689	6,215,382
Non Profile Delivery		1,000,000	1,786,899	1,500,000	1,974,143
College Total Delivery		7,283,060	8,095,378	7,745,689	8,189,525

NOTES:

- A) SOURCE: Central TAFE Delivery and Performance Agreement, through which the College is resourced to deliver courses under Government purchased funding guidelines.
- B) DEFINITION: The table indicates the quota and actual achievement of SCH in the profiled Department of Education and Training Industry Group categories. The classification of these Industry Groups is based on the occupation or outcome the course is intended to serve.
- C) DERIVATION: Profile data represents the actual achievement of SCH in respective years. Planned data is obtained from the Delivery and Performance Agreement. The actual SCH is the total SCH from the College Management Information System (CMIS). Non-Profile Delivery SCH is the actual SCH count of enrolments not funded under the Delivery and Performance Agreement in CMIS.
- D) COMMENT: The College exceeded its overall profile delivery target, however slightly under-delivered against the SCH target in the Delivery and Performance Agreement.

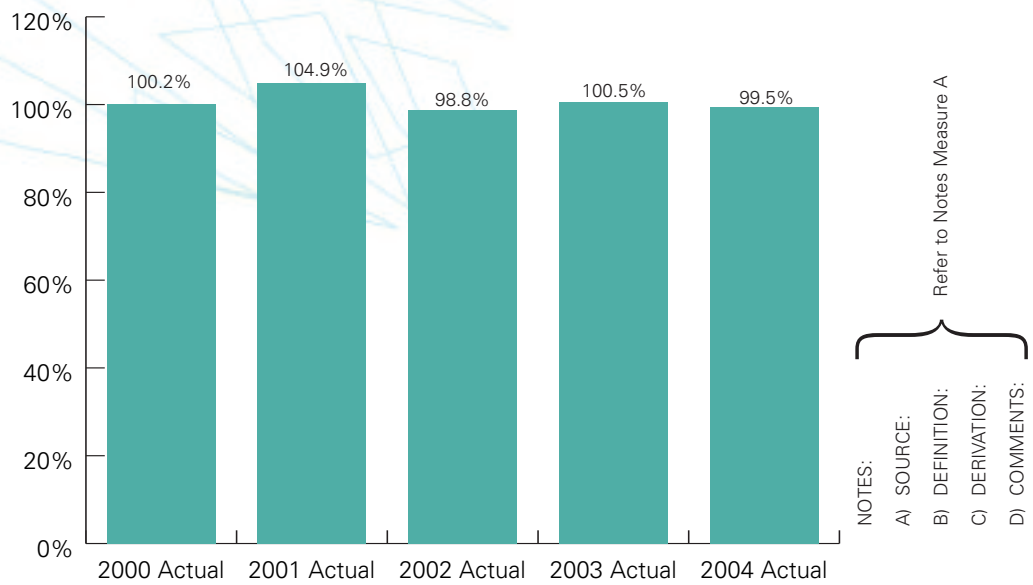
Measure B: Profile Achievement (Effectiveness Indicator)

This indicator shows the percentage of Student Curriculum Hours (SCH) achieved for profile funded activities as contracted with Department of Education and Training through the Delivery and Performance Agreement.

$$\text{Profile Achievement} = \frac{\text{Actual Delivery and Performance Agreement SCH Achieved}}{\text{Target SCH contained within Delivery and Performance Agreement}}$$

2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual
100.2%	104.9%	98.8%	100.5%	99.5%

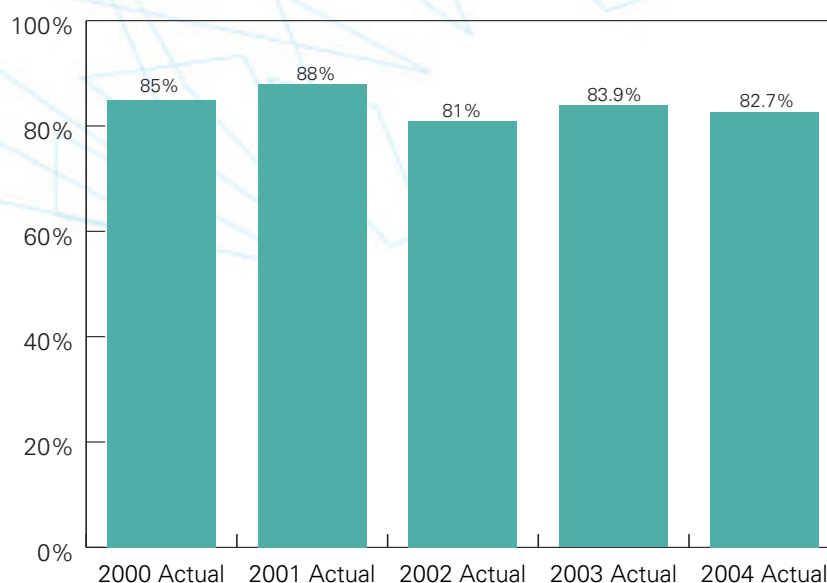
Profile Achievement



Student Satisfaction Rating (Effectiveness Indicator)

The Student Satisfaction rating measures a range of task and functional criteria in academic delivery, support services and facilities provided. The results provide an overall expression of how satisfied students are with various services provided by the College.

2000 Actual	2001 Actual	2002 Actual	2003 Actual	2004 Actual
85%	88%	81%	83.9%	82.7%



NOTES:

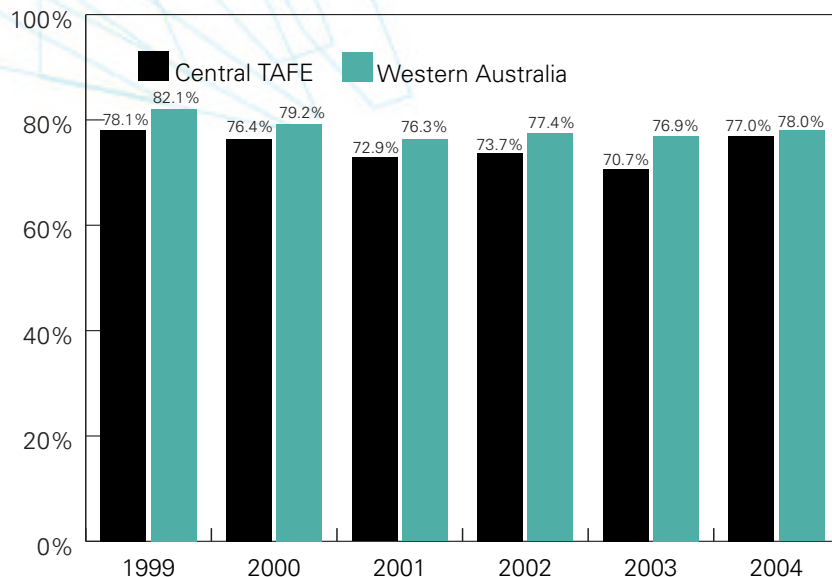
- A) SOURCE: Department of Education and Training, Office of Training, Student Satisfaction Survey 2004.
- B) DEFINITION: The calculation for overall satisfaction is a weighted response to a single question asking the student to rate their overall satisfaction with their course. The survey approach is a mass market mail out, to a random sample of students who had undertaken a course in either first or second semester. The option to complete on-line is also provided.
- C) DERIVATION: The survey comprised two separate instruments, one focussing on the needs of employment-based students (EBS) and the other on institution based students (IBS). A total of 3,777 survey forms were mailed to the institution-based students and 371 to employment based students; with 1,910 (50%) and 63 (17%) useable returns, respectively. The institution based student questionnaire required students to rate issues relating to learning, assessment and perceptions of the College experience, on a 7 point scale. The standard error for the survey is 1.65% at the 95% confidence level.
- D) COMMENTS: The Overall Satisfaction Score of 82.7% (valid percent) for 2004 indicates a decrease of 1.2% from the previous year's results. Central TAFE discontinued its internal student survey in 2002, and has proceeded to utilise the Department of Education and Training survey as the measure of Student Satisfaction. Prior year comparisons have been adjusted to show the Department of Education and Training survey results.

