



TAFENSW



TAFE NSW ANNUAL REPORT

2014-2015



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CONTENTS

LETTER OF SUBMISSION TO THE MINISTER	4
MANAGING DIRECTOR'S MESSAGE	5
ABOUT TAFE NSW	7
OUR LEGISLATION	8
STATEMENT OF OWNER EXPECTATIONS	9
WHAT WE DO	9
OUR NETWORK OF INSTITUTES	10
OUR PERFORMANCE	13
TAFE NSW AT A GLANCE	14
KEEPING PACE WITH CHANGE	15
DELIVERING SKILLS CRITICAL TO THE NSW ECONOMY	16
OFFERING A CHOICE OF COURSES	20
INNOVATING TO IMPROVE QUALITY AND CUSTOMER FOCUS	23
SUPPORTING PEOPLE EXPERIENCING DISADVANTAGE	31
OPERATING AS A SUSTAINABLE BUSINESS	35
AFTER BALANCE DATE EVENTS WITH POTENTIAL TO AFFECT TAFE NSW IN 2015-2016	37
FINANCIAL REPORT 2014-15	39
FINANCIAL REQUIREMENTS	40
AUDITED FINANCIAL STATEMENTS	43
APPENDICES	103
TAFE NSW STUDENT DATA	105
MANAGEMENT	110
WORKFORCE	117
INCLUSIVE STRATEGIES	121
BUSINESS RESOURCES	128
OTHER REQUIREMENTS	132
CONTACT US	143



LETTER OF SUBMISSION TO THE MINISTER

The Hon. John Barilaro, MP
Minister for Regional Development
Minister for Skills
Minister for Small Business
52 Martin Place
SYDNEY NSW 2000

Dear Minister

TAFE NSW has pleasure in presenting to you the report of its activities for the year ended 30 June 2015.

The report is submitted in accordance with the *Annual Reports (Statutory Bodies) Act 1984* and Regulation, for presentation to Parliament.

Yours sincerely

Pam Christie
Managing Director, TAFE NSW

October 2015



MANAGING DIRECTOR'S MESSAGE

It has been a year of transformational change and opportunities for TAFE NSW.

Like other sectors of the Australian economy, the education and training sector operates within a competitive global market. Our students now have greater choice and are demanding greater convenience and more flexible approaches to learning. While recognition of the TAFE NSW brand is consistently high, this year we have continued to respond to changes in student and employer demand to ensure we remain relevant and provide value to Government, industry and communities.

During a year of significant change we laid the groundwork for our transformation, redefining our services and systems to become more nimble, more capable and better placed to partner with industry to realise new opportunities. Making the transition to being more financially resilient has come with challenges as we realign our courses, service delivery and staffing levels to meet new demand levels and reduce our costs.

An important milestone in the history of TAFE NSW occurred on 1 July 2014, following our separation from the NSW Department of Education and Communities, with TAFE NSW operating as a separate government agency with direct accountability for our financial and non-financial performance.

The new TAFE NSW Student and Learning Management (SALM/ebs) system went live on 28 October 2014, replacing many of our legacy systems. Problems associated with the delivery of such a large and complex IT solution impacted on our customer service and placed many demands on our staff, whose outstanding efforts and ongoing commitment supported our students throughout the challenging 2015 semester 1 enrolment process. Limitations of the new SALM system also led to challenges with the integrity of our student revenue data.

In December 2014 we launched our new TAFE NSW brand campaign – 'Made by TAFE NSW' – to celebrate the outstanding achievements of our programs and graduates. The brand showcases TAFE NSW ambassadors whose careers are founded on a TAFE NSW qualification. 'Made by TAFE NSW' will continue to enhance our profile and market presence as the leading vocational education and training provider in NSW.

The NSW Government's Smart and Skilled reforms commenced in full from 1 January 2015, bringing both the opportunities and challenges of a more contestable market. New funding and pricing arrangements have led to a changed fiscal environment.



From April 2015, TAFE NSW began reporting directly to the Minister for Regional Development, Skills and Small Business. This positioning has opened new opportunities for TAFE NSW to work in closer partnership with industry to deliver the skills needed to support jobs growth and infrastructure projects across the state.

Throughout the year we have worked in partnership with the Australian Education Union to trial three new education roles so that we can be more responsive and innovative in the way training is delivered. The Education Support Officer, Assessor, and Head Teacher Band 3 roles are being trialled across all institutes and the initial evaluation by the University of Sydney has reported on significant benefits observed for students, teachers and work groups.

Innovation and excellence has continued to drive the way we work and the value we deliver to our customers. Our commercial business activities have expanded this year with a growth in industry partnerships, increase in enrolments in our higher education degree programs, increased international business opportunities and the significant expansion of commercial course offerings for domestic and international students.

It's clear that the passion of TAFE NSW staff, and our pride and commitment in making a difference in people's lives, are what makes TAFE NSW stand apart. This is the strongest value driving who we are and what we do.

Pam Christie

Managing Director, TAFE NSW

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ABOUT TAFE NSW



TAFE NSW is Australia's leading provider of education and training with more than half a million student enrolments at rural, regional and metropolitan campuses, online, and in workplaces.

In the last decade, over 400,000 students have chosen to study with TAFE NSW each year. In 2014, 420,000 students participated in more than 534,000 course enrolments.¹ Our students trust TAFE NSW to give them a better future through quality education. They come from all over New South Wales, interstate and overseas to learn on campus, online and in the workplace enjoying the breadth of our services and quality teaching from short courses and foundation studies through to degrees.

TAFE NSW continues to support groups and individuals that are vulnerable and need additional support to access education and employment opportunities. In 2014 over fifty per cent of our enrolments were from students with lower socio-economic backgrounds.

Hundreds of businesses continue to partner with us every year – from small businesses to multinationals. TAFE NSW provides the training to meet employer needs and the career progression of their employees.

Our Institutes enrol students in over 1,000 nationally recognised vocational education and training qualifications from Australian Qualifications Framework Certificate I and Statements of Attainment to Advanced Diplomas; and nationally accredited higher education qualifications such as Bachelor Degrees, Graduate Diplomas and Graduate Certificates.

OUR LEGISLATION

The New South Wales Technical and Further Education Commission, trading as TAFE NSW, was established as a statutory corporation by the *Technical and Further Education Commission Act 1990*.

The principal function of the Commission under the *Technical and Further Education Commission Act 1990* is to provide technical and further education services to meet the skill needs of individuals and the workforce, in ways that recognise the changing nature of workplaces and the need for new skills and re-training.

The functions of the Commission include:

- > consulting with industry and the community to ensure technical and further education services are relevant to industry, business, students and other groups
- > providing students with the maximum opportunity to progress to further education and training by linking into further TAFE NSW courses or those of other education and training providers
- > providing educationally or vocationally disadvantaged groups with access to technical and further education and other specialised services.

1. NCVER Government-funded students and courses 2014

STATEMENT OF OWNER EXPECTATIONS

The TAFE NSW *Statement of Owner Expectations*, published in August 2013, confirmed TAFE NSW as the State's public vocational education and training provider with an essential role to play in strengthening the skills base of the NSW economy and supporting economic growth for NSW communities.

The Statement reiterated the NSW government's expectation that under Smart and Skilled, the NSW government's reform of the State's vocational education and training system, TAFE NSW will continue to be the backbone of the training system in NSW, setting the benchmark for quality and playing a critical role in meeting the government's economic priorities. TAFE NSW is also expected to provide stability to the NSW training market under Smart and Skilled.

It specified TAFE NSW's key reform directions, accountabilities and role in providing services to strengthen the skills base of the NSW economy, meet the State's skills priorities and increase individuals' workforce capabilities.

WHAT WE DO

TAFE NSW Institutes deliver services across metropolitan, regional and remote areas of NSW. They provide training and career development support through personalised learning solutions, flexible training options, career counselling, and language, literacy and numeracy support to help people achieve higher level qualifications and secure employment outcomes.

TAFE NSW's formal agreements with industry, universities and community groups ensure that students graduate with the practical skills they need for work or further education and training. We offer specialist apprenticeship and traineeship programs and Diploma-to-Degree pathways.

TAFE NSW Institutes are registered training organisations committed to continuous improvement for the benefit of students, industry and the community.

TAFE NSW courses are specifically designed in consultation with industry to ensure currency and relevance. We also partner with leading industry and community organisations to develop and deliver customised workplace and on-the-job learning services. TAFE NSW provides high quality, job-ready graduates to business and industry throughout NSW, Australia and internationally.

OUR NETWORK OF INSTITUTES

TAFE NSW operates as a network of ten Institutes, four in the Sydney metropolitan area and six covering regional areas of the State. TAFE NSW Institutes are recognised by individuals, business and communities as outstanding providers of vocational education and workforce development services.

Institutes offer the best of campus-based delivery and flexible, online and work-based alternatives suited to customers. They cater to a diverse clientele ranging from school students, school leavers, those updating their skills and career changers, to employers looking to enhance the skills of their workforce through customised training delivered at times and places that suit their business needs.

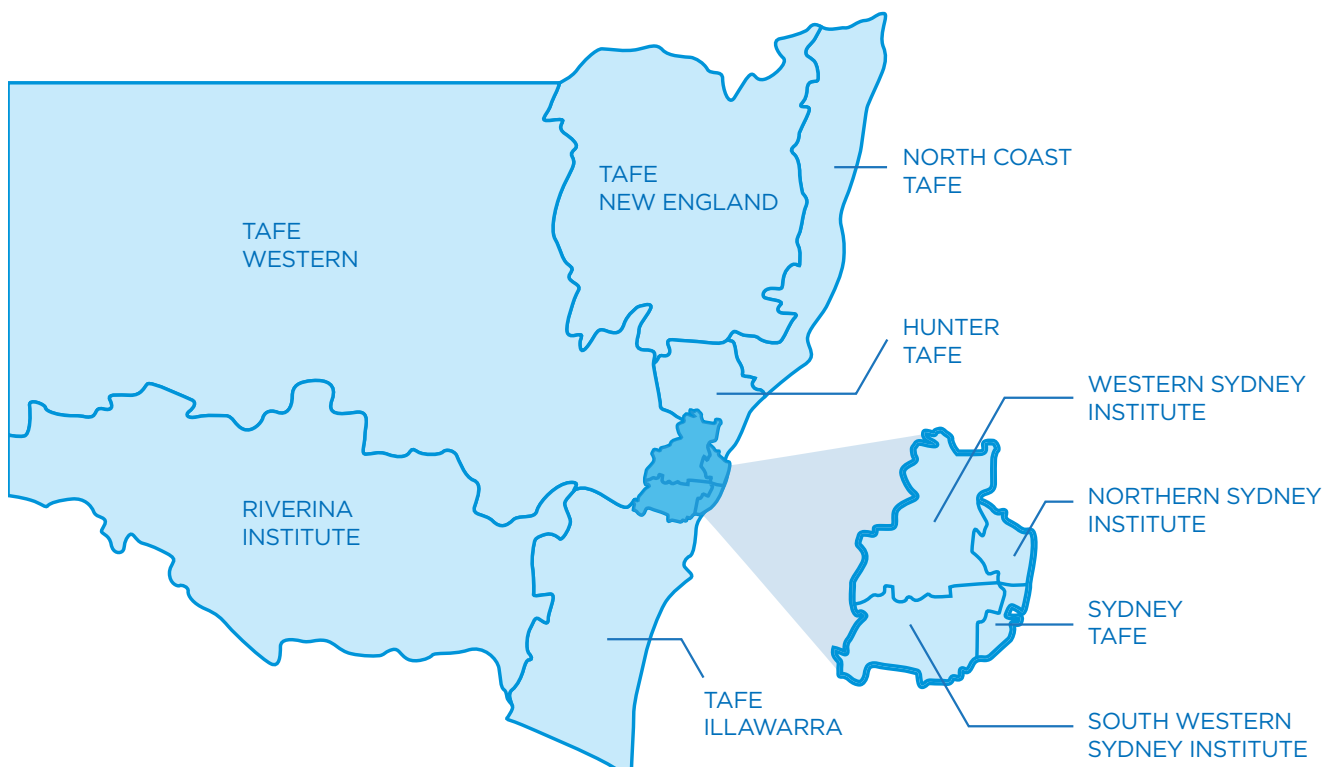
Institutes' products, services and delivery methods have continued to evolve to meet the changing needs of industry, the community and students. They offer nationally recognised qualifications and customised courses ranging from Statements of Attainment through to Advanced Diplomas, Bachelor Degrees and Graduate Certificates.

Institutes meet industry needs through the close working relationships their teaching staff have with industry partners and clients, and their support for students gaining their qualifications in the workplace. They focus on the geographic, economic and social attributes of their regions, achieving employment outcomes by supporting economic development and ensuring all segments of their communities can participate in education and training.

INDUSTRY LIAISON UNITS

Industry Liaison Units (ILUs) have been established in each Institute, connecting with industry to ensure TAFE NSW delivers the most up to date training that is relevant to current trends and to improve industry skills and productivity. The ILUs work closely with each sector's industry leaders, peak bodies, associations and State and National regulators, monitoring changes and new and emerging skill needs.

The ILUs are staffed by a network of specialists from each vocational stream and operate across NSW and nationally.



INSTITUTE	INDUSTRY LIAISON UNIT	INDUSTRY COVERAGE
Hunter	ElectroComms and Energy Utilities (E-Oz)	Electricity Generation, Electricity Supply, Electrotechnology and Gas Supply.
Illawarra	Manufacturing	Aeroskills, Chemical, Hydrocarbon and Oil Refining, Furnishing, Laboratory Operations, Manufactured Mineral Products, Manufacturing, Metal and Engineering, Plastics, Rubber and Cable making, Sustainability, Textiles, and Clothing and Footwear.
New England	Transport and Logistics	Transport and Logistics, Maritime, Aviation and Rail industries.
North Coast	Community Services and Health	Aged Care, Alcohol and Other Drugs, Community Development and Humanitarian Work, Disability Services, Early Childhood, Family Relationships, Social Housing, Youth Work, Volunteering) Aboriginal and Torres Strait Islander Health, Allied Health, Dental, Enrolled Nursing, First Aid, Health Services Assistance, Massage, Medical Practice Assisting, Mental, Optical, Pathology, Population Health, Sterilisation.
Northern Sydney	Service Skills	Beauty, Sport, Fitness and Recreation, Floristry, Funeral Services, Hairdressing, Retail (including Wholesale and Community Pharmacy), Tourism, Travel and Hospitality.
Riverina	Automotive and ForestWorks	Automotive Retail, Service and Repair and Automotive Manufacturing.
South Western Sydney	Construction and Property Services	Plumbing, Carpentry, Joinery, Bricklaying, Plastering, Scaffolding, Roof tiling, Painting and Decorating, Wall and Floor Tiling, Roof Plumbing, Gas Fitting, Demolition and Building Surveying Security, Cleaning, Surveying and Spatial Information, Waste Management, Swimming Pool and Spa Service, Pest Management and Energy Assessment.
Sydney	Innovation and Business Skills	Business Services, Entertainment, Financial Services, Live Performance, Music, Printing and Graphic Arts, Screen and Media, Visual Arts, and Crafts and Design.
Western	Agrifoods and Skills DMC (Resources and Infrastructure)	Agrifoods, Agriculture, Horticulture and Conservation, Animal Care and Management, Australian Meat Industry, Food Processing, Racing and Seafood Coal Mining, Metalliferous Mining, Civil Infrastructure, Quarrying and Drilling.
Western Sydney	Innovation and Business Skills and Government Skills Australia	Information and Communications Technology, Integrated Telecommunications, Libraries, Information and Cultural Services and Training and Education Local Government, Water, Public Sector and Public Safety Qualifications for Translators and Interpreters Foundation Skills including vocational access, Foundation Skills Training Package and the Access Employment Education and Training Framework.

OTEN

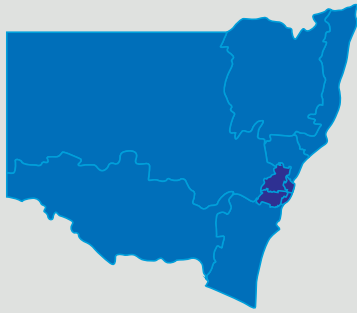
The Open Training and Education Network is Western Sydney Institute's specialist distance learning centre, offering around 220 qualifications and courses and providing students with the opportunity to study when and where it suits them.

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OUR
PERFORMANCE

TAFE NSW AT A GLANCE

534,000+
COURSE
ENROLMENTS IN 2014



- 36.2% IN REGIONAL INSTITUTES
- 63.8% IN METROPOLITAN INSTITUTES

110,000+
GRADUATES IN 2013

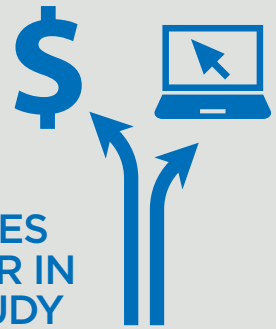


57.7%
OF ENROLMENTS IN
HIGHER LEVEL SKILLS

+11.2 PERCENTAGE POINTS FROM 2010



87.5%
OF GRADUATES
EMPLOYED OR IN
FURTHER STUDY



40,155
APPRENTICE
ENROLMENTS



83.1%

OF ALL NSW
APPRENTICE
COMMENCEMENTS



87.1%

OF ALL NSW
APPRENTICE
COMPLETIONS



190,000+
ENROLMENTS IN
NON-GOVERNMENT
FUNDED
QUALIFICATIONS



+4.5% FROM 2013

900+
HIGHER
EDUCATION
ENROLMENTS



89.1%
OF TAFE NSW
GRADUATES SATISFIED
WITH THEIR TRAINING



NOTES ON THE DATA SUPPLIED IN THIS REPORT

The report uses final TAFE NSW vocational education and training data as published or available from the National Centre for Vocational Education Research (NCVER) wherever possible to ensure transparency and to support valid benchmarking.

The enrolment and student outcome data provided in this report is for the 2014 year. The report uses 2013 completions data because 2014 completions data was not yet available at the time of publication.

TAFE NSW data is used where NCVER data is not available.

A summary of TAFE NSW student data and further details of data sources and data definitions are provided in the appendices.

Detailed performance data is published in the TAFE NSW Statistical Compendium, available from <https://www.tafensw.edu.au/about-tafensw>.

KEEPING PACE WITH CHANGE

THE SMART AND SKILLED ENVIRONMENT

The NSW Government introduced the Smart and Skilled reform of the NSW vocational education and training system from 1 January 2015.

Smart and Skilled provides eligible students with an entitlement to select foundation courses and full qualifications, up to and including Certificate III qualifications. The NSW Government also subsidises delivery of pre-vocational training, skill sets and qualifications from Certificate IV to Advanced Diploma through TAFE NSW and other training providers.

TAFE NSW will increasingly compete with private and community training providers for contestable government training funds. During 2014 TAFE NSW began aligning its delivery with the 2014 NSW Skills List, which prescribed the training subsidised by the NSW Government under Smart and Skilled.

INTRODUCING NEW WAYS OF WORKING

TAFE NSW trialled three new education support and leadership roles during 2014-15 under the oversight of a TAFE NSW-Australian Education Union joint management committee (JMC). These roles were Education Support Officer, Assessor and Head Teacher Band 3. The University of Sydney Workplace Research Centre was engaged to undertake an independent evaluation of the trial. The JMC considered the interim evaluation report in July 2015 and supported the trial continuing until 31 December 2015. The JMC also agreed to continue the research and evaluation of the trial to allow the parties to fully consider the outcomes of new trial positions.

WORKING WITH INDUSTRY TO MAINTAIN TEACHING EXCELLENCE

The *Statement of Owner Expectations* expressed the NSW Government's expectation that TAFE NSW develop a stronger focus on customers and communities. This presented an opportunity to review and refresh TAFE NSW operations in relation to both industry liaison and the impact of training packages and accredited course delivery, licensing and regulatory matters on industries.

The Industry Liaison Units were established to recognise and enhance TAFE NSW Institutes' capability in engaging with industry and providing industry-specific expertise and advice across TAFE NSW. A coordinating-Institute model was implemented involving each Institute taking the lead on behalf of TAFE NSW for identified industry skills areas.

Industry Liaison Units became fully operational during 2014-15. The Units consult with industry, develop TAFE NSW courses as required, and assist Institutes with national Training Package implementation. Each Unit is responsible for a range of discrete industry sectors and training packages, ensuring a single point of contact for the full range of industries.

These Units are staffed by a team of specialists from each vocational stream with responsibility for connecting with industry across NSW and nationally. They work closely with the industry leaders, peak bodies, associations and State and National regulators in their industries. They monitor changes to legislation and industry practice to stay current on new and emerging developments, so they can ensure employers have access to the latest in training and education to meet their business needs. These arrangements help ensure trainers and assessors across TAFE NSW deliver the most current and relevant training and improve workplaces' skills and productivity.

DELIVERING SKILLS CRITICAL TO THE NSW ECONOMY

In 2014-15, TAFE NSW's delivery was aligned to the State's economic goals and the targets set out in the State Plan *NSW 2027* – a plan to make NSW number one in Australia.

VOCATIONAL TRAINING ENROLMENTS

TAFE NSW had over 534,000 course enrolments in 2014.

TAFE NSW offers Certificates I-III to support individuals to gain foundation skills and entry level qualifications.

TAFE NSW continued to increase the proportion of higher level skills delivered to meet industry needs. In 2014, 308,600 (or 57.7 per cent of total) of TAFE NSW's enrolments were in qualifications at Certificate III level and above, demonstrating a growth of 11.2 percentage points since 2010.

Apprentice qualifications, mostly at Certificate III, are critical in building the technical base of the economy. In 2014 TAFE NSW had

- more than 40,100 apprentice enrolments²
- more than 15,000 or 83.1 per cent of all apprentice commencements in NSW.³

Certificate IV level qualifications provide opportunities for post trade training and upskilling, while Diploma and above qualifications offer both employment outcomes and pathways to higher education.

TAFE NSW's enrolments in qualifications at Diploma level and above increased by 76.6 per cent, from almost 58,500 in 2010 to more than 103,200 in 2014. The proportion of student enrolments at Diploma level and above also increased by 8.4 percentage points, from 10.9 per cent of delivery in 2010 to 19.3 per cent in 2014. This shift was made in response to occupational shifts in the labour market, including demand for business skills and technological expertise and supports emerging occupations and industries.

In 2014, TAFE NSW achieved 190,100 enrolments in commercial (non-government-funded) qualifications. TAFE NSW also achieved more than 26,000 new enrolments in Certificate IV, Diplomas and Advanced Diplomas under the Commonwealth VET FEE-HELP loan scheme.⁴

2. TAFE NSW data

3. State Training Services December 2014

4. TAFE NSW data

TAFE Riverina Institute experienced significant growth in apprenticeship and traineeship approvals in semester 1 of 2015. Compared to semester 1 of 2014, apprenticeship approvals increased by 17.1 per cent and the Institute increased its market share of apprenticeships across all providers in NSW from 3.9 per cent to 4.4 per cent. TAFE Riverina Institute's market share in new entrant traineeships also increased from 1.3 per cent to 1.8 per cent between semester 1 of 2014 and semester 1 of 2015.⁵

North Coast TAFE's enrolments in semester 1 of 2015 in the Certificate III in Civil Construction increased by over 200 per cent compared to semester 1 of 2014 (from approximately 110 to 330 enrolments). Over 30 per cent of the Certificate III in Civil Construction enrolments in 2015 were Aboriginal students.⁶

TAFE Illawarra experienced increased enrolments in building and construction. Wollongong campus attracted a significant number of new apprentices in semester 1 of 2015, with seven new Stage 1 Carpentry apprentice classes commencing, almost doubling the usual number of classes. The Certificate IV in Building and Construction received nearly double the previous number of applications, and the Certificate III in Plumbing enrolments also increased.

TAFE Illawarra's improvements to trades and technology course structure and delivery, including providing more online training and online resources through a Moodle platform⁷ in some course areas, have served to make courses more efficient and more flexible and have contributed to these increases in student enrolments.

In 2014-15, TAFE South Western Sydney Institute had a Memorandum of Understanding with Women NSW, part of the NSW Department of Family and Community Services, to deliver Trade Readiness Programs in painting and decorating, carpentry, plumbing and automotive trades to women.

5. State Training Services Monthly reports June 2014, June 2015

6. TAFE NSW data

7. Moodle is a free, open-source, online learning platform used to create personalised learning environments.

VOCATIONAL TRAINING COMPLETIONS

The number of TAFE NSW graduates⁸ increased by 10.9 per cent, from 99,500 in 2009 to almost 110,400 in 2013.

Completions for all TAFE NSW students in Certificate II and III increased by 7.4 per cent, from over 55,600 in 2009 to almost 59,800 in 2013.⁹

The increase in qualification completions was evident in higher level qualifications, and for particular disadvantaged groups.

Completions for all TAFE NSW students in Certificate IV to Advanced Diploma qualifications increased by 13.8 per cent, from over 37,800 in 2009 to more than 43,000 in 2013. This included more than 17,000 qualification completions at Diploma level and above in 2013, an increase of 10.6 per cent from 2009.⁹

Between 2009 and 2013, completions by disadvantaged groups increased in:

- Certificate IV to Advanced Diploma level qualifications for
 - unemployed students (36.9 per cent)
 - students with a disability (46.8 per cent)
 - Aboriginal students (32.1 per cent)
- Certificate II and III level qualifications for
 - unemployed students (32.4 per cent)
 - students with a disability (41.9 per cent)
 - Aboriginal students. (28.7 per cent)⁹

In 2014, TAFE NSW achieved almost 11,200 apprentice completions, or 87.1 per cent of all apprentice completions in NSW.¹⁰

VOCATIONAL STUDENTS' TRANSITIONS TO EMPLOYMENT OR FURTHER STUDY

The rate at which TAFE NSW's vocational education and training graduates transitioned to employment or further study increased between 2013 and 2014.

Data showed that 87.5 per cent of TAFE NSW graduates were employed or in further study after training in 2014. This was an improvement of 1.3 percentage points on the rate in 2013 (86.2 per cent).¹¹

TAFE Western delivered the Green Army Program in partnership with Campbell Page and Skillset. This initiative is aimed at young Australians interested in being trained while undertaking paid experience in protecting their local environment. TAFE Western provided training across NSW, Queensland and the ACT, working closely with local councils and community groups. In total, 32 projects were completed in 2014 and another 23 projects were completed in the first half of 2015. A further 90 projects are proposed for completion by the end of 2015.

8. 'Graduates' includes completions in Australian Qualification Framework and non-Australian Qualification Framework courses. NCVER VOCSTATS data. 2013 completions data was the most recent available at the time of publication.

9. NCVER VOCSTATS Student completions 2013

10. State Training Services December 2014

11. NCVER Student Outcomes Survey 2014

HIGHER EDUCATION

TAFE NSW has responded to demand for higher level skills within the labour market by developing higher education courses with a strong vocational emphasis, in niche and emerging industry areas, and combining practical and theoretical training delivered by industry professionals.

Our programs are designed in consultation with industry, aligned to workforce standards/requirements and recognised and accredited by professional bodies. This ensures that TAFE NSW Higher Education produces highly sought after, competent, industry-ready graduates valued by employers.

All TAFE NSW Higher Education programs include Work Integrated Learning (Professional Work Placement) and will also incorporate blended learning delivery by the end of 2016.

Enrolments in higher education qualifications for all students in 2014 increased by over 30 per cent – from just over 700 in 2013 to more than 900 in 2014. There were more than 300 new higher education enrolments at Associate Degree, Bachelor Degree and Graduate Diploma level qualifications in 2014 under the FEE-HELP loan scheme.¹²

From semester 1 of 2015, TAFE NSW Higher Education expanded its offerings to nine nationally accredited programs at various locations across NSW and plans to continue to expand its offerings in regional areas in 2016.

In addition to full degree pathways TAFE NSW developed a tertiary pathway model that extended access to higher education qualifications through work-ready Associate Degree programs in partnership with major universities.

TAFE NSW also offered traditional pathway articulation arrangements with several universities. For example, graduates of 15 Diploma programs at TAFE Riverina Institute are guaranteed places in Deakin University's undergraduate degrees.

Some Institutes also provide an embedded pathway model so students can undertake a vocational education and training qualification concurrently with a university degree. This model provides strong linkages between training and higher education learning and allows students who need to leave their higher education studies early to be granted a lower-level qualification if they met certain milestones. TAFE New England's partnership with the University of New England reflects this approach.

TAFE NSW also increased student choice by developing majors linked to common core subjects. This gave students more flexibility to decide on pathways once they had started studying. For example, the Bachelor of Information Technology initially only covered the area of network security until TAFE NSW made data infrastructure and engineering available as an option in 2014-15. TAFE NSW is planning to expand this model in a number of other disciplines to enable TAFE NSW Higher Education to respond to industry requirements more flexibly.

The TAFE NSW Higher Education Unit established clear benchmarking and course moderation processes, communities of practice and a specific higher education Quality Assurance and Standards Committee, to identify and ensure that continuous improvement is implemented throughout all TAFE NSW higher education programs.

Student enrolments in the TAFE NSW Bachelor of Information Technology (Network Security) offered by TAFE Northern Sydney Institute continued to grow strongly. In 2014, the Institute's second year network security students won first place in the CISCO NetRiders competition.

In April 2015, TAFE Western Sydney Institute saw its first group of students graduate with the Bachelor of Early Childhood Education and Care (Birth-5). Students can complete an internship option in the final year of the degree. Graduates have said they value the small class groups, supportive, approachable teachers, and the internship for the last year. The degree allows students to work full time and study full time.

The Bachelor of Fashion Design was launched at Sydney TAFE at the beginning of 2015. The Bachelor of Fashion Design draws on Sydney TAFE's international links to ensure currency with global fashion business trends, and provides a number of potential career outcomes. The degree attracted strong student enrolments in its first year of delivery (188 enrolled students).

