

Annual Report 2010–11



Gold Coast Institute of TAFE

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Letter of compliance to the Minister

30 August 2011

The Hon. Stirling Hinchliffe, MP
Minister for Employment, Skills and Mining
PO Box 15216
City East QLD 4002

Dear Minister

I am pleased to present the Annual Report 2010/2011 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
- 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



Adrienne Ward
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 Employment, Skills and Mining and provides a summary of the Institute's operations and achievements during 2010/2011.

This report outlines the Institute's performance against the key objectives as identified in the GCIT Strategic Plan 2010-2013.

For the purposes of defining GCIT as an entity, it is a not-for-profit organisation and its primary function is to provide vocational education and training (VET) 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 at executive.GCIT@deta.qld.gov.au and we will arrange for an interpreter to effectively communicate the report to you.

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

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Our highlights

Our students: improved outcomes

- Overall student satisfaction is now at 88% which exceeds the target of 84% for 2010/2011.
- A significant agreement between GCIT and Southern Cross University was signed in November. Under this agreement all graduating students from GCIT with a Certificate IV, Diploma or Advanced Diploma will receive significant credits on a Bachelor program.
- A student intranet was developed and launched, improving learning outcomes by providing students with up to date information and a range of communication tools and functions.
- To make training more accessible, GCIT has obtained VET Fee-Help approval for the Diploma of Nursing (all modes of delivery) and the Diploma of Education Support. \$2.3M worth of training activity has been possible as a result of VET Fee-Help.
- In November, 12 Tourism, Hospitality and Event Management students travelled to Kuala Lumpur, Malaysia to participate in a three week internship program at the five-star Renaissance Hotel. Subsequently, one of these students was offered a six month internship at the resort.
- A GCIT student won the Vocational Student of the Year Award at the 2011 Queensland Training Awards. Four other GCIT students were named finalists in a number of categories.

- In 2010/2011 the number of Aboriginal and Torres Strait Islander (ATSI) students graduating with a Certificate III or above qualification rose by 50%, compared to 2009/2010 figures.

Our people: professional development

- The introduction of the Teacher Capability Framework has resulted in a 200% increase in teacher professional development.
- 77% of delivery staff now hold a Diploma level qualification or higher. This result exceeds the objective and is a 5% increase on the result achieved in 2009/2010.
- A GCIT teacher was named as a finalist in the VET Teacher/Trainer of the Year category at the 2011 Queensland Training Awards.

Our customers: business satisfaction

- Business satisfaction is now at 84% which exceeds the target of 80% for 2010/2011.
- Ten formal MOUs were signed with enterprise across a range of industries including education, child care, health, hospitality, carpentry, plumbing and engineering. This exceeded the target by four. These agreements will help foster closer engagement with industry and improve learning and job outcomes for students.

- The appointment of business development officers has significantly aided the Industry Training Division's ability to engage with employers and industry bodies and secure commercial revenue targets.

- A focus on training in the workplace has resulted in the Institute securing delivery of training services to large employers across the region and the state in areas including hospitality, horticulture, aged care, health and pathology.

Our community:

- 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. The work of these volunteers was recently recognised when they won the Volunteering Team of the Year Award for the Gold Coast.
- GCIT's Hero's Charity was relaunched at the beginning of 2011 with fundraising activities planned to support four charitable organisations: RACQ Careflight, Youngcare, Cancer Council Queensland and Gold Coast Project for Homeless Youth.
- GCIT staff and 14 pre-vocational carpentry students assisted in the rebuilding of 1200 homes affected by the January Queensland Floods.

Systems and processes

- The Institute developed a three year ICT strategy aimed at upgrading all information technology across five campuses. This upgrade includes the installation of state-of-the-art technology in classrooms, as well as greatly improved administration systems, programs and equipment to reduce administration costs and increase efficiency.

International snapshot

- GCIT hosted a Chinese delegation for two weeks. During that time delegates were taught how an Australian VET institute operates. Four MOUs were signed with a view to progressing opportunities both offshore and with study tours.
- The Institute has developed a program of popular study tours for the Chinese, Korean and Japanese markets.
- Eight Teachers of English to Speakers of Other Languages (TESOL) students

travelled to Korea to participate in the Department of Education, Employment and Workplace Relations (DEEWR) Endeavour VET Outbound Mobility Program. The students were placed at a Korean educational institute and taught English to Korean students.

- GCIT delivered a Korean government contract for training delivery to Korean foreign nationals.

Creativity and innovation

- In April, GCIT opened a new \$26.9M campus in the northern growth suburb of Coomera. Designed as a centre of excellence in creative industries, the new campus features state-of-the-art teaching facilities, industry standard information technology and direct access to public transport.
- GCIT launched Lightbulb (adult community education) in July 2010 - a program of fully accredited and non-accredited short courses for

individuals wishing to up-skill for their jobs or undertake leisure/hobby courses. This program has met a demand with both individuals and industry and enjoys good enrolment levels.

Financial performance:

- GCIT has met or exceeded seven of the eight financial targets for 2010/2011.





Message from the Acting Board Chair

On behalf of the Board, I am pleased to present GCIT's 2010/2011 annual report.

Throughout 2010/2011, the Board focused its efforts on continuing to meet the government's objectives for the delivery of VET, contributing to Toward Q2 and the Queensland Skills Plan, and driving the achievement of the Institute's strategic objectives.

The most significant contribution GCIT made to Toward Q2 in 2010/2011 was the opening of a brand new campus in a rapidly developing area of the Gold Coast. The Coomera campus is equipped with the latest industry-standard technology and is the first stage in improving our facilities to meet the future skills demand of Queensland.

Considerable research, planning and industry consultation has gone into this new campus to ensure it remains, vital, viable and relevant to the training needs of the Gold Coast for many years to come.

GCIT is also contributing to a Smart Queensland through investment in a three year ICT strategy. This strategy will ensure that GCIT's technological infrastructure keeps pace with industry standards and provides students with real-world training experiences.

Strategically, in 2010/2011, the Institute sought to be innovative in its approach to VET; improve the quality of teaching and learning outcomes; and expand commercial focus. Strategies were formulated and actions were implemented that aimed to broaden our international and domestic market reach; identify and capitalise on areas for specialisation, where we have distinct competitive advantage; and improve our customer experience.

The result of this new strategic direction has been an increase in student satisfaction and an \$8.2M surplus. This surplus will enable GCIT to continue to improve our products, facilities and infrastructure to meet Queensland's future skills needs.

In May 2010, the Board signed off the 2011-2014 Strategic Plan which has been developed to steer the Institute to success in the following three years. The new Strategic Plan outlines GCIT's aim to:

- contribute to the State Government's target that by 2020, three out of four Queenslanders will hold trade, training or tertiary qualifications
- position GCIT as a leading training provider
- provide students with a high level of training delivery that optimises educational outcomes
- increase business efficiency and financial outcomes
- improve and upgrade infrastructure to future-proof the organisation.

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

A handwritten signature in black ink that reads "Trina Hockley". The signature is written in a cursive, flowing style.

Trina Hockley
Acting Board Chair

Message from the Chief Executive Officer



In 2010/2011 GCIT brought a renewed focus to delivering positive outcomes for students, teachers, and our business customers.

One of the key strategic activities for 2010/2011 has been the development of a Teacher Capability Framework – a program aimed at fostering professional development in staff, providing them with opportunities to improve their qualifications and expand their understanding of the educational process. To date this program has been a great success and has been eagerly taken up by staff. The positive results of our investment in this program are sure to be fully realised in the years to come, as a new, closer-engaged staff culture permeates the fabric of the Institution.

Greater engagement was also achieved with the launch of a new student intranet. This new platform facilitates greater communication between the Institute and students and provides relevant and up-to-date information that students can use to improve their educational outcomes.

GCIT is directly responding to the training needs of Queensland and the nation and is continually working to produce graduates with the skills and knowledge that enterprise and not-for-profit organisations struggle to find through the recruitment process.

A comprehensive program of market analysis was undertaken in 2010/2011 to enable GCIT to identify those skill areas experiencing the greatest shortage. This analysis formed the basis of product reviews and a raft of new products and improved delivery models were developed.

Training in nursing, pathology, aged care, child care, hospitality, housekeeping and horticulture is now being delivered onsite, within enterprises. New models of delivery now enable teachers to assess training on the job, and onsite 'upskilling' programs are now offered to various industry sectors.

With these new options and increased flexibility in the product, new opportunities to engage with industry will be opened up; existing relationships will be strengthened and new industry partnerships will be established.

I give my thanks to all staff at GCIT for their achievements this year, and encourage them to keep up their outstanding efforts as we move into a positive and successful year ahead.

Thankyou also to the Board of GCIT and Acting Board Chair Trina Hockley, for their passion to improve training opportunities for all our students.

A handwritten signature in black ink, appearing to read 'A. Devine'. The signature is stylized and fluid, with a horizontal line extending to the right.

Aaron Devine
Chief Executive Officer

About Gold Coast Institute of TAFE

GCIT is one of Australia's leading VET facilities and the largest in the Gold Coast region with six campuses and enrolments of 16,000 students annually.

GCIT contributes to the state wide target of Toward Q2: Tomorrow's Queensland, that by 2020, three out of four Queenslanders will hold trade, training or tertiary qualifications.

GCIT offers a broad range of vocational qualifications from Certificate to Advanced Diplomas, school and university pathways and articulation arrangements. GCIT's training is broken up into five key areas:

- **Health and Community Services** including nursing, massage and aged care
- **Services** including tourism, events, hospitality, cookery, bakery and hairdressing

- **Trades** including automotive, electro-technology, engineering, plumbing, construction, cabinet making, horticulture and carpentry
- **Creative Industries and Commerce** including graphic design, screen and media, engineering, construction, information technology, business and justice
- **General Education** including literacy and numeracy programs, English as a second language, children's services and education support.

The Institute delivers high quality training, equipping graduates with relevant skills and knowledge to enter the workforce or go on to further tertiary study. As a Registered Training Organisation (RTO), GCIT also specialises in apprenticeships and traineeships. These programs have been designed in close consultation with industry.

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 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.

GCIT plays a key role in tertiary education in the Gold Coast region driving strong employment and contributing to household incomes. GCIT creates \$188M in economic turnover and \$109M in Gross Domestic Product (GDP). This equates to 0.5% of total GDP on the Gold Coast as a flow-on effect from operations.

GCIT contributes to the social fabric of the Gold Coast statistical division. The Institute provides courses for 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 skill levels and low education attainment contribute to disadvantage and can be associated with poorer labour market experiences, unemployment and poverty.

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 geographic 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:

- 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 has recently signed 10 Indigenous trainees with a local sporting organisation. The students are studying across a range of teaching areas including hospitality, business and information technology.
- Every year GCIT awards 12 local high school students and five Indigenous Gold Coasters a scholarship to study at the Institute.
- Nine partial scholarships for eligible migrants were made available across a selection of horticulture programs in 2011. The scholarships are open to migrants and refugees with permanent residency who have come from South East Asian or African countries.



- In collaboration with the education sector, Centrelink, job networks 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.

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.

The Institute has recently opened a new campus at Coomera, purpose-built for efficiencies in energy and greenhouse gas emissions. 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 land fill waste. Posters are displayed encouraging staff and students to Sort It, Check It, Keep it Clean. Four differently coloured bins are 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.

GCIT Water Efficiency Management Plan first introduced in mid 2007 is another significant contributor to GCIT's environmental performance. Water usage has been economised through a further rollout of waterless urinals and monthly monitoring of consumption figures which enable any spike in use to be rectified quickly.

The Institute continues to reduce energy consumption through the purchase and operating of four-cylinder motor vehicles. Power management of the Institutes light's and computers has also enabled efficiencies in energy and greenhouse gas emissions.

Engagement with charities

At the beginning of 2011 GCIT's Hero Charity program was relaunched. Throughout the year fundraising activities have been conducted to benefit the following four charitable organisations: Cancer Council Queensland, Gold Coast Project for Homeless Youth, Youngcare and CareFlight Queensland. Fundraising activities include book fairs, jumble sales, morning teas and sales of confectionery.

Our people

Organisational capability

GCIT is responsible for ensuring that workforce management planning aligns with business planning to achieve all business objectives.

During the financial year 2010/2011, the Institute utilised an average of 574 fulltime equivalent Department of Education and Training (DET) staff and 24 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

Our Teacher Capability Framework offers opportunities for staff to gain higher qualifications and encompass areas such as VET tools, eFacilitation, instructional intelligence, assessment re-focus, information and computer technology and industry currency.

2010/2011 also saw 100 non-teaching staff take up the opportunity to participate in formal study to further improve their career prospects. Staff are participating in a range of Diploma and Certificate programs in the areas of business, management, project management and training and assessment.

GCIT also continued to support staff through an Active Career Management Program and in-house Leadership Development Program.

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
- revision of content and presentation of workplace health and safety new staff inductions and staff annual refresher sessions.

In support of the Institute's formal annual workplace health and safety audits a network of safety liaison officers undertakes regular inspections.

Equity and diversity

GCIT offers a range of flexible work practices, enabling staff to enjoy an appropriate work/life balance and allowing the Institute to retain highly skilled and valuable employees.

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, aimed at keeping experience and knowledge within our workforce and enabling a smooth transition for staff into retirement.



Our future

In May 2011, the Board approved the GCIT Strategic Plan 2011-2014. The corporate strategies outlined in the Plan have been developed to improve the quality of teaching and learning outcomes; meet the high-priority training needs of industry as identified by the state and federal governments; and expand the commercial focus of the Institute. The strategies reflect the key external influences driving the VET sector in a changing global economic environment.

The challenge for GCIT in the next three years will be to:

- increase training opportunities and contribute to the state and federal government's skills priorities
- be a recognised and valued high quality training provider
- retain, recruit and support a highly engaged workforce
- increase business efficiency and effectiveness and remain financially robust
- develop and implement an infrastructure plan that meets customers' immediate and future skill needs.



About our customers

2010/2011 Student snapshot

- No. of students: 16 642
- No. of students enrolled in Certificate II and above: 10 546
- Percentage of online students: 19%
- Overall rate of student satisfaction: 88%
- 95% of students completed their units
- 80% of students secured jobs or went on to further study after graduating.

Student ages

15-25	48%
26-35	21%
36-45	16%
46-55	10%
Over 55	5%

Student demographics

- 79% of students call the Gold Coast their home
- 54% female, 46% male
- 28% are from non-English speaking backgrounds
- 3% report a disability
- 1.6% identify as Aboriginal or Torres Strait Islander (ATSI)
- 29% of students had some form of post-school educational qualifications before starting their course.

Secondary school students

In 2010/2011, the Institute received 218 direct entry applications from students completing Year 12. The Institute's Schools' Open Day was a key event during 2010/2011, showcasing the Institute to school students on the Gold Coast.

Following is a list of courses offered to secondary schools in the Gold Coast region. All of these programs are delivered onsite at GCIT:

- Certificate III in Fitness
- Certificate III in Health Services Assistance
- Certificate II in Hairdressing
- Certificate III in Hospitality Operations
- Certificate III in Tourism Operations
- Certificate III in Events
- Certificate III in Engineering
- Certificate II in Retail Cosmetics
- Certificate II in Construction Pathways
- Certificate II in Furniture Making & Finishing (Cabinetmaking)
- Certificate II in Automotive Mechanical
- Certificate I in Boating Services
- Certificate III in Business.

Some programs are also delivered on site at individual schools or at the Ashmore, Southport or Coomera campuses. These programs include:

- Certificate II in Electrotechnology Career Start – Varsity College, Coombabah and Robina State High School
- Certificate III in Allied Health – Robina, Coombabah and Albany Creek State High School
- 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
- Diploma of Digital Interactive Media – Benowa State High School
- Certificate III in Children's Services – Trinity Lutheran College.

University articulation

GCIT continues to manage more than 300 articulations with some of Australia's leading universities. Significant progress has been made from a qualitative perspective, with the Institute working with universities on collaborative curriculum planning, resulting in some innovative models. These models include:

- aligning online Diploma programmes to online Bachelor programmes to increase the reach into rural and remote areas and to Indigenous communities
- targeted collaborative curriculum planning in disciplines and programmes identified by specific strategies i.e. children's services programmes as part of the National Early Childhood Strategy.

The Institute celebrated the achievements of its students in 2010/2011:

- A GCIT student won the Vocational Student of the Year Award at the 2011 Queensland Training Awards. Three other GCIT students were named finalists in a number of categories.
- In November, 12 tourism, hospitality and event management GCIT students travelled to Kuala Lumpur, Malaysia to participate in a three week internship program at the five-star Renaissance Hotel. Subsequently, one of these students was offered a six month internship at the resort.
- A GCIT language, literacy and numeracy student was selected for a panel to represent Iran at the 55th session of the Commission on the Status of Women (CSW) which took place at the United Nations headquarters in New York in February/March. The session focused on access and participation of women and girls to education, training, science and technology.
- Eight Certificate IV in TESOL students travelled to Korea to participate in the Endeavour VET Outbound Mobility Program. The students were fully immersed in the culture and the methodology of teaching English in Korea.
- GCIT Diploma of Nursing student, Michell Fraser was announced the 2010 GCIT Outstanding Student of the Year at the annual graduation.

Students achieving



GCIT liaises with more than 3,000

Business and employers

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 Domestic Business team in 2010/2011 worked to establish new enterprise partnerships, and build on existing partnerships to increase training programs within these organisations. Industry relevant training services have been developed that enhance the profitability and productivity of enterprise. In 2010/2011, growth in this area rose 94% from 2009/2010 figures.

Business growth

GCIT's corporate strategy in 2010/2011 was 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.



Other reporting requirements: Queensland Carers (Recognition) Act 2008

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 and Gold Coast City Council to ensure a high level of support services are available for staff and students.

International

GCIT has a long and successful history of catering to the needs of international students. The Institute continued to grow its international engagement in 2010/2011 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.

Highlights and achievements

- In 2010/2011, GCIT attracted 1,496 full fee paying international students from over 80 countries including South Korea, China, Taiwan, Japan and the United Kingdom.
- GCIT worked with more than 100 active international agents both throughout Australia and the world.

- Training was delivered offshore to a broad range of employers and strategic alliances were formed to deliver training in a number of countries in South East Asia.
- Change to immigration policy prompted a review of international business.

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) focuses on academic reading and writing skills, English for specific purposes and IELTS preparation.
- Courses for Australian migrants are delivered face-to-face, online and in flexible modes. Students have access to volunteer tutors and a fully resourced independent learning centre. Programs range from beginner to advanced levels and cater to a variety of needs, from facilitating active participation in the community to gaining entry into higher education or the workforce.



Performance summary/financial summary

Significant events of note during 2010/2011 include:

- changes to the federal government's General Skilled Migration Program
- continued strengthening of the Australian dollar
- growing contestability of funding, including changes to the user choice purchasing policy.

The Institute produced a significantly improved financial performance in 2010/11 generating an EBT of \$7.1m. This compares to an EBT of \$0.9m in 2009/10 (pre property devaluations). Revenues were \$8.0m ahead of expectations and \$2.7m ahead of prior year driven by a number of factors:

- A focus on improving the quantum of vocational education and training delivered on behalf of the department and government. This generated a significant over-achievement against contractual obligations particularly in the areas of Community Services, Children's Services, Electrical and Horticulture.
- Year on year growth in commercial revenues of 96% boosted by the performance of PPP and VET Fee-Help. Both are new revenue sources to the Institute in 2010/11. The removal of the cap on the government agency workers PPP contract provided significant opportunities for the Institute to grow revenues and helped to offset a lower than expected volume of traditional single-subscriber fee-paying students.

- The application of AASB 1004 on PPP contributions to the Institute led to significant revenue being recognised in 2010/11 for delivery occurring in 2011/12. This contributed to the commercial revenue performance noted above.
- International revenues performed surprisingly well in the face of challenging external conditions. 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. One-off study tours negotiated by the Institute helped to overcome these constraints.
- Property revenues benefitted from the recognition of Departmental funding for the new creative arts campus in Coomera, as outlined:

Expenditure was \$1.4m higher than target but \$3.5m lower than prior year. It is pleasing to report that given the over-achievement in revenues the Institute was able to exercise tight control over expenditure. Employee expenses were carefully managed to ensure FTE appointments and casual labour movements were justified in the face of higher demand. As noted above the Institute opened a new campus in the growing northern corridor region of the Gold Coast at Coomera and the associated costs of this new facility were the main driver behind the higher than targeted expenditure.

Strong demand for the Institute's VET Fee-Help courses in 2010/11 has led to plans to expand on that offering in 2011/12. New VET Fee-Help courses in Information Technology, Education Support, Tourism, Hospitality and Events are expected to generate further commercial revenue growth in the coming financial year.

The Institute continues to effectively utilise its land and building assets for vocational education and training and has expanded its geographical reach into the northern Gold Coast. The Institute's balance sheet is expected to remain strong in 2011/12 with effective working capital management continuing to deliver positive operating cashflow during the period after allowing for significant capital investment in the business.

Agency services and service standards

Performance Statement

Service standards	Notes	2010-2011 Target/estimate	2010-2011 Estimated actual	2010-2011 Actual
Proportion of all attempted competencies successfully completed	1	91%	91%	86%
Student post training outcome (employed or in further study after training)	2	84%	84%	80%
Proportion of graduates satisfied with the overall quality of their training	3	84%	84%	88%
Proportion of employers satisfied with graduates of the Institute	2,4	80%	80%	77%
Average cost per competency successfully completed	5	\$537	\$537	\$600
<i>Other measures</i> Number of students completing Certificate III and above	6	4 100	4 100	3 722
State contribution (\$000)	7	40 871	40 032	34 716
Other revenue (\$000)	7	24 774	32 201	34 538
Total cost (\$000)		63 868	65 218	68 019

Notes:

- The 2010-11 actual has been updated following the end of the financial year.
- The 2010-11 actual has been updated following the TAFE wide customer satisfaction survey being received. Post employment outcomes have fallen due to Gold Coast unemployment levels.
- The 2010-11 actual has been updated following the Graduate Destination Survey results being received.
- 704 business client sample population supplied with only 60 respondents, therefore the estimated confidence level is 12.11%. GCIT's local survey reported an 84% business satisfaction (360 clients surveyed from a population of 1137, estimated confidence level of 4.27%).
- The 2010-11 actual has been updated following the end of the financial year. Increase in average cost per competency due to reduced number of competency completions in 2010-11 versus 2010-11 target combined with the additional operating expenditure incurred fitting out the new Coomera campus.
- The 2010-11 actual has been updated following the end of the financial year. Decrease due to number of students commencing in nursing, electrical and plumbing courses where the qualification is not awarded until the following financial year.
- Note that original 2010-11 SDS Target includes User Choice revenue (\$6.3m) within State Contributions. To maintain consistency with Treasury reporting requirements this has been re-classified to User Charges (Other Revenue) in the 2011-12 submission and therefore User Choice revenue is not included in the 2010-11 State Contribution actuals. This has been replaced by additional VRG and Coomera funding.
- User Choice funding reclassified to User Charges (Other revenue) as above plus additional revenue from PPP and VET Fee-Help.

Strategic Plan

GCIT's 2010-2013 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 internationally 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 four strategic objective areas:

- Our customers
- Our learning and growth
- Our finances
- Our business processes.

The plan is communicated to all Institute staff by the executive team and forms the basis for tactical plans which define 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 provide all staff with updates on future direction, performance and success throughout the year.



Summary of strategic objectives, key strategies and achievements

Objective 1:

Deliver industry relevant training services that build the profitability and productivity of enterprise.

Establish partnerships with enterprise to build training programs within enterprise.

- Ten formal MOU's were signed with enterprise across a range of industries including education, child care, health, hospitality, carpentry, plumbing and engineering. This exceeded the target by four. These agreements will help foster closer engagement with industry and improve learning and job outcomes for students.
- Significant new in-house training partnerships were established with key employers in the hospitality, health services, child care, aged care and construction industries.
- Delivery of a flexible upskilling program has commenced for employees who are unable to release their employees during work hours. The program has enjoyed a high rate of uptake.
- GCIT's internal ICT capability is currently being expanded to support on-line education, providing a more flexible, and work-friendly means of training and reducing cost of delivery.

Establish greater short course and unaccredited programs that meet enterprise needs.

- In July, GCIT launched the Lightbulb (adult community education) program - a program of fully accredited and non-accredited short courses. This program has met a demand in the marketplace and enjoys good enrolment levels.
- GCIT is providing units of competency for the Advanced Diploma of Nursing to enable working nurses to maintain their registration.
- New licensing requirements in the construction industry prompted GCIT to develop a new short course. This course is now being delivered to 400 workers and 150 apprentices.

Increase activity in user choice and productivity places programs.

- In 2010/2011, 1400 enrolments were confirmed under PPP. This has resulted in strengthened relationships with state hospitals, health and community services throughout Queensland.
- Each industry division has built a plan of engagement with their industry, targeting new clients and reaffirming relationships with existing clients.
- GCIT successfully advocated to have Diploma of Education support included on the PPP priority qualifications list.

- GCIT successfully achieved Australian Qualifications Framework (AQF) and Integrated User Choice contract compliance.

Implement an extensive industry engagement program to improve graduate job outcomes, relationships and communications.

- The appointment of business development officers has significantly aided the Industry Training Division's ability to engage with employers and industry bodies.
- Industry based short courses are designed and delivered in consultation with specific businesses to ensure that participants have the skills and knowledge that enterprise struggles to find through the recruitment process.
- Employers are invited to recruit directly from the pre-vocational trade classes.
- At the new Coomera campus, GCIT regularly hosts employers, school guidance officers, Industry Skills Council representatives, highschool heads of department and Chamber of Commerce groups as we establish and strengthen industry engagement, communication and partnerships.

Our customers

Objective 2: Deliver training that creates or enhances career pathways and employment outcomes for students.

Deliver training matched to the employment needs of industry and national skill shortages.

- Recognition of Prior Learning (RPL) performance across the Institute increased by 19% in 2010/2011 compared to 2009/2010.
- GCIT conducted an extensive review of the competitive marketplace to refine 2011 product offerings and pricing, focusing on demand-driven skills training options.
- GCIT has achieved accreditation by the Royal College of Nursing to attribute Continuing Nursing Education (CNE) points to online skill sets. This addresses skill shortages arising from the increased endorsed/enrolled nurses and the shortage of registered nurses.
- GCIT's online Diploma and Advanced Diploma of Nursing qualification has been expanded enabling GCIT to deliver nursing training nationally.
- A new Health and Community Services industry division was established to support significant training demand from the new Gold Coast University Hospital and sector growth.

Facilitate employment matching between GCIT students and enterprises.

- GCIT has developed a collaborative training program with a local health care provider. Training for the Diploma of Nursing is conducted jointly through GCIT and onsite clinical placement, with the intent that graduates be employed by the health care provider on completion of their studies.
- Regular Career Café's are run to help students plan their career pathways. These cafes are attended by staff and various employers.
- GCIT counsellors liaise with job network agencies and industry organisations to link students to sources of employment.

Build career and life skills into all GCIT products to deliver an employee skilled in both soft and technical skills.

- A new and improved employability skills program was launched in 2011 ensuring courses have employability skills included in their course delivery. The new program is customised for each qualification at a Certificate III or above level and will be delivered by teachers from the individual industry group.

Objective 3: Deliver a great learning experience.

Ensure teachers are suitably qualified, industry current and industry engaged.

- A new Teacher Capability Framework has been developed, aimed at increasing the professional development of staff. The new program offers opportunities for staff to gain higher qualifications and has resulted in a 200% increase in teacher professional development.
- 77% of delivery staff now hold a Diploma level qualification or higher. This result exceeds the objective and is a 5% increase on the result achieved in 2009/2010.
- The Institute is delivering the Diploma of Training and Assessment to 16 staff members as a pilot, with a view to expanding the program.
- Improvements have been made to the teacher induction program to build teachers' capability in teaching, learning and assessment practices in the VET sector. A flexible form of online induction has also been introduced.

Recognise and share best teaching practice across Institute

- The 'Send a Star' program encourages staff to send a 'star' to colleagues recognising their efforts. Staff are rewarded with carparks across the various campuses.

Our customers

- Imbedded into the Teacher Professional Development Plan (PDP) is a recommendation that teachers observe colleagues' classes and share different approaches to delivery.
- A GCIT teacher was named as a finalist in the VET Teacher/Trainer of the Year category at the

Enhance student learning outcomes through appropriate student support services

- A student intranet has been developed and launched, providing students with up to date information and a range of communication tools and functions.
- In consultation with the Indigenous Community Advisory Board (ICAB), local ATSI communities and government, a range of training programs have been developed that are specifically tailored to the needs of the local ATSI community.
- GCIT employs a disabilities coach to assist in the learning outcomes of students with a disability.

Provide high quality facilities, equipment, technology and resources in customer focused learning environments.

- GCIT opened a new campus in the northern growth suburb of Coomera. Designed as a centre of excellence in creative industries, the new campus has state-of-the-art teaching facilities, industry standard information technology and direct access to public transport.

- A new three year ICT strategy aims to bring about the progressive improvement of all technology at the Institute. Approximately \$2M of new ICT equipment has been installed at the new Coomera campus. Wireless internet for students and a student intranet have also been introduced.
- In November, refurbishment of the Ashmore campus was completed. This was made possible through Australian Government Better TAFE Facilities (BTF) funding.
- Online course development utilising third party resources under licence is now underway in the hospitality and business areas.
- The business division now has a suite of programs available in an online and blended format that has seen enrolments in PPP exceed 750 in Semester 1, 2011.

Objective 4:
Be a nationally recognised brand synonymous with quality and value.

Build a portfolio of brands specifically targeting key markets corresponding with core business interests, high growth markets and diversification interests.

- GCIT's marketing team has developed a new name and identity for GCIT that better reflects the values and aspirations of the Institute. The new logo and identity has already been rolled out on some signage and collateral and will be officially launched in September 2011.

Develop profile based projects or initiatives to increase the profile of GCIT in the educational sector.

- The Institute's Schools' Open Day was a key event during 2010/2011 for showcasing the Institute to school students on the Gold Coast.
- In March, GCIT launched the Junior Secondary Schools Culinary Challenge. High schools are invited to nominate Year 10 students to compete in this cooking competition.
- GCIT participated in the Gold Coast Showcase coordinated by Griffith University and comprising representatives from Southern Cross University, Queensland University of Technology (QUT), James Cook University, Australian Catholic University and Bond University. The Showcase visited a range of Year 12 groups at 27 Gold Coast high schools.
- GCIT hosted a Chinese delegation for two weeks. During that time delegates were taught about the AQF and how an Australian VET institute operates. Four MOUs were signed with a view to progressing opportunities both offshore and with study tours.
- GCIT offers students over 300 articulations with some of Australia's leading universities.
- In April, GCIT awarded 12 scholarships to local secondary school students in areas including health, justice, child care, creative industries, tourism, construction and business management.

Our customers

Objective 5: Achieve Hewitt Best Practice Employer.

Prioritise learning and development to foster management and leadership capability within the organisation.

- Staff are encouraged to complete the Future Leaders Program, an in-house leadership development program.

Implement a sustainable and engaging internal communications framework across organisation

- An employee forum has been established aimed at promoting effective two-way employee consultation and communication between management and staff.
- GCIT conducts a regular program of Executive Roadshows for staff to be updated on key milestones, issues and results.

Gain employment authority and flexibility of employee engagement.

- 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.

Increase focus on reward and recognition

- The Institute is in the process of reviewing temporary staff engagements with a particular focus on those staff who have been engaged by the Institute in excess of two years.
- The Institute's staff reward and recognition program provides an opportunity for staff to nominate their colleagues for a range of awards including the Institute's Business Excellence Awards.
- Over 760 'Stars' were forwarded to staff as part of the Institute's "Send a Star' colleague recognition system.



Our learning and growth

Objective 6:

Grow a sustainable and profitable business to reduce dependence on government.

Identify alternative revenue streams that complement our core business and core competencies.

- The introduction of VET Fee Help provides for nursing courses that were previously VET Revenue General (VRG) funded to move to full fee for service. This allows the VRG funding to be moved to other products that are in high demand.
- New programs have been developed based on market research that identified demand for new products in pathology and allied health.
- GCIT has developed a program of popular study tours for the Chinese, Korean and Japanese markets.

Develop alternative business models and legal structures for greater control over business operations

- GCIT has made limited progress in this area.

Increase the level of customer, market and industry knowledge in the organisation to drive growth and improve planning cycles.

- Business and customer satisfaction surveys are conducted bi-annually, with the data used to support and develop a range of projects and initiatives. Graduate destination surveys are also conducted annually.
- GCIT has appointed a panel of research companies to provide market research services. This will enable the Institute to contract research services quickly and easily for the benefit of driving growth and improving the planning cycle.

Improve cost management to increase investment capabilities

- The finance team have installed business analysts across the delivery and support teams to assist with the understanding and management of key business imperatives.

Objective 7:

Contribute to the achievement of priority policy for state and federal government.

Support targets for COAG, Q2 targets and the Queensland Skill Plan

- GCIT is supporting COAG, Q2 and Queensland Skills Plan (QSP) activities through the delivery of VRG targets and PPP contracts.

- The new Coomera campus is being developed in line with the Queensland Government's Toward Q2 goals (see page 29), local industry needs and the Gold Coast City Council's economic strategies and future infrastructure planning.
- GCIT continues working in resource development for sustainable tourism and in professional development for TAFE Queensland staff in this industry.
- The number of ATSI students currently enrolled at GCIT in 2010/2011 has risen 43% from the previous financial year. ATSI students graduating with a Certificate III or above qualification has also risen by 50% over the same period. On the whole, while the ATSI population of the Gold Coast is 1.2%, the ATSI student population of GCIT sits at 1.6%.

Review shareholder and government engagement strategy to contribute to the direction of the VET education sector and its future

- A COAG education goal is to lift the Year 12 equivalent attainment rate to 90% by 2015. GCIT's adult tertiary preparation course is well enrolled at 94% to quota representing some 600 students.

Our finances

Objective 8:
Deliver a consistent exceptional customer experience.

Improve planning cycles and business processes to improve agility and meet changing market needs.

- A new product planning and pricing guide has been developed for 2011/2012 with a focus on new and emerging training needs, desired methods of delivery, industry trends and skill shortage demands.

Invest in organisational development to improve skills and capabilities of staff.

- GCIT invested 66% of Organisational Development funds on Institute-initiated training activities aimed at improving the skills and capacity of our staff. Primary focus has been in the area of online facilitation, teacher induction and assessment practices.
- 100 formal training opportunities have been offered to staff.

Develop a performance management framework to drive performance and accountability.

- GCIT has a documented performance management framework and all managers and supervisors are supported by the human resources team in the management of performance and accountability.
- An appointment has been made in the newly created position of Manager, Performance and Capability. The key accountability for this position is to establish a workable performance management framework and work individually with associate directors and managers to identify and address performance and resource utilisation issues.



Our business processes

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: Target 1

Queensland is Australia's strongest economy, with infrastructure that anticipates growth.

The new \$26.9M Coomera campus opened in April 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 creative industries locally, nationally and internationally.

Green Queensland: Target 1

Cut by one-third Queenslanders' carbon footprint with reduced car and electricity use.

The Institute continues to reduce energy consumption through the purchase and operating of four-cylinder motor vehicles. Power management of the Institutes light's and computers has also enabled efficiencies in energy and greenhouse gas emissions.

Smart Queensland: Target 2

Three out of four Queenslanders will hold trade, training or tertiary qualifications.

A new three year ICT strategy aims to bring about the progressive improvement of all technology at the Institute. Approximately \$2M of new ICT equipment has been installed at the new

Coomera campus to provide state-of-the-art training facilities in the fields of creative industries, IT, graphic design and media. Wireless internet for students, a student intranet and improvements to administration-based technology (transition to Windows 7 and Office 2010) have also be implemented.

Healthy Queensland: Target 2

Shortest public hospital waiting times in Australia.

GCIT has established a new Health and Community Services industry division to meet the training demands of the new Gold Coast University Hospital.

GGCIT has also achieved accreditation by the Royal College of Nursing to attribute Continuing Nursing Education (CNE) points to online skill sets. This addresses skill shortages in the medical sector.

Fair Queensland: Target 2

Increase by 50 per cent the proportion of Queenslanders involved in their communities as volunteers.

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. The work of these volunteers was recently recognised when they won the Volunteering Team of the Year Award for the Gold Coast.



Corporate governance

Our Board

GCIT Board comprises a Chair and seven members, who were appointed on 17 July 2008 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, 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
- appoint the CEO and review performance.

The Board reports to the Honourable Stirling Hinchliffe MP, Minister for Employment, Skills and Mining.

The statutory functions of the Board are set out in section 219D of the VETE Act 2000, and Chapter 6A outlines the powers of the Institute as a statutory

TAFE Institute. The Board's charter 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.

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 (non-statutory)
- 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 VETE Act 2000. However, the Board has also identified the role and responsibilities of each of the committees as outlined below:

Audit, Finance and Risk Management Committee

In 2010/ 2011 this committee met eight times. The committee has the following roles and responsibilities:

- advise and make recommendations to the Board about the management of financial and other operating risks for GCIT
- oversee GCIT's internal control and risk management functions
- ensure that risk management frameworks and policies within the Institute identify strategic, operational and financial risks
- oversee the internal and external audit functions of the Institute and ensure it is performing in accordance with its charter or service level agreement
- review financial reports and make recommendations to the Board
- oversee the Institute's implementation of compliance with applicable legislation and regulations
- monitor compliance issues which may affect the Institute's reputation including ethical, legislative and regulatory compliance.

The Audit, Finance and Risk Management Committee has observed the terms of its charter and has due regard to Queensland Treasury's Audit Committee Guidelines.

Governance and Capital Works Committee

In 2010/2011 this committee met six times. The committee has the following roles and responsibilities:

- oversee corporate governance arrangements, which are appropriate for, and adapted to, the Board's circumstances
- oversee capital works in their planning and execution
- oversee strategic ICT projects
- oversee proper disclosure and reporting on the achievements, performance and operations of the Institute to the shareholding minister and the public (via the Annual Report)
- oversee strategic capital infrastructure projects.
- oversee the Annual Report
- review the External Relations and Communications Policy, Execution of Documents Policy, and Directors and Officers Insurance/s
- consider, advise and make recommendations to the Board in regard to the Strategic Plan, ICT Strategic Plan, Capital Infrastructure Plan, Operational Plan, Operating Agreement, Committee Charter (annual review); and Annual Board review.

Staff, Student and Community Voice Committee

In 2010/2011 this committee met seven times. The committee has the following roles 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
- review the Annual Report, student and business satisfaction surveys and the Strategic Marketing Plan.

Remuneration and Nominations Committee

In 2010/2011 this committee met four times. The committee has the following roles and responsibilities:

- advise on appointment, retirement and removal of Board members
- appointment, remuneration and annual review of performance for the CEO
- various Institute policies relating to the employment of directly engaged staff of the Institute
- Reimbursable Expenses and Remuneration Fees Policy.

Committee activities

The Board and its committees' activities and major achievements in 2010/2011 include the development, monitoring and advising on the:

- 2010-2014 Strategic Plan
- 2010/2011 Operational Plan
- 2010/2011 Operating and Capital Budgets
- Compliance Plan
- Risk Management Plan.

The Board also approved the following policies:

- Compliance Policy
- Performance Incentive Payment Scheme Policy
- External Relations and Communications Policy
- GCIT Board Code of Conduct
- Gifts and Benefits Procedure
- Scheme of Delegation
- Financial Delegations
- Investment Policy
- Board Charter
- Staff, Student and Community Voice Committee Charter
- Governance and Capital Works Committee Charter
- Audit, Finance and Risk Management Committee Charter
- Remuneration and Nominations Committee Charter.

The Board also had oversight of:

- GCIT'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 and professional development.

Board members



Mr Richard Flanagan

Appointed 17 July 2011 to 16 July 2014

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 GCIT Electrical Contracting course part-time for 17 years.



Mr Phil Gray

Appointed 17 July 2011 to 16 July 2014

Phil is a former Member of Parliament (MP) and has been involved in the education and training sector at senior levels in project management, strategic planning, negotiation, policy development, policy advice and administration.

Phil also has experience in the provision of student services, counselling, guidance services and teaching in both primary and secondary schools.

Phil is well versed in public sector policy and has also worked in the private sector. He is the author of a number of academic articles and books and in 2003 Phil was awarded a Centenary Medal for his outstanding contribution to the community.



Ms Trina Hockley

Appointed 17 July 2011 to 16 July 2015

Trina 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.

In 2011, Trina was appointed Chair of ON Q Human Resources, a not-for-profit employment service provider specialising in finding placements for job-seekers with disabilities.

Trina is a fellow of the Australian Institute of Company Directors (AICD) and is an active Indigenous community volunteer.



Ms Karyn Joyner

Resigned 19 July 2010

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, international regulatory disciplines, entrepreneurial investment and most recently in university research business development.

Karyn has expertise in international research development, commercialisation of research outcomes and developing high performance teams.



Ms Janelle Manders

Appointed 17 July 2011 to 16 July 2014

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.



Mr Richard Munro

Appointed 17 July 2011 to 16 July 2014

Richard has built a successful public accounting practice on the Gold Coast, providing services to a wide selection of clients in taxation, accounting, finance, management and computer systems.

Richard has been involved in a variety of professional and community organisations both on the Gold Coast and nationally.

Having recently completed his Graduate Diploma in Company Directorship Richard brings a wide knowledge of business and governance experience to the Board.



Ms Kellie Trigger

Appointed 17 July 2011 to 16 July 2014

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

Kellie 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.



Ms Adrienne Ward

Appointed 17 July 2011 to 16 July 2014

As Government and Business Relations Advisor for Leighton Contractors, Adrienne has a solid background in corporate and government strategy.

Adrienne has held significant roles in many large corporations including Accenture, Optus Vision and Westpac Banking Corporation.

Among her many achievements, Adrienne was awarded the Centenary Medal in 2003 for distinguished service and achievement in business and commerce and is a former Telstra Business Woman of the Year award winner.

Board activity

Board committee memberships and attendance

Board member	Type of appointment	Board and committee memberships and meetings attended				
		Board meetings	Audit, Finance and Risk Management	Governance and Capital Works	Staff, Student and Community Voice	Remuneration and Nominations
Richard Flanagan	Ministerial	2	6			
Philip Gray	Ministerial	7	7		5	
Trina Hockley	Ministerial	7	7	5	1	4
Karyn Joyner	Ministerial	1				
Janelle Manders	Ministerial	5	7		5	
Richard Munro	Ministerial	6	6	5		4
Kellie Trigger	Ministerial	7		5	7	4
Adrienne Ward	Ministerial	7		3	7	

Note: 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.

Note: Richard Flanagan has an approved leave of absence from the Board.

Board professional development

Board member	Date	Activity	Approximate cost
Trina Hockley	16/5/2011 - 23/5/2011	AICD Company Directors course, China	\$7,920.30
Janelle Manders	1/4/2011	AICD workshop – The Strategic Board	\$745
Kellie Trigger	6/3/2011 - 11/3/2011	The Partnership Brokers Training	\$2,200
Adrienne Ward	10/3/2011	AICD workshop – The Chairman	\$560
	16/5/2011 - 23/5/2011	AICD Company Directors course, China	\$7,920.30
	22/2/2011	AICD membership	\$566

Our senior executives



Chief Executive Officer Aaron Devine

*Acting CEO 25 January 2010 to
17 May 2011
CEO 17 May 2011 to present*

In his role as Acting Chief Executive Officer and 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.

On three occasions Aaron led Institutes that have been awarded Large Training Provider of the Year. Aaron's leadership in the sector has been recognised with an AUSTAFE national leadership award.

Aaron is also a member of the AICD.



Chief Financial Officer Andrew Stuart-Murray

17 May 2010 to present

In his role as CFO, 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 CFO at Australian Institute of Management (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 Kellie-Ann Williams

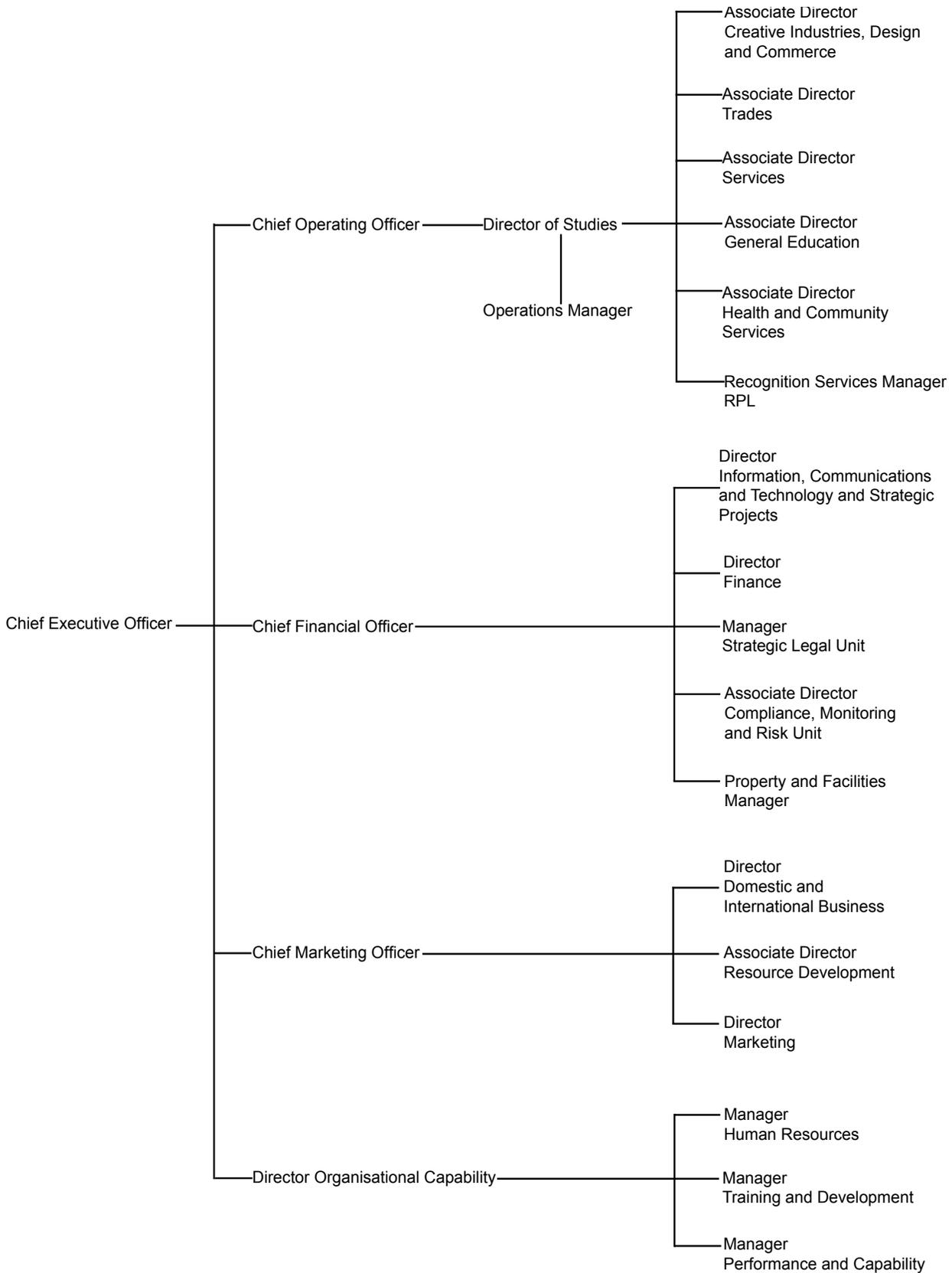
9 November 2009 to present

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, and a focus on building a profitable business. Kellie-Ann is an Associate Fellow and Certified Practicing Marketer of the Australian Marketing Institute with a strong track record of achievement in business growth.

Kellie-Ann has more than 16 years 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 Position vacant

Our structure



Risk management and compliance

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 CEO 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 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
- all DET, CRICOS, Skills Sets and Vocational Placement Schemes registrations.

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 that help teams to maintain compliance with required standards and legislation (without introducing unnecessary add-ons) and 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 GCIT archives and records storage process
- facilitating all incoming and outgoing mail room activities
- risk assessment for registration of all new educational programs.

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, 49 new educational programs have been added to the existing scope.

The Institute has 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.

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

Quality Standard	2010/2011 performance indicator
AQTF – Educational quality standard	GCIT is compliant
International Organisation for Standardisation (ISO) 9001 – Quality Management Systems standard	ISO 9001 Certification was renewed for three years following the major audit in August 2010
Financial Performance and Management Standard 2009	Financial management standards were maintained
CRICOS – international program registrations	CRICOS registration has been renewed for three years following a major re-registration audit in November
AQTF Conditions of Registration	Registration as a RTO maintained

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 by CMRU and through the use of the services of the DET Internal Audit Unit.

Throughout 2010/2011 CMRU performed corporate, educational and AVETMISS audits across the Institute.

In addition, DET's internal audit unit undertook a range of audits negotiated with the CEO including:

- 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 and 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 affecting 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 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 did not receive any Ministerial Directions for the 2010/2011 financial year.

Acts and registration of RTO

Implementation statement giving details of the action taken during the reporting period (1 July 2010 – 31 December 2010)

The DET Code of Conduct applies to all staff employed by DET and working at GCIT under a Work Performance Arrangement. The DET Code of Conduct has been adopted to apply to all staff directly engaged by GCIT. The Code is published on the GCIT intranet and is available for all staff to access. Policies and practices at GCIT are consistent with the Public Sector Ethics Act 1994 requirements.

Implementation of the Code of Conduct for public service agencies and any standard of practice available from 1 January – 20 June 2011

GCIT were informed of the new Code of Conduct applicable for public service agencies. DET's Standard of Practice continues to apply to all DET staff working at GCIT under a Work Performance Arrangement.

All GCIT staff are given access to training of public sector ethics and GCIT has a dedicated human resources team to provide education and training to all staff. Since January 2011 the (new) Code of Conduct training has been rolled out at individual business divisions/unit team meetings with particular emphasis on examples of breaches of those principles. Again, training is captured at corporate inductions held the last day of each month – again this is a compulsory activity.

At GCIT there is a team of six staff dedicated to training and development / performance management (both reactive and proactive strategies in training).

Whistleblowers Protection Act 1994

With the repeal of the Whistleblowers Protection Act 1994 and the introduction of the Public Interest Disclosure Act 2010 (PID Act) on 1 January 2011, the way in which public interest disclosures are to be publically reported has changed. From 1 January 2011 agencies are no longer required to report public interest disclosures in annual reports.

Under section 61 of the PID Act, the Public Service Commission (PSC) is now responsible for the oversight of public interest disclosures and preparing an annual report on the operation of the PID Act. From 1 January 2011 agencies are required to report information about public interest disclosures to the PSC. The PSC will prepare an annual report on the operations of the PID Act and the information provided by agencies. The annual report will be made publicly available after the end of each financial year.

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

A number of applications for the Aboriginal and Torres Strait Islander (ATSI) scholarship were received for the 2011 intake. The five successful scholarship recipients will be studying:

- Adult Tertiary Preparation Course
- Diploma of Justice
- Diploma of Hospitality
- Diploma of Fitness
- Diploma of Management

GCIT is very proud that students of ATSI descent make up 1.6% of GCIT's student population. This is above the 1.2% (source: ABS, census data) of people of ATSI descent that make up the Gold Coast community as a whole.

- The number of ATSI students currently enrolled at GCIT in 2010/2011 has risen 43% from the previous financial year. ATSI students graduating with a Certificate III or above qualification has also risen by 50% over the same period.
- GCIT has recently signed 10 Indigenous trainees to the Gold Coast Titans. The students are studying across a range of teaching areas including hospitality, business and IT.
- GCIT hosted a stand at the Indigenous All Stars Employment and Careers Expo.
- GCIT developed a unit of study on Indigenous cultures as part of the Diploma of Education Support. A member of the Indigenous Community Advisory Board designed the online learning materials which take a story telling approach to teaching.



Education and training overview

GCIT's 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, GCIT delivers training from Certificate I through to Advanced Diplomas in 28 Areas of Study. 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 various 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 option allows students to study when and where they like and appeals to learners of all ages.

The Institute 'value adds' the student experience 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 a program to all students enrolled in Certificate III and above courses. The program exposes students to a range of skills that enhance their ability to function throughout their working life.

GCIT has delivered over three million student contact hours this year and enrolled 16,642 unique students. Other milestones include:

- Over 10 000 students were enrolled in Certificate II and above courses
- 95% of enrolled students completed their units
- Enrolled more than 2 500 students over 45 years of age
- Enrolled more than 1 496 full fee paying international students
- Delivered training to 1 889 15-17 year old students
- 7% growth in nominal hours of training undertaken for domestic students
- In 2010, over 1 300 students graduated with Diplomas or Advanced Diplomas.

Educational operations

The functional area team assists Industry Divisions with a variety of educational planning including:

- Managing the Institute resource scheduling tool, CELCAT, including the development and ongoing maintenance of program and teacher timetables
- Managing the effective use of Institute resources such as educational spaces and teacher programmed hours
- Managing the Institute educational planning cycles including the gathering of planning information for the creation of the Institute's Student Administration System (ISAS) delivery packages and CELCAT timetables enabling Industry Divisions to meet enrolment deadlines
- Managing ISAS, including data entry and maintenance of delivery packages ensuring data compliance and educational outcomes are achieved
- Managing the processing and issuing of student awards
- Providing training and support in the use of ISAS and CELCAT
- Supporting Industry Divisions with program and course material costings for all Institute offerings
- Providing reports and statistics on room bookings, teacher delivery hours and program hours to assist Industry Divisions achieve budgetary targets.

Industry training teams

GCIT encompass the following five industry training divisions:

- Creative Industries and Commerce
- Health and Community Services
- General Education
- Services
- Trades

Range of Programs Available

In 2010/2011 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.

Delivery Methods

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

- face-to-face
- online
- blended
- full-time
- part-time
- evenings
- flexible combinations.



Student Services

Student Services 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 Services 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
- Learning support teachers – specialist teachers providing students with the underpinning skills required for a successful outcome in their chosen course of study
- Disability coach – 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 ATSI descent.

Performance

Key performance indicators (KPIs) 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:

- Career Café – conducted each term for students and attended by GCIT Student Services staff, major universities, employers, voluntary organisations and banks to help students plan their transition from TAFE into further study or employment.
- 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 Services 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.

- Programs targeting priority groups – including the language, literacy and numeracy program, adult migrant English program and the IELTS.



Resource Development

The core functions of Resource Development in 2010/2011 were to:

- project manage blended and online product development
- provide library and information services
- provide advice, training and support to students and staff in the use of learning management systems and technologies including my.TAFE, video conferencing/video streaming and web conferencing; information literacy and educational use of copyright
- provide a technical help desk for students and staff in their use of my.TAFE, Moodle and Videolinq.

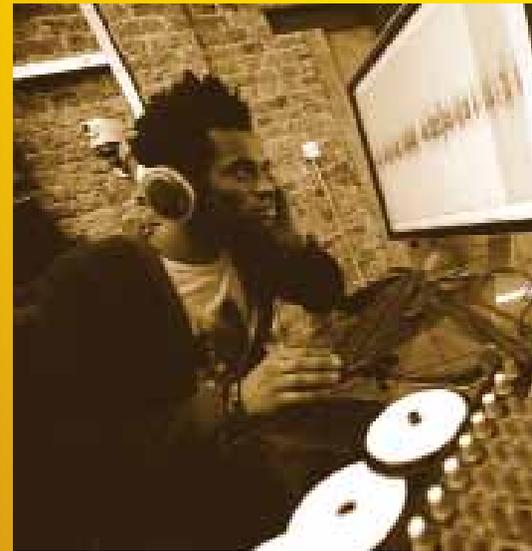
Highlights and achievements

There has been a substantial increase in the number of training programs offered in the online environment as reflected in the following indicators:

- 19% delivery of training in other than face to face mode (including online delivery) was achieved. This exceeded the target of 14%.
 - 27 qualifications now have a component of online delivery, with 10 qualifications added in 2010/2011.
 - Student enrolments in online courses have increased 62%, totalling 6,420.
- 209 study groups (classes) undertook their studies in the online learning environment.
 - Print resource development for teaching and learning has produced 112 resources for use by students in face to face delivery with the majority of output in the trades, beauty and aged care areas.



Financial Statements 2010/2011



Gold Coast Institute of TAFE

General Information

These financial statements cover the Gold Coast Institute of TAFE.

The financial statements are presented in the Australian currency.

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.

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

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 2011

	Notes	2011 \$'000	2010 \$'000
Income from Continuing Operations			
Revenue			
User charges	2	30,446	27,480
Grants and other contributions	3	40,032	40,420
Other revenue	4	1,754	1,727
Total Income from Continuing Operations		72,232	69,627
Expenses from Continuing Operations			
Employee expenses	5	4,495	4,348
Supplies and services	7	57,001	60,680
Depreciation and amortisation	8	2,881	2,789
Impairment losses	9	233	350
Revaluation decrement	10	4,314	10,863
Other expenses	11	512	548
Total Expenses from Continuing Operations		69,436	79,578
Operating Result from Continuing Operations		2,796	(9,951)
Other Comprehensive Income		-	-
Total Comprehensive Income		2,796	(9,951)

The accompanying notes form part of these statements.

Statement of Financial Position as at 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Current Assets			
Cash and cash equivalents	12	25,809	22,525
Trade and Other Receivables	13	7,620	7,637
Inventories	14	25	52
Other Current Assets	15	54	219
Total Current Assets		33,508	30,433
Non Current Assets			
Intangible assets	16	255	198
Property, plant and equipment	17	96,220	101,471
Total Non Current Assets		96,475	101,669
Total Assets		129,983	132,102
Current Liabilities			
Trade and Other Payables	18	3,821	2,234
Deferred Revenue	19	5,852	9,023
Accruals	20	6,204	9,716
Other Current Liabilities	21	728	524
Total Current Liabilities		16,605	21,497
Non-Current Liabilities			
Other	22	19	22
Provisions	23	229	249
Total Non-Current Liabilities		248	271
Total Liabilities		16,853	21,768
Net Assets		113,130	110,334
Equity			
Accumulated deficit		(27,917)	(30,713)
Contributed equity		141,047	141,047
Total Equity		113,130	110,334

The accompanying notes form part of these statements.

Statement of Changes in Equity for the year ended 30 June 2011

	Accumulated Deficit 2011 \$'000	Contributed Equity 2011 \$'000	Total 2011 \$'000
Balance at 1 July 2010	(30,713)	141,047	110,334
Operating Result from Continuing Operations	2,796	-	2,796
<i>Transactions with Owners as Owners:</i>			
• Equity Adjustments	-	-	-
Balance at 30 June 2011	(27,917)	141,047	113,130

	Accumulated Deficit 2010 \$'000	Contributed Equity 2010 \$'000	Total 2010 \$'000
Balance at 1 July 2009	(20,762)	141,047	120,285
Operating Result from Continuing Operations	(9,951)	-	(9,951)
<i>Transactions with Owners as Owners:</i>			
• Equity Adjustments	-	-	-
Balance at 30 June 2010	(30,713)	141,047	110,334

The accompanying notes form part of these statements.

Statement of Cash Flows

for the year ended 30 June 2011

	Notes	2011 \$'000	2010 \$'000
Cash flows from operating activities			
<i>Inflows:</i>			
User charges		26,540	27,518
Grants and other contributions		40,628	39,826
GST input tax credits from ATO		674	641
GST collected from customers		1,577	1,555
Interest receipts		951	594
Other Revenue		797	1,903
<i>Outflows:</i>			
Employee expenses		(4,260)	(3,833)
Supplies and services		(59,263)	(55,489)
Grants and subsidies		(2)	15
GST paid to suppliers		(1,530)	(1,722)
GST remitted to ATO		(789)	(494)
Net cash provided by operating activities	24	5,323	10,514
Cash flows from investing activities			
<i>Inflows:</i>			
Sales of property, plant and equipment		-	1
<i>Outflows:</i>			
Payments for property, plant and equipment		(2,039)	(2,522)
Net cash used in investing activities		(2,039)	(2,521)
Cash and cash equivalents at the beginning of the financial year			
		22,525	14,532
Net increase in cash and cash equivalents			
		3,284	7,993
Cash and cash equivalents at end of financial year	12	25,809	22,525

The accompanying notes form part of these statements.

Gold Coast Institute of TAFE

Notes To and Forming Part of the Financial Statements 2010–2011

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: Key Executive Management Personnel and 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: Trade and Other 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: Events Occurring After the Balance Sheet Date
- Note 29: Financial Instruments

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 six locations, Coomera, 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 2010–11, the Institute utilised an average of 557 full-time equivalent Department of Education and Training staff and 23 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 2011, 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.

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 receipted but not banked at 30 June 2011 as well as deposits at call with financial institutions.

(f) Trade and Other 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 2011. Movements in the provision for impairment are based on loss events as disclosed in Note 29.

(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*.

(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.

(j) Revaluations of Non-Current Physical and Intangible Assets – cont'd

Plant and equipment is measured at cost in accordance with the Treasury's *Non-Current Asset Policies*.

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.

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 7 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.

All intangible assets of the institute have finite useful lives and are amortised on a straight line basis

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.

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

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.

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

(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(j).

(n) Leases

A distinction is made in the financial statements between finance leases that effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership, and operating leases, under which the lessor retains substantially all the risks and benefits.

Operating lease payments are representative of the pattern of benefits derived from the leased assets and are expensed in the period in which they are incurred.

(o) Trade and Other 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.

(p) 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 29.

(q) 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).

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

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.

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.

(q) Employee Benefits - cont'd

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.

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 (Q-Super) 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 Q-Super.

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*.

Key executive management personnel and remuneration

Key executive management personnel and remuneration disclosures are made in accordance with section 5 Addendum (issued in May 2011) to the *Financial Reporting Requirements for Queensland Government Agencies* issued by the Queensland Treasury. Refer to note 6 for the disclosure on key executive management personnel and remuneration.

(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 (FBT) and Goods and Services Tax (GST). As such, GST credits receivable from/payable to the Australian Taxation Office are recognised and accrued (refer note 13).

(w) Issuance of Financial Statements

The financial statements are authorised for issue by the Acting Board Chair, 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
Provisions – Note 23

(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 2010-11. Only one amendment to the Australian accounting standards applicable for the first time for 2010-11 was relevant to the institute, as explained below.

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

AASB 2009 – 5 *Amendments to Australian Accounting Standards arising from the Annual Improvements Project* included certain amendments to AASB 117 *Leases* that revised the criteria for classifying leases involving land and buildings. Consequently, the Institute was required to reassess the classification of the land elements of all unexpired leases the Institute had entered into as at 1 July 2010, on the basis of information existing at the inception of the relevant leases. The outcome of the department's reassessment was that no reclassification from an operating lease to a finance lease was necessary.

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.

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" (instead of the measurement classification presently used in notes 1(p) and 29). 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.

AASB 1053 *Application of Tiers of Australian Accounting Standards* and AASB 2010-2 *Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements* apply to reporting periods beginning on or after 1 July 2013. AASB 1053 establishes a differential reporting framework for those entities that prepare general purpose financial statements, consisting of two tiers of reporting requirements – Australian Accounting Standards (commonly referred to as "tier 1"), and Australian Accounting Standards – Reduced Disclosure Requirements (commonly referred to as "tier 2").

Tier 1 requirements comprise the full range of AASB recognition, measurement, presentation and disclosure requirements that are currently applicable to reporting entities in Australia. The only difference between the tier 1 and tier 2 requirements is that tier 2 requires fewer disclosures than tier 1. AASB 2010-2 sets out the details of which disclosures in standards and interpretations are not required under tier 2 reporting.

Pursuant to AASB 1053, public sector entities like the Gold Coast Institute of TAFE may adopt tier 2 requirements for their general purpose financial statements. However, AASB 1053 acknowledges the power of a regulator to require application of the tier 1 requirements. In the case of the Gold Coast Institute of TAFE, the Treasury Department is the regulator. Treasury Department has advised that it will determine and communicate a policy in this regard well ahead of the effective date of AASB 1053.

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

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.

	2011 \$'000	2010 \$'000
2. User Charges		
Sale of goods and services	2,035	2,422
Student fees	27,386	24,033
Other	1,025	1,025
Total	30,446	27,480
3. Grants and Other Contributions		
Government grants	32,146	31,311
Government contributions	7,810	9,106
Industry/Community contributions	76	3
Total	40,032	40,420
4. Other Revenue		
Interest income	951	594
Other	803	1,133
Total	1,754	1,727
5. Employee Expenses		
Employee Related Benefits		
Wages and salaries	2,687	2,436
Employer superannuation contributions*	290	311
Long service leave*	47	47
Annual leave*	218	254
Employee Related Expenses		
Payroll tax**	138	147
Workers compensation**	469	323
Staff Training***	430	596
Other employee related expenses***	216	234
Total	4,495	4,348

* refer to note 1(q).

** Cost 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 Institute is also responsible for the cost of workers compensation for DET employees who perform work for the Institute under the work performance arrangement. Refer to Note 1(q).

*** Staff training and development costs are for DET employees contracted to the Institute and directly engaged by the Institute.

**** Other employee related expenses include the costs of fringe benefits tax and recruitment fees for DET employees contracted to the Institute and directly engaged by the Institute. The number of employees including both full-time employees and part-time employees measured on a full-time equivalent basis is:

	2011	2010
Number of employees	23	21

6. Key executive management personnel and remuneration

a) Key Executive Management Personnel

The following details for key executive management personnel include those positions that had authority and responsibility for planning, directing and controlling the activities of the agency during 2010-11. Further information on these positions can be found in the body of the Annual Report under the section relating to Executive Management.

Position	Responsibilities	Current Incumbents	
		Contract Classification/Appointment Authority	Date appointed to position (resigned from position)
Chief Executive Officer	The CEO 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	Individual Contract	Appointed 25 January 2010
Chief Financial Officer	The CFO 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	Individual Contract	Appointed 17 May 2010
Chief Marketing Officer	The CMO drives the Institute's growth with market insight, a strong brand, effective relationships and communications, with a focus on building a profitable business.	Individual Contract	Appointed 9 November 2009
Richard Flanagan	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008
Phillip Gray	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008
Trina Hockley	Board Chair	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008
Karyn Joyner	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008 (Resigned 19 July 2011)
Garry Luxmore	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008 (Resigned 24 May 2011)
Janelle Manders	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 3 June 2010
Richard Munro	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008
Kellie Trigger	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008

6. Key executive management personnel and remuneration – cont'd

Position	Responsibilities	Current Incumbents	
		Contract Classification/Appointment Authority	Date appointed to position (resigned from position)
John Giles	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008 (Resigned 10 Sep 2009)
Paul Stevens	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008 (Resigned 8 Dec 2009)
Adrienne Ward	Board Director	Vocational Education, Training and Employment Act 2000 Part 4	Appointed 17 July 2008

b) Remuneration

For the 2010-11 year, remuneration of key executive management personnel comprise the following components:-

- Short term employee benefits which include:
 - Base – consisting of base salary, allowances and leave entitlements paid and provided for the entire year or for that part during which the employee occupied the specified position. Amounts disclosed equal the amount expensed in the Statement of Comprehensive income
 - Non-monetary benefits – consisting of provision of vehicle together with the fringe benefits tax applicable
- Long term employee benefits include long service leave accrued
- Post-employment benefits include superannuation contributions
- Redundancy payments are not provided for within individual contracts of employment. Contracts of employment provide only for notice periods or payment in lieu of notice on termination, regardless for the reason for termination
- Performance bonuses may be paid or payable annually depending upon satisfaction of key criteria. Performance bonuses of the key executive management are capped at 15% of total fixed remuneration. The amounts payable are tied to the of achievement of pre-determined agency and individual performance targets as agreed to by the board.
- The Cash performance bonus for the CEO in 10/11 was calculated by reference to KPI's as agreed to by the board. The bonus paid equated to 12.67% as compared to the maximum 15% of total fixed remuneration payable
- The Cash performance bonus for the CFO in 10/11 was calculated by reference to KPI's as agreed to by the board. The bonus paid equated to 6.76% as compared to the maximum 8% of total fixed remuneration payable
- The Cash performance bonus for the CMO in 10/11 was calculated by reference to KPI's as agreed to by the board. The bonus paid equated to 6.76% as compared to the maximum 8% of total fixed remuneration payable

Position	Short Term Employee Benefits		Long Term Employee Benefits	Post-Employment Benefits	Termination Benefits	Total Remuneration
	Base \$'000	Non-Monetary Benefits \$'000	\$'000	\$'000	\$'000	\$'000
CEO (10/11)	192	-	4	24	-	220
CEO (09/10)	176	-	3	19	-	198
CFO (10/11)	165	-	3	16	-	184
CFO (09/10)	162	-	2	12	34	210
CMO (10/11)	142	-	3	18	-	163
CMO (09/10)	37	-	1	5	-	43
Richard Flanagan (10/11)	2	-	-	-	-	2
Richard Flanagan (09/10)	4	-	-	-	-	4
Phillip Gray (10/11)	13	-	-	-	-	13
Phillip Gray (09/10)	-	-	-	-	-	-
Trina Hockley (10/11)	17	-	-	-	-	17
Trina Hockley (09/10)	12	-	-	-	-	12
Karyn Joyner (10/11)	-	-	-	-	-	-
Karyn Joyner (09/10)	5	-	-	-	-	5
Garry Luxmore (10/11)	1	-	-	-	-	1
Garry Luxmore (09/10)	5	-	-	-	-	5
Janelle Manders (10/11)	5	-	-	-	-	5
Richard Munro (10/11)	6	-	-	-	-	6
Richard Munro (09/10)	6	-	-	-	-	6
Kellie Trigger (10/11)	6	-	-	-	-	6
Kellie Trigger (09/10)	6	-	-	-	-	6
Adrienne Ward (10/11)	6	-	-	-	-	6
Adrienne Ward (09/10)	2	-	-	-	-	2
John Giles (09/10)	4	-	-	-	-	4
Paul Stevens (09/10)	5	-	-	-	-	5
Total Remuneration 10/11	555	-	10	58	-	623
Total Remuneration 09/10	424	-	6	36	34	500

The aggregate performance bonuses paid to all key executive management personnel are as follows.

	2011 \$'000	2010 \$'000
Key Executive Management Personnel	44	8

6. Key executive management personnel and remuneration – cont'd

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).

	2011 \$'000	2010 \$'000
7. Supplies and Services		
Consultants and contractors	42,810	45,994
Supplies and consumables	7,504	8,140
Travel	390	439
Agents' commissions	836	1,312
Advertising & promotions	559	512
Course supplies	1,327	1,324
Printing & stationery	1,385	1,308
Shared service provider	720	798
Minor Equipment	997	416
Other	473	472
Total	57,001	60,680

8. Depreciation and Amortisation

Depreciation and amortisation were incurred in respect of:

Buildings	2,225	2,273
Plant and equipment	621	504
Software purchased	4	12
Software internally generated	31	-
Total	2,881	2,789

9. Impairment Losses

Bad debts written off	180	269
Impairment of receivables/(reversals)	53	81
Total	233	350

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

	2011 \$'000	2010 \$'000
10. Revaluation Decrement		
Land	4,314	7,917
Buildings	-	2,946
Total	4,314	10,863

The 2011 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.

	2011	2010
	\$'000	\$'000
11. Other Expenses		
Insurance premiums – QGIF	126	137
Audit fees	79	22
External Audit Fees*	90	113
Legal Fees	125	209
Losses from disposal of property, plant and equipment	38	17
Bank Charges	54	50
Total	512	548

*Total external audit fees relating to the 2010-11 financial year are estimated to be \$89,700. There are no non-audit services included in this amount.

	2011	2010
	\$'000	\$'000
12. Cash and Cash Equivalents		
Imprest accounts	11	14
Cash at bank	25,798	22,511
Total	25,809	22,525

13. Trade and Other Receivables		
Trade debtors	5,527	6,393
Less: Provision for impairment	(543)	(490)
	<u>4,984</u>	<u>5,903</u>
GST receivable	296	194
GST payable	(33)	-
	<u>263</u>	<u>194</u>
Accrued Income	2,359	1,483
Other receivables	14	57
Total	7,620	7,637

Movements in the allowance of provision for impairment

Balance at beginning of the period	490	409
Increase in allowance recognised in profit or loss	53	81
Balance at the end of the year	543	490

	2011	2010
	\$'000	\$'000
14. Inventories		
Supplies and consumables – at cost	25	52
Total	25	52
15. Other Current Assets		
Prepayments	54	219
Total	54	219

16. Intangible Assets	2011 \$'000	2010 \$'000
Software Purchased:		
At cost	-	333
Less: Accumulated amortisation	-	(329)
Software Internally Generated:		
At cost	286	194
Less: Accumulated amortisation	(31)	-
Total	255	198

Intangibles Reconciliation

	Software Purchased 2011 \$'000	Software Internally Generated 2011 \$'000	Total 2011 \$'000	Software Purchased 2010 \$'000	Software Internally Generated 2010 \$'000	Total 2010 \$'000
Carrying amount of assets acquired on 1 July	4	194	198	16	-	16
Acquisitions	-	92	92	-	194	194
Amortisation	(4)	(31)	(35)	(12)	-	(12)
Carrying amount at 30 June	-	255	255	4	194	198

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.

17. Property, Plant and Equipment	2011 \$'000	2010 \$'000
Land at Valuation	43,477	47,791
Buildings:		
At valuation	102,302	102,084
Less: Accumulated depreciation	(53,111)	(50,886)
	49,191	51,198
Plant and equipment:		
At cost	6,920	5,699
Less: Accumulated depreciation	(3,652)	(3,217)
	3,268	2,482
Work in progress:		
At cost	284	-
Total	96,220	101,471

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 indexation allowances have been applied in subsequent years where the impact on land and buildings is considered material.

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*.

Property, Plant and Equipment Reconciliation

	Land 2011 \$'000	Buildings 2011 \$'000	Plant and Equipment 2011 \$'000	Work in Progress 2011 \$'000	Total 2011 \$'000
Carrying amount of assets on 1 July 2010	47,791	51,198	2,482	-	101,471
Acquisitions		218	1,445	284	1,947
Disposals		-	(38)	-	(38)
Revaluation decrement	(4,314)	-	-	-	(4,314)
Depreciation / Amortisation		(2,225)	(621)	-	(2,846)
Carrying amount at 30 June 2011	43,477	49,191	3,268	284	96,220

Property, Plant and Equipment Reconciliation

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

The Institute has plant and equipment with an original cost of \$1.8m 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.

	2011	2010
	\$'000	\$'000
18. Payables		
Trade creditors	3,821	2,234
Total	3,821	2,234
	2011	2010
	\$'000	\$'000
19. Deferred Income		
Unearned revenue	5,852	9,023
Total	5,852	9,023
20. Accruals		
Departmental Labour	3,712	6,273
Accrued Employee Benefits	523	1,529
Operational Expenditure	579	322
Training Related Expenses	554	509
Other	836	1,083
Total	6,204	9,716
21. Other Current Liabilities		
Security Deposits	373	158
Student Administration System	303	289
Other	52	77
Total	728	524
22. Non-Current Liabilities		
Refundable Bonds	19	22
Total	19	22

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

	2011	2010
	\$'000	\$'000
23. Provisions		
Long service leave	229	249
Total	229	249
Long Service Leave		
Balance at beginning of Financial Year	249	-
Transferred in from Department	-	292
Long Service Leave Entitlement Arising	63	86
Long Service Leave Entitlement Extinguished	(70)	(19)
Long Service Leave Entitlement Paid	(13)	(110)
Balance at end of Financial Year	229	249

	2011	2010
	\$'000	\$'000
24. Reconciliation of Operating Result to Net Cash from Operating Activities		
Operating Surplus/(Deficit)	2,796	(9,951)
Depreciation and amortisation expense	2,881	2,789
Loss on sale of property, plant and equipment	38	18
Revaluation decrement	4,314	10,863
Change in assets and liabilities:		
Decrease/(Increase) in trade receivables	86	(2,715)
(Increase) in GST input tax credits receivable	(69)	(19)
Decrease in inventories	27	1
Decrease in prepayments / other	165	8
Increase in accounts payable	1,587	1,624
(Decrease)/Increase in accruals and other liabilities	(3,308)	5,398
(Decrease)/Increase in unearned revenue	(3,171)	2,498
(Decrease) in non-current liabilities	(23)	-
Net cash from operating activities	5,323	10,514

25. Commitments for Expenditure

	2011	2010
	\$'000	\$'000
Non-Cancellable Operating Leases		
Commitments under operating leases at reporting date are inclusive of anticipated GST and are payable as follows:		
Not later than one year	405	294
Later than one year and not later than five years	336	382
Total	741	676

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.

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 2011:

- Two cases were filed in the Supreme Court and District Court naming the State of Queensland acting through the Department of Education and Training as defendant. It is expected that the department will on-charge any amount payable to GCIT.
- The institute has received notification of one case which is not yet subject to court action.

At the reporting date it is not possible to make an estimate of any probable outcome of these claims / (potential claims) or their final outcome.

The Gold Coast Institute of TAFE is a member of the Queensland Government Insurance Fund (QGIF). Under the QGIF, the institute would be able to claim back, less a \$10,000 deductible, the amount paid to successful litigants.

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. 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 2010 to 30 June 2011.

29. Financial Instruments

(a) Categorisation of Financial Instruments

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

Category	Note	2011 \$'000	2010 \$'000
Financial Assets			
Cash and cash equivalents	12	25,809	22,525
Receivables	13	7,620	7,637
Total		33,429	30,162
Financial Liabilities			
Financial liabilities measured at amortised cost:			
Payables	18	3,821	2,234
Total		3,821	2,234

(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	2011 \$'000	2010 \$'000
Financial Assets			
Cash	12	25,809	22,525
Receivables	13	7,620	7,637
Total		33,429	30,162

29. Financial Instruments – cont'd

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

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 \$232,466 for the current year. This is a decrease of \$117,677 from 2010.

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.

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

*2011 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	2,487	744	133	183	3,549
Total	2,487	744	133	183	3,549

*2011 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)	-	-	-	543	543
Provision for impairment	-	-	-	(543)	(543)
Total	-	-	-	-	-

29. Financial Instruments – cont'd*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	2,034	971	112	33	3,592
Total	2,034	971	112	33	3,592

*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)	-	-	-	409	409
Provision for impairment	-	-	-	(409)	(409)
Total	-	-	-	-	-

(d) Liquidity Risk

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

29. Financial Instruments – cont'd

2011 Payable in				
Note	<1 year \$'000	1-5 years \$'000	>5 years \$'000	TOTAL \$'000
Financial Liabilities				
Payables	18	3,821	-	-
Total		3,821	-	-

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

(e) Market Risk

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

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 \$0.258m (2010: \$0.225m). This is mainly attributable to the Institute's exposure to variable interest rates on its cash deposit with Commonwealth Bank.

Financial Instruments		Carrying Amount	2011 Interest rate risk			
			-1%		1%	
			Profit	Equity	Profit	Equity
Cash		25,809	(258)	(258)	258	258
Overall effect on profit and equity			(258)	(258)	258	258

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

(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.

Certification 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 financial year ended 30 June 2011 and of the financial position of the Institute at the end of that year.



Adrienne Ward
Acting Board Chair
Date: 29/8/11



Aaron Devine
Chief Executive Officer
Date: 29/8/11



Andrew Stuart-Murray
Chief Financial Officer
Date 29/8/11

Independent Auditor's Report

To the Board of the Gold Coast Institute of TAFE

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 2011, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, 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 of the financial report that gives a true and fair view 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. The Board's responsibility also includes such internal control as the Board determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit is planned and performed to obtain reasonable assurance about 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 the risks of material misstatement of 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 of the financial report that gives a true and fair view 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 used 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 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.

Opinion

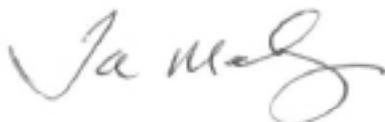
In accordance with s.40 of the *Auditor-General Act 2009* –

- (a) I have received all the information and explanations which I have required; and
- (b) in my opinion –
 - (i) the prescribed requirements in relation to the establishment and keeping of accounts have been complied with in all material respects; and
 - (ii) the financial report presents a true and fair view, in accordance with the prescribed accounting standards, of the transactions of Gold Coast Institute of TAFE for the financial year 1 July 2010 to 30 June 2011 and of the financial position as at the end of that year; and

Other Matters - Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report of Gold Coast Institute of TAFE for the year ended 30 June 2011. Where the financial report is included on Gold Coast Institute of TAFE's website the Board is responsible for the integrity of Gold Coast Institute of TAFE's website and I have not been engaged to report on the integrity of Gold Coast Institute of TAFE's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements or otherwise included with the financial report. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in this website version of the financial report.

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



T A MAHONY
Delegate of the Auditor-General of Queensland

Queensland Audit Office
Brisbane
29 August 2011

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	Japan, Korea and Russia	Korea - Business development (govt to govt), key partner visits, agent management (training and compliance), attend Austrade Fair. Russia - business development - attend Austrade Fair in far eastern Russia and meetings with Moscow Department of Education. Tokyo - business development, agent visits (training and compliance), trade meetings.	\$10,800	
		UK, Germany, France, Spain, Italy and Russia	Student recruitment, agent management (training and compliance), business development and placement testing	\$16,100	
		UK, Ireland, France and Spain	Attend student roadshows with Study Options and CAPEC. Interview potential students.	\$9,243	
		Europe	Business development	\$15,260	
Trina Hockley	Acting Board Chair	China	Attend AICD conference	\$7,511	
Sue Holloway	Teacher	Malaysia	DEEWR Endeavour VET Outbound Mobility Program - Teacher escorting up to 12 GCIT Tourism, Hospitality and Event Management students to undertake internship at Renaissance Hotel, KL.	\$4430	
Veronika Kovac	Administration Officer	Singapore	Annual IELTS Administrator Conference	\$1,714	

Appendix: international travel report

Juliet Lambrick	Teacher	Korea	DEEWR Endeavour VET Outbound Mobility Program - Teacher escorting up to eight GCIT TESOL students to undertake internship at JETI, Korea.		\$3,013
Tonya Pade	Teacher	Vietnam	Contract delivery with key partner		\$2,599
Adrienne Ward	Acting Deputy Board Chair	China	Attend AICD conference	\$7,511	

Appendix: use of consultants report

GCIT utilised two consultants in the 2010/11 financial year, totalling \$56,980.

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

Category	GCIT department	Consultant	Cost	Reason for engagement
IT Consultancy	Lightbulb (adult community education)	Cooee Consulting	\$1,980	Review of computer related courses to maintain technological currency.
Management Consultancy	Property and Facilities	Aurecon	\$55,000	To prepare a business case for GCIT's infrastructure strategy.

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	CSW Commission on the Status of Women (UN)	NSW New South Wales
AEIFRS Australian Equivalents to International Financial Reporting Standards	DEEWR Department of Education, Employment and Workplace Relations	PDP Professional Development Program
AIM Australian Institute of Management	DET Department of Education and Training	Q2 Towards Queensland
AMEP Adult Migrant English Program	EBIT Earnings Before Interest and Tax	QAO Queensland Audit Office
AMES Adult Migration English Service	EEN Endorsed Enrolled Nurse	QGIF Queensland Government Insurance Fund
AQF Australian Qualifications Framework	ELICOS English Language Intensive Courses for Overseas Students	QLD Queensland
AQTF Australian Quality Training Framework	ELPIS English Language Programs for International Students	QSP Queensland Skills Plan
AS/NZ Australian Standards Australian/New Zealand Standards	FMCG Fast Moving Consumer Goods	QSuper Public Sector Superannuation
ATSI Aboriginal and Torres Strait Islander	FTE Full-time Equivalent	QUT Queensland University of Technology
ATO Australian Tax Office	GDP Gross Domestic Product	RACQ The Royal Automobile Club of Queensland
AVETMISS Australian Vocational Education and Training Management Information Statistical Standard	GCIT Gold Coast Institute of TAFE	R & D Research and Development
BTF Better TAFE Facilities	GST Goods and Services Tax	RPL Recognition of Prior Learning
CAPS Corporate and Professional Services	ICAB Indigenous Community Advisory Board	RTO Registered Training Organisation
CEO Chief Executive Officer	ICT Information and Communications Technology	TAA Training and Assessment
CFO Chief Financial Officer	IELTS International English Language Testing System	TAFE Technical and Further Education
COO Chief Operating Officer	ISAS Institutes' Student Administration System	TESOL Teaching English to Speakers of Other Languages
CFO Chief Financial Officer	ISO International Organisation for Standardisation	VELT Vocational Education Leadership Training
CMRU Compliance Monitoring and Risk Unit	ISSN International Standard Serial Number	VET Vocational Education and Training
CNE Continuing Nursing Education	IT Information Technology	VETE Vocational Education, Training and Employment
COAG Council of Australian Governments	KPI Key Performance Indicator	VRG VET Revenue General
CRICOS Commonwealth Register of Institutions and Courses for Overseas Students	LLNP Language Literacy and Numeracy Program	
	M \$million	
	MOU Memorandum of Understanding	
	MP Member of Parliament	
	NATA National Association of Testing Authorities	

