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2011

ANNUAL REPORT

CANBERRA INSTITUTE OF TECHNOLOGY





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ACT
Government

Canberra Institute of Technology
Annual Report 2011

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TRANSMITTAL CERTIFICATE

Dr Chris Bourke MLA
Minister for Education and Training
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

I present to you the Canberra Institute of Technology Annual Report for 2011.

This Report has been prepared under section 6(1) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements referred to in the Chief Minister's Annual Report Directions 2010-2011 as well as other applicable legislation.

I hereby certify that the attached Annual Report is an honest and accurate account and that all the material information on the operations of the Canberra Institute of Technology during the period 1 January 2011 to 31 December 2011 has been included and complies with the Chief Minister's Annual Report Directions.

I also hereby certify that fraud prevention has been managed in accordance with Public Sector Management Standard 2, Part 2.4.

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you provide a copy of the Report to be laid before the Legislative Assembly within three months of the end of the calendar year. Pursuant to Section 14 of the *Annual Reports (Government Agencies) Act 2004* the Chief Minister extended the timeframe for the presentation of the report to 1 May 2012. The Legislative Assembly was advised of a further extension for the presentation of the report on 1 May 2012.

Yours sincerely



Adrian Marron
Chief Executive
30 May 2012

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From the Chief Executive

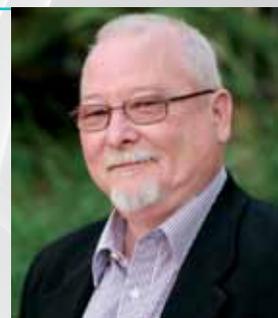
It is my pleasure to present the 2011 Canberra Institute of Technology Annual Report.

This report details our performance in this very challenging year and showcases some of the many highlights enjoyed by the students and staff of CIT. Fundamentally CIT is in good shape for the tasks ahead; before non-cash extraordinary items, CIT met its financial and principal performance targets for 2011 and has made plans for the future consistent with our vision to be Australia's premier vocational education and training provider.

CIT is the fifteenth largest TAFE institute in Australia and recognised as one of the top quality VET providers. John Mitchell, a respected commentator on VET, wrote in Campus Review on 19 September 2011 that "if VET had the equivalent of the group of eight prestigious sandstone universities, CIT would be in it."

CIT operates within the context of a dynamic tertiary environment and must be responsive to the reform agenda at both the national and local level. In 2011 we welcomed the advent of the new VET regulator, the Australian Skills Quality Authority (ASQA) and were pleased to receive delegation from ASQA to accredit VET courses and to manage CIT's scope of registration. CIT has benefitted from such a delegation over the past 15 years as it enables us to respond quickly to emerging skill needs and to produce job ready graduates in a timely way.

We are proud of our reputation and the achievements of our students. Changing lives through educational achievement for a diverse range of students is our business. This diversity is exemplified by the events I attended in one week at the end of the year. As well as the fantastic Momentum and the Forensic Science Research Showcases, there was the Building and Environment Centre's awards night and



Adrian Marron
Chief Executive

graduations for our Learning Options courses for student with disabilities and for women returning to the workplace.

Nevertheless we must acknowledge that we operate in a changing environment and cannot expect to be insulated from developments in other states or within the ACT itself. Developments in larger states, such as the move to a more competitive training market and contestable funding influence the national agenda and have an impact across the country. Similarly the proposal in Victoria for the larger TAFE institutes to become full government enterprises and to have a high level of autonomy and different governance and business arrangements cannot be ignored in terms of shaping CIT's future.

As always sustainability and the continuing development of CIT will guide our business decisions. CIT has consistently demonstrated in the past that as an organisation we are prepared to evolve.

CIT faces the future as a resilient innovative organisation keen to adapt and change as it continues to meet the skill and workforce development needs of the ACT economy and community.

SECTION A

Performance and Financial Management Reporting



Prime Minister Julia Gillard visited the Fyshwick Trade Skills Centre to promote vocational education initiatives contained in the 2011 Federal Budget, including further reform of the apprenticeship system

Role

Canberra Institute of Technology (CIT) is a leading, quality endorsed vocational education and training (VET) provider committed to education excellence in courses provided to students, industry and the community in the ACT and beyond.