Graduate Achievement (Effectiveness Indicator)

The graduate achievement is an indicator that measures the extent to which Central TAFE graduates have wholly or partly achieved their main reason for undertaking the course.

	1999	2000	2001	2002	2003	2004
Central TAFE	78.1%	76.4%	72.9%	73.7%	70.7%	77.0%
Western Australia	82.1%	79.2%	76.3%	77.4%	76.9%	78.0%
Australia	80.1%	79.6%	79.0%	78.2%	77.7%	81.0%

Graduate Achievement



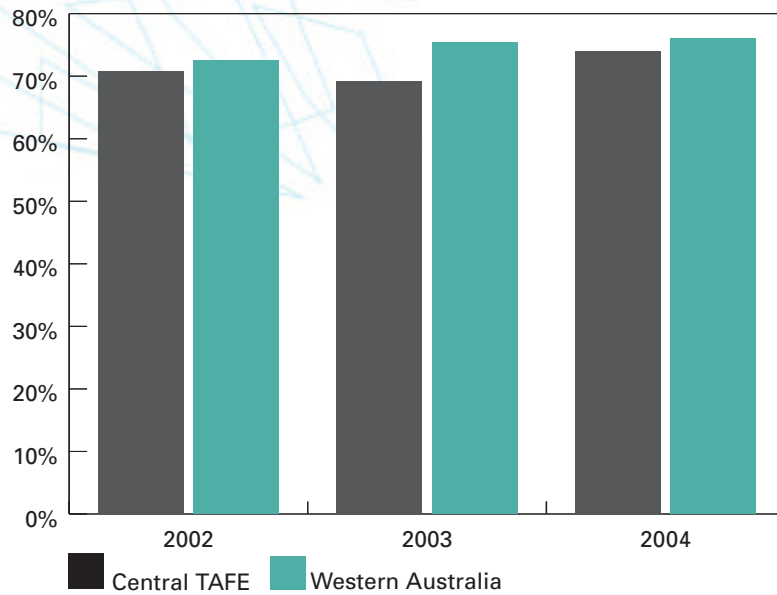
NOTES:

- A) SOURCE: 2004 Student Outcome Surveys – National survey conducted by the National Centre for Vocational Education Research (NCVER), published in January 2005. Please note: For the 2004 Student Outcomes Survey, NCVER did not sample at the College level and therefore has not supplied College level data: however NCVER has provided some top level results based on the 531 respondents from Central TAFE.
- B) DEFINITION: The survey targeted 2003 TAFE students who graduated in 2003 and successfully completed a qualification, including those who were awarded a qualification as recognition of prior learning and had provided an Australian address as their usual place of residence. A total of 531 students from Central TAFE were surveyed (compared with 688 in 2003), representing a population of 4,153 Central TAFE graduates. The standard error for the survey is +/- 2.02% at the 95% confidence level.
- C) DERIVATION: The measure was derived from the proportion of graduates who indicated that they had wholly or partly achieved their main reason for doing the course, expressed as a percentage of the representative population.
- D) COMMENTS: The graduate achievement rating has increased substantially in 2004 compared with the 2003 result of 70.7%

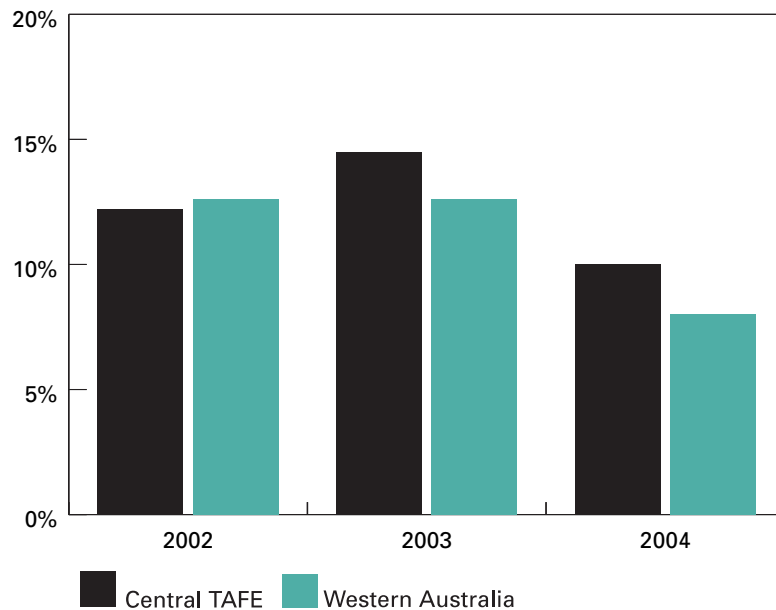
Graduate Destination (Effectiveness Indicator)

	Employment Outcome								
	Employed			Unemployed			Not in the Labour Force		
	2002	2003	2004	2002	2003	2004	2002	2003	2004
Central TAFE	70.8%	69.1%	74.0%	12.2%	14.5%	10.0%	17.0%	16.4%	16.0%
Western Australia	72.5%	75.4%	76.0%	12.6%	12.6%	8.0%	14.9%	12.0%	15.0%
Australia	73.4%	76.8%	75.0%	13.0%	12.5%	11.0%	13.6%	10.7%	13.0%

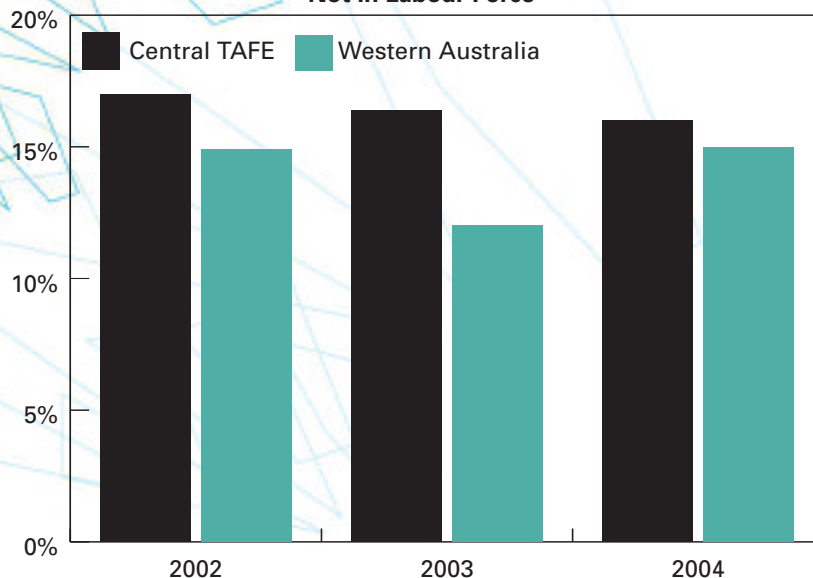
Graduate Destination Employed



Graduate Destination Unemployed



Graduate Destination Not in Labour Force



NOTES:

- A) SOURCE: 2004 Student Outcome Surveys – National survey conducted by the National Centre for Vocational Education Research (NCVER), published in January 2005. Please note: For the 2004 Student Outcomes Survey, NCVER did not sample at the College level and therefore has not supplied College level data: however NCVER has provided some top level results based on the 531 respondents from Central TAFE.
- B) DEFINITION: The survey targeted 2003 TAFE students who graduated in 2003 and successfully completed a qualification, including those who were awarded a qualification as recognition of prior learning and had provided an Australian address as their usual place of residence.
A total of 531 students from Central TAFE were surveyed (compared with 688 in 2003), representing a population of 4,153 Central TAFE graduates. The standard error for the survey is +/- 2.16% at the 95% confidence level.
- C) DERIVATION: Graduate labour force status was derived according to the standard Australian Bureau of Statistics definitions of employed, unemployed and not in the labour force. The measure of graduates in each category according to the responses to questions concerning their work at 30 May 2004, expressed as a percentage of the representative population.
- D) COMMENTS: The proportion of graduates employed has increased from 69.1% in 2003 to 74% in 2004 and is reflected in a decrease in the number of graduates who are unemployed.

