

Kimberley
annual report TAFE
2008



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EXECUTIVE SUMMARY

CHAIRPERSON'S REPORT

2008 was a year of ongoing achievement for Kimberley TAFE as providers of vocational education and training across the unique and remote Kimberley region of Western Australia. Through our key industry skills training areas of Business; Tourism and Hospitality; Trades; Agribusiness; Creative and Cultural Industries; Community Services and ACCESS, Kimberley TAFE is committed to delivering client focused training solutions.

Kimberley TAFE also focused on increasing literacy and numeracy outcomes and developing industry specific pre-employment programs, especially for our Indigenous students. As well, through our Indigenous Projects Unit we were able to partner with other Indigenous agencies to develop programs that support the broader economic and social aspirations of Indigenous people and their communities.

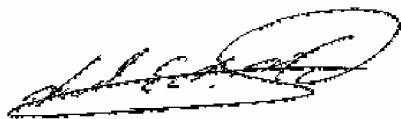
Growth was experienced in industry-based training delivery and Vocational Education and Training in Schools (VETiS) programs. Collaborative training partnerships with local Indigenous training providers or through brokering agreements with other quality-training providers, for specific industry skills training outside our delivery scope, were also increased. As well our commercially funded programs grew, with the Broome Maritime Simulator Centre becoming a key commercial centre for the College.

We continue to demonstrate that we are flexible, responsive and agile in our approach to providing employment-focused training that meets the needs of individual students and local industry whilst contributing to the broader WA economy.

As such, it is important to recognize that Kimberley TAFE is a significant employer and contributor to the economic, social and cultural wellbeing of the region with over 132 staff and a total Cost of Services of \$20,431,597.

Throughout 2008 we continued to confirm our strategic commitment to Kimberley communities and to ensure that Kimberley TAFE remains at the forefront of vocational education and training provision in the region and is recognized accordingly.

This annual report provides an overview of our results against our key performance indicators and includes highlights of staff, student or industry training delivery and training partnership achievements.



Ned McCord
Chairman, Governing Council

MANAGING DIRECTOR'S REPORT

The year saw the College continue its key role in supporting numerous training initiatives across the Kimberley region.

The student contact hours (SCH) by which our performance is measured was 368,217 SCH for mainstream institutional delivery. The College experienced growth in both employment based training achieving 64,276 SCH and VET in Schools delivery of over 40,000 SCH.

Revenue received for commercially delivery programs increased overall despite actual student contact hours decreasing slightly from 2007 to 73,593SCH in 2008. The Broome Maritime Simulator Centre enjoyed its first year of full commercial operations undertaking data simulations for several key maritime industry clients across Australia.

Training delivery also focused on improving outcomes specifically in this region's skills shortage areas of Automotive, Construction, Child Care and Aged Care.

The Indigenous Projects Unit remained responsive meeting the changing demands of the Community Development Employment program (CDEP) and undertook several project management roles which incorporated both federally and state funded initiatives.

Kimberley TAFE enjoyed growth in student numbers generally and further increased enrolments of Indigenous students in Certificate III and above industry qualification levels over the previous year's results.

The College also successfully achieved re-registration as a registered training organisation with an excellent audit report.

I would like to acknowledge the commitment of all management and staff and to thank them for their contribution to our students, our local community and to the region.

Kimberley TAFE continues to be a proud provider of learner focused, industry specific and culturally diverse training programs.



Robert Stratton
A/Managing Director

ORGANISATIONAL STRUCTRE

GOVERNING COUNCIL MEMBERS

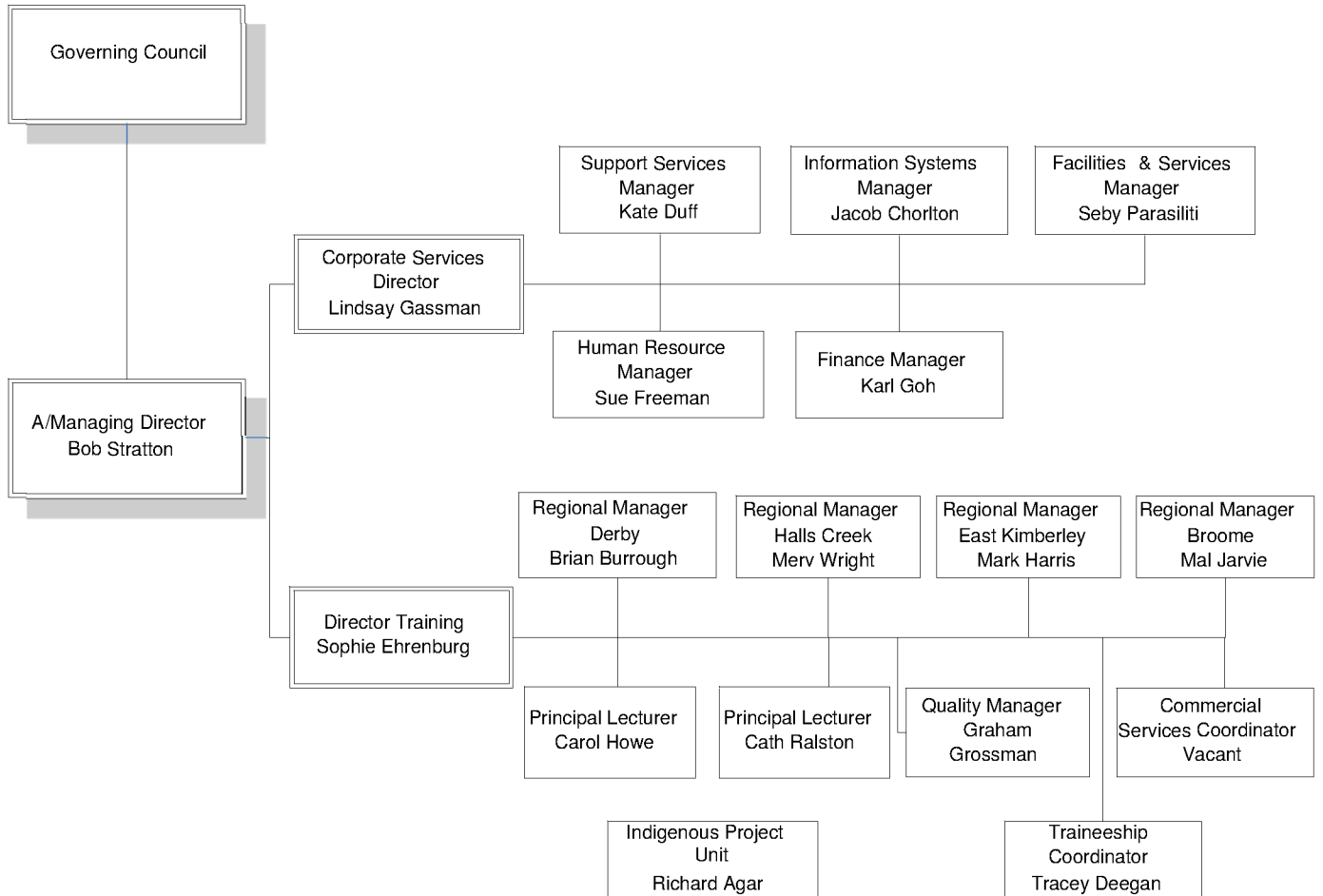
Mr Ned McCord	–	Chairperson
Mr Ian Trust	–	Deputy Chairperson Member
Ms Pamela Hunter	–	Member
Mr Chris Mitchell	–	Member
Mr Mal Jarvie	–	Member
Mr Peter Biber	–	Member
Ms Patricia McKay	–	Member
Mr Antoine Bloemen	–	Member
Mr John Gummery	–	Member
Mr Murray Coates	–	Member

Managing Director(s), Kimberley TAFE

- **Ms Sophie Ehrenburg (January 2008)**
- **Mr Ciaron (Paul) Murphy (February – November 2008)**
- **Mr Robert Stratton (November 2008 – present)**

KIMBERLEY TAFE MANAGEMENT STRUCTURE

Kimberley
Management
December 2008



2006 - 2008 STRATEGIC PLAN OVERVIEW

The plan identifies four key result areas for the College:

1. SUPPORTING INDUSTRY AND ITS CREATION OF LOCAL EMPLOYMENT OPPORTUNITIES

- Increase the number of apprentices and trainees within the Kimberley.
- Meet industry's training requirements.
- Support the creation of local employment opportunities in the Kimberley.
- Increase mainstream employment outcomes for Indigenous Australian people.

2. EMPOWERING INDIVIDUALS

- Develop pathways to increase participation rates for 15 to 24 year olds in training, education and employment.
- Improve training outcomes for Indigenous Australian people.
- Provide career guidance and preparation for employment.
- Improve literacy and numeracy and work readiness skills.

3. ASSISTING KIMBERLEY COMMUNITIES ACHIEVE THEIR ASPIRATIONS

- Support communities to plan their social and economic aspirations.
- Assist communities to achieve their long term social and economic outcomes.

4. BUILDING AND EXPANDING THE COLLEGE'S CAPABILITIES

- Enhance the College's workforce capability.
- Access additional resources to enable the College to better service its clients.
- Work in partnership with industry, the community, the school sector and other service providers.
- Ensure training assessment and delivery is culturally appropriate.
- Apply sustainability principles in all College undertakings.

AGENCY PERFORMANCE

STATE TRAINING PRIORITIES

The State Training Priorities are developed through extensive consultation, validation, feedback and negotiation with stakeholders throughout Western Australia, including industry and enterprises; Industry Training Advisory Bodies; Regional and community bodies; Bodies representing equity groups; Training providers; and Government agencies.

When considering competing needs in a limited resource environment, prioritisation of publicly funding vocational education and training is crucial. Within this context, it is important to acknowledge that government is but one of the core sources of funding for training and that individuals and industry also make direct or in-kind contributions.

The priorities for VET within the new education and training arrangements will focus on developing a high quality system of lifelong learning, which encourages and facilitates the engagement of individuals, communities and industry.

STATE TRAINING PRIORITIES VS AGENCY PERFORMANCE

PARTICIPATION OF 15-24 YR OLDS IN TRAINING, EDUCATION & EMPLOYMENT

Kimberley TAFE continues to offer a range of training opportunities that encourage 15 – 24 year olds to participate in Vocational Education & Training (VET). Apart from the successful Vet in Schools programs that were delivered across the Kimberley region, other short course programs included the Metals and Maritime intervention programs that were delivered at the Broome campus in conjunction with BHP Iron Ore and the Police Department.

Kimberley TAFE VET in Schools programs experienced growth in enrolments and completions at the Certificate II level in Aquaculture, Community Services, Business, Tourism and Hospitality Operations, Metals and Automotive.

LITERACY AND NUMERACY

Kimberley TAFE had a very strong year embedding literacy and numeracy training and support in all programs, as well achieving successful outcomes by the delivery of Department of Education Science and Training (DEST) Literacy Language and Numeracy Program (LLNP).

The appointment of a Principal Lecturer for ACCESS programs allowed for a full review of ACCESS delivery and the introduction of integrated learning support for all students, especially for increased focus on achieving improved literacy and numeracy outcomes for Indigenous students.

GOVERNANCE

In response to Indigenous community needs, Kimberley TAFE renewed its delivery contract with Office of the Registrar of Indigenous Corporations (ORIC) and continued to develop training materials that support the needs of Kimberley Indigenous communities.

INDIGENOUS TRAINING

Kimberley TAFE took a proactive approach to increasing community engagement at a local, regional and state level. The Indigenous Projects Unit continues to focus on providing quality employment focussed training to Indigenous organisations and individual communities.

In addition, Kimberley TAFE increased participation at numerous local Indigenous events including Marsh Art, Boab Festival and Croc Festival in Derby and the Northwest Expo in Broome. In Kununurra, the College was a major sponsor of the East Kimberley Aboriginal Achievement Awards.

Kimberley TAFE continued to form partnerships with Indigenous organisations including a successful business skills recognition program for the employees of Wunan Corporation. Memorandums of Understanding were signed with various other Indigenous agencies and community groups including Indigenous Land Council (ILC); Charles Darwin University; Pandanas Park and Bindowa Cattle Company.

This year saw a significant increase in the commercial delivery of programs to remote communities in the West Kimberley, as a direct result of the Federal changes to CDEP funding.

The College also significantly increased its community-based delivery particularly to Bidyadanga and Kalumburu communities.

APPRENTICESHIPS & TRADES TRAINING

2008 was a year of new challenges and ideas. The implementation of direct apprenticeships in Carpentry & Joinery and Commercial Cookery along with existing delivery increased student uptake and overall delivery outcomes by 20%. Traineeship enrolments increased with student retention rates remaining a challenge but showing signs of improvement following an increased focus on mentoring and trainee support.

New Traineeship and Apprenticeship Delivery Management and Traineeship and Apprenticeship Employer guides were developed to support improved outcomes in employment based training.

Working with key clients such as Kimberley Group Training (KGT) or employers directly, Kimberley TAFE conducted several industry focus sessions which support and guide Traineeship and Apprenticeship delivery across the region through a new centralised data management centre, located at Broome campus.

LOCAL PARTICIPATION IN EMPLOYMENT OPPORTUNITIES IN THE KIMBERLEY

Kimberley TAFE continued working in partnership with industry, CDEP providers and other organisations to strengthen, develop and implement a range of employment focussed programs, particularly to increase Indigenous employment and provide pathways into higher education.

Through Kulluari Regional CDEP, Kimberley TAFE delivered a major commercial contract in Automotive, Art, Business and Horticulture to the communities of Broome, Bidyadanga and the Dampier Peninsular.