¹². TAFE NSW data

OFFERING A CHOICE OF COURSES

TAFE NSW is a leading vocational education and training and higher education network, offering courses and services across NSW, Australia and globally.

TAFE NSW offers more than 1,000 vocational education and training qualifications and higher education qualifications, covering a broad range of industries:

- > Arts, media and entertainment
- > Business and finance
- > Construction and property
- > Childcare, health and community
- > Hair and beauty
- > Information technology
- > Language and communication
- > Manufacturing and engineering
- > Primary industries and animal science
- > Sport and recreation
- > Textiles, fashion and furnishing
- > Tourism, hospitality and events
- > Transport

Courses are available full-time or part-time, on campus or online, or in the workplace. Students can choose the type of course that best suits their needs, whether they are starting, upgrading or changing careers.

TAFE NSW delivers specialist training in industry and labour market priority areas, particularly in thin markets or high-cost areas including regional and rural communities under community service obligations.

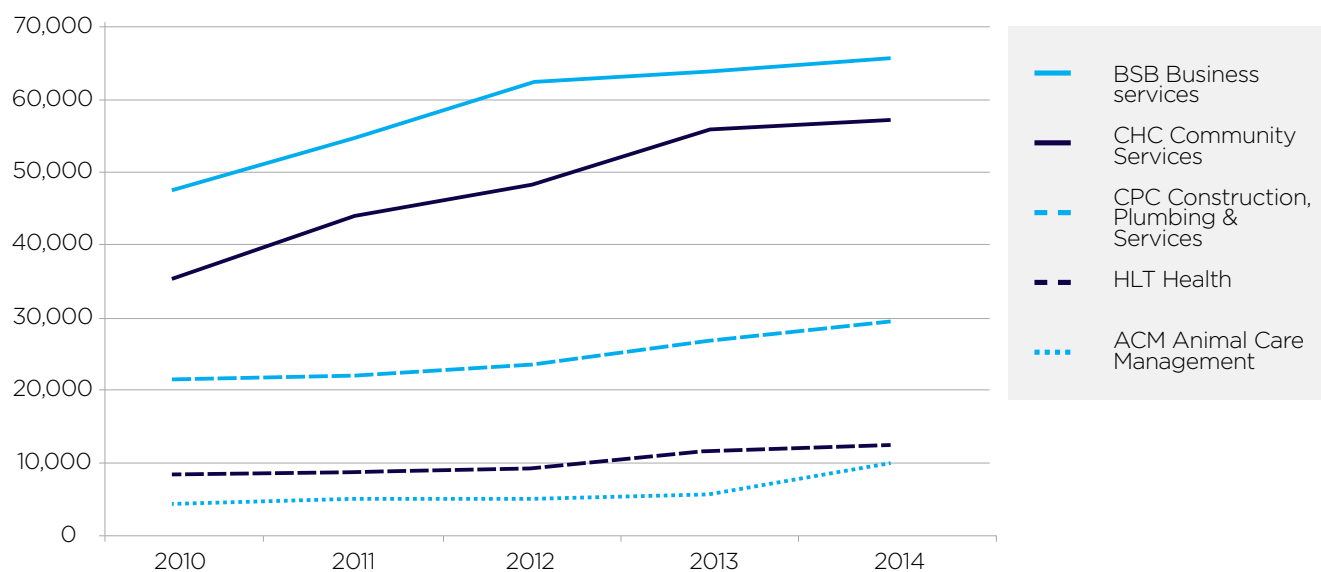
CHANGING WHAT WE OFFER TO MEET NSW'S SKILL NEEDS

TAFE NSW's profile has changed to reflect national economic and demographic trends over time, including a shift from labour intensive occupations to those reliant on advanced technologies and broad-based service skills.

Figure 1 below shows that between 2010 and 2014, enrolments grew in:

- > Business Services by 37.1 per cent
- > Community Services by 60.9 per cent
- > Health by 49.5 per cent
- > Construction, Plumbing and Services by 37.4 per cent
- > Animal Care and Management by 137.8 per cent..

FIGURE 1: TOP FIVE TRAINING PACKAGES BY GROWTH IN ENROLMENTS



Source: NCVER VOCSTATS Students and Courses, sourced on 7 October 2015

Enrolments in some courses decreased, such as Printing and Hospitality Services.

Barangaroo Skills Exchange

By June 2015, more than 500 apprentices had received highly customised on-site training at the \$6 billion Barangaroo precinct in the Sydney CBD, one of the world's foremost waterfront renewal projects. TAFE Western Sydney Institute was appointed to coordinate and manage all training activity at Barangaroo.

A unique on-site learning hub, the Barangaroo Skills Exchange, was set up to provide one-on-one support to over 6,000 workers, providing access to classes and language and literacy teachers and real industry experience, supported by mentors and teachers. Many workers who have never attended a TAFE college have received training through the Exchange.

The key partners of the Barangaroo Skills Exchange are Lendlease, six TAFE NSW Institutes and the Construction and Property Services Industry Skills Council, supported by the Barangaroo Delivery Authority and the Commonwealth Department of Education.

Lendlease

A partnership between Lendlease, engineering firm Skilled/Waycon and North Coast TAFE was recognised internationally at the Lendlease global conference as a best practice model for engagement and training. The project involved delivery of highly flexible on-the-job training to Aboriginal trainees to support the Pacific Highway upgrade work between Nambucca Heads and Urunga. Fourteen Aboriginal trainees undertook the Certificate III in Civil Construction over a two year period. The project achieved high levels of attendance and completion.

Royal Australian Navy

TAFE South Western Sydney Institute developed a nationally recognised, customised skill set with the Royal Australian Navy covering the skills and knowledge required to paint, refinish, repair and maintain painted surfaces on navy vehicles. The *Navy Surface Finishing* skill set will set a standard for bosons across Australia and is being delivered to Navy personnel in both Sydney and Perth.

Australian Patisserie Academy

On 28 July 2014, TAFE Northern Sydney Institute launched the Australian Patisserie Academy. The Academy offers contemporary, high quality, short flexible courses in the areas of chocolate, bread, pastry, sugar and patisserie. Culinary professionals and food enthusiasts from beginner to professional level have the opportunity to master skills in specific areas. The Academy capitalises on the existing facilities and further reinforces Ryde Campus as a hospitality centre of excellence. Renowned television cook Lyndey Milan is a strong advocate for the Academy and participated in the launch.

PREPARING STUDENTS FOR EMPLOYMENT

A number of Institutes deliver pre-apprentice and pre-employment programs in partnership with government and non-government agencies. These programs provide school leavers and unemployed people with skills in specific industry areas as well as job interview skills such as presentation and communication.

TAFE Western Sydney Institute oversees a pre-employment program for Australia's biggest public transport project, Sydney Metro Northwest (formerly known as the North West Rail Link). Participants are hand selected for the training which includes team building, problem solving, communication exercises, job skills to obtain a construction industry White Card, working safely at heights, other safety training and help with resume writing presentation and interview skills.

Four groups of participants have completed this program which achieved a 93 per cent completion rate with 70 per cent of participants employed.

The program was delivered in conjunction with employment services provider Break Thru, Workforce International and Salini Impregilo, the contractor building the Sydney Metro Northwest.

Indigenous Police Recruiting Our Way

Since the program started in 2008, 473 students have completed the Indigenous Police Recruiting Our Way (IPROWD) program. The program helps Aboriginal people gain the qualifications, skills and training they need to enter the NSW Police Force. Students obtain Certificate III Vocational and Study Pathways qualifications from TAFE NSW which in turn can lead to entry into the Associate Degree in Policing Practice at Charles Sturt University.

Ninety per cent of Aboriginal applicants to the NSW Police Academy come through this pathway – and 71 IPROWD students have gained a career with NSW Police. The program is contributing to the NSW Police Aboriginal employment target of four per cent and the Council of Australian Governments Closing the Gap employment target. A further 124 graduates obtained other part-time and full-time employment since 2008. An additional number went on to other tertiary studies.

IPROWD is a partnership between TAFE NSW, the Commonwealth Government, the NSW Police Force and Charles Sturt University.

TAFE NSW plays an instrumental role in working with local communities and employs Aboriginal staff to mentor and train students, including managing, administering and coordinating IPROWD.

Other employment programs

TAFE NSW delivers transition programs to prepare learners engaged in traineeships and apprenticeship programs with industry partners. These programs provide structured vocational education and workplace training for students to strengthen their employment prospects through apprenticeships and traineeships.

TAFE Western is the single largest provider of vocational education and training for Aboriginal students in Australia with more than 7,000 student enrolments each year. In late 2014, TAFE Western was contracted by the Australian Government to create sustainable employment opportunities for the Indigenous community in the Riverina and New England regions. The centre established for this contract aims to help employers find the right person for the job and meet the needs of industry by providing customised pre-employment, industry-specific training and mentoring and support services during the first six months of employment to participants. Employers can also access cultural competence training to increase their knowledge of Aboriginal culture and help them support their Aboriginal employees.

INNOVATING TO IMPROVE QUALITY AND CUSTOMER FOCUS

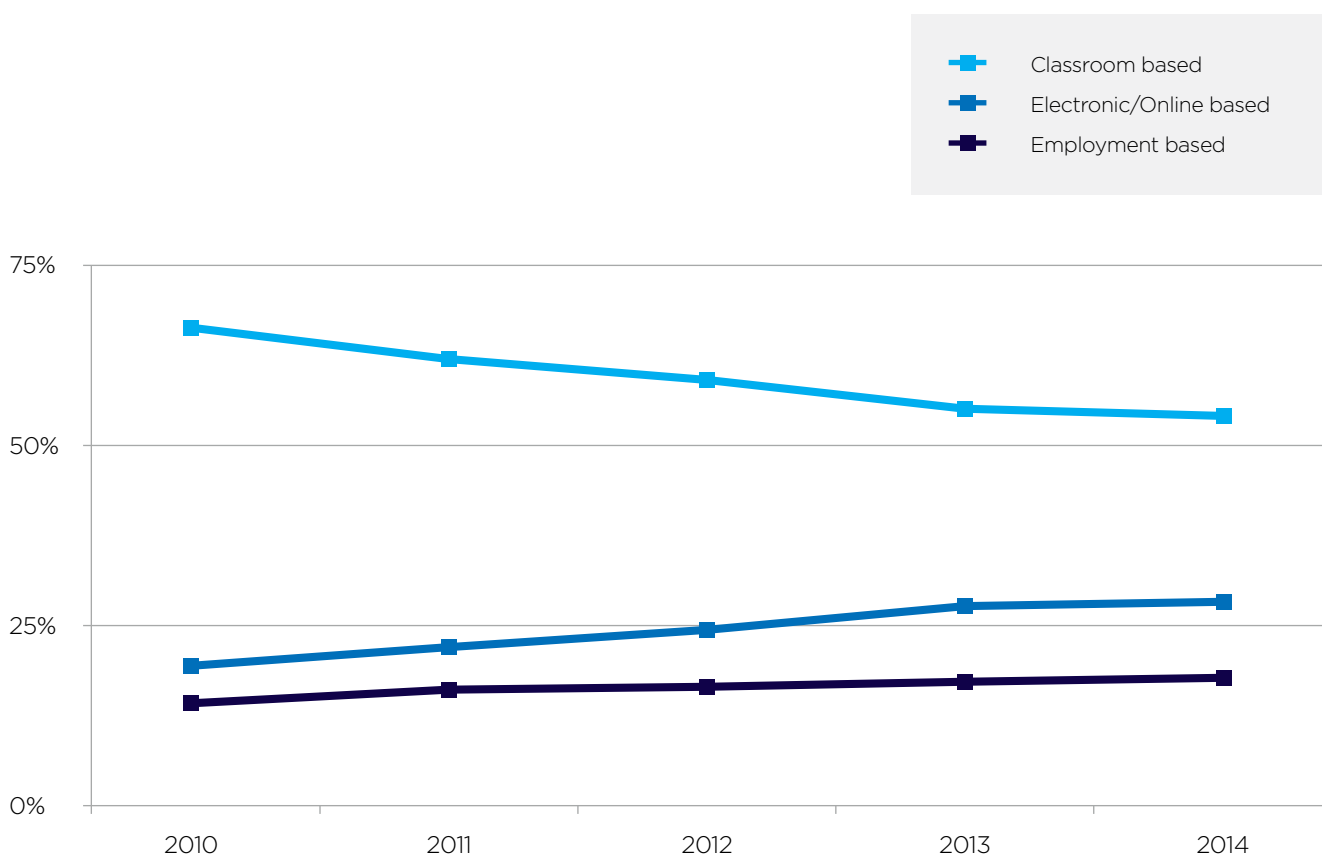
In 2014-15, TAFE NSW continued to diversify programs and services through more flexible delivery options, including online and in the workplace.

NEW WAYS TO DELIVER TRAINING

The TAFE NSW delivery profile continued to shift from traditional classroom delivery to include flexible and blended learning models, in response to student and employer demand and technological changes.

Figure 2 shows that the proportion of classroom delivery changed from 66 per cent of overall delivery time in 2010 to 54 per cent in 2014 (a drop of 12 percentage points), while electronic/online delivery increased to 28 per cent and employment based delivery increased to 18 per cent. This trend is expected to continue as more students and employers seek enhanced flexibility.

FIGURE 2: PERCENTAGE OF TOTAL DELIVERY HOURS (2010-14)



Source: TAFE NSW - NCVER VOCSTATS Student and courses

TAFE NSW Online

Institutes use TAFE Online to deliver high quality, online courses accessible through any mobile device, providing students with very flexible study options.

TAFE NSW Online courses help prepare students for employment in industries set for employment growth, such as construction, finance and professional, scientific and technical services industries.

Students can access online support services, including an extended hours contact centre, extended hours online tutoring and 24 hour technical support available 365 days a year.

All courses are facilitated with a strong teacher presence, a key differentiator of TAFE NSW from some competitors. In addition the use of student analytics provides TAFE NSW with information to help with student retention.

The first ten TAFE NSW Online courses were launched on 8 September 2014 with a new website. In 2015, the suite of courses is expected to grow to 80 courses.

Higher education delivery online

One higher education course is currently delivered online, the Graduate Certificate in Leadership. Two new higher education programs are currently being developed for online delivery and are projected to be available in 2016.

Institute-specific examples

Open Training and Education Network

TAFE Western Sydney Institute's Open Training and Education Network is a world leader in the use of technologies and media in distance education. The Network is the largest non-classroom based education provider in Australia, with over 100,000 enrolments 2014 in over 200 courses.

The Open Training and Education Network's distance education model includes online learning systems, social networking, blogs and wikis in addition to real-time online and telephone support.

Flexible enrolment and commencement is available for study throughout the year. Students can study when and where it suits them, whether they live or work in Sydney, rural NSW, interstate or overseas, at their own pace.

TAFEnow

TAFEnow is North Coast TAFE's specialised online learning channel. Learners can start within hours of enrolling, set their own timetable, study where and when they want including on mobile devices and have access to support services six days a week. TAFEnow's enrolments have grown by 72 per cent in 2014-15.¹³

Portable Onsite Delivery Spaces

To meet industry and student demand for on-site training, North Coast TAFE developed Portable Onsite Delivery Spaces. The construction teaching section at Kingscliff Campus customised shipping containers to become the first learning space prototypes and simulated construction site offices. North Coast TAFE partnered with Tweed Shire Council and All Excavations Training to deliver Civil Construction training at a disused quarry in Terranora using this delivery model.

TAFE Western Connect

TAFE Western's award winning TAFE Western Connect initiative is offering students the opportunity to undertake *Responsible Service of Alcohol* and *Responsible Conduct of Gambling* training at each of the Institute's 24 Colleges in Western NSW through Connected Classroom video conferencing technology. This technology allows the Institute to deliver to small groups of students across a number of regional and remote locations.

TAFE Western Connect was launched in 2011 to bring a wider range of training choices to the community by offering flexible study options to meet the growing needs of regional industry and students in remote locations across the Western region. In 2014, TAFE Western Connect helped more than 5,354 students gain access to more training choices.

13. TAFE North Coast data

Training in simulated workplaces

TAFE Northern Sydney Institute's Maritime Simulator is used to train students wishing to undertake commercial and leisure maritime training, including officers from the Maritime Area Command (commonly known as the water police). The simulator has been in operation since 2013 and is made up of three vessel bridges with full integration of electronics and equipment, similar to that found on commercial vessels.

TAFE Western's Heavy Vehicle Simulator provided workers retrenched from Electrolux and Centennial Coal with specialised road transport training, preparing them for other employment. The simulator helped 60 Orange and Lithgow students and 11 Aboriginal students from Brewarrina to gain their truck licences.

Plumbing and carpentry pre-apprenticeship students have been involved in building four houses in Western Sydney in 2014-15 as part of a long-term agreement between TAFE Western Sydney Institute and the NSW Department of Family and Community Services. The housing projects provide the students with valuable employability and practical skills that assist them to obtain an apprenticeship in the industry whilst boosting social housing stock in Greater Western Sydney. More than 20 houses have been built over the past 15 years as a result of this ongoing agreement.

Between February and November 2015, pre-apprenticeship construction students at TAFE Illawarra built eight one-bedroom beach huts on campus for Shellharbour City Council as part of their practical training. Upon completion, the huts were relocated to Shellharbour City Council-owned caravan parks, providing local holiday parks with fully fitted-out cottages at cost price and students the opportunity to gain work-ready skills and be assessed in a realistic setting.

Australian restaurateur and Chef Luke Mangan developed a partnership with Sydney TAFE to produce The Inspired Series, a twelve month interactive initiative involving kitchen skill sessions for commercial cookery students by some of Australia's most renowned chefs including Peter Gilmore, Dan Hong and Mark Best. Luke Mangan and Peter Gilmore launched the inaugural The Inspired Series event at Sydney TAFE's The Apprentice restaurant in May 2015.

NEW WAYS TO ACCESS SERVICES

In 2014-15, TAFE NSW Institutes trialled a number of new ways to allow students to access learning services.

In March 2015, Hunter TAFE commenced trialling ClickDesk, an online chat and helpdesk software to provide students with immediate support with their online studies. This software is intended to boost user engagement through web chat, voice chat and video chat and support Hunter TAFE to meet students' needs with referrals to the appropriate discipline experts, real-time analytics and an integrated help desk.

Hunter TAFE also trialled YourTutor as a support service for students in semester 1, 2015. Students in 14 qualifications, including three degree programs, have access to an online tutor six evenings per week. The students engage with a tutor through online typed chat to access support in understanding concepts and referral to additional study materials.

TAFE Western expanded the number of local student hubs to four in the first half of 2015. These are designed as a one stop shop where customers can connect with the Institute's wrap around services such as careers advice, course information, Aboriginal and disability support services, personal counselling, learning assistance and resources, library services and online study help. The hubs are in Orange, Parkes, Bathurst and Dubbo. Two new Hubs at Lithgow and Mudgee are under construction.

TAFE Illawarra created a virtual learning centre known as the Learning Access Resource Centre at Cooma Campus. This facility enables students from the Cooma area to participate in higher levels of vocational and tertiary education.

TAFE Riverina Institute partnered with local government in locations without a TAFE campus in the Greater Hume and Wakool Shires to install video conference facilities in four libraries. Students are able to participate in short course qualifications with support from local library staff. TAFE Riverina Institute plans to expand use of these facilities to deliver other programs in the Greater Hume and Wakool Shires.

From 2015, students at Taree were able to access an integrated library and customer service centre at North Coast TAFE on completion of stage one of a major capital works project. The integrated facility includes new group learning spaces and updated technologies to expand students' access and choices. North Coast TAFE also rents space in the Byron Bay Community Centre to take its training to the community through a 'pop-up' learning model to help students to access training locally.

TAFE South Western Sydney Institute introduced new flexible learning spaces at Campbelltown, Granville, Bankstown and Liverpool Colleges. These flexible learning spaces contain technology and interactive tools to encourage students to interact and learn through collaboration, shifting the emphasis away from the teacher.

FEEDBACK ON OUR SERVICES

The satisfaction rate of TAFE NSW graduates was higher than the averages for NSW and national providers.

The NCVER Student Outcomes Survey 2014 indicated that 89.1 per cent of TAFE NSW graduates were satisfied with the overall quality of training. The satisfaction rate was 0.2 percentage points higher than in 2013 (88.9 per cent). The TAFE NSW graduate satisfaction rate was also higher than the national average for

all TAFE Institutes in Australia (88.5 per cent), all vocational education and training providers in NSW (88.9 per cent), and across Australia (87.6 per cent).

RESEARCH AND DEVELOPMENT

Hunter TAFE's Multicultural Education Unit worked with students studying Diploma of Community Services to undertake a research project titled *Dynamics of equity and social disadvantage in vocational education and training* targeting students from Culturally and Linguistically Diverse backgrounds.

The project's main objectives were to:

- > identify barriers to education and training
- > identify social structures and/or dynamics
- > identify success factors
- > investigate students' awareness of services such as Career Pathways and Counselling, Multicultural Support, Disabilities, Libraries, Recognition of Prior Learning and career goals.

The project is completed and will be published in the second half of 2015. The costs are \$6,000 (in kind).

Sydney TAFE, Randwick Dental Studies section is involved with a NSW Health research project to provide a mobile dental clinic to remote Indigenous communities out of Boggabri. Currently two Indigenous NSW Health trainees involved in the project are being trained at Randwick. The costs are being met by NSW Health and two TAFE teachers are making contributions in their own time.

A Head Teacher of Child Studies from Sydney TAFE, Fran Hughes, is involved in research around Early Childhood Education and Sustainability. Ms Hughes is a leading expert in the field who developed and maintains a ground-breaking course – *Early Bush Connections* (Statement of Attainment). Sydney TAFE is the only provider of this qualification in Australia. In 2014-15, Ms Hughes presented at two international conferences, and is involved in writing two papers for publication as a follow-up, due to be completed in the second half of 2015. Funding of \$5,257 was from Institute funds.

TAFE Western Sydney Institute undertook an *Institute Culture and Climate Project* with staff to build knowledge and capability in areas identified as needing attention in a 2013 survey. An implementation plan was developed as part of a staged approach to cultural change. Initiatives are underway to achieve the desired outcomes and expected benefits with \$120,141 allocated in 2014-15. The project is expected to be completed by 2015-16.

AWARD-WINNING TRAINING

TAFE NSW graduates are work-ready. Many of them have been recognised on the national and world stage for the quality of their skills, as has our role as a leading training provider.

2014 NSW Training Awards

The NSW Training Awards are the peak awards for vocational education and training, recognising and celebrating achievement, excellence and innovation in the nation's largest training sector.

TAFE NSW scooped 12 of the 18 awards on offer at the 2014 NSW Training Awards gala presentation, hosted by the NSW Minister for Education in September 2014.

Student and organisation award candidates were drawn from across NSW. The TAFE NSW winners were:

Individual Awards

CATEGORY	NAME	TAFE NSW INSTITUTE
Apprentice of the Year	Mark Hardy	North Coast
Trainee of the Year	Joshua Lodge	Hunter
School Based Apprentice/ Trainee of the Year	Savannah De Oliveira	Sydney
VET Trainer/Teacher of the Year	Steve Atkins	Western Sydney

Organisation Awards

CATEGORY	WINNER
Industry Collaboration Award	Barangaroo Skills Exchange with TAFE Western Sydney Institute as the lead training provider
Large Training Provider of the Year	TAFE Western Sydney Institute

Industry Excellence Awards

CATEGORY	NAME	TAFE NSW INSTITUTE
Excellence in Trade Skills	Steven Coyle	Illawarra
Phil Darby Memorial Award	Daniel Brown	Western Sydney
Top Apprentice in Vehicle Trades	Mitchell Conley	Illawarra
Special Award for a Woman in a Non-Traditional Trade or Vocation	Amba Groeneveld	South Western Sydney
Excellence in Electrotechnology	Jonathan Clack	Illawarra
Excellence in Manufacturing	Kenny Ng	Sydney

2014 Australian Training Awards

Winners from the 2014 NSW Training Awards then progressed to the 2014 National Training Awards event in Adelaide in November 2014. The following competitors from TAFE NSW were successful in gaining a national award:

- Joshua Lodge, Hunter TAFE, won the Australian Apprentice (Trainee) of the Year Award
- Mark Hardy, North Coast TAFE, was named Runner up as the Australian Apprentice of the Year
- Steve Atkins, TAFE Western Sydney Institute, was named the VET Teacher/Trainer of the Year
- In addition, a North Coast TAFE teacher, Jillian Ashley was a finalist at the 2014 Excellence in Language, Literacy and Numeracy Practice category.

2014 Premier's Awards for Public Service

In December 2014, TAFE Western Sydney Institute won the Premier's Partnership Award for Barangaroo Skills Exchange.

The Premier's Partnership Award recognises outstanding partnerships between public sector teams and business, non-government and educational and research organisations delivering results against at least one goal in the State Plan *NSW 2021*.

The partnership involving Lendlease, TAFE NSW and the Construction and Property Services Industry Skills Council aims to raise the bar for safety, trade skills and green skills in the construction industry. TAFE Western Sydney Institute is the lead training provider for the project which covers a wide variety of training including work, health and safety, construction trades, and language, literacy and numeracy.

Gili Awards

TAFE NSW students, staff and Institutes showcased their excellence at the 24th annual TAFE NSW Gili Awards held in Sydney on 28 August 2014. Gili is an Eora word meaning *to shine*.

The Awards honour achievement in Aboriginal vocational education and training across all TAFE NSW Institutes in 13 categories:

GILI AWARD CATEGORY	AWARD WINNER/PROGRAM	TAFE NSW INSTITUTE
Encouragement Awards	Kyle Bell June Slater Jeffrey Weatherall	North Coast New England Illawarra
Achievement Awards	Skye Day Judi Beddoni Ian Harris	Northern Sydney Sydney Riverina
Award for Academic Excellence	Jessica Clark	Sydney
Apprentice of the Year	Shane Lyons	Sydney
Trainee of the Year	Kesha Sampson	New England
TVET Award	Joshua Solberg	New England
Aboriginal Staff Award	Chico Monks	Sydney
Non-Aboriginal Staff Award	Merryn Thatcher	Sydney
Bruce Kendall Award for Recognition of Service to TAFE NSW	Ann Cribb	Sydney
Industry Partnership Award	Mogo Conservation and Land Management	Illawarra
Community Engagement Award	'From the Edge' Leeton Film Project	Riverina
Youth Engagement Award	<i>Aboriginal Learning Circles</i> Program	Hunter
Award for Institute Innovation		Western

2014 WorldSkills Australia National Competition

The biennial International WorldSkills Competition brings together the best and brightest students from around the world to compete in their chosen vocational and skill profession areas. The competition gives students the opportunity to grow and develop their skills, and showcase their talent. Those who compete have the opportunity to win gold, silver and bronze medals for their countries.

To participate at international level, students must first pass regional and then national competitions aligned to National Training Packages, and be selected for the Australian “Skillaroo” team.

The 2014 WorldSkills Australia National Competition was held in Perth in September 2014. Entries from TAFE NSW claimed 24 gold medals. Hunter TAFE was awarded the medal for best-performing region, with a total of ten medals. TAFE Illawarra was close behind with a total medal haul of nine. TAFE NSW excelled in the category of Web Design, accounting for the gold, silver and bronze medals.

TAFE NSW was well represented with 15 students out of the 25 winners of the national competition having completed training at TAFE NSW Institute:

NAME	CATEGORY	TAFE NSW INSTITUTE
John Reminis	Retail Baking (Bread)	Illawarra
Sam Spong	Bricklaying	Illawarra
Nicholas Roman	Joinery	Illawarra
Matt Sawers	Manufacturing Team Challenge	Illawarra
Kallon McVicar	Welding	Illawarra
Blair Watters	Car Painting	Hunter
Thomas Crittenden	Sheet Metal Technology	Hunter
Adele Di Bella	Patisserie and Confectionary	Northern Sydney
Samantha Johnson	Restaurant Service	Northern Sydney
Michael James	Construction Metal Work	Riverina
Beau Kupris	Refrigeration and Air Conditioning	South Western Sydney
Emma Hillier	Fashion Technology	South Western Sydney
Harlan Wilton	Web Design	Western Sydney
Jessica Peters	Floristry	Western Sydney
Jim D’Elboux	Industrial Control	Western

These TAFE NSW students will compete as part of the national team, the Skillaroos, in the 2015 international WorldSkills Competition in Sao Paulo, Brazil.

Steve Hornery Award

This is awarded to a WorldSkills Australia national competitor from NSW. In 2014, it was awarded to Kane Girard from TAFE New England.

2014 International Student awards

Two international students studying with TAFE NSW were honoured at the NSW International Student Awards, held on Monday 15 September at the Sydney Opera House. The awards recognise outstanding international students and the institutions that support them.

TAFE South Western Sydney Institute student, Immanuel Njoroge was the winner in the Vocational Education and Training category. Immanuel, a registered midwife from Kenya, is currently studying for a Diploma of Laboratory Technology. He assists and mentors his classroom peers and helps fellow international students to overcome loneliness. He volunteers at his local church, helping young people at risk, and for the United Nations High Commissioner for Refugees.

TAFE Northern Sydney Institute student, Ahmad Aljazeera, was recognised in the ELICOS (English Language Intensive Courses for Overseas Students) category. Ahmad, who aims to study medical science, undertook volunteer training with Ryde Council and then began volunteering at Royal Rehab in Putney. He supports his fellow students and sometimes acts as their leader. He does volunteer work at two Islamic centres, organising social and religious activities.

Brazilian international student, Maycon Rocha Cavalcante, who studied Tourism at Sydney TAFE and took out the international student prize at the Institute Student Excellence Awards, also won the prestigious national 2014 Council of International Students Australia International Student of the Year Award in the Vocational Education and Training category in July 2014 in Melbourne.

Industry Awards

TAFE NSW Institutes and students won wide ranging industry acknowledgment including awards from: the National Transport and Logistics Industry Skills Council, the Design Institute of Australia, Australian Federation of Travel Agents, and the Neild and Co Apprentice Butcher Meat Retail 2014 Championships.

SUPPORTING PEOPLE EXPERIENCING DISADVANTAGE

TAFE NSW Institutes provided essential support to students experiencing disadvantage to improve learning engagement and completion through:

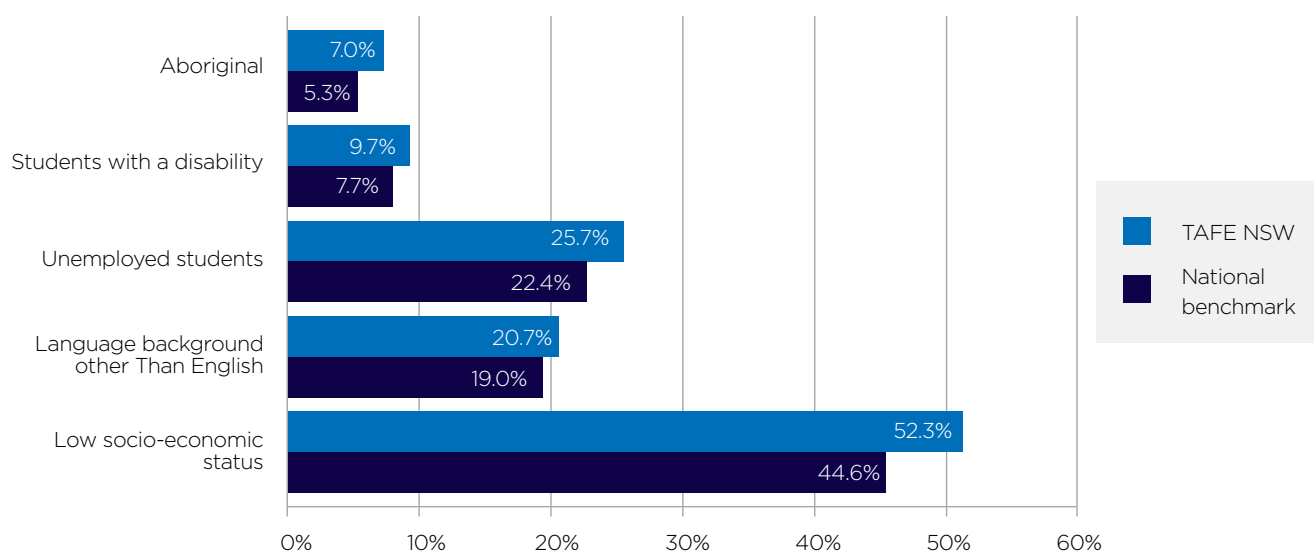
- > personalised support services including pre-training support, counselling, mentoring, case management, and individualised or group support specialist support such as one-on-one learner support and development of learning resources
- > training for those facing significant barriers to learning who require language, literacy and numeracy support and other assistance to proceed to a full qualification
- > career support services including support from school to TAFE, interview preparation, transition to employment or further education or training (such as liaising with Centrelink, employment brokers or universities), direct referrals to job service providers, universities and disability employment providers and community support agencies
- > access to learning resource centres including study facilities and services such as computers with specific software packages and printing services
- > community engagement to encourage these students to enrol, including coordinating with communities to support youth at risk of disengagement from participating in education or employment.

In May 2015 the Barangaroo Skills Exchange reached a milestone by enrolling the project's 500th apprentice. Employed through group training organisation, My Gateway, the 500th apprentice was an Indigenous carpentry apprentice, Desiree Owens, who was employed by Cubic Interiors. The additional support given to Barangaroo Skills Exchange apprentices such as pastoral, holistic care and language, literacy and numeracy contributed to the project's excellent apprentice retention rates.

VOCATIONAL ENROLMENTS BY STUDENTS FROM DISADVANTAGED GROUPS

TAFE NSW recorded higher proportions of vocational education and training (VET) enrolments by students from disadvantaged groups in 2014 than the national average for VET providers:

FIGURE 3: PROPORTION OF VET ENROLMENTS BY STUDENTS FROM DISADVANTAGED GROUPS IN 2014



Source: NCVER VOCSTATS Students and courses 2014

HIGHER EDUCATION ENROLMENTS BY STUDENTS FROM DISADVANTAGED GROUPS

In 2014, there were more than 900 students enrolled in nine TAFE NSW Bachelor, sub-Bachelor and post graduate programs, including:

- almost 300 enrolments by students from low socio-economic status backgrounds (31 per cent of all TAFE NSW Higher Education enrolments)
- almost 430 enrolments by students with language backgrounds other than English (45 per cent)
- more than 800 mature aged student enrolments (85 per cent).

The representation of these groups within the TAFE NSW Higher Education student cohort was significantly higher than their representation within NSW universities.¹⁴

In late 2014, Hunter TAFE and TAFE Illawarra partnered with Employment Plus (Salvation Army) to support the organisation's successful tender for Employment Services 2015-2020. As a result, Employment Plus sites are located on selected TAFE campuses, making it easy for Employment Plus to refer jobseekers to nationally recognised training at TAFE NSW. Hunter TAFE supports two employment services regions while TAFE Illawarra supports one. The two Institutes receive a proportion of employment payment outcomes for Employment Plus clients.

14. TAFE NSW, Commonwealth Higher Education Statistics Collection equity data

SCHOOL-EQUIVALENT EDUCATION

TAFE NSW supports Higher School Certificate students to undertake nationally recognised skill sets or qualifications through TAFE-delivered vocational education and training (TVET). In 2014, there were more than 24,000 student enrolments in TVET programs. Most gained both an Australian Qualifications Framework and a Higher School Certificate credential.

TAFE NSW also delivers training to support school-based apprenticeships and traineeships, which allow students to enter a training contract while still at school. In 2014, TAFE NSW trained more than 300 school based apprentices and 700 school based trainees.¹⁵

TAFE NSW delivered both the NSW Higher School Certificate and Certificate IV in Tertiary Preparation to provide a 'second chance' to more than 4,000 students in 2014.¹⁵

ABORIGINAL EDUCATION

TAFE NSW is committed to improving the educational and employment outcomes of Aboriginal students. TAFE NSW delivers nationally recognised qualifications in Aboriginal Studies, Aboriginal and Torres Strait Islander Primary Health Care, and Aboriginal or Torres Strait Islander Cultural Arts.

TAFE NSW Institutes also develop customised programs for Aboriginal students to support participation in tertiary education and training and facilitate employment outcomes. Extensive partnerships between TAFE NSW and other education providers, enterprises and community groups ensure that students learn in real work environments.

Between 2010 and 2014, TAFE NSW Aboriginal student enrolments increased by 8.4 per cent, from 34,597 to 37,505. There is a trend towards enrolments in higher level nationally recognised qualifications. Enrolments by Aboriginal students increased in Australian Qualification Framework

- Certificate III level and above
 - from 10,123 in 2010 to 15,943 in 2014 (57.5 per cent)
 - from 29.3 per cent of Aboriginal student enrolments in 2010 to 42.5 per cent in 2014
- Diploma level and above
 - from 1,215 in 2010 to 3,603 in 2014 (196.5 per cent)
 - from 3.5 per cent of Aboriginal student enrolments in 2010 to 9.6 per cent of enrolments in 2014.

The trend towards enrolling in higher level qualifications was particularly evident in the 15 to 24 year student age group. Over the five year period to 2014, TAFE NSW Aboriginal enrolments by students in the 15 to 24 year age group increased by:

- 60.6 per cent in qualifications at Certificate III and above
- 244.7 per cent in qualifications at Diploma and above.

Between 2009 and 2013, course completions in TAFE NSW by Aboriginal students increased by 47%, and particularly in higher level qualifications:

- Certificate III and above increased by 59.9 per cent
- Diploma and above increased by 167.3 per cent.¹⁶

15. TAFE NSW data

16. NCVER VOCSTATS Students and courses

Aboriginal Learning Circle

TAFE NSW continued the *Aboriginal Learning Circle* Alliance in 2014-15. The alliance is collaboration between Hunter, North Coast, New England, South Western Sydney and Illawarra Institutes and represents approximately 16,500 Aboriginal students. The alliance works to enhance the delivery of training to Aboriginal students and provides strategic advice and leadership on business strategies to support Aboriginal education and training.

A partnership between North Coast TAFE, the *Aboriginal Learning Circle* and the Northern Cooperative Meat Company focussed on breaking down some of the barriers to starting a job. Over the four week program, eight local Aboriginal students were introduced to the skills required in the meat processing industry as well as vital interview skills. Seven of the students obtained employment at the end of the program.

Aboriginal languages

TAFE NSW delivers qualifications in Aboriginal languages to support the NSW Government OCHRE plan. Courses are developed and delivered in collaboration with local community groups and Aboriginal language speakers.

In 2014-15, these included Certificate I in Aboriginal Languages, including Gumbaynggirr, Yaegl and Gathang (North Coast TAFE), Wiradjuri, Dharawal and Bundjulong (Sydney TAFE); and Certificates I and II in Wiradjuri and Gamilaroi (TAFE Western).

Aboriginal Language and Culture Nests are local community networks connected by a language. These nests provide communities with opportunities to revitalise, reclaim and maintain their languages in partnership with schools, TAFE NSW, universities and other community language programs. Each language and culture nest also includes a keeping place where language resources and materials are accessible through community consultation.

Two TAFE NSW campuses are currently the sites for Keeping Places of Aboriginal Language and Culture Nests:

- > TAFE Western, Yarradamarra Centre, hosts the North West Wiradjuri Aboriginal Language and Culture Nest in Dubbo
- > North Coast TAFE, Coffs Harbour Education Campus, hosts the Gumbaynggirr Aboriginal Language and Culture Nest.

Employment of Aboriginal staff

As at 30 June 2015, TAFE NSW employed 164 Aboriginal staff (2.7 per cent of the total workforce), exceeding the target for the year of 2.6 per cent.

These achievements reflect the NSW Government's ongoing commitment to Aboriginal education and training programs and the quality of TAFE NSW as the public provider for Aboriginal people and communities.

OPERATING AS A SUSTAINABLE BUSINESS

TAFE NSW is working to become more effective and efficient as a government-owned education business, in order to deliver ongoing public value for the people and enterprises of NSW.

COMMERCIAL DELIVERY

Student enrolments in commercial (non-government-funded) qualifications for all students in 2014 increased by 4.5 per cent, from 181,977 in 2013 to 190,114 in 2014.¹⁷

TAFE Northern Sydney Institute was the only government provider to win an Australian Public Service Commission tender to deliver Mental Health First Aid training to 40 people at the Department of the Prime Minister and Cabinet. The training was delivered with Hunter TAFE and taught participants how to identify and help people with mental health problems.

In May 2015, TAFE Northern Sydney Institute was also successful in securing an Australian Public Service Commission contract to provide an assessment-only pathway for the Certificate IV and Diploma of Government. Up to 800 Department of Human Services staff are being trained by Hunter TAFE on behalf of TAFE Northern Sydney Institute, commencing from May 2015.

INTERNATIONAL EDUCATION

TAFE NSW's enrolments of international students in 2014 increased by 17.4 per cent – from 3,516 in 2013 to 4,127 in 2014.¹⁸

TAFE NSW manages over 30 international projects in countries across Asia, the Asia Pacific, the Middle East and Africa. This includes partnerships with Fiji National University, LIQVID (based in New Delhi, India), Multistrada (an Indonesian Tyre manufacturer), Xi'an International University, Wuxi Institute of Technology, Beijing College of Politics and Law in China and BlueScope Steel in Thailand.

On 3 September 2014, TAFE NSW signed an agreement that will allow students undertaking TAFE NSW Diplomas and Advanced Diplomas in the areas of travel, tourism, marketing and international business, to access a guaranteed credit towards a Bachelor Degree at Jinan University, Guangdong, and Ningbo Dahongying University in Zhejiang in China.

Nineteen teaching staff from China's Ningbo City College of Vocational Technology and Ningbo Foreign Affairs School underwent two weeks of professional development and mentoring at TAFE Western Sydney Institute in August 2014, to assist them in delivering TAFE NSW qualifications in China, in partnership with TAFE NSW. The partnership aims to provide up to 900 Chinese students with a study pathway in English language followed by vocational programs. Vocational graduates can apply for advanced standing at one of the Australian universities recognising TAFE NSW qualifications.

TAFE New England began training members of the Papua New Guinea Defence Force in Certificate IV in Aeroskills, Avionics and Mechanics at its AviSkills facility in Tamworth. This partnership took five years to develop. Aviation training is a growth area for TAFE New England. AviSkills has business partnerships with Qantas, QantasLink, Jetstar, Fleet Helicopters and other aviation companies.

TAFE Western secured Commonwealth Outbound Mobility funding which enabled teaching staff to plan study tours to China. The first cohort of ten Children's Services Diploma students and a teacher travelled to Wuxi, China in June 2015 for a successful two week study tour. Further study tours will involve students of tourism and hospitality.

Sydney TAFE delivered English language courses to 199 students at Seoul Hyundai Occupational Training College in South Korea since March 2013, under its Sydney TAFE Korea brand.

17. TAFE NSW data

18. TAFE NSW data – International Business

COMPLIANCE AND QUALITY AUDITS

Each TAFE NSW Institute holds a current registration as a Registered Training Organisation with the national vocational education and training regulator, the Australian Skills Quality Authority.

Consistent with our record as a training provider with a history of compliance with the national standards, on 1 July 2014 the Authority renewed TAFE NSW Institutes' delegation of regulatory responsibility. This permits Institutes to update or change the list of nationally recognised qualifications and units of competency offered (the training provider's scope of registration) without needing to re-apply to the Authority.

In July 2015, TAFE NSW Higher Education was successfully reregistered as a Higher Education Provider for another seven years without any conditions. The re-accreditation of TAFE NSW Higher Education's first initial degree, the Bachelor of Design (Interior Design) was also approved for another seven years in July 2015 without condition.

A number of Institutes successfully completed their annual ISO9001 Quality Management System certification audit and gained accreditation, including Riverina Institute and Sydney TAFE. Hunter TAFE and TAFE Western completed the accreditation with no non-compliances.

TAFE Northern Sydney Institute obtained its ISO14001:2004 recertification for a compliant environmental management system. The Institute also holds Gold partner status in the NSW Office of Environment and Heritage Sustainability Advantage Gold Partnership.

TAFE Illawarra, North Coast TAFE and TAFE Riverina Institute underwent a detailed audit of equine qualifications as part of a strategic review of equine training by the Australian Skills Quality Authority. The response involved a review of training and assessment materials in collaboration with other Institutes. All three Institutes were found to be compliant.

Hunter TAFE achieved successful outcomes for its Australian Skills Quality Authority Reaccreditation, Smart and Skilled Monitoring Audit for Children's Services and Electrotechnology, Australian Maritime Safety Authority and TAFE NSW Animal Welfare Monitoring audits.

STAFF ENGAGEMENT

The 2014 NSW People Matter Employee Survey was open to all staff across the NSW public sector during May 2014. In 2014 the TAFE NSW engagement index was 65 per cent. This represents an increase from 64 per cent on the 2012 survey results for the Department of Education and Communities cluster, which incorporated TAFE NSW. The next survey will be conducted in 2016.

ENTERPRISE AGREEMENTS

No ballots were conducted in 2014-15.

In June 2015, TAFE NSW commenced negotiations for new enterprise agreements for TAFE NSW staff covered by the

- > *TAFE Commission of NSW Teachers and Related Employees Enterprise Agreement 2013*
- > *TAFE Commission of NSW Administrative, Support and Related Employees Enterprise Agreement 2013*
- > *TAFE Commission of NSW Institute Managers Enterprise Agreement 2013*
- > *TAFE Commission of NSW Teachers in TAFE Children's Centres Enterprise Agreement 2013.*

AFTER BALANCE DATE EVENTS WITH POTENTIAL TO AFFECT TAFE NSW IN 2015-2016

MODERNISING OUR BUSINESS SYSTEMS

The Learning Management and Business Reform program was established by the NSW Department of Education and Training in 2006 to deliver new enrolment and business systems to Government schools and TAFE NSW, replacing legacy student management, human resources, payroll and finance management systems.

New human resources, payroll and financial management systems were delivered and implemented prior to 2014-15 in TAFE NSW corporate offices and Institutes, but were updated during the period.

The TAFE NSW Student Administration and Learning Management (SALM) project (known as ebs) was implemented from October 2014, to replace 14 inefficient and costly legacy systems and allow students to enrol and access their student profile online.

Implementation issues with *ebs* were managed through dedicated efforts by TAFE NSW staff to ensure 2014 student testamurs were issued and 2015 students were successfully enrolled. TAFE NSW responded to issues where possible or identified mitigations to overcome issues.

The Smart and Skilled reforms, implemented in full from January 2015, introduced new student fees and eligibility rules to access government subsidised training, requiring additional changes to TAFE NSW's systems to ensure effective implementation of Smart and Skilled policies.

TAFE NSW'S MOVE TO A NEW GOVERNMENT CLUSTER

As part of administrative changes announced by the NSW Government in April 2015, TAFE NSW transferred to the Industry, Skills and Regional Development Cluster with effect from 1 July 2015.

This new cluster was created to help increase employment opportunities for the citizens of NSW, strengthening the links between skills development, industry and communities.

Previously TAFE NSW was part of the former Education and Communities cluster. The then Department of Education and Communities (now the Department of Education) provided corporate services for the organisation via a Memorandum of Understanding.

While this Memorandum of Understanding is continuing in 2015-16, TAFE NSW commenced planning and action to relocate corporate service functions provided by the Department of Education and Communities to TAFE NSW.

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FINANCIAL REPORT 2014-15



FINANCIAL REQUIREMENTS

CREDIT CARD CERTIFICATION



Corporate Credit Card Certification for the Year ended 30 June 2015

I certify that:

The TAFE credit card policy and guidelines for the issue, management and use of corporate credit cards flow from and are aligned with NSW Government policy as set out in relevant Treasury Circulars and Treasurer's Directions.

It is certified that the use of corporate credit cards within TAFE NSW has been in accordance with NSW Government policy. Internal audits of credit card usage provide ongoing opportunities for continuous improvement.

Name	Pam Christie
Position	Managing Director TAFE NSW
Signature	
Date	25 September 2015

FUNDS GRANTED TO NON-GOVERNMENT COMMUNITY ORGANISATIONS

NAME OF NON-GOVERNMENT COMMUNITY ORGANISATION PAID	NATURE AND PURPOSE OF PROJECT	CLIENTS TARGETED	PROGRAM AREA AS PER 2014-15 BUDGET PAPER NO. 3	AMOUNT GRANTED (\$)
Legends of League	Legends of League supported the promotion of Mental Health in Tamworth. The day highlighted the importance and impact of mental health in the wider community.	Aboriginal community members	Sport	\$4,000 – by TAFE New England
Hastings Education Fund	The Hastings Education Fund is a Port Macquarie community-based fund which provides grants based on financial need rather than academic ability. They are distributed in the form of reimbursement for computer hardware/software, textbooks, uniforms, equipment, tools of trade, travel, accommodation, etc.	Disadvantaged local students as they pursue further education, training or a chosen vocation.	Youth	\$1,000 – by North Coast TAFE

EXTERNAL COSTS INCURRED IN PRODUCTION OF THE REPORT

TAFE NSW has not incurred any external costs producing this report.

PAYMENT OF ACCOUNTS

Overdue accounts per quarter

	CURRENT (I.E. WITHIN DUE DATE) \$'000	LESS THAN 30 DAYS OVERDUE \$'000	BETWEEN 30 AND 60 DAYS OVERDUE \$'000	BETWEEN 60 AND 90 DAYS OVERDUE \$'000	MORE THAN 90 DAYS OVERDUE \$'000
	2014-15	2014-15	2014-15	2014-15	2014-15
ALL SUPPLIERS					
September	\$149,016	\$5,127	\$1,366	\$92	\$33
December	\$118,756	\$2,590	\$855	\$329	\$389
March	\$98,388	\$3,347	\$785	\$78	\$78
June	\$125,842	\$2,505	\$361	\$85	\$174

Accounts paid on time within each quarter

QUARTER	NO. ACCTS DUE FOR PAYMENT	ACCOUNTS DUE FOR PAYMENT (\$'000)	ACTUAL % OF ACCOUNTS PAID ON TIME (BASED ON NO. OF ACCTS)	ACTUAL % OF ACCOUNTS PAID ON TIME (BASED ON \$ AMOUNT OF ACCOUNTS)	NO. OF ACCTS PAID ON TIME	AMOUNT OF ACCOUNTS PAID ON TIME (\$'000)	NO. PAYMENTS FOR INTEREST ON OVERDUE ACCOUNTS	INTEREST PAID ON OVERDUE ACCOUNTS
ALL SUPPLIERS								
Sept 2014	56,055	\$155,635	92%	96%	51,838	\$147,656	-	-
Dec 2014	50,222	\$122,919	97%	98%	48,653	\$116,421	-	-
March 2015	44,241	\$102,675	96%	98%	42,492	\$100,235		
June 2015	53,055	\$128,968	97%	97%	51,676	\$135,477		

Issues affecting prompt processing of payments during the year

All Suppliers: The two key reasons preventing on time payment are invoices that do not reference a valid purchase order number and delays in the invoice being received into the Finance Shared Service Centre.

Initiatives implemented to improve payment performance

All Suppliers: Invoice Automation was implemented during the financial year. This initiative aims to increase the efficiency and effectiveness of our Accounts Payable function. Communication was also sent to vendors to remind them of the correct payables processes and encourage them to email their invoices directly to the Finance Shared Service Centre.

AUDITED FINANCIAL STATEMENTS

TECHNICAL AND FURTHER EDUCATION COMMISSION

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

Technical and Further Education Commission

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of Technical and Further Education Commission (the Commission), which comprise the statement of financial position as at 30 June 2015, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information. The consolidated entity comprises the Commission and the entity it controlled at the year's end or from time to time during the financial year.

Basis for Qualified Opinion

The Commission implemented a new Student Administration and Learning Management (SALM) system in October 2014. The Commission used the SALM system to enrol new and existing students into relevant TAFE courses. System limitations prevented me from obtaining sufficient and appropriate audit evidence to support amounts recorded for student revenue and related transactions. Consequently, I am unable to form an opinion on the appropriateness of amounts recorded for sales of goods and services of \$477.4 million, student receivables and accrued income of \$47.6 million recorded in receivables and unearned revenue of \$398.0 million recorded in payables, nor can I determine the impact of possible misstatements on the net result or total comprehensive income.

Qualified Opinion

In my opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion paragraph, the financial statements:

- give a true and fair view of the financial position of the Commission and the consolidated entity as at 30 June 2015, and of their financial performance and cash flows for the year then ended in accordance with Australian Accounting Standards
- are in accordance with section 41C of *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

My opinion should be read in conjunction with the rest of this report.

Managing Director's Responsibility for the Financial Statements

The Managing Director is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act and for such internal control as the Managing Director determine is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks of material misstatement of the financial statements, 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 statements that give 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Commission or consolidated entity
- that they have carried out their activities effectively, efficiently and economically
- about the effectiveness of the internal control
- about the assumptions used in formulating the budget figures disclosed in the financial statements
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about any other information, that may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



AT Whitfield PSM
Acting Auditor-General

19 October 2015
SYDNEY

Start of Audited Financial Statements



Technical and Further Education Commission

Annual Financial Statements

for the year ended 30 June 2015

TABLE OF CONTENTS

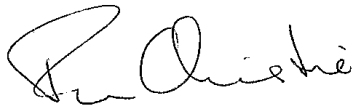
Statement by the Managing Director of the Technical and Further Education Commission.....	2
Statement of comprehensive income	3
Statement of financial position	4
Statement of changes in equity.....	5
Statement of cash flows	7
1. Summary of significant accounting policies	8
2. Expenses Excluding Losses	20
3. Revenue	22
4. Loss on Disposal.....	23
5. Other Gains / (Losses)	23
6. Current Assets – Cash and Cash Equivalents	23
7. Current / Non-Current Assets - Receivables.....	24
8. Non-Current Assets – Property, Plant and Equipment	25
9. Intangible Assets.....	26
10. Restricted Assets.....	27
11. Fair Value Measurement of non-financial assets	27
12. Current Liabilities – Payables	31
13. Current/Non-current Liabilities – Provisions.....	31
14. Commitments for Expenditure	32
15. Contingent Liabilities and Contingent Assets.....	32
16. Reconciliation of Cash Flows from Operating Activities to Net Result	33
17. Non-cash Financing and Investing Activities.....	33
18. Budget Review.....	34
19. Financial Instruments	35
20. Events after the Reporting Period	39

Technical and Further Education Commission
Statement by the Managing Director of the Technical and Further Education
Commission

for the year ended 30 June 2015

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, I state that:

- 1 The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for NSW General Government Sector Entities, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions;
- 2 The financial statements exhibit a true and fair view of the financial position and financial performance of the Commission;
- 3 Work is underway to address limitations in evidence described in the independent auditor's report; and
- 4 With the exception of the limitation noted in point 3, I am not aware of any circumstances which would render any particulars included in the financial statements to be misleading or inaccurate.



MANAGING DIRECTOR

Date: 9 October 2015

Technical and Further Education Commission
Statement of comprehensive income
for the year ended 30 June 2015

		Consolidated Actual 2015 \$'000	Consolidated Budget 2015 \$'000	Parent Actual 2015 \$'000	Actual 2014 \$'000
	Notes				
Expenses excluding losses					
Operating expenses					
Employee related	2(a)	1,178,999	1,328,943	1,175,978	1,338,511
Personnel services	2(b)	-	-	2,909	-
Other operating expenses	2(c)	441,116	395,296	441,116	432,900
Depreciation and amortisation	2(d)	132,409	137,300	132,409	129,716
Total expenses excluding losses		1,752,524	1,861,539	1,752,412	1,901,127
Revenue					
Recurrent appropriations		-	-	-	1,217,732
Capital appropriations		-	-	-	88,340
Sale of goods and services	3(a)	477,404	419,922	477,404	431,654
Investment revenue	3(b)	10,332	7,363	10,332	7,464
Grants and contributions	3(c)	1,349,789	1,321,486	1,349,789	80,792
Acceptance by the Crown Entity of employee benefits and other liabilities	3(d)	60,638	52,072	60,526	77,756
Other revenue		3,216	69	3,216	1,993
Total revenue		1,901,379	1,800,912	1,901,267	1,905,731
Loss on disposal	4	(9,927)	-	(9,927)	(4,923)
Other (losses) / gains	5	(12,647)	-	(12,647)	892
Net result	16	126,281	(60,627)	126,281	573
Other comprehensive income					
<i>Items that will not be reclassified to net result</i>					
Net increase in property, plant and equipment revaluation surplus		294,485	-	294,485	136,143
Total other comprehensive income		294,485	-	294,485	136,143
TOTAL COMPREHENSIVE INCOME / (EXPENSE)		420,766	(60,627)	420,766	136,716

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of financial position
as at 30 June 2015

		Consolidated Actual 2015 \$'000	Consolidated Budget 2015 \$'000	Parent Actual 2015 \$'000	Actual 2014 \$'000
	Notes				
ASSETS					
Current Assets					
Cash and cash equivalents	6	742,487	281,087	742,487	416,409
Receivables	7	78,416	49,680	78,416	56,724
Total Current Assets		820,903	330,767	820,903	473,133
Non-Current Assets					
Receivables	7	4,441	4,703	4,441	4,572
Property, plant and equipment					
Land	8	707,659	724,074	707,659	720,592
Buildings	8	3,943,139	3,432,132	3,943,139	3,725,036
Plant and equipment	8	32,085	120,333	32,085	37,542
Total property, plant and equipment		4,682,883	4,276,539	4,682,883	4,483,170
Intangible assets	9	50,512	70,283	50,512	62,633
Other financial assets		446	446	446	446
Total Non-Current Assets		4,738,282	4,351,971	4,738,282	4,550,821
Total Assets		5,559,185	4,682,738	5,559,185	5,023,954
LIABILITIES					
Current Liabilities					
Payables	12	505,514	269,332	505,900	373,059
Provisions	13	90,061	80,150	89,684	109,193
Total Current Liabilities		595,575	349,482	595,584	482,252
Non-Current Liabilities					
Provisions	13	2,873	1,674	2,864	1,731
Total Non-Current Liabilities		2,873	1,674	2,864	1,731
Total Liabilities		598,448	351,156	598,448	483,983
Net Assets		4,960,737	4,331,582	4,960,737	4,539,971
EQUITY					
Reserves		3,067,717	2,765,432	3,067,717	2,806,646
Accumulated funds		1,893,020	1,566,150	1,893,020	1,733,325
Total equity		4,960,737	4,331,582	4,960,737	4,539,971

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of changes in equity
for the year ended 30 June 2015

Consolidated	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Other Reserves (Amounts recognised in equity relating to assets held for sale) \$'000	Total \$'000
Balance at 1 July 2014		1,733,325	2,806,646	-	4,539,971
Net result for the year		126,281	-	-	126,281
Other comprehensive income					
Net increase in property, plant and equipment revaluation surplus	8	-	294,485	-	294,485
Total other comprehensive income		-	294,485	-	294,485
Total comprehensive income for the year		126,281	294,485	-	420,766
Transactions with owners in their capacity as owners					
Asset revaluation reserve balance transferred to equity on disposal of assets		33,414	(33,414)	-	-
		33,414	(33,414)	-	-
Balance at 30 June 2015		1,893,020	3,067,717	-	4,960,737

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of changes in equity
for the year ended 30 June 2015

Parent	Notes	Accumulated Funds \$'000	Asset Revaluation Surplus \$'000	Other Reserves (Amounts recognised in equity relating to assets held for sale) \$'000	Total \$'000
Balance at 1 July 2014		1,733,325	2,806,646	-	4,539,971
Net result for the year		126,281	-	-	126,281
Other comprehensive income					
Net increase in property, plant and equipment revaluation surplus	8	-	294,485	-	294,485
Total other comprehensive income		-	294,485	-	294,485
Total comprehensive income for the year		126,281	294,485	-	420,766
Transactions with owners in their capacity as owners					
Asset revaluation reserve balance transferred to equity on disposal of assets		33,414	(33,414)	-	-
		33,414	(33,414)	-	-
Balance at 30 June 2015		1,893,020	3,067,717	-	4,960,737
Balance at 1 July 2013		1,637,784	2,765,432	39	4,403,255
Net result for the year		573	-	-	573
Other comprehensive income					
Net increase / (decrease) in property, plant and equipment revaluation surplus		-	141,019	(4,876)	136,143
Total other comprehensive income		-	141,019	(4,876)	136,143
Total comprehensive income for the year		573	141,019	(4,876)	136,716
Transactions with owners in their capacity as owners					
Asset revaluation reserve balance transferred to equity on disposal of assets		94,968	(99,805)	4,837	-
		94,968	(99,805)	4,837	-
Balance at 30 June 2014		1,733,325	2,806,646	-	4,539,971

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Statement of cash flows
for the year ended 30 June 2015

	Notes	Consolidated Actual 2015 \$'000	Consolidated Budget 2015 \$'000	Parent Actual 2015 \$'000	Actual 2014 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Payments					
Employee related		(1,147,793)	(1,239,893)	(1,145,416)	(1,260,702)
Other		(512,886)	(583,333)	(515,263)	(466,705)
Total Payments		(1,660,679)	(1,823,226)	(1,660,679)	(1,727,407)
Receipts					
Recurrent appropriations		-	-	-	1,217,731
Capital appropriations		-	-	-	88,340
Sale of goods and services		625,174	535,582	625,184	498,225
Interest received		4,769	7,363	4,769	7,464
Grants and contributions		1,349,777	1,321,476	1,349,767	79,169
Other		55,131	35,478	55,131	42,495
Total Receipts		2,034,851	1,899,899	2,034,851	1,933,424
NET CASH FLOWS FROM OPERATING ACTIVITIES	16	374,172	76,673	374,172	206,017
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of land and buildings, and plant and equipment		27,097	-	27,097	1,246
Purchases of land and buildings, plant and equipment, and intangible assets		(75,191)	(76,885)	(75,191)	(91,943)
NET CASH FLOWS FROM INVESTING ACTIVITIES		(48,094)	(76,885)	(48,094)	(90,697)
NET INCREASE / (DECREASE) IN CASH		326,078	(212)	326,078	115,320
Opening cash and cash equivalents		416,409	281,299	416,409	301,089
CLOSING CASH AND CASH EQUIVALENTS	6	742,487	281,087	742,487	416,409

The accompanying notes form part of these financial statements.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies

(a) Reporting entity

The Technical and Further Education Commission (the "Commission"), is a NSW government entity responsible for the provision of technical and further education within NSW.

The Commission is a not-for-profit entity (as profit is not its principal objective) and it has no cash generating units. The Public Finance and Audit Amendment (Technical and Further Education Commission) Proclamation 2014 was proclaimed on 28 May 2014. This proclamation provided for the Commission to be a separate statutory body for the purposes of the Public Finance and Audit Act 1983, commencing on 1 July 2014. Consequently, from that date the Commission has operated as a separate legal entity which is consolidated as part of the NSW Total State Sector Accounts.

The Commission as a reporting entity, comprises all the entities under its control, namely the TAFE Commission (Senior Executives) Staff Agency (the Agency). The Agency commenced operations on 10 December 2014. In the process of preparing the consolidated financial statements for the Commission, which consist of the controlling and controlled entities, all inter-entity transactions and balances have been eliminated and like transactions and other events are accounted for using uniform accounting policies.

These financial statements for the period ended 30 June 2015 have been authorised for issue by the Managing Director on 9 October 2015.

(b) Basis of preparation

The Commission's financial statements are general purpose financial statements, which have been prepared on an accrual basis in accordance with:

- applicable Australian Accounting Standards (which include Australian Accounting Interpretations);
- the requirements of the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Property, plant and equipment, assets (or disposal groups) held for sale and financial assets at 'fair value through profit or loss' and available for sale are measured at fair value. Other financial statement items are prepared in accordance with the historical cost convention except where specified otherwise.

Judgements, key assumptions and estimations management has made are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(d) Insurance

The Commission's insurance activities are conducted through the NSW Treasury Managed Fund Scheme of self-insurance for Government entities. The expense (premium) is determined by the Fund Manager based on past claim experience.

(e) Personnel Services Arrangements

The Commission received personnel services from TAFE Commission (Senior Executives) Staff Agency (the Agency) from 10 December 2014 to reporting date, and based on these arrangements, liabilities for personnel services at year end are stated as liabilities to the Agency.

(f) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of GST, except that:

- the amount of GST incurred by the Commission as a purchaser that is not recoverable from the Australian Taxation Office is recognised as part of the cost of acquisition of an asset or as part of an item of expense, and
- receivables and payables are stated with the amount of GST included.

Cash flows are included in the statement of cash flows on a gross basis. However, the GST components of cash flows arising from investing and financing activities which are recoverable from or payable to the Australian Taxation Office are classified as operating cash flows.

(g) Income recognition

Income is measured at the fair value of the consideration or contribution received or receivable. Comments regarding the accounting policies for the recognition of income are discussed below.

i. Parliamentary appropriations and contributions

Except as specified below, parliamentary appropriations and contributions from other bodies (including grants and donations) are recognised as income when the Commission obtains control over the assets comprising the appropriations/contributions. Control over appropriations and contributions is normally obtained upon the receipt of cash.

Appropriations are not recognised as income in the following circumstances:

- 'Equity appropriations' to fund payments to adjust a for-profit entity's capital structure are recognised as equity injections (i.e. contribution by owners) on receipt and equity withdrawals on payment to a for-profit entity.
- Unspent appropriations are recognised as liabilities rather than income, as the authority to spend the money lapses and the unspent amount must be repaid to the Consolidated Fund. The Commission does not prepare a Summary of Compliance with Financial Directives. Appropriations received from the Department of Education (formerly Department of Education and Communities) (the "Department") were previously recognised as recurrent and capital appropriations. They are now recognised as grants and contributions from the Department.

ii. Sale of goods

Revenue from the sale of goods is recognised as revenue when the Commission transfers the significant risks and rewards of ownership of the assets.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(g) Income recognition (continued)

iii. Rendering of services

Revenue is recognised when the service is provided or by reference to the stage of completion (based on labour hours incurred to date).

iv. Investment revenue

Interest revenue is recognised using the effective interest method as set out in AASB 139 *Financial Instruments: Recognition and Measurement*. Rental revenue is recognised in accordance with AASB 117 *Leases* on a straight-line basis over the lease term.

(h) Assets

i. Acquisition of assets

Assets acquired are initially recognised at cost. Cost is the amount of cash or cash equivalents paid or the fair value of the other consideration given to acquire the asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognised in accordance with the requirements of other Australian Accounting Standards.

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

Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at measurement date.

Where payment for an asset is deferred beyond normal credit terms, its cost is the cash price equivalent, i.e. the deferred payment amount is effectively discounted over the period of credit.

ii. Capitalisation thresholds

Property, plant and equipment costing \$10,000 and above individually (or forming part of a network costing more than \$10,000) are capitalised. The threshold for intangibles is \$50,000. Capitalisation thresholds remain unchanged from prior year.

iii. Revaluation of property, plant and equipment

Physical non-current assets are valued in accordance with NSW Treasury "Valuation of Physical Non-Current Assets at Fair Value" Policy and Guidelines Paper (TPP 14-01). This policy adopts fair value in accordance with AASB 13 *Fair Value Measurement*, AASB 116 *Property, Plant and Equipment* and AASB 140 *Investment Property*.

Property, plant and equipment is measured at the highest and best use by market participants that is physically possible, legally permissible and financially feasible. The highest and best use must be available at a period that is not remote and takes into account the characteristics of the asset being measured, including any socio-political restrictions imposed by government. In most cases, after taking into account these considerations, the highest and best use is the existing use. In limited circumstances, the highest and best use may be a feasible alternative use, where there are no restrictions on use or where there is feasible higher restricted alternative use.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(h) Assets (continued)

iii. Revaluation of property, plant and equipment (continued)

Fair value of property, plant and equipment is based on a market participants' perspective, using valuation techniques (market approach, cost approach, income approach) that maximise relevant observable inputs and minimise unobservable inputs. Refer Note 11 for further information regarding fair value.

The Commission revalues each class of property, plant and equipment at least every five years or with sufficient regularity to ensure that the carrying amount of each asset does not differ materially from its fair value at reporting date. Revaluation of land was completed at 30 April 2015, and revaluation of buildings was completed at 31 December 2012. These revaluations were conducted using external independent assessments.

Non-specialised assets with short useful lives are measured at depreciated historical cost, as an approximation for fair value. The Commission has assessed that any difference between fair value and depreciated historical cost is unlikely to be material.

When revaluing non-current assets using the cost approach, the gross amount and the related accumulated depreciation are separately restated.

For other assets valued using other valuation techniques, any balances of accumulated depreciation at the revaluation date in respect of those assets are credited to the asset accounts to which they relate. The net asset accounts are then increased or decreased by the revaluation increments or decrements.

Revaluation increments are credited directly to revaluation surplus, except that, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in the net result, except that, to the extent that a credit balance exists in the revaluation surplus in respect of the same class of assets, they are debited directly to the revaluation surplus.

As a not-for-profit entity, revaluation increments and decrements are offset against one another within a class of non-current assets, but not otherwise.

Where an asset that has previously been revalued is disposed of, any balance remaining in the revaluation surplus in respect of that asset is transferred to accumulated funds.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(h) Assets (continued)

iii. Revaluation of property, plant and equipment (continued)

2013 revaluation of buildings

The Commission conducted an assessment of buildings which resulted in a fair value movement increase of 8.23% between December 2012 and June 2015. The assessment performed relied on the Building Price Index (BPI), which was provided by NSW Public Works in the Office of Finance and Services.

Generally, TAFE buildings are designed for a specific limited purpose. In most cases these buildings and the land on which they sit have no feasible alternative use. In accordance with TPP 14-01 the Commission determines the fair value of its building assets using the depreciated replacement cost method, as there is no market-based evidence of fair value.

The 2013 revaluation of buildings was conducted as at 31 December 2012 using a mass valuation methodology and cost approach, consistent with the requirements of Australian Accounting Standards and NSW Treasury requirements. Under this methodology, the replacement cost of each building was calculated by determining the lowest cost in current prices, to replace the building with a modern equivalent to current facility standards, having regard to the building construction type and characteristics, the area of the structure, the specific functionality of the building's rooms and the locality of the property.

The depreciated replacement cost method applied assigns values to the specific components of building shell, fit-out, furniture, and site services for each TAFE building and landscaping for each site. These components are then depreciated separately in accordance with the depreciation policy and useful lives of assets. The building shell components of buildings of State Heritage significance are not depreciated, in accordance with NSW Treasury policy.

The Commission engaged qualified quantity surveyors from the Office of Finance and Services to provide replacement cost details for TAFE buildings at 31 December 2012. Tender documents, construction contracts and industry data were used to calculate the replacement cost rates. In addition, a sample of replacement cost rates were tested against replacement cost rates provided by independent external quantity surveyors. The Commission evaluated the competencies, capabilities and objectivity of the valuation service providers prior to engagement.

2015 revaluation of land

Qualified valuers were engaged through the Office of Finance and Services to undertake valuations for the Commission land and surplus sites as at 30 April 2015 consistent with the requirements of Australian Accounting Standards and NSW Treasury requirements.

The requirement for provision of service delivery by the Commission imposes restrictions on the use of land and it is considered to have no feasible alternative use.

Therefore, the Commission land has been valued at fair value based on existing use. The valuers used market evidence to determine the highest and best use land values and applied a discount factor on averaging 18% to these values, to adjust for the restricted use of the land. The valuation estimates of land values are supported by market based sales evidence.

When the Commission land becomes surplus it is then available for feasible alternative uses. In this case the sites are valued at fair value based on the highest and best use.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(h) Assets (continued)

iii. Revaluation of property, plant and equipment (continued)

A project team was formed to conduct the 2015 revaluation of land. The team was overseen by a steering committee and project control group comprising of senior representatives of the Commission. The steering committee and project control group was responsible for oversight of all decisions related to the land revaluation. Additional oversight was provided by the Audit and Risk Committee.

Assessment of the land fair value movements between April 2015 and June 2015 was conducted by an independent valuer and it was concluded that there has been no material movement in values since revaluation date. The assessment performed relied on the valuer analysis of market based movements, which was provided by Land and Property Information in the Office of Finance and Services.

iv. Impairment of property, plant and equipment

As a not-for-profit entity with no cash generating units, impairment under AASB 136 *Impairment of Assets* is unlikely to arise. As property, plant and equipment is carried at fair value or an amount that approximates fair value, impairment can only arise in the rare circumstances such as where the costs of disposal are material. Specifically, impairment is unlikely for not-for-profit entities given that AASB 136 modifies the recoverable amount test for non-cash generating assets of not-for-profit entities to the higher of fair value less costs of disposal and depreciated replacement cost, where depreciated replacement cost is also fair value.

v. Depreciation of property, plant and equipment

Except for certain heritage assets, depreciation is provided for on a straight-line basis for all depreciable assets so as to write off the depreciable amount of each asset as it is consumed over its useful life by the Commission.

All material identifiable components of assets are depreciated separately over their useful lives.

Land is not a depreciable asset. Certain heritage assets including heritage buildings may not have a limited useful life because appropriate preservation policies are adopted. Such assets are not subject to depreciation. The decision not to recognise depreciation for these assets is reviewed annually.

The expected useful life ranges for assets remained unchanged from 2014 and are listed below. The actual useful life may be greater than the expected useful life for building assets. The Department adopts a minimum remaining useful life of 10 years for building assets that have been revalued.

Asset	Useful life range
Buildings	20 to 105 years
Leasehold Improvements	Term of the lease
Heritage Buildings	Indefinite
Plant and Equipment	3 to 43 years

vi. Major inspection costs

When each major inspection is performed, the labour cost of performing major inspections for faults is recognised in the carrying amount of an asset as a replacement of a part, if the recognition criteria are satisfied.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(h) Assets (continued)

vii. Maintenance

Day-to-day servicing costs or maintenance are charged as expenses as incurred, except where they relate to the replacement of a part or component of an asset, in which case the costs are capitalised and depreciated.

viii. Leased assets

Operating lease payments are recognised as an expense on a straight line basis over the lease term. The Commission does not have any finance leases.

ix. Intangible assets

The Commission recognises intangible assets only if it is probable that future economic benefits will flow to the Commission and the cost of the asset can be measured reliably. Intangible assets are measured initially at cost. Where an asset is acquired at no or nominal cost, the cost is its fair value as at the date of acquisition.

All research costs are expensed. Development costs are only capitalised when certain criteria are met.

The useful lives of intangible assets are assessed to be finite.

Intangible assets are subsequently measured at fair value only if there is an active market. As there is no active market for the Commission's intangible assets, the assets are carried at cost less any accumulated amortisation.

The Commission's intangible assets are amortised using the straight-line method over a period of three to fifteen years.

Intangible assets are tested for impairment where an indicator of impairment exists. If the recoverable amount is less than its carrying amount, the carrying amount is reduced to recoverable amount and the reduction is recognised as an impairment loss.

x. Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. These financial assets are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method, less an allowance for any impairment of receivables. Any changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process.

Short-term receivables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

xi. Investments

Investments are initially recognised at fair value plus, in the case of investments not at fair value through profit or loss, transaction costs. The Commission determines the classification of its financial assets after initial recognition and, when allowed and appropriate, re-evaluates this at each financial year end.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(h) Assets (continued)

xi. Investments (continued)

Fair value through profit or loss - the Commission subsequently measures investments classified as "held for trading" or designated upon initial recognition "at fair value through profit or loss" at fair value. Financial assets are classified as "held for trading" if they are acquired for the purpose of selling in the near term. Gains or losses on these assets are recognised in the net result for the year.

Purchases or sales of investments under contract that require delivery of the asset within the timeframe established by convention or regulation are recognised on the trade date i.e. the date the Commission commits to purchase or sell the asset.

The fair value of investments that are traded at fair value in an active market is determined by reference to quoted current bid prices at the close of business on the statement of financial position date.

xii. Impairment of financial assets

All financial assets, except those measured at fair value through profit or loss, are subject to an annual review for impairment. An allowance for impairment is established when there is objective evidence that the Commission will not be able to collect all amounts due.

For financial assets carried at amortised cost, the amount of the allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the impairment loss is recognised in the net result for the year.

Any reversals of impairment losses are reversed through the net result for the year, where there is objective evidence. However, reversals of impairment losses on an investment in an equity instrument classified as "available for sale" must be made through the revaluation surplus. Reversals of impairment losses of financial assets carried at amortised cost cannot result in a carrying amount that exceeds what the carrying amount would have been had there not been an impairment loss.

xiii. Derecognition of financial assets and financial liabilities

A financial asset is derecognised when the contractual rights to the cash flows from the financial assets expire; or if the Commission transfers the financial asset:

- Where substantially all the risks and rewards have been transferred, or
- Where the Commission has not transferred substantially all the risks and rewards, if the Commission has not retained control.

Where the Commission has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Commission's continuing involvement in the asset.

A financial liability is derecognised when the obligation specified in the contract is discharged or cancelled or expires.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(i) Liabilities

i. Payables

These amounts represent liabilities for goods and services provided to the Commission and other amounts. Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. Short-term payables with no stated interest rate are measured at the original invoice amount where the effect of discounting is immaterial.

ii. Employee benefits and other provisions

a. Salaries and wages, annual leave, sick leave and on-costs

Salaries and wages (including non-monetary benefits), and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services. As such, it is required to be measured at present value in accordance with AASB 119 *Employee Benefits* (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of an approach using nominal annual leave plus annual leave on the nominal liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

b. Long service leave and superannuation

The Commission's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Commission accounts for the liability as having been extinguished, resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 *Employee Benefits*. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with five or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

c. Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to, which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(i) Liabilities (continued)

iii. Other provisions

Other provisions exist when: the Commission has a present legal or constructive obligation as a result of a past event; it is probable that an outflow of resources will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Any provisions for restructuring are recognised only when the Commission has a detailed formal plan and the Commission has raised a valid expectation in those affected by the restructuring that it will carry out the restructuring by starting to implement the plan or announcing its main features to those affected.

(j) Fair value hierarchy

A number of the Commission's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. When measuring fair value, the valuation technique used maximises the use of relevant observable inputs and minimises the use of unobservable inputs. Under AASB 13, the Department categorises, for disclosure purposes, the valuation techniques based on the inputs used in the valuation techniques as follows:

- Level 1 – quoted prices in active markets for identical assets/liabilities that the Department can access at the measurement date.
- Level 2 – inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3 – inputs that are not based on observable market data (unobservable inputs).

The Commission recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Refer Note 11 for further disclosures regarding fair value measurements of non-financial assets.

(k) Equity and reserves

i. Revaluation surplus

The asset revaluation surplus is used to record increments and decrements on the revaluation of non-current assets. This accords with the Commission's policy on the revaluation of property, plant and equipment as discussed in Note 1(h)(iii).

ii. Accumulated Funds

The category "Accumulated Funds" includes all current and prior period retained funds.

iii. Separate reserve accounts

Separate reserve accounts are recognised in the financial statements only if such accounts are required by specific legislation or Australian Accounting Standards (e. g. asset revaluation surplus).

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(l) Equity transfers

The transfer of net assets between entities as a result of an administrative restructure, transfer of programs/functions and parts thereof between NSW public sector entities and 'equity appropriations' (refer Note 1(h)(i)) are designated or required by Australian Accounting Standards to be treated as contributions by owners and recognised as an adjustment to "Accumulated Funds". This treatment is consistent with AASB 1004 *Contributions* and Australian Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities*.

Transfers arising from an administrative restructure involving not-for-profit and for-profit government entities are recognised at the amounts at which the assets and liabilities were recognised by the transferor immediately prior to the restructure. Subject to below, in most instances this will approximate fair value.

All other equity transfers are recognised at fair value, except for intangibles. Where an intangible has been recognised at (amortised) cost by the transferor because there is no active market, the Commission recognises the asset at the transferor's carrying amount. Where the transferor is prohibited from recognising internally generated intangibles, the Commission does not recognise that asset.

(m) Budgeted amounts

The budgeted amounts are drawn from the original budgeted financial statements presented to Parliament in respect of the reporting period. Subsequent amendments to the original budget (e.g. adjustment for transfer of functions between entities as a result of Administrative Arrangements Orders) are not reflected in the budgeted amounts. Major variances between the original budgeted amounts and the actual amounts disclosed in the primary financial statements is explained in Note 18.

(n) Comparative information

Except when an Australian Accounting Standard permits or requires otherwise, comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements.

(o) Changes in accounting policy, including new or revised Australian Accounting Standards

i. Effective for the first time in 2014-15

The accounting policies applied in 2014-2015 are consistent with those of the previous financial year except as a result of the following new or revised Australian Accounting Standards that have been applied for the first time in 2014-2015. The impact of these standards in the period of initial application includes:

AASB 1055 *Budgetary Reporting* (application date 1 July 2014) and AASB 2013-1 Amendments to AASB 1049 – *Relocation of Budgetary Reporting Requirements*: The Commission's budgeted information about controlled or administered items is separately identified within the budgetary information presented to Parliament. The Commission has assessed that it is required to provide budgetary commentary. Refer to Note 18.

AASB 10 Consolidated, AASB 12 *Disclosure of Interests in Other Entities*, AASB 127 *Separate Financial Statements*: The Commission has assessed and reviewed the impact on recognition and measurement of its controlled entity and investments. There is no financial impact, and additional note disclosures have been included as required.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

1. Summary of significant accounting policies (continued)

(o) Changes in accounting policy, including new or revised Australian Accounting Standards(continued)

i. Effective for the first time in 2014-15 (continued)

AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*: provides relief for not-for-profit public sector entities from making certain specified disclosures about the fair value measurement of assets within the scope of AASB 116 Property, Plant and Equipment, which are primarily held for their current service potential rather than to generate future net cash inflows. The Standard applies to annual reporting periods beginning on or after 1 July 2016. Both Australian Accounting Standard Board and NSW Treasury permit early adoption. The Commission has elected not to early adopt this Standard.

ii. Issued but not yet effective

The following new Accounting Standards have not been applied and are not yet effective. Management cannot determine the actual impact of these Standards in the Commission's financial statements in the period of their initial application.

- AASB 9 *Financial Instruments*;
- AASB 15 *Revenue from Contracts with Customers*;
- AASB 2014-8 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014) – Application of AASB 9 (December 2009) and AASB 9 (December 2010)*;
- AASB 2014-1 *Amendments to Australian Accounting Standards*;
- AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation*;
- AASB 2014-5 *Amendments to Australian Accounting Standards arising from AASB 15*;
- AASB 2014-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2014)*;
- AASB 2013-9 *Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments*;
- AASB 2010-7 *Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)*;
- AASB 2015-1 *Amendments to Australian Accounting Standards – Annual Improvements to Australian Accounting Standards 2012–2014 Cycle*;
- AASB 2015-2 *Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101*;
- AASB 2015-3 *Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality*;
- AASB 2015-6 *Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities*; and
- AASB 2015-7 *Amendments to Australian Accounting Standards – Fair Value Disclosures of Not-for-Profit Public Sector Entities*.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated	Parent	
	2015	2015	2014
	\$'000	\$'000	\$'000
2. Expenses Excluding Losses			
(a) Employee related expenses			
Salaries and wages (including annual leave) ^a	944,219	943,390	1,055,678
Superannuation - defined benefit plans	19,791	19,673	24,535
Superannuation - defined contribution plans	82,966	82,816	85,939
Long service leave	40,845	39,361	53,226
Workers' compensation insurance	11,288	11,250	17,820
Payroll tax and fringe benefit tax	50,987	50,810	67,613
Other	28,903	28,678	33,700
	1,178,999	1,175,978	1,338,511

- a. An amount of \$0.1m of employee related expenses were capitalised during the year (2014: \$2.3m), and therefore excluded from the balances above.

(b) Personnel services			
Salaries and wages (including annual leave)	-	2,193	-
Superannuation - defined benefit plans	-	118	-
Superannuation - defined contribution plans	-	150	-
Long service leave	-	8	-
Workers' compensation insurance	-	38	-
Payroll tax and fringe benefit tax	-	177	-
Other	-	225	-
	-	2,909	-

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated 2015 \$'000	Parent 2015 \$'000	2014 \$'000
2. Expenses Excluding Losses (continued)			
(c) <i>Other operating expenses include the following:</i>			
Auditor's remuneration - audit of the financial statements ^a	617	617	450
Operating lease rental expense - minimum lease payments	2,977	2,977	7,097
Maintenance ^b	35,245	35,245	46,226
Insurance	6,286	6,286	6,003
Consultants	-	-	111
Contractors	40,627	40,627	31,774
Cleaning	40,606	40,606	39,513
Agents fees	71,310	71,310	48,441
Management fees ^c	64,575	64,575	-
Service expenses	50,686	50,686	82,432
Minor stores, provisions, plant and computing	50,252	50,252	84,025
Travel and motor vehicle expenses	11,733	11,733	11,573
Internet and related expenses	89	89	9,264
Postage and telephone	6,815	6,815	8,037
Utilities	23,703	23,703	26,404
Printing	10,886	10,886	10,400
Other	24,709	24,709	21,150
	441,116	441,116	432,900

a. Total audit fees for the 2015 year is \$581,000 excl GST.

b. Reconciliation – Total maintenance

Maintenance expense - contracted labour and other (non-employee related), as above
Total maintenance expenses included in Note 2(c)

35,245	35,245	46,226
35,245	35,245	46,226

c. From 1 July 2014 the Commission became a separate statutory body for the purposes of the Public Finance and Audit Act 1983, and was no longer part of the Department. During this financial year, the Department charged the Commission management fees for services rendered.

(d) *Depreciation and amortisation expense*

Depreciation			
Buildings and improvements	117,152	117,152	115,227
Plant and equipment	8,533	8,533	9,913
	125,685	125,685	125,140
Amortisation			
Intangibles	6,724	6,724	4,576
	132,409	132,409	129,716

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated 2015 \$'000	Parent 2015 \$'000	2014 \$'000
3. Revenue			
(a) Sale of goods and services			
Student fees	89,410	89,410	73,099
Fees for services	276,376	276,376	257,894
Course projects and materials	9,120	9,120	9,828
Other	102,498	102,498	90,833
	477,404	477,404	431,654
(b) Investment revenue			
Interest revenue from financial assets not at fair value through profit or loss	10,332	10,332	7,464
	10,332	10,332	7,464
(c) Grants and contributions ^a			
Vocational Education and Training Grants	32,074	32,074	44,228
Other Public Sector agencies ^b	1,317,127	1,317,127	34,468
Commonwealth Government	376	376	337
Asset contributions (free assets or contribution to assets)	22	22	13
Donations and industry contributions	190	190	1,746
	1,349,789	1,349,789	80,792
a. Contributors can place restrictions on the application of funds to assist in ensuring that the intended outcomes of the particular program are met. Examples of such conditions are the requirement to provide annual acquittals of expenditure or to return funds at the end of a specific period. No such contributions were received in either the 2014-15 or the 2013-14 financial years.			
b. Since the Commission became a separate statutory body on 1 July 2014, it has received a cluster grant as an agency within the former Department of Education and Communities cluster. Prior to this, the Commission was an entity within the former Department of Education and Communities and as such received funding in the form of recurrent and capital appropriations			
(d) Acceptance by the Crown Entity of employee benefits and other liabilities			
The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities:			
Superannuation - defined benefit	17,849	17,849	22,230
Superannuation on annual leave – defined benefit	971	971	767
Long service leave	40,845	40,733	53,226
Payroll tax	973	973	1,533
	60,638	60,526	77,756

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated	Parent	
	2015	2015	2014
	\$'000	\$'000	\$'000
4. Loss on Disposal			
Loss on disposal of property, plant and equipment			
Proceeds from disposal	27,097	27,097	232
Written down value of assets disposed	(37,024)	(37,024)	(5,155)
Net loss on disposal of plant and equipment	<u>(9,927)</u>	<u>(9,927)</u>	<u>(4,923)</u>
5. Other Gains / (Losses)			
Loss on disposal of non-current assets held for sale	-	-	(143)
Foreign exchange Gain	-	-	6
Impairment of intangibles	(12,673)	(12,673)	-
Impairment of receivables	26	26	1,029
	<u>(12,647)</u>	<u>(12,647)</u>	<u>892</u>
6. Current Assets – Cash and Cash Equivalents			
Cash at bank and on hand	742,487	742,487	416,409
	<u>742,487</u>	<u>742,487</u>	<u>416,409</u>
For the purposes of the statement of cash flows, cash and cash equivalents include cash at bank and cash on hand.			
Cash and cash equivalent assets recognised in the statement of financial position are reconciled at the end of the financial year to the statement of cash flows as follows:			
Cash and cash equivalents (per statement of financial position)	742,487	742,487	416,409
Closing cash and cash equivalents (per statement of cash flows)	<u>742,487</u>	<u>742,487</u>	<u>416,409</u>

Details regarding credit risk, liquidity risk and market risk including financial assets that are either past due or impaired are disclosed in Note 19.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated	Parent	
	2015	2015	2014
	\$'000	\$'000	\$'000
7. Current / Non-Current Assets - Receivables			
Current:			
Sale of goods and services	16,465	16,465	14,000
Less: Allowance for impairment	(265)	(265)	(414)
Student receivables	36,183	36,183	-
Other debtors	14,159	14,159	24,073
Prepayments	465	465	160
Accrued income	11,409	11,409	18,905
	78,416	78,416	56,724
Movements in the allowance for impairment:			
Balance at 1 July	(414)	(414)	(1,650)
Amounts written off during the year	124	124	218
Amounts recovered during the year	101	101	1,432
Increase/(decrease) in allowance recognised in profit or loss	(76)	(76)	(414)
Balance at 30 June	(265)	(265)	(414)
Non-Current:			
Prepayments	4,441	4,441	4,572
	4,441	4,441	4,572

Details regarding credit risk, liquidity risk and market risk including financial assets that are either past due or impaired are disclosed in Note 19.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

8. Non-Current Assets – Property, Plant and Equipment

Consolidated and Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2014 - fair value				
Gross carrying amount	720,592	6,534,781	178,639	7,434,012
Accumulated depreciation and impairment	-	(2,809,745)	(141,097)	(2,950,842)
Net carrying amount	720,592	3,725,036	37,542	4,483,170
At 30 June 2015 - fair value				
Gross carrying amount	707,659	6,837,083	179,510	7,724,252
Accumulated depreciation and impairment	-	(2,893,944)	(147,425)	(3,041,369)
Net carrying amount	707,659	3,943,139	32,085	4,682,883

Parent	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
At 1 July 2013 - fair value				
Gross carrying amount	724,074	6,367,292	181,535	7,272,901
Accumulated depreciation and impairment	-	(2,739,524)	(136,302)	(2,875,826)
Net carrying amount	724,074	3,627,768	45,233	4,397,075
At 30 June 2014 - fair value				
Gross carrying amount	720,592	6,534,781	178,639	7,434,012
Accumulated depreciation and impairment	-	(2,809,745)	(141,097)	(2,950,842)
Net carrying amount	720,592	3,725,036	37,542	4,483,170

Reconciliations

A reconciliation of the carrying amount of each class of property, plant and equipment at the beginning and end of the prior reporting period is set out below:

Consolidated and Parent Year ended 30 June 2015	Land \$'000	Buildings \$'000	Plant and equipment \$'000	Total \$'000
Net carrying amount at start of year	720,592	3,725,036	37,542	4,483,170
Additions	-	64,788	3,149	67,937
Disposals	(8,120)	(28,831)	(73)	(37,024)
Net revaluation increments less revaluation decrements	(4,813)	299,298	-	294,485
Depreciation expense	-	(117,152)	(8,533)	(125,685)
Net carrying amount at end of year	707,659	3,943,139	32,085	4,682,883

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

8. Non-Current Assets – Property, Plant and Equipment (continued)

Parent	Land	Buildings	Plant and equipment	Total
Year ended 30 June 2014	\$'000	\$'000	\$'000	\$'000
Net carrying amount at start of year	724,074	3,627,768	45,233	4,397,075
Additions	169	80,832	2,766	83,767
Disposals	-	(9,356)	(544)	(9,900)
Other ^a	-	141,019	-	141,019
Transfer to Assets Held for Sale	(3,651)	-	-	(3,651)
Depreciation expense	-	(115,227)	(9,913)	(125,140)
Net carrying amount at end of year	720,592	3,725,036	37,542	4,483,170

a. A comprehensive revaluation of land and buildings was undertaken for the year ended 30 June 2013. A review of the building revaluation model and realignment of the underlying asset registers with the general ledger as at 30 June 2014 was performed. This process has resulted in an increase to the carrying amount of Buildings of \$141.02m for the year ended 30 June 2014, reflected as an increase of \$141.02m to the Asset Revaluation Reserve.

9. Intangible Assets

	Total \$'000
Parent	
Software	
At 1 July 2014	
Cost (gross carrying amount)	128,566
Accumulated amortisation and impairment	(65,933)
Net carrying amount	62,633
Consolidated and Parent	
Software	
At 30 June 2015	
Cost (gross carrying amount)	135,842
Accumulated amortisation and impairment	(85,330)
	50,512

	Consolidated and Parent 2015 \$'000	Parent 2014 \$'000
Net carrying amount at start of year	62,633	56,612
Additions (from internal development)	7,276	10,597
Impairment loss	(12,673)	-
Amortisation (recognised in "depreciation and amortisation")	(6,724)	(4,576)
Net carrying amount at end of year	50,512	62,633

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

10. Restricted Assets

Funds totalling \$0.1m (2014: \$0.1m) held as investments in fixed interest bearing deposits are classified as "restricted assets". Most of these funds represent donations held by the Commission for student prize awards with interest earned on the investments used to fund awards.

11. Fair Value Measurement of non-financial assets

The fair value measurement for land of \$707.659m (2014: \$720.592m) has been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Refer to Note 11(c).

The fair value measurement for the Commission's buildings, demountables and specialised properties of \$3,831.654m (2014: \$3,617.723m) have been categorised as a Level 3 fair value based on the inputs to the valuation technique used. Refer to Note 11(c).

(a) Fair value hierarchy

Consolidated and Parent 30 June 2015		Level 1 Fair Value \$'000	Level 2 Fair Value \$'000	Level 3 Fair Value \$'000	Total Fair Value \$'000
Property, plant and equipment (Note 8)					
Land		-	-	707,659	707,659
Buildings		-	-	3,943,139	3,943,139
		-	-	4,650,798	4,650,798
Consolidated and Parent 30 June 2014		Level 1 Fair Value \$'000	Level 2 Fair Value \$'000	Level 3 Fair Value \$'000	Total Fair Value \$'000
Property, plant and equipment (Note 8)					
Land		-	-	720,592	720,592
Buildings		-	-	3,725,036	3,725,036
		-	-	4,445,628	4,445,628

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

11. Fair value measurement of non-financial assets (continued)

(b) Reconciliation of recurring Level 3 fair value measurements

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Consolidated and Parent	Land	Buildings ^a	Total Recurring Level 3 Fair Value
	\$'000	\$'000	\$'000
Fair value as at 1 July 2014	720,592	3,725,036	4,445,628
Additions	-	64,788	64,788
Disposals	(8,120)	(28,831)	(36,951)
Net revaluation increment less revaluation decrements	(4,813)	299,298	294,485
Depreciation	-	(117,152)	(117,152)
Fair value as at 30 June 2015	707,659	3,943,139	4,650,798

Consolidated and Parent	Land	Buildings ^a	Total Recurring Level 3 Fair Value
	\$'000	\$'000	\$'000
Fair value as at 1 July 2013	724,074	3,627,768	4,351,842
Additions	169	80,832	81,001
Other (Refer to Note 8)	-	141,019	141,019
Transfer to Assets Held for Sale	(3,651)	-	(3,651)
Disposals	-	(9,356)	(9,356)
Depreciation	-	(115,227)	(115,227)
Fair value as at 30 June 2014	720,592	3,725,036	4,445,628

Refer to Note 1(j) for the Commission's policy for determining when transfers are deemed to have occurred.

(c) Valuation techniques, inputs and processes

The following table shows the valuation techniques used in measuring the fair value of property, plant and equipment, as well as the significant unobservable inputs used for Level 3 fair values.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

11. Fair value measurement of non-financial assets (continued)

(c) Valuation techniques, inputs and processes (continued)

Level 3 – TAFE buildings and specialised properties

Valuation technique	Significant unobservable inputs	Sensitivity of the fair value measurement to changes in unobservable inputs																										
Depreciated replacement cost: TAFE buildings Due to the size of the buildings portfolio a mass appraisal technique was used for the revaluation. Replacement cost rates for the asset components were provided by the Office of Finance and Services. The replacement cost rates were determined based on the cost of recently built buildings which were representative of the remainder of the portfolio. These replacement cost rates were tested against rates provided by independent external quantity surveyors. In order to determine the replacement cost of an individual building, adjustments to the replacement cost rates are made for location and special need requirements. Management determined the useful lives and depreciation rates based on internal analysis, consultation with Office of Finance and Services and recognised industry publications.	<i>TAFE buildings:</i> - Replacement cost per square metre (linear metre for fencing) for the following asset components: <table> <tr> <th>Asset component</th> <th>Range (weighted average)</th> </tr> <tr> <td>Building shell</td> <td>\$350 - \$2,851 (\$1,789)</td> </tr> <tr> <td>Room fit-out</td> <td>\$324 - \$4,270 (\$910)</td> </tr> <tr> <td>External services</td> <td>\$352 - \$352 (\$352)</td> </tr> <tr> <td>Soft landscaping</td> <td>\$54 - \$54 (\$54)</td> </tr> <tr> <td>Hard landscaping</td> <td>\$230 - \$230 (\$230)</td> </tr> <tr> <td>Fencing</td> <td>\$118 - \$206 (\$144)</td> </tr> <tr> <td>Demountables</td> <td>\$1,934 - \$4,869 (\$2,279)</td> </tr> </table> - Other inputs: <table> <tr> <td>Input</td> <td></td> </tr> <tr> <td>Weighted average remaining useful life</td> <td>58 years</td> </tr> <tr> <td>Total Gross floor area</td> <td>1,795,279 sqm</td> </tr> <tr> <td>Landscaping square metres per gross floor area of buildings</td> <td>1.5 sqm</td> </tr> <tr> <td>Total perimeter for all sites</td> <td>185,043 m</td> </tr> </table>	Asset component	Range (weighted average)	Building shell	\$350 - \$2,851 (\$1,789)	Room fit-out	\$324 - \$4,270 (\$910)	External services	\$352 - \$352 (\$352)	Soft landscaping	\$54 - \$54 (\$54)	Hard landscaping	\$230 - \$230 (\$230)	Fencing	\$118 - \$206 (\$144)	Demountables	\$1,934 - \$4,869 (\$2,279)	Input		Weighted average remaining useful life	58 years	Total Gross floor area	1,795,279 sqm	Landscaping square metres per gross floor area of buildings	1.5 sqm	Total perimeter for all sites	185,043 m	The estimated fair value would increase/(decrease) if the replacement cost per square metre for the asset components were higher/(lower).
Asset component	Range (weighted average)																											
Building shell	\$350 - \$2,851 (\$1,789)																											
Room fit-out	\$324 - \$4,270 (\$910)																											
External services	\$352 - \$352 (\$352)																											
Soft landscaping	\$54 - \$54 (\$54)																											
Hard landscaping	\$230 - \$230 (\$230)																											
Fencing	\$118 - \$206 (\$144)																											
Demountables	\$1,934 - \$4,869 (\$2,279)																											
Input																												
Weighted average remaining useful life	58 years																											
Total Gross floor area	1,795,279 sqm																											
Landscaping square metres per gross floor area of buildings	1.5 sqm																											
Total perimeter for all sites	185,043 m																											

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

11. Fair value measurement of non-financial assets (continued)

(c) Valuation techniques, inputs and processes (continued)

Level 3 – TAFE buildings and specialised properties (continued)

Valuation technique	Significant unobservable inputs	Sensitivity of the fair value measurement to changes in unobservable inputs
Other buildings		
Qualified valuers of the Office of Finance and Services performed the valuation of the specialised buildings for the Commission. The current market buying prices cannot be observed for these specialised assets. The fair value of the asset is measured by its depreciated replacement cost.	Replacement cost per square metre	\$5,107/sqm
	Total gross floor area	19,424 sqm
	Weighted average remaining useful life	28 years
The estimated fair value would increase (decrease) if the replacement cost per square metre for the asset components were higher (lower).		
Level 3 – Land		
Qualified valuers were engaged through the Office of Finance and Services to undertake valuations for TAFE land, surplus sites and other land. The highest and best use is the current use due to the restrictions placed on the land. The valuers used current market sales evidence to determine the market value of the land without restrictions and then applied discount factors averaging 18% to these values, to adjust for the restricted use of the land. For surplus sites land and other land there are no such restrictions and the market value is determined by analysing current market sales evidence.	<i>Inputs – TAFE sites:</i>	The estimated fair value would increase (decrease) if the value per square metre were higher (lower).
	Market value per square metre	\$0.03/sqm - \$2,000/sqm (\$193/sqm)
	Total area of land	16,625,857 sqm
	<i>Inputs – Other:</i>	
	Discount Factor	0% - 20% (18%)

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated	Parent	
	2015	2015	2014
	\$'000	\$'000	\$'000
12. Current Liabilities – Payables			
Accrued salaries, wages and on-costs	42,800	42,672	50,982
Creditors	50,382	50,382	84,226
Unearned revenue ^a	397,985	397,985	225,162
Group, payroll and fringe benefits tax	4,790	4,772	6,438
Personnel services provider	-	532	-
Other	9,557	9,557	6,251
	505,514	505,900	373,059

a. The introduction of course fees rather than annual fees for enrolments under Smart and Skilled, has resulted in the increase in the balance in unearned revenue.

Details regarding credit risk, liquidity risk and market risk, including a maturity analysis of the above payables are disclosed in Note 19.

13. Current/Non-current Liabilities – Provisions

Employee benefits and related on-costs:

Current

Annual leave	33,557	33,301	35,160
Teachers' non-term vacation	10,378	10,378	22,610
Accrued payroll tax on annual leave and accrued salaries and wages	2,394	2,380	6,230
Annual leave on long service leave	9,603	9,562	9,849
Workers Compensation on long service leave	2,286	2,276	2,345
Payroll tax on long service leave	12,461	12,407	13,316
Superannuation on long service leave	8,688	8,688	7,386
Superannuation on annual leave	3,448	3,448	4,681
Other	7,246	7,244	7,616
	90,061	89,684	109,193

Non-Current

Provision for payroll tax on long service leave	1,084	1,079	701
Annual leave on long service leave and annual leave	835	831	518
Workers' Compensation on long service leave	199	199	123
Other	755	755	389
	2,873	2,864	1,731

Aggregate employee benefits and related on-costs

Provisions - current	90,061	89,684	109,193
Provisions - non-current	2,873	2,864	1,731
Accrued salaries, wages and on-costs (Note 12)	42,800	42,672	50,982
	135,734	135,220	161,906

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated	Parent	
	2015	2015	2014
	\$'000	\$'000	\$'000
14. Commitments for Expenditure			
(a) Capital Commitments			
Aggregate capital expenditure contracted for at balance date and not provided for:			
Not later than one year	17,234	17,234	36,132
Later than one year and not later than five years	2,829	2,829	3,992
	20,063	20,063	40,124
(b) Operating Lease Commitments			
Future non-cancellable operating lease rentals not provided for and payable:			
Not later than one year	289	289	1,056
Later than one year and not later than five years	287	287	589
Later than five years	359	359	-
	935	935	1,645
Total Commitments (including GST)	20,998	20,998	41,769

The total of commitments for expenditure include GST input tax credits of \$2.0m (2014: \$3.8m) that are expected to be recovered from the Australian Tax Office.

15. Contingent Liabilities and Contingent Assets

Contingent liabilities

Legal Matters

There are no known cases where the Commission could be liable for material compensation payments relating to matters, which are the subject of litigation that are not covered by the NSW Treasury Managed Fund.

Contingent assets

The Commission is not aware of any contingent assets.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

	Consolidated 2015 \$'000	Parent 2015 \$'000	2014 \$'000
16. Reconciliation of Cash Flows from Operating Activities to Net Result			
Net cash used on operating activities	374,172	374,172	206,017
Depreciation and amortisation	(132,409)	(132,409)	(129,716)
Allowance for impairment	(12,673)	(12,673)	1,236
Decrease in provisions	17,990	18,376	4,914
Increase in prepayments and other assets	21,561	21,561	5,677
(Increase) in creditors	(132,455)	(132,841)	(82,503)
Net (loss) on sale of plant and equipment	(9,927)	(9,927)	(5,065)
Donated assets	22	22	13
Net result	126,281	126,281	573

17. Non-cash Financing and Investing Activities

Assets received by donation	22	22	13
Liabilities and expenses assumed by the Crown Entity	(60,638)	(60,638)	(77,756)
	(60,616)	(60,616)	(77,743)

Technical and Further Education Commission

Notes to the financial statements

for the year ended 30 June 2015

18. Budget Review

Net result

The Commission's net result of \$126m profit was a \$187m favourable variation over the budgeted loss of \$60m. The major factors contributing to this variation are outlined below:

Employee related expenses were \$150m lower than budget. This was primarily due to:

- a. Corporate services fee being reclassified to other operating expenditure \$52m
- b. Salary savings related to voluntary redundancies \$38m
- c. Reduction in payroll tax \$13m
- d. Restructures aligned to Smart and Skilled Reforms.

Other operating expenses were \$46m over budget. This was primarily due to:

- a. Corporate services fee reclassification from Employee related expenses \$52m
- b. Reduction in Maintenance expenditure \$19m
- c. Increase in contractors expenses \$11m

Total revenue was \$100m higher than budget. This was driven mainly by an increase in revenues from courses delivered online, an increase in course fees as a result of the Smart and Skilled reforms, and higher international student enrolments. These factors are partially offset by a decrease in overall student numbers.

The gains and losses and disposal variance to budget relates mainly to building and land disposals of sites at of Crows Nest and Bradfield colleges.

Assets and liabilities

The Commission's 2014-15 Budget was predicated on a transfer to TAFE of a portion of the Department of Education and Communities' consolidated budget. During 2014-15 the balance sheet and cashflow budgets were subsequently realigned.

Total assets were \$876m over budget primarily due a revaluation increment of \$299m of property, plant and equipment and the \$461m increased balance in cash and cash equivalents which was due to the introduction of course fees rather than annual fees for enrolments under Smart and Skilled, increases in VET Fee help payments, increased student fee revenue and decrease in employee related expenditure.

Total liabilities were \$247m over budget, primarily due to the shift in student mix to higher qualification courses which tend to carry over to subsequent financial years, and the revenues are therefore deferred.

Cash flows

Net cash flows from operating activities were \$297m higher than budget. This is generally attributable to the transfer of the TAFE receivables and payables portions of the Department of Education and Communities' consolidated budget, which were subsequently realigned.

Net cash flows from investing activities were \$29m lower than expected, as the proceeds from the sales of Crows Nest and Bradfield colleges which were not captured in the original Budget, offset the purchases of property, plant and equipment which were largely in line with the budget.

Technical and Further Education Commission Notes to the financial statements

for the year ended 30 June 2015

19. Financial Instruments

The Commission's principal financial instruments are outlined below. These financial instruments arise directly from the Commission's operations or are required to finance the Commission's operations. The Commission does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. The Commission does not use financial derivatives.

The Commission's main risks arising from financial instruments are outlined below, together with the Commission's objectives, policies and processes for measuring and managing risk. Further quantitative and qualitative disclosures are included throughout these financial statements.

The Managing Director has overall responsibility for the establishment and oversight of risk management and reviews and agrees policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Commission, to set risk limits and controls and to monitor risks. Compliance with policies is reviewed by the Audit and Risk Committee and internal auditors on a regular basis.

(a) Financial instrument categories

Consolidated			Carrying Amount	
Financial Assets	Note	Category	2015	
Class:			\$'000	
Cash and cash equivalents	6	N/A	742,487	
Receivables ^a	7	Loans and receivables (at amortised cost)	72,192	
Other financial assets		Loans and receivables (at amortised cost)	286	
Financial Liabilities		Category		
Class:				
Payables ^b	12	Financial liabilities measured at amortised cost	59,089	
Parent				
Financial Assets	Note	Category	Carrying Amount 2015	Carrying Amount 2014
Class:			\$'000	\$'000
Cash and cash equivalents	6	N/A	742,487	416,409
Receivables ^a	7	Loans and receivables (at amortised cost)	72,192	44,653
Other financial assets		Loans and receivables (at amortised cost)	286	286
Financial Liabilities		Category		
Class:				
Payables ^b	12	Financial liabilities measured at amortised cost	59,089	89,360

a. Excludes statutory receivables and prepayments (i.e. not within scope of AASB 7).

b. Excludes statutory payables and unearned revenue (i.e. not within scope of AASB 7).

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

19. Financial Instruments (continued)

(b) Credit Risk

Credit risk arises when there is the possibility of the Commission's debtors defaulting on their contractual obligations, resulting in financial loss to the Commission. The maximum exposure to credit risk is generally represented by the carrying amount of the financial assets (net of any allowance for impairment).

Credit risk arises from the financial assets of the Commission, including cash, receivables and authority deposits. No collateral is held by the Commission. The Commission has not granted any financial guarantees.

Credit risk associated with the Commission's financial assets, other than receivables, is managed through the selection of counterparties and establishment of minimum credit rating standards.

Cash

Cash comprises cash on hand and bank balances within the NSW Treasury Banking System. Interest is earned on daily bank balances at the monthly average NSW Treasury Corporation (TCorp) 11 am unofficial cash rate, adjusted for a management fee to NSW Treasury.

Receivables – trade debtors

All trade debtors are recognised as amounts receivable at balance date. Collectability of trade debtors is reviewed on an ongoing basis. Procedures as established in the Treasurer's Directions are followed to recover outstanding amounts, including letters of demand. Debts which are known to be uncollectible are written off. An allowance for impairment is raised when there is objective evidence that the entity will not be able to collect all amounts due. This evidence includes past experience, and current and expected changes in economic conditions and debtor credit ratings. No interest is earned on trade debtors. Sales are made on 30-60 day terms.

The Commission is not materially exposed to concentrations of credit risk to a single trade debtor or group of debtors. Based on past experience, debtors that are not past due (2015: \$19.4m; 2014: \$17.7m) and less than six months past due are not considered impaired. Together, these represent 97% (2014: 94%) of the total trade debtors. Most of the Commission's debtors have a good credit rating.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

19. Financial Instruments (continued)

(b) Credit Risk (continued)

The only financial assets that are past due or impaired are 'sales of goods and services' in the 'receivables' category of the statement of financial position.

Consolidated	Total ^{a,b} \$'000	Past due but not impaired ^{a,b} \$'000	Considered impaired ^{a,b} \$'000
2015			
< 3 months overdue	3,764	3,764	-
3 months - 6 months overdue	225	225	-
> 6 months overdue	468	213	255
Parent	Total ^{a,b} \$'000	Past due but not impaired ^{a,b} \$'000	Considered impaired ^{a,b} \$'000
2015			
< 3 months overdue	3,764	3,764	-
3 months - 6 months overdue	225	225	-
> 6 months overdue	468	213	255
2014			
< 3 months overdue	1,208	794	414
3 months - 6 months overdue	-	-	-
> 6 months overdue	-	-	-

a. Each column in the table reports "gross receivables".

b. The ageing analysis excludes statutory receivables and prepayments as these are not within scope of AASB 7, and also excludes receivables that are not past due and not impaired. Therefore, the "total" will not reconcile to the receivables total recognised in the statement of financial position.

(c) Liquidity Risk

Liquidity risk is the risk that the Commission will be unable to meet its payment obligations when they fall due. The Commission continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets. The objective is to maintain a balance between continuity of funding and flexibility through the use of overdrafts, loans and other advances.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

19. Financial Instruments (continued)

(c) Liquidity Risk (continued)

The liabilities are recognised for amounts due to be paid in the future for goods or services received, whether or not invoiced. Amounts owing to suppliers (which are unsecured) are settled in accordance with the policy set out in NSW TC 11/12. For small business suppliers, where terms are not specified, payment is made not later than 30 days from date of receipt of a correctly rendered invoice. For other suppliers, if trade terms are not specified, payment is made no later than the end of the month following the month in which an invoice or a statement is received. For small business suppliers, where payment is not made within the specified time period, simple interest is paid automatically unless an existing contract specifies otherwise. For payments to other suppliers, the Managing Director of the Commission (or a person appointed by her) may automatically pay the supplier simple interest. No interest was applied during the year.

The table below summarises the maturity profile of the Commission's financial liabilities, together with the interest rate exposure.

Maturity analysis and interest rate exposure of financial liabilities

Consolidated

	Interest Rate Exposure					Maturity Dates		
	Weighted average effective Int. Rate	Nominal Amount ^a \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000	< 1 yr \$'000	1 -5 yrs \$'000	> 5 yrs \$'000
2015								
Payables:								
Creditors	-	59,089	-	-	59,089	59,089	-	-

Parent

	Interest Rate Exposure					Maturity Dates		
	Weighted average effective Int. Rate	Nominal Amount ^a \$'000	Fixed Interest Rate \$'000	Variable Interest Rate \$'000	Non- interest bearing \$'000	< 1 yr \$'000	1 -5 yrs \$'000	> 5 yrs \$'000
2015								
Payables:								
Creditors	-	59,089	-	-	59,089	59,089	-	-
2014								
Payables:								
Creditors	-	89,360	-	-	89,360	89,360	-	-

a. The amounts disclosed are the contractual undiscounted cash flows of each class of financial liabilities based on the earliest date on which the Commission can be required to pay. The table includes both interest and principal cash flows and therefore will not reconcile to the statement of financial position.

Technical and Further Education Commission
Notes to the financial statements
for the year ended 30 June 2015

19. Financial Instruments (continued)

(d) Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Commission has no exposure to other price risk.

The effect on profit and equity due to a reasonably possible change in risk variable is outlined in the information below, for interest rate risk. A reasonably possible change in risk variable has been determined after taking into account the economic environment in which the Commission operates and the time frame for the assessment (i.e. until the end of the next annual reporting period). The sensitivity analysis is based on risk exposures in existence at the statement of financial position date. The analysis is performed on the same basis as for 2014. The analysis assumes that all other variables remain constant.

Interest rate risk

Generally interest payable to trade creditors is nil or insignificant. The Commission does not account for any fixed rate financial instruments at fair value through profit or loss or as available for sale. Therefore for these financial instruments a change in interest rates would not affect profit or loss or equity.

(e) Fair value compared to carrying amount

The amortised cost of financial instruments recognised in the statement of financial position approximates the fair value, because of the short term nature of many of the financial instruments.

20. Events after the Reporting Period

On 1 July 2015 the Commission transferred from the Education cluster to the Industry, Skills and Regional Development Cluster. In the short term, the Department will continue to provide corporate services for a management fee, and the Commission will continue to follow existing Department and TAFE policies and procedures.

No other transactions or events of a material and unusual nature likely to affect significantly the operations of the Commission, the results of those operations or the state of affairs of the Commission in subsequent financial years have arisen in the interval between the end of the financial year and the date of this report.

End of audited financial statements

Independent Auditor's Report



INDEPENDENT AUDITOR'S REPORT

TAFE Commission (Senior Executives) Staff Agency

To Members of the New South Wales Parliament

I have audited the accompanying financial statements of TAFE Commission (Senior Executives) Staff Agency (Staff Agency), which comprise the statement of financial position as at 30 June 2015, the statement of comprehensive income, statement of changes in equity and statement of cash flows, for the period then ended, notes comprising a summary of significant accounting policies and other explanatory information.

Opinion

In my opinion, the financial statements:

- give a true and fair view of the financial position of the Staff Agency as at 30 June 2015, and of its financial performance and its cash flows for the period then ended in accordance with Australian Accounting Standards
- are in accordance with section 41C of the *Public Finance and Audit Act 1983* (PF&A Act) and the Public Finance and Audit Regulation 2015.

Managing Director's Responsibility for the Financial Statements

The Managing Director is responsible for preparing financial statements that give a true and fair view in accordance with Australian Accounting Standards and the PF&A Act, and for such internal control as the Managing Director determines is necessary to enable the preparation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. Those Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including an assessment of the risks of material misstatement of the financial statements, 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 statements that give a true and fair view in order to design audit procedures appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

My opinion does *not* provide assurance:

- about the future viability of the Staff Agency
- that it carried out its activities effectively, efficiently and economically
- about the effectiveness of the internal control
- about the security and controls over the electronic publication of the audited financial statements on any website where they may be presented
- about other information which may have been hyperlinked to/from the financial statements.

Independence

In conducting my audit, I have complied with the independence requirements of the Australian Auditing Standards and other relevant ethical pronouncements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their roles by the possibility of losing clients or income.



Aaron Green
Director, Financial Audit Services

19 October 2015
SYDNEY

Start of audited financial statements



TAFE Commission (Senior Executives) Staff Agency

Annual Financial Statements

for the period ended 30 June 2015

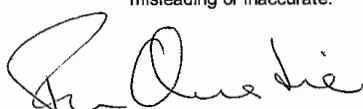
TABLE OF CONTENTS

Statement by the Managing Director	3
Statement of comprehensive income	4
Statement of financial position	5
Statement of changes in equity	6
Statement of cash flows	7
1. Summary of Significant Accounting Policies	8
2. Expenses excluding losses	11
3. Revenue	11
4. Receivables	11
5. Payables	12
6. Provisions	12
7. Increase / (decrease) in net assets from equity transfers	13
8. Commitments for expenditure	13
9. Contingent liabilities and contingent assets	13
10. Financial instruments	14
11. Events after the Reporting Period	15

TAFE Commission (Senior Executives) Staff Agency
Statement by the Managing Director
for the period ended 30 June 2015

Pursuant to section 41C of the *Public Finance and Audit Act 1983*, I state that:

- 1 The accompanying financial statements have been prepared in accordance with the provisions of the *Public Finance and Audit Act 1983*, the Financial Reporting Code for NSW General Government Sector Entities, the *Public Finance and Audit Regulation 2010* and the Treasurer's Directions;
- 2 The financial statements exhibit a true and fair view of the financial position and financial performance of the TAFE Commission (Senior Executives) Staff Agency; and
- 3 I am not aware of any circumstances, which would render any particulars included in the financial statements to be misleading or inaccurate.



Pam Christie
Managing Director

Date: 9 October 2015

TAFE Commission (Senior Executives) Staff Agency
Statement of comprehensive income
for the period ended 30 June 2015

		For the period 10 December 2014 to 30 June 2015 \$'000
	Notes	
Expenses		
Employee related	2	3,372
Total expenses		<u>3,372</u>
Revenue		
Personnel services	3(a)	2,783
Acceptance by the Crown Entity of employee benefits and other liabilities	3(b)	589
Total revenue		<u>3,372</u>
Net result		<u>-</u>
Other comprehensive income		-
Total other comprehensive income		<u>-</u>
Total comprehensive income		<u>-</u>

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of financial position
as at 30 June 2015

	Notes	2015 \$'000
Assets		
Current assets		
Receivables	4	633
Total current assets		633
Total assets		633
Liabilities		
Current liabilities		
Payables	5	146
Provisions	6	475
Total current liabilities		621
Non current liabilities		
Non current provisions	6	12
Total non current liabilities		12
Total liabilities		633
Net assets		-
Equity		
Accumulated funds		-
Total equity		-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of changes in equity
for the period ended 30 June 2015

	Accumulated funds \$'000	Other reserves \$'000	Total equity \$'000
Balance at 10 December 2014	-	-	-
Net result for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	-	-
Transactions with owners in their capacity as owners			
Increase / (decrease) in net assets from equity transfers	-	-	-
Balance at 30 June 2015	-	-	-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Statement of cash flows
for the period ended 30 June 2015

	For the period 10 December 2014 to 30 June 2015 \$'000
Cash flows from operating activities	-
Cash flows from investing activities	-
Cash flows from financing activities	-
Net increase / (decrease) in cash	-
Opening cash and cash equivalents	-
Closing cash and cash equivalents	-

The accompanying notes form part of these financial statements.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

1. Summary of Significant Accounting Policies

(a) Reporting entity

The TAFE Commission (Senior Executives) Staff Agency ("Staff Agency") is a Public Service Agency, established on 10 December 2014 pursuant to the *Administrative Arrangements (Administrative Changes – TAFE Senior Executives and Other Matters) Order 2014*.

The Staff Agency is a not-for-profit entity as profit is not its principal objective. It is consolidated as part of the NSW Total State Sector Accounts. The principal objective of the Staff Agency is to provide personnel services to the NSW TAFE Commission.

These financial statements for the period from 10 December 2014 to 30 June 2015 have been authorised for issue by the Managing Director on 9 October 2015.

(b) Basis of preparation

The Staff Agency's financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of:

- Australian Accounting Standards (which include Australian Accounting Interpretations);
- the Public Finance and Audit Act 1983 and Public Finance and Audit Regulation 2010; and
- the Financial Reporting Directions published in the Financial Reporting Code for NSW General Government Sector Entities or issued by the Treasurer.

Generally, the historical cost basis of accounting has been adopted and the financial statements do not take into account changing money values or current valuations. However, certain provisions are measured at fair value (Note 6).

The accrual basis of accounting has been adopted in the preparation of the financial statements. Management's judgments, key assumptions and estimates are disclosed in the relevant notes to the financial statements.

All amounts are rounded to the nearest one thousand dollars and are expressed in Australian currency.

(c) Statement of Compliance

The financial statements and notes comply with Australian Accounting Standards, which include Australian Accounting Interpretations.

(d) Income Recognition

Income is measured at the fair value of the consideration received or receivable. Revenue from the rendering of personnel services is recognised when the service is provided and only to the extent that the associated recoverable expenses are recognised.

(e) Assets

Receivables

The receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The receivables are measured initially at fair value and subsequently at amortised cost using the effective interest rate method, less any allowance for impairment of receivables. A short-term receivable with no stated interest rate is measured at the original invoice amount where the effect of discounting is immaterial. An invoiced receivable is due for settlement within thirty days of invoicing.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

1. Summary of Significant Accounting Policies (cont'd)

(f) Liabilities

Payables

Payables include accrued wages, salaries, and related on costs (such as payroll tax, fringe benefits tax and workers' compensation insurance) where there is certainty as to the amount and timing of settlement.

Payables are recognised initially at fair value, usually based on the transaction cost or face value. Subsequent measurement is at amortised cost using the effective interest method. A payable is recognised when a present obligation arises under a contract or otherwise. It is derecognised when the obligation expires or is discharged, cancelled or substituted. A short-term payable with no stated interest rate is measured at historical cost if the effect of discounting is immaterial.

(g) Employee benefits and other provisions

(i) Salaries and wages, annual leave, sick leave and on costs

Salaries and wages (including non-monetary benefits), and paid sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the service are recognised and measured at the undiscounted amounts of the benefits.

Annual leave is not expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services. As such, it is required to be measured at present value in accordance with AASB 119 Employee Benefits (although short-cut methods are permitted). Actuarial advice obtained by Treasury has confirmed that the use of nominal approach plus the annual leave on annual leave liability (using 7.9% of the nominal value of annual leave) can be used to approximate the present value of the annual leave liability. The Commission has assessed the actuarial advice based on the entity's circumstances and has determined that the effect of discounting is immaterial to annual leave.

Unused non-vesting sick leave does not give rise to a liability as it is not considered probable that sick leave taken in the future will be greater than the benefits accrued in the future.

(ii) Long service leave and superannuation

The Staff Agency's liabilities for long service leave and defined benefit superannuation are assumed by the Crown Entity. The Staff Agency accounts for the liability as having been extinguished resulting in the amount assumed being shown as part of the non-monetary revenue item described as "Acceptance by the Crown Entity of employee benefits and other liabilities".

Long service leave is measured at present value in accordance with AASB 119 Employee Benefits. This is based on the application of certain factors (specified in NSWTC 15/09) to employees with 5 or more years of service, using current rates of pay. These factors were determined based on an actuarial review to approximate present value.

The superannuation expense for the financial year is determined by using the formulae specified in the Treasurer's Directions. The expense for certain superannuation schemes (i.e. Basic Benefit and First State Super) is calculated as a percentage of the employees' salary. For other superannuation schemes (i.e. State Superannuation Scheme and State Authorities Superannuation Scheme), the expense is calculated as a multiple of the employees' superannuation contributions.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

1. Summary of Significant Accounting Policies (cont'd)

(g) Employee benefits provisions and expenses (cont'd)

(iii) Consequential on-costs

Consequential costs to employment are recognised as liabilities and expenses where the employee benefits to which they relate have been recognised. This includes outstanding amounts of payroll tax, workers' compensation insurance premiums and fringe benefits tax.

(h) New and revised Australian Accounting Standards and Interpretations

(i) Effective for the first time

The Staff Agency has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board ("the AASB"), which are relevant to, and effective for, the Staff Agency financial statements for the period ended 30 June 2015.

(ii) Issued but not yet effective

The Staff Agency has reviewed all the new and revised Standards and Interpretations issued by the AASB but which are not yet effective. NSW public sector entities are not permitted to implement early adoption of new Australian Accounting Standards, unless Treasury determines otherwise. The following new Australian Standards have not been applied and are not yet effective. The impact of these standards in the period of initial application will not be significant.

Standard	Applicable to annual reporting periods beginning on or after
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9	1 January 2018
AASB 2015-2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101	1 January 2016
AASB 2015-3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality;	1 July 2015

A number of other new standards have been identified and assessed and it is expected that they will have no impact on the financial statements of the Staff Agency.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

For the period
10 December 2014
to 30 June 2015
\$'000

2. Expenses excluding losses

Employee related expenses

Salaries (including annual leave)	2,193
Superannuation - defined benefits plan	139
Superannuation - defined contribution plan	150
Long service leave	450
Workers' compensation insurance	38
Payroll tax and fringe benefit tax	177
Redundancies	225
	<u>3,372</u>

3. Revenue

(a) Personnel services revenue

Fee for personnel services	2,783
	<u>2,783</u>

(b) Acceptance by the Crown Entity of employee benefits and other liabilities

The following liabilities and / or expenses have been assumed by the Crown Entity or other government entities:

Superannuation - defined benefit	139
Long service leave	450
	<u>589</u>

4. Receivables

Current receivables

Debtors	633
	<u>633</u>

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

For the period
10 December 2014
to 30 June 2015
\$'000

5. Payables

Current payables

Accruals - salaries and oncosts	128
Payroll and fringe benefits tax	18
	<u>146</u>

6. Provisions

Current provisions

Annual leave	254
Accrued payroll tax on annual leave and accrued salaries and wages	14
Annual leave on long service leave	54
Workers Compensation on long service leave	13
Payroll tax on long service leave	70
Superannuation on long service leave	53
Superannuation on annual leave	14
Other	3
	<u>475</u>

Non current provisions

Provision for payroll tax on long service leave	6
Annual leave on long service leave and annual leave	5
Workers' Compensation on long service leave	1
	<u>12</u>

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

7. Increase / (decrease) in net assets from equity transfers

The senior executives of the TAFE Commission were transferred to the Staff Agency as at 10 December 2014 as a result of an administrative restructure. Net assets and liabilities transferred to the Staff Agency were as follows:

	Transfer from NSW TAFE Commission \$'000	Total \$'000
ASSETS		
Current Assets		
Receivables	-	-
Total Current Assets	-	-
Total Assets	-	-
LIABILITIES		
Current Liabilities		
Payables	-	-
Provisions	354	354
Total Current Liabilities	354	354
Total Liabilities	354	354
Net assets/ (liabilities)	(354)	(354)

8. Commitments for expenditure

The Staff Agency has no commitments as at 30 June 2015.

9. Contingent liabilities and contingent assets

(a) Contingent liabilities

The Staff Agency had no contingent liabilities as at 30 June 2015.

(b) Contingent assets

The Staff Agency had no contingent assets as at 30 June 2015.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

10. Financial instruments

The Staff Agency's principal financial instruments are outlined below. These financial instruments arise directly from the Staff Agency's operations or are required to finance the Staff Agency's operations.

The Staff Agency does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

The operational activities of the Staff Agency do not expose it to a variety of financial risks such as credit, liquidity or market risk. The main risks arising from any financial instrument of the Staff Agency are outlined below together with the Staff Agency's objectives, policies and processes for measuring and managing the risks.

Further quantitative and qualitative disclosures are included throughout these financial statements.

The Managing Director of the NSW TAFE Commission has overall responsibility for the establishment and oversight of risk management and review and determines policies for managing each of these risks. Risk management policies are established to identify and analyse the risks faced by the Staff Agency, to set limits and to monitor risks. Compliance with these policies is reviewed by the internal auditors on a regular basis.

(a) Financial instrument categories

Financial Assets	Note	Category	2015
Class:			\$'000
Receivables ¹	4	Loans and receivables (at amortised cost)	633
Financial Liabilities	Note	Category	2015
Class:			\$'000
Payables ²	5	Financial liabilities (at amortised cost)	128

¹ Excludes statutory receivables and prepayments (i.e. not within scope of AASB7)

² Excludes statutory payables and unearned revenue (i.e. not within scope of AASB7)

(b) Credit risk

Credit risk arises where a debtor or counterparty does not complete their obligations, resulting in financial loss to the Staff Agency.

Credit risk can arise from financial assets of the Staff Agency including outstanding receivables and committed transactions.

Credit risk impacts on the following financial instruments which are discussed below:

Receivables – personnel services debtor

All personnel services debtors are recognised as amounts receivable at balance date. Personnel services debtors are employee related and therefore will not be past due or impaired for the 2015 financial year. All debtors are with NSW government agencies and no debtor balances are considered impaired as at 30 June 2015.

TAFE Commission (Senior Executives) Staff Agency
Notes to the financial statements
for the period ended 30 June 2015

10. Financial instruments (cont'd)

(c) Liquidity risk

Liquidity risk is the risk that the Staff Agency will be unable to meet its payment obligations when they fall due. During the current year, there were no defaults of loans payable and no assets have been pledged as collateral.

The table below summarises the maturity profile of the Staff Agency's financial liabilities, together with the interest rate exposure.

Weighted Average Effective Int. Rate	Nominal Amount	Interest rate exposure			Maturity dates			
		Fixed Interest Rate	Variable Interest Rate	Non- interest bearing	< 1 year	1 -5 years	> years	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2015								
Payables								
Accrued salaries, wages and oncosts	-	128	-	-	128	128	-	-
	-	128	-	-	128	128	-	-

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The entity has no exposure to foreign currency risk and does not enter into commodity contracts.

(e) Fair value compared to carrying amount

Financial instruments are recognised at amortised cost. The carrying value of financial instruments recognised in the statement of financial position approximates the fair value, because of the short-term nature of many of the financial instruments.

11. Events after the Reporting Period

At the date of signing, there were no events subsequent to the reporting period which would have a material effect on these financial statements.

End of audited financial statements.

BUDGET OUTLINE FOR 2015-2016

Operating statement	\$,000
Total Revenue (Including Government Contributions)	1,905,797
Total Expenses Excluding Losses	1,991,545
Gain/(Loss)	...
Net Result	(85,748)
Balance sheet	\$,000
Total Current Assets	471,837
Total Non-Current Assets	4,446,112
Total Asset	4,917,949
Total Current Liabilities	447,531
Total Non-Current Liabilities	1,732
Total Liabilities	449,263
Net Asset	4,468,686
Total Equity	4,468,686



APPENDICES

APPENDICES CONTENTS

TAFE NSW STUDENT DATA	105
Data sources and definitions	109
MANAGEMENT	110
NSW TAFE Commission Board	110
Disclosure of controlled entities	112
Senior executives	112
Organisation chart	115
WORKFORCE	117
Human resources	117
Employee relations	117
Workforce diversity	118
Work health and safety	120
INCLUSIVE STRATEGIES	121
Disability Inclusion Action Plan	121
Multicultural Policies and Services Program	123
NSW Carers (Recognition) Act 2010	126
BUSINESS RESOURCES	128
Land disposal	128
Major works	128
Consultants	131
Overseas visits	131
OTHER REQUIREMENTS	132
Matter arising from the 2014-15 Audit	132
Changes in legislation and significant judicial decisions	132
Privacy and Personal Information Protection Act 1998	133
Government Information (Public Access) Act 2009	133
Public Interest Disclosures	138
Government Resource Efficiency Policy	138
Risk management, insurance and internal audit	139
Complaints and improvements	141
Digital information security policy attestation	142

TAFE NSW STUDENT DATA

The enrolment, outcome and completion data provided in this report is for the calendar year.

This appendix uses final TAFE NSW vocational education and training data as published or available from the National Centre for Vocational Education Research.

COURSE DELIVERY (ENROLMENTS)	2010	2011	2012	2013	2014	CHANGE 2010- 2014 %
All students	538,386	534,735	565,857	556,158	534,737	-0.7
Interstate ¹⁹	26,995	35,134	46,909	54,826	62,783	132.6
Enrolments at AQF Certificate II and III	189,366	196,874	208,842	211,672	194,426	2.7
Enrolments at AQF Certificate III and above	250,499	266,773	290,128	305,571	308,628	23.2
Enrolments at AQF Certificate IV to Advanced Diploma	126,823	138,240	154,795	162,142	176,975	38.8
Enrolments at AQF Diploma and above	58,477	64,178	73,426	84,401	103,245	76.6
Enrolments at AQF Certificate III and above (%)	46.5	49.9	51.3	54.9	57.7	11.2pp
Enrolments at AQF Diploma and above (%)	10.9	12.0	13.0	15.2	19.3	8.4pp

Source: NCVER VOCSTATS

19. There is a break-in-series for reporting the number of interstate enrolments in 2011-14 compared to previous years due to changes in the Australian Bureau of Statistics Statistical Area 2 (SA2) of the student's usual place of residence.

STUDENT GROUP (ENROLMENTS)	2010	2011	2012	2013	2014	CHANGE 2010-2014 %
Aboriginal students	34,597	34,098	36,262	36,963	37,505	8.4
Aboriginal Students at AQF Certificate II and III	13,314	14,471	15,269	15,904	16,374	23.0
Aboriginal Students at AQF Certificate III and above	10,123	11,551	12,617	14,361	15,943	57.5
Aboriginal Students at AQF Certificate IV to Advanced Diploma	3,886	4,463	5,357	6,082	7,389	90.1
Aboriginal students at Diploma and above	1,215	1,480	1,940	2,405	3,603	196.5
Students with a disability	52,957	54,896	57,810	55,359	52,128	-1.6
Students with a disability at AQF Certificate II and III	17,348	19,005	20,396	20,507	20,677	19.2
Students with a disability at AQF Certificate IV to Advanced Diploma	8,017	9,040	9,788	10,129	11,263	40.5
Female students	270,269	272,668	291,350	287,648	279,252	3.3
Students with a Language Background Other than English	120,261	118,051	121,617	120,324	110,817	-7.9
Students from regional and remote areas ²⁰	221,511	198,248	210,893	199,824	194,631	-12.1
15-19 year olds	134,052	131,706	134,139	130,630	123,828	-7.6
18-30 year olds	224,396	227,162	237,977	238,899	233,871	4.2
20-24 year olds	89,877	91,149	95,687	97,079	96,546	7.4
Mature age students (45 years and over)	116,004	109,497	117,936	111,946	103,971	-10.4
Unemployed students	130,555	131,166	138,405	141,263	137,680	5.5
Unemployed students at AQF Certificate II and III	50,127	53,194	57,515	58,735	55,532	10.8
Unemployed students at AQF Certificate IV to Advanced Diploma	28,142	30,330	33,304	36,214	42,166	49.8

Source: NCVER VOCSTATS

20. There is a break in series for reporting the number of regional and remote enrolments in 2011-2014 compared to previous years due to changes in the Australian Bureau of Statistics Accessibility/Remoteness Index of Australia (ARIA) 2011. Data for previous years are mapped according to ARIA 2006.

STUDENT OUTCOMES (%)	2010 %	2011 %	2012 %	2013 %	2014 %	CHANGE 2010-2014 PP
Graduates satisfied with training	89.1	89.9	90.1	88.9	89.1	0.0
Module completers satisfied with training	84.7	81.4	81.4	86.7	85.7	1.0
Graduates employed 6 months after training	71.9	74.2	73.7	71.5	74.0	2.1
Module completers employed after 6 months	66.3	69.1	64.5	71.3	71.9	5.6
Graduates in further study after training	38.1	38.8	40.6	38.0	39.3	1.2
Module completers employed or in further study after training	68.3	70.8	65.7	73.3	73.7	5.4
Graduates employed or in further training after training	86.2	87.8	87.7	86.2	87.5	1.3

Source: NCVER VOCSTATS

COMPLETIONS BY QUALIFICATION LEVEL <i>NOTE: LATEST AVAILABLE NCVER DATA IS 2013</i>	2009	2010	2011	2012	2013	CHANGE 2009- 2013 %
Graduate Diploma	12	26	22	12	13	8.3
Graduate Certificate	53	38	68	114	98	84.9
Bachelor	0	0	6	13	16	-
Associate Degree	0	0	0	11	0	-
AQF Diploma and Advanced Diploma	15,429	17,253	18,910	18,329	17,064	10.6
AQF Certificate IV and equivalent	22,412	24,093	24,930	29,108	26,012	16.1
AQF Certificate III and equivalent	39,335	40,695	40,042	42,667	41,956	6.7
AQF Certificate II and equivalent	16,336	17,962	18,192	19,462	17,831	9.2
AQF Certificate I and equivalent	5,881	5,187	5,241	8,391	6,535	11.1
All TAFE NSW completions (graduates) including non-AQF courses	99,505	105,356	107,435	119,964	110,396	10.9

Source: NCVER VOCSTATS

COMPLETIONS BY QUALIFICATION LEVEL <i>NOTE: LATEST AVAILABLE NCVER DATA IS 2013</i>	2009	2010	2011	2012	2013	CHANGE 2009- 2013 %
AQF Diploma and above	15,494	17,317	19,006	18,479	17,191	11.0
AQF Certificate III and above	77,241	82,105	83,978	90,254	85,159	10.3
AQF Certificate II and above	93,577	100,067	102,170	109,716	102,990	10.1
Total AQF Enrolments	99,458	105,254	107,411	118,107	109,525	10.1
Total Non AQF Enrolments	47	102	24	1,857	871	1753.2

Source: NCVER VOCSTATS

COMPLETIONS BY QUALIFICATION LEVEL AS A % OF TOTAL <i>NOTE: LATEST AVAILABLE NCVER DATA IS 2013</i>	2009 %	2010 %	2011 %	2012 %	2013 %	CHANGE 2009- 2013 %
Enrolments at AQF Diploma and above	15.6	16.4	17.7	15.4	15.6	0.0
Enrolments at AQF Certificate III and above	77.6	77.9	78.2	75.2	77.1	-0.5
Enrolments at AQF Certificate II and above	94.0	95.0	95.1	91.5	93.3	-0.7
Total AQF Enrolments	100.0	99.9	100.0	98.5	99.2	-0.8
Total Non AQF Enrolments	0.0	0.1	0.0	1.5	0.8	0.8

Source: NCVER VOCSTATS

Detailed performance data is published in the TAFE NSW Statistical Compendium, available from <https://www.tafensw.edu.au/about-tafensw>.

DATA SOURCES AND DEFINITIONS

Data sources

Unless otherwise stated, enrolment data was originally sourced from the National Centre for Vocational Education Research (NCVER) VOCSTATS, extracted between 20 August and 16 September, 2015.

The NCVER derivation of course enrolments changed to a count by client, course and institute. 2014 data has been based on the new count, and previous year data have been recast back to 2003.

Student outcomes (%) data is sourced from NCVER's Student Outcomes Survey.

TAFE NSW data is used where NCVER data is not available.

Apprenticeship commencement and completion data is sourced from Skills and Industry Policy (formerly known as State Training Services).

Data definitions

'AQF Diploma and above' includes AQF Diploma, Advanced Diploma, Associate Degree, Bachelor Degree, Graduate Certificate and Graduate Diploma qualifications.

'AQF Certificate III and above' includes AQF Certificate III, Certificate IV, Diploma, Advanced Diploma, Associate Degree, Bachelor Degree, Graduate Certificate and Graduate Diploma qualifications.

'Aboriginal students' data uses the VOCSTATS Client Attribute 'Indigenous status'. Aboriginal students' are students who self-identified as Aboriginal, Torres Strait Islander, or both, on their enrolment form.

'Students with a disability' data uses the VOCSTATS Client Attribute 'Disability (including impairment or long term condition)'. 'Students with a disability' are students who self-identified as having a disability, impairment or long term condition on their enrolment form.

'Language Background Other than English students' data uses the VOCSTATS Client Attribute 'English (Main language spoken at home)'. Data selected are enrolments identified as Non-English as the main language spoken at home.

'Unemployed students' data uses the VOSTATS Client Attribute 'Labour Force Status'. 'Unemployed students' are students who self-identified as being unemployed and seeking part time or full time work on their enrolment form.

Completions data up to 2013 do not represent the actual total number of course completions achieved by TAFE NSW students. VOCSTATS data exclude the qualifications categories '999 Education not elsewhere classified' and '912 Other non-Award courses'. These categories include some Graduate Certificate and Advanced Diploma, and Associate Diploma, Advanced Certificate, Attendance Statement, College Statement, Certificate, TAFE PLUS Certificate, and Statement of Attainment.

MANAGEMENT

TAFE NSW's management structure is determined by sections 11-14 of the *Technical and Further Education Commission Act 1990*.

NSW TAFE COMMISSION BOARD

The NSW TAFE Commission Board has a Ministerial advisory role. Its functions, set out in section 12 of the Act, are to review and make recommendations to the Minister on:

- > policies related to the services provided by the TAFE Commission
- > the efficiency and effectiveness of the TAFE Commission's operation and management
- > the setting of priorities for the TAFE Commission's commercial operations and the utilisation of commercial funds
- > the corporate plans prepared by the TAFE Commission
- > the relationship between the TAFE Commission and other education sectors, including schools, higher education and adult and community education.

Members of the Board are appointed by the Minister under section 11 of the Act.

Member qualifications and terms of appointment

BOARD MEMBER	CURRENT TERMS OF APPOINTMENT	CURRENT POSITIONS HELD	QUALIFICATIONS
Mr Terry Charlton (Chair)	5 June 2015 to 31 May 2018	Chair, Greater Sydney Local Land Services Board Chair, Water NSW Board Member, Monaro Early Intervention Service Board	Master of Science (Psych) Bachelor of Commerce (Economics and Accounting)
Ms Carolyn Burlew	1 January 2014 to 31 December 2015	Director, Carolyn Burlew Consulting	Master of Public Administration Bachelor of Arts Diploma of Applied Science Fellow, Australian Institute of Company Directors
Ms Pam Christie	Ex officio member: 4 April 2011 to present	Managing Director, TAFE NSW Member of the TAFE NSW Higher Education Governing Council Member of the TAFE NSW Higher Education Academic Board	Bachelor of Arts Diploma of Education Graduate Diploma of Special Education Graduate Member of the Australian Institute of Company Directors
Mr Mark McKenzie	11 December 2014 to 31 December 2015	Chief Executive Officer, NSW Irrigators Council	Diploma of Applied Science in Agriculture
Ms Melanie O'Connor	1 January 2014 to 31 December 2015	Managing Director, The Academy Network	Bachelor of Arts Diploma of Education Master of Business Administration

BOARD MEMBER	CURRENT TERMS OF APPOINTMENT	CURRENT POSITIONS HELD	QUALIFICATIONS
Mr Craig Pudig	1 January 2014 to 31 December 2015	Head of Litigation, Macquarie Group Ltd	Bachelor of Laws
Mr Christopher Tooher	1 January 2014 to 31 December 2015	Executive Director, Sydney Festival	Bachelor of Economics Associate Diploma in Accounting - TAFE NSW
Ms Justine Turnbull	11 December 2014 to 31 December 2015	Partner, Seyfarth Shaw Australia	Bachelor of Laws (Hons) Bachelor of Economics
Professor Andrew Vann	1 January 2014 to 31 December 2015	Vice-Chancellor, Charles Sturt University	PhD in Civil Engineering Systems Bachelor of Engineering (Hons) Graduate Certificate in Business Administration Fellow, Australian Institute of Management Fellow, Australian Institute of Company Directors Fellow, Institution of Engineers Australia
Mr Doug Wright AM	1 January 2014 to 31 December 2015	Australian Industry Group employee Member, TAFE NSW Higher Education Governing Council Director, WorldSkills Inc.	Bachelor of Arts Bachelor of Economics

Former members' qualifications and terms of appointment

BOARD MEMBER	TERMS OF APPOINTMENT	CURRENT POSITIONS HELD	QUALIFICATIONS
Ms Margy Osmond (Former Chair)	28 May 2012 to 27 May 2015	Chief Executive Officer of the Tourism and Transport Forum	Former Chief Executive Officer of the Australian Retailers Association Former head of the NSW and Sydney Chamber of Commerce
Mr Warren Grimshaw AM (Former Deputy Chair)	28 May 2012 to 27 May 2015	Member, TAFE NSW Higher Education Governing Council Chair, TAFE NSW North Coast TAFE Advisory Council	Bachelor of Business
Mr Ron Woodham PSM	1 July 2012 to 30 June 2015	Consultant	46 years of experience in the criminal justice system including 11 years as Commissioner for Corrective Services NSW.
Ms Dail McGilchrist	1 Jan 2014 to 31 December 2014 (resigned)	Executive Director, Learning, High Performance and Accountability, NSW Public Schools, Department of Education and Communities	Diploma of Teaching

Meeting attendance

The TAFE Board held eight formal meetings between 1 July 2014 and 30 June 2015. Meeting attendance was as follows:

MEMBERS	ELIGIBLE TO ATTEND	ATTENDED
Ms Margy Osmond (Chair from July 2014 to May 2015)	7	6
Mr Terry Charlton (Chair from June 2015)	1	1
Ms Pam Christie (ex officio as Managing Director)	8	8
Mr Warren Grimshaw AM	7	7
Mr Mark McKenzie	4	3
Ms Melanie O'Connor	8	7
Mr Craig Pudig	8	7
Mr Christopher Tooher	8	7
Ms Justine Turnbull	4	3
Professor Andrew Vann	8	6
Mr Doug Wright AM	8	6
Ms Carolyn Burlew	8	7
Mr Ron Woodham PSM	8	8
Ms Dail McGilchrist	4	1

The quorum for a meeting is seven members. The Managing Director attends all meetings to report on the Commission's operations. Meeting papers are circulated one week before the meeting to allow members sufficient time to review agenda items and seek further information.

The Board also undertook an Institute visit.

DISCLOSURE OF CONTROLLED ENTITIES

The TAFE Commission (Senior Executives) Staff Agency is a controlled entity of TAFE NSW.

SENIOR EXECUTIVES

Senior executive personnel services for TAFE NSW were provided by the TAFE Commission (Senior Executives) Staff Agency, which commenced on 12 December 2014.

Prior to this date, the executive employees were Department of Education and Communities employees and were accounted for in the Department's annual report.

By band and by gender

BAND	TAFE AS AT JUNE 2015	
	FEMALE	MALE
Band 4 (Secretary)	-	-
Band 3 (Deputy Secretary)	1	-
Band 2 (Executive Director)	9	6
Band 1 (Director)	1	1
Totals	11	7
GRAND TOTAL	18	

Remuneration

2014-15 FINANCIAL YEAR	AVERAGE REMUNERATION	
BAND	RANGE \$	2015 \$
Band 4 (Secretary)	430,451 - 497,300	-
Band 3 (Deputy Secretary)	305,401 - 430,450	419,913
Band 2 (Executive Director)	242,801 - 305,400	276,187
Band 1 (Director)	170,250 - 242,800	218,884

Employee-related and senior executive expenditure

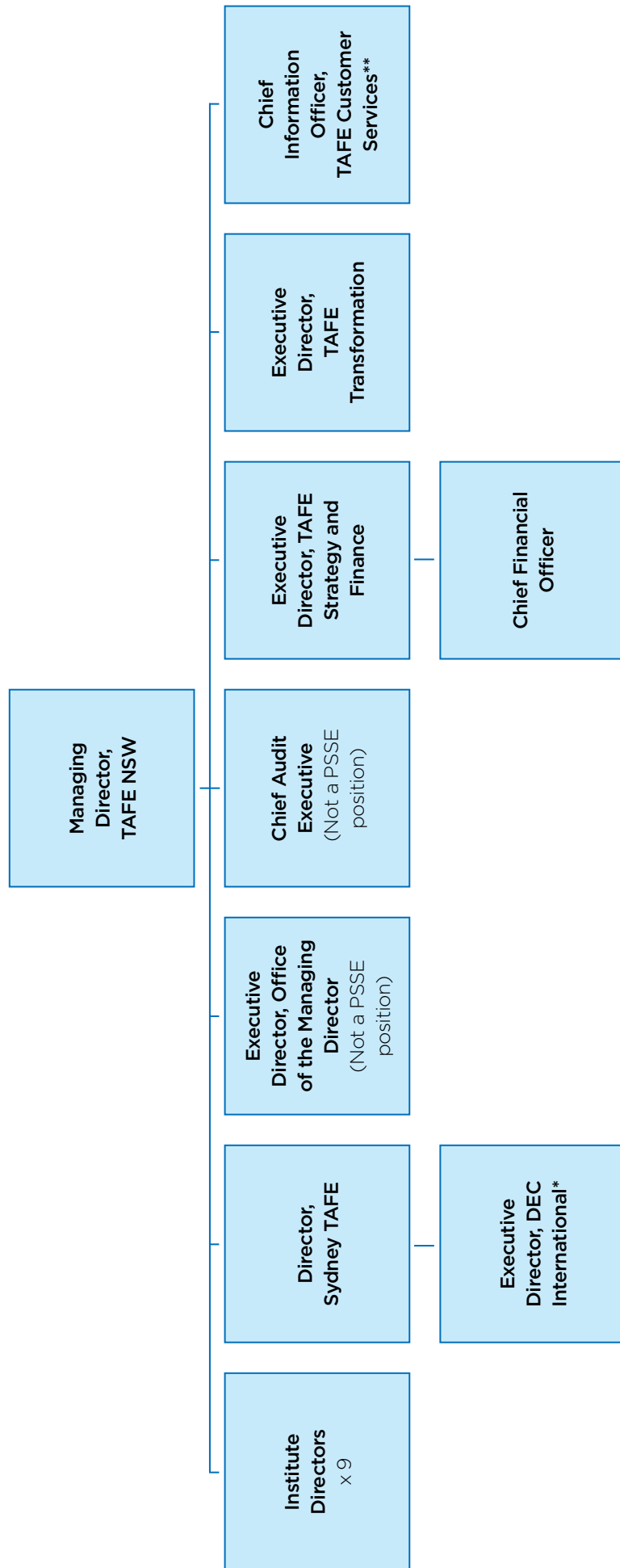
The percentage of the total employee-related expenditure that relates to senior executives is 0.46 per cent.

Senior officer qualifications

NAME	POSITION TITLE	QUALIFICATIONS
Pam Christie	Managing Director, TAFE NSW	Bachelor of Arts Diploma of Education Graduate Diploma of Special Education Graduate Member of the Australian Institute of Company Directors
Christine Warrington	A/Director, Hunter TAFE	Bachelor of Education (Technical) Diploma of Teaching (Technical)
Philip Cox	Director, Hunter TAFE (until 13 February 2015)	Bachelor of Business (Accounting) Commerce Certificate
Dianne Murray	Director, TAFE Illawarra	Master of Education Bachelor of Arts Diploma of Education (Vocational) Member of Australian Institute Company Directors
Peter Heilbuth	Director, TAFE New England	Master of Philosophy (Education) Bachelor of Social Science, Politics (Honours) Bachelor of Arts Diploma Project Management Diploma in Frontline Management Graduate Certificate in Innovation and Entrepreneurship Cert IV Assessment and Workplace Training
Elizabeth McGregor	Director, North Coast TAFE	Bachelor of Arts Grad Dip of Education Cert IV Training and Assessment; Graduate of the Australian Institute of Company Directors
Terri Connellan	R/Director, TAFE NSW – Riverina Institute	Master of Arts in Language and Literacy Graduate Diploma in Adult (Basic) Education Bachelor of Arts (Honours) Diploma of Education Certificate IV Teaching and Assessment
Kerry Penton	Director, TAFE NSW – Riverina Institute	Bachelor of Education (VET) Graduate Certificate Leadership, Australian Institute of Company Directors Diploma of Teaching (VET)
David Riordan	Director, Sydney TAFE	Master of Education Bachelor of Arts Diploma of Teaching Graduate Certificate in Management
Alison Wood	Director, TAFE NSW – Northern Sydney Institute	Master of Arts Education (TESOL) Bachelor of Science

NAME	POSITION TITLE	QUALIFICATIONS
Peter Roberts	Director, TAFE NSW – South Western Sydney Institute	Master of Education (Adult Education) Bachelor of Arts Diploma of Diploma Teaching (Technical)
Robin Shreeve	Director, TAFE NSW – Western Sydney Institute (from 20 October 2014)	Master of Arts Bachelor of Arts (Hons)
Susan Hartigan	Director, TAFE NSW – Western Sydney Institute (until 8 January 2015)	Bachelor of Arts Graduate Certificate in Frontline Management Graduate Certificate in Total Quality Management Diploma of Education
Kate Baxter	Director, TAFE Western	Masters of Education Masters of Social Administration Bachelor Social Work (Hons) Grad Dip Counselling Grad Dip Vocational Education and Training
Philip Clarke	Executive Director, TAFE Strategy and Finance (from 1 December 2014)	Master of Arts Bachelor of Social Science
Catherine Burrows	Executive Director, TAFE Strategy and Finance (until 2 July 2014)	Doctor of Philosophy (PhD), Applied Linguistics Master of Arts (Teaching English to Speakers of Other Languages) Diploma in Education Bachelor of Arts Graduate, Australian Institute of Company Directors Hogan Assessment Certification - HPI, HDS, MVPI PBC - Hogan
Barry O'Loughlin	Chief Financial Officer	Bachelor of Financial Administration Fellow, Certified Practising Accountants Australia
Olga Popovic	Executive Director, TAFE Transformation	Bachelor of Business Certified Practising Accountant
Alison Taylor	A/Executive Director, DEC International and TAFE National Business	Masters of Commerce Bachelor of Business Bachelor of Arts Graduate of the Australian Institute of Company Directors
Peter Bourke	Chief Information Officer, TAFE Customer Services (from 20 April 2015)	Bachelor of Arts (Economics/Computing) Fellow, Australian Institute of Chartered Accountants Australian Institute of Company Directors, Member
Jai Waters	Executive Director, TAFE Customer Services (until 6 February 2015)	Executive Master of Business Administration Master of Clinical Psychology, Health Graduate Certificate in Change Management Bachelor of Arts Honours

ORGANISATION CHART



* The position of Executive Director, DEC International commenced reporting to the Director of Sydney TAFE in September 2014.

** The duties of the Executive Director, TAFE Customer Services transferred to the Chief Information Officer in April 2015.

Functional Responsibilities

Managing Director

It is the statutory responsibility of the Managing Director to manage and control the affairs of TAFE NSW subject to the direction of the Minister who is allocated responsibility for administering the *Technical and Further Education Commission Act 1990* (the Minister for Education until 2 April 2015 and the Minister for Skills thereafter).

The Managing Director leads, drives and shapes TAFE NSW's strategic directions to ensure the effective delivery of the government's strategic objectives, including implementation of government policy and strategic agenda on vocational education and training in NSW.

The Managing Director leads the TAFE Executive team and manages diverse interests and priorities across TAFE NSW Institutes and central support business units. The position is a member of the TAFE NSW Board and works closely with the Chair of the Board to shape the strategic focus and directions of the Board and its advice to the Minister.

Institute Directors

TAFE NSW has ten Institute Directors. Institute Directors are members of the TAFE NSW Executive team and lead a unique and dynamic vocational education and training provider delivering services essential to the economic and social success of their region.

Executive Director, DEC International (DECI)

In the first three months of 2014-15, this position reported directly to the Managing Director of TAFE NSW and was responsible for marketing TAFE NSW and NSW public schools to students overseas, as well as DECI recruitment and compliance management. From September 2014, the position's reporting lines changed to report to the Director of Sydney TAFE. During the remainder of 2014-15, the position oversaw the devolution of the core functions of DECI's TAFE NSW operations to Institutes and the transfer of the schools program to the Department of Education and Communities, in readiness for the DECI being wound down in 2015.

Executive Director, TAFE Strategy and Finance

The role supports the Managing Director, the TAFE NSW Board and TAFE NSW Institutes in setting strategic directions for TAFE NSW, in resourcing these directions and in monitoring and reporting on the performance of the its ten Institutes.

The role provides effective leadership and management of TAFE NSW's financial resources, strategic positioning and development, planning and resourcing, business analytics and accountability and strategic policies. The role ensures that all systems and processes are aligned to the corporate objectives and internal and external policy constraints.

Chief Financial Officer

The role manages the provision of accounting services and financial management reporting to TAFE NSW. The role also leads the management accounting, corporate reporting, the strategic planning and the delivery of financial services to TAFE NSW, and reviews and develops procedures and financial systems relating to the financial accounting performance of TAFE NSW.

Executive Director, TAFE Transformation

The role leads, drives and shapes TAFE NSW's governance, workforce and business reforms so that TAFE NSW can grow as a contemporary public sector education business and be successful in a more contestable market under Smart and Skilled reforms, while fulfilling its role as the public vocational education and training provider. The role also provides leadership for the TAFE NSW website design, brand and marketing.

Chief Information Officer, TAFE Customer Services

The Chief Information Officer leads the development and implementation of ICT strategy and initiatives that enable TAFE NSW to operate successfully as an efficient and effective, commercially focussed and socially responsible network. The Chief Information Officer builds collaborative partnerships with diverse stakeholders in order to reliably and effectively deliver ICT capability and related services that enable the achievement of TAFE NSW's strategic and operational goals.

Chief Audit Executive

The position of Chief Audit Executive is a TAFE senior officer position. The Chief Audit Executive provides leadership and direction of the audit and risk function for TAFE NSW to ensure the interests of stakeholders are protected and oversees the organisation's performance auditing.

The Chief Audit Executive also provides a risk based independent, systematic review and appraisal of all TAFE NSW operations to: certify that Government legislation and TAFE NSW policies and procedures are observed; ensure financial management performance is of the highest standard and that internal controls are appropriate and effective.

WORKFORCE

HUMAN RESOURCES

Number of employees (Full time equivalent)

SERVICE GROUP	JUNE 2012	JUNE 2013	JUNE 2014	JUNE 2015
TEACHERS	10,234	9,642	8,853	6,624
EDUCATION SUPPORT STAFF	4,599	4,205	3,978	3,578
CORPORATE SERVICES STAFF (INCLUDING INSTITUTE AND CENTRAL SUPPORT)	990	1,029	1,034	975
TOTAL	15,822	14,876	13,866	11,177

* Source: NSW Public Sector Workforce Profile as at June each year.

Notes:

- Full time equivalent includes all permanent, temporary and casual employees active on census date, which occurs on the last payday in the financial year, as prescribed by the Public Service Commission. Due to rounding, the figures may not add up to the totals shown.
- The number of teachers fluctuates from one year to the next, as part-time and casual teachers may not have been working on the census date which falls towards the end of the semester. For example, the number of full time equivalent TAFE NSW teachers on 12 March 2015 (a mid-semester date) was 7,202.
- The total employees reported above varies from the budget papers. The budget figure is calculated based on an average rate of pay, while the annual report figure is based on workforce data collected on the census date.
- The numbers of TAFE NSW educational support staff listed above for June 2012 – 2014 appear higher than those reported in recent Department of Education and Communities Annual Reports. This is because a number of TAFE NSW education support staff were captured in the Department's 'state and regional office' service group numbers. These have been transferred to and are now reported in the TAFE NSW 'education support staff' service group.

Realigning our courses and service delivery to meet changed demand levels and reduce costs, and offering programs and services through more flexible delivery options, including online, has seen a change in the TAFE NSW staffing profile. The data above show that the numbers of TAFE NSW teachers and educational support staff declined in 2014-15, continuing a trend in recent years.

TAFE NSW continues to identify ways to operate within new pricing models, including Smart and Skilled. This has meant redefining our services and systems to become more nimble, more capable and better placed to partner with industry to realise new opportunities.

EMPLOYEE RELATIONS

Consultation mechanisms

The TAFE NSW Peak Consultative Group, which comprises TAFE and union representatives, continued to meet regularly during 2014-15 to discuss strategic issues affecting TAFE NSW staff. The main function of the TAFE Peak Consultative Group is to provide high level advice and informed stakeholder input in relation to the implementation of workplace reform.

TAFE Institutes continued to have regular meetings with relevant unions through their Institute Consultative Committee to deal with matters of a local nature.

TAFE NSW commenced enterprise bargaining for the four enterprise agreements that apply to its employees: *the TAFE Commission of NSW Teachers and Related Employees Enterprise Agreement 2013*; *TAFE Commission of NSW Institute Managers Enterprise Agreement 2013*; *TAFE Commission of NSW Teachers in TAFE Children's Centres Enterprise Agreement 2013*; and *TAFE Commission of NSW Administrative, Support and Related Employees Enterprise Agreement 2013*.

More information on TAFE NSW enterprise bargaining is available from the website: <https://www.tafensw.edu.au/enterprise-bargaining>.

Conditions of employment

The employment practices of TAFE NSW are in accordance with industrial relations policies and practices established under NSW and Commonwealth legislation, policies and industrial instruments.

WORKFORCE DIVERSITY

The [Department of Education and Communities Workforce Diversity Plan 2012-2017](#) applied to TAFE NSW during 2014-15.

The *Workforce Diversity Plan* provides a strategic framework for building a workforce that reflects the diversity of our students and communities. The vision of the Plan is to create an organisation free from all discrimination, where staff are recruited and promoted on merit and are representative of the wider NSW community.

Equal employment opportunity groups as a proportion of the total number of TAFE NSW staff

WORKFORCE DIVERSITY GROUP	BENCHMARK / TARGET	2013-14	2014-15
Women	50.0%	58.3%	60.7%
Aboriginal and Torres Strait Islander people ²¹	2.6%	2.6%	2.7%
People whose first language spoken as a child was not English ²¹	19.0%	17.7%	17.4%
People with a disability ²¹	N/A	3.8%	3.6%
People with a disability requiring work-related adjustment	1.5%	1.0%	1.1%

Source: NSW Public Sector Workforce Profile as at 30 June each year.

Notes: Representation of EEO groups is calculated as the estimated number of staff in each group divided by the total number of staff. These statistics, except those for women, have been weighted to estimate the representation of EEO groups in the workforce, where EEO survey response rates were less than 100 per cent. The total number of staff is based on a headcount of permanent and temporary employees.

Index of distribution of equal employment opportunity groups across salary levels

WORKFORCE DIVERSITY GROUP	BENCHMARK / TARGET	2013-14	2014-15
Women	100	97	96
Aboriginal and Torres Strait Islander people ²¹	100	99	101
People whose first language spoken as a child was not English ²¹	100	95	94
People with a disability ²¹	100	96	94
People with a disability requiring work-related adjustment	100	102	100

Source: NSW Public Sector Workforce Profile as at 30 June each year.

Notes: A distribution index of 100 indicates that the centre of the distribution of the EEO groups across salary levels is equivalent to that of other staff. Values less than 100 mean that the EEO group tends to be more concentrated at lower salary levels than is the case for other staff. The more pronounced this tendency, the lower the index will be. In some cases the index may be more than 100, indicating that the EEO group is less concentrated at lower salary levels.

21. Data on the actual number of staff who are Aboriginal, from a language background other than English or have a disability are by self-disclosure, therefore may be an underrepresentation of the actual number.

Workforce diversity achievements

The *Government Sector Employment Act 2013 (GSEA)* commenced on 24 February 2014, replacing the *Public Sector Employment and Management Act 2002*. The GSEA provides an enhanced focus on workforce diversity across the NSW public sector and ensures that workforce diversity is integrated into broader workforce planning processes.

Women

The NSW TAFE Commission Board sponsored nine female staff from central units and TAFE Institutes to participate in the 2014 TAFE NSW *Building our Future Leadership* program.

The Board also hosted two tables for TAFE NSW female staff at the United Nations for Women Australia – International Women’s Day Breakfast on 6 March 2015. This is an annual event held to raise funds for programs to provide assistance for women at risk around the world.

Aboriginal staff

TAFE NSW celebrated and recognised the achievements of Aboriginal staff through the TAFE NSW Gili Awards. These awards, which are held annually, acknowledge the outstanding achievements, contributions and dedication of Aboriginal TAFE NSW staff and students.

The 2014 Awards ceremony, held in August 2014, celebrated the achievements of Aboriginal staff and their programs which had contributed positively to Aboriginal communities through vocational education and training.

Staff with Language Backgrounds Other Than English

TAFE NSW Institutes used local demographic data and student enrolment profiles to plan the recruitment of teachers, educational support staff and counsellors to support programs and services for their diverse student populations. Institutes employed bilingual teachers, counsellors and student support officers and maintained registers of volunteer bilingual staff to provide interpreting assistance for students.

TAFE NSW Institutes supported many professional learning opportunities for staff from culturally diverse backgrounds, including interviewing skills training and leadership and capability development forums.

Staff with a disability

TAFE NSW ensures it provides staff who have an identified disability with access to appropriate resources and facilities, including provision and training in the use of assistive technologies. Staff and job applicants with an identified disability are provided with accessible rooms, and adjustments are made to ensure a safe and inclusive workplace.

Staff with disabilities are trained in and provided with assistive technologies and specialised software such as Dragon Dictate.

Equity and diversity awareness activities

TAFE NSW promoted and celebrated a number of events, including Reconciliation Week, National Aborigines and Islanders Day Observance Committee Week, World Refugee Week, Multicultural Day, Harmony Day and International Women’s Day, to raise diversity awareness and to encourage inclusive practices. TAFE NSW campuses involved students and community members in the celebrations to raise awareness of equity and diversity.

TAFE NSW supports and promotes an inclusive and respectful workplace through its professional development programs for staff, including Aboriginal Cultural Awareness.

Workforce diversity strategies proposed for next year

In 2015-2016, TAFE NSW will continue the commitment to create a workplace that is fair and inclusive and to promote a workforce that reflects the diversity of our students and the NSW community.

WORK HEALTH AND SAFETY

TAFE NSW has a memorandum of understanding with the NSW Department of Education and Communities to provide work, health and safety services. The Department's *Work Health and Safety Policy* applied to TAFE NSW in 2014-15.

During 2014-15, TAFE NSW continued to provide effective and efficient health and safety services to staff across the state. The overall number of injuries reported reduced, compared to the previous year.

Number of workers compensation claims, lost time and claims costs

	2010-11	2011-12	2012-13	2013-14	2014-15
TOTAL CLAIMS	865	861	651	515	415
TOTAL HOURS PAID	48,193	61,353	32,898	20,932	11,655
NO. CLAIMS WITH LOST TIME	330	352	242	190	110
NO. REHABILITATION CASES	100	91	59	64	93
INSURER COSTS	\$324,242	\$316,245	\$236,385	\$251,933	\$326,486
AVERAGE COST PER CASE	\$5,452	\$7,872	\$4,933	\$5,643	\$5,631

Source: NSW Department of Education and Communities, Corporate Services.

Notes: Excludes incident-only claims. Claim numbers reflect those reported within the financial year where a financial cost was incurred. Data provided for 2011 was impacted on by delays from the department's fund manager in processing claims for lost time reimbursement. Data provided for 2014-15 is incomplete due to changes in WorkCover definitions and system updates affecting claims for lost time reimbursement.

No prosecution action was taken against TAFE NSW in 2014-15 under the *Work Health and Safety Act 2011*.

INCLUSIVE STRATEGIES

TAFE NSW, as the State's public vocational education and training provider, assists people experiencing disadvantage to access education and skills development services they need to join the workforce and participate fully in the community and economy.

TAFE NSW has a framework in place to meet these social obligations that sets out the types of services available to eligible individuals experiencing disadvantage. The *Framework for Community Service Obligation Funding* also outlines accountability and reporting requirements to ensure service provision aligns with the TAFE NSW *Statement of Owner Expectations* and the Smart and Skilled Policy.

DISABILITY INCLUSION ACTION PLAN

TAFE NSW aims to meet the needs of students with disabilities in tertiary education and vocational training, so they have equal access to the opportunities provided by skills training. In 2014, TAFE NSW had over 52,000 enrolments by students with a disability.

Information about TAFE NSW offerings prior to enrolment is also being made increasingly accessible. TAFE NSW launched its new corporate website in May 2015 and the site will fully comply with World Wide Web Consortium and Web Content Accessibility Guidelines 2.0 by the end of 2015. Institutes also maintain their websites to meet mandatory accessibility requirements for government agencies.

TAFE NSW conducted accessibility testing on the new student enrolment system used by students. The testing identified that the key portals met the accessibility requirements.

TAFE New England specialist disabilities staff are physically located close to Customer Services teams at each campus to provide a streamlined and responsive service at the point of enrolment for students requiring disability support.

The [*Department of Education and Communities Disability Action Plan 2011-15*](#) covered TAFE NSW's delivery of vocational education and training and higher education services to students with disabilities during 2014-15, with provision to enrolled students in line with the *Disability Discrimination Act Standards for Education*.

Examples of the services TAFE NSW provided for students with disabilities are:

- > accessible online course, which have received a triple A rating for their accessibility
- > individual learning support for students with physical, intellectual, hearing impairment, vision impairment and psychiatric disabilities
- > reasonable adjustment including specialised software and equipment
- > adaptive and assistive learning technology, equipment and advice, including large print materials, text in accessible formats, digital, audio, software on computers
- > provision of Auslan Sign Language Interpreters and note takers where appropriate for deaf or hearing impaired students
- > guidance and support in qualifying for the Disabled Australian Apprenticeship Wage System
- > liaison with other service providers to support the transition to employment, such as career support services, direct referrals to job service providers, disability employment providers and community support agencies
- > specialist staff to assist students with disabilities.

North Coast TAFE focused on digitising resources for students with a disability so they can easily use them on iPads and similar devices. Students also used Google classroom to access resources and communicate with one another about their studies.

TAFE South Western Sydney Institute established a system for students with a disability to make online requests for access to reasonable adjustment to assist course completion. Over 300 claims were approved in semester 1, 2015. This new system increases staff members' awareness of the challenges faced by students with disabilities and encourages teachers to engage directly with students and find positive solutions to their learning needs. It also reduces barriers to accessing support for students and provides an open platform where students can better engage with teachers on their individual needs, to assist course completions.

TAFE Riverina Institute worked in partnership with the Lifetime Care and Support Authority, which supports people severely injured in motor accidents, to improve community participation and quality of life for students undertaking pre-vocational and vocational pathways courses.

TAFE NSW services are continually updated in line with community expectations, with staff attending relevant conferences and forums.

TAFE Northern Sydney Institute invited current students registered with Disability Services and government and community based agencies to attend meetings to discuss and provide feedback on the Institute's proposed changes to disability services.

Accessible buildings and facilities

All new and refurbished TAFE NSW buildings, facilities and resources work in line with the disability standards policy and building codes to ensure access is provided to people with a disability.

Institutes provided accessible parking and campus travel plans to facilitate travel for students and staff with a disability. Institutes also assessed and modified venues for formal functions such as the Student Excellence Awards and employed Auslan interpreters, to ensure that people with disabilities could participate. Emergency evacuation plans are also developed, reviewed and modified to accommodate staff and students with disabilities.

Existing buildings are modified where necessary to ensure they are accessible to and meet the needs of students with disabilities.

The TAFE Western Office at Orange and the Allied Health Services Building being constructed at Kingswood in TAFE Western Sydney Institute, are designed in line with building codes and specialist advice to allow access and use by staff and students with disabilities.

MULTICULTURAL POLICIES AND SERVICES PROGRAM

In 2014, TAFE NSW had almost 111,000 enrolments by students from a language background other than English.

The [*Department of Education and Communities Multicultural Plan 2012-15*](#) guides TAFE NSW's delivery of vocational education and training and higher education to students from culturally, linguistically and religiously diverse backgrounds.

TAFE NSW aims to support and meet the education and training needs of a culturally, linguistically and religiously diverse society, and promote community harmony and social inclusion through programs which counter racism, intolerance and discrimination. Specific activities include:

- > the delivery of high quality English language programs and resources, including the Adult Migrant English Program, to refugee and humanitarian entrant students, English for Speakers of Other Languages and Skills for Education and Employment
- > the continuation of the *Aboriginal Learning Circle*, an alliance of five TAFE NSW Institutes that collaborate in the achievement of culturally appropriate solutions for Aboriginal people, communities, organisations and employers
- > learner support that includes specialist language, literacy and numeracy teaching
- > promotion of tertiary pathways through overseas qualification recognition
- > interpreter services to support communication
- > provision of key documents in languages other than English and information campaigns in the ethnic press and radio
- > employment of specialist staff to enhance engagement including Institute Multicultural Education Coordinators, specialist bilingual counselling staff, and community engagement coordinators
- > training staff in cross-cultural awareness and cultural competencies including through internet based tools such as *Globesmart*
- > community partnerships and consultation with relevant community organisations to promote intercultural understanding and community relations
- > antiracism activities, teaching resources and consultations forums with culturally and linguistically diverse communities
- > research into effective educational strategies for diverse client groups.

English language programs and resources

TAFE NSW Institutes delivered high quality English language programs to students with language backgrounds other than English. The programs range from beginner to vocational level to participate in employment, or further engage with education via higher levels of English language study and TAFE NSW's Tertiary Preparation Certificate.

The programs delivered include:

- > Adult Migrant English Program
- > Skills for Education and Employment which provides contextualised language training with embedded employability skills
- > NSW Adult Migrant English Service Skillmax jobseeker courses
- > English for Vocational Purposes
- > Settlement Language Pathways for Employment and Training.

TAFE Illawarra delivered the Adult Migrant English Program to over 300 students from diverse language backgrounds including Arabic, Chinese languages, Farsi and Macedonian. A youth specific program was delivered for students in partnership with youth workers from the Wollongong City Council.

Support for students from refugee and humanitarian backgrounds

TAFE NSW Institutes worked with diverse agencies to support students from refugee and humanitarian backgrounds.

TAFE Illawarra delivered two Settlement Language Pathways to employment and training courses focussing on hospitality skills and asset maintenance (cleaning) with a 100 per cent completion rate. More than 75 per cent of graduates went on to employment or further education. Overseas qualification recognition interviews were provided.

Sydney TAFE developed education training programs in partnership with social enterprises that support training for students from refugee and humanitarian backgrounds including the Social Outfit (which provides education, training and employment opportunities in clothing production, retail, design and marketing) and the Bread and Butter Project (which provides training and employment opportunities such as a 12 month paid traineeship in baking). Sydney TAFE's Memorandum of Understanding with the Social Outfit covers delivery of the Certificate III in Clothing Production and student support via counselling and career development.

Pathways to employment and further study

TAFE NSW Institutes have many tertiary pathway arrangements in place that they promote to students from culturally and linguistically diverse backgrounds.

The TAFE New England Armidale campus has a pathway arrangement in place with the University of New England to allow students to transition from TAFE New England's Adult Migrant English Program into the University of New England after completing TAFE NSW's Tertiary Preparation Certificate.

TAFE Western Sydney Institute negotiated with Engineers Australia to deliver the Professional Year – Skilled Migrant internship program through the Open Training Education Network, following the success of this program for Accountants.

Social cohesion strategies

TAFE NSW promoted and celebrated a number of corporate events to raise diversity awareness and to encourage inclusive practices in 2014-15, including:

- > Reconciliation Week
- > National Aborigines and Islanders Day Observance Committee Week
- > World Refugee Week
- > Multicultural Day
- > Harmony Day
- > local community events.

Hunter TAFE's Cultural Connections initiative promoted social harmony and tolerance by bringing together students from diverse backgrounds, staff and other students via activities that celebrate cultural diversity through art, food and performances and promoting anti-racism messages. The Institute was actively involved in national events such as Harmony Day and Refugee Week and sponsored a multicultural soccer program.

Quality teaching and leadership

TAFE NSW is committed to ensuring that teachers and leaders have the knowledge and skills to deliver high-quality teaching programs and services that meet the needs of students and clients from culturally diverse backgrounds. Racism, harassment prevention and cross cultural awareness sessions were part of staff inductions.

TAFE Illawarra Adult Migrant English Program and English for Speakers of Other Languages staff attended specialised counsellor training conducted by the NSW Service for the Treatment and Rehabilitation of Torture and Trauma Survivors.

Hunter TAFE provided professional learning that assisted teachers delivering the Adult Migrant English Program to better understand the barriers to learning in the refugee and migrant context. Hunter TAFE's induction of new staff included viewing the *Harassment Free* video which highlights that racism, and discrimination are not acceptable on campus.

Employment of specialist staff

TAFE NSW Institutes employed Institute multicultural education coordinators, community engagement staff, student support counsellors, specialist teacher consultants and education support officers, bilingual teaching and administration staff and maintained registers of bilingual staff to provide interpreting services.

Teaching and learning resources

TAFE NSW Institutes conducted professional development activities to support teaching and administration staff to meet the needs of students and clients from communities from culturally and linguistically diverse backgrounds.

Liaison with the community

Institutes regularly liaise with the following to deliver appropriate training to culturally diverse clients:

- > migrant resource centres
- > multicultural community groups
- > refugee settlement staff
- > translator and interpreter boards
- > local *jobactive* employment service providers
- > Centrelink
- > local councils
- > government departments.

TAFE South Western Sydney Institute delivered a nationally recognised course in vocational and community engagement off-campus to support members of the South Sudanese community prepare for their Australian citizenship test. The course was presented in partnership with the local area health service. The Institute also has strong partnerships with the University of Western Sydney and offered English Language Intensive Courses for Overseas Students to the university's international students.

Data collection and research

TAFE NSW Institutes access and analyse data and conduct research to identify potential improvements in delivery, assessment and provision of services to culturally and linguistically diverse students, such as:

- > labour market reports
- > data on migration patterns
- > emerging training demands, including monthly enrolment and completions data
- > student and client satisfaction surveys conducted in English and community languages
- > student outcomes and learner engagement surveys.

TAFE Western Sydney Institute collected data on culturally and linguistically diverse students and analysed them by ethnicity and relevant sub groups, such as refugees, to identify under-represented groups. These groups were the subject of targeted marketing strategies and teaching support initiatives.

NSW CARERS (RECOGNITION) ACT 2010

The *NSW Carers (Recognition) Act 2010* requires agencies to:

- > ensure that staff and agents have an awareness and understanding of the NSW Carers' Charter
- > ensure that staff reflect the NSW Carers' Charter principles in their daily work
- > consult with bodies representing carers when developing policies that impact upon carers
- > develop internal human resources policies with due regard to the NSW Carers Charter.

Carers are defined as providing ongoing help to someone who needs it because of their disability, long term or life-limiting illness, mental illness, dementia or ageing.

Implementation of the Carers' Charter

TAFE NSW provides flexible delivery and assessment options to allow students to study and be assessed at a time and place to suit their personal circumstances.

TAFE NSW Institutes make personal, career and study counselling services available to students, including those with carers, or who are carers. Institutes also employ specialist staff, trained to identify the needs of students and recommend additional internal and inter-agency services and resources.

TAFE NSW offers a number of flexible work arrangements to help staff balance work and carer responsibilities. Flexible work options include permanent and temporary part-time work, job sharing, leave without pay, flexible working hours, personal carer's leave and short-term leave to attend to family and community responsibilities. Information is provided to potential carers in response to inquiries about flexible arrangements available.

The Department of Education and Communities' *Workforce Diversity Policy* applied to TAFE NSW during 2014-15. The policy is published on the Department's intranet site and is accessible to all TAFE NSW staff.

TAFE NSW staff also had access to a dedicated page on the Department's intranet site providing information, online resources and useful links for staff who are carers, or who work with people who have carer responsibilities.

Consultation and liaison with carers

In 2014-15, the NSW Department of Education and Communities (the Department) provided human resources services and policies, and access to the Employee Assistance Program, to TAFE NSW through a Memorandum of Understanding.

The Department's *Workforce Diversity Policy*, which applies to TAFE NSW, is consistent with the *NSW Carers (Recognition) Act 2010*. TAFE NSW Institutes work within the parameters of the Department's *Workforce Diversity Plan 2012-2014* and the *NSW Carers' Charter*.

During 2014 – 2015, consultation on human resources policies was centrally managed by the Department. The department is represented on the NSW Carers Strategy project management group and established partnerships with NSW agencies and other organisations, to network and consult on policy and program development, including on behalf of TAFE NSW.

Human resources policies supporting carers

During 2014-15, up to 4,627 TAFE NSW staff (67.5 per cent of whom were women) accessed flexible work options. These include up to 3,004 staff taking short term absences to meet family and community responsibilities.

Staff with carer responsibilities were able to access the Department's Employee Assistance Program, an independent, confidential and free professional counselling service to support the health and wellbeing of employees.

BUSINESS RESOURCES

LAND DISPOSAL

In 2014-15, the net proceeds from the disposal of one TAFE NSW property amounted to \$24.80 million.

Ownership of the Crows Nest site was transferred from TAFE NSW to the NSW Department of Education and Communities to establish a senior high school. The site was surplus to TAFE NSW's requirements. The proceeds from the sale will be reinvested into improving Information and Communications Technology and upgrading services at other TAFE NSW campuses.

An application for access to documents concerning details of the property disposed of during the reporting year may be made in accordance with the *Government Information (Public Access) Act 2009*.

MAJOR WORKS

The tables below list new, continuing and completed major works, including their cost to date and estimated dates of completion. It also includes details of any significant delays, cancellations, or cost overruns.

New major works in 2014-15

PROJECT DESCRIPTION AND LOCATION	TOTAL EXPEND. TO 30 JUNE 2015 ('000)	ESTIMATED ('000)	COMPLETION DATE (ACTUAL OR ESTIMATED)	SIGNIFICANT DELAYS, CANCELLATIONS OR COST OVERRUNS
Hunter TAFE, Newcastle - Block D Refurbishment	\$360	Commercial in Confidence	30 June 2019	Completion date amended to meet local decision making.
TAFE New England - Country NSW Connected Learning - Stage 1	\$97	Commercial in Confidence	30 June 2018	NA
TAFE Western - TAFE Western Connect - Stage 1	\$358	Commercial in Confidence	30 June 2017	NA
TAFE Customer Billing - Stage 2 (<i>now known as TAFE Revenue Management Project</i>)	\$ 4,387 (Stage 2)	Commercial in Confidence	Release 1 of stage 2 Dec 2015. Release 2 in 2016, date to be det.	NA

Continuing major works

PROJECT DESCRIPTION AND LOCATION	TOTAL EXPEND. TO 30 JUNE 2015 ('000)	ESTIMATED TOTAL COST ('000)	COMPLETION DATE (ACTUAL OR ESTIMATED)	SIGNIFICANT DELAYS, CANCELLATIONS OR COST OVERRUNS
TAFE Handbook on Web External (HOWEX) System Redevelopment (<i>now known as the TAFE Online Marketing System</i>)	\$3,005	\$3,365	TOMS Iteration 1 22 May 2015	Delayed 6 months from December 2014 to May 2015 due to integration and data migration issues
North Coast TAFE, Taree – Facilities Upgrade	\$1,933	Commercial in Confidence	30 June 2016	NA
Sydney TAFE, Ultimo – New Fashion Design Studio	\$1,269	Commercial in Confidence	30 June 2016	NA
Sydney TAFE, Ultimo – Relocation of Building U	\$1,699	Commercial in Confidence	30 June 2016	NA
TAFE New England, Tamworth – Community Services, Health, Plumbing and Disabilities Facilities	\$10,926	\$11,115	6 October 2015	Major works completed 30 June 2015 External works to be completed by 6 October 2015
TAFE NSW – Northern Sydney Institute, Northern Sydney – Dunbar Building Refurbishment – Stage 2	\$5,932	\$6,432	30 September 2015	Major works completed 11 June 2015 External works to be completed by 30 September 2015
TAFE NSW – Riverina Institute, Young – New Facilities	\$785	Commercial in Confidence	2 February 2017	NA
TAFE NSW – South Western Sydney Institute, Wetherill Park – New Transport Engineering Technology Centre	\$3,070	\$8,953	25 January 2016	NA
TAFE NSW – Western Sydney Institute, Nepean College Kingswood – Health and Support Services Facilities	\$10,524	\$10,974	30 September 2015	NA
TAFE NSW – Western Sydney Institute, Nepean College Kingswood – Stage 5	\$12,292	\$15,437	30 September 2015	NA
TAFE Western, Mudgee – Consolidation	\$1,697	\$6,214	30 June 2016	NA

Completed works

PROJECT DESCRIPTION AND LOCATION	TOTAL EXPEND. TO 30 JUNE 2015 ('000)	ESTIMATED TOTAL COST ('000)	COMPLETION DATE (ACTUAL OR ESTIMATED)	SIGNIFICANT DELAYS, CANCELLATIONS OR COST OVERRUNS
Hunter TAFE, Kurri Kurri – Plant and Heavy Vehicle Training Centre	\$11,969	\$12,010	19 June 2015	Completed ²²
North Coast TAFE, Wollongbar – Student Services Centre	\$96	\$96	26 June 2014	Completed
Sydney TAFE, Ultimo – Client Services, Tertiary Pathways and Building W Upgrade	\$5,823	Commercial in Confidence	25 May 2015	Completed ²²
TAFE Illawarra, Cooma – Carpentry and Joinery Workshop and Student Support Facilities	\$5,195	\$5,195	3 December 2014	Completed
TAFE NSW – South Western Sydney Institute, Granville – Meat and Allied Trades Upgrade	\$3,967	\$3,967	19 December 2014	Completed
TAFE NSW – Western Sydney Institute, Nirimba – Refurbishment	\$9,382	\$9,426	16 December 2014	Completed ²²

22. Outstanding payments will be made in 2015/16..

CONSULTANTS

During 2014-15, TAFE NSW did not engage any consultants

OVERSEAS VISITS

The following overseas visits were undertaken by TAFE NSW personnel in 2014-15. The table below outlines the main purposes of the visits and funding sources.

PURPOSE OF VISIT	DESCRIPTION	NO. EXTERNALLY/ COMMERCIALY FUNDED VISITS	NO. SELF OR COMMUNITY FUNDED	NO. TAFE/DECI ²³ FUNDED	TOTAL NO. VISITS
Conferences and professional development	Staff members who travel overseas to attend and/or present at conferences or participate in study tours.	27	0	7	34
Educational exports	Staff members who travel overseas to manage partnerships, contracts, programs, quality assurance or assessment of students.	40	0	1	41
Exchange programs	Staff members who travel overseas on a professional or teacher exchange program	0	0	0	0
International student recruitment	Staff members who travel overseas to recruit inbound full-fee-paying international students to the NSW school sector or TAFE NSW.	22	0	4	26
Market development and client engagement	Staff members who travel overseas for international marketing purposes, development of business relationships, engagement with clients and contract management.	9	0	3	12
Professional scholarship programs	Staff members awarded scholarships to further their professional skills and knowledge.	0	0	0	0
Student excursions	Staff members who accompany students on excursions overseas to increase cultural understanding or attend commemoration ceremonies.	32	0	0	32

23. DEC International (DECI) was established within the NSW Department of Education and Communities to manage TAFE NSW and NSW schools' international education exports business. TAFE NSW International Business separated from the NSW Department of Education and Communities on 1 July 2015.

OTHER REQUIREMENTS

MATTERS ARISING FROM THE 2014-15 AUDIT

The auditor's opinion on the TAFE NSW 2014-15 financial report was qualified due to limitations of the new Student Administration and Learning Management system. These limitations prevented the Auditor-General from obtaining sufficient and appropriate audit evidence to support amounts recorded for revenue and related transactions. TAFE NSW is taking action to address the limitations and will continue to liaise with the Audit Office of NSW and NSW Treasury as it undertakes this work.

CHANGES IN LEGISLATION AND SIGNIFICANT JUDICIAL DECISIONS

Legislation

The TAFE Commission is established under the *Technical and Further Education Commission Act 1990*. From 1 July 2014, the Technical and Further Education Commission (TAFE NSW) became a government agency separate from the Department of Education and Communities. It is therefore required to provide its own annual report (as a statutory body under Schedule 2 of the *Public Finance and Audit Act 1983*).

The following legislative changes were made to give effect to and recognise the separation:

- > *Public Finance and Audit Amendment (Technical and Further Education Commission) Proclamation 2014*. This Proclamation provided for the Technical and Further Education Commission ('the TAFE Commission') to become a separate statutory body from the Department of Education and Communities, for the purposes of the *Public Finance and Audit Act 1983*. It came into effect on 1 July 2014
- > *Public Finance and Audit Amendment (TAFE Commission) Regulation 2014*. This Regulation removed all references to the TAFE Commission in the list of Departments in the *Public Finance and Audit Act 1983*. It also came into effect on 1 July 2014.

The employment arrangements of senior TAFE NSW staff were changed in line with the *Government Sector Employment Act 2013*. The following legislative changes were made to enact these changes:

- > *Statute Law (Miscellaneous Provisions) Act 2014* which amended the *Technical and Further Education Commission Act 1990* to clarify the employment arrangements of the Managing Director of TAFE NSW, with effect from 4 July 2014
- > *Administrative Arrangements (Administrative Changes—TAFE Senior Executives and Other Matters) Order 2014*. This Order established the TAFE Commission (Senior Executives) Staff Agency as a NSW Public Service agency responsible to the Minister. The Order came into effect on 12 December 2014

Judicial decisions

- > *WorkCover (Inspector Calvez) v TAFE Commission* [2014] NSWDC 108 (14 July 2014). In this matter TAFE was prosecuted for breaches of the *Occupational Health and Safety Act 2000* following the death of a student while horse riding in 2008. This matter, and previous prosecutions and reports relating to this case, have led to significant changes in TAFE NSW's operations around training related to horses, and all steps to minimise the possibility of any further such occurrences have been taken
- > *Urigwe v TAFE NSW, Sydney Institute* [2014] FWC 9169 (18 December 2014) in which the Fair Work Commission upheld TAFE's objection to it dealing with a redundancy. Mr Urigwe was made redundant by Sydney TAFE in 2014 and lodged an unfair dismissal application with the Fair Work Commission. This was significant because Senior Deputy Commissioner Drake found that this application was beyond the jurisdiction of the Fair Work Commission due to the implied constitutional limitation on Commonwealth laws restricting or controlling a State in the exercise of its executive authority.

PRIVACY AND PERSONAL INFORMATION PROTECTION ACT 1998

TAFE NSW ensures a confidentiality agreement is part of all contracts with service providers and consultants to protect any private and personal information related to data.

One request for alteration of information under section 15 of the *Privacy and Personal Information Protection Act 1998* was received. The request was refused because it was determined that compliance may be detrimental to the proper exercise of TAFE NSW's complaint handling functions. The applicant requested an internal review into the decision. The review will be finalised in 2015-16.

An internal review of a decision to deny access to documents under section 14 of the Act was completed. No breach was found to have occurred because the request had already been considered and refused under the *Government Information (Public Access) Act 2009*.

GOVERNMENT INFORMATION (PUBLIC ACCESS) ACT 2009

Proactive release of government information

TAFE NSW reviews its program for the proactive release of information annually in accordance with section 7(3) of the *GIPA Act*. Information is made publically available except where there is an overriding public interest against disclosure or where doing so imposes unreasonable additional costs on TAFE NSW. There was one new matter added to the disclosure log in the financial year 2014-15.

During the reporting year 2014-15, TAFE NSW launched a new more accessible website that features a responsive display across desktop and mobile devices. It contains an advanced and more intuitive search capability, improving access to information for site visitors.

The website also facilitated greater use of video and digital content, allowing TAFE Corporate to communicate better with its staff, enabling a greater level of interaction with staff during the enterprise bargaining process. Emails and presentation packs from the Managing Director to TAFE staff as well as correspondence to the different unions have all been released proactively.

In addition, the ten TAFE NSW Institutes proactively released new and updated information, including but not limited to student and industry case studies, surveys and other policy documents. The type of information provided varying between Institutes. Each Institute provides access through its Institute webpage.

Access applications received and completed

Statistical data about completed access applications received by TAFE NSW during the reporting period 2014-15 is provided in the tables below. Provision of this information complies with clause 7(d) and Schedule 2 of the *Government Information (Public Access) Regulation 2009*.

Table A: Number of access applications by type of applicant and outcome* (completed and discontinued valid applications)

	ACCESS GRANTED IN FULL	ACCESS GRANTED IN PART	ACCESS REFUSED IN FULL	INFORMATION NOT HELD	INFORMATION ALREADY AVAILABLE	REFUSE TO DEAL WITH APPLICATION	REFUSE TO CONFIRM OR DENY WHETHER INFORMATION IS HELD	APPLICATION WITHDRAWN (EXCLUDING INVALID APPLICATIONS)	INVALID APPLICATION WITHDRAWN	INVALID NEVER VALIDATED	TRANSFERRED TO OTHER AGENCY	TOTAL
Media	0	1	1	0	0	0	0	0	0	1	0	3
Members of Parliament	0	1	0	0	0	0	0	1	0	0	0	2
Private Sector business	0	0	0	0	0	0	0	1	0	0	0	1
Not for profit organisations or community groups	0	0	0	0	0	0	0	0	0	0	0	0
Members of the public (application by legal representative)	4	3	1	0	0	0	0	0	1	0	0	9
Members of the public (other)	5	5	0	2	0	0	0	1	0	0	0	13
TOTAL	9	10	2	2	0	0	0	3	1	1	0	28

*Includes four applications received in 2013-14 reporting year and completed in 2014-15.

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

There were 26 Access applications completed in the 2014-15 reporting period, including those Withdrawn, but not those which were invalid, and four received the previous reporting period and completed in 2014-15. Two matters received in the 2014-15 period and not completed are being carried forward to the next reporting year.

Of the 26 applications completed, access was granted in full nine times, refused in part ten times, and refused in full twice. Information was not held in two matters and three applications were withdrawn.

Table B: Number of access applications by type of application and outcome*

	ACCESS GRANTED IN FULL	ACCESS GRANTED IN PART	ACCESS REFUSED IN FULL	INFORMATION NOT HELD	INFORMATION ALREADY AVAILABLE	REFUSE TO DEAL WITH APPLICATION	REFUSE TO CONFIRM OR DENY WHETHER INFORMATION IS HELD	APPLICATION WITHDRAWN (EXCLUDING INVALID APPLICATIONS)	INVALID APPLICATION WITHDRAWN	INVALID NEVER VALIDATED	TRANSFERRED TO OTHER AGENCY	TOTAL
Personal information applications*	7	8	1	2	0	0	0	1	1	0	0	20
Access applications (other than personal information applications)	2	2	1	0	0	0	0	2	0	1	0	8
Access applications that are partly personal information applications and partly other	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL	9	10	2	2	0	0	0	3	1	1	0	28

*A personal information application is an access application for personal information (as defined in clause 4 of Schedule 4 to the Act) about the applicant (the applicant being an individual).

*More than one decision can be made in respect of a particular access application. If so, a recording must be made in relation to each such decision.

Table C: Invalid applications

REASON FOR INVALIDITY	NO. OF APPLICATIONS
Application does not comply with formal requirements (section 41 of the Act)	5
Application is for excluded information of the agency (section 43 of the Act)	0
Application contravenes restraint order (section 110 of the Act)	0
Total number of invalid applications received	5
Invalid applications that subsequently became valid applications	3

Table D: Conclusive presumption of overriding public interest against disclosure: matters listed in Schedule 1 of the Act

There were three access applications completed in the 2014-15 reporting period that were refused, either wholly or partly, because the application was for the disclosure of information referred to in Schedule 1 to the *GIPA Act* (information to which there is conclusive presumption of overriding public interest against disclosure). TAFE NSW refused access to information in full twice, and in part once under Schedule 1. Table D indicates that all were refused under the category of legal professional privilege.

	NO. OF TIMES CONSIDERATION USED*
Overriding secrecy laws	0
Cabinet information	0
Executive Council information	0
Contempt	0
Legal professional privilege	3
Excluded information	0
Documents affecting law enforcement and public safety	0
Transport safety	0
Adoption	0
Care and protection of children	0
Ministerial code of conduct	0
Aboriginal and environmental heritage	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application).

Table E: Other public interest considerations against disclosure: matters listed in table to section 14 of the Act

Access was refused in part 13 times and in full once for one or more public interest reasons listed in section 14 of the *GIPA Act* because, on balance, there was an overriding balance of public interest against disclosing the information.

	NO. OF OCCASIONS APPLICANT NOT SUCCESSFUL
Responsible and effective government	4
Law enforcement and security	0
Individual rights, judicial processes and natural justice	9
Business interests of agencies and other persons	1
Environment, culture, economy and general matters	0
Secrecy provisions	0
Exempt documents under interstate Freedom of Information legislation	0

* More than one public interest consideration may apply in relation to a particular access application and, if so, each such consideration is to be recorded (but only once per application).

Table F: Timeliness*

	NO. OF APPLICATIONS
Decided within the statutory timeframe (20 days plus any extensions)	24
Decided after 35 days (by agreement with applicant)	0
Not decided within time (deemed refusal)	0
TOTAL	24

*Does not include withdrawn applications but includes invalid matters never validated.

Table G: Number of applications reviewed under part 5 of the Act (by type of review and outcome)

	DECISION VARIED	DECISION UPHELD	TOTAL
Internal Review	1	0	1
Review by Information Commissioner*	1	1	2
Internal review following recommendation under section 93 of Act	0	1	1
Review by NSW Civil and Administrative Tribunal	0	0	0
TOTAL	2	2	4

* The Information Commissioner does not have the authority to vary decisions, but can make recommendations to the original decision-maker. The data in this case indicates that a recommendation to vary or uphold the original decision was made by the Information Commissioner.

Table H: Applications for review under Part 5 of the Act (by type of applicant)*

	NO. OF APPLICATIONS FOR REVIEW
Applications by access applicants	4
Applications by persons to whom information the subject of access application relates (see section 54 of the Act)	0

* Review applications received in the reporting year

Table I: Applications transferred to other agencies under Division 2 of Part 4 of the Act (by type of transfer)

	NO. OF APPLICATIONS TRANSFERRED
Agency-initiated transfers	0
Applicant-initiated transfers	0

PUBLIC INTEREST DISCLOSURES

Under TAFE NSW *Public Interest Disclosures Internal Reporting Policy* and the *Guidelines for the Management of Public Interest Disclosures*, all staff have a responsibility to report suspected unlawful, corrupt, negligent or improper conduct, serious maladministration or serious and substantial waste of public money. These TAFE policy documents establish our commitment to support and protect staff who report wrongdoing.

The Policy sets out the manner in which TAFE NSW meets its obligations under the *Public Interest Disclosures Act 1994*, and the Guidelines set out the roles and responsibilities of staff in making and receiving public interest disclosures. Both the Policy and Guidelines are available to all staff via TAFE NSW intranet site.

During the reporting period, TAFE NSW met the NSW Ombudsman's reporting requirements via its online reporting tool.

The table shows the total number of employees who made a public interest disclosure and the total number of public interest disclosures received by TAFE NSW for the period 1 July 2014 to 30 June 2015.

All disclosures were made by public officials in performing their functions as public officials.

GOVERNMENT RESOURCE EFFICIENCY POLICY

As of July 2014, the Government Resource Efficiency Policy (GREP) replaced the NSW Government Sustainability Policy and superseded the Waste Reduction and Purchasing Policy.

In 2014-15, TAFE NSW Institutes commenced implementing the Government Resource Efficiency Policy. Individual Institutes will submit their first GREP reports to the NSW Office of Environment and Heritage on 30 September 2015. Annual GREP data will be published on individual TAFE NSW Institutes' websites in compliance with the policy.

	CORRUPT CONDUCT	MALADMINISTRATION	SERIOUS WASTE	GIPA CONTRAVENTION	LOCAL GOVERNMENT CONTRAVENTION	TOTAL
Disclosures	5	0	0	0	0	5
Employees making a disclosure	5	0	0	0	0	5
Disclosures finalised	5	0	0	0	0	5

RISK MANAGEMENT, INSURANCE AND INTERNAL AUDIT

TAFE NSW is committed to ethical and transparent practices, continuous improvement, quality assurance and risk management in its delivery of services to the people of NSW.

Internal Audit

Following its separation from the Department of Education and Communities (the Department) on 1 July 2014, TAFE NSW created an Audit and Risk Unit for oversight of assurance services and corruption prevention. Between 1 July and 31 December 2014 the Department's Internal Audit Directorate was contracted to assist the Audit and Risk Unit in the conduct of audit functions. In January 2015 TAFE NSW, following a competitive tender process, outsourced its internal audit function.

The current Audit Plan is based on a three year risk assessment, covering the period 2015 to 2017. The Audit Plan and regular reports on the progress of audits and the implementation of audit recommendations are included on the agenda of the Audit and Risk Committee.

Since July 2014, the following audits have been conducted:

- > three Institute audits to assess the adequacy and appropriateness of operational systems and controls
- > examination of credit cards for compliance with existing policies and guidelines
- > analyses of abnormal and/or unusual relationships in the accounts payable and personnel/payroll databases
- > a review of Participant Safety in High Risk Courses.
- > international programs and activities to assess the design and operating effectiveness of key controls
- > commercial programs and activities to assess the design and operating effectiveness of key controls
- > procurement reviews
- > customer services (Testamurs and Transcripts Production).

Enterprise risk management

In TAFE NSW, risk is managed at both the Corporate and Institute levels, including through the use of the TAFE NSW Risk Register which is reviewed regularly by the TAFE NSW Executive and also by the TAFE NSW Audit and Risk Committee. Additionally policies and procedures are in place for high risk areas such as the gifts and benefits register and pecuniary interest registers.

Audit and Risk Committee

The TAFE NSW Audit and Risk Committee is comprised of an independent chair, one independent member and one NSW TAFE Commission Board appointed member. The Committee oversees and monitors the TAFE NSW governance, risk and control frameworks and external accountability requirements. Between July 2014 and June 2015, the Audit and Risk Committee undertook its duties and responsibilities as prescribed by Treasury Policy Paper TPP09-05 *Internal Audit and Risk Management Policy for the NSW Public Sector*.

Audit and Risk Committee meetings during 2014-15 were held on:

- > 7 October 2014
- > 9 December 2014
- > 24 February 2015
- > 21 April 2015
- > 23 June 2015.

Committee member attendance was as follows:

NAME	TITLE	MEETINGS ATTENDED
Warren Grimshaw	Independent Chair	5
Christopher Tooher	Independent Member	4
Carolyn Burlew	Board Appointed Member	5

Insurance

The Treasury Managed Fund is the self-insurance scheme that provides funding for government agencies to assist with meeting the cost of the contributions. This includes comprehensive cover for TAFE NSW employees through worker's compensation and cover for stakeholders through public liability insurance. The scheme also covers all physical assets such as buildings and equipment as well as motor vehicles and other miscellaneous matters.

The premium amount is calculated based on historical performances. The total premium for 2014-15 was \$18,656,045, of which workers compensation premium was \$12,572,995.

Internal audit and risk management policy attestation

TAB B

Version 1.1 May 2013

Template E1: No Exceptions

Internal Audit and Risk Management Statement for the 2014-2015 Financial Year for Technical and Further Education (TAFE NSW) Commission.

In the case of compliance with no exceptions use the following:

I, Managing Director of TAFE NSW am of the opinion that TAFE NSW has internal audit and risk management processes in operation that are, excluding the exceptions described below, compliant with the core requirements set out in Treasury Circular NSW TC 09/08 *Internal Audit and Risk Management Policy*.

I, Managing Director of TAFE NSW, am of the opinion that the Audit and Risk Committee for TAFE NSW is constituted and operates in accordance with the independence and governance requirements of Treasury Circular NSW TC 09/08. The Chair and Members of the Audit and Risk Committee are:

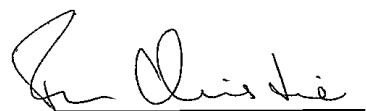
	Independent Chair	Independent Member	Board Appointed Member
Name:	Warren Grimshaw	Christopher Tooher	Carolyn Burlew
Start Term Date:	29/09/2014	29/09/2014	29/09/2014
Finish Term Date:	29/09/2017	29/09/2016	29/09/2018

TAFE NSW utilises an outsourced service delivery model for the Internal Audit function. This model was chosen because of the flexibility and adaptability it provides to meet the changing environment in which TAFE NSW currently operates.

I, the Managing Director of TAFE NSW declare that this Internal Audit and Risk Management Statement is also made on behalf of the following controlled entities *TAFE Commission (Senior Executives) Staff Agency*.

These processes provide a level of assurance that enables the senior management of TAFE NSW to understand, manage and satisfactorily control risk exposures.

As required by the policy, I have submitted an Attestation Statement outlining compliance with the policy to Treasury on behalf of the Treasurer.

 11/8/15

Managing Director (Sign and Date)

COMPLAINTS AND IMPROVEMENTS

CATEGORY OF COMPLAINT	RECEIVED	RESOLVED	CARRIED OVER BEYOND 30/6/15
General complaints (Category 1) Remedy and System Improvement (delays, inefficiencies)	955	825	130
Serious complaints (Category 2) Negotiation (unreasonable or unfair behaviour)	219	190	29
Investigation (Category 3) Alleged unlawful behaviour (conduct alleged to be either wholly or partly corrupt or contrary to the law)	66	39	27

This reporting period saw a rise in the number of complaints. This can be explained by:

- > the upgrading and modernising of TAFE NSW's business systems, resulting in implementation issues around enrolment and the issuing of transcripts
- > implementation of the NSW Government's new Smart and Skilled fees and eligibility requirements applying from January 2015 for government subsidised training
- > fee increases for other qualifications
- > allegations from students and staff about bullying and harassment
- > one Institute receiving a large number of complaints about car parking fees.

Complaints were addressed and resolved as quickly as possible.

In response to these complaints, Institutes have made improvements to their processes to improve the customer experience such as:

- > the introduction of fee instalment plans
- > workarounds to speed up enquiry and enrolment processes
- > staff training, e.g. customer engagement training, Smart and Skilled implementation workshops and Student Administration and Learning Management training to ensure all staff have a thorough understanding and ability to support customers throughout the changes
- > one on one and group/class meetings to explain the changes
- > Hunter TAFE developed the *Dignity and Respect in the Workplace Charter* to address bullying and harassment
- > undertaking a review regarding the introduction of and rise in fees for car parking.

An improvement was made in the North Coast Institute as a result of a complaint from a patron at a training restaurant. The complainant had an allergic reaction to the food and claimed to have alerted the students and staff to her allergy. In response, a poster was developed and circulated to all tourism and hospitality teaching sections within the Institute, highlighting the requirement for staff and students to ask patrons about their allergies and provide clear advice about food ingredients and preparation.

DIGITAL INFORMATION SECURITY POLICY ATTESTATION

ATTESTATION STATEMENT

Digital Information Security Annual Attestation Statement For 2014-2015 Financial Year for TAFE NSW

I, Pam Christie, am of the opinion that TAFE NSW had an Information Security Management System in place, through the Department of Education and Communities, during the 2014-2015 financial year that is consistent with the Core Requirements set out in the *NSW Government Digital Information Security Policy*.

The controls in place to mitigate identified risks to the digital information and digital information systems of TAFE NSW are adequate.

- A There is no agency under the control of TAFE NSW which is required to develop an independent Information Security Management System (ISMS) in accordance with the NSW Government Digital information Security policy.
- B TAFE NSW has maintained compliance with *ISO 27001 Information Technology – Security Techniques –information security management systems –Requirements* as independently reviewed by bsi (British Standards Institute) during the 2014-2015 financial year.

Pam Christie
MANAGING DIRECTOR TAFE NSW



3 September 2015

Department of Education and Communities (DEC) Contact Officer:

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CHIEF INFORMATION OFFICER
Information Technology Directorate
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CONTACT US

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[TAFE WESTERN](#)

1587 Forest Road, Orange NSW 2800

02 6393 5912

[WESTERN SYDNEY INSTITUTE](#)

12-44 O'Connell Street, Kingswood NSW 2747

131 870

BUSINESS AND SERVICE HOURS

TAFE NSW and Institute business and service hours are generally 8.30 am to 5.00 pm. In addition, Institute customer service centres and college libraries are open in the evenings during semester.



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