Total Delivery Cost Per SCH (Efficiency Indicator)

This indicator demonstrates the efficiency with which Central TAFE manages its resources to enable the provision of vocational education and training programs.

$$2004 \text{ Actual Cost} = \frac{\text{Total Cost of Services}}{\text{Total SCH}}$$

2001 Actual	2002 Actual	2003 Actual	2004 Actual
\$11.51	\$11.51	\$11.58	\$11.42

Total Delivery Cost Perth SCH



NOTES:

A) SOURCE: Financial Statements and the College Management Information System.

B) DEFINITION: The total delivery cost per SCH is calculated by dividing the total cost of services measured on an accrual basis, by the total SCH delivered.

C) DERIVATION:

- The total SCH is the total number of module enrolments multiplied by the hourly duration of these modules as registered in the College Management Information System in accordance with the Australian Vocational Education and Training Management Information Statistical Standard. Delivery from all funding sources is included.
- The total cost of services figure is obtained from the Annual Financial Statements

D) COMMENT: The College continues to manage its resources efficiently to achieve its funded vocational education and training programs.



Section Six: Financial Statements

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Financial Statements61



AUDITOR GENERAL

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

CENTRAL TAFE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2004

Audit Opinion

In my opinion,

- (i) the controls exercised by the Central TAFE provide reasonable assurance that the receipt, expenditure and investment of moneys, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (ii) 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 College at December 31, 2004 and its financial performance and cash flows for the year ended on that date.

Scope

The Governing Council's Role

The Governing Council is responsible for keeping proper accounts and maintaining adequate systems of internal control, preparing the financial statements, and complying with the Financial Administration and Audit Act 1985 (the Act) and other relevant written law.

The financial statements consist of the Statement of Financial Performance, Statement of Financial Position, Statement of Cash Flows, and the Notes to the Financial Statements.

Summary of my Role

As required by the Act, I have independently audited the accounts and financial statements to express an opinion on the controls and financial statements. This was done by looking at a sample of the evidence.

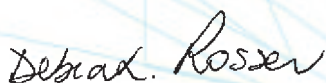
An audit does not guarantee that every amount and disclosure in the financial statements is error free. The term "reasonable assurance" recognises that an audit does not examine all evidence and every transaction. However, my audit procedures should identify errors or omissions significant enough to adversely affect the decisions of users of the financial statements.

D D R PEARSON
AUDITOR GENERAL
March 31, 2005

Certification of Financial Statements

The accompanying financial statements of Central TAFE 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 twelve months ending 31st December 2004 and the financial position at that date.

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.



Dr Debra Rosser
Chair
Governing Council
Central TAFE
25th February 2005



Mr. Brian Paterson
Managing Director
Central TAFE
25th February 2005



Mr Graeme Jones
Chief Financial Officer
Central TAFE
25th February 2005

Central TAFE
STATEMENT OF FINANCIAL PERFORMANCE
for the year ended 31 December 2004

2004

2003

	Notes	2004	2003
COST OF SERVICES			
Expenses from ordinary activities			
Employee expenses	2	57,926,576	58,623,237
Borrowing costs expense	3	46,573	60,777
Depreciation and amortisation expense	4	5,027,692	5,252,271
Supplies and services	5	18,551,134	19,218,809
Grants, subsidies and transfer payments	6	1,161,554	-
Costs of disposal of non-current assets	7	14,442	79,002
Capital user charge	9	10,615,718	10,045,263
Other expenses from ordinary activities	10	205,886	324,327
Total cost of services		93,549,575	93,603,686
Revenues from ordinary activities			
<i>Revenue from operating activities</i>			
Fee for service	11	7,830,316	7,421,565
Student fees and charges	12	7,881,517	7,509,944
Ancillary trading	13	1,026,802	1,467,547
Commonwealth grants and contributions	14	2,435,366	2,581,293
Trading profit	8	310,345	291,510
<i>Revenue from non-operating activities</i>			
Interest revenue		522,889	548,665
Proceeds on disposal of non-current assets	7	3,627	78,228
Other revenues from ordinary activities	15	966,628	918,065
Total revenues from ordinary activities		20,977,490	20,816,817
NET COST OF SERVICES		(72,572,085)	(72,786,870)
REVENUES FROM STATE GOVERNMENT			
State funds	16	65,379,294	67,002,120
Burrup Skills Task Force Funding	17	-	1,325,000
Resources received free of charge	18	1,873,292	2,402,107
Liabilities assumed by the Treasurer	19	51,528	-
Total revenues from State Government		67,304,114	70,729,227
CHANGE IN NET ASSETS		(5,267,971)	(2,057,643)
Net increase in asset revaluation reserve	31	5,074,272	9,850,616
Total revenues, expenses and valuation adjustments recognised directly in equity		5,074,272	9,850,616
Total changes in equity other than those resulting from transactions with WA State Government as owners		(193,699)	7,792,973

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

Central TAFE
STATEMENT OF FINANCIAL POSITION
as at 31 December 2004

2004

2003

	Notes	2004	2003
Current Assets			
Cash assets	20	6,983,151	7,348,179
Restricted cash assets	21	21,493	20,883
Inventories	22	545,767	771,155
Receivables	23	2,151,710	2,061,714
Other assets	24	1,454,418	4,398,966
Total Current Assets		11,156,539	14,600,898
Non-Current Assets			
Property, plant, equipment and vehicles	25	145,784,912	144,696,959
Total Non-Current Assets		145,784,912	144,696,959
Total assets		156,941,451	159,297,857
Current Liabilities			
Payables	26	464,933	4,331,966
Interest bearing liabilities	27	353,078	785,341
Provisions	28	4,747,582	7,664,322
Other liabilities	29	3,450,414	2,470,959
Total Current Liabilities		9,016,007	15,252,588
Non-Current Liabilities			
Interest bearing liabilities	27	-	420,385
Provisions	28	5,304,620	4,242,838
Total Non-Current Liabilities		5,304,620	4,663,223
Total Liabilities		14,320,627	19,915,812
NET ASSETS		142,620,824	139,382,045
Equity			
Contributed equity	30	3,432,477	-
Reserves	31	40,949,141	35,874,869
Accumulated surplus	32	98,239,206	103,507,176
TOTAL EQUITY		142,620,824	139,382,045

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

STATEMENT OF CASH FLOWS
for the year ended 31 December 2004

		2004	2003
	Notes	\$	\$
CASH FLOWS FROM STATE GOVERNMENT			
Recurrent funding - Department of Education and Training		54,274,938	51,102,016
Capital funding - Department of Education and Training		708,907	555,366
Net cash provided by State Government		54,983,845	51,657,382
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee costs		(53,290,981)	(52,082,826)
Supplies and services		(18,075,808)	(16,399,042)
Grants and subsidies		(1,161,554)	-
Borrowing costs		(46,573)	(60,777)
Capital user charge		(2,475,081)	-
GST payments on purchases		(1,867,730)	(2,383,161)
Other payments		(221,072)	(574,469)
Receipts			
Fee for service		8,148,383	7,890,727
Student fees and charges		7,989,226	7,403,377
Ancillary trading		1,602,751	1,580,653
Interest received		507,513	594,956
Commonwealth grants and contributions		2,435,366	2,151,067
GST receipts on sales		815,147	723,812
GST receipts from taxation authority		1,052,583	1,225,782
Other receipts		962,865	500,860
Net cash used in operating activities	33	(53,624,965)	(49,429,040)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of non-current physical assets		3,627	4,687
Purchase of non-current physical assets		(874,277)	(1,367,702)
Net cash used in investing activities		(870,650)	(1,363,015)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance lease repayment of principal		(852,648)	(1,025,067)
Net cash used in financing activities		(852,648)	(1,025,067)
Net decrease in cash held		(364,418)	(159,740)
Cash assets at the beginning of the financial year		7,369,062	7,528,802
CASH ASSETS AT THE END OF THE FINANCIAL YEAR	34	7,004,644	7,369,062

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

**CENTRAL TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004**

The College is a statutory authority established under the Vocational Education and Training (VET) Act 1996. Section 54 (2) of the Act provides for the financial year of a college to begin on 1 January and end on 31 December of each year

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 previous year.

General Statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with Accounting Standards, Statements of Accounting Concepts and other authoritative pronouncements of the Australian 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 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 Accounting Standards, Statements 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, are disclosed in individual notes to these financial statements.

Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting using the historical cost convention, with the exception of certain assets and liabilities which, as noted, are measured at fair value.

(a) 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 calculated on the straight line basis, using rates which are reviewed annually. Expected useful lives for each class of depreciable asset are:

Buildings	40 years
Motor Vehicles, Caravans and Trailers	6 years
Plant, Furniture, General Equipment	5, 10 or 15 years
Computing, Communications & Software	5 or 10 years
Leased Computers	3 years
Leasehold Improvements	9 years

Works of Art controlled by the College are classified as heritage assets. They are anticipated to have very long and indeterminate useful lives. Their service potential has not, in any material sense, been consumed during the reporting period. As such, no amount for depreciation has been recognised in respect of them.

(b) Inventories

Inventories are valued at the lower of cost and the net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued at average cost.

(c) Investments

Investments are brought to account at the lower of cost and recoverable amount. Interest revenues are recognised as they are accrued.

(d) Employee Benefits

Annual Leave

This benefit is recognised at the reporting date in respect to employees' services up to that date and is measured at the nominal amounts expected to be paid when the liabilities are settled.

Long Service Leave

The liability for long service leave expected to be settled within 12 months of the reporting date is recognised in the provisions for employee benefits, and is measured at the nominal amounts expected to be paid when the liability is settled. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provisions for employee benefits, and is measured as the present value of expected future payments to be made in respect of services 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 market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

CENTRAL TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

Superannuation

Staff may contribute to either the Pension Scheme, a defined benefits pension scheme now closed to new members, or to the Gold State Superannuation Scheme, a defined benefit lump sum scheme now also closed to new members. All staff who do not contribute to either of these schemes become non contributory members of the West State Superannuation Scheme, an accumulation fund complying with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. All these schemes are administered by the Government Employees Superannuation Board (GESB).

On 1 January 2004, unfunded liabilities relating to the Pension Scheme and the pre-transfer benefit for employees who transferred to the Gold State Superannuation Scheme were assumed by the Treasurer. The amount assumed by the Treasurer is disclosed at Note 31 'Equity'. Expenses relating to 2004 are disclosed at Note 18 'Liabilities Assumed by the Treasurer'.

The superannuation expense comprises the following elements:

- (i) change in the unfunded employer's liability in respect of current employees who are members of the Pension Scheme and current employees who accrued a benefit on transfer from that Scheme to the Gold State Superannuation Scheme.
- (ii) employer contributions to the Gold State Superannuation Scheme and West State Superannuation Scheme.

The superannuation expense does not include payment of pensions to retirees, as this does not constitute part of the cost of services provided by the College in the current year.

Revenue "Liabilities assumed by the Treasurer" equivalent to (i) is recognised under Revenues from State Government in the Statement of Financial Performance as the unfunded liability is assumed by the Treasurer. The GESB makes the benefit payments and is recouped by the Treasurer.

The College is funded for employer contributions in respect of the Gold State Superannuation Scheme and the West State Superannuation Scheme. These contributions were paid to the GESB during the year. The GESB subsequently paid the employer contributions in respect of the Gold State Superannuation Scheme to the Consolidated Fund.

Employee benefit on-costs

Employee benefit on-costs, including payroll tax, are recognised and included in employee benefit liabilities and costs when the employee benefits to which they relate are recognised as liabilities and expenses.

(e) Leases

The College's rights and obligations under finance leases, which are leases that effectively transfer to the College substantially all of the risks and benefits incident to ownership of the leased items, are initially recognised as assets and liabilities equal in amount to the present value of the minimum lease payments. The assets are disclosed as plant, equipment and vehicles under lease, and are depreciated to the Statement of Financial Performance over the period during which the College is expected to benefit from use of the leased assets. Minimum lease payments are allocated between interest expense and reduction of the lease liability, according to the interest rate implicit in the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

The College has entered into a number of operating lease arrangement for property, plant and equipment where the lessor effectively retains all of the risks and benefits incidental to ownership of the items held under the operating leases. 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.

(f) Revenue Recognition

The funds received from the Department of Education and Training in respect of the delivery of services forming part of the Delivery Performance Agreement, capital grants and other monies have been disclosed as State Funds under 'Revenues from State Government'. This revenue is recognised in the period in which the College meets the terms of the Agreement.

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 subsidies, as well as revenue received from the Department of Education and Training as a result of training successfully tendered for under competitive tendering arrangements. These are recognised in the period the service is provided. Revenue from the sale of goods and disposal of other assets and the rendering of services is recognised when the College has passed control of the goods or other assets, or delivery of the service to the customer.

CENTRAL TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

(g) Grants and Other Contributions Revenue

Grants, donations, gifts and other non-reciprocal contributions are recognised as revenue when the College obtains control over the assets comprising the contributions. Control is normally obtained upon their receipt.

Contributions 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.

(h) Resources Received Free of Charge or for Nominal Value

Resources received free of charge or for nominal value which can be reliably measured are recognised as revenues and as assets or expenses, as appropriate at fair value.

(i) Receivables

Receivables are recognised at the amounts receivable as they are due for settlement no more than 30 days from the date of recognition.

Collectability of accounts receivable is reviewed on an ongoing basis. Debts which are known to be uncollectible 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 90 days overdue.

(j) Payables

Payables are recognised when the College becomes obliged to make future payments as a result of a purchase of assets or services. Accounts payable are generally settled within 30 days.

(k) Accrued Salaries

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year, as the end of the last pay period for that financial year does not coincide with the end of the financial year. The College considers the carrying amount approximates net fair value.

(l) Revaluation of Land and Buildings

The College has a policy of valuing land and buildings at fair value. The annual revaluations of the College's land and buildings undertaken by the Valuer General's Office are recognised in the financial statements.

Revaluation Of Works Of Art

The College has a policy of valuing works of art at fair value. These independent valuations based on current market value are carried out every three years by Sothebys. A valuation of all works of art was performed as at 31 December 2004.

(m) Comparative Figures

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

(n) Contributed Equity

Under UIG 38 "Contributions by Owners Made to Wholly-Owned Public Sector Entities" transfers in the nature of equity contributions must be designated by the Government (owners) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions in the financial statements. Assumption of superannuation liability and transfer of assets have been designated as contributions by owners and have been credited directly to Contributed Equity in the Statement of Financial Position.

(o) Acquisition of Assets

The cost method of accounting is used for all acquisitions of assets. Cost is measured as the fair value of the assets given up or liabilities undertaken at the date of acquisition plus incidental costs directly attributable to the acquisition.

Assets acquired at no cost or for nominal consideration, are initially recognised at their fair value at the date of acquisition.

Assets costing less than \$1,000 are expensed in the year of acquisition (other than where they form part of a group of similar items which are significant in total).

(p) Cash

For the purposes of the Statement of Cash Flows, cash includes cash assets and restricted cash assets net of outstanding bank overdrafts. These include short-term deposits that are readily convertible to cash on hand and are subject to insignificant risk of changes in value.

(q) Rounding of amounts

Amounts in the financial statements have been rounded to the nearest dollar.

(r) Change in accounting policy

In previous years the College has recorded as an asset under the item Buildings under construction, progressive expenditure incurred directly by the Department of Education and Training. From 1 January 2004 the Department of Education and Training is only advising the College of the value of buildings on completion and formal transfer to the College. Assets will be recognised from this date. This change in policy is a result of Department of Education and Training adopting the former Department of Education's policy of accounting for capital works on the merger of the two Departments. The change has no effect on revenues or expenses in the Statement of Financial Performance.

Central TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2004

	2004	2003
	\$	\$
2 Employee Expenses		
Salaries	44,731,417	47,044,590
Superannuation	5,096,043	5,090,390
Long service Leave	1,482,466	1,937,908
Annual leave	3,048,199	672,644
Other staffing costs (a)	3,568,451	3,877,705
	57,926,576	58,623,237
 (a) These employee expenses include superannuation, payroll tax, workers compensation premiums and other employment on-costs associated with the recognition of annual and long service leave liability. The related on-costs liability is included in employee benefit liabilities at Note 28.		
3 Borrowing costs expense		
Finance lease finance charges	46,573	60,777
	46,573	60,777
4 Depreciation and amortisation expense		
Depreciation		
Buildings	2,706,550	2,663,300
Motor vehicles, caravans and trailers	343	3,416
Plant, furniture and general equipment	467,966	429,029
Computers, communication network and software	965,155	1,099,148
Total depreciation	4,140,014	4,194,893
Amortisation		
Leased - Computers, communication network and software	864,083	1,023,223
Leasehold improvements - buildings	23,595	34,155
Total amortisation	887,678	1,057,378
	5,027,692	5,252,271
5 Supplies and services		
Consumables and minor equipment	2,865,722	2,864,233
Communication expenses	852,756	937,667
Utilities expenses	1,590,073	1,723,021
Contracted services and consultancies	6,730,543	7,849,021
Minor works	2,494,939	2,741,998
Repairs and maintenance	362,445	390,957
Operating lease and hire charges	1,749,066	1,345,489
Travel and passenger transport	186,433	207,885
Advertising and public relations	716,770	599,623
Supplies and services - other	1,002,387	558,915
	18,551,134	19,218,809
6 Grants, Subsidies and Transfer Payments		
Burrup Skills Task force Project Grant transferred to Challenger TAFE	1,006,012	-
Laptop for Lecturers Program	155,542	-
	1,161,554	-
7 Net gain/(loss) on disposal of non-current assets		
Plant, Furniture and General Equipment Proceeds	2,366	2,366
Written down value	(6,305)	(30,760)
Net Loss on Disposal	(3,939)	(28,394)
Computers, Communication and Software Proceeds	656	75,862
Written down value	(4,302)	(48,242)
Net Profit (Loss) on Disposal	(3,646)	27,620
Works of Art Proceeds	605	-
Book Value	(3,835)	-
Net Loss on Disposal	(3,230)	-
Net Loss	(10,815)	(774)
8 Trading Profit/(Loss)		
Bookshop:		
Sales	1,153,722	1,328,076
Cost of sales:		
Opening inventory	766,055	588,877
Purchases	606,493	1,213,743
	1,372,548	1,802,620
Closing inventory	(529,171)	(766,055)
Cost of goods sold	843,377	1,036,565
Trading Profit - Bookshop	310,345	291,510

9 Capital user charge		
Capital user charge expense	10,615,718	10,045,263
<p>A capital user charge rate of 8% has been set by the Government for 2004 (2003: 8%) and represents the opportunity cost of capital invested in the net assets of the College used in the provision of outputs. The charge is calculated on the net assets adjusted to take account of exempt assets. Payments are made to the Department of Treasury and Finance on a quarterly basis.</p>		
10 Other expenses from ordinary activities		
Doubtful debts expense	60,398	77,258
Donations	-	200
Student prizes and awards	4,517	4,480
Miscellaneous	11,160	145,188
Write-offs	129,811	97,201
	205,886	324,327
11 Fee for service		
Fee for service -general	3,633,585	3,176,211
Fee for service -Department of Education and Training	158,557	404,673
International Division fees	4,038,174	3,756,320
Fee for service - other	-	84,361
	7,830,316	7,421,565
12 Student fees and charges		
Tuition, Enrolment and Resource fees	7,786,754	7,416,299
Other college fees	94,763	93,644
	7,881,517	7,509,944
13 Ancillary trading		
Live works (not a trading activity)	125,726	110,255
Contracting and consulting	475,544	886,374
Other ancillary revenue	425,532	470,918
	1,026,802	1,467,547
14 Commonwealth grants and contributions		
Commonwealth specific purpose grants and contributions	2,435,366	2,581,293
	2,435,366	2,581,293
15 Other revenues from ordinary activities		
Rental and facilities fees	863,231	760,177
Sponsorship and donations revenue	32,988	4,750
Miscellaneous revenue	70,409	153,138
	966,628	918,065
16 State funds (received from Department of Education and Training)		
Delivery and Performance Agreement (DPA)	49,749,916	48,564,508
Superannuation	4,712,229	4,491,504
Other recurrent funds	2,434,402	1,767,874
Capital User Charge funding	10,615,718	10,045,263
	67,512,265	64,869,149
Capital works transferred (a)	(2,132,971)	2,132,971
	(2,132,971)	2,132,971
	65,379,294	67,002,120
<p>(a) An adjustment against Capital Works Transferred was made to correct the prior year amount classified as revenue due to previous accounting policy by the Department of Training. This has been treated as Contributions By Owner. Refer note 30.</p>		
17 Burrup Skills Task Force		
Revenue received from the State Government to be allocated to other TAFE colleges in 2004	-	1,325,000
This is one off funding and does not relate to normal college operations.		
18 Resources received free of charge		
Comprised of:		
Department of Education and Training		
* Corporate systems support	1,480,387	1,859,460
* Marketing and publications	76,627	78,771
* Human resources, industrial relations support	30,596	42,890
* Other	285,682	350,986
	1,873,292	2,332,107
Office of the Auditor General - external audit services (a)	-	70,000
	1,873,292	2,402,107

Where assets or services have been received free of charge or for nominal consideration, the College recognises revenues (except where the contribution of assets or services is in the nature of contributions by owners, in which case the College shall make a direct adjustment to equity) equivalent to the fair value of the assets and/or the fair value of those services that can be reliably determined and which would have been purchased if not donated, and those fair values shall be recognised as assets or expenses, as applicable.

(a) Commencing with the 2004 audit, the Office of the Auditor General will be charging a fee for auditing the accounts, financial statements and performance indicators. The fee for the 2004 audit (\$75,000) will be due and payable in 2005.

19 Liabilities assumed by the Treasurer

Superannuation

51,528	-
51,528	-

Where a liability has been assumed by the Treasurer or other entity, the College recognises revenues equivalent to the amount of the liability assumed and an expense relating to the nature of the event or events that initially gave rise to the liability.

20 Cash assets

Cash on hand	22,698	26,420
Cash at bank	1,740,453	2,771,759
Short term deposits	1,220,000	550,000
Term Deposits	4,000,000	4,000,000
	6,983,151	7,348,179

21 Restricted cash assets

Awards (a)	21,493	20,883
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(a) Represents monies bestowed on the college by private companies or individuals for the provision of awards to students.

21,493	20,883
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22 Inventories

Inventories not held for resale:

Stationery and paper stock (at cost)	16,596	14,125
	16,596	14,125

Inventories held for resale:

Bookshop (at cost)	529,171	766,055
Less: Provision for obsolete stock	-	(9,025)
	529,171	757,030

545,767	771,155
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23 Receivables

Current

Receivables - trade	1,760,483	1,717,087
Receivables - students	490,172	313,079
Receivables - other	20,981	29,166
Receivables	-	1,465
Provision for doubtful debts	(299,712)	(239,187)
GST receivable	179,786	240,104
	2,151,710	2,061,714

24 Other assets

Current

Prepayments	743,736	792,851
Accrued income	710,681	3,399,829
Other	-	206,286
	1,454,417	4,398,966

25 Property, plant, equipment and vehicles

Land

At Fair Value (a)	31,684,000	33,300,000
	31,684,000	33,300,000

Buildings

At Fair Value (a)	108,502,484	108,456,100
Accumulated depreciation	-	(3,970,898)
	108,502,484	104,485,202

Buildings under construction

At Cost (b)	413,526	352,589
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Leasehold improvements

At cost	303,480	303,480
Accumulated depreciation	(252,000)	(228,405)
	51,480	75,075

Motor vehicles, caravans and trailers

At cost	21,352	21,352
Accumulated depreciation	(21,352)	(21,009)
	-	343

Plant, furniture and general equipment

At cost	5,055,067	4,930,210
Accumulated depreciation	(3,674,792)	(3,296,093)
	1,380,275	1,634,117

Computer equipment, communication network and software

At cost	8,658,833	8,594,306
Leased: At Capitalised Cost	3,106,046	4,407,205
Accumulated depreciation	(8,893,302)	(8,820,422)
	2,871,577	4,181,089

Works of art

At cost	-	63,139
At fair value (c)	881,570	605,406
	881,570	668,545

145,784,912	144,696,960
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(a) The valuation of land was performed on 31/12/2004 (2003: 01/07/03) in accordance with an independent valuation by the Valuer General's Office. The valuation has been performed on the basis of fair value. The fair value of land has been determined on market values based on current use. The fair value of buildings has been based on the depreciated current replacement cost.

(b) Buildings under construction reflects accumulated expenditure as at the 31 December for building projects which are yet to be completed, (refurbishment/extension of existing buildings and/or construction of new buildings on land controlled by the college). From January 1 2004 it no longer includes expenditure incurred directly by the Department of Education and Training. (See note 1(r))

(c) The valuation of works of art is in accordance with an independent valuation which was undertaken by Sotheby's on the basis of market value as at 31 December 2004 (2003: 31/12/01).

Reconciliations

Reconciliations of the carrying amounts of property, plant, equipment and vehicles at the beginning and end of the current financial year are set out below.

2004	Land	Buildings	Buildings Under Construction	Leasehold Improvements	Motor Vehicles	Plant, Furniture and General Equipment	Computer Equipment, Network and Software	Works of Art	Total
Carrying amount at start of year	33,300,000	104,485,202	352,589	75,075	343	1,634,117	4,181,088	668,545	144,696,959
Additions	-	-	301,421	-	-	230,470	529,238	9,936	1,071,065
Disposals	-	-	-	-	-	(6,181)	(4,302)	(3,835)	(14,318)
Transfers	-	240,484	(240,484)	-	-	-	-	-	-
Depreciation	-	(2,706,550)	-	(23,595)	(343)	(467,967)	(1,829,237)	-	(5,027,692)
Revaluation Increments/(Decrements)	(1,616,000)	6,483,348	-	-	-	-	-	206,924	5,074,272
Write-off of Assets	-	-	-	-	-	(10,164)	(5,210)	-	(15,374)
Carrying amount at end of year	31,684,000	108,502,484	413,526	51,480	-	1,380,275	2,871,577	881,570	145,784,912

26 Payables

Current

Trade payables

Capital User Charge payable

464,933	1,830,559
-	2,501,407
464,933	4,331,966

27 Interest Bearing Liabilities

Current

Finance lease liabilities

353,078	785,341
353,078	785,341

Non-Current

Finance lease liabilities

-	420,385
-	420,385

Lease liabilities are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

28 Provisions

Employee Benefits

Current

Annual leave (a)

Long service leave (a)

2,232,172	3,296,925
2,515,410	4,367,397
4,747,582	7,664,322

Non-current

Long service leave (a)

Superannuation (b)

Salary deferment

5,226,853	3,238,377
-	967,220
77,767	37,241
5,304,620	4,242,838

(a) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including superannuation, payroll tax and workers compensation premiums. The liability for such on-costs is included here. The associated expense is included under 'other staffing costs' (under Employee expenses) at note 2.

An independent actuarial assessment was performed on the College's long service leave provisions as at 31/12/04.

The carrying amounts of long service leave reflect the outcome of this assessment.

(b) The superannuation liability was assumed by the Treasurer on January 1, 2004.

See note 30.

The College considers the carrying amount of employee benefits approximates their net fair value.

Employee Benefit Liabilities

The aggregate employee benefit liability recognised and included in the financial statements is as follows:

Provision for employee benefits:

Current

Non-current

4,747,582	7,664,322
5,304,620	4,242,838
10,052,202	11,907,160

29 Other liabilities		
Current		
Income received in advance (a)	1,568,558	1,025,344
Accrued expenditure	1,615,323	1,422,316
Accrued salaries and related costs	231,090	-
Money/deposits held in trust	23,908	23,298
WANMTC Pty Ltd Intercompany Loan Account	11,535	-
	3,450,414	2,470,959
(a) Income received in advance comprises:		
Department of Education and Training - curriculum grants	-	48,364
Fee for service	768,469	611,752
Student fees and charges	339,808	232,224
Other	460,281	133,004
	1,568,558	1,025,344
30 Contributed Equity		
Opening balance		
Assumption of Liabilities (a)	1,299,506	-
Transfer of Assets (b)	2,132,971	-
Closing balance	3,432,477	-
(a) Represents the value of the superannuation liability as at 01/01/04 which has been assumed by the Treasurer.		
(b) Net capital contributed by the Department of Education and Training for non-reciprocal transfers of net assets after 01/07/04. Refer note 16.		
31 Reserves		
Asset Revaluation Reserve (a)		
Opening balance	35,874,869	26,024,254
Net revaluation increments / (decrements)		
Land	(1,616,000)	7,430,000
Buildings	6,483,348	2,420,616
Works of art	206,924	-
Closing balance	40,949,141	35,874,869
(a) The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 1(l)		
32 Accumulated surplus/(deficit)		
Opening balance	103,507,176	105,564,819
Change in net assets	(5,267,971)	(2,057,643)
Closing balance	98,239,205	103,507,176
33 Reconciliation of net cost of services to net cash flows provided by / (used in) operating activities		
Net Cost of Services	(72,572,085)	(72,786,870)
Non-cash items:		
Depreciation and amortisation expense	(5,027,693)	(5,252,271)
Resources received free of charge	(1,873,291)	(3,610,340)
Net (gain) / loss on disposal on non-current assets	(10,816)	(18,137)
Losses and write-offs	(15,250)	-
Superannuation expense	(5,096,043)	(4,491,504)
Doubtful debts expense	(51,373)	(77,258)
Other non-cash items	(56,247)	(122,920)
Capital User Charge (Paid by the Department of Education and Training)	(8,140,637)	(10,045,263)
Increase/(decrease) in assets:		
Current receivables	150,520	355,659
Inventories	(234,413)	172,785
Prepayments	(49,115)	64,781
Other current assets	(2,895,433)	(203,556)
Non-current receivables		
(Increase)/decrease in liabilities:		
Payables	1,365,627	1,041,073
Income received in advance/grants and advances	(543,214)	635,613
Current provisions	2,865,241	(1,400,086)
Other Liabilities	2,877,287	320,220
Non-current Provisions	(2,320,762)	(1,051,295)
Net GST receipts/(payments)	108,492	324,671
Change in GST in receivables/payables		
Net cash provided by/(used in) operating activities	(53,624,965)	(49,429,040)
34 Reconciliation of cash		
Cash at the end of the financial year, as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:		
Cash assets	6,983,151	7,348,179
Restricted cash assets	21,493	20,883
	7,004,644	7,369,062

35 Commitments for expenditure

(a) Capital expenditure commitments

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

Within 1 year	975,691	471,051
	975,691	471,051
The capital commitments include amounts for:		
Asset purchases	841,422	246,551
Minor Works	134,269	224,500
	975,691	471,051

(b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, are payable as follows:

Within 1 year	1,317,097	1,546,848
Later than 1 year and not later than 5 years	1,222,140	3,101,763
Later than 5 years	23,113	-
	2,562,350	4,648,611

Representing:

Cancellable operating leases	150,366	89,724
Non-cancellable operating leases	2,411,984	4,558,887
	2,562,350	4,648,611

(b) (i) Finance lease commitments

Commitments in relation to finance leases are payable as follows:

Within 1 year	358,477	846,118
Later than 1 year and not later than 5 years	-	489,974
Minimum finance lease payments	358,477	1,336,092
Less: future finance charges	(5,399)	(130,366)
Finance lease liability	353,078	1,205,726
Included in the financial statements as:		
Current	353,078	785,341
Non-current	-	420,385
	353,078	1,205,726

(b) (ii) Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1 year	1,166,731	1,457,124
Later than 1 year and not later than 5 years	1,245,253	3,101,763
	2,411,984	4,558,887

36 Contingent liabilities and Contingent Assets

Contingent Liabilities

In addition to the liabilities incorporated in the financial statements, the College has the following contingent liabilities:

(a) Litigation in progress

The college has pending litigation that may effect the financial position to the value of \$350,000 in relation to two common law claims. The college has disclaimed liability and will defend any action.

	350,000	-
	350,000	-

37 Explanatory Statement

(a) Significant variations between actual revenues and expenditures for the financial year and revenues and expenditures for the immediately preceding financial year

Significant variations in revenues and expenditures between actual results and the corresponding items of the preceding year are detailed below. Significant variations are considered to be those greater than 10% and \$250,000 or any variance greater than \$500,000.

	2004	2003	Variance
	\$	\$	\$
Employee expenses	57,926,576	58,623,237	(696,661)
Supplies and services	18,551,134	19,218,809	(667,675)
Grants and Subsidies	1,161,554	-	1,161,554
Capital User Charge	10,615,718	10,045,263	570,455
Ancillary Trading	1,026,802	1,467,547	(440,745)
State Funds	65,379,294	67,002,120	(1,622,826)
Resources Received Free of Charge	1,873,292	2,402,107	(528,815)

Employee Expenses

The \$0.697M favourable variance in employee expenses is a result of a reduction in the provision for employee annual leave entitlements during the year.

	57,926,576	58,623,237	(696,661)
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Supplies and services

The variance in supplies and services is due to the reduced usage of contract labour services and consultancies during the year.

	18,551,134	19,218,809	(667,675)
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Grants and Subsidies

In 2003 the College received a grant of \$1.325M in relation to the Burrup Skills Task Force project. During that year the College spent \$0.319M of those funds and the remaining funds of \$1.006M were transferred to Challenger TAFE, who took over coordination of the project, in 2004. The College also participated in the Laptop for Lecturers program and this resulted in subsidies to lecturers of \$0.156M.

	1,161,554	-	1,161,554
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<u>Capital User Charge</u>			
Treasury imposes an 8% capital user charge on the net assets of the College in recognition of the opportunity cost of capital held by the College. The increase in the capital user charge for 2004 is a direct result of the net assets of the College increasing from 2003 to 2004.	10,615,718	10,045,263	570,455
<u>Ancillary Trading</u>			
The variance in ancillary trading is due to a reduction in curriculum development fees of \$0.556M in 2004. Sales of curriculum materials, however, increased by \$0.133M in the current reporting year which partially offset the reduction in fees received.	1,026,802	1,467,547	(440,745)
<u>State Funds</u>			
The reversal of income in 2004 that was recognised in the previous year as State Funds has resulted in the variance against the previous year's figures. This income related to funding for assets which has been transferred to Equity as a Contribution by Owners in the current year.	65,379,294	67,002,120	(1,622,826)
<u>Resources Received Free of Charge</u>			
The main reason for the variance in Resources Received Free of Charge was a reduction in the cost of Corporate systems charged back to the College from the Department of Education and Training. The College has also not recognised any audit fees for the 2004 year as these are no longer to be treated as a Resource Received Free of Charge.	1,873,292	2,402,107	(528,815)

(b) Significant variations between estimates and actual results for the financial year

Details and reasons for significant variations between estimates and actual results are detailed below. Significant variations are considered to be those greater than 10% of budget and \$250,000 or any variance greater than \$500,000.

	2004 Budget	2004 Actual	Variance
	\$	\$	\$
Employee expenses	62,675,904	57,926,576	(4,749,328)
Supplies and services	19,499,924	18,551,134	(948,790)
Grants and Subsidies	-	1,161,554	1,161,554
Fee for Service	9,089,921	7,830,316	(1,259,605)
Ancillary Trading	1,922,633	1,026,802	(895,831)
State Funds	66,871,671	65,379,294	(1,492,377)
Resources Received Free of Charge	3,002,600	1,873,292	(1,129,308)

Employee Expenses

Employee expenses are below the Estimate as a result of a number of efficiencies and savings across the College in 2004. Salary costs are also lower as a result of the level of commercial activity being less than originally estimated. A reduction in the employee annual leave provision in 2004 has also contributed to the variance.

62,675,904 57,926,576 **(4,749,328)**

Supplies and services

The main variance within Supplies and Services lies within the expected level of Resources Received Free of Charge from the Department of Education and Training. The Estimate of \$2.9M was based on the level of resources provided in previous years, however, the actual charges for 2004 were only \$1.8M

19,499,924 18,551,134 **(948,790)**

Grants and Subsidies

At the end of 2003 the College received a grant in relation to the Burrup Skills Task Force project. These funds were not expected at the time of preparing the Estimates and no provision for their expenditure was included. The College also participated in the Laptop for Lecturers program and this resulted in subsidies to lecturers of \$0.156M.

- 1,161,554 **1,161,554**

Fee for Service

The 2004 Estimates for Fee for Service revenue included a substantial growth factor in commercial activity that did not materialise. The reduced revenue received was offset by a reduction in associated salary and operating costs.

9,089,921 7,830,316 **(1,259,605)**

Ancillary Trading

The reason for the variance in Ancillary Trading against the Estimate is a reduction in the expected level of curriculum material sales. Similarly, the level of live works revenue for 2004 was less than estimated and this has contributed to the variance.

1,922,633 1,026,802 **(895,831)**

State Funds

The reversal of income in 2004 that was recognised in the previous year as State Funds has resulted in the variance against the Estimates. This income related to funding for assets which has been transferred to Equity as a Contribution by Owners in the current year.

66,871,671 65,379,294 **(1,492,377)**

Resources Received Free of Charge

As mentioned previously, the estimated level of Resources Received Free of Charge was based on the level of resources received in previous years. Resources provided by the Department of Education and Training in 2004 were significantly less than expected as a result of reduced corporate systems costs.

3,002,600 1,873,292 **(1,129,308)**

38 Financial Instruments

(a) Interest Rate Risk Exposure

The following table details the College's exposure to interest rate risk at reporting date.

	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate			Non-Interest Bearing	Total
			Less than 1 year	1 to 5 years	More than 5 years		
	%	\$	\$	\$	\$	\$	
2004							
Financial Assets							
Cash assets	5.37%	-	6,960,453	-	-	22,698	6,983,151
Restricted cash assets	5.26%	-	21,493	-	-	-	21,493
Receivables		-	-	-	-	2,128,450	2,128,450
			6,981,946			2,151,148	9,133,094
Financial Liabilities							
Payables		-	-	-	-	464,933	464,933
Interest bearing liabilities	6.35%	-	353,078	-	-	-	353,078
Employee benefits		-	-	-	-	10,052,202	10,052,202
Other liabilities		-	-	-	-	3,333,313	3,333,313
			353,078			13,850,448	14,203,526
Net Financial Assets (Liabilities)			6,628,868			(11,699,300)	(5,070,432)

	Weighted Average Effective Interest Rate	Variable Interest Rate	Fixed Interest Rate Maturity			Non-Interest Bearing	Total
			Less than 1 year	1 to 5 years	More than 5 years		
	%	\$	\$	\$	\$	\$	
2003							
Financial Assets							
Cash assets	4.97%	-	7,321,759	-	-	26,420	7,348,179
Restricted cash assets	4.72%	-	20,883	-	-	-	20,883
Receivables		-	-	-	-	2,061,714	2,061,714
			7,342,642			2,088,134	9,430,776
Financial Liabilities							
Payables		-	-	-	-	1,830,559	1,830,559
Interest bearing liabilities	6.35%	-	785,341	420,385	-	-	1,205,726
Employee benefits		-	-	-	-	11,017,575	11,017,575
Other liabilities		-	-	-	-	2,586,468	2,586,468
			785,341	420,385		15,434,602	16,640,328
Net Financial Assets (Liabilities)			6,557,301	(420,385)		(13,346,468)	(7,209,552)

(b) Credit Risk Exposure

All financial assets are unsecured.

The carrying amount of financial assets recorded on the financial statements represents the College's maximum exposure to credit risk in relation to those assets as indicated in the Statement of Financial Position.

(c) Net Fair Values

The carrying amount of Financial Assets and Financial Liabilities recorded in the Financial Statements are not materially different from their net fair values.

39 Remuneration of Members of the Accountable Authority and Senior Officers

Remuneration of members of the Accountable Authority

The number of members of the Accountable Authority whose total of fees, salaries, superannuation and other benefits for the financial year, fall within the following bands are:

\$		
\$140,001 - \$150,000	-	1
\$160,001 - \$170,000	1	-
The total remuneration of the members of the Accountable Authority is:	161,181	144,556

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

No members of the Accountable Authority are members of the Pension Scheme.

Remuneration of Senior Officers

The number of Senior Officers other than senior officers reported as members of the Accountable Authority, whose total of fees, salaries, superannuation and other benefits receivable for the financial year, fall within the following bands are:

\$		
\$40,001 - \$50,000	*1	-
\$100,001 - \$110,000	1	4
\$110,001 - \$120,000	2	1
\$120,001 - \$130,000	2	-
The total remuneration of senior officers is:	625,996	539,824

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

* Includes senior officers where periods of service are less than twelve months.

No Senior Officers are members of the Pension Scheme.

40 Supplementary Financial Information

Write-Offs

Public property	15,250	17,363
Bad Debts	74,558	79,838
Inventory	40,002	-
	129,810	97,201

Losses Through Theft, Defaults And Other Causes

Losses of public and other moneys and public and other property through theft, default or otherwise	9,971	19,278
Amount recovered	-	-

Gifts of Public Property

Gifts of Public Property provided by the College	-	200
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41 Segment Information

The college has only one segment (as defined by Treasurer's Instruction 1101 (2) (viii) and that is Vocational Education and Training Delivery.

The college operates in one geographical segment being within the State of Western Australia.

42 Related Bodies

The Managing Director of Central TAFE is the sole director of WANMTC Pty Ltd (trading as The Materials Institute of WA) and, as such, the College has control over this company. The company has, however, been dormant since 2001 and has not traded during the reporting period. As the company has no material assets or liabilities the College has not consolidated the financial statements of WANMTC Pty Ltd.

43 Affiliated Bodies

The College has no affiliated bodies.

44 The Impact of Adopting International Accounting Standards

Central TAFE is adopting International Accounting Standards in compliance with AASB 1, 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards' (IFRS).

AASB 1 requires an opening balance sheet as at 1 January 2004 and the restatement of the financial statements for the reporting period to 31 December 2004 on the IFRS basis. These financial statements will be presented as comparative in the first annual financial report prepared on an IFRS basis for the period ending 31 December 2005.

AASB 1047, 'Disclosing the Impacts of Adopting Australian Equivalents to International Financial Reporting Standards', requires financial reports for periods ending on or after 30 June 2004 to disclose:

(1) How the transition to Australian equivalents to IFRSs is being managed

Central TAFE has commenced training of staff in the key areas of the Australian equivalents to IFRS and have been reviewing significant differences in accounting policies, disclosures and presentation and the likely impacts and risks to the college.

Central TAFE finance staff are keeping abreast of changes through the review of available information, such as publications on the AASB and Department of Treasury and Finance websites and by attending relevant workshops. Staff with the college will be updated on any IFRS issues that may affect the college.

(2) Key differences in accounting policies that are expected to arise in adopting Australian equivalents to IFRS

Central TAFE does not anticipate any significant differences. The areas where there will be a slight financial impact is Property, Plant and Equipment with the classification of a customised software package to intangibles. There will be disclosure changes relating to Employee Benefits.

CENTRAL TAFE CONTACT DETAILS

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PERTH WA 6000

Leederville Campus

Richmond Street
LEEDERVILLE WA 6007

Mt Lawley Campus

Corner Harold and Lord Streets
MT LAWLEY WA 6050

Advanced Manufacturing Technologies Centre (AMTC)

Salvado Road
SUBIACO WA 6008

e-Central

140 Royal Street
EAST PERTH WA 6004

International Operations

25 Aberdeen Street
PERTH WA 6000

Wembley Campus

9 Salvado Road
WEMBLEY WA 6014