To further support the local economy, Kimberley TAFE is increasingly working directly with industry to offer customised training programs that cater to the specific industry requirements. Cable Beach Resort training delivery agreement with Kimberley TAFE saw over 300 participants complete an induction and orientation program.

All training delivered focuses on increasing local employment opportunities and meeting the needs of industry and students. The majority of Kimberley TAFE VET programs are now linked to industry with increased focus on workplace delivery and personalised training plans that offer and promote innovative training options.

The Broome Education Precinct continued to gain strength in promoting a collaborative partnership between key educational providers in the Broome region. The partnership primarily focuses on aligning industry skill needs to training provider capabilities. St Mary's Hospitality Training School is now being utilised by members of the Broome Education Precinct to support employment opportunities in the Tourism and Hospitality industry across the region.

INDUSTRY PARTNERSHIPS

Key innovative industry training partnerships in 2008 included:

Cable Beach Club Resort – Kimberley TAFE continued working with Cable Beach Resort HR Management team to deliver their induction and orientation program. During 2008, over 300 people participated in the program with the General Manager of the resort acknowledging the positive impacts this training partnership has had especially on improved retention rates of staff and improved quality of customer service to guests.

The Broome Maritime Simulator Centre is a best practice facility that is being increasingly utilised by the maritime industry and Western Australian ports to develop a range of maritime simulations of ports, ships and other associated requirements, including pilot training and research work.

The Broome Aquaculture Centre, through its partnerships with key Indigenous and non-Indigenous industry stakeholders, has shown strong development in the growth of barramundi and mud crab breeding programs that directly support

two key local industries. The launch of marine and freshwater ornamental fish breeding programs has also increased the diversity of training offered at the centre and is in response to a major demand for these fish. Community training was conducted in Construction, Business, Tourism and Aquaculture at the Pandanas Park Community. A Farmbiz grant was used to fund the construction of infrastructure to support this new enterprise.

To support the myriad of training partnerships across the region, Kimberley TAFE Executive, Regional Managers and our industry training specialists maintain a high profile with the various industry groups and organisations including Broome, Derby and East Kimberley Chamber of Commerce, Halls Creek Community Reference Group and Project Management Committees, Kimberley Interagency Working Group, Kimberley Group Training, East Kimberley Job Pathways and Job Futures.

INDIGENOUS ECONOMIC DEVELOPMENT

Through the Indigenous Project Unit, Kimberley TAFE delivered a variety of programs across the Kimberley that supports local Indigenous communities to achieve their local economic and community aspirations.

Army Aboriginal Community Assistance Program (AACAP) - Through partnership with the Australian ARMY a Certificate I Construction program was undertaken in Kalumbaru Community to refurbish old buildings and build new houses and offices. The program was an outstanding success with many students completing their Certificate I Construction qualification.

Indigenous Land Council (ILC) - The training partnership between the ILC and Kimberley TAFE has seen further development of an innovative tourism program at Home Valley Station, East Kimberley, as well as a pastoral program at Roebuck Plains Station, West Kimberley. Both programs have delivered on-the-job training to Indigenous students.

Community Gardens Project - Kimberley TAFE has been working in collaboration with Department of Environment and Conservation to develop community gardens in various communities in the West Kimberley. Practical outcomes of this training have included the establishment and maintenance of a large fruit and vegetable gardens, the maintenance of several bush tucker orchards and the maintenance of lawns and amenity gardens in the following communities:

- Malaburra
- Jarlmadanga
- Goolarabooloo
- Beagle Bay
- Wangkajunka
- Bayulu
- Bidyadanga
- Minyirr Park
- 12 Mile - Balu Buru Centre
- Julgununn
- Googarrgoonyool
- Imatji
- Yakanarra
- Looma
- Birridu
- Noonkanbah

Other successful initiatives have included the increased delivery of Tourism, Building, Construction, Art, and other programs to remote areas such as Bidyadanga Community, Beagle Bay Community, Home Valley, Dampier Peninsular, and Mowanjum (near Derby).

Kimberley TAFE signed a range of Memorandums of Understanding (MoU) with key Indigenous communities and organisations to foster Indigenous economic development, in 2008 MoU's were signed with the following organisations:

- Indigenous Land Council
- Department of Corrective Services WA
- Wunan Foundation
- Army Aboriginal Community Assistance Program (AACAP)
- Shire of Derby/West Kimberley
- Winun Ngari Aboriginal Corporation
- Argyle Diamond Mines

SCH PROFILE DELIVERED BY CAMPUS, 2008

	TOTAL SCH	% OF COLLEGE DELIVERY
Kununurra/ Wyndham	106,203	24.6%
Broome	206,209	47.7%
Halls Creek	47,123	10.9%
Derby/Fitzroy Crossing	72,958	16.9%
Totals	432,493	100%

AGENCY KEY PRIORITIES

Increase apprenticeships and traineeships with an emphasis on apprenticeships in traditional trades

Kimberley TAFE began delivery of apprenticeships in Carpentry and Joinery in Broome and Kununurra and Commercial Cookery in Broome. The College offered school based apprenticeships in Broome as well as first and second year apprenticeship training in Broome and Kununurra. Student enrolments and training progressed well throughout the year meeting expected targets.

Numbers of Trainees and Apprentices enrolled at Kimberley TAFE:

	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
<i>Trainees</i>	<i>297</i>	<i>339</i>	<i>381</i>	<i>296</i>
<i>Apprentices</i>	<i>6</i>	<i>6</i>	<i>10</i>	<i>50</i>

Increase number of Indigenous students enrolled in employment based qualifications (Certificate III and above)

2007 was a year of social dislocation across the Kimberley which resulted in a major decrease in attendance at TAFE and withdrawal of students from both traineeship

and apprenticeship programs. In 2008 Kimberley TAFE was able to work with Indigenous people and communities to revitalise student enrolments with an excellent result being achieved in returning to appropriate traineeship and apprenticeship numbers.

Indigenous Students in Employment Based Training in Certificate III and above:

	2005	2006	2007	2008
Indigenous Students	103	120	65	102

Ensure all new and existing TAFEWA permanent and contract lecturers as a minimum hold a Certificate IV in Training and Assessment or equivalent by end of reporting period.

All permanent, contract and casual staff who do not hold a Certificate IV in Training and Assessment are enrolled as part of their contract of employment in this qualification.

SIGNIFICANT ISSUES AND TRENDS

FACTORS AFFECTING DELIVERY:

Recruitment and Retention of Staff

In the trades area, in particular, Kimberley TAFE finds it is challenging to recruit and retain skilled trades personnel when industry offers more attractive packages.

Thin Markets

Kimberley TAFE strengthened its training partnership agreements with the regions' key Indigenous Registered Training Organisations including Goolarri Media Enterprises, Kimberley Aboriginal Medical Service Council (KAMSC), Djaringo/Nirrumbuk (Broome), Karrayili (Fitzroy) and Wunan Foundation (East Kimberley) to ensure that it can meet the regions training needs, especially for delivery in the thin market areas.

Remote Delivery

Kimberley TAFE provides flexible training and assessment to allow for the challenges of working across the 422,000 square kilometre region. Delivery is also weather dependant as the wet season can prevent lecturer's access to communities.

Cost of Delivery

At times the remoteness of the Kimberley region and the cost of delivering in remote rural communities become prohibitively expensive, especially in regards to travel and accommodation.

GOVERNANCE DISCLOSURES

ENABLING LEGISLATION

Kimberley TAFE was established as an autonomous body on 1 July 1999 under Section 35 of the Vocational Education and Training Act 1996.

ADVERTISING

Electoral ACT 1907

In accordance with Section 175ZE of the Electoral Act 1907, the College spent \$71,933.95 (an increase of \$56,783.14 on 2007) through ADCORP Australia and Marketforce, advertising agencies for recruitment.

The College also spent \$17,892.96 on advertising courses and general information, which was spent with the following agencies:

Marketforce	\$5,225.75
Kimberley Echo	\$1,621.64
Broome Advertiser	\$9,300.25
Media Decisions	\$1,745.32

DISABILITY ACCESS & INCLUSION PLAN OUTCOMES

COMPLIANCE REPORT

The College is committed to its obligations under Equal Opportunity legislation, the Disability Services Act 1993 and the Commonwealth Disability Discrimination Act 1992. The College has its own Disability Services Plan.

Specific assistance provided to students during 2008 included mentoring and tutoring support to students with a range of disabilities.

The College includes a specific section in its Student Handbook related to students with disabilities. It also employs the use of text telephone machines for students and staff with hearing impairments. The Local Area Coordinator of the Disability Services Commission is also a member of the College's Client and Customer Service Committee.

COMPLIANCE WITH PUBLIC SECTOR STANDARDS AND ETHICAL CODES

The College is committed to ensuring its processes comply with the Human Resource Management Standards of the Public Sector Standards Commission.

In the administration of Kimberley TAFE, I have complied with the Public Sector Standards in Human Resource Management, the Western Australian Public Sector Code of Ethics and the College's Code of Conduct.

I have put in place procedures designed to ensure such compliance and conducted appropriate internal assessments to satisfy myself that the statements made here are correct.

The Applications made for Breach of Standards Review and the corresponding outcomes for the reporting period are:

Number lodged: one

Number of breaches found, including details of multiple breaches per application: Nil

Number still under review: Nil



Robert Stratton
A/Managing Director

FREEDOM OF INFORMATION

The College publishes a range of documents that provide information to staff and the community. Publications are available from the College and many are widely distributed to interested parties and the broader community. The College's website is continually updated with an increasing amount of general information and documentation.

Any member of the public wishing to access material under the Freedom of Information Act 1992 (FOI Act), may address requests to:

Managing Director
Kimberley TAFE
PO Box 1095
KUNUNURRA WA 6743
Telephone: 08 91680877

The College received three applications under the auspices of the FOI Act during 2008.

CONTRACTS WITH SENIOR OFFICERS

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

RECORDKEEPING PLANS

Kimberley TAFE as part of the TAFEWA network joined with the Department of Education and Training to create a combined Record Keeping Plan that satisfies the requirements of the State Records Act 2000.

The College has a representative on the TAFEWA Records Management Group, which meets quarterly, so is involved in the ongoing review of policies and procedures to ensure compliance under the Act. As part of its obligations to staff, Kimberley TAFE is introducing Records Awareness Training via online learning. Some staff members have trialled the training in 2008 with positive results. The Records Awareness Training (RAT) software has now been uploaded and is ready for roll out to each staff member in 2009.

Kimberley TAFE is in discussion with the Department of Education and Training about funding for a new electronic document record management system called TRIM Context 6, which is anticipated to replace the College's in-house file look-up system in 2009.

GOVERNMENT POLICY REQUIREMENTS

CORRUPTION PREVENTION

The College continued to work with other TAFEWA Colleges and the Department of Education and Training to further develop policies and procedures aimed at reducing the risk of corruption and crime in the Education Sector in Western Australia. During 2008, the College ensured that all new staff members secured criminal clearances prior to commencing work. In addition the College made sure that all staff, who are required to have a Working with Children Check, have done so.

Kimberley TAFE continues to promote and provide opportunities for staff to increase their understanding of issues such as Corruption Prevention in accordance with legislative requirements.

SUSTAINABILITY

Kimberley TAFE is committed to ensuring that the College embraces the principles of sustainability in all its activities, in particular its core business 'delivery of training and assessment' and to educating its staff on the importance of contributing to sustainability on an ongoing basis.

The three key elements of sustainability include:

- Social sustainability – contribution to developing social capital and capacity building.
- Economic Sustainability – elements of organisational and financial sustainability.
- Environmental sustainability – responsiveness to energy efficiency, water conservation and waste minimisation.

These three elements strongly contribute to the College's Strategic Planning Framework.

The College's Sustainability Action Plan, which details actions to be addressed in achieving successful sustainability outcomes, is reviewed and updated annually and will, subject to available resources, identify new areas of activity and enhance existing actions.

Current Action

The College has achieved the following outcomes in relation to its support of implementing Sustainability principles:

- College Divisional/Branch Business Plans address sustainability principles.
- Inclusion of Sustainability into numerous training programs and courses.
- Involvement in cross-agency (Government & Private) service provision; resource sharing; collaborative initiatives; and strategic alliances with industry.

- Current development of an Energy Management Plan to address the ongoing need to achieve targets in this area.
- The College actively incorporates its sustainability principles into all building programs.

OCCUPATIONAL SAFETY AND HEALTH

The College acknowledges its responsibilities under the *Occupational Safety and Health Act 1984* and the *Workers' Compensation and Injury Management Act 1981*.

The College has an Occupational Safety, Health and Welfare Committee, which includes staff representatives, that meets quarterly. There are also Occupational Health and Safety Representatives at each campus.

The College participates in the Occupational Health and Safety Reference Group convened by the Department of Education and Training Shared Services Centre and a representative attends quarterly meetings of that group. The College has also adopted the TAFEWA Occupational Health and Safety Manual jointly developed by the Shared Services Centre and all the TAFE Colleges.

The Manual and the College's Occupational Health and Safety Policy are available to all staff through the College's Intranet. The Manual includes comprehensive information for both managers and staff about injury management and vocational rehabilitation and demonstrates the College's commitment to minimising the human and financial impact of workplace injury and illness.

Two Worker's Compensation Claims were lodged during the year. Both claims involved minor physical injuries. At the 31 December, both cases were on-going. The one case carried over from 2007 was finalised during the year.

The College maintained its contract with *Occupational Services Australia* for provision of Employee Assistance services. Those services were used from time to time during the year.