CIT's functions as set out in the *Canberra Institute of Technology Act 1987*, include:

- fostering excellence in the study and provision of VET
- advancing and developing VET knowledge and skills
- supporting and assisting the development of industry, commerce and the community
- promoting community awareness and appreciation of VET.

CIT is a publicly-owned educational institution and the largest Registered Training Organisation (RTO) providing vocational education for people in the ACT and region. With a focus on workforce development, CIT serves both large and small local and national employers through the promotion and implementation of Training Packages, accredited courses, and customised and fee-for-service programs.

In 2011 CIT delivered 6.4 million nominal hours of training with 38,000 program enrolments, and conferred more than 9,000 awards to job-ready graduates across more than 18 major industry groups. CIT operated on four campuses at Reid, Bruce, Southside and Fyshwick, two Learning Centres in Tuggeranong and Gungahlin, and training facilities at Sutton Road.

CIT provides:

- initial and ongoing vocational education and training

- select higher education degrees in niche areas
- apprenticeship training, including Australian school based apprenticeships (ASBA)
- other vocational training delivered in the ACT under a funding agreement between the ACT and Australian Governments such as the Productivity Places Program
- 'second chance' general education (through CIT Vocational College) including the ACT Year 12 Certificate
- VET in Schools programs including central courses for Year 9 and 10 students, and support for schools offering Certificate I, II and III qualifications
- activities for students and parents as part of the Smarter Schools Partnership
- a wide range of fee-for-service courses, including adult and community education courses, customised training programs for business and industry, and consultancy services.

CIT strives to provide students with quality learning experiences, industry-appropriate knowledge and skills, and student support services.

CIT has scope to offer 578 vocational education and training qualifications, including 361 from Training Packages and 217 which are accredited courses. These qualifications range from certificates through to diplomas and advanced diplomas, with statements of attainment for short programs. A significant proportion of VET qualifications delivered by CIT are at the higher levels of the Australian Qualifications Framework (AQF). In addition, CIT is registered to offer four bachelor degree programs and partners with two universities to offer a further two degrees and two associate degrees in the ACT. (See Section A2 for details.)

Programs are delivered in a variety of ways and locations to increase student and industry access and to meet the different needs of the diverse student population. Creative learning options are used in classrooms, in distance as well as online learning, and within workplaces and simulated work environments and Learning Centres. CIT's qualified and skilled teachers use innovative teaching and learning strategies to ensure learning outcomes are achieved by students.

Improving student pathways from school to CIT and between CIT and universities is an important aspect of CIT's role. CIT has a special relationship with a number of schools and colleges and also offers learning opportunities for school students using CIT's specialised facilities. CIT has articulation arrangements with a number of universities, with the majority, more than 180, with University of Canberra (UC).

CIT's role in the changing tertiary environment

CIT actively contributed to the development of the report *Learning Capital: an integrated tertiary education system for the ACT*, and began 2011 with a strong commitment to building on the already strong partnerships with schools, training providers and other tertiary institutions in the ACT.

This year was one of significant change in the national VET arena with the introduction of the Australian Skills Quality Authority (ASQA) and the National Skills Standards Council (NSSC). The ACT was one of the first jurisdictions to be nationally regulated requiring CIT to demonstrate responsiveness and adaptability. CIT has received delegation from ASQA to accredit VET courses and to manage CIT's scope of registration.

Mission and values

With an aspiration to be a contemporary and innovative education and training institution, CIT started 2011 with a refreshed mission and vision to position itself in the changing tertiary education environment.

In line with CIT's vision to be the premier vocational education and training provider in Australia, CIT's mission is to change lives through first class education and training. The new mission will be realised through six strategic pillars:

- teaching and learning
- people
- infrastructure
- organisational efficiency – processes and systems
- business opportunity and development
- connected ACT tertiary system.

The key values that underpin CIT's endeavours are quality, integrity and respect which are reflected in the way staff work with students, employers and the community as well as each other.

CIT also values diversity and the rights, dignity and safety of all individuals, and works hard to reduce barriers to access and to provide options for those disadvantaged in learning.

The refreshed mission and vision are designed to focus CIT on the key outcomes needed to deliver the best possible education and training opportunities and results for the people of the ACT.

Structure

CIT is a statutory authority operating under the Canberra Institute of Technology Act 1987. The CIT Chief Executive is responsible to the ACT Minister for Education and Training.

The CIT Advisory Council (CITAC) consists principally of representatives of industry and commerce, and is able to provide direct high level strategic advice to both the Chief Executive and the Minister. During 2011 CITAC implemented a plan to strengthen its contribution to the work of CIT. (Section C5 includes further detail about CITAC.)

The CIT Executive management structure is illustrated in the diagram in Section C5.

In 2011, CIT continued to deliver quality learning and development, and underpinning support services to students through 16 teaching and support centres.

Teaching Centres

- Building and Environment Centre
- Centre for Business
- Centre for Creative Industries
- Centre for Educational Excellence
- Centre for Health, Community and Wellbeing
- Centre for Information and Communication Technology
- CIT Vocational College
- Science, Forensic and Engineering Centre
- Tourism and Hotel Management Centre
- Fyshwick Trade Skills Centre
- Yurauna Centre (Aboriginal and Torres Strait Islander Education)

Support Centres

- Central Support Centre
- Human Resource Management Centre (from November 2011, formerly the Centre for Organisational Capability)
- Learning Centre
- Marketing and National Positioning Centre
- Student Services Hub

Clients and stakeholders

Students, industry, employers, government and the community are all valued clients and stakeholders of CIT.

The profile of CIT students has remained consistent over the past three years. Three out of four CIT students come from the ACT, approximately 55 per cent of students are aged over 26, and approximately 85 per cent study part-time.

The ACT Government provides a significant proportion of funding (66 per cent) for CIT and agreed outcomes are described in CIT's annual Statement of Intent which forms part of the ACT Budget. This is an agreement, co-signed by the Minister for Education and Training, the Treasurer and CIT's Chief Executive, which covers:

- corporate objectives
- strategic framework and annual operational priorities
- agreed annual Training Profile
- relationship with the ACT Education and Training Directorate
- performance measure and targets
- strategic and operational management of financial resources
- staffing profile and occupational health and safety
- service provision capability and longevity
- optimal level of investment in CIT
- strategic asset management.

CIT also receives significant revenue from contestable sources including user choice (apprenticeship funding), international students, commercial activities and national projects. Further revenue is generated through CIT Solutions, a wholly-owned subsidiary.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

Summary of performance

CIT successfully achieved its 2011 priorities, contributing to the skill development and employment outcomes of students, and the economic development and social wellbeing of the ACT and region.

The profile of CIT students in 2011 was as follows:

- 75.9 per cent came from the ACT, 16.2 per cent from New South Wales, 2.7 per cent from interstate and 5.2 per cent from overseas
- 45.4 per cent were aged 25 years and under and 54.3 per cent were aged over 26 years
- 56.1 per cent were employed and 13.3 per cent were unemployed. (The employment status of 30.6 per cent was not stated.)

Achievements in 2011 included:

- 92 per cent learner satisfaction rate which was 7 per cent above target
- 92 per cent employer satisfaction rate which was 12 per cent above target
- 92 per cent of graduates were employed or in further study after training compared with 87 per cent nationally
- module pass rates were 79 per cent which was 4 per cent above target
- 9,012 awards conferred, 200 more than in 2010
- 6.4 million hours of training were delivered with the profile target achieved
- 37,988 program enrolments, a 2.8 per cent increase on the previous year
- 22,981 students in vocational programs and more than 6,500 in adult and community education (ACE) programs

- 359 VET in School /ASBA student enrolments compared with 244 in 2010
- 1,191 international students compared with 1,284 in 2010, a 7 per cent decrease compared with greater decreases interstate
- 521 Aboriginal and Torres Strait Islander students compared with 388 in 2010
- 3,153 apprentices studying at CIT compared with 2,778 in 2010
- eLearn was successfully rolled out to all staff and students. In October 2011 there were 55,000 visits to the eLearn site, and by the end of 2011 the eLearn repository contained over 62,000 live and useable items
- 11 major Training Packages implementations, including replacement qualifications in CIT's most popular program areas (plumbing and accounting)
- 85 different vocational programs were offered at the newly opened CIT Gungahlin Learning Centre by mid-2011, 50 of which can be fully completed at Gungahlin
- the new electrotechnology building opened on Fyshwick Campus providing enhanced learning opportunities across the electrical trades
- CIT and CIT Solutions each won significant multi-million dollar contracts, one with Australian Defence Force Academy (ADFA) and the other with the Australian Government.

Further detail of CIT's performance is discussed throughout the report.

The CIT Planning Framework

Vision

To be the premier vocational education and training provider in Australia



Mission

Changing lives through first class education and training



Strategic Pillars

Teaching and Learning

People

Infrastructure

Organisational Efficiency and Development

Business Opportunity and Development

Connected ACT Tertiary System



Strategic Themes



1. Growing the business
2. Promoting quality education and training
3. Expanding organisational capability
4. Establishing contemporary client service and facility
5. Pursuing industry, community and government partnerships



Strategic Themes



Centre Plans

Planning framework

CIT has a comprehensive planning framework that links centre business plans with the Strategic Statement, which includes the new vision, mission and strategic pillars. This is illustrated in the diagram of the CIT Planning Framework. Other key CIT-wide plans, such as the Teaching and Learning Plan, and annual priorities also inform annual business planning that involves staff at all levels in the organisation.

One of CIT's strengths is its links with industry, and the variety of ways in which industry views feed into the planning framework. CITAC and the Centre Advisory Committees play an important role in this process.

Organisational environment

CIT operates in a changing tertiary education environment and is responsive to national and ACT Government goals, plans and priorities for tertiary education, and skills development and workforce participation.

The Minister for Education and Training represents the ACT on the Standing Council on Tertiary Education, Skills and Employment (SCOTESE). The standing council has responsibility for setting the national priorities, strategic policy directions and funding for the tertiary education sector and reports to the Council of Australian Governments (COAG). Key cross sectoral issues are also the responsibility of the standing council.

In August 2011 COAG agreed future VET reform should focus on:

- a flexible and demand-driven training system
- greater contestability of funding for public training and greater competition between providers

- recognition and support for the key role of TAFE as the public provider in a competitive market. This includes the delivery of high-cost technical training and encouraging participation of disadvantaged students
- increased take-up of higher-level qualifications and strengthened pathways between the sectors
- greater transparency to support informed choices by employers and students through initiatives such as the MySkills website and a Unique Student identifier
- improved quality through regulatory arrangements, a renewed focus on VET teacher development and the introduction of stronger quality measures for VET providers.

Furthermore reform of the apprenticeship system to improve completion rates through fast tracking and a mentoring program was announced as part of the 2011-2012 Federal Budget.

There were a number of major national tertiary education reforms during 2011 which influenced the environment in which CIT operates. Principal among these were:

- the introduction of a national regulatory framework. The Australian Skills Quality Authority (ASQA) commenced operation in July 2011 assuming responsibility for course accreditation and registration and quality assurance of vocational training providers in the ACT. The Tertiary Education Quality and Standards Agency (TEQSA) the higher education regulatory body, is due to commence in January 2012
- plans to introduce uncapped places and new student funding arrangements in Australian universities in 2012, which had the potential to influence the pattern of student demand in TAFE with the greatest impact on VET diplomas and

advanced diplomas. However, the Minister for Tertiary Education, Skills, Science and Research announced in November 2011 that sub-degree places would not be uncapped but allocated to universities on an institution by institution basis

- implementation of recommendations of the Knight Review of Student Visas. Although the reduction of financial requirements for students applying from Level 3 and 4 countries currently applies only to universities, TAFE could benefit from a proposed change to streamline visa processing for students who package their non-university course with an eligible university course
- amendments to *Education Services for Overseas Students (ESOS) Act 2000* (Commonwealth) to strengthen the registration process for approved providers, in line with the recommendations of the Baird Review.

In serving the skill development needs of the ACT community, CIT also responds to:

- the 2010 report *Learning Capital: an integrated tertiary education system for the ACT* that called for a more unified tertiary system in order to offer seamless transitions between local institutions to ensure the best outcomes for students
- *The Canberra Plan: Towards Our Second Century*, which sets out long-term plans for the future of Canberra and has 'excellent education, quality teaching and skills development' as one of the plan's strategic themes
- *ACT Annual Vocational Education and Training Priorities*, which guides government funding of vocational education and training in the ACT
- *The ACT Young People's Plan 2009-2014*, which aims to ensure young people in Canberra reach their full potential

- corporate objectives and targets, and the strategic and operational priorities set out in the annual Statement of Intent
- the *National Agreement for Skills and Workforce Development*, a bilateral agreement between the Commonwealth and the ACT Government. The agreement is to be re-negotiated in 2012 and there are plans to include a National Partnership to reform the VET system.

The ACT Government has a strong commitment to vocational education and training and provides significant funding to support subsidised programs at CIT. In addition, CIT works closely with the Education and Training Directorate to deliver:

- National Partnership for Youth Transition and Attainment, particularly the mandatory requirement for young people to continue in education, training or employment until they turn 17 and to have an individual pathway plan
- Smarter Schools National Partnership that aims to transform schooling in disadvantaged communities and targets four ACT primary schools
- Bimberi's training program for youth in detention.

Administrative arrangements

On 23 November 2011, Dr Chris Bourke MLA was appointed as the ACT Minister for Education and Training replacing Mr Andrew Barr MLA who had been the responsible Minister for nearly six years.

Legislative framework

CIT has a range of powers under the *Canberra Institute of Technology Act 1987* relating to its functions as an education and training provider.

The Act gives various statutory powers to the Minister including the power to approve, determine

and provide directions on the functions of CIT as described in Section 5 of the Act. Such directions are modifiable instruments under the *Legislation Act 2001*. The Minister also appoints the CIT Chief Executive and all members of CITAC. No directions were issued in 2011.

In addition to the ACT legislation that applies to all ACT Government agencies, significant Commonwealth legislation affecting CIT's operations includes:

- *Skilling Australia's Workforce Act 2005 (Commonwealth)*
- *National Vocational Education and Training Regulator Act 2011 (Commonwealth)*
- *Higher Education Support Act 2003 and Higher Education Support Amendment (Demand Driven Funding System and other Measures) Act 2011 (Commonwealth)*
- *Education Services for Overseas Students Act 2000 and Education Services for Overseas Students Amendment Acts 2011 (Commonwealth)*.

Subsidiaries

CIT Solutions Pty Ltd

CIT Solutions is a wholly-owned subsidiary of CIT, which reports to the Australian Securities and Investments Commission in accordance with the *Corporations Act 2001*. The company's audited financial statements are consolidated within CIT's financial statements on a calendar-year basis.

CIT Solutions remains the training provider of choice for many Australian Government departments and agencies for their graduate programs. Throughout 2011, CIT Solutions continued to build its relationships with key government clients, such

as the Department of Broadband Communication and the Digital Economy and the Department of Homeland Security, in relation to the provision of public sector training. CIT Solutions continued to be responsible for the marketing and recruitment of CIT's international students and to offer the largest ACE program in the ACT and region. See Section A9 for more details of the performance of CIT Solutions.

Partnerships

CIT has a diverse range of education, government and industry partners.

Partnerships with other tertiary education institutions

CIT has a Memorandum of Understanding (MOU) with three universities in the ACT, and a regional NSW university to provide students with a pathway to a degree.

University of Canberra (UC) is a partner of CIT, and under a longstanding MOU has more than 180 articulation arrangements providing students with agreed credit transfer from predominantly diploma and advanced diploma programs into related UC degrees.

Collaboration also enhances opportunities for students. For example about 50 UC students study *Principles of Forensic Science* at CIT as part of their degree program and arrangements are in place for reciprocal library borrowing rights.

Australian National University (ANU) has an agreement with CIT whereby two ANU Associate Degrees in Engineering and Science are offered by CIT and guarantee eligible students admission into the related degree program with one year credit. In addition, articulation arrangements have been negotiated for some courses.

Australian Catholic University (ACU) has an agreement with CIT that enables graduates of the Advanced Diploma of Community Services and the Diploma of Nursing to be admitted into the second year of the related degrees.

Charles Sturt University (CSU) