

Annual Report 2009–2010

Gold Coast Institute of TAFE



Tomorrow's Queensland:
strong, green, smart, healthy and fair

Toward **2**
Tomorrow's Queensland

 **Queensland**
Government

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Letter of compliance to the Minister

30 August 2010

The Honourable Geoff Wilson, MP
Minister for Education and Training
PO Box 15033
City East QLD 4002

Dear Minister

I am pleased to present the Annual Report 2009/10 for the Gold Coast Institute of TAFE.

I certify that this Annual Report complies with:

- the prescribed requirements of the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, and
- the detailed requirements set out in the Annual Report Requirements for Queensland Government Agencies.

A checklist outlining the annual reporting requirements can be accessed at www.goldcoast.tafe.qld.gov.au.

Yours sincerely

Trina Hockley
Acting Board Chair

Report objectives

As the principal medium through which Gold Coast Institute of TAFE (GCIT) communicates its accountability to Parliament, Government and stakeholders, this Annual Report forms part of the Institute's reporting and communication obligations.

The Annual Report fulfils the reporting requirement to the Minister for Education and Training and provides a summary of the Institute's operations and achievements during 2009/2010.

This report outlines the Institute's performance against the key objectives as identified in the Gold Coast Institute of TAFE Strategic Plan 2009-12.

For the purposes of defining Gold Coast Institute of TAFE as an entity, it is a not-for-profit organisation and its primary function is to provide vocational education and training services.

The Queensland Government is committed to providing accessible services to Queenslanders from all culturally and linguistically diverse backgrounds. If you have difficulty in understanding the annual report, you can email us on feedback.GCIT@deta.qld.gov.au and we will arrange for an interpreter to effectively communicate the report to you.

Contact us

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This report can be viewed
on our website at
www.goldcoast.tafe.qld.gov.au

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2010



At a glance

Statement of strategic intent

In order to achieve our vision, GCIT needs to challenge the status quo with respect to the Vocational Education and Training (VET) industry in Australia and set a new standard for vocational services.

Our vision

Our vision is to be an internationally renowned provider of outstanding vocational services.

Our mission

GCIT will achieve our vision by 'bringing together exceptional people to produce highly sought after graduates'.

Our values

Excellence
Service
Respect
Care and Consideration
Accountability



Our highlights

Our people: professional development

72% of teaching staff with diploma level qualifications or higher.

Our students: global opportunities

Twelve students studying tourism, hospitality and event management undertook a three week work and study placement with the Renaissance Hotel in Kuala Lumpur, Malaysia.

Our customers: business satisfaction

In 2009/10 the overall business client satisfaction improved by 10%, up from 74% in 2009.

Our community:

GCIT contributes to the social fabric of the Gold Coast supplying courses to various disadvantaged groups.

International snapshot: broad reach

GCIT opened a new International English Language Testing System (IELTS) testing centre to respond to the growing need for migrant English language education on the Gold Coast.

Systems and processes: online delivery

In October 2009, GCIT was shortlisted in the National Accolades for Excellence for its Diploma of Nursing program.

Financial performance:

Within a very challenging external environment the Institute returned an operating surplus before non-current asset revaluations and achieved a number of its strategic goals.



Acting Chair message

On behalf of the Board, I am pleased to present Gold Coast Institute of TAFE's 2009/2010 annual report. First appointed in 2008 the GCIT Board has continued to evolve, and in the past 12 months we have welcomed and farewelled various members.

The GCIT Board focused its efforts in 2009/10 on continuing to meet the Government's objectives for the delivery of vocational education and training, contributing to Towards Q2 and the Queensland Skills Plan, and driving the achievement of the Institute's strategic objectives.

At a strategic level the Institute focused on achieving a broader reach in both international and domestic markets. The impacts of changes to the General Skills Migration Program required the business to find new income sources due to a declining international student cohort which has traditionally been GCIT's primary international revenue stream. The work has begun to diversify the revenue profile by developing capability in the areas of study tours and transnational education. This financial year the international team had strong success with building relations to deliver Study Tours from Korea and Japan. GCIT also won its first AusAid project for leadership

and management programs in Sri Lanka, this project marks an exciting phase for GCIT of building capability in developing communities around the world.

Domestically, the Institute was successful in launching a new brand into the unaccredited short courses market with the introduction of Lightbulb Community Education. In health services a suite of new highly popular nursing products developed specifically for this burgeoning market also contributed to the delivery of a Smart and Strong Queensland.

The Institute also concluded the initial phases of the Customer Experience project in 2009/10 and commenced the process of ensuring we are well positioned in a competitive marketplace to meet the many challenges that lay ahead in an increasingly deregulated market.

A recent study conducted by the Western Research Institute indicated that GCIT plays a key role in tertiary education in the Gold Coast region and its economic impact is not limited to the educational outcomes for students. A staggering \$188m in output is created within the Gold Coast Statistical Division as a consequence of GCIT's operations

with 1,150 full-time equivalent jobs created and over \$70m in household income. The report confirmed that GCIT contributes to the social fabric of the Gold Coast supplying courses to various disadvantaged groups, a key priority in delivering a Fair Queensland.

According to the data provided, residents of the Gold Coast statistical division holding a TAFE qualification achieved incomes from employment that were up to 23% higher than those with no post-school qualification. This reinforces the role the Institute plays in servicing the Gold Coast region and enhancing the skills and employability of the community as a whole.

In summary, I would like to extend my thanks and appreciation to the members of the Board of Gold Coast Institute of TAFE, our executive management team and all the staff of the Institute for their ongoing commitment, enthusiasm and hard work.

Trina Hockley
Acting Chair

Acting CEO message

In 2009/10 GCIT celebrated the achievements of many of our students and were acknowledged as the training provider of choice for both the Indigenous Student of the Year Regional Finalist, and state wide Apprentice of the Year at the 2009 Queensland Training Awards.

Our student satisfaction statistics continue to highlight that GCIT is well regarded in the areas of teaching and training, enrolments and administration and continuing a proud tradition of achievement in 2009/10, the Institute again hit its major milestones in terms of contracted delivery targets, completion rates, higher qualifications profile and error rates.

For GCIT 2009/2010, however, was not without external turbulence. Impacted by changes to International Policy, Productivity Places Program, the deregulation of the User Choice market and Council of Australian Governments funding reforms, Gold Coast Institute of TAFE has had to face growing competition in a very open and rapidly growing market. These external factors will continue to impact GCIT well into 2011.

By delivering demand-driven training, the Institute approached market needs with flexibility and responsiveness maintaining enrolment numbers and growing key education delivery areas such as nursing and education. The institute has focused on the development of improved university pathway programs for our students, and continued to expand our product offering into the online delivery arena where there is strong demand from the community. As a large educational institute there has been a focus on maximising the utilisation of current infrastructure, the development of a new English Language Centre at the Institute's Southport Campus, is one such example.

In response to student and industry feedback and the delivery of priorities under Towards Q2, GCIT refurbished substantial components of the Ashmore campus through use of Commonwealth Better TAFE Facilities (BTF) funding, continued to increase recognised academic pathways from the VET sector to the university sector through articulation agreements with a number of major universities in the region, and commenced construction on a new training facility to service the Coomera growth corridor and be a flagship for Creative Industries.

All of these projects were developed in consultation with key stakeholders such as students, staff, government, industry, community and other relevant bodies, and ensured the Institute was able to provide the outcomes desired by Queensland students, employers and industry.

The Institute's financial performance in 2009/10 was unfortunately adversely affected by asset revaluations which resulted in a write down of \$10.8m. Our business achievements, given the cycle of change the Institute has been going through, and given the global financial crisis impacts on the Gold Coast's local economy and the Institute's asset values, should be considered commendable.

I give my thanks to all staff at GCIT for their achievements this year, and encourage them to keep up their outstanding efforts in these challenging times.

Aaron Devine
Acting Chief Executive Officer

About Gold Coast Institute of TAFE

Gold Coast Institute of TAFE (GCIT) is one of Australia's leading vocational education and training facilities and the largest in the Gold Coast region with five campuses and enrolments of more than 16,000 students annually. The Institute delivers high quality training, equipping graduates with relevant skills and knowledge to enter the workforce or go on to further tertiary study.

The Institute delivers training ranging from accredited short courses, English language programs and Certificate to Advanced Diploma-level courses. As a Registered Training Organisation (RTO), GCIT also specialises in apprenticeships and traineeships. These programs have been designed in close consultation with industry representatives. When GCIT students complete their studies, they will have developed the necessary skills to ensure they enter the workforce or move onto further education with a competitive advantage.

Whether a student joins GCIT straight from school or after years in the workforce, we work with them in the pursuit of their individual goals. The Institute's teachers are highly qualified, and the programs are nationally recognised.

GCIT is committed to delivering on its promise to be an internationally renowned provider of outstanding vocational services.



Our operations

Infrastructure highlights and achievements

During 2009/10 the Institute received \$3.8m Better TAFE Facilities (BTF) funding which enabled significant building projects to be undertaken at the Ashmore campus. These projects were prioritised on the basis of student and industry requirements and enhanced the staff and student environmental experience at the campus as well as providing modern training equipment. The major projects included:

- Provision of additional car parks and roads
- External and internal painting of buildings
- Interior carpet and paint

- Refurbishment of canteen, courtyard, training restaurants and kitchens
- State of the art computer training and assessment program for automotive students
- Training equipment for marine, nursing, aged care, trades, fitness and hospitality
- Standardisation/simplification of technology in classrooms.

Our community and environment

Economic impact

In support of economic growth and development of the Gold Coast region, the Institute conducts extensive market research taking into account industry trends for identification of training opportunities. The Institute also actively works with the Gold Coast City Council to ensure training activities match those of the highest need within the region.

GCIT plays a key role in tertiary education in the Gold Coast region driving strong employment and household income outcomes. GCIT also significantly contributes to economic turnover and gross domestic product for the region.

In 2009/10 GCIT commissioned the Western Research Institute (WRI) to prepare an estimate of the economic contribution the Institute makes to the Gold Coast statistical division.

The report concluded that when flow-on effects are taken into account, GCIT accounts for the following contribution to the Gold Coast statistical division:

- \$188 million in output
- \$109 million in GRP (equating to 0.5% of total GRP on the Gold Coast)

- \$70 million in household income

- 1,150 FTE jobs (equating to 0.6% of total FTE employment on the Gold Coast).

In addition, the education sector contributes approximately 4% of the Gold Coast statistical division's GRP and 6% of FTE employment. GCIT makes up 5.4% of the education sector's contribution to FTE employment and 6.4% of the contribution to GRP.

GCIT also contributes to the social fabric of the Gold Coast statistical division. The Institute provides courses to disadvantaged groups including the long term unemployed, clients from non-English speaking backgrounds, clients with literacy and numeracy difficulties and clients with a disability. It is important to note, GCIT provides educational opportunities to residents of the Gold Coast statistical division who might otherwise have limited or no access.

Social value

The Government acknowledges that low skills levels and low education attainment contribute to disadvantage and can be associated with poorer labour market experiences, unemployment and poverty. Vocational Education Training (VET) in general and GCIT more specifically, have traditionally focused on second chance education and the provision of training initiatives to recognised priority groups. The intention is to provide social as well as educational pathways.

GCIT engages closely with the community to identify and meet local skill and training needs. The Institute then collaborates with local organisations to provide work placements and real-life learning scenarios, effectively countering locational disadvantage. Through local community support and engagement, GCIT can customise training delivery to maximise engagement, participation and completion. The following programs and initiatives highlight the Institute's commitment to flexible delivery mechanisms to meet varying student needs:

Our community and environment

- Online English as a Second Language training: responding to a recognised need to address a growing number of underemployed migrants in the Gold Coast region, GCIT delivered online Workplace English and online English for Nurses to 50 participants. Online was the preferred option as casual and shift work were a barrier to student participation in formal classroom activities. Through the use of TAFE funding and additional funding attracted through Skilling Queenslanders for Work, participants were able to improve their English language proficiency and articulate into further training options
- Online Adult Migrant English Program (AMEP): on a larger scale GCIT is the Queensland provider of online English as a Second Language programs delivering to migrant students in remote areas across the state. Students are supported by their online teachers as well as volunteers who create additional opportunities to improve communication skills. Graduates have gone on to access mainstream online training as a result of these programs
- GCIT works collaboratively with Mirikai – Gold Coast Drug Council Incorporated to provide on-site access to work readiness programs as well as Literacy and Numeracy programs through the Skilling Queenslanders for Work Program
- GCIT worked collaboratively with the Kalwun Development Corporation to deliver a number of Get Set For Work Programs targeting Indigenous and non-Indigenous youth at Kalwun's Nerang centre. The programs were customised to meet the specific needs of the group and included basic communication skills, First Aid, Responsible Service of Alcohol and a construction industry white card
- GCIT has more than 300 volunteers working with Language, Literacy and Numeracy students on campus and in students' homes, maximising access to further study options and employment
- In collaboration with the education sector, Centrelink, the Job Network and a range of youth organisations on the Gold Coast, GCIT delivers a number of courses that address the needs of youth who have become disengaged from education and training. The complex needs of these students are addressed through co-operative relationships across a comprehensive range of agencies. Agencies assist with course fees and materials costs, transport costs, additional counselling services and crisis intervention
- GCIT has established relationships with a range of government and community organisations including Centrelink and Queensland Program of Assistance to Survivors of Torture and Trauma to provide on-campus support for students.

Education and training pathways to employment are neither simple nor direct for many people with low educational attainment and other disadvantages. GCIT's responsive, customised programs can begin to address these needs.

Our community and environment

Donations

GCIT Hero Charity Committee was formed to raise money for the local community, with the focus being on youth and young adult organisations that require ongoing assistance. GCIT selected Cancer Council Queensland, House With No Steps and Gold Coast Project for the Homeless Youth as the primary beneficiaries of funds raised through charitable activities.

For the 2009 calendar year, the GCIT Hero Charity Committee raised \$14,309.27 through events such as an art show, chocolate fundraising and monster book sales, numerous raffles and Cancer Council Queensland events. A number of donations were also received from external and internal sources to assist the Hero Charity's fund raising initiatives:

Donor	Donation
External sources:	
Gold Coast Titans	Tickets to two Gold Coast Titans matches
Cadbury	Chocolate gift basket
Optus	Blackberry handset and other Optus items
Artist – Noel Miller	Two paintings
Artist – Margaret Rangeley	One painting
Strike Bowling Bar	Bowling passes
Brisbane Lions	Tickets to a Brisbane Lions match

Our community and environment

Environmental value

GCIT continues its commitment to protecting the environment for a sustainable future and reducing its environmental impact through its operations and relationships with staff, students and industry.

Ecologically sustainable development (ESD) design principles are included in development briefs for future campuses. In the Coomera campus project consideration of the Green Star principles of environmental management and the NABERS Energy rating system is being implemented. GCIT is also working to ensure the facility can operate as a learning tool for our students by reporting on the building's environmental performance.

The Institute has ongoing management plans for water, energy, asbestos, and in 2009/10 finalised its waste management plan to reduce land fill waste. Posters are being distributed across the campus encouraging staff and students to Sort It, Check It, Keep it Clean. Four differently coloured bins will be provided to make recycling easy by separating food waste, confidential documents, office paper and manila folders, and plastic, glass and aluminium containers. GCIT will save waste disposal costs and will also be able to accurately

report on the types and quantities of waste it produces.

The GCIT Water Efficiency Management Plans first introduced in mid 2007 is another significant contributor to GCIT's environmental performance. Each year GCIT practices have improved and in 2009/10 the Institute again managed to reduce the number of kilolitres used per full-time equivalent staff member; decreasing from 68 to 60 kilolitres usage.

Methods for decreasing the Institute's energy and greenhouse gas emissions have been a focus since 2005/06. In late 2009/10 GCIT upgraded areas of external lighting with energy efficient lamps and in early April took another step forward by introducing automatic power management of its computers. GCIT now shuts down computers across the Institute at 11pm each night. Study results show computers and monitors have the second highest energy consumption in office environments after lighting, with a great percentage wasted when they are left on over evenings and weekends. By automatically turning off computers GCIT will benefit through reduced energy consumption and greenhouse gas emissions but also by saving potentially thousands of dollars a year in electricity costs.

Reductions in our greenhouse gas emissions are also achieved by closely managing the Institute's car fleet. In 2009/10 GCIT replaced the petrol courier van with a diesel model and continued to purchase smaller model cars.

Our people

Organisational capability

GCIT is responsible for ensuring that its workforce management planning aligns with its business planning to achieve all business objectives. During the financial year 2009/10, the Institute utilised an average of 592.4 full-time equivalent Department of Education and Training staff and 20.8 full-time equivalent staff were directly engaged by the Statutory Institute at year end. These roles are diverse and include positions in the following streams: administrative, operational, professional, technical, teaching and tutoring.

Professional development

GCIT has maintained an ongoing commitment to the professional development of staff. In 2009/10 the Institute had a specific focus on leadership development and improved teaching and learning practices. It exceeded its objective to invest 70% of its professional development budget on these initiatives.

The Institute has continued to support staff in the attainment of further qualifications with more than \$30,000 of fees reimbursed as part of the Institute's study assistance scheme. In addition, the Institute had a particular focus in 2009/10 to increase the number of delivery staff with Diploma level qualifications or higher. With 72% of delivery staff now holding these qualifications, the Institute has exceeded its stated objective.

2009/10 also saw the continuation of the Institute's highly successful Career Development Program with more than 50 staff participating in a formal program aimed at assisting them to achieve their career goals.

An in-house Leadership Development Program (Our Future Leaders) was developed and four separate programs were conducted during 2009/10. In excess of 60 staff have attended these programs and certificates were presented by the Acting Chief Executive Officer to the first graduates in April 2010.

Our people

Equity and diversity

GCIT encourages and supports women's continued participation in its workforce with a range of flexible work practices, generous parental and family leave provisions, telecommuting options and part-time work arrangements. These employment arrangements are available to both male and female staff within the Institute community and are designed to enable staff to enjoy an appropriate work/life balance and enable the Institute to retain highly skilled and valuable employees. 63% of the Institute's employees are female.

The Institute is committed to fairness and equity and employment activities are undertaken through a merit based recruitment and selection process.

A phased retirement scheme is also promoted within the Institute and is aimed at keeping experience and knowledge within our workforce and enabling a smooth transition for staff into retirement.

Staff recognition

The Institute's staff reward and recognition program provides an opportunity for staff to nominate their colleagues for a range of awards. In 2009 there were 28 award recipients who were announced at the Institute's Business Excellence Awards. These included award recipients in the areas of Educational Excellence, Educational Support, Customer Service, Leadership, Networking and Industry Engagement and Student Choice.

Peer recognition is an important component of the Institute's recognition program.

The 'Send a Star' program is linked to the organisation's values and has been enthusiastically embraced across the Institute. During 2009/10 in excess of 950 stars were sent to staff from their colleagues recognising their efforts, thanking them for their assistance and acknowledging the great work they are doing. In addition, there were 36 Institute individuals recognised by the peers who received 'Star Carparks' across various campuses during the year.

Our people

Workplace health and safety

GCIT has a commitment to providing a healthy and safe workplace for its staff. Comprehensive systems are in place to manage safety in the workplace and the Institute. Through its Workplace Health and Safety Plan, the Institute has focused on the following initiatives:

- management responsibilities for risk management and safety
- communication of workplace health and safety issues
- recruitment and training of emergency response team personnel.

In support of the Institute's formal annual workplace health and safety audits a network of Safety Liaison Officers undertakes regular inspections. To proactively encourage a safe and healthy workplace, the Institute offers an extensive health and wellbeing program providing:

- annual free flu vaccination program for all staff
- healthy morning teas and workplace massages for staff
- a fully supervised gymnasium for staff use
- seven GCIT teams in the Global Corporate Challenge.

Our future

2010/11 will be another year of challenge for the Institute. Future opportunities for the Institute include:

- Ensuring GCIT is well positioned in a competitive marketplace and equipping our business with the necessary tools achieve the desired positioning
- Development of market intelligence-led approach to identifying a demand-driven skills training delivery profile for GCIT to improve participation rates
- Development of a stakeholder engagement strategy to improve communication with key groups such as students, staff, and the local community
- Development of an industry engagement model that focuses on networking opportunities for teaching staff, and extending the impact of regular Industry Reference Groups
- Growing demand for key growth industries and the development of relationships with key industry bodies in these industries
- Opening of the new Coomera campus to provide a centre of excellence in Creative Industries in South-East Queensland. This new campus is planned to have a green-star rating, and a state-of-the-art teaching facility, with direct access to public transport
- Delivery of products to service the up skilling requirements of workers across the state.



About our customers

The GCIT customer base is varied and diverse, crossing borders and oceans in the provision of high quality training services.

The Institute offers Certificate, Diploma and Advanced Diploma level courses for local, national and international learners across a variety of areas. Apprenticeships and traineeships are also available, along with specialised training for business and industry.

Students

The Institute offers a range of learning options providing greater flexibility to students using blended learning study options, including face-to-face, online, independent study, simulated, work-based and computer-assisted. The characteristics of the Institute's students are:

- 82% of students live in the Gold Coast region
- 49% Female, 50% Male, 1% not stated
- 17% are from non-English-speaking backgrounds
- 4% report a disability
- 0.97% are Aboriginal or Torres Strait Islander

- 25% of students had some form of post-school educational qualifications before starting their course

• Age	15-25	52%
	26-35	21%
	36-45	13%
	46-55	9%
	Over 55	5%

Student snapshot

- Students: 16,243 (8,777 FTE)
- Percentage of successful competencies (as a proportion of all attempted competencies): 88%
- Online students: 1,495 across 26 qualifications
- Overall satisfaction: 83%
- Likelihood to recommend: 80%
- Students employed within 3 months of graduation: 81%

Schools

In 2009/2010, the Institute received 245 Direct Entry Applications from students completing Year 12. The GCIT Schools Open Day was a key event during 2009/2010 for showcasing the Institute to school students on the Gold Coast.

The following are general school courses with students from all of the state and private schools on the Gold Coast. All of these programs are delivered on site at GCIT:

- Certificate III in Fitness
- Certificate III in Health Services Assistance
- Certificate II in Hairdressing
- Certificate III in Children's Services
- Certificate III in Hospitality, Food and Beverage
- Certificate III in Tourism Operations
- Certificate III in Events
- Certificate III in Media
- Certificate III in Engineering

About our customers

- Certificate II in Automotive Mechanical
- Certificate I in Boating Services
- Certificate III in Live Production, Theatre and Events, Technical Operations
- Certificate III in Business.

The following programs are being offered to students from specific High Schools. Some of these programs are delivered on site at the school or at the Ashmore or Southport Campus:

- Certificate II in Electrotechnology Career Start – Held at Varsity College, Coombabah State High School and Robina State High School
- Certificate I in Engineering (STRATCO) – Upper Coomera State College
- Certificate II in Engineering – Upper Coomera State High College
- Certificate II in Construction Pathways – Upper Coomera State College
- Certificate III in Business – Upper Coomera State College
- Certificate III in Hospitality, Food and Beverage – Upper Coomera State College

- Certificate III in Media – Palm Beach Currumbin State High School
- Certificate III in Media – Helensvale State High School
- Certificate III in Hospitality, Food and Beverage – Benowa State High School
- Certificate III in Fitness – Benowa State High School
- Certificate III in Business – Benowa State High School
- Diploma of Digital Interactive Media – Benowa State High School.

University articulation arrangements

The Institute continues to manage more than 300 articulations with some of Australia's leading universities. However significant progress has also been made from a qualitative perspective, with the Institute working with universities on collaborative curriculum planning from which are emerging some innovative models. These models include:

- offering units of vocational competency as second year electives in Bachelor programs
- allowing students to meet industry requirements and earn while they continue with their degree studies
- aligning requirements of vocational placements in VET to practicums in degrees to maximise credit for students.

About our customers

Students achieving

The Institute celebrated its award winning students in 2009/2010:

- Craig Folker – Runner Up, 2009 Apprentice of the Year, Australian Training Awards
- Craig Folker – Winner, 2009 Apprentice of the Year, Queensland Training Awards
- Craig Folker – Winner, 2009 Apprentice of the Year, Queensland Training Awards (Regional)
- Tabatha Watego – Finalist, 2009 Indigenous Student of the Year, Queensland Training Awards (Regional)
- Erin Ross – Regional Finalist, 2010 Vocational Student of the Year, Queensland Training Awards (Gold Coast Region)

Global opportunities

In November/December 2009, 12 students studying tourism, hospitality and event management undertook a three week work and study placement with the Renaissance Hotel in Kuala Lumpur, Malaysia.

The Institute received funding from the Commonwealth Department of Education, Employment and Workplace Relations Inaugural VET Mobility Program. The program provided the 12 students with an international experience in Malaysia. The program was aimed at enhancing the skills and experience that they gained while studying their Diploma program in 2009 at the Institute. In addition to this the students gained valuable international exposure through enhanced cross cultural experience of living and working in another country. This ultimately provided the students with many other skills and abilities to allow them to compete in a globalised employment market.

Business and employers

GCIT liaises with more than 3,000 business clients to understand and meet their specific training needs. The scope of training delivery ranges from apprenticeships and traineeships for small, medium and large businesses, to tailoring an educational solution designed to improve business operations and increase return on investment. The 2010 TAFE Queensland Student and Business Satisfaction Survey conducted in April and May 2010 with local business yielded the following results:

- Overall satisfaction: 84%
- Likelihood to recommend: 85%
- Expectations met: 89%
- Future consideration: 89%

Business growth

GCIT's corporate strategy in 2009/10 is to leverage business and industry feedback to broaden domestic market reach and increase commercial revenue. Commercial growth is driven through:

- strategic responses to new commercial business tender opportunities

- application for contestable state government funding (e.g. Productivity Places Program)
- further development of national commercial business opportunities.

Highlights and achievements

The GCIT Domestic Business team in 2009/10 has redefined the domestic business strategies to primarily focus on the support of educational teams to capitalise on demand and maximise delivery team income through:

Specialisation in the Health and Community Services training field

GCIT has developed an online Diploma and Advanced Diploma of Nursing qualification which have enabled GCIT to expand the reach of nursing training nationally.

Enrolments for the online Diploma of Nursing have significantly increased in the 2009/10 financial year. GCIT has improved links to employers and the industry body.

Enrolments for the Advanced Diploma of Nursing have also increased.

GCIT has also responded to industry demand for the provision of skill-set training to maintain employees' current scope of practice. This includes programs which contribute to Continuing Nurse Education (annual training requirements for Endorsed Enrolled Nurses) and those which are Queensland Nursing Council endorsed.

Business and employers

The online format of these programs has enabled GCIT to capitalise on the national demand for health training. The Institute has continued to engage with private hospitals for nursing training.

Application for state and commercial funding opportunities (eg. Productivity Places Program), particularly leveraging achievement of contracted 2009/10 delivery milestones for increased scope.

GCIT has secured the following ongoing contracts for the provision of Productivity Places Program training for both job seekers and existing workers:

- directly from the Queensland Department of Education (job seekers and existing workers) which provides subsidised training options for students largely referred by local employers and Employment Service Providers (Job Networks). This has particularly enabled GCIT to improve the level of engagement with local Job Networks

- brokered through Industry Skills Councils (existing workers), GCIT has current contracts for training delivery. This has led to improved relations and engagement with industry bodies and local/state employers
- directly from interstate government departments (existing workers). As a consequence GCIT has expanded the reach of nursing training delivery with national health organisations.

International

GCIT has a long and successful history of catering to the needs of international students, with enrolment growth noted every year since 1995. The Institute continued to grow its international engagement in 2009/10 through a strong flow of inbound students in a range of programs. High demand areas include nursing and allied health, engineering, automotive and other trades.

International snapshot

During 2009/10 the Institute:

- attracted 1,615 full fee paying international students from over 80 countries including South Korea, China, India, Japan and the United Kingdom
- worked with more than 100 active international agents both throughout Australia and the world
- delivered training offshore to a broad range of employers and formed strategic alliances to deliver training in Vietnam.

English Language Programs

The Institute has a wide range of accredited and nationally recognised English language programs including:

- the internationally recognised International English Language Testing System (IELTS) which assesses the language ability of candidates for study or work purposes
- English Language Programs for International Students (ELPIS) which specialise in academic reading and writing skills, English for specific purposes and IELTS preparation
- courses for Australian migrants delivered face-to-face, online and in flexible modes that include volunteer tutors and access to a fully resourced Independent Learning Centre.

These programs range from beginner to advanced levels to meet individual needs which range from facilitating active participation in the community to gaining entry into higher education or the workforce. In 2009/10 students from over 50 countries participated in these English language programs.



Performance summary/Financial summary

Performance summary

2009/10 was a year of change for the Gold Coast Institute of TAFE. Significant events that are worthy of note are:

- Changes in Federal Government policy affecting enrolments
- Global Financial Crisis
- Strengthening of Australian dollar.

Within this very challenging external environment the Institute has managed to return a positive operating surplus before non-current asset revaluations and achieved a number of its strategic goals.

Financial summary

The Institute's core business operations were adversely affected by external factors which contributed to a lower than expected financial performance. Changes to the Commonwealth Department of Immigration and Citizenship's Skilled Occupations List, adverse foreign exchange movements and changes to Trade Recognition Australia's Job Ready Program all contributed to squeezing international student volumes. The lingering effects of the Global Financial Crisis led to a reduction in apprentice numbers.

The Institute worked hard to offset these adverse impacts exceeding its contractual obligations for the delivery of vocational education and training on behalf of the Department and Government particularly within the areas of Health, Child Care and Primary Industries. This together with increased numbers of participants in Language, Literacy and Numeracy programs helped underpin the positive operating result for the Institute's core business operations.

The Institute's financial results were adversely impacted by non-current asset revaluations required under accounting standards and Queensland Government policy. The revaluation contributed to the reported financial loss of \$9.9m within the attached Financial Statements. The revaluation write down, a decrement of \$10.8m, was largely a result of the continued volatility in the local Gold Coast property market.

As a consequence, the revaluation placed significant pressure on the Institute's 2009/10 Statement of Comprehensive Income.

The revaluation resulted in a significant write down of the value of the non-current assets which will better reflect their fair values at this point in time. The write down of these assets had a non-cash impact on the Institute.

The Institute continues to effectively utilise its land and building assets for vocational education and training. The Institute's balance sheet is expected to remain strong in 2010/11 with effective working capital management delivering positive operating cashflow during the period after allowing for appropriate capital investment in the business.

Summary of strategic goals and achievements

GCIT's strategic goals and our achievements in the reporting period:

Goal	Achievement measures and results
<p>Be an organisation that attracts, develops and retains the best and brightest talent</p> <p>Increase knowledge and expertise within GCIT staff</p> <ul style="list-style-type: none"> • Encourage professional qualifications for all staff • Develop flexible industry engagement models 	<p>GCIT exceeded its objective to invest 70% of its professional development budget on leadership development and improved teaching and learning practices.</p> <p>More than \$30,000 of fees were reimbursed to staff under the Institute's study assistance scheme.</p> <p>72% of delivery staff now hold a Diploma level qualification or higher exceeding its objective.</p> <p>In excess of 50 staff participated in a Career Development Program aimed at assisting them to achieve their career goals.</p> <p>In excess of 60 staff attended the in-house Leadership Development Program (Our Future Leaders).</p> <p>GCIT encourages staff to share their ideas and knowledge by participating in the intranet staff blog.</p>
<p>Acknowledge and reward excellence</p> <ul style="list-style-type: none"> • Increase profile of business excellence awards • Implement various models for exchanging programs 	<p>There were 28 award recipients at the Institute's Business Excellence Awards.</p> <p>Peer recognition is an important component on the Institute's recognition program.</p> <p>The 'Send a Star' program is linked to the Institute's values and in excess of 950 'stars' were sent to staff from their colleagues recognising their efforts.</p> <p>There were 36 Institute individuals recognised by their peers who received 'Star Carparks' across various campuses.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Be an organisation that attracts, develops and retains the best and brightest talent	
Establish GCIT as a preferred employer <ul style="list-style-type: none"> • Develop a PR strategy • Develop a branding strategy for staff 	<p>GCIT continues to encourage and support women's continued participation in its workforce with a range of flexible work practices, generous parental and family leave provisions, telecommuting options and part-time work arrangements.</p> <p>Implement a program of regular editorials in trade specific education and training journals.</p> <p>Implemented internal marketing program for promotion of business and employer partnerships.</p> <p>Provide co-branding templates for employer and business partnerships.</p>
Increase the number of directly engaged staff <ul style="list-style-type: none"> • Develop a strategy to increase the number of directly engaged staff 	<p>During the financial year 2009/10, the Institute utilised an average of 592.4 full-time equivalent Department of Education and Training staff and 20.8 full-time equivalent staff were directly engaged by the Statutory Institute at year end.</p> <p>GCIT implemented a regular program of Executive Roadshows for staff to be updated on key milestones, issues and results.</p> <p>Developed a specific staff intranet platform including CEO blog for staff to provide direct feedback in relation to hot topics.</p> <p>Introduced a Change Management Committee to manage organisational transformation.</p> <p>Developed a monthly HR update for distribution to all staff.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Provide a customer experience that sets GCIT apart from its competitors	
Assure flexible products and services <ul style="list-style-type: none"> • Increase blended and flexible options • Conduct service reviews and look for improvement opportunities 	<p>An institute-wide KPI for the year in review was to achieve 14% of delivery in other than face to face mode which includes online. In 2009/10, 13% has been achieved.</p> <p>A total of 26 qualifications have a component of online delivery with enrolments of 1,495 unique students.</p>
Streamline the customer experience <ul style="list-style-type: none"> • Develop and market a compelling customer value proposition • Benchmark services against the best • Customer solutions wherever possible 	<p>GCIT has developed fully online Diploma and Advanced Diploma of Nursing qualifications which have enabled GCIT to expand the reach of nursing training nationally. The online format of these programs has enabled GCIT to capitalise on the national demand for health training.</p> <p>GCIT is working with local high schools to deliver the Diploma of Management to administrative staff with flexible, workplace delivery.</p> <p>The Institute provides a technical help desk for students and staff in their use of my.TAFE, Moodle and Videolinq.</p> <p>In June 2010, GCIT opened a new English Language Centre incorporating a dedicated IELTS testing area accommodating 280 students per exam twice monthly. This dramatically reduces the waiting list for exams.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Provide a customer experience that sets GCIT apart from its competitors	
Enhance the brand value of GCIT students <ul style="list-style-type: none"> • Alumni established • Develop a branding strategy for our students 	<p>The Institute delivered a 'Metaskills' program to all students enrolled in Certificate III and above courses ensuring they graduate with job ready skills to enhance their working life.</p> <p>GCIT offers students over 300 articulations with some of Australia's leading universities. Significant progress has been made from a qualitative perspective with the Institute working with universities in a collaborative curriculum planning from which are emerging some innovative models.</p> <p>GCIT provided global opportunities for 12 students studying tourism, hospitality and event management who undertook a three week work and study placement in Malaysia.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Be an organisation with aligned systems and processes that support change, efficiency and organisational excellence	
Ensure total system capability <ul style="list-style-type: none"> Identify and improve core capabilities across the organisation Increase levels of industry collaboration Develop key alliances and partnerships that enhance the business 	<p>GCIT successfully achieved Australian Quality Training Framework (AQTF) and Integrated User Choice contract compliance.</p> <p>Review of business processes continues to support the organisational structure.</p> <p>GCIT has designed internal control processes which provide assurance that the checks and balances established through the Institute's policies and procedures are operating as expected.</p>
Increase flexibility and responsiveness <ul style="list-style-type: none"> Increase workplace delivery Increase use of RPL Increase range of blended product 	<p>Delivery of the online Diploma and Advanced Diploma of Nursing has significantly increased to private, public and aged care providers both in Queensland and Nationally.</p> <p>10.86% increase of use of RPL over 2008/09.</p>
Implement Australian Business Framework <ul style="list-style-type: none"> Benchmark 	<p>The Institute has expanded its relationship with Ramsay Health to create and deliver training onsite in a unique hospital environment.</p> <p>In 2009/10 the Institute commenced work on an application under the Australian Business Excellence Framework with the goal of achieving finalist status in 2011/12.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Have an enterprise culture that embraces creativity and innovation	
Build capacity within the organisation <ul style="list-style-type: none"> Invest in innovation with respect to product, assets and people 	<p>The Delivery of the online Diploma and Advanced Diploma of Nursing has significantly increased.</p> <p>Conducted market analysis and product review to determine market demand and enable teams to develop new products to meet the needs of the community.</p> <p>Restructured both administration and teaching areas of the business and introduced 'semi autonomous' teams enabling greater management and flexibility for teaching and learning staff.</p> <p>Promoted an active staff feedback mechanism via staff intranet and email campaigns.</p>
Benchmark against the best <ul style="list-style-type: none"> Introduce an innovation benchmark program Identify partnerships and alliances that improve GCIT capacity to be creative and innovative 	<p>In October 2009 GCIT was shortlisted in the National Accolades for Excellence with its Diploma of Nursing.</p> <p>The Institute's Nursing team was granted a special commendation at the Department of Education and Training Staff Recognition Awards in the category of Technology and Innovation.</p> <p>In October 2009 the Institute was recognised for its cookery training by being awarded a 3 Gold Star Rating by Institute of Trade Skills Excellence.</p> <p>In October 2009, GCIT was one of four TAFE Queensland Institutes recognised in the inaugural International Education Excellence Awards for its role in the Chilean Technical Scholarship Pilot Project.</p> <p>Digital Illustration teacher, Patrick Jones was awarded the Best Concept Artists in the Asia/Pacific Region making him one of the top four concept artists worldwide.</p>

Summary of strategic goals and achievements

Goal	Achievement measures and results
Be a financially viable business that continues to grow and prosper	
Grow the business <ul style="list-style-type: none"> • Increase the quantum of national and international business • Increase the number of alternative income streams 	<p>The Institute is targeting Nursing courses to drive growth in 2010/11. The impacts of changes to the General Skills Migration Program required the business to find new income sources due to a declining international student cohort which has traditionally been GCIT's primary international revenue stream. The work has begun to diversify the revenue profile by developing capability in the areas of study tours and transnational education. This financial year the international team had strong success with building relations to deliver Study Tours from Korea and Japan.</p> <p>Lightbulb community education is a new initiative in leisure and recreation non-accredited training. It is expected to deliver significant benefits for the Institute and for the Gold Coast community.</p>
Improve margins <ul style="list-style-type: none"> • Improve profit centre performance • Explore alternative funding models 	<p>New organisational structure put in place to increase focus on customer experience and improve Institute returns. This is still a work in progress and GCIT expects to see benefits materialise in the coming periods.</p> <p>GCIT has been approved as a VET FEE HELP provider. This will allow students to defer payment of their fees under a government subsidised program.</p> <p>The User Choice market has been deregulated. The institute is taking advantage of these new funding arrangements and has moved to a workplace delivery model.</p>

Toward Q2: Tomorrow's Queensland

GCIT has a proud history of achievement, and has been working hard to contribute to the Queensland Government's priorities outlined in Toward Q2: Tomorrow's Queensland and the Queensland Skills Plan.

- Strong Queensland – In 2009 development commenced on a \$31m creative industries TAFE campus on Foxwell Road, Coomera. The new GCIT Coomera campus is due to open in early 2011 and will meet the training needs of over 600 students per day.

The new facilities will allow GCIT to deliver world class training for the film and television industry locally, nationally and internationally.

- Green Queensland – The Institute has ongoing management plans for water, energy, asbestos, and in 2009/10 finalised its waste management plan to reduce land fill waste. Posters are being distributed across the campus encouraging staff and students to Sort It, Check It, Keep it Clean. Four differently coloured bins will be provided to make recycling easy by separating food waste, confidential documents, office paper and manila folders, and plastic, glass and aluminium containers.

- Smart Queensland – the Institute plays a key role in tertiary education in the Gold Coast region driving strong employment and household income outcomes. GCIT contributes to the social fabric of the Gold Coast supplying courses to various disadvantaged groups.

- Healthy Queensland – the Institute has developed a flexible online short course Administer and Monitor Intravenous (IV) Medication in the Nursing Environment which is designed to enable Endorsed Enrolled Nurses (EEN's) to advance their current scope of practice to include administering and monitoring IV medication in a variety of nursing environments.

- Fair Queensland – In June 2010 GCIT opened a dedicated English Language Centre which incorporates an IELTS examination area accommodating 280 students per exam twice monthly therefore reducing the waiting time.

Corporate governance

Our Board

GCIT Board comprises a Chair and seven members, who were appointed on 17 July 2009 by the Governor in Council. The powers of the Board are established under Chapter 6A of the *Vocational Education, Training and Employment Act 2000*.

The Institute's strong team of Board members ensures continued growth and success, applying a mix of business acumen and commitment to the Institute's long term vision, mission, values and goals and objectives. Each Board member brings a different set of skills and scope of professional experience to the Board.

The Board's role is to:

- set the strategic direction for the Institute
- approve the Institute's strategic and operational plans and budgets
- monitor financial and non-financial performance as set out in the Institute's Operational Plan
- ensure that regulatory and ethical standards are met and that compliance and risks are appropriate, mitigated and managed and
- appoint the Acting CEO and review performance.

The Board reports to the Honourable Geoff Wilson MP, Minister for Education and Training.

The statutory functions of the Board are set out in section 219D of the *Vocational Education, Training and Employment Act 2000*, and Chapter 6A outlines the powers of the Institute as a statutory TAFE Institute. GCIT Board terms of reference specifies the role and responsibilities of the Board in detail.

The Institute's corporate governance structure provides sound management and strong ethical standards to ensure that the commitment to fairness, accountability and community benefit is upheld.

Corporate governance

Board members



Ms Trina Hockley –
Acting Board Chair,
appointed 8 December
2009

Acting Deputy Chair for
period 10 September
2009 – 7 December 2009

Trina Hockley is the
Managing Director
of the L&M Group of
Companies. L&M is
the premier provider of
electrical appliances
to the accommodation
industry and has a strong
commercial, rental and air
conditioning operation on
the Gold Coast.

Trina is a consultant in
the areas of technology,
innovation and electronic
medical records in the
health arena, has several
franchises and is a
member of the consumer
network for the Federal
Government Department -
Cancer Australia.



Ms Adrienne Ward

As Managing Director
of Fresco Consulting,
Adrienne has extensive
consulting experience
with both corporate
and government clients
holding significant roles
in large corporations
including Leighton
Contractors, Accenture
and Westpac Banking
Corporation. Amongst
her many achievements,
Adrienne was awarded
the Centenary Medal in
2003 for distinguished
service and achievement
in Business and
Commerce and is a
former State Telstra
Business Woman of the
Year Award winner.



Ms Kellie Trigger

Kellie Trigger has a
diverse background with
experience in law, politics,
social planning and cross
government projects.

She currently works as
an Executive Officer
with the Department
of Communities South
East Region, utilising
her skills in governance,
coordination and issues
management across a
broad portfolio of human
services.



Mr Richard Flanagan

Richard formed the
electrical engineering
and contracting company
Richard Flanagan and
Company Pty Ltd of
which he was Managing
Director in August 1987.
In September 2006
the company moved to
become a Division of
Pacific Services Group
Pty Ltd. Richard is
committed to training and
currently employs many
electrical apprentices.
Richard also taught the
Electrical Contracting
course part-time for 17
years at GCIT.

Corporate governance



Mr Phil Gray

Phil Gray is a former Member of Parliament, teacher, Administrator, Principal Policy Advisor and Project Manager for Education Queensland. Phil brings to the board in-depth knowledge and experience of educational matters, public policy, union perspectives and human resource management. Through his association with different resident associations Phil also offers perspectives on community engagement.



Ms Karyn Joyner

Karyn is an experienced senior manager with more than 18 years experience in Laboratory Research, Pharmaceutical Sales and Marketing, FMCG Scientific (R&D) Management, International Business and International Regulatory disciplines, Entrepreneurial Investment and most recently in University Research Business Development. These included activities such as international research development, commercialisation of research outcomes and developing high performance teams.



Mr Richard Munro

Richard Munro has built a successful Public Accounting Practice in Gold Coast City, providing services to a wide selection of clients in Taxation, Accounting, Finance, Management and Computer Systems. He has been involved in a variety of professional and community organisations including past Chairman of CPA Australia's Gold Coast Branch. He sees his strengths as being a strong strategic thinker and team builder.



Ms Janelle Manders

As Managing Partner of HLB Mann Judd Accountants and Business advisors, Janelle provides tax and business advice to a variety of Gold Coast businesses.

Janelle is involved with a variety of professional and community organisations and her areas of expertise are strategic planning, risk management, taxation, global business, governance, and financial reporting.

Corporate governance



Dr Garry Luxmoore –
Former Acting Deputy
Chair, resignation
effective 24 May 2010

Dr Garry Luxmoore is the principal of Business Decisions International Pty Ltd, management development and training specialists. Garry's expertise is in developing organisations through people, principally through the action learning processes. His consultancy focuses mostly on business strategy, marketing and market research.



Mr John Giles – former
Chair, resignation
effective 10 September
2009

As the principal consultant of Giles Consulting John Giles has extensive senior management and project experience in the public and private sectors. This includes business and strategic planning, business improvement, economic planning, financial analysis, and urban and regional development. John has a particular interest in the way the education and training sectors contribute to commercial and economic development.



Mr Paul Stevens – 10
September – 8 December
Acting Board Chair,
former Deputy Chair,
resignation effective 8
December 2009

Until his retirement from the role of Chief Executive Officer, Gold Coast City Council in July 2003, Paul Stevens was a career local government officer, commencing in the industry in 1966. Originally qualified in accounting in the late 1960s, his interests quickly turned to management issues on a much broader scale and he held many senior positions in local government during his 36 year career in the public sector.

Corporate governance

Committees

The Board has established four committees that capitalise on the vast skills and experience of individual Board members. The committees assist the Board in meeting its statutory obligations and include three statutory and one other committee:

- Audit Finance and Risk Management Committee (statutory)
- Governance and Capital Works Committee (formerly Governance Committee until 27 April 2010)
- Staff Student and Community Voice Committee (statutory)
- Remuneration and Nominations Committee (statutory).

Committee operation and membership

The Board committee structure and membership is subject to annual review. All committees are required to have clear objectives consistent with the Board's corporate governance objectives. The committees are led by Board members with the Chair of each committee being a member of the Board and supported by the CEO or other senior executives of the Institute.

Committee functions

The statutory function of each of the three statutory committees of the Board is outlined in section 219Z of the *Vocational Education, Training and Employment Act 2000*. However, the Board has also identified the role and responsibilities of each of the committees as outlined.

Audit Finance and Risk Management Committee

In 2009/10 this committee met seven times. The committee has the following role and responsibilities:

Oversight of:

- the financial reporting process (ensuring the health, balance, transparency and integrity of the Institute's financial statements)
- the independent audit process (including recommending, working with and evaluating the external auditor's performance, as well as reviewing and monitoring the resolution of audit reports).

Review:

- the annual budget framework
- the Institute's investment policy
- the effectiveness of the system of internal controls and risk management structure (including corruption and fraud)
- the Institute's process for monitoring compliance with financial, legal and regulatory requirements and standards.

Consider:

- strategic budget and capital issues.

Governance and Capital Works Committee (formerly Governance Committee)

In 2009/10 this committee met eight times. The committee has the following role and responsibilities:

- corporate governance arrangements, which are appropriate for and adapted to the Board's particular circumstances
- proper disclosure and reporting upon achievements, performance and operations of the Institute to the Shareholding Minister and the public (via the Annual Report)

Corporate governance

- oversight of strategic Information and Communications Technology (ICT) projects
- oversight of capital works in their planning and execution.

Staff Student and Community Voice Committee

In 2009/10 this committee met six times. The committee has the following role and responsibilities:

- ensure the Institute has appropriate engagement with the community, students and staff, and considers their needs in its strategic direction
- monitor and report to the Board with respect to staff, student and community concerns.

Remuneration and Nominations Committee

In 2009/10 this committee met five times. The committee has the following role and responsibilities:

- advise on appointment, retirement and removal of Board members
- establish a process for the regular evaluation of the Board, CEO and other statutory TAFE Institute staff
- appointment and remuneration for the CEO

- advise/recommend to the Board, the appointment or removal of the CEO
- annual review of performance objectives of the CEO
- annual review of the CEO's remuneration package
- recommend policies to the Board in relation to the functions of the committee.

Committee activities

The Board and its committees' activities and major achievements in 2009/10 include the development, monitoring and advising on the:

- 2009-12 Strategic Plan
- 2009/10 Draft Operational Plan
- 2010/11 Operating and Capital Budgets
- Compliance Plan
- Risk Management Plan
- 20 year Capital Infrastructure Plan
- appointment of the CEO.

The Board also approved the following policies:

- Execution of Documents Policy
- Employment of Directly Engaged Staff Policy

- Board Reimbursable Expenses and Remuneration Fees Policy
- External Relations and Communication Policy.

The Board also had oversight of:

- Ridgeway Campus redevelopment
- the Institute's compliance with the Australian Quality Training Framework and other legislative obligations
- Staff, Business and Student satisfaction surveys
- financial management framework compliance and internal audit
- Board review.

Corporate governance

Board and committee memberships

Board and Committee Membership and Meetings Attended						
		Board Meetings	Audit Finance and Risk Management	Governance and Capital Works Committee	Staff, Student and Community Voice	Remuneration and Nominations
Richard Flanagan	Ministerial	5/9	5/7	1/8	-	1/5
John Giles ¹	Ministerial	2/9 Chair	1/7	2/8 Chair	-	-
Philip Gray ²	Ministerial	9/9	3/7	1/8	6/6	1/5
Trina Hockley ³	Ministerial	8/9 Acting Chair	6/7	8/8 Chair	-	4/5
Karyn Joyner ⁴	Ministerial	9/9	-	1/8	5/6	3/5

¹ John Giles resigned from the Board as Chair and Board member on 10 September 2009.

² Philip Gray at the time of appointment to the Board was the State Member for Gaven and therefore was not remunerated for the period July 2008 to March 2009. Mr Gray was also appointed to the Board as the representative of the Queensland Public Sector Union.

Philip Gray was appointed to the Audit Finance and Risk Management Committee on 22 February 2010.

³ Trina Hockley was appointed:

- Acting Board Chair on 8 December 2009
- To the Remuneration and Nominations Committee on 26 October 2009
- Chair of the Governance Committee on 22 February 2010.

⁴ Karyn Joyner participated via teleconferencing facilities.

Karyn Joyner was appointed to the Remuneration and Nominations Committee on 22 February 2010.

Corporate governance

Board and Committee Membership and Meetings Attended						
		Board Meetings	Audit Finance and Risk Management	Governance and Capital Works Committee	Staff, Student and Community Voice	Remuneration and Nominations
Garry Luxmoore ⁵	Ministerial	7/9	1/7	2/8	5/6 Chair	-
Richard Munro ⁶	Ministerial	8/9	7/7 Chair	3/8	-	5/5 Chair
Paul Stevens ⁷	Ministerial	4/9 Acting Chair	-	5/8 Chair	-	2/5 Chair
Kellie Trigger ⁸	Ministerial	9/9	-	5/8	6/6	3/5
Adrienne Ward	Ministerial	7/9	-	-	3/6	-

⁵ Garry Luxmoore was appointed to the Governance Committee on 22 February 2010.

Garry Luxmoore resigned from the Board as Acting Deputy Chair and Board member on 24 May 2010.

⁶ Richard Munro was appointed:
 – Chair of the Remuneration and Nominations Committee on 22 February 2010
 – to the Governance Committee on 22 February 2010.

⁷ Paul Stevens was appointed:
 – Acting Board Chair 10 September 2009
 – Chair of the Remuneration and Nominations Committee on 26 October 2009.

Paul Stevens resigned from the Board on 8 December 2009.

⁸ Kellie Trigger is a public sector employee of the Department of Communities and is entitled to receive remuneration as her appointment to the Board is not connected in any way with her employment.

Kellie Trigger was appointed to the Remuneration and Nominations Committee on 22 February 2010.

Strategic plan

Gold Coast Institute of TAFE's 2009-12 Strategic Plan was developed through a consultative approach with key stakeholders including students, staff and other key external stakeholders.

The Strategic Plan outlines the Institute's long term corporate strategy for achieving its vision to be an international renowned provider of outstanding vocational services.

The Strategic Plan outlines the Institute's vision, mission, values, goals and objectives for the future. Key performance indicators are specified in a supporting document and specify various financial and non-financial performance targets for each financial year. The plan is divided into five strategic objectives:

- Knowledge and engagement
- Customer experience
- Systems and processes
- Creativity and innovation
- Financial performance.

The plan is communicated to all Institute staff by the executive team and forms the basis for the industry training teams and work unit tactical plans which defines operational strategies to address key drivers and meet key performance indicators. Performance is measured monthly against indicators and data is derived from the Institute's corporate systems.

The executive team conducts regular quarterly briefings at each campus of the Institute which provide all staff with updates on future direction, performance and success throughout the year.



Our senior executives

Acting CEO

Deb Daly:

1 January 2009 to 22 January 2010

Aaron Devine:

25 January 2010 to current

In his role as Acting Chief Executive Officer for GCIT, Aaron Devine provides strategic direction and leadership to the Institute with a view to increasing domestic and international market share, improving the customer experience and championing our competitive advantages.

Aaron has a wealth of strategic leadership experience in the education sector and has held high level positions including General Manager TAFE Tasmania and more recently, Director VET and Leader Teaching and Learning Quality at Charles Darwin University in the Northern Territory. He has on three occasions led Institutes that have been awarded Large Training Provider of the Year, twice in the Northern Territory and once in Tasmania. Aaron's leadership in the sector has been recognised with an AUSTAFE national leadership award.

Chief Financial Officer

Peter Mitchell:

13 July 2009 to 9 April 2010

Andrew Stuart-Murray:

17 May 2010 to current

In his role as Chief Financial Officer Andrew Stuart-Murray provides opportunity for the Institute to move forward in the areas of strategic financial management and analysis as well as ensuring cohesive delivery of effective strategic legal, ICT, built infrastructure and human resources services focused on the efficient delivery of VET.

Andrew was formally the Chief Financial Officer at AIM Victoria where he successfully led the growth and commercialisation of training programs. He also has extensive national and international experience as a CFO in large manufacturing companies particularly with BTR Nylex.

Chief Marketing Officer

Judy Morgan:

11 May 2009 to 14 August 2009

Kellie-Ann Williams:

9 November 2009 to current

In her role as Chief Marketing Officer for GCIT, Kellie-Ann Williams drives the Institute's growth with market insight, a strong brand, effective relationships and communications, with a focus on building a profitable business. Kellie-Ann is an Associate Fellow and Certified Practising Marketer of the Australian Marketing Institute with a strong track record of achievement in business growth.

Kellie-Ann has more than 16 years of experience in strategic planning, business/market development and cultivation of brands in both the public and private sectors including Energex, Austrade, Brisbane River Ferry Service and Yellow Pages Australia.

Chief Operating Officer

Aaron Devine:

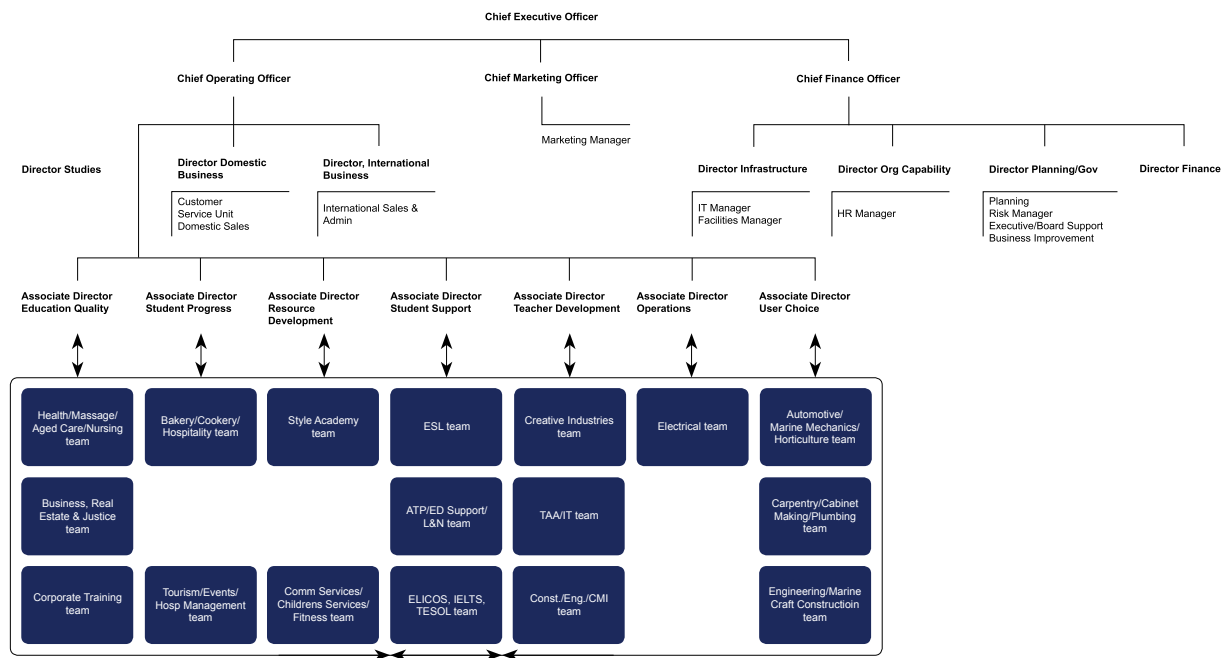
22 June 2009 to 22 January 2010

Position vacant from:

25 January to current

The Chief Operating Officer is to support improved student and industry satisfaction and quality teaching and learning outcomes.

Our structure



Risk management and compliance

Risk management

In accordance with the Institute's requirements outlined in the *Financial Accountability Act 2009* (QLD) and *Financial and Performance Management Standard 2009*, the Board in conjunction with the Chief Executive Officer and senior management team oversees the risk management framework of the Institute.

The Institute's Risk Management Policy is reviewed and approved by the Board. The Institute aims to drive an enterprise approach to risk management with both a systems and cultural emphasis that meets the principles of AS/NZS 31000:2009 Risk Management – Principles and Guidelines in the development, implementation and management of risks.

The Board has ensured through an integrated approach to risk management that the Institute has the ability to understand and subsequently manage its strategic and operational risks across all levels. Accountable officers conduct risk assessments regularly and report mitigating strategies to the Board. The Board's Audit, Finance and Risk Management Committee is responsible for setting, monitoring and controlling the risk management of the Institute.

Compliance

The Institute's Compliance Plan sets out the key processes, systems and measures that are applied to ensure regulatory and legislative compliance while incorporating relevant industry best practice standards. The Compliance Framework is consistent with the principles of AS3806-2006 Compliance Programs. The Compliance Plan is reviewed and approved by the Board.

The Institute has an integrated Compliance Framework to manage the controls and processes that impact upon its abilities and ensure ongoing compliance. The Compliance Program is designed to prevent, detect and remedy non-compliances and develop opportunities for improvement.



Quality Management System

The GCIT Compliance Monitoring and Risk Unit (CMRU) consists of a team of highly motivated specialists, each tasked with providing a range of support services to develop, assess and improve business processes, promoting a culture of compliance and continuous improvement across all GCIT operations. The unit works very closely with Institute leaders and staff to provide the following services:

- Audit and assessment of GCIT's systems and processes
- Process improvement leadership and facilitation
- Strategic Data Analysis and Performance Reporting
- Document and information management
- Staff networking and professional development.

In conjunction with these services CMRU is responsible for the following whole of Institute functions:

- Adding value to core business operations through internal audit activities by helping teams to maintain compliance with required standards and legislation (without introducing unnecessary add-ons) and to assist with continuous improvement activities
- Implementing and overseeing the 'daily management' activities of the Quality System and planning and coordinating continuous improvement activities across GCIT
- Maintaining the quality document system
- Facilitating and maintaining the GCIT archives and records storage process

- Facilitating all incoming and outgoing mail room activities
- Risk assessment for registration of all new educational programs.

Quality Management System

CMRU operates to meet key performance indicators to ensure compliance is maintained against all stakeholder standards including:

Target	2009/10 Performance Indicator
• AQTF – Educational quality standard	• All programs meet essential standards of regulation
• International Organisation for Standardisation (ISO) 9001 – Quality Management Systems standard	• ISO 9001 Certification was maintained
• Financial Performance and Management Standard 2009	• Financial management standards were maintained
• CRICOS – International program registrations	• CRICOS registration was maintained
• The Institute's User Choice contract and Resource Agreement	• User Choice contractual obligation achieved
• AQTF Conditions of Registration	• Registration as a RTO maintained

It is a CMRU KPI requirement that invalid student enrolments error rate is kept below 2%. Invalid student enrolments were kept below the required benchmark of 2% for the third consecutive year. GCIT has maintained the lowest invalid enrolment rate of all TAFE Institutes in Queensland for the last three years.

All educational programs registered under the Institute's scope of registration are audited over a three-year cycle. During the year under review, all audit activities were conducted as per the three-year audit schedule. In addition, 27 new educational programs have been added to the existing scope.

The Institute developed a Quality Assurance system and achieved certification to International Standard AS/NZS ISO 9001 Quality Management systems in September 1995. Although this was initially implemented to meet requirements set out by TAFE Queensland and the Australian National Training Authority, it has since become an integral part of the way the Institute designs and improves its business systems. The certification is maintained through a process of external audit undertaken every 12 months, conducted independently by National Association of Testing Authorities (NATA) Certification Systems International.

After successful completion of the last audit, conducted in May 2009, continued certification of the Institute's Quality Management System was approved.

Internal audit

The Board through the Audit, Finance and Risk Management Committee has oversight of the Institute's internal control process.

Various people throughout the Institute are responsible for the internal control process. It is designed to provide assurance that the checks and balances established through the Institute's policies and procedures are operating as expected. The Board approves the scope of the internal review process.

The internal audit functions were administered both from within the Institute's Performance, Planning and Reporting Group and through the use of the services of the Department of Education and Training's Internal Audit Unit.

In addition to the audit activities undertaken by the Institute's Compliance Monitoring and Risk Unit, the Internal Audit Unit of the Department of Education and Training undertook a range of audits negotiated with the Director (Planning and Governance) and Chief Financial Officer which included the following:

- internal control system – to assess the quality of the internal controls, test the degree of compliance with controls and evaluate, where necessary, the effect of any non-compliance and the accuracy of information and data derived from the system of controls
- information technology audit – to assess the quality of the application, use of the operational controls in the context of the systems that are used by both the Institute and the shared service provider, Corporate and Professional Services (CAPS)
- value for money – to assess and seek potential for improved economy, efficiency or effectiveness in the systems currently in use and those being developed and in the strategic purchasing function
- fraud and corruption – to identify the potential for fraud and corruption, which should be investigated and reported on as necessary
- management information – to evaluate the quality and usefulness of management information to ensure that it is accurate, reliable and timely
- compliance with legislation, policy and guidance – to assess the degree of compliance with legislative or regulatory issues impacting on the Institute
- contractual obligations – to assess the extent to which the Institute's interests and intellectual property are protected by legal and other agreements.

Recordkeeping and Ministerial Direction

Recordkeeping

GCIT complies with the *Public Records Act 2002* (QLD), Information Standard 40: Recordkeeping Principles and Information Standard 31: Retention and Disposal of Public Records by effectively managing public records and actively promoting recordkeeping best practice. This compliance is maintained through the Institute's recordkeeping systems that facilitate and support the delivery of government services, business continuity, accountability and enrichment of Queensland's cultural resources.

The Institute maintains two recordkeeping systems for capturing, storing and recording active and inactive records. These recordkeeping systems ensure that full and accurate records of its business activities are adequately documented, preserved and made accessible, fostering recordkeeping best practice and adhering to legislation and standard requirements.

As part of the Institute's Quality Management System, the Institute has procedures and work instructions to assist officers in records management, which are readily available to staff. The Institute has a dedicated team who in conjunction with maintaining up to date knowledge of legislative requirements also conduct regular training sessions on recordkeeping compliance.

Ministerial Direction

The Institute received a Ministerial Direction from the former Minister for Education and Training and Minister for the Arts, the Honourable Rod Welford MP in September 2008. A copy of the Ministerial Direction is provided in Appendix 3.



Code of Conduct and Renewal of Registration of Registered Training Organisation

Code of Conduct

DET employees working under a Work Performance Arrangement at GCIT and directly engaged staff are obliged to meet the Code of Conduct standards established by DET and GCIT, respectively. The Code of Conduct incorporates the principles outlined in the *Public Sector Ethics Act 1994* (QLD). All new staff members undertake a comprehensive induction program when commencing at the Institute which includes being provided with a copy of the Code of Conduct. In addition to this, staff members are from time to time provided with directions and access to the revised versions of the Code of Conduct via the intranet and/or broadcast emails from either the department or direct from the Institute.

As part of the performance development plan process, compliance by staff members with the Code of Conduct is considered annually and this contributes to ongoing awareness and management processes. The Code of Conduct is also used as a basis for performance management issues as and when they arise.

Renewal of Registration of Registered Training Organisation

In 2008 Training Quality and Regulation conducted an integrated Australian Quality Training Framework (AQTF) renewal of registration and 2006/09 User Choice compliance audit to determine the Institute's compliance with the requirements of the AQTF and User Choice Program.

The Institute continues to maintain AQTF compliance as a RTO.

Indigenous Community Advisory Board

The number of Aboriginal and Torres Strait Islander (ATSI) scholarship applicants for 2010 was significantly greater than for all previous years. This was a direct result of strategies developed by GCIT's Indigenous Community Advisory Board (ICAB) that ensured information was disseminated broadly across the community. The five successful scholarship recipients will be studying:

- Certificate I in Construction – a year 10 graduate keen to build houses
- Diploma of Justice Administration – two year 12 graduates hoping to join the Police Force
- Diploma of Community Services Work – a mature aged student keen to work in the community
- Diploma of Nursing (Enrolled) – a mature aged student looking for a career in the Health Industry.

Students of Aboriginal and Torres Strait Islander descent made up 1.7% of GCIT's January 2010 intake. This is significantly above the 1.2% of people of Aboriginal and Torres Strait Islander descent who make up the Gold Coast community as a whole.

GCIT worked collaboratively with the Kalwun Development Corporation to deliver a number of Get Set For Work Programs targeting Indigenous and non-Indigenous youth at Kalwun's Nerang centre. The programs were customised to meet the specific needs of the group and included basic communication skills, First Aid, Responsible Service of Alcohol and a construction industry white card.

The Institute actively participated in a number of Former Origin Greats (FOGS) Employment and Careers Expos helping to promote and market a range of GCIT training options.

GCIT is currently working with ICAB, Education Queensland and DET Diversity unit to develop and deliver teacher aide training to members of the ATSI community on the Gold Coast.



Education and training overview

GCIT is recognised as an innovative leader in the provision of education and training services to local, national and international clients. Education and training is focused on delivering a quality learning experience for all our students. What differentiates GCIT from other training providers is a learner-focused approach by quality teachers with real world experience. All teaching staff are highly skilled in their vocational areas and have a minimum of five years' recent industry experience.

The experienced team of teaching specialists work with business and industry to provide innovative teaching and learning practices to engage the learner. Courses are designed in close consultation with business and industry, ensuring students graduate with relevant practical skills. The Institute's aim is to produce highly skilled graduates who make a difference to the local, state and national economy.

Being the only public provider of vocational education and training in the Gold Coast region has resulted in the delivery of training from Certificate I through to Advanced Diplomas in more than 20 industry training groups. The range of available training options include but are not limited to trade training, business, tourism and

hospitality, creative industries, retail and personal services, general education, sport and recreation and high end construction and engineering. A focus for the Institute has been on the Health and Nursing sectors as we endeavour to work with the region, state and bodies to address the national skills shortage within this vital sector.

Online and blended learning options have been available to GCIT students for the past five years. The Institute is committed to and has invested in developing state of the art products for this learning methodology. This year has seen a significant rise in the uptake of the online option particularly with the nursing students. This option allows students to study when and where they like and appeals to learners of all ages.

The Institute "value adds" to the experience for students by allowing access to a highly qualified student services team that works closely with all GCIT students to provide a supportive learning environment. Specialist support services such as counselling, literacy and numeracy support are available to help students achieve their personal and academic goals. The Institute values job-ready graduates and has delivered the

"Metaskills" program to all students enrolled in Certificate III and above courses for the first time in 2010. The "Metaskills" program exposes students to a range of skills that enhance their ability to function throughout their working life.

The Education and Training Directorate has delivered over three million student contact hours this year and enrolled more than 16,000 individual students. Other milestones achieved include:

- Enrolled students with more than 5,000 Certificate IV and above qualifications
- More than a 90% success rate for all enrolled students
- Enrolled more than 2,000 students over 45 years of age
- Achieved Australian Quality Training Framework compliance
- Delivered training across more than 20 Industry Training Groups
- Enrolled more than 1,600 full fee paying international students
- Delivered training to 2,480 15-17 year old students.

Education and training overview

Highlights and achievements

The graduation of students in December each year is always one of the highlights of the academic year. In 2009 the Institute graduated over 500 students with Diplomas at the Gold Coast Convention Centre. This ceremony allows the Institute's graduates to celebrate their achievements with teachers, family and friends.

Major awards won by the Institute for 2009 include:

- 2009 DET Staff Recognition Awards, Technology and Innovation, Special Commendation – GCIT Nursing Team
- 2009 CareerOne Queensland Excellence Awards, Finalist for Training and Education Excellence
- 2009 Restaurant and Caterers Awards – GCIT, Best General Services Supplier
- 2009 Institute for Trade Skills Excellence, 3-Star Rating, GCIT Cookery School.

Operations

The operations team assists the teaching teams with a variety of operational functions, including:

- Maintaining timetables in the Institute's timetabling software (Celcat)
- Managing room bookings of educational spaces
- Gathering planning information for the creation of delivery packages
- Data entry and maintenance of delivery packages in the Institutes' Student Administration System (ISAS)
- Providing training and support for the Institute in the use of ISAS
- Providing program costings for all the Institute's offerings
- Purchasing and stock control of educational supplies for the teaching teams
- Providing support services for teaching teams in 'live operations' areas (restaurants, bakery, hairdressing and beauty)
- Managing the Institute's fleet of vehicles
- Providing reports and statistics on room bookings, teacher delivery hours and program hours.

The Key Performance Indicators (KPIs) set for the operations team included measures around having delivery packages and timetables ready for student enrolment in a timely manner. With the information that was provided to the unit in a timely manner, these KPIs were achieved.

Other KPIs included providing regular reports on room usage, teacher hours; implementing stock control measures in store areas; providing costings for all course offerings and increasing revenue through live operations by 10% in relation to the previous financial year. All of these KPIs have been met with the exception of increasing the live operations revenue.

Highlights and achievements

The operations unit was responsible for the implementation of ISAS 2 across the Institute and providing training for all staff for the upgrade.

The operations team has been working closely with the Information Technology (IT) team on the Celcat upgrade. This upgrade will improve the functionality of Celcat and create access to individual student timetables on the proposed student intranet. The interface between ISAS and Celcat will also enable the use of electronic roll marking which is being piloted next financial year.

Industry training teams

The operations of Gold Coast Institute of TAFE encompass the following industry training teams:

- Heath, Massage, Aged Care and Nursing
- Business, Real Estate and Justice
- Corporate Training and Retail
- Bakery, Cookery and Hospitality
- Tourism, Hospitality and Event Management
- Hairdressing, Beauty and Fashion
- Community Services, Children's Services and Fitness
- Adult Tertiary Preparation, Education Support, Literacy and Numeracy
- ELICOS and TESOL
- Arts, Entertainment and Creative Industries
- Training and Assessment, Information Technology
- Building Design, Interior Design, Building and Engineering
- Electrical

- Automotive, Marine Mechanics and Horticulture

- Carpentry, Cabinet Making and Plumbing

- Engineering, Marine Craft and Construction.

Range of Programs Available

In 2009/10 the Institute offered a wide range of courses including:

- Unaccredited short courses
- Accredited short courses
- English language programs
- Certificate I courses
- Certificate II courses
- Certificate III courses
- Certificate IV courses
- Diplomas
- Advanced Diplomas.

A total of 5,584 unique students studied a Certificate IV and above.

Delivery Methods

GCIT delivers high quality training to well equip graduates for the workforce or further study. Recognising that not all students enjoy the same style of learning, the Institute offered the following delivery options:

- Face-to-face
- Online
- Blended
- Full-time
- Part-time
- Evenings
- Flexible combinations.

This broad range of delivery methods has also contributed to the Institute successful achievement of a 94% student retention rate.

Industry training teams

New Opportunities

Significant opportunities for growth and development were seen in the following business areas:

- Nursing
- Domestic Tourism and Hospitality
- Unaccredited Short Courses
- Community Services
- English Language Programs
- Literacy and Numeracy
- Creative Industries
- Plumbing
- Horticulture.

The Institute also recognised that the consolidation of smaller teams would result in an increased operating capacity, and therefore undertook a process of evaluating the structure and introducing four main industry division comprising:

- Health and Community Services
- Trades
- Services
- General Education.

This model will continue to be fine-tuned in 2010/11.

Student Support

Student Support's focus is firmly on the student experience. The aim is to provide a student experience that sets GCIT apart from its competitors.

Student Support includes a highly qualified and experienced team of specialists who work collaboratively with the Institute's teams to provide readily accessible student support services. Student Support staff include:

- education managers – working collaboratively with staff and students to maximise student engagement, participation and completion
- the counselling team – qualified counsellors who deliver both personal and career counselling
- the learning support teachers – specialist teachers providing students with the underpinning skills required for a successful outcome in their chosen course of study
- the library staff – librarians, library technicians and specialist customer service staff building our students information literacy skills
- disability support officer and disability coaches – facilitating access and providing customised and responsive support to students with a disability

- Indigenous Student Support Officer and Indigenous tutors – providing culturally appropriate and responsive support to students of Aboriginal and Torres Strait Islander descent

- customer service specialists – a team of skilled and knowledgeable administration staff supporting students with specific needs and supporting the following programs that target student priority groups – the Adult Migrant English Program, the Language, Literacy and Numeracy Program and the International English language Testing System.

Performance

Student Support's Key Performance Indicators are linked to the implementation of a number of key initiatives aimed at increasing student engagement, participation and completion. The following projects have been initiated:

- **"O" Week** – delivered in January 2010 targeting 1,500 full-time students commencing courses at Ashmore and Southport campuses. Comprehensive staff and student feedback has informed recommendations for the future delivery of student orientations.

Student orientation resources are currently being significantly improved and updated including the Workplace Health and Safety DVD, Student Handbook and Diary, generic induction material and an electronic solution to the delivery of the Literacy and Numeracy indicator

- **International student academic advisors** – a team of teachers from across the Institute has participated in an initial training program aimed at building cross cultural communication skills and understandings. These teachers will form a team of international student academic advisors who will focus on supporting our international students' needs in relation to their successful participation and completion of their courses of study

Student Support

- **Career coaches** – a team of teachers from the General Education and Training programs has participated in an initial training program to build their understanding of career development and guidance. This group will form a team of career coaches who will work closely with GCIT's counselling team. They will provide the first level of support to students with regard to career planning and assist students to access career information, events and activities. This program will be rolled out across the Institute to build a team of career coaches who can support students across all industry areas, updating student understandings of emerging trends and issues in their industries and ensuring students are actively managing their careers. The initial training program was developed and delivered in collaboration with Queensland University of Technology (QUT). The career coaches will support the continuing delivery of the Learning from Leaders Program
- **Student workshops** – a comprehensive schedule of student workshops has been developed to address key student needs at orientation and throughout the semester. Delivered by Student Support staff these workshops focus on academic reading and writing skills, information literacy, time management, budgeting, career management, stress management, presentation skills, job-search skills, interview skills and cultural awareness. They have been well attended by students and have attracted high student satisfaction
- **Student ambassadors** – a team of successful GCIT graduates who participate in key Institute activities including student orientations and marketing and promotional activities. A collaboration with Griffith University is facilitating GCIT's implementation of a student ambassador initiative drawing on Griffith's model and customising to GCIT requirements
- **Student services advisors** – to facilitate student referral to support services, key administration officers have been identified across the Institute to participate in a training program that will build their knowledge and referral skills with regard to student support services
- **Library** – GCIT's library staff have been actively seeking solutions to the far reaching changes and trends in the way information is published. Staff have visited Bond and Griffith universities and have tabled a comprehensive blueprint for a transition from a traditional collection-centred library to a more user-centred library capitalising on emerging technologies and the expansion of digital information.
- **Programs targeting priority groups:**
 - **LLNP/Language, Literacy and Numeracy Program**
 - **AMEP/Adult Migrant English Program**
 - **IELTS/International English language Testing System.**

Resource Development

The core functions of Resource Development in 2009/2010 were to:

- Project manage blended and lead Institute secondary product development
- Provide advice, training and support to staff in:
 - design and development of teaching and learning resources
 - use of learning management systems and technologies including my.TAFE, video conferencing/video streaming and web conferencing
 - educational use of copyright
- Provide a Technical Help Desk for students and staff in their use of my.TAFE, Moodle and Videolinq.

An Institute-wide KPI was to achieve 14% of delivery in other than face to face mode (including online delivery).

Highlights and achievements

Growth in product available online. The following new product was designed and developed in 2009/10:

- Units within the Diploma and Advanced Diploma of Nursing
- Units within the Diploma TAA
- One unit within the Responsible Service of Alcohol (RSA)
- Units within the Sustainable Tourism
- One unit within the Diploma in Educational Support.

For print resources, the publication, Design Standards for Education Resources, has been provided to teaching staff to assist in the development of print learning materials.

Financial statements 2009–2010

Gold Coast Institute of TAFE



Tomorrow's Queensland:
strong, green, smart, healthy and fair

Toward 
Tomorrow's Queensland

 **Queensland**
Government

General Information

These financial statements cover the Gold Coast Institute of TAFE.

The Gold Coast Institute of TAFE (the Institute) was established on 1 July 2008 as a statutory TAFE institute under the *Vocational Education, Training and Employment and Other Legislation Amendment Regulation (No.2) 2008*.

The Institute is controlled by the State of Queensland which is the ultimate parent.

The Institute is a not-for-profit entity.

The head office and principal place of business of the Institute is:

**Cnr Heeb St & Benowa Rds
Ashmore QLD 4214**

A description of the nature of the Institute's operations and its principal activities is included in the notes to the financial statements.

For information in relation to the Institute's financial report please visit the Institute's Internet Site www.goldcoast.tafe.qld.gov.au

Amounts shown in these financial statements may not add to the correct sub-totals or totals due to rounding.

Statement of Comprehensive Income

For the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
Income from Continuing Operations			
Revenue			
User charges	2	27,480	28,526
Grants and other contributions	3	40,420	32,025
Other revenue	4	1,727	922
Total Income from Continuing Operations		69,627	61,473
Expenses from Continuing Operations			
Employee expenses	5	3,158	96
Supplies and services	7	61,870	54,657
Depreciation and amortisation	8	2,789	3,707
Impairment losses	9	350	93
Revaluation decrement	10	10,863	23,310
Other expenses	11	548	372
Total Expenses from Continuing Operations		79,578	82,235
Operating Result from Continuing Operations		(9,951)	(20,762)
Other Comprehensive Income		-	-
Total Comprehensive Income		(9,951)	(20,762)

The accompanying notes form part of these statements.

Gold Coast Institute of TAFE
Statement of Financial Position
as at 30 June 2010

	Notes	2010 \$'000	2009 \$'000
Current Assets			
Cash and cash equivalents	12	22,525	14,532
Receivables	13	7,637	4,904
Inventories	14	52	53
Other	15	219	227
Total Current Assets		30,433	19,716
Non Current Assets			
Intangible assets	16	198	16
Property, plant and equipment	17	101,471	112,802
Total Non Current Assets		101,669	112,818
Total Assets		132,102	132,534
The accompanying notes form part of these statements.			
Current Liabilities			
Payables	18	2,234	611
Deferred income	19	9,023	6,525
Accruals	20	9,716	4,577
Other	21	524	505
Total Current Liabilities		21,497	12,218
Non-Current Liabilities			
Other	22	22	31
Provisions	23	249	-
Total Non-Current Liabilities		271	31
Total Liabilities		21,768	12,249
Net Assets		110,334	120,285
Equity			
Accumulated deficit		(30,713)	(20,762)
Contributed equity		141,047	141,047
Total Equity		110,334	120,285

Statement of Changes in Equity

for the year ended 30 June 2010

	Accumulated Surplus/(Deficit)		Asset Revaluation Surplus		Contributed Equity		Total	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Balance at 1 July	(20,762)	-	-	-	141,047	-	120,285	-
Operating Result from Continuing Operations	(9,951)	(20,762)	-	-	-	-	(9,951)	(20,762)
Transactions with Owners as Owners:								
• Net assets acquired (Note 1(q))	-	-	-	-	-	141,052	-	141,052
• Equity Adjustments	-	-	-	-	-	(5)	-	(5)
Balance at 30 June	(30,713)	(20,762)	-	-	141,047	141,047	110,334	120,285

The accompanying notes form part of these statements.

Statement of Cash Flows

for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000	Notes	2010 \$'000	2009 \$'000
Cash flows from operating activities						
<i>Inflows:</i>						
User charges		27,518	26,804		1	69
Grants and other contributions		39,826	32,025		(2,522)	(862)
GST input tax credits from ATO		641	1,292		(2,521)	(793)
GST collected from customers		1,555	420			
Interest receipts		594	281		14,532	-
Other		1,903	834		7,993	7,532
<i>Outflows:</i>					-	7,000
Employee expenses		(2,643)	(94)			
Supplies and services		(56,679)	(51,566)			
Grants and subsidies		15	(2)			
GST paid to suppliers		(1,722)	(1,250)			
GST remitted to ATO		(494)	(419)			
Net cash provided by operating activities	24	10,514	8,325		22,525	14,532
Cash flows from investing activities						
<i>Inflows:</i>						
Sales of property, plant and equipment						
<i>Outflows:</i>						
Payments for property, plant and equipment					(2,522)	(862)
Net cash (used in) investing activities					(2,521)	(793)
Cash and cash equivalents at the beginning of the financial year					14,532	-
Net increase in cash and cash equivalents					7,993	7,532
Cash transfers from restructure					-	7,000
Cash and cash equivalents at end of financial year				12	22,525	14,532

The accompanying notes form part of these statements.

Notes To and Forming Part of the Financial Statements 2009–2010

Objectives and Principal Activities of the Institute
 Note 1: Summary of Significant Accounting policies
 Note 2: User Charges
 Note 3: Grants and Other Contributions
 Note 4: Other Revenue
 Note 5: Employee Expenses
 Note 6: Executive Remuneration
 Note 7: Supplies and Services
 Note 8: Depreciation and Amortisation
 Note 9: Impairment Losses
 Note 10: Revaluation Decrement
 Note 11: Other Expenses
 Note 12: Cash and Cash Equivalents
 Note 13: Receivables
 Note 14: Inventories
 Note 15: Other Current Assets

Note 16: Intangible Assets
 Note 17: Property, Plant and Equipment
 Note 18: Payables
 Note 19: Deferred Income
 Note 20: Accruals
 Note 21: Other Current Liabilities
 Note 22: Non-Current Liabilities
 Note 23: Provisions
 Note 24: Reconciliation of Operating Surplus to Net Cash from Operating Activities
 Note 25: Commitments for Expenditure
 Note 26: Contingencies
 Note 27: Non-cash Financing and Investing Activities
 Note 28: Government Funding
 Note 29: Events Occurring After the Balance Sheet Date
 Note 30: Financial Instruments

Notes To and Forming Part of the Financial Statements 2009–2010

Objectives and Principal Activities of the Institute

The Institute was established as a statutory TAFE institute on 1 July 2008. The Institute's vision is to be an internationally renowned provider of outstanding vocational services. GCIT will achieve this vision by bringing together exceptional people to produce highly sought after graduates.

The Institute has five locations, Coomera Marine Precinct, Southport, Ashmore, Ridgeway and Coolangatta.

The Institute offers a range of high-level vocational qualifications, university pathways and articulation arrangements in key industries.

During the financial year 2009–10, the Institute utilised an average of 592.4 full-time equivalent Department of Education and Training staff and 20.8 full-time equivalent staff were directly engaged by the Statutory Institute at year end.

1. Summary of Significant Accounting Policies

(a) Statement of Compliance

The Institute has prepared these financial statements in compliance with section 43 of the *Financial and Performance Management Standard 2009*.

The financial statements have been prepared on an accrual basis in accordance with Australian Accounting Standards and interpretations. In addition, the financial statements comply with the Treasurer's Minimum Reporting Requirements for the year ending 30 June 2010, and other authoritative pronouncements.

These financial statements are general purpose financial statements.

With respect to compliance with Australian Accounting Standards and Interpretations, the Institute is a not-for-profit entity and has applied those requirements applicable to not-for-profit entities. Except where stated, the historical cost convention is used.

(b) The Reporting Entity

The financial statements include the value of all revenues, expenses, assets, liabilities and equity of the Institute.

(c) User Charges

User charges and fees controlled by the Institute are recognised as revenues when the revenue has been earned and can be measured reliably with a sufficient degree of certainty. This involves either invoicing for related good/services and/or the recognition of accrued revenue. User charges and fees are controlled by the Institute where they can be deployed for the achievement of Institute objectives.

(d) Grants and Contributions

Grants, contributions, donations and gifts that are non-reciprocal in nature are recognised as revenue in the year in which the Institute obtains control over them. Where grants are received that are reciprocal in nature, revenue is accrued over the term of the funding arrangements.

Notes To and Forming Part of the Financial Statements 2009–2010

(d) Grants and Contribution – (cont'd)

Contributed assets are recognised at their fair value. Contributions of services are recognised only when a fair value can be determined reliably and the services would be purchased if they had not been donated.

(e) Cash and Cash Equivalents

For the purposes of the Statement of Financial Position and the Statement of Cash Flows, cash and cash equivalents include all cash and cheques received but not banked at 30 June 2010 as well as deposits at call with financial institutions with terms to maturity of less than 30 days.

(f) Receivables

Trade Debtors are recognised at the amounts due at the time of sale or service delivery. Settlement of these amounts is generally required within 30 days from invoice date.

The collectability of receivables is assessed periodically with provision made for impairment. All known bad debts were written-off as at 30 June 2010. Movements in the provision for impairment are based on loss events as disclosed in Note 30.

(g) Inventories

Inventories held for sale are valued at the lower of cost and net realisable value.

Cost is assigned on a weighted average basis and includes expenditure incurred in acquiring the inventories and bringing them

to their existing condition, except for training costs which are expensed as incurred.

Net realisable value is determined on the basis of the Institute's normal selling pattern.

Expenses associated with marketing, selling and distribution are deducted to determine net realisable value.

(h) Acquisitions of Assets

Actual cost is used for the initial recording of all non-current physical and intangible asset acquisitions. Cost is determined as the value given as consideration plus costs incidental to the acquisition, including all other costs incurred in getting the assets ready for use and to their present position and location. However, any training costs are expensed as incurred.

Where assets are received free of charge from another Queensland Government department (whether as a result of a machinery-of-Government or other involuntary transfer), the acquisition cost is recognised as the gross carrying amount in the books of the transferor immediately prior to the transfer together with any accumulated depreciation.

Assets acquired at no cost or for nominal consideration, other than from an involuntary transfer from another Queensland Government entity, are recognised at their fair value at date of acquisition in accordance with AASB 116 *Property, Plant and Equipment*.

Notes To and Forming Part of the Financial Statements 2009–2010

(i) Property, Plant and Equipment

Items of property, plant and equipment with a cost or other value equal to or in excess of the following thresholds are recognised for financial reporting purposes in the year of acquisition:

Buildings	\$10,000
Land	\$1
Plant and Equipment	\$5,000

Items with a lesser value are expensed in the year of acquisition.

Land improvements undertaken by the Institute are included with buildings.

(j) Revaluations of Non-Current Physical and Intangible Assets

Land and buildings are measured at fair value in accordance with AASB 116 *Property, Plant and Equipment* and Queensland Treasury's *Non-Current Asset Accounting Policies for the Queensland Public Sector*. In respect of these asset classes, the cost of items acquired during the financial year has been judged by management of the Institute to materially represent their fair value at the end of the reporting period.

Where intangible assets have an active market, they are measured at fair value; otherwise they are measured at cost.

Plant and equipment is measured at cost.

Non-current physical assets measured at fair value are comprehensively revalued at least once every five years with interim valuations, using appropriate indices, being otherwise performed on an annual basis where there has been a material variation in the index.

Any revaluation increment arising on the revaluation of an asset is credited to the asset revaluation reserve of the appropriate class, except to the extent it reverses a revaluation decrement for the class previously recognised as an expense. A decrease in the carrying amount on revaluation is charged as an expense, to the extent it exceeds the balance, if any, in the revaluation reserve relating to that asset class.

On revaluation, accumulated depreciation is restated proportionately with the change in the carrying amount of the asset and any change in the estimate of remaining useful life.

Materiality concepts under AASB 1031 are considered in determining whether the difference between the carrying amount and the fair value of an asset is material.

Separately identified components of assets are measured on the same basis as the assets to which they relate.

(k) Intangibles

Intangible assets with a cost or other value greater than \$100,000 are recognised in the financial statements, items with a lesser value being expensed. Each intangible asset is amortised over its estimated useful life to the agency, less any anticipated residual value. The residual value is zero for all the Institute's intangible assets.

Notes To and Forming Part of the Financial Statements 2009–2010

(k) Intangibles – cont'd

It has been determined that there is not an active market for any of the Institute's intangible assets. As such, the assets are recognised and carried at cost less accumulated amortisation and any accumulated impairment losses.

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

Purchased Software

The purchase cost of this software has been capitalised and is being amortised on a straight-line basis over the period of the expected benefit to the Institute, namely between 2 and 5 years.

Internally Generated Software

Expenditure on research activities relating to internally-generated intangible assets is recognised as an expense in the period in which it is incurred

Costs associated with the development of computer software have been capitalised and amortised on a straight line basis over the period of expected benefit to the institute, namely 7 years.

(l) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment

Land is not depreciated as it has an unlimited useful life.

Property, plant and equipment is depreciated on a straight-line basis so as to allocate the net cost or revalued amount of each asset, less its estimated residual value, progressively over its estimated useful life to the Institute.

Assets under construction (work-in-progress) are not depreciated until they reach service delivery capacity.

Where assets have separately identifiable components that are subject to regular replacement, these components are assigned useful lives distinct from the asset to which they relate and are depreciated accordingly.

Any expenditure that increases the originally assessed capacity or service potential of an asset is capitalised and the new depreciable amount is depreciated over the remaining useful life of the asset to the Institute.

Items comprising the Institute's library are expensed on acquisition.

(l) Amortisation and Depreciation of Intangibles and Property, Plant and Equipment – cont'd

For each class of depreciable asset the following depreciation and amortisation rates are used:

Class	Rate %
Buildings	1.25 – 4.00
Plant and Equipment:	
Computer Equipment	20.00
Plant and Machinery	5.00 – 20.00
Office Equipment	10.00 – 20.00
Intangible Assets:	
Software Purchased	16.67 – 50.00
Software Internally Generated	11.10 - 14.30

Notes To and Forming Part of the Financial Statements 2009–2010

(m) Impairment of Non-Current Assets

All non-current physical and intangible assets are assessed for indicators of impairment on an annual basis. If an indicator of possible impairment exists, the Institute determines the asset's recoverable amount. Any amount by which the asset's carrying amount exceeds the recoverable amount is recorded as an impairment loss.

The asset's recoverable amount is determined as the higher of the asset's fair value less costs to sell and depreciated replacement cost.

An impairment loss is recognised immediately in the Statement of Comprehensive Income, unless the asset is carried at a revalued amount. When the asset is measured at a revalued amount, the impairment loss is offset against the asset revaluation reserve of the relevant class to the extent available.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income, unless the asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase. Refer also Note 1(i).

(n) Payables

Trade creditors are recognised upon receipt of the goods or services ordered and are measured at the agreed purchase/contract price, gross of applicable trade and other discounts. Amounts owing are unsecured and are generally settled on 30 day terms.

(o) Financial Instruments

Recognition

Financial assets and financial liabilities are recognised in the Statement of Financial Position when the Institute becomes party to the contractual provisions of the financial instrument.

Classification

Financial instruments are classified and measured as follows:

- Cash and cash equivalents – held at fair value through profit or loss
- Receivables – held at amortised cost
- Payables – held at amortised cost

The Institute does not enter transactions for speculative purposes, nor for hedging. Apart from cash and cash equivalents, the Institute holds no financial assets classified at fair value through profit or loss.

All disclosures relating to the measurement basis and financial risk management of other financial instruments held by the Institute are included in Note 30.

Notes To and Forming Part of the Financial Statements 2009–2010

(p) Employee Benefits

Pursuant to s.218G of the *Vocational Education, Training and Employment Act 2000*, the Institute may enter into, and give effect to, a work performance arrangement with the chief executive of the Department of Education and Training (DET).

The Institute and DET have entered into a work performance arrangement under which employees of DET will perform work for the Institute to enable the Institute to perform functions and exercise powers and to ensure the delivery of its operational plan.

Under this work performance arrangement:

- DET will provide DET employees to perform work for the Institute and DET acknowledge and accept its obligations as the employer of these DET employees.
- The Institute will be responsible for the day to day management of these DET employees.
- The Institute will reimburse DET for the salaries and on-costs of these DET employees.

As a result of this arrangement, the Institute has a limited number of employees at the time of these financial statements. The Institute treats the reimbursements to DET for DET employees in these financial statements as contractors. These reimbursements are shown under Note 7 – Supplies and Services (consultants and contractors).

Wages, Salaries and Recreation Leave

Wages, salaries and recreation leave due but unpaid at reporting date are recognised in the Statement of Financial Position at the remuneration rates expected to apply at the time of settlement. Payroll tax and workers' compensation insurance are a

consequence of employing employees, but are not counted in an employee's total remuneration package. They are not employee benefits and are recognised separately as employee related expenses. Employer superannuation contributions, annual leave levies and long service leave levies are regarded as employee benefits.

For unpaid entitlements expected to be paid within 12 months, the liabilities are recognised at their undiscounted values. Entitlements not expected to be paid within 12 months are classified as non-current liabilities and recognised at their present value, calculated using yields on Fixed Rate Commonwealth Government bonds of similar maturity, after projecting the remuneration rates expected to apply at the time of likely settlement.

Long Service Leave

Liabilities for long service leave expected to be settled within 12 months of the reporting date are recognised as current liabilities. The remaining liabilities are included as non-current liabilities.

The liability for long service leave is measured using the present value of the expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future non-current payments are discounted using market yields at the reporting date on Commonwealth government bonds with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Notes To and Forming Part of the Financial Statements 2009–2010

(p) Employee Benefits – cont'd

Sick Leave

Prior history indicates that on average, sick leave taken each reporting period is less than the entitlement accrued. This is expected to continue in future periods. Accordingly, it is unlikely that existing accumulated entitlements will be used by employees and no liability for unused sick leave entitlements is recognised.

As sick leave is non-vesting, an expense is recognised for this leave as it is taken.

Superannuation

Contributions are expensed in the period they are paid or payable. The Institute pays an employer subsidy to the Government Superannuation Office in respect of employees who are contributors to the Public Sector Superannuation (QSuper) scheme. These contributions are at rates determined by the Treasurer on the advice of the State Actuary. The Institute's obligation is limited to its contribution to QSuper.

No liability is recognised for accruing superannuation benefits in the Institute's financial statements, the liability being held on a whole-of-Government basis and reported in those financial statements pursuant to AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

Executive Remuneration

The executive remuneration disclosures in the employee expenses note (Note 6) in the financial statements include:

- the aggregate remuneration of all senior executive officers (including the Chief Executive Officer) whose remuneration for the financial year is \$100,000 or more; and

- the number of senior executives whose total remuneration for the financial year falls within each successive \$20,000 band, commencing at \$100,000.

The remuneration disclosed is all remuneration paid or payable, directly or indirectly, by the Institute or any related party in connection with the management of the affairs of the Institute, whether as an executive or otherwise. For this purpose, remuneration includes:

- wages and salaries;
- accrued leave (that is, the increase/decrease in the amount of annual and long service leave owed to an executive, inclusive of any increase in the value of leave balances as a result of salary rate increases or the like);
- performance pay paid or due and payable in relation to the financial year, provided that a liability exists (namely a determination has been made prior to the financial statements being signed), and can be reliably measured even though the payment may not have been made during the financial year;
- accrued superannuation (being the value of all employer superannuation contributions during the financial year, both paid and payable as at 30 June);
- car parking benefits and the cost of motor vehicles, such as lease payments, fuel costs, registration/insurance, repairs/maintenance and fringe benefit tax on motor vehicles incurred by the Institute during the financial year, both paid and payable as at 30 June, net of any amounts subsequently reimbursed by the executives;
- housing, being the market value of the rent or rental subsidy, where rent is part-paid by the executive during the financial year, both paid and payable as at 30 June;

Notes To and Forming Part of the Financial Statements 2009–2010

(p) Employee Benefits – cont'd

- allowances (which are included in remuneration agreements of executives, such as airfares or other travel costs paid to/for executives whose homes are situated in a location other than the location they work in); and
- fringe benefits tax included in remuneration agreements.

The disclosures apply to all senior executives appointed by the Institute with remuneration above \$100,000 in the financial year. 'Remuneration' means any money, consideration or benefit, but excludes amounts:

- paid to an executive by the Institute where the person worked during the financial year wholly or mainly outside Australia during the time the person was so employed; or
- in payment or reimbursement of out-of-pocket expenses incurred for the benefit of the entity or any of its subsidiaries.

(q) Net assets acquired through restructuring

Gold Coast Institute of TAFE was established as a statutory TAFE institute under the *Vocational Education, Training and Employment and Other Legislation Amendment Regulation (No.2) 2008* on the 1 July 2008. Consequently assets and liabilities were transferred from DET to the newly created statutory TAFE Institute on the 1 July 2008. These assets and liabilities consisted of the following:

Assets/Liabilities transferred as at 1 July 2008	\$'000
Current Assets	
Cash and cash equivalents	7,000
Receivables	1,598
Inventories	60
Other	788
Total Current Assets	9,446
Non Current Assets	
Intangible assets	26
Property, plant and equipment	138,849
Total Non Current Assets	138,875
Total Assets	148,321
Current Liabilities	
Payables	1,873
Other	5,396
Total Current Liabilities	7,269
Total Liabilities	7,269
Net Assets	141,052
Equity	
Contributed equity	141,052
Total Equity	141,052

Notes To and Forming Part of the Financial Statements 2009–2010

(r) Provisions

Provisions are recorded when the Institute has a present obligation, either legal or constructive as a result of a past event. They are recognised at the amount expected at reporting date for which the obligation will be settled in a future period. Where the settlement of the obligation is expected after 12 or more months, the obligation is discounted to the present value using an appropriate discount rate.

(s) Insurance

The Institute's non-current physical assets and other risks are insured through the Queensland Government Insurance Fund, premiums being paid on a risk assessment basis. In addition, the Institute pays premiums to WorkCover Queensland in respect of its obligations for employee compensation.

(t) Services Received Free of Charge or for Nominal Value

Contributions of services are recognised only if the services would have been purchased if they had not been donated and their fair value can be measured reliably. Where this is the case, an equal amount is recognised as revenue and an expense.

(u) Contributed Equity

Non-reciprocal transfers of assets and liabilities between wholly-owned Queensland State Public Sector entities as a result of machinery-of Government changes are adjusted to 'Contributed Equity' in accordance with Interpretation 1038 *Contributions by Owners Made to Wholly Owned Public Sector Entities*.

(v) Taxation

The Institute is a State body as defined under the *Income Tax Assessment Act 1936* and is exempt from Commonwealth taxation with the exception of Fringe Benefits Tax and Goods and Services Tax (GST). As such, GST credits receivable from/payable to the Australian Taxation Office are recognised and accrued.

(w) Issuance of Financial Statements

The financial statements are authorised for issue by the Acting Board Chair, Acting Chief Executive Officer and the Chief Financial Officer at the date of signing the Management Certificate.

(x) Judgments and Assumptions

The preparation of financial statements necessarily requires the determination and use of certain critical accounting estimates, assumptions, and management judgements that have that potential to cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Such estimates, judgements and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in future periods as relevant.

Estimates and assumptions that have a potential significant effect are outlined in the following financial statement note:
Valuation of Property, Plant and Equipment - Note 17

Notes To and Forming Part of the Financial Statements 2009–2010

(y) Rounding and Comparatives

Amounts included in the financial statements are in Australian dollars and have been rounded to the nearest \$1,000 or, where that amount is \$500 or less, to zero, unless disclosure of the full amount is specifically required.

Comparative information has been restated where necessary to be consistent with disclosures in the current reporting period.

(z) New and Revised Accounting Standards

The Institute did not voluntarily change any of its accounting policies during 2009-10. The significance of those new and amended Australian accounting standards that were applicable for the first time in the 2009-10 financial year and have had a significant impact on the Institute's financial statements are as follows:

The Institute complied with the revised AASB 101 *Presentation of Financial Statements* as from 2009-10. This revised standard does not have any measurement or recognition implications. Pursuant to the change of terminology used in the revised AASB 101, the Balance sheet is now renamed to the Statement of Financial Position, and the Cash Flow Statement has now been re-named to Statement of Cash Flows. The former Income Statement has been replaced by a Statement of Comprehensive Income. In line with the new concept of 'comprehensive income', the bottom of this new statement contains certain transactions that previously were detailed in the Statement of Changes in Equity (refer to the items under the sub-heading "Other Comprehensive Income" in the new Statement of Comprehensive Income).

The Institute is not permitted to early adopt a new accounting standard ahead of the specified commencement date unless approval is obtained from the Treasury Department. Consequently, the Institute has not applied any Australian accounting standards and interpretations that have been issued but are not yet effective. The Institute will apply these standards and interpretations in accordance with their respective commencement dates.

At the date of authorisation of the financial report, the only significant impacts of new or amended Australian accounting standards with future commencement dates are as set out below.

AASB 9 *Financial Instruments* and AASB 2209-11 *Amendments to Australian Accounting Standards* arising from AASB 9 become effective from reporting periods beginning on or after 1 January 2013. The main impacts of these standards are that they will change the requirements for the classification, measurement and disclosures associated with financial assets. Under the new requirements, financial assets will be more simply classified according to whether they are measured at either amortised cost or fair value. Pursuant to AASB 9, financial assets can only be measured at amortised cost if two conditions are met. One of these conditions is that the asset must be held within a business model whose objective is to hold assets in order to collect contractual cash flows. The other condition is that the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

Notes To and Forming Part of the Financial Statements 2009–2010

(z) New and Revised Accounting Standards – cont'd

On initial application of AASB 9, the Institute will need to re-assess the measurement of its financial assets against the new classification and measurement requirements, based on the facts and circumstances that exist at that date. Assuming no change in the type of transactions the Institute enters into, it is not expected that any of the Institute's financial assets will meet the criteria in AASB 9 to be measured at amortised cost. Therefore, as from the 2013-14 financial statements, all of the Institute's financial assets will be required to be classified as "financial assets required to be measured at fair value through profit or loss". The same classification will be used for net gains/losses recognised in the Statement of Comprehensive Income in respect of those financial assets. In the case of the Institute's receivables, the carrying amount is considered to be a reasonable approximation of fair value.

All other Australian accounting standards and interpretations with future commencement dates are either not applicable to the Institute, or have no material impact on the Institute.

Notes To and Forming Part of the Financial Statements 2009–2010

3. Grants and Other Contributions		
Government grants	31,311	26,871
Government contributions	9,106	5,059
Industry/Community contributions	3	95

* Employer superannuation contributions, the annual leave levy and the long service leave levy are regarded as employee benefits.

*** Costs of workers' compensation insurance and payroll tax are a consequence of employing employees, but are not counted in employees' total remuneration package. They are not employee benefits, but rather employee related expenses.

The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

5. Employee Expenses	2010	2009
	\$'000	\$'000

6. Executive Remuneration

Wages and salaries	2,387	35	\$100,000 - \$119,999	11
Employer superannuation contributions*	311	4	\$120,000 - \$139,000	5
Long service leave*	47	1	\$140,000 - \$159,999	1
Annual leave*	254	3	\$160,000 - \$179,999	1
			\$180,000 - \$199,999	-
			\$200,000 - \$219,999	1
				19

Notes To and Forming Part of the Financial Statements 2009–2010

DET provide employees to perform work for the Institute. The Institute treats the reimbursements to DET for these DET employees as contractors. These reimbursements are shown under Note 7 – Supplies and Services (consultants and contractors).
Refer to Note 1 (p).

7. Supplies and Services

	2010 \$'000	2009 \$'000
Consultants and contractors	47,135	42,185
Supplies and consumables*	8,140	6,066
Travel	439	414
Agents commissions	1,312	1,365
Advertising & promotions	512	427
Course supplies	1,324	1,407
Printing & stationery	1,308	1,273
Shared service provider	798	798
Other	902	722
Total	61,870	54,657

* Includes fees paid to board members.

The number of board members who received or were due to receive a total fee of:

	2010	2009
\$0-\$9,999	8	8
\$10,000-\$19,999	1	2
Total	9	10

Total fees paid to board members shown above

49	72
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8. Depreciation and Amortisation

Depreciation and amortisation were incurred in respect of:

Buildings	2,273	3,237
Plant and equipment	504	460
Software purchased	12	10
Total	2,789	3,707

9. Impairment Losses

Bad debts written off	269	169
Impairment of receivables/(reversals)	81	(76)
Total	350	93

Refer to Note 13 for details of the recognised impairment reversals.

Notes To and Forming Part of the Financial Statements 2009–2010

10. Revaluation Decrement		2010 \$'000	2009 \$'000
Land		7,917	4,133
Buildings		2,946	19,177
Total		10,863	23,310
<p>The 2010 decrement, not being a reversal of a previous revaluation increment in respect of the same class of assets, has been recognised as an expense in the Statement of Comprehensive Income.</p>			
11. Other Expenses		2010 \$'000	2009 \$'000
Insurance premiums – QGIF		137	153
Audit fees		22	26
External Audit Fees*		113	90
Legal Fees		209	34
Losses from disposal of property, plant and equipment		17	12
Bank Charges		50	57
Total		548	372
<p>*Total external audit fees relating to the 2009-10 financial year are estimated to be \$112,500. There are no non-audit services included in this amount.</p>			
12. Cash and Cash Equivalents		2010 \$'000	2009 \$'000
Imprest accounts		14	9
Cash at bank		22,511	14,523
Total		22,525	14,532
13. Receivables			
Trade debtors		6,393	5,138
Less: Provision for impairment		(490)	(409)
		5,903	4,729
GST receivable		194	176
GST payable		-	(1)
		194	175
Accrued Income		1,483	-
Other receivables		57	-
Total		7,637	4,904
Movements in the allowance of provision for impairment			
Balance at beginning of the period		409	485
Increase/(Decrease) in allowance recognised in profit or loss		81	(76)
Balance at the end of the year		490	409

Notes To and Forming Part of the Financial Statements 2009–2010

14. Inventories	2010	2009		2010	2009
	\$'000	\$'000		\$'000	\$'000
Supplies and consumables – at cost	52	53			
Total	52	53		333	333
				(329)	(317)
15. Other Current Assets			16. Intangible Assets		
Prepayments	219	227	Software Purchased:		
Total	219	227	At cost	194	-
			Less: Accumulated amortisation	-	-
			Software Internally Generated:		
			At cost	194	-
			Less: Accumulated amortisation	-	-
			Total	198	16

	Intangibles Reconciliation				
	Software Purchased	Software Internally Generated	Total	Software Purchased	Software Internally Generated
	2010	2010	2010	2009	2009
	\$'000	\$'000	\$'000	\$'000	\$'000
Carrying amount of assets acquired on 1 July	16	-	16	26	26
Acquisitions	-	194	194	-	-
Amortisation	(12)	-	(12)	(10)	(10)
Carrying amount at 30 June	4	194	198	16	16

Notes To and Forming Part of the Financial Statements 2009–2010

Amortisation of intangibles is included in the line item 'Depreciation and Amortisation' in the Statement of Comprehensive Income. All intangible assets of the Institute have finite useful lives and are amortised on a straight line basis. Refer to Note 1(k).

No intangible assets have been classified as held for sale or form part of a disposal group held for sale.

	2010 \$'000	2009 \$'000
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17. Property, Plant and Equipment

Land:		
At independent valuation 2009	47,791	55,708
Buildings:		
At independent valuation 2009	102,084	106,421
Less: Accumulated depreciation	(50,886)	(51,637)
	51,198	54,784
Plant and equipment:		
At cost	5,699	5,076
Less: Accumulated depreciation	(3,218)	(2,849)
	2,482	2,227
Work in progress:		
At cost	-	83
Total	101,471	112,802

Revaluations

AASB 116 Property, Plant and Equipment requires revaluations to be undertaken with sufficient regularity to ensure that the carrying amount of an asset does not differ materially from that which would be determined using fair value at the reporting date.

The Institute performed a comprehensive revaluation of its land and buildings through State Valuation Service in 2009 and has obtained formal indexation allowances from State Valuation Service in 2010 which have again been applied to its land and buildings.

The valuation of land is based on current market values. The valuation for buildings is based on depreciated current replacement cost.

Plant and Equipment

The Institute records all plant and equipment assets (including leasehold improvements) at historical cost in accordance with AASB 116 *Property Plant and Equipment* and Queensland Treasury's *Non-Current Asset Policies for the Queensland Public Sector*.

Notes To and Forming Part of the Financial Statements 2009–2010

Property, Plant and Equipment Reconciliation

Carrying amount of assets on 1 July 2009					
Acquisitions	Land 2010 \$'000	Buildings 2010 \$'000	Plant and Equipment 2010 \$'000	Work in Progress 2010 \$'000	Total 2010 \$'000
Assets Transferred in	55,708	54,784	2,227	83	112,802
Transfers between classes	-	-	778	1,550	2,328
Disposals	-	1,633	-	(1,633)	-
Revaluation decrement	-	-	(18)	-	(18)
Depreciation / Amortisation	(7,917)	(2,946)	-	-	(10,863)
	-	(2,273)	(504)	-	(2,777)
Carrying amount at 30 June	47,791	51,198	2,482	-	101,471

Property, Plant and Equipment Reconciliation

Carrying amount of assets acquired on 1 July 2008 (Note 1(q))					
Acquisitions	Land 2009 \$'000	Buildings 2009 \$'000	Plant and Equipment 2009 \$'000	Work in Progress 2009 \$'000	Total 2009 \$'000
Assets Transferred in	59,841	76,650	1,976	382	138,849
Transfers between classes	-	-	551	311	862
Disposals	-	-	179	-	179
Revaluation decrement	-	548	-	(548)	-
Depreciation / Amortisation	(4,133)	(19,177)	(19)	(62)	(81)
	-	(3,237)	(460)	-	(23,310)
Carrying amount at 30 June	55,708	54,784	2,227	83	112,802

Notes To and Forming Part of the Financial Statements 2009–2010

The Institute has plant and equipment with an original cost of \$1.9m and a written down value of zero still being used in the provision of services. The Institute is currently reviewing these assets with the objective of writing them out of the asset register if they are no longer in use.

18. Payables

	2010 \$'000	2009 \$'000
Trade creditors	2,234	611
Total	2,234	611

19. Deferred Income

Unearned user charges revenue	9,023	6,525
Total	9,023	6,525

20. Accruals

Departmental Labour	6,273	2,705
Accrued Employee Benefits	1,529	-
Operational Expenditure	322	283
Training Related Expenses	509	492
Other	1,083	1,097
Total	9,716	4,577

21. Other Current Liabilities

Security Deposits	158	451
Student Administration System	289	-
Other	77	54
Total	524	505

22. Non-Current Liabilities

Refundable Bonds	22	31
Total	22	31

Non-current liabilities consist of commercial tenancy bonds refundable in more than 1 year.

23. Provisions

Long service leave	249	-
Total	249	-

Long Service Leave

Balance at beginning of Financial Year	-	-
Transferred in from Department	292	-
Long Service Leave Entitlement Arising	86	-
Long Service Leave Entitlement Extinguished	(19)	-
Long Service Leave Entitlement Paid	(110)	-
Balance at end of Financial Year	249	-

Notes To and Forming Part of the Financial Statements 2009–2010

	2010 \$'000	2009 \$'000		2010 \$'000	2009 \$'000
24. Reconciliation of Operating Result to Net Cash from Operating Activities			25. Commitments for Expenditure		
Operating deficit	(9,951)	(20,762)	Non-Cancellable Operating Leases		
Depreciation and amortisation expense	2,789	3,707	Not later than one year	294	234
Loss on sale of property, plant and equipment			Later than one year and not later than five years	382	434
Revaluation decrement	18	12	Total	676	668
	10,863	23,310			
Change in assets and liabilities:					
Increase in trade receivables	(2,715)	(2,694)			
(Increase)/decrease in GST input tax credits receivable	(19)	42			
Decrease in inventories	1	6			
Decrease/(Increase) in prepayments / other	8	(94)			
Increase in accounts payable	1,624	3,201			
Increase in other liabilities	5,398	507			
Increase in unearned revenue	2,498	1,090			
Net cash from operating activities	10,514	8,325			

Operating leases have been entered into as a means of acquiring access to training facilities. Lease payments are generally fixed, but with fixed interest escalation clauses on which contingent rentals are determined.

Renewal options exist for some operating leases, no purchase options exist in relation to operating leases and no operating lease contains restrictions on financing or other leasing activities.

The Institute does not have any financial lease liabilities or capital expenditure commitments at the date of these financial statements.

Notes To and Forming Part of the Financial Statements 2009–2010

26. Contingencies

(a) Guarantees and Undertakings

The following guarantee is not recognised as a liability in the Statement of financial Position:

A guarantee was provided to XYZ Investments Pty Ltd ('XYZ') on 7 September 2007. XYZ is the owner of a facility in Coomera from which the Institute conduct a range of courses including boat building, marine mechanics and auto electrics. The Institute entered into a lease agreement with XYZ for a period of 5 years commencing 21 November 2007. A bank guarantee of \$27,551 has been provided to XYZ in lieu of 2 months lease payments. The guarantee is provided as an alternative to a refundable bond. The Institute does not expect that the guarantee will be called upon. The guarantee will remain in place until the completion of the lease in 2012. The guarantee is not recognised on the Statement of Financial Position as the probability of default is remote.

(b) Legal Claims

At 30 June 2010:

- the Institute is in discussions with lawyers regarding a potential claim by a group of international students,
- a former employee of the Institute has commenced a dispute resolution process which may or may not result in formal court proceedings being commenced.

At the reporting date it is not possible to make an estimate of any probable outcome of these claims, or their financial effect.

27. Non-cash financing and investing activities

Assets received by the Institute and recognised as revenues and expenses are set out in Note 3.

28. Government Funding

As published in the Queensland State Budget – Agency Service Delivery Statements the Institute will be in receipt of Government contributions of \$40.871 million during the 2010–11 financial year. The Institute received a letter from the Queensland Treasurer dated 12 August 2010 allowing a deficit to be recorded.

29. Events Occurring after Balance Date

In accordance with Section 218W(3) of the *Vocational Education, Training and Employment Act 2000* the Board of the Institute will approve the recommendation to the Minister for Education and Training that no dividend be declared for the period 1 July 2009 to 30 June 2010.

30. Financial Instruments

(a) Categorisation of Financial Instruments

The Institute has the following categories of financial assets and financial liabilities:

Category	Note	2010 \$'000	2009 \$'000
Financial Assets			
Cash and cash equivalents	12	22,525	14,532
Receivables	13	7,637	4,904
Total		30,162	19,436

Notes To and Forming Part of the Financial Statements 2009–2010

30. Financial Instruments – cont'd

Financial Liabilities

Financial liabilities measured at amortised cost:

	Note	2010 \$'000	2009 \$'000
Payables	18	2,234	611
Total		2,234	611

(b) Financial Risk Management

The Institute's activities expose it to a variety of financial risks - interest rate risk, credit risk, liquidity risk and market risk.

Financial risk management is implemented pursuant to Government and Institute policy. These policies focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the financial performance of the Institute.

All financial risk is managed by the Finance Division under policies approved by the Institute. The Institute provides written principles for overall risk management, as well as policies covering specific areas.

The Institute measures risk exposure using a variety of methods as follows –

Risk Exposure	Measurement method
Credit risk	Ageing analysis, earnings at risk
Liquidity risk	Sensitivity analysis
Market risk	Interest rate sensitivity analysis

(c) Credit Risk Exposure

Credit risk exposure refers to the situation where the Institute may incur financial loss as a result of another party to a financial instrument failing to discharge their obligation.

The maximum exposure to credit risk at balance date in relation to each class of recognised financial assets is the gross carrying amount of those assets inclusive of any provisions for impairment.

The following table represents the Institute's maximum exposure to credit risk based on contractual amounts net of any allowances:

Category	Note	2010 \$'000	2009 \$'000
Financial Assets			
Cash	12	22,525	14,532
Receivables	13	7,637	4,904
Total		30,162	19,436

No collateral is held as security and no credit enhancements relate to financial assets held by the Institute.

Notes To and Forming Part of the Financial Statements 2009–2010

30. Financial instruments – cont'd

The Institute manages credit risk through the use of a credit management strategy. This strategy aims to reduce the exposure to credit default by ensuring that the Institute invests in secure assets and monitors all funds owed on a timely basis. Exposure to credit risk is monitored on an ongoing basis.

No financial assets and financial liabilities have been offset and presented net in the Statement of Financial Position.

The method for calculating any impairment for risk is based on past experience, current and expected changes in economic conditions and changes in client credit ratings.

The recognised impairment loss is \$350,144 for the current year.

No financial assets have had their terms renegotiated so as to prevent them from being past due or impaired, and are stated at the carrying amounts as indicated.

Notes To and Forming Part of the Financial Statements 2009–2010

30. Financial Instruments – cont'd

Aging of past due but not impaired as well as impaired financial assets are disclosed in the following tables:

2010 Financial Assets Past Due But Not Impaired

	Contractual Repricing / Maturity Date:				
	Less than 30 Days \$'000	30-60 Days \$'000	Overdue 61-90 Days \$'000	More than 90 Days \$'000	Total \$'000
Financial Assets Receivables	814	1,212	146	244	2,416
Total	814	1,212	146	244	2,416

2010 Individually Impaired Financial Assets

	Contractual Repricing / Maturity Date:				
	Less than 30 Days \$'000	30-60 Days \$'000	Overdue 61-90 Days \$'000	More than 90 Days \$'000	Total \$'000
Financial Assets Receivables (gross)	-	-	-	490	490
Provision for impairment	-	-	-	(490)	(490)
Total	-	-	-	-	-

Notes To and Forming Part of the Financial Statements 2009–2010

2009 Financial Assets Past Due But Not Impaired

	Contractual Repricing / Maturity Date:				
	Less than 30 Days \$'000	30-60 Days \$'000	Overdue 61-90 Days \$'000	More than 90 Days \$'000	Total \$'000
Financial Assets					
Receivables	2,034	971	112	33	3,592
Total	2,034	971	112	33	3,592

2009 Impaired Financial Assets

	Contractual Repricing / Maturity Date:				
	Less than 30 Days \$'000	30-60 Days \$'000	Overdue 61-90 Days \$'000	More than 90 Days \$'000	Total \$'000
Financial Assets					
Receivables (gross)	-	-	-	409	409
Provision for impairment	-	-	-	(409)	(409)
Total	-	-	-	-	-

Notes To and Forming Part of the Financial Statements 2009–2010

30. Financial instruments – cont'd

(d) Liquidity Risk

Liquidity risk refers to the situation where the Institute may encounter difficulty in meeting obligations associated with financial liabilities.

Liabilities are settled by delivering cash or another financial asset.

The Institute is exposed to liquidity risk in respect of its payables.

The Institute manages liquidity risk through the use of a liquidity management strategy. This strategy aims to reduce the exposure to liquidity risk by ensuring the Institute has sufficient funds available to meet employee and supplier obligations as they fall due. This is achieved by ensuring that minimum levels of cash are held within the various bank accounts so as to match the expected duration of the various employee and supplier liabilities.

Due to the short term nature of these payables, the undiscounted cashflows equate to the amounts disclosed in the Statement of Financial Position.

The following table sets out the liquidity risk of financial liabilities held by the Institute. It represents the contractual maturity of financial liabilities, calculated based on undiscounted cash flows relating to the amount outstanding at balance date.

	2010 Payable in			Total
	<1 year \$'000	1-5 years \$'000	>5 years \$'000	
Note				
18	2,234	-	-	2,234
Total	2,234	-	-	2,234

Financial
Liabilities
Payables
Total

	2009 Payable in			Total
	<1 year \$'000	1-5 years \$'000	>5 years \$'000	
Note				
18	611	-	-	611
Total	611	-	-	611

Financial
Liabilities
Payables
Total

(e) Market Risk

The Institute does not trade in foreign currency and is not materially exposed to commodity price changes.

Notes To and Forming Part of the Financial Statements 2009–2010

Interest Rate Sensitivity Analysis

The following interest rate sensitivity analysis is based on a report similar to that which would be provided to management, depicting the outcome to profit and loss if interest rates would change by +/- 1% from the year-end rates applicable to the Institute's financial assets and liabilities. With all other variables held constant, the Institute would have a surplus and equity increase/(decrease) of \$0.225m (2009: \$0.145m). This is mainly attributable to the Institute's exposure to variable interest rates on its cash deposit with Commonwealth Bank.

(f) Fair Value

The Institute does not recognise any financial assets at fair value.

The fair value of trade receivables and payables is assumed to approximate the value of the original transaction, less provision for impairment.

30. Financial Instruments – cont'd

Financial Instruments	Carrying Amount	2010 Interest rate risk		
		-1%	Equity	Profit
Cash	22,525		(225)	225
Overall effect on profit and equity		(225)	(225)	225

Financial Instruments	Carrying Amount	2009 Interest rate risk		
		-1%	Equity	Profit
Cash	14,532		(145)	145
Overall effect on profit and equity		(145)	(145)	145

Certificate of the Gold Coast Institute of TAFE

These general purpose financial statements have been prepared pursuant to section 62(1) of the *Financial Accountability Act 2009* (the Act), relevant sections of the *Financial and Performance Management Standard 2009* and other prescribed requirements. In accordance with section 62(1)(b) of the Act we certify that in our opinion:

- (a) the prescribed requirements for establishing and keeping the accounts have been complied with in all material respects; and
- (b) the statements have been drawn up to present a true and fair view, in accordance with prescribed accounting standards, of the transactions of the Gold Coast Institute of TAFE for the twelve months 1 July 2009 to 30 June 2010 and of the financial position of the Institute at the end of that year.

Trina Hockley
Acting Board Chair

Aaron Devine
Acting Chief Executive Officer

Andrew Stuart-Murray
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

To the Board of the Gold Coast Institute of TAFE

Matters Relating to the Electronic Presentation of the Audited Financial Report

The auditor's report relates to the financial report of Gold Coast Institute of TAFE for the financial year ended 30 June 2010 included on the Gold Coast Institute of TAFE's website. The Board is responsible for the integrity of the Gold Coast Institute of TAFE's website. I have not been engaged to report on the integrity of the Gold Coast Institute of TAFE's website. The auditor's report refers only to the statements named below. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from electronic data communications they are advised to refer to the hard copy of the audited financial report, available from Gold Coast Institute of TAFE, to confirm the information included in the audited financial report presented on this website.

These matters also relate to the presentation of the audited financial report in other electronic media including CD Rom.

Report on the Financial Report

I have audited the accompanying financial report of Gold Coast Institute of TAFE which comprises the statement of financial position as at 30 June 2010, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and certificates given by the Acting Board Chair, Acting Chief Executive Officer and the Chief Financial Officer.

The Board's Responsibility for the Financial Report

The Board is responsible for the preparation and fair presentation of the financial report in accordance with prescribed accounting requirements identified in the *Financial Accountability Act 2009* and the *Financial and Performance Management Standard 2009*, including compliance with Australian Accounting Standards (including the Australian Accounting Interpretations). This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial report based on the audit. The audit was conducted in accordance with the *Auditor-General of Queensland Auditing Standards*, which incorporate the Australian Auditing Standards. These auditing standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement in the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, other than in expressing an opinion on compliance with prescribed requirements. An audit also includes evaluating the appropriateness of accounting policies and the reasonableness of accounting estimates made by the Board, as well as evaluating the overall presentation of the financial report including any mandatory financial reporting requirements as approved by the Treasurer for application in Queensland.

I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my audit opinion.

Independence

The *Auditor-General Act 2009* promotes the independence of the Auditor-General and all authorised auditors. The Auditor-General is the auditor of all Queensland public sector entities and can only be removed by Parliament.

The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

Auditor's Opinion

In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in respect of the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report has been drawn up so as to present a true and fair view, in accordance with the prescribed accounting standards of the transactions of the Gold Coast Institute of TAFE for the financial year 1 July 2009 to 30 June 2010 and of the financial position as at the end of that year.



D J OLIVE CPA
(as Delegate of the Auditor-General of Queensland)



Queensland Audit Office
Brisbane

Appendix: International travel report

Name of officer	Position	Destination	Reason for travel	Agency cost	Contribution from other agencies or sources
Deb Daly	Chief Executive Officer	Singapore and Malaysia	Attend the APEC Women Leaders Network Meeting, attend meetings with VET Institutions in Singapore and finalise arrangements for outbound mobility contract with the Renaissance Hotel in Malaysia	\$752	\$7,203
Luckie Tennekoon	International Business Officer	India	Student seminars, agent visits, Institute visits for recruitment and off-shore delivery	\$8,195	Nil
Sheila Irvine-Brown	Teacher	Malaysia	Attend the Annual IELTS Administrator Conference in Kuala Lumpur	\$1,938	\$500
Angela Li	International Business Officer	Hong Kong and Taiwan	Attend the Study in Australia Fair, undertake agent visits and training and conduct student interviews	\$6,275	Nil
Nathaly Clairmont	International Business Officer	Japan and Korea	Agent visits, seminars, student recruitment, further development of partnering opportunities	\$8,285	Nil
Angela Li	International Business Officer	Malaysia, Vietnam and China	Agent visits, seminars, student recruitment, further development of partnering opportunities	\$9,165	Nil
Tessa Brown, Juliet Lambrick and Kathleen Fraser	Teachers	Korea	Delivery training under contract with Korean partner build and enhance relationships and showcase GCIT products and services	\$720	\$12,000
Collette McCotter	Teacher	Malaysia	Facilitate Endeavour Outbound Mobility with 12 students.	\$1,160	\$1,730

Appendix: International travel report

Name of officer	Position	Destination	Reason for travel	Agency cost	Contribution from other agencies or sources
Aaron Devine	Chief Operations Officer	Nepal and India	Negotiate and signing of MOU with key partners for offshore delivery projects	\$4,090	\$7,569
Luckie Tennekoon	International Business Officer	Nepal and India	Attend signing of MOU ceremony and formulate plans to undertake offshore delivery, meet with agents to conduct product and compliance training, conduct student interviews and seminars	\$3,020	\$5,056
Nathaly Clairmont	International Business Officer	Tahiti	Attend Annual Tertiary Studies Fair, conduct meetings and student interviews in schools and meeting with agents to conduct product and compliance training	\$4,109	Nil
Luckie Tennekoon	International Business Officer	Sri Lanka	Attend IDP Fair in Kandy and Colombo, formulate plans for future projects, meetings with agents to conduct product and compliance training and undertake student interviews and seminars	\$5,039	Nil
Angela Li	International Business Officer	Vietnam	Attend IDP Fair, undertake student interviews and seminars, meetings with agents to provide product and compliance training	\$3,736	Nil
Nathaly Clairmont	International Business Officer	New Caledonia	Attend IDP Fair in Noumea, undertake student interviews and seminars, meetings with agents to provide product and compliance training	\$3,047	Nil
Nathaly Clairmont	International Business Officer	Europe	Attend ICEF Fair in Moscow, undertake student interviews and seminars, develop new partnerships with educational institutions, and meet with agents to provide product and compliance training	\$17,755	Nil

Appendix: International travel report

Name of officer	Position	Destination	Reason for travel	Agency cost	Contribution from other agencies or sources
Nathaly Clairmont	International Business Officer	Korea and Japan	Meetings with agents to provide product and compliance training, conduct student interviews and seminars and finalise MOU with partner organisations	\$6,365	Nil
Angela Li	International Business Officer	Philippines	Attend IDP Fair, undertake student interviews and seminars, meetings with educational institutions and agents to provide product and compliance training	\$4,042	Nil
Angela Li	International Business Officer	China	Attend Agent Roadshows, undertake student interviews and seminars, meetings with agents to provide product and compliance training	\$5,205	Nil

Appendix: Use of Consultants Report

Gold Coast Institute of TAFE engaged consultants to perform tasks ranging from technical advice for the proposed redevelopment of the Southport Campus through to development of a Financial Management Practices Manual during the reporting period 1 July to 30 June.

The table details the categories of work provided by consultants, the consultancy engaged and the specific task conducted.

Category	With Whom	How Much	For what
Technical	Directors Australia	\$8,900.00	Board Performance Review
Technical	Aurecon	\$260,223.98	Southport Redevelopment
Technical	Peter Ryan and Associates	\$1,500.00	Vet Fee Help
Technical	Halo Solutions	\$3,101.25	Commercial Growth Business Case
Technical	Peter Ryan and Associates	\$400.00	Vet Fee Help
Finance	Accounting and Auditing Solutions	\$5,360.00	Develop Audit Plan and Financial Management Practices Manual
HR	Ross Kindler Consulting	\$1,620.00	Staff Mediation
HR	Russell Professional Group	\$3,832.50	Staff Mediation
Total		\$284,937.73	

Appendix: Ministerial Direction

MINISTERIAL DIRECTION

Vocational Education, Training and Employment Act 2000 Section 219A

Pursuant to my powers under section 219A of the *Vocational Education, Training and Employment Act 2000* (the 'VETE Act'), I hereby direct that, except to the extent specifically authorised under any Act, the statutory TAFE institute described below (the 'Institute'), being a statutory TAFE institute established under Chapter 6A of the VETE Act, may only commit to or incur liability for expenditure in excess of the prescribed amount below, under a contract or other arrangement or series of related contracts or arrangements, with the prior approval of the Governor in Council.

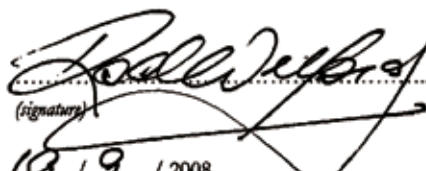
I have determined that this direction is necessary in the public interest in order to provide appropriate monitoring of expenditure of public funds.

This Direction does not limit or affect any of the duties or obligations of the Institute under the VETE Act or any other Act.

Statutory TAFE institute	Prescribed amount
Gold Coast Institute of TAFE	\$1,500,000 (including GST)

SIGNED by the Honourable
ROD WELFORD,
 Minister for Education and Training
 and Minister for the Arts,
 in the presence of:

)
)
)
)
)


 (signature)
 19 / 9 / 2008
 (date)


 (witness)
 19/9/08

Glossary of acronyms

- **AASB** Australian Accounting Standards Board
- **ACEO** Acting Chief Executive Officer
- **AEIFRS** Australian Equivalents to International Financial Reporting Standards
- **AIM** Australian Institute of Management
- **AMEP** Adult Migrant English Program
- **AMES** Adult Migration English Service
- **APEC** Asia-Pacific Economic Co-op
- **AQTF** Australian Quality Training Framework
- **AS/NZ** Australian Standards Australian/New Zealand Standards
- **ATSI** Aboriginal and Torres Strait Islander
- **ATC** Australian Technical College
- **ATO** Australian Tax Office
- **BTF** Better TAFE Facilities
- **CAPS** Corporate and Professional Services
- **CD** Compact Disk
- **CEO** Chief Executive Officer
- **CFO** Chief Financial Officer
- **CMRU** Compliance Monitoring and Risk Unit
- **CRICOS** Commonwealth Register of Institutions and Courses for Overseas Students
- **CSU** Customer Service Unit
- **CTIQ** Communities Titles Institute Queensland
- **DEEWR** Department of Education, Employment and Workplace Relations
- **DET** Department of Education and Training
- **DETA** Department of Education, Training and the Arts
- **DIAC** Department of Immigration and Citizenship
- **DVD** Digital Video Disk
- **EBIT** Earnings Before Interest and Tax
- **EEN** Endorsed Enrolled Nurse
- **ELICOS** English Language Intensive Courses for Overseas Students
- **ELPIS** English Language Programs for International Students
- **ESD** Ecologically Sustainable Development
- **FFS** Fee for Service
- **FOGS** Former Origin Greats
- **FTE** Full-time Equivalent
- **GRP** Gross Regional Product
- **GCIT** Gold Coast Institute of TAFE
- **GST** Goods and Services Tax
- **ICAB** Indigenous Community Advisory Board
- **ICEF** International Consultants for Education and Fairs
- **ICT** Information and Communications Technology
- **IELTS** International English Language Testing System
- **ISAS** Institutes' Student Administration System
- **IT** Information Technology
- **ITAS** Indigenous Tutorial Assistance Scheme
- **KPI** Key Performance Indicator
- **LLNP** Language Literacy and Numeracy Program
- **MOU** Memorandum of Understanding
- **MP** Member of Parliament
- **NABERS** National Australia Built Environment Rating System

Glossary of acronyms

- **NATA** National Association of Testing Authorities
- **NSW** New South Wales
- **QAO** Queensland Audit Office
- **QLD** Queensland
- **QPASTT** Queensland Program of Assistance to Survivors of Torture and Trauma
- **QSuper** Public Sector Superannuation
- **QUT** Queensland University of Technology
- **R & D** Research and Development
- **RPL** Recognition of Prior Learning
- **RSA** Responsible Service of Alcohol
- **RTO** Registered Training Organisation
- **SME** Small to Medium Enterprise
- **TAA** Training and Assessment
- **TAFE** Technical and Further Education
- **TESOL** Teaching English to Speakers of Other Languages
- **VET** Vocational Education and Training
- **VETE Act** Vocational Education, Training and Employment Act
- **WRI** Western Research Institute

Other reporting requirements - Addendum Queensland Carers (Recognition) Act 2008

Gold Coast Institute of TAFE (GCIT) addresses the requirements of the Carers (Recognition) Act 2008 through its Strategic and Operational Plans and in particular the identified values of respect, care and consideration:

- GCIT staff members are provided information on support mechanisms in place at induction
- GCIT staff consistently demonstrate care and consideration of not only each other but for our students
- GCIT employees work in an environment of mutual respect which includes the charters of the Carers Act
- GCIT provides a free counselling service for staff on any issue or problem that may impact on their personal or work life including carer responsibilities.

Carers are encouraged to access a range of support from Student Services including counselling, disability support, Indigenous support and learning support. Student Services also advocates on behalf of carers and the people they care for to access flexible learning programs to meet their needs and best interests. A fee waiver policy and process has been developed on the grounds of hardship which includes a specific criterion for carers. In addition, disability tutors are provided for students with disabilities to offer support during timetabled classes to allow the carer time to pursue their own activities.

GCIT networks extensively with external agencies such as Family Support Group Gold Coast, Sheppard Respite Centre and Sports and Recreation, Gold Coast City Council to ensure a high level of support services are available for staff and students.