OSH Performance Statistics

Performance Measure	Government Target	Kimberley TAFE 2008	Target Achieved
Fatalities	0	0	Yes
Lost Time Injury Incidence Rate	0 or 10% reduction	1	Yes
Lost Time Injury Severity Rate	0 or 10%improvement	0	Yes

Kimberley TAFE

**FINANCIAL STATEMENTS
FOR
YEAR ENDED 31 DECEMBER 2008**



Auditor General

INDEPENDENT AUDIT OPINION

To the Parliament of Western Australia

KIMBERLEY TAFE FINANCIAL STATEMENTS AND KEY PERFORMANCE INDICATORS FOR THE YEAR ENDED 31 DECEMBER 2008

I have audited the accounts, financial statements, controls and key performance indicators of the Kimberley TAFE.

The financial statements comprise the Balance Sheet as at 31 December 2008, and the Income Statement, Statement of Changes in Equity and Cash Flow Statement for the year then ended, a summary of significant accounting policies and other explanatory Notes.

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

Governing Council's Responsibility for the Financial Statements and Key Performance Indicators

The Governing Council is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions, and the key performance indicators. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial statements and key performance indicators that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; making accounting estimates that are reasonable in the circumstances; and complying with the Financial Management Act 2006 and other relevant written law.

Summary of my Role

As required by the Auditor General Act 2006, my responsibility is to express an opinion on the financial statements, controls and key performance indicators based on my audit. This was done by testing selected samples of the audit evidence. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion. Further information on my audit approach is provided in my audit practice statement. Refer "<http://www.audit.wa.gov.au/pubs/Audit-Practice-Statement.pdf>".

An audit does not guarantee that every amount and disclosure in the financial statements and key performance indicators 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 and key performance indicators.

Kimberley TAFE
Financial Statements and Key Performance Indicators for the year ended 31 December 2008

Audit Opinion

In my opinion,

- (i) the financial statements are based on proper accounts and present fairly the financial position of the Kimberley TAFE at 31 December 2008 and its financial performance and cash flows for the year ended on that date. They are in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Treasurer's Instructions;
- (ii) the controls exercised by the College provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions; and
- (iii) the key performance indicators of the College are relevant and appropriate to help users assess the College's performance and fairly represent the indicated performance for the year ended 31 December 2008.



GLEN CLARKE
ACTING AUDITOR GENERAL
18 March 2009

FINANCIAL STATEMENTS
Kimberley TAFE

The accompanying financial statements of Kimberley TAFE have been prepared in compliance with the provisions of the Financial Management Act 2006 from proper accounts and records to present fairly the financial transactions for the year ended 31 December 2008 and the financial position as at 31 December 2008.

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



Ned McCord
Chairperson of Governing Council

05 / 03 / 2009

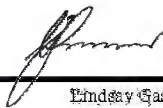
Dated



Robert Stratton
Managing Director
Member of Governing Council

05 / 03 / 2009

Dated



Lindsay Cassaman
Chief Finance Officer

05 / 03 / 2009

Dated

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2008

2008

2007

	Notes	\$	\$
COST OF SERVICES			
Expenses			
Employee benefits expense	7	12,517,990	11,262,780
Supplies and services	8	5,711,197	5,026,094
Depreciation and amortisation expense	9	1,003,035	1,034,512
Finance costs	10	30,178	17
Grants and subsidies	11	231,227	158,873
Capital user charge	12	-	684,915
Cost of sales	17	29,182	25,541
Loss on disposal of non-current assets	21	-	4,196
Other expenses	13	908,788	777,189
Total cost of services		20,431,597	18,974,117
Income			
Revenue			
Fee for service	14	2,037,860	2,183,301
Student fees and charges	15	683,896	544,097
Ancillary trading	16	10,110	7,285
Sales	17	44,711	36,195
Commonwealth grants and contributions	18	51,674	-
Interest revenue	19	195,573	190,023
Other revenue	20	404,004	352,188
Total revenue		3,427,828	3,313,089
Total income other than income from State Government		3,427,828	3,313,089
NET COST OF SERVICES		(17,003,769)	(15,661,028)
INCOME FROM STATE GOVERNMENT			
Service Appropriation	22	14,139,347	15,468,885
Resources received free of charge		824,860	786,962
Total income from State Government		14,964,207	16,255,847
SURPLUS/(DEFICIT) FOR THE PERIOD		(2,039,561)	594,819

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

Kimberley TAFE
BALANCE SHEET
AS AT 31 DECEMBER 2008

	Notes	2008 \$	2007 \$
ASSETS			
Current Assets			
Cash and cash equivalents	37	1,582,198	2,212,588
Restricted cash and cash equivalents	23,37	725,367	460,799
Inventories	24	61,790	53,477
Receivables	25	760,069	773,924
Other current assets	26	97,455	167,250
Non-current assets classified as held for sale	27	-	-
Total Current Assets		3,226,879	3,668,038
Non-Current Assets			
Restricted cash and cash equivalents	23	144,225	76,860
Property, plant and equipment	28	39,679,106	34,578,435
Intangible assets	29	-	-
Total Non-Current Assets		39,823,331	34,655,295
TOTAL ASSETS		43,050,210	38,323,333
LIABILITIES			
Current Liabilities			
Payables	31	1,225,603	577,450
Borrowings	32	-	-
Provisions	33	1,002,036	1,232,677
Other current liabilities	34	725,367	321,367
Total Current Liabilities		2,953,006	2,131,494
Non-Current Liabilities			
Provisions	33	640,891	406,335
Other non-current liabilities	34	-	16,948
Total Non-Current Liabilities		640,891	423,283
TOTAL LIABILITIES		3,593,897	2,554,777
NET ASSETS		39,456,313	35,768,556
EQUITY			
Contributed equity	36	6,439,925	6,439,925
Reserves	36	23,437,903	17,710,585
Accumulated surplus/(deficit)	36	9,578,485	11,618,046
TOTAL EQUITY		39,456,313	35,768,556

The Balance Sheet should be read in conjunction with the accompanying notes.

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2008

		2008	2007
	Notes	\$	\$
Balance of equity at start of period		35,768,556	23,490,621
CONTRIBUTED EQUITY	36		
Balance at start of period		6,439,925	718,208
Capital contributions		-	5,721,717
Balance at end of period		6,439,925	6,439,925
RESERVES	36		
Asset Revaluation Reserve			
Balance at start of period		17,710,585	11,749,187
Gains/(losses) from asset revaluation		5,727,318	5,961,398
Balance at end of period		23,437,903	17,710,585
ACCUMULATED SURPLUS	36		
Balance at start of period as previously reported		12,429,592	11,492,599
Change in accounting policy	6	(811,546)	(469,372)
Restated balance at start of period		11,618,046	11,023,227
Surplus/(deficit) for the period		(2,039,561)	594,819
Balance at end of period		9,578,485	11,618,046
Balance of equity at end of period		39,456,313	35,768,556
Total income and expenses for the period ^(a)		3,687,757	6,556,217

(a) The aggregate net amount attributable to each category of equity is: deficit \$2,039,561 plus gains from asset revaluation of \$5,727,318 (2007: surplus of \$594,819 plus gains from asset revaluation of \$5,961,398).

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

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2008

	Notes	2008 \$	2007 \$
CASH FLOWS FROM STATE GOVERNMENT			
Service Appropriation - Department of Education and Training		13,754,483	13,459,567
Capital Contributions - Department of Education and Training		-	1,345,285
Net cash provided by State Government		13,754,483	14,804,852
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(11,323,807)	(10,619,917)
Supplies and services		(4,546,159)	(4,260,497)
Grants and subsidies		(231,227)	(158,873)
Finance costs		(129)	(17)
Capital user charge		-	(684,915)
GST payments on purchases		(578,727)	(507,844)
Other payments		(908,788)	(777,795)
Receipts			
Fee for service		2,113,516	1,975,043
Student fees and charges		705,774	445,425
Ancillary trading		10,110	7,285
Commonwealth grants and contributions		51,674	-
Interest received		195,573	190,023
GST receipts on sales		210,949	271,615
GST receipts from taxation authority		205,156	101,656
Other receipts		419,533	373,217
Net cash provided by/(used in) operating activities	37	(13,676,552)	(13,645,594)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of non-current physical assets		(376,388)	(1,737,267)
Net cash provided by/(used in) investing activities		(376,388)	(1,737,267)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net cash provided by/(used in) financing activities		-	-
Net increase/(decrease) in cash and cash equivalents		(298,457)	(578,009)
Cash and cash equivalents at beginning of period		2,750,247	3,328,256
CASH AND CASH EQUIVALENTS AT END OF PERIOD	37	2,451,790	2,750,247

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

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

1 Australian equivalents to International Financial Reporting Standards

(a) General

The College's financial statements for the year ended 31 December 2008 have been prepared in accordance with Australian equivalents to International Financial Reporting Standards (AIFRS) which comprise a Framework for the Preparation and Presentation of Financial Statements (the Framework) and Australian Accounting Standards (including the Australian Accounting Interpretations).

In preparing these financial statements the College has adopted, where relevant to its operations, new and revised standards and interpretations from their operative dates as issued by the Australian Accounting Standards Board (AASB) and formerly the Urgent Issues Group (UIG).

The Australian Accounting Interpretations are adopted through AASB 1048 'Interpretation and Application of Standards' and are classified into those corresponding to International Accounting Standards Board (IASB) Interpretations and those only applicable in Australia.

The AASB has decided to maintain the Statements of Accounting Concepts (SAC 1 and SAC 2) and has continued to revise and maintain accounting standards and the interpretations that are of particular relevance to the Australian environment, especially those that deal more specifically with not-for-profit entity issues and/or do not have an equivalent IASB Standard or Interpretation.

(b) Early adoption of standards

The College cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by Treasurer's Instruction (TI) 1101 'Application of Australian Accounting Standards and Other Pronouncements'. No standards and interpretations that have been issued or amended but are not yet effective have been early adopted by the College for the annual reporting period ended 31 December 2008.

2 Summary of significant accounting policies

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

(a) General statement

The financial statements constitute a general purpose financial report which has been prepared in accordance with the Australian Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB as applied by the TIs. Several of these are modified by the TIs to vary application, disclosure, format and wording. For example, AASB 116 requires land and buildings to be measured at cost or fair value; TI 954 mandates the fair value option.

The Financial Management Act and the TIs are legislative provisions governing the preparation of financial statements and take precedence over the Accounting Standards, the Framework, Statements of Accounting Concepts and other authoritative pronouncements of the AASB.

Where modification is required and has a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Modifications or clarifications to accounting standards through the TIs are to provide certainty and ensure consistency and appropriate reporting across the public sector.

(b) Basis of preparation

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

The accounting policies adopted in the preparation of the financial statements have been consistently applied throughout all periods presented unless otherwise stated.

The financial statements are presented in Australian dollars and all values are rounded to the nearest dollar (\$).

The judgements that have been made in the process of applying the College's accounting policies that have the most significant effect on the amounts recognised in the financial statements are disclosed at note 4 'Judgements made by management in applying accounting policies'.

The key assumptions made concerning the future, and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are disclosed at note 5 'Key sources of estimation uncertainty'.

(c) Reporting entity

The reporting entity comprises the College and entities listed at note 47 'Related bodies'.

(d) Contributed equity

UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' requires transfers in the nature of equity contributions to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to, transfer) before such transfers can be recognised as equity contributions. Capital contributions (appropriations) are designated as contributions by owners per TI 955 'Contributions by Owners Made to Wholly Owned Public Sector Entities' and have been credited directly to Contributed Equity.

Transfer of net assets to/from other agencies are designated as contributions by/distributions to owners to where the transfers are non-discretionary and non-reciprocal. See note 36 'Equity'.

Repayable capital appropriations are recognised as liabilities.

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

(e) Income

Revenue recognition

Revenue is measured at the fair value of consideration received or receivable.

The majority of operating revenue of the College represents revenue earned from student fees and charges, fee for service, ancillary services, trading activities and Commonwealth grants and contributions, as well as revenue received from the Department of Education and Training as a result of training services provisions successfully tendered under competitive tendering arrangements.

Sale of goods

Revenue is recognised from the sale of goods and disposal of other assets when the significant risks and rewards of ownership control transfer to the purchaser and can be measured reliably.

Rendering of services

Revenue is recognised on delivery of the service to the client or by reference to the stage of completion of the transaction.

Interest

Revenue is recognised as the interest accrues. The effective interest method which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset, is used where applicable.

Grants, donations, gifts and other non-reciprocal contributions

Revenue is recognised at fair value when the College obtains control over the assets comprising the contributions, usually upon their receipt.

Other non-reciprocal contributions that are not contributions by owners are recognised at their fair value. Contributions of services are only recognised when a fair value can be reliably determined and the services would be purchased if not donated.

Where contributions recognised as revenues during the reporting period were obtained on the condition that they be expended in a particular manner or used over a particular period, and those conditions were undischarged as at the balance sheet date, the nature of, and amounts pertaining to, those undischarged conditions are disclosed in the notes.

State funds

The funds received from the Department of Education and Training in respect of the delivery of services forming part of the Delivery Performance Agreement are included in State funds, disclosed under 'Income from State Government'. This revenue is recognised at nominal value in the period in which the College meets the terms of the Agreement.

See note 22 'Income from State Government'.

Gains

Gains may be realised or unrealised and are usually recognised on a net basis. These include gains arising on the disposal of non-current assets and some revaluations of non-current assets.

(f) Borrowing costs

Borrowing costs for qualifying assets are capitalised net of any investment income earned on the unexpended portion of the borrowings. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Other borrowing costs are expensed when incurred.

(g) Property, plant and equipment

Capitalisation/Expensing of assets

Items of property, plant and equipment costing \$5000 or more are recognised as assets and the cost of utilising assets is expensed (depreciated) over their useful lives. Items of property, plant and equipment costing less than \$5000 are recognised as an expense in the Income Statement (other than where they form part of a group of similar items which are significant in total).

Initial recognition and measurement

All items of property, plant and equipment and infrastructure are initially recognised at cost. For items of property, plant and equipment and infrastructure acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Subsequent measurement

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

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

Where market-based evidence is not available, the fair value of land and buildings is determined on the basis of existing use. This normally applies where buildings are specialised or where land use is restricted. Fair value for existing use assets is determined by reference to the cost of replacing the remaining future economic benefits embodied in the asset, i.e. the depreciated replacement cost. Where the fair value of buildings is dependent on using the depreciated replacement cost, the accumulated depreciation is eliminated against the gross carrying amount of the asset and the net amount restated to the revalued amount.

Independent valuations of land and buildings are provided annually by the Western Australian Land Information Authority (Landgate) and recognised with sufficient regularity to ensure that the carrying amount does not differ materially from the asset's fair value at the balance sheet date.

The most significant assumptions in estimating fair value are made in assessing whether to apply the existing use basis to assets and in determining estimated useful life. Professional judgement by the valuer is required where the evidence does not provide a clear distinction between market type assets and existing use assets. Refer to note 28 'Property, plant and equipment' for further information on revaluations.

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Depreciation

All non-current assets having a limited useful life are systematically depreciated over their estimated useful lives in a manner which reflects the consumption of their future economic benefits.

Land is not depreciated. Depreciation on other assets is based on the straight line method over its useful life, using rates which are reviewed annually.

Estimated useful lives for each class of depreciable asset are:

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

Works of art controlled by the College are classified as property, plant and equipment which are anticipated to have very long and indefinite useful lives. Their service potential has not, in any material sense, been consumed during the reporting period and so no depreciation has been recognised.

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

(h) Intangible assets

No accounting policy elaborated as the College held no intangible assets.

(i) Impairment of assets

Property, plant and equipment, and intangible assets are tested for any indication of impairment at each balance sheet date. Where there is an indication of impairment, the recoverable amount is estimated. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and is written down to the recoverable amount and an impairment loss is recognised. As the College is a not-for-profit entity, unless an asset has been identified as a surplus asset, the recoverable amount is the higher of an asset's fair value less costs to sell and depreciated replacement cost.

The risk of impairment is generally limited to circumstances where an asset's depreciation is materially understated, where the replacement cost is falling or where there is a significant change in useful life.

Each relevant class of assets is reviewed annually to verify that the accumulated depreciation/amortisation reflects the level of consumption or expiration of assets' future economic benefits and to evaluate any impairment risk from falling replacement costs or a significant change in useful life.

Intangible assets not yet available for use are tested for impairment at each balance sheet date irrespective of whether there is any indication of impairment.

The recoverable amount of assets identified as surplus assets is the higher of fair value less costs to sell and the present value of future cash flows expected to be derived from the asset. Surplus assets carried at fair value have no risk of material impairment where fair value is determined by reference to market-based evidence. Where fair value is determined by reference to depreciated replacement cost, surplus assets are at risk of impairment and the recoverable amount is measured.

See note 30 'Impairment of assets' for the outcome of impairment reviews and testing. See note 2(p) 'Receivables' and note 25 'Receivables' for impairment of receivables.

(j) Non-current assets (or disposal groups) classified as held for sale

Non-current assets (or disposal groups) held for sale are recognised at the lower of carrying amount and fair value less costs to sell and are presented separately from other assets in the Balance Sheet. Assets classified as held for sale are not depreciated or amortised.

(k) Leases

At the commencement of the lease term, finance lease rights and obligations are recognised as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The assets are disclosed as leased plant, furniture and general equipment, and are depreciated over the period during which the College is expected to benefit from their use. Minimum lease payments are apportioned between finance charge and reduction of the outstanding lease liability, according to the interest rate implicit in the lease.

The College has entered into operating lease arrangements for motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased properties.

(l) Financial instruments

The College has two categories of financial instruments:

Financial assets

- cash and cash equivalents (including restricted cash and cash equivalents)
- receivables

Financial liabilities

- payables

Initial recognition and measurement of financial instruments is at fair value. Usually the transaction cost or face value is equivalent to fair value and subsequent measurement is at amortised cost using the effective interest method.

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

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

(m) Cash and cash equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents include restricted cash and cash equivalents. These are comprised of cash on hand and short-term deposits with original maturities of three months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value, and bank overdrafts. The College has no Bank overdrafts.

(n) Accrued salaries

An amount (see note 23 'Restricted cash and cash equivalents') of the funds kept in bank is set aside to meet the anticipated 27th pay period in 2015. The 27th pay period will occur in each eleventh year due to fortnight 10 working days salaries and wages paying method adopted by the College. No interest is received on the amount.

Accrued salaries (see note 31 'Payables') 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. Accrued salaries are settled within a fortnight of the financial year end. The College considers the carrying amount of accrued salaries to be equivalent to its net fair value.

(o) Inventories

Inventories are measured at the lower of cost and net realisable value. Costs are assigned by the method most appropriate to each particular class of inventory, with the majority being valued on a first in first out basis.

Inventories not held for resale are valued at cost unless they are no longer required, in which case they are valued at net realisable value.

See note 24 'Inventories'.

(p) Receivables

Receivables are recognised and carried at original invoice amount less an allowance for any uncollectible amounts (impairment). The collectability of receivables is reviewed on an ongoing basis and any receivables identified as uncollectible are written off against the allowance account. The provision for uncollectible amounts (doubtful debts) is raised when there is objective evidence that the College will not be able to collect the debts. The carrying amount is equivalent to fair value as it is due for settlement within 30 days. See note 2(l) 'Financial instruments' and note 25 'Receivables'.

A provision for impairment of receivables can only be raised if there is objective evidence of impairment.

(q) Payables

Payables are recognised at the amounts payable when the College becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as they are generally settled within 30 days. See note 2(l) 'Financial instruments' and note 31 'Payables'.

(r) Borrowings

All loans payable are initially recognised at cost, being the fair value of the net proceeds received. Subsequent measurement is at amortised cost using the effective interest rate method. See note 2(l) 'Financial instruments' and note 32 'Borrowings'.

(s) Provisions

Provisions are liabilities of uncertain timing and/or amount and are recognised where there is a present legal, equitable or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each balance sheet date. See note 33 'Provisions'.

(i) Provisions - employee benefits

Annual leave and long service leave

The liability for annual and long service leave expected to be settled within twelve months after the balance sheet date is recognised and measured at the undiscounted amounts expected to be paid when the liabilities are settled. Annual and long service leave expected to be settled more than twelve months after the balance sheet date is measured at the present value of amounts expected to be paid when the liabilities are settled. Leave liabilities are in respect of services provided by employees up to the balance sheet date.

When assessing expected future payments consideration is given to expected future wage and salary levels including non-salary components such as employer superannuation contributions. In addition, the long service leave liability also considers the experience of employee departures and periods of service.

The expected future payments are discounted using market yields at the balance sheet date on national government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

A liability for long service leave is recognised after an employee has completed four years of service. An actuarial assessment of long service leave was undertaken by PricewaterhouseCoopers Securities Ltd Actuaries at 16 December 2008.

All annual leave and unconditional long service leave provisions are classified as current liabilities as the College does not have an unconditional right to defer settlement of the liability for at least twelve months after the balance sheet date.

Superannuation

Employees may contribute to the Pension Scheme, a defined benefit pension scheme now closed to new members or the Gold State Superannuation (GSS) Scheme, a defined benefit lump sum scheme also closed to new members. Both schemes are administered by the Government Employees Superannuation Scheme (GESB).

The College has no liabilities for superannuation charges under those schemes, as the liabilities for the unfunded Pension Scheme and the unfunded GSS Scheme transfer benefits due to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS Scheme obligations are funded by concurrent contributions made by the College to the GESB. The concurrently funded part of the GSS Scheme is a defined contribution scheme as these contributions extinguish all liabilities in respect of the concurrently funded GSS Scheme obligations.

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

Employees commencing employment prior to 16 April 2007 who were not members of either the Pension or the GSS Schemes became non-contributory members of the West State Superannuation (WSS) Scheme. Employees commencing employment on or after 16 April 2007 became members of the GESB Super (GESBS) Scheme. Both of these schemes are accumulation schemes. The College makes concurrent contributions to GESB on behalf of employees in compliance with the Commonwealth Government's Superannuation Guarantee (Administration) Act 1992. These contributions extinguish the liability for superannuation charges in respect of the WSS and GESBS Schemes.

The GESB makes all benefit payments in respect of the Pension Scheme and the GSS Scheme transfer benefits and is recouped by the Treasurer for the employer's share. See also note 2(t) 'Superannuation expense'.

(ii) Provisions - other

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as expenses and liabilities when the employment, to which they relate, has occurred. Employment on-costs are included as part of 'Other expenses' and are not included as part of the College's 'Employee benefits expense'. The related liability is included in 'Employment on-costs provision'. (See note 13 'Other expenses' and note 33 'Provisions').

(t) Superannuation expense

The following elements are included in calculating the superannuation expense in the Income Statement:

(i) Defined benefit plans

Change in the unfunded employer's liability (i.e. current service cost and actuarial gains and losses) assumed by the Treasurer 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 GSS Scheme; and

(ii) Defined contribution plans

Employer contributions paid to the GSS (concurrent contributions), the West State Superannuation Scheme (WSS), and the GESB Super Scheme (GESBS).

Defined contribution plans - in order to reflect the College's true cost of services, the College is funded for the equivalent of employer contributions in respect of the GSS Scheme (excluding transfer benefits). These contributions were paid to the GESB during the year and placed in a trust account administered by the GESB on behalf of the Treasurer. The GESB subsequently paid these employer contributions in respect of the GSS Scheme to the Consolidated Fund.

Defined benefit plans - the movements (i.e. current service cost and actuarial gains and losses) in the liabilities in respect of the Pension Scheme and the GSS Scheme transfer benefits are recognised as expenses directly in the Income Statement. As these liabilities are assumed by the Treasurer (refer note 2(s)(i)), a revenue titled 'Liabilities assumed by the Treasurer' equivalent to the expense is recognised under 'Income from State Government' in the Income Statement (see note 22 'Income from State Government').

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

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.

(u) Resources received free of charge or for nominal cost

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

(v) Jointly controlled operations

There were no accounting policy elaborated in Joint controlled operations as the College do not hold interests in any jointly controlled operations.

(w) Comparative figures

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

3 Other policies

There are no other policies to disclose.

4 Judgements made by management in applying accounting policies

The judgements that have been made in the process of applying accounting policies that have a significant effect on the amounts recognised in the financial statements include:

Operating Lease Commitments

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

5 Key sources of estimation uncertainty

The key estimates and assumptions made concerning the future, and other key sources of estimation uncertainty as at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

Discount rates used in estimating Employee Benefit Provisions - mid-rates on selected Commonwealth Government Securities (3.7%). Salary inflation rate used in estimating Employee Benefit Provisions 4.5%.

KIMBERLEY TAFE

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2008

A refund may be payable to Department of Education and Training for under delivery of the Delivery and Performance Agreement. The amount is based on an estimate of Student Curriculum Hours (SCH) at mid January. Final SCH data is not required to be submitted until end of February. Also the Invalid Module Enrolment (IME) rate which affects the refund calculation is not known at time of reporting.

Some uncertainty exists over impairment of student receivables

General receivables are all considered collectable.

No provision has been made for sick leave as the College annual costs do not exceed the annual value of entitlements.

6 Disclosure of changes in accounting policy and estimates

Initial application of an Australian Accounting Standard

The College has not applied any new Australian Accounting Standards and Australian Accounting Interpretations effective for annual reporting periods beginning on or after 1 January 2008 as they have no financial impact on the college.

The following Australian Accounting Standards and Interpretations are considered to have no impact, or are not applicable, to not-for-profit entities:

2007-1	'Amendments to Australian Accounting Standards arising from AASB Interpretation 11 [AASB 2]'
2007-2	'Amendments to Australian Accounting Standards arising from AASB Interpretation 12 [AASB 1, AASB 117, AASB 118, AASB 120, AASB 121, AASB 127, AASB 131 & AASB 139]' – paragraphs 1 to 8
2007-4	'Amendments to Australian Accounting Standards arising from ED 151 and Other Amendments (AASB 1, 2, 3, 4, 5, 6, 7, 102, 107, 108, 110, 112, 114, 116, 117, 118, 119, 120, 121, 127, 128, 129, 130, 131, 132, 133, 134, 136, 137, 138, 139, 141, 1023 & 1038)'. The amendments arise as a result of the AASB decision to make available all options that currently exist under IFRSs and that certain additional Australian disclosures should be eliminated. The Treasurer's instructions have been amended to maintain the existing practice when the Standard was first applied and as a consequence there is no financial impact.
2007-5	'Amendments to Australian Accounting Standard – Inventories Held for Distribution by Not-for-Profit Entities [AASB 102]'
2007-7	'Amendments to Australian Accounting Standards [AASB 1, AASB 2, AASB 4, AASB 5, AASB 107 & AASB 128]'
2008-4	'Amendments to Australian Accounting Standard – Key Management Personnel Disclosures by Disclosing Entities [AASB 124]'
ERR	Erratum 'Proportionate Consolidation [AASB 101, AASB 107, AASB 121, AASB 127, Interpretation 113]'
Interpretation 4	'Determining whether an Arrangement contains a Lease' (revised – February 2007)
Interpretation 11	'AASB 2 – Group and Treasury Share Transactions'
Interpretation 12	'Service Concession Arrangements'
Interpretation 14	'AASB 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction'
Interpretation 129	'Service Concession Arrangements: Disclosures'
Interpretation 1003	'Australian Petroleum Resource Rent Tax'

Changes in asset capitalisation policy 2008

As at 1 January 2008, to comply with TI 955, the College changed its assets capitalisation threshold policy from \$1000 to \$5000. The new accounting policy has been applied retrospectively and comparative information in relation to the 2007 financial year has been restated accordingly.

The following adjustments were made to the 31 December 2007 financial statements:

- 1) An increase in supplies and services expense by \$342,175, reducing the surplus for 2007 by same amount;
- 2) a decrease in the carrying value of property, plant and equipment by \$811,546; and
- 3) a decrease in the opening accumulated surplus as at 1 January 2007 by \$469,372.

Future impact of Australian Accounting Standards not yet operative

The College cannot early adopt an Australian Accounting Standard or Australian Accounting Interpretation unless specifically permitted by TI 1101 'Application of Australian Accounting Standards and Other Pronouncements'. Consequently, the College has not applied early the following Australian Accounting Standards and Australian Accounting Interpretations that have been issued and which may impact the college but are not yet effective. Where applicable, the college plans to apply these Standards and Interpretations from their application date:

1. AASB 101 'Presentation of Financial Statements'. This Standard has been revised and will change the structure of the financial statements. These changes will require that owner changes in equity are presented separately from non-owner changes in equity. The College does not expect any financial impact when the Standard is first applied. The Standard is required to be applied to annual reporting periods beginning on or after 1 January 2009.

2. Review of AAS 27 'Financial Reporting by Local Governments', 29 'Financial Reporting by Government Departments' and 31 'Financial Reporting by Governments'. The AASB has made the following pronouncements from its short term review of AAS 27, AAS 29 and AAS 31:

AASB 1004 'Contributions' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1050 'Administered Items' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1051 'Land Under Roads' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 1052 'Disaggregated Disclosures' (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

AASB 2007-9 'Amendments to Australian Accounting Standards arising from the review of AASs 27, 29 and 31 [AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127 & AASB 137] (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities (revised) (December 2007). Required to be applied to annual reporting periods beginning on or after 1 July 2008.

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The existing requirements in AAS 27, AAS 29 and AAS 31 have been transferred to the above new and existing topic-based standards and interpretations. These requirements remain substantively unchanged. AASB 1050, AASB 1051, and AASB 1052 do not apply to Statutory Authorities. The other Standards and Interpretations make some modifications to disclosures and provide additional guidance (for example, Australian Guidance to AASB 116 'Property, Plant and Equipment' in relation to heritage and cultural assets has been introduced), otherwise, there will be no financial impact.

DTF Considers the following Australian Accounting Standards and Interpretations as either not being applicable to the Authority or adoption of them in future periods will have no impact on the Authority or do not apply to not for profit entities. However, agencies should assess whether these Standards and Interpretations apply to their own specific circumstances. If the agency considers any of these Standards and Interpretations are clearly not applicable or will have no impact, they should not be included in the above Note disclosure.

Title	Operative for reporting periods
AASB 3 'Business Combinations' (March 2008)	1-Jan-09
AASB 8 'Operating Segments'	1-Jan-09
AASB 123 'Borrowing Costs' (June 2007). This Standard has been revised to mandate the capitalisation of all borrowing costs attributable to the acquisition, construction or production of qualifying assets. The Authority already capitalises borrowing costs directly attributable to buildings under construction, therefore, this will have no impact on the financial statements when the Standard is first applied. Agencies presently expensing such borrowing costs will need to report the impact.	1-Jan-09
AASB 127 'Consolidated and Separate Financial Statements' (March 2008)	1-Jul-09
AASB 1039 'Concise Financial Reports' (August 2008)	1-Jul-09
AASB 1049 'Financial Reporting of Whole of Government and General Government Sector s by Governments Financial Reporting'	1-Jul-09
AASB 2007-3 'Amendments to Australian Accounting Standards arising from AASB 8 [AASB 5, AASB 6, AASB 102, AASB 107, AASB 119, AASB 127, AASB 134, AASB 136, AASB 1023 & AASB 1038]'	1-Jul-09
AASB 2007-8 'Amendments to Australian Accounting Standards arising from AASB 101'	1-Jan-09
AASB 2008-1 'Amendments to Australian Accounting Standard - Share-based Payments: Vesting Conditions and Cancellations'	1-Jan-09
AASB 2008-2 'Amendments to Australian Accounting Standards – Puttable Financial Instruments and Obligations arising on Liquidation' [AASB 7, AASB 101, AASB 132, AASB 139 & Interpretation 2]'	1-Jan-09
AASB 2008-3 'Amendments to Australian Accounting Standards arising from AASB 3 and AASB 127 [AASBs 1, 2, 4, 5, 7, 101, 107, 112, 114, 116, 121, 128, 131, 132, 133, 134, 136, 137, 138, 139 and Interpretations 9 & 107]'	1-Jul-09
AASB 2008-5 'Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 5, 7, 101, 102, 107, 108, 110, 116, 118, 119, 120, 123, 127, 128, 129, 131, 132, 134, 136, 138, 139, 140, 141, 1023 & 1038]'	1-Jan-09
AASB 2008-6 'Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project AASB 1 & AASB 5]'	1-Jul-09
AASB 2008-7 'Amendments to Australian Accounting Standards – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate [AASB 1, AASB 118, AASB 121, AASB 127 & AASB 136]'	1-Jan-09
AASB 2008-8 'Amendments to Australian Accounting Standards – Eligible Hedged Items [AASB 139]'	1-Jul-09
AASB 2008-9 'Amendments to AASB 1049 for Consistency with AASB 101'	1-Jan-09
AASB 2008-10 'Amendments to Australian Accounting Standards – Reclassification of Financial Assets [AASB 7 & AASB 139]'	1-Jul-08
Interpretation 13 'Customer Loyalty Programmes'	1-Jul-08
Interpretation 15 'Agreements for the Construction of Real Estate'	1-Jan-09
Interpretation 16 'Hedges of a Net Investment in a Foreign Operation'	1-Oct-08

Changes in accounting estimates

The College made no accounting estimate change for 2008.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
7 Employee benefits expense		
Wages and salaries (a)	8,909,847	8,457,426
Superannuation - defined contribution plans (b)	725,013	664,232
Long service leave (c)	104,471	(25,036)
Annual leave (c)	(26,390)	(146,681)
GROH Rent Subsidy	2,249,329	1,697,956
Other	555,720	614,883
	<u>12,517,990</u>	<u>11,262,780</u>
(a) Includes the value of the fringe benefit to the employee plus the fringe benefit tax component.		
(b) Defined contribution plans include West State, and Gold State and GESB Super Scheme (contributions paid).		
(c) Includes a superannuation contribution component.		
Employment on-costs such as workers' compensation insurance are included at note 13 'Other expenses'. The employment on-costs liability is included at note 33 'Provisions'.		
8 Supplies and services		
Consumables and minor equipment	1,023,701	973,554
Communication expenses	151,148	125,024
Utilities expenses	290,618	271,786
Consultancies and contracted services	1,855,085	1,686,825
Minor works	516,046	413,182
Repairs and maintenance	98,232	152,636
Operating lease and hire charges	630,560	503,050
Travel and passenger transport	746,582	646,437
Advertising and public relations	195,292	105,998
Supplies and services - other	203,933	147,602
	<u>5,711,197</u>	<u>5,026,094</u>
9 Depreciation and amortisation expense		
<u>Depreciation</u>		
Buildings	689,615	501,623
Motor vehicles, caravans and trailers	63,514	68,060
Plant, furniture and general equipment	129,823	176,117
Computers and communication network	112,084	275,912
Marine craft	7,999	10,614
Total depreciation	<u>1,003,035</u>	<u>1,032,326</u>
<u>Amortisation</u>		
Finance Lease - Plant and Equipment	-	2,186
Total amortisation	<u>-</u>	<u>2,186</u>
Total depreciation and amortisation	<u>1,003,035</u>	<u>1,034,512</u>
10 Finance costs		
Other interest expenses	30,178	17
	<u>30,178</u>	<u>17</u>
11 Grants and subsidies		
Payments to non-TAFE providers for VET service delivery	231,227	158,873
	<u>231,227</u>	<u>158,873</u>
12 Capital user charge		
Capital user charge expense	-	684,915
	<u>-</u>	<u>684,915</u>
The charge was a levy applied by Government for the use of its capital. The final charge was levied in 2006-07		
13 Other expenses		
Building maintenance	317,757	211,222
Doubtful debts expense	-	(1,699)
Employment on-costs (a)	590,105	558,530
Student prizes and awards	1,077	7,023
Losses and write-offs	-	2,015
Other	(151)	98
	<u>908,788</u>	<u>777,189</u>
(a) Includes workers' compensation insurance and other employment on-costs. The on-costs liability associated with the recognition of annual and long service leave liability is included at note 33 'Provisions'. Superannuation contributions accrued as part of the provision for leave are employee benefits and are not included in employment on-costs.		
14 Fee for service		
Fee for service - general	1,775,748	1,478,997
Fee for service - Department of Education and Training	-	295,342
Fee for service - Government (other than Department of Education and Training)	259,395	397,112
Adult community education fees	77	-
International division fees	2,640	11,850
	<u>2,037,860</u>	<u>2,183,301</u>
15 Student fees and charges		
Tuition fees	501,242	309,767
Enrolment fees	7,811	78,985
Resource fees	169,802	149,179
Other college fees	5,041	6,166
	<u>683,896</u>	<u>544,097</u>
16 Ancillary trading		
Contracting and consulting	1,200	-
Other ancillary revenue	8,910	7,285
	<u>10,110</u>	<u>7,285</u>
17 Trading profit/(loss)		
<u>(a) Bookshop:</u>		
Sales	44,711	36,195
Cost of sales:		
Opening inventory	(53,477)	(63,853)
Purchases	(37,495)	(15,165)
	<u>(90,972)</u>	<u>(79,018)</u>
Closing inventory	61,790	53,477
Cost of goods sold	<u>(29,182)</u>	<u>(25,541)</u>
Trading profit/(loss) - Bookshop	<u>15,529</u>	<u>10,654</u>
See note 2(o) 'Inventories' and note 24 'Inventories'.		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
18 Commonwealth grants and contributions		
Commonwealth specific purpose grants and contributions	51,674	-
	<u>51,674</u>	<u>-</u>
These grants include: Reframing the Future (\$38,000) and Indigenous Engagement (CDU) project (\$13,674)		
19 Interest revenue		
Interest from bank	195,573	190,023
	<u>195,573</u>	<u>190,023</u>
20 Other revenue		
Rental and facilities fees	7,718	11,836
Miscellaneous revenue	396,286	340,352
	<u>404,004</u>	<u>352,188</u>
21 Net gain/(loss) on disposal of non-current assets		
<u>Carrying value of disposal of non-current assets</u>		
Plant, furniture and general equipment	-	(915)
Computers and communication network	-	(3,281)
Total carrying value of disposal of non-current assets	<u>-</u>	<u>(4,196)</u>
<u>Proceeds from disposal of non-current assets</u>		
Plant, furniture and general equipment	-	-
Computers and communication network	-	-
Total proceeds from disposal of non-current assets	<u>-</u>	<u>-</u>
Net (loss)	<u>-</u>	<u>(4,196)</u>
22 Income from State Government		
<u>State funds (received from Department of Education and Training):</u>		
Delivery and Performance Agreement (DPA)	10,957,528	10,859,819
Superannuation	714,650	664,032
Other recurrent funds	2,467,169	3,260,119
Capital user charge funding	-	684,915
Total State funds	<u>14,139,347</u>	<u>15,468,885</u>
<u>Resources received free of charge determined on the basis of the following estimates provided by agencies (a):</u>		
Department of Education and Training		
- Corporate systems support	794,534	773,927
- Marketing and publications	30,326	8,035
- Other	-	5,000
Total resources received free of charge	<u>824,860</u>	<u>786,962</u>
Total income from State Government	<u>14,964,207</u>	<u>16,255,847</u>
(a) Where assets or services have been received free of charge or for nominal cost, the Authority recognises revenues equivalent to the fair value of the assets and/or the fair value of those services that can be reliably measured and which would have been purchased if they were not donated, and those fair values shall be recognised as assets or expenses, as applicable. Where the contribution of assets or services are in the nature of contributions by owners, the Authority makes an adjustment direct to equity.		
23 Restricted cash and cash equivalents		
Current Specific Allocations (a)	725,367	460,799
Non-Current Specific Allocation (b)	144,225	76,860
	<u>869,592</u>	<u>537,659</u>
(a) This amount included DPA refund (\$329,787), Commonwealth Away From Base grant refund (\$334,468 inclusive of interest \$30,049) and unearned income (\$44,164)		
(b) Amount kept in bank in anticipation of 27th Pay that will occur in year 2015.		
24 Inventories		
<u>Inventories held for resale:</u>		
Bookshop (at cost)	61,790	53,477
Total	<u>61,790</u>	<u>53,477</u>
See also note 2(o) 'Inventories' and note 17 'Trading profit/(loss)'.		
25 Receivables		
<u>Current</u>		
Receivables - trade	554,753	472,741
Receivables - students	142,182	173,640
Receivables - other	17,162	12,193
Accrued income	-	113,503
Allowance for impairment of receivables	(45,588)	(55,168)
GST receivable	91,560	57,015
	<u>760,069</u>	<u>773,924</u>
Total current	<u>760,069</u>	<u>773,924</u>
<u>Reconciliation of changes in the allowance for impairment of receivables:</u>		
Balance at start of year	(55,168)	(56,867)
Doubtful debts expense recognised in the Income Statement	-	1,699
Amount written off during the year	9,580	-
Balance at end of year	<u>(45,588)</u>	<u>(55,168)</u>
<u>Ageing of receivables past due but not impaired based on the information provided to senior management as at the balance sheet date:</u>		
Not more than 3 months	145,060	25,691
More than 3 months but less than 6 months	20,122	107,420
More than 6 months but less than 1 year	85,976	176,433
More than 1 year	47,238	-
	<u>298,396</u>	<u>309,544</u>
<u>Receivables individually determined as impaired as at the balance sheet date:</u>		
Carrying amount, before deducting any impairment loss	126,821	136,317
Impairment loss	(45,588)	(55,168)
	<u>81,234</u>	<u>81,149</u>
See also note 2(p) 'Receivables' and note 43 'Financial instruments'.		

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NOTES TO THE FINANCIAL STATEMENTS
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	2008	2007
	\$	\$
26 Other assets		
<u>Current</u>		
Prepayments	97,455	167,250
Total current	<u>97,455</u>	<u>167,250</u>
27 Non-current assets classified as held for sale		
The College has no non-current assets classified as held for sale		
28 Property, plant and equipment		
<u>Land</u>		
At fair value (a)	8,795,000	6,040,250
	<u>8,795,000</u>	<u>6,040,250</u>
<u>Buildings</u>		
At fair value (a)	29,809,000	27,584,617
Accumulated depreciation	-	(58,570)
	<u>29,809,000</u>	<u>27,526,047</u>
<u>Capital Work in Progress/Buildings under construction</u>		
Capital costs/Construction costs	110,723	13,254
	<u>110,723</u>	<u>13,254</u>
<u>Motor vehicles, caravans and trailers</u>		
At cost	575,800	550,035
Accumulated depreciation	(455,588)	(415,698)
	<u>120,212</u>	<u>134,337</u>
<u>Plant, furniture and general equipment</u>		
At cost	1,148,471	1,577,233
Accumulated depreciation	(634,547)	(1,151,692)
	<u>513,924</u>	<u>425,541</u>
<u>Computer equipment, communication network</u>		
At cost	955,974	1,584,666
Accumulated depreciation	(643,349)	(1,159,957)
	<u>312,625</u>	<u>424,709</u>
<u>Marine craft</u>		
At cost	78,678	76,423
Accumulated depreciation	(61,056)	(62,126)
	<u>17,622</u>	<u>14,297</u>
	<u>39,679,106</u>	<u>34,578,435</u>

(a) Freehold land and buildings were revalued as at 31st December 2008 by the Western Australian Land Information Authority (Landgate). The valuations were performed during the year ended 2008 and recognised at 31st December 2008. The fair value of all land and buildings was determined by reference to market values. See note 2(g) 'Property, plant and equipment'.

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

	Land	Buildings	Capital Work in Progress	Leased Plant, Furniture and Equipment	Motor vehicles, caravans and trailers	Plant, furniture and general equipment	Computer equipment, communication network	Marine craft	Total
2008									
Carrying amount at start of year (restated)	6,040,250	27,526,047	13,254	-	134,337	425,541	424,709	14,297	34,578,435
Additions	-	-	110,723	-	49,389	204,952	-	11,324	376,388
Transfers	-	-	(13,254)	-	-	13,254	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
Revaluation increments	2,754,750	2,972,568	-	-	-	-	-	-	5,727,318
Depreciation expense	-	(689,615)	-	-	(63,514)	(129,823)	(112,084)	(7,999)	(1,003,035)
Carrying amount at end of year	<u>8,795,000</u>	<u>29,809,000</u>	<u>110,723</u>	<u>-</u>	<u>120,212</u>	<u>513,924</u>	<u>312,625</u>	<u>17,622</u>	<u>39,679,106</u>
2007									
Carrying amount at start of year	1,862,750	19,325,878	64,445	2,186	199,358	690,962	383,950	42,670	22,572,199
Change in accounting policy (Note 6)	-	-	-	-	(6,804)	(155,260)	(289,549)	(17,759)	(469,372)
Additions	-	6,853,449	13,254	-	9,843	66,871	609,501	-	7,552,918
Transfers	-	64,445	(64,445)	-	-	-	-	-	-
Disposals	-	-	-	-	-	(915)	(3,281)	-	(4,196)
Revaluation increments	4,177,500	1,783,898	-	-	-	-	-	-	5,961,398
Depreciation expense	-	(501,623)	-	(2,186)	(68,060)	(176,117)	(275,912)	(10,614)	(1,034,512)
Carrying amount at end of year (Restated)	<u>6,040,250</u>	<u>27,526,047</u>	<u>13,254</u>	<u>-</u>	<u>134,337</u>	<u>425,541</u>	<u>424,709</u>	<u>14,297</u>	<u>34,578,435</u>

29 Intangible assets

The College has no intangible assets as at 31 December 2008.

30 Impairment of assets

There were no indications of impairment of property plant, equipment and intangibles as at 31 December 2008.

31 Payables

<u>Current</u>		
Trade payables	12,497	(244)
GST payable	23,519	31,929
Accrued expense	1,045,362	470,673
Accrued salaries and related costs	144,225	75,092
Total current	<u>1,225,603</u>	<u>577,450</u>

See also note 2(q) 'Payables' and note 43 'Financial Instruments'.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
32 Borrowings		
The College do not have any borrowings as at 31 December 2008.		
33 Provisions		
<u>Current</u>		
Employee benefits provision		
Annual leave (a)	525,120	551,510
Long service leave (b)	360,223	474,805
Salary deferment	17,994	17,994
	<u>903,337</u>	<u>1,044,309</u>
Other provisions		
Employment on-costs (c)	98,699	188,368
Total current	<u>1,002,036</u>	<u>1,232,677</u>
<u>Non-current</u>		
Employee benefits provision		
Long service leave (b)	599,444	380,391
	<u>599,444</u>	<u>380,391</u>
Other provisions		
Employment on-costs (c)	41,447	25,944
Total non-current	<u>640,891</u>	<u>406,335</u>
(a) Annual leave liabilities have been classified as current as there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follow:		
Within 12 months of balance sheet date	525,120	551,510
More than 12 months after balance sheet date	-	-
	<u>525,120</u>	<u>551,510</u>
(b) Long service leave liabilities have been classified as current where there is no unconditional right to defer settlement for at least 12 months after balance sheet date. Assessments indicate that actual settlement of the liabilities will occur as follows:		
Within 12 months of balance sheet date	34,729	53,134
More than 12 months of balance sheet date	325,494	421,671
	<u>360,223</u>	<u>474,805</u>
(c) The settlement of annual and long service leave liabilities gives rise to the payment of employment on-costs including workers' compensation insurance. The provision is the present value of expected future payments. The associated expense, apart from the unwinding of the discount (finance cost), is disclosed in note 13 'Other expenses'.		
<u>Movements in other provisions</u>		
Movements in each class of provisions during the financial year, other than employee benefits, are set out below.		
<u>Employment on-cost provision</u>		
Carrying amount at start of year	214,312	188,280
Additional provisions recognised	(74,166)	26,032
Carrying amount at end of year	<u>140,146</u>	<u>214,312</u>
34 Other liabilities		
<u>Current</u>		
Income received in advance (a)	708,420	304,420
Grants and advances (Sustainable energy development office)	16,948	16,947
Total current liabilities	<u>725,367</u>	<u>321,367</u>
<u>Non-current</u>		
Other	-	16,947
Total non-current liabilities	<u>-</u>	<u>16,947</u>
(a) Income received in advance comprises:		
Department of Education and Training - DPA refund	329,787	-
Other Government (Commonwealth/Local)	334,469	304,420
Other	44,164	-
	<u>708,420</u>	<u>304,420</u>
35 Amounts due to the Treasurer		
Nil		
See also note 43 'Financial Instruments'		
36 Equity		
Equity represents the residual interest in the net assets of the College. The Government holds the equity interest in the net assets of the College. The Government holds the equity interest in the College on behalf of the community. The asset revaluation reserve represents that portion of equity resulting from the revaluation of non-current assets.		
<u>Contributed equity</u>		
Balance at start of year	6,439,925	718,208
Contributions by owners		
Capital contribution (a)	-	5,721,717
Balance at end of year	<u>6,439,925</u>	<u>6,439,925</u>
(a) Capital Contributions (appropriations) and non-discretionary (non-reciprocal) transfers of net assets from other State Government agencies have been designated as contributions by owners in Treasurer's Instruction TI 955 Contribution by Owners Made to Wholly Owned Public Sector Entities and are credited directly to equity.		

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
Reserves		
Asset revaluation reserve		
Balance at start of year	17,710,585	11,749,187
Net revaluation increments		
Land	2,754,750	4,177,500
Buildings	2,972,568	1,783,898
Balance at end of year	<u>23,437,903</u>	<u>17,710,585</u>
Accumulated surplus		
Balance at start of period as previously reported	12,429,592	11,492,599
Change in accounting policy or correction of prior period errors	(811,546)	(469,372)
Restated balance at start of period	<u>11,618,046</u>	<u>11,023,227</u>
Result for the period	(2,039,561)	594,819
Balance at end of year	<u>9,578,485</u>	<u>11,618,046</u>
37 Notes to the Cash Flow Statement		
Reconciliation of cash		
Cash at the end of the financial year, as shown in the Cash Flow Statement is reconciled to the related items in the Balance Sheet as follows:		
Cash on hand	3,600	3,600
Cash at bank	1,578,598	2,208,988
	<u>1,582,198</u>	<u>2,212,588</u>
Restricted cash and cash equivalents (refer to note 23 'Restricted cash and cash equivalents')	869,592	537,659
	<u>2,451,790</u>	<u>2,750,247</u>
Reconciliation of net cost of services to net cash flows provided by/(used in) operating activities		
Net cost of services	(17,003,769)	(15,661,028)
Non-cash items:		
Depreciation and amortisation expense	1,003,035	1,034,512
Doubtful debts expense	(9,580)	(1,699)
Superannuation expense	714,650	664,032
Resources received free of charge	824,860	786,962
Fringe benefits tax	114,699	137,625
Losses and write-offs (excludes cash shortages/thefts of money)	-	4,196
Other non-cash adjustments (includes Capital Work in Progress transfers)	-	(3,843)
(Increase)/decrease in assets:		
Current receivables (c)	(55,522)	(227,530)
Current inventories	(8,313)	10,376
Prepayments	69,795	(119,950)
Other current assets	113,503	757,198
Other Non-current asset	-	(95,024)
Increase/(decrease) in liabilities		
Current payables (c)	12,740	(804,818)
Income received in advance/grants and advances	74,213	(94,439)
Current provisions	(230,641)	(144,782)
Other current liabilities	626,875	227,080
Non-current provisions	234,556	4,142
Other non-current liabilities	-	(16,948)
Net GST receipts/(payments) (a)	(157,653)	(101,656)
Net cash provided by/(used in) operating activities	<u>(13,676,552)</u>	<u>(13,645,594)</u>
(a) This is the net GST paid/received, i.e. cash transactions		
(b) This reverses out the GST in receivables and payables		
(c) Note that the Australian Taxation Office (ATO) receivable/payable in respect of GST and the receivable/payable in respect of the sale/purchase of non-current assets are not included as they are not reconciling items.		
38 Resources provided free of charge		
During the year, there were no resources provided free of charge to other agencies for functions outside the normal operations of the College.		
39 Commitments		
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	163,360	19,641
Later than 1 year and not later than 5 years	-	-
Later than 5 years	-	-
	<u>163,360</u>	<u>19,641</u>
The capital commitments include amounts for:		
Plant, Furniture and Equipment	163,360	19,641
Lease commitments		
Commitments in relation to leases contracted for at the balance sheet date but not recognised in the financial statements, are payable as follows:		
Within 1 year	72,907	222,147
Later than 1 year and not later than 5 years	451,420	162,399
	<u>524,327</u>	<u>384,546</u>
Representing:		
Cancellable operating leases	524,327	384,546
	<u>-</u>	<u>-</u>
Other expenditure commitments contracted for at the balance sheet date but not recognised as liabilities are payable as follows:		
Within 1 year	598,769	465,856
	<u>598,769</u>	<u>465,856</u>
These commitments are all inclusive of GST.		

Kimberley TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

2008 **2007**

\$ \$

40 Contingent liabilities and contingent assets

The College has no contingent liabilities and contingent assets as at 31 December 2008.

41 Events occurring after the balance sheet date

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

42 Explanatory Statement

Significant variations between estimates and actual results for income and expense are shown below. Significant variations are considered to be those greater than 10% or \$100,000.

Significant variations between estimated and actual results for 2008

	2008 Estimate \$	2008 Actual \$	Variation \$
Employee expenses	13,082,978	12,517,990	(564,988)
Supplies and services	4,320,266	5,711,197	1,390,931
Depreciation and amortisation expense	1,345,500	1,003,035	(342,465)

Employee expenses

The main reason for the lower than expected expense in this area is that the estimates predicted a higher achievement of profile (Delivery Performance Agreement) funded delivery than was actually achieved. Thus (overall) less staffing costs were needed.

Supplies and services

This variation was caused by the following factors:

- Higher than expected consumables and minor equipment costs (particularly student supplies & fuel costs)
- Higher than expected contracted service expenses (IT systems support, cleaning, gardening, security and recruitment costs for the Managing Director)
- Additional lease costs for vehicles (some of which were necessary for particular Fee for Service activities)
- Increased travel costs than was expected
- The expenditure in 2008 for items in this expenses area related to specific grants, which carried over from 2007 - the income for which was accounted in 2007
- Generally higher costs of many expenditure items caused by the very high fuel costs experienced throughout 2008

Depreciation and amortisation expense

As revaluation of all the College buildings happened as at the end of 2008, these revalued figures were (naturally) taken up in these financial statements – hence building depreciation is far less than expected.

Income

	2008 Estimate \$	2008 Actual \$	Variation \$
Service Appropriation (State Funds)	14,843,523	14,139,347	(704,176)
Resources received Free of charge	933,904	824,860	(109,044)

Service Appropriation (State Funds)

The original estimation was based on a higher expected delivery level in regard to profile (government funded delivery). During 2008 it was realised that actual delivery achievement would be less and a lower target (and associated reduction in funding of some \$415,000) was negotiated with the Department of Education and Training in October 2008.

In addition a refund (of \$329,787) for under-achievement of the 2007 delivery target was notified in 2008. This refund was not expected at the time the 2008 estimates were prepared.

Resources received Free of charge

When the 2008 estimates were being prepared, the actual for 2007 was not known. However on advice from DET it was expected to be in the vicinity of \$950,000 and we based the 2008 estimate on the higher expected cost. The subsequent actual amount for 2007 and now 2008 are much lower than expected at that time.

Significant variations between actual results for 08 and 07

	2008 \$	2007 \$	Variance \$
Expense			
Employee benefits expense	12,517,990	11,262,780	1,255,210
Supplies and services	5,711,197	5,026,094	685,103
Capital user Charge	-	684,915	(684,915)
Other expenses	908,788	777,189	131,599

Employee benefits expense

This variance is mainly attributable to:

- Pay increases for lecturing staff (6% from September 2008) and non-lecturing staff (5.5% from March 2008)
- Increase in overall lecturing wages and salaries of 6.6%
- Increase in GROH housing costs of \$551,373 (due to rent increases and extra housing needs)
- Additional necessary provisions for LSL and Annual Leave

Supplies and services

This increase over the 2007 actual expenditure was caused by:

- Underlying inflation of 4.5% in 2008
- Generally higher costs of many expenditure items caused by the very high fuel costs experienced throughout 2008
- Higher consumables and minor equipment costs (particularly student supplies & fuel costs)
- Higher contracted service expenses (IT systems support, cleaning, gardening, security and recruitment costs for the Managing Director)
- Additional lease costs for vehicles (some of which were necessary for particular Fee for Service activities)
- Increased travel costs
- The expenditure in 2008 for items in this expenses area related to specific grants, which carried over from 2007 - the income for which were accounted in 2007

Capital user Charge

The Capital User Charge was discontinued from 1 July 2007

Kimberley TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007	
	\$	\$	
<u>Other expenses</u>			
The increase in this Expenses category is largely due to higher expenditure on building maintenance of +\$106,534			
	2008	2007	Variance
	\$	\$	\$
Income			
Fee for service	2,037,860	2,183,301	(145,441)
Student fees and charges	683,896	544,097	139,799
Service Appropriation (State Government)	14,139,347	15,468,885	(1,329,538)

Fee for service
This slight reduction in Fee for Service income is chiefly due to the completion of a Federal Government contract for Skilling Outback WA in 2007, which did not continue in 2008.

Student fees and charges
This increase can be mainly attributed to the payment of fees and charges by the Corrective Services Department for delivery of training to prisoners

Service Appropriation (State Government)
The 2007 Income from Service appropriation included the following one-off items, which resulted in higher funding:
- Capital User Charge of \$684,915 (discontinued 1 July 2007)
- Community Gardens Grant of \$100,000
- Capital building funding of \$200,000
- Equipment funding of \$570,000
- Other capital grants of \$500,000

Furthermore there was a repayment to Department of Education and Training of \$329,787 for under achievement of the delivery targets set in the 2007 Delivery Performance Agreement (DPA).

This was balanced somewhat by higher funding for GROH housing and in the 2008 DPA.

43 Financial instruments

(a) Financial risk management objectives and policies
Financial instruments held by the College are cash and cash equivalents, restricted cash and cash equivalents, loans, finance leases, borrowings and receivables and payables. The College has limited exposure to financial risks. The College's overall risk management program focus on managing the risk identified below:

Credit risk
The College trades only with recognised, creditworthy third parties. The College has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. In addition, receivable balances are monitored on an ongoing basis with the result that the College's exposure to debt is minimal. There are no significant concentrations of credit risk.

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

(b) Categories of financial instruments
In addition to cash, the carrying amounts of each of the following categories of financial assets and financial liabilities at the balance sheet date are as follows:

	2008	2007
	\$	\$
Financial Assets		
Cash and cash equivalent	1,582,198	2,212,588
Restricted cash and cash equivalent	869,592	537,659
Receivables (a)	668,509	716,909
Financial Liabilities		
Payables	1,927,451	866,888

(a) The amount of loans and receivables excludes GST recoverable from the ATO (statutory receivable).

(c) Financial instrument disclosures
Credit risk, liquidity risk and interest rate risk exposures
The following table details the College's maximum exposure to credit risk, and the exposure to liquidity risk and interest rate risk as at the reporting date, based on information provided to senior management of the College. The contractual maturity amounts in the table are representative of the undiscounted amounts as at the balance sheet date. An adjustment for discounting has been made where material.
The College does not hold any collateral as security or other credit enhancements relating to the financial assets it holds.
The College does not hold any financial assets that had to have their terms renegotiated that would have otherwise resulted in them being past due or impaired.

	Weighted Average Effective Interest Rate	Variable Interest Rate	Contractual maturity dates						Non-Interest Bearing	Total
			Within 1 year	1-2 Years	2-3 Years	3-4 Years	4-5 Years	More than 5 years		
	%	\$	\$	\$	\$	\$	\$	\$	\$	
2008										
Financial Assets										
Cash and cash equivalent	6.30%	1,582,198	-	-	-	-	-	-	1,582,198	
Restricted cash and cash equivalent	6.30%	869,592	-	-	-	-	-	-	869,592	
Receivables	0.00%	-	-	-	-	-	-	668,509	668,509	
		2,451,790	-	-	-	-	-	668,509	3,120,299	
Financial Liabilities										
Payables	0.00%	-	-	-	-	-	-	1,202,084	1,202,084	
Other liabilities	0.00%	-	-	-	-	-	-	725,367	725,367	
		-	-	-	-	-	-	1,927,451	1,927,451	
	Weighted Average Effective Interest Rate	Variable Interest Rate	Contractual maturity dates						Non-Interest Bearing	Total
	%	\$	\$	\$	\$	\$	\$	\$	\$	
2007										
Financial Assets										
Cash and cash equivalent	5.80%	2,212,588	-	-	-	-	-	-	2,212,588	
Restricted cash and cash equivalent	5.80%	537,659	-	-	-	-	-	-	537,659	
Receivables		-	-	-	-	-	-	716,909	716,909	
		2,750,247	-	-	-	-	-	716,909	3,467,156	
Financial Liabilities										
Payables	0.00%	-	-	-	-	-	-	545,521	545,521	
Other liabilities	0.00%	-	-	-	-	-	-	321,367	321,367	
		-	-	-	-	-	-	866,888	866,888	

Kimberley TAFE
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2008

	2008	2007
	\$	\$
<u>Interest rate sensitivity analysis</u>		
The restricted cash or cash equivalent consist of funds marked for refunds of DPA (\$329,787), Commonwealth specific grant for Away From Base (\$334,468.91) and unearned income (\$44,163.84) that are expected to be disbursed within the next six months. Therefore no interest rates change sensitivity effect expected. The balance amount of \$144,225.08 allocated for 27th pay shall not have any significant impact to the profit or equity if the interest rate is changed by +/- 1%.		
<u>Fair values</u>		
All financial assets and liabilities recognised in the balance sheet, whether they are carried at cost or fair value, are recognised at amounts that represent a reasonable approximation of fair value unless otherwise stated in the applicable notes.		
44 Jointly controlled operations		
The college has no joint controlled operations.		
45 Remuneration of members of the College and Senior Officers		
<u>Remuneration of members of the College</u>		
The number of members of the College whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
\$		
\$0 - \$10,000	1	
\$10,001 - \$20,000	1	-
\$70,001 - \$80,000	-	1
\$100,001 - \$110,000	-	1
\$120,001 - \$130,000	1	-
	<hr/>	<hr/>
The total remuneration of the members of the College is:	3	2
Total remuneration includes the superannuation expense incurred by the College in respect of members of the College.	<hr/>	<hr/>
	149,178	180,817
<u>Remuneration of Senior Officers</u>		
The number of senior officers other than senior officers reported as members of the College, whose total of fees, salaries, superannuation, non-monetary benefits and other benefits for the financial year, fall within the following bands are:		
\$		
\$110,001 - \$120,000	1	1
\$120,001 - \$130,000	1	-
\$130,001 - \$140,000	-	1
	<hr/>	<hr/>
The total remuneration of senior officers is:	2	2
The total remuneration includes the superannuation expense incurred by the College in respect of senior officers other than senior officers reported as members of the College.	<hr/>	<hr/>
	245,237	251,108
No senior officers are members of the Pension Scheme.		
46 Remuneration of auditor		
Remuneration payable to the Auditor General for the financial year is as follows:		
Auditing the accounts, financial statements and performance indicators	60,000	65,000
	<hr/>	<hr/>
The expense is included in note 13 'Other expenses'.		
47 Related Bodies		
The College has no related bodies.		
48 Affiliated Bodies		
The College has no affiliated bodies.		
49 Supplementary Financial Information		
<u>Write-Offs</u>		
Public property	-	1,091
Bad debts	9,580	924
Inventory	2,958	-
	<hr/>	<hr/>
	12,538	2,015
<u>Losses through theft, defaults and other causes</u>		
Losses of public and other moneys and public and other property through theft, default or otherwise	-	1,091
Amount recovered	-	(1,091)
	<hr/>	<hr/>
	-	-
50 Special purpose accounts		
The College did not set up or operate special purpose account.		
51 Schedule of Income and Expenditure by Service		
The college provides only one service (as defined by Treasurer's Instruction 1101 (9) and that is Vocational Education and Training Delivery.		

**Kimberley TAFE
S40 SUBMISSION
INCOME STATEMENT**

	2009
	Estimate \$
COST OF SERVICES	
Expenses	
Employee benefits expense	13,416,925
Supplies and services	4,587,602
Depreciation and amortisation expense	1,146,106
Finance costs	0
Grants and subsidies	150,000
Capital user charge See Note (1)	0
Loss on disposal of non-current assets	
Loss on disposal of other assets	
Other expenses	741,966
Payments to Non TAFE Providers for VET Delivery	50,000
Cost of sales	40,000
Total Cost of Services	20,132,599
Income	
Revenue	
Fee for service	2,100,000
Student charges and fees	671,151
Sales	37,500
Ancillary trading	2,500
Commonwealth grants and contributions	
Interest revenue	150,000
Other revenue	434,786
Total Revenue	3,395,937
Gains	
Gain on disposal of non-current assets	
Gain on disposal of other assets	
Other gains	
Total Gains	0
Total income other than income from State Government	3,395,937
NET COST OF SERVICES	-16,736,663
INCOME FROM STATE GOVERNMENT	
State funds	15,633,405
Liabilities assumed by the Treasurer	
Assets assumed/(transferred)	
Resources received free of charge	847,477
Total income from State Government	16,480,883
SURPLUS (DEFICIT) FOR THE PERIOD	-255,780

Note: (1) Capital User Charge for 2007 should equal total amount paid in March 2007 less amount accrued in 2006,

**Kimberley TAFE
S40 SUBMISSION
BALANCE SHEET**

	2009 Estimate \$
ASSETS	
Current Assets	
Cash and cash equivalents	2,150,000
Restricted cash and cash equivalents	0
Inventories	54,000
Receivables	700,000
Amounts receivable for services	
Other current assets	0
Non-current assets classified as held for sale	
Total Current Assets	2,904,000
Non-Current Assets	
Restricted cash and cash equivalents	270,000
Inventories	
Receivables	
Amounts receivable for services	
Property, plant and equipment	33,944,043
Intangible assets	
Other non-current assets	
Total Non-Current Assets	34,214,043
TOTAL ASSETS	37,118,043
LIABILITIES	
Current Liabilities	
Payables	35,000
Borrowings	
Amounts due to the Treasurer	
Provisions	1,066,992
Other current liabilities	60,953
Liabilities directly associated with non-current assets classified as held for sale	
Total Current Liabilities	1,162,945
Non-Current Liabilities	
Payables	
Borrowings	
Provisions	310,943
Other non-current liabilities	0
Total Non-Current Liabilities	310,943
TOTAL LIABILITIES	1,473,888
NET ASSETS	35,644,155
EQUITY	
Contributed Equity	6,839,925
Reserves	17,710,585
Accumulated surplus/(deficiency)	11,093,645
TOTAL EQUITY	35,644,155

(B) Balance Sheet

**Kimberley TAFE
S40 SUBMISSION
CASH FLOW STATEMENT**

	2009 Estimate \$
CASH FLOWS FROM STATE GOVERNMENT	
State funds	14,907,105
Capital contributions	
Holding account drawdowns	
Net cash provided by State Government	14,907,105
Utilised as follows:	
CASH FLOWS FROM OPERATING ACTIVITIES	
Payments	
Employee benefits	-12,760,625
Supplies and services	-3,653,943
Finance costs	
Capital User Charge	
Grants and subsidies	-150,000
GST payments on purchases	-380,000
GST payments to taxation authority	
Other payments	-1,212,568
Receipts	
Fee for service	2,100,000
Student fees and charges	611,151
Ancillary trading	0
Commonwealth grants and contributions	
Interest received	150,000
GST receipts on sales	235,000
GST receipts from taxation authority	100,000
Other receipts	405,000
Net cash provided by/(used in) operating activities	-14,555,985
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of non-current physical assets	
Purchase of non-current physical assets	-850,121
Net cash provided by/(used in) investing activities	-850,121
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from borrowings	
Repayment of borrowings	
Other proceeds	
Other repayments	
Finance lease repayment of principal	
Net cash provided by/(used in) financing activities	0
Net increase/(decrease) in cash held and cash equivalents	-499,000
Cash and cash equivalents at the beginning of the period	2,919,000
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,420,000

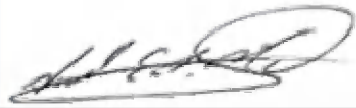
(D) Cash Flows

Kimberley TAFE

**KEY PERFORMANCE INDICATORS
FOR
YEAR ENDED 31 DECEMBER 2008**

**Kimberley TAFE
KEY PERFORMANCE INDICATORS
FOR YEAR ENDED 31 DECEMBER 2008**

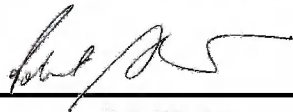
We hereby certify that the performance indicators are based on proper records, are relevant and appropriate for assisting users to assess Kimberley TAFE's performance and fairly represent the performance of Kimberley TAFE for the financial year ended 31 December 2008.



Ned McCord
Chairperson of the Governing Council

05 / 03 / 2009

Dated



Robert Stratton
Managing Director
(Member of the Governing Council)

05 / 03 / 2009

Dated

KEY PERFORMANCE INDICATORS

DESIRED OUTCOME

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

EFFECTIVENESS INDICATORS:

KPI 1: OVERALL STUDENT SATISFACTION

Student satisfaction is a performance measure that reflects the quality of vocational education and training services provided by the College to meet community and industry needs.

Student satisfaction was measured through the 2008 TAFEWA Student Satisfaction Survey, conducted by an independent organisation, Colmar Brunton.

90% of students who responded to this survey were either very satisfied or satisfied with their chosen course at Kimberley TAFE. This compares to the State average of 85%. The useable population at Kimberley TAFE was 1405. The useable returns numbered 235 of which the total sample size was 230.

For each stage of the research, a sample frame was created based on the minimum required responses for each quota, and the number of responses that had already been received for each group. Sample sizes were based on achieving a sampling error of no more than +/-5 (95% confidence) for each of the regional college samples.

	2005	2006	2007	2008 (1)	2008 Target
Kimberley TAFE	86%	95%	90%	90%	90% - 95%
Western Australia	85%	86%	87%	85%	

Notes:

(1) The 2008 Student Satisfaction Survey was conducted by Colmar Brunton in consultation with the Department of Education and Training. The response rate was 17% with a standard error of +/- 1.8%. Whilst the response rate is still below still below the State average of 23%, it reflects an improvement over past years. The College has put in place a number of strategies to improve response rates. These include direct contact with students and direct involvement by lecturers to assist students in completing the survey questionnaire. Kimberley TAFE will continue to pursue a higher response rate, however this will prove very problematic given our clientele base, geographic situation, and format of the survey (which is universal).

KPI 2: GRADUATE EMPLOYMENT

The achievement of employment outcomes by graduates is a performance measure that demonstrates the College's effectiveness in providing vocational education and training services to meet community and industry needs.

We are unable to provide statistics for 2008 for Kimberley TAFE, however we can report that the State average was 82% and a national average was 81%.

YEAR	EMPLOYED	UNEMPLOYED	NOT IN LABOUR FORCE
2005 (1)	90%	4%	6%
2006 State	81%	8%	11%
2006 National	80%	10%	10%
2006 (2)	N/A	N/A	N/A
2007 (3)	88%	4%	8%
2008 (2)	N/A	N/A	N/A

Notes:

(1) The data in 2003 was calculated based on "all graduates", for 2005 the base is "Graduates not still enrolled", which is considered more appropriate.

(2) College level data for this survey is not available this year (refer note 1), however national and State level results have been provided by NCVER. College results will be available for 2007 and 2009.

(3) The 2007 Student Outcomes Survey was conducted by I-View on behalf of the National Centre for Vocational Education Research. The survey targeted students who graduated from a TAFE College in 2006. In 2007 the response rate for Kimberley TAFE was 38.6% compared to a national response of 41%.

KPI 3: STUDENT OUTCOMES – ACHIEVEMENT OF MAIN REASON FOR STUDYING

The achievement by graduates of their main reason for studying is a performance measure that demonstrates the College's effectiveness in providing vocational education and training services to meet community and industry needs.

There are no results available in 2008 for Kimberley TAFE, however the State average reported that 89% of students achieved their reason for studying, while the national average was 88%.

Percentage - Students achieved reason for study

YEAR	KIMBERLEY TAFE	WESTERN AUSTRALIA	NATIONAL
2005 (1)	91%	84%	85%
2006 (2)	N/A	89%	87%
2007 (3)	94%	87%	86%
2008 (2)	N/A	89%	88%

Notes:

(1) The data in 2003 was calculated based on "all graduates", for the 2005 the base is "Graduates not still enrolled", which is considered more appropriate.

(2) College level data for this survey is not available this year (refer note 1), however national and State level results have been provided by NCVER. College results will be available for 2007 and 2009.

(3) The 2007 Student Satisfaction Survey was conducted by I-View on behalf of the National Centre for Vocational Education Research. The survey targeted students who graduated from a TAFE institute in 2006. In 2007 the response rate for Kimberley TAFE was 38.6% compared to a national response of 41%.

KPI 4: ACHIEVEMENT OF COLLEGE PROFILE

The achievement of College Profile is a performance measure that demonstrates the College's effectiveness in meeting planned vocational education and training services to meet community and industry needs as identified in its Strategic Plan and in the Delivery and Performance Agreement (DPA) entered into with the Department of Education and Training.

Achievement of College Profile compares achieved Student Curriculum Hours (SCH) to planned Student Curriculum Hours (SCH).

The College achieved 94.6% of its original planned DPA target in 2008.

YEAR	Planned SCH (DPA)	SCH Achieved (Census)	% Achieved/Planned
2005	419,419	419,575	100.0%
2006	428,059	437,578	102.2%
2007	433,031	428,362	98.9%
2008 (1)	457,030	432,493	94.6%

Source: Verified College Census Data 2008

Notes:

(1) The original planned SCH target in the 2008 DPA was 457,030. This was negotiated downwards to 432,030 by way of an addendum (Addendum No. 2) to the 2008 DPA. Actual SCH achievement against this revised target is 100.1%. The reasons for reducing the target during 2008 are:

- The 25,000 SCH reduction was all in the Employment Based Training (EBT) category with the original target being decreased from 88,840 to 63,840.
- The College has been encouraged to grow its EBT delivery in response to the skills shortage experienced in WA and additional EBT SCH was allocated to cater for this potential growth. Despite the College's best efforts apprenticeship & traineeship numbers remained lower than anticipated resulting in lower achievement.
- However the College did achieve the original Institutional Based Training Target of 368,190 SCH.

Industry Groups

The following table provides details of the distribution of the College's Profile delivery, by Student Curriculum Hours, in Industry Groups specified by the Department of Education and Training:

Industry Groups	SCH Delivered 2005	SCH Delivered 2006	SCH Delivered 2007	SCH Delivered 2008 (1)	Planned DPA SCH 2008
Recreation, Sports and Entertainment	-	-	-	-	-
Visual and Performing Arts	32071	36155	37690	50598 (2)	41500
Automotive	6456	12710	13238	17240	18500
Building and Construction	5536	15887	19424	28176 (3)	39500
Community Service	44481	42450	25065	36131 (4)	32000
Education and Childcare	21969	17400	18997	30487	24000
Health	-	-	2610	- (4)	4500
Finance, Insurance, Property Service Workers	-	536	2824	360	2000
Food Trades Processing	-	-	-	-	-
Engineering and Drafting	2809	1110	-	-	-
Metal and Mining	4706	3846	1634	12197 (5)	8000
Forestry, Farming and Landcare	35828	48059	32351	63344 (6)	50690
Horticulture	1640	20503	36318	15304	30600
Personal Service	-	-	-	3230 (7)	6000
Retail	16347	5294	3090	2485	1350
Cooking	2033	-	1910	531 (8)	6790
Hospitality	8847	13690	19002	21807	19500
Tourism	31788	22902	19074	20390	19500

Industry Groups <i>(continued)</i>	SCH Delivered 2005	SCH Delivered 2006	SCH Delivered 2007	SCH Delivered 2008	Planned DPA SCH 2008
Travel Agents	2805	2950	1885	2525	1000
Transport Trades, Storage and Associated	18374	19907	15286	11279	13500
Electrical and Electronic Engineering	-	-	-	-	-
Accounting and Other Business	30	1605	2850	-	-
Management	12300	8750	7700	7834	6000
Office and Clerical	50955	50100	45255	45825 (9)	60800
Computing	15708	8125	2660	2015	2000
Science and Technical Workers	-	-	-	-	1000
Adult Literacy / ESL	25828	23042	33342	17733 (10)	33000
Languages	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Targeted Access & Participation Courses	79064	82557	86157	43002 (11)	35300
TOTALS (Student Curriculum Hours)	419,575	437,578	428,362	432,493	457,030

Source: Verified College Census Data 2008

Notes:

- (1) The overall planned delivery in Traineeships and Apprenticeships was reduced by 25,000 SCH in Addendum No. 2 of the 2008 DPA. A review of employment based training numbers found that original targets could not be met. Consultation with Group Training Organisations confirm the downward trend in the number of traineeships offered in the region. This occurred in the following areas:

Education and Childcare, Business, AE Courses, Tourism, Commercial Cookery, Farming, Forestry and Landcare, Community Service Workers, Building Construction and Automotive

- (2) There was an increase in demand for Art programs in Derby, Bidiyadanga and remote Indigenous communities around Fitzroy crossing.
- (3) There was a decreased demand for construction traineeships due to several major construction projects being completed in Fitzroy Crossing.
- (4) The Community Services area delivered additional courses in First Aid, Teachers Assistant and Community Service Workers to support community and industry requirements. Changes to the WADT group for Environmental Health saw a shift to Community Services, of some of our planned delivery.
- (5) An increased demand in this area resulted from Community Services Groups requesting training programs for youth at risk. These programs were designed to assist participants in gaining employment in the mining industry.

- (6) The demand for community ranger programs increased throughout the year with two full time lecturers in Broome and one in Derby providing delivery under CALM programs. This was seen as a successful program for 2008, and will continue into 2009.
- (7) Only one course in Remote Community Practice was delivered, as the lecturer was required to support the AACAP program in Kalumburu.
- (8) Planned delivery in Commercial Cookery started later than expected as the modifications to the commercial kitchen were only completed late in 2008.
- (9) A reduction in the number of traineeships in business lead to a reduction of delivery in 2008.
- (10) The College profile delivery in Literacy and Numeracy was less than expected. The appointment of two new lecturers for the Broome campus (which only occurred in May) and the loss of a lecturer from Halls Creek in September all contributed to this result. The College also focused on providing support for the LLNP program which utilised allocated lecturer resources.
- (11) Demand for proprietary and entry level courses increased in 2008 due to Employment Agencies and Remote community requirements.

Non Profile Delivery

The College delivers a range of programs not incorporated within the College Profile to meet community training needs that also reduce dependency on profile funding. These programs include fee for service and lifestyle courses. Non-profile (Student Curriculum Hours) delivery is presented below as a percentage of overall profile.

Non-Profile Delivery SCH

	2005	2006	2007	2008 (1)	2008 Target
Non – Profile Delivery	63,270	73,102	82,244	73,593	92,970
% of Training Delivery	13.1%	14.3%	16.1%	14.5%	16.9%

Profile delivery refers to the SCH funded through the Delivery and Performance Agreement with the Department of Education and Training. Non Profile delivery refers to courses funded otherwise.

Source: Verified College Census Data 2008

Notes:

(1) The College had originally targeted 92,970 non-profile SCH with an expected income of \$1,985,422. Whilst the financial target was achieved with an actual income of \$2,037,860, the SCH target was not. This was mainly due to some high income commercial activities (such as ship modelling with the maritime simulator) being undertaken. Such activities do not attract SCH.

Efficiency Indicator:

KPI 5: COST PER STUDENT CURRICULUM HOUR (SCH)

Cost per SCH delivered is a performance measure that demonstrates the College's efficiency in providing vocational education and training services to meet community and industry needs.

The Cost per SCH measure shows the overall unit cost per SCH delivered through both profiled and non-profiled activities based on Total Cost of Services, as detailed in the 2008 Financial Statements.

The cost per SCH delivered in 2008 was \$40.37

Cost per SCH Delivered:

	2005 (1)	2006	2007 (2)	2008 (3)	2008 Target
Total Cost of Services	\$15,878,372	\$17,879,748	\$18,974,117	\$20,431,597	\$19,736,095
Total SCH Delivered	482,845	510,680	510,606	506,086	550,000
Total Cost per SCH Delivered	\$32.89	\$35.01	\$37.16	\$40.37	\$35.88

Notes:

(1) From 2005 the College adopted the International Financial Reporting Standards (AIFRS).

(2) As at 1 January 2008, to comply with Treasurer's Instruction 955, the College changes its asset capital threshold policy from \$1,000 to \$5,000. The new accounting policy has been applied retrospectively and comparative information in relation to the 2007 financial year has been restated accordingly. This has the effect of increasing the 2007 Total Cost of Services from \$18,631,942 to \$18,974,117 and the Total Cost per SCH delivered from \$36.49 to \$37.16.

(3) The higher than expected cost per SCH is attributable to:

- Higher costs than estimated, particularly in Supplies and Services, which was \$1,390,931 above the estimate.
- Other expenses (such as Employee Expenses) were generally lower than the estimates, due to lower than expected delivery. Please also refer to Note 42 of the Financial Statements.
- Lower than estimated SCH achievement in both profile and non-profile delivery. Please also refer to the Notes on KPI 4.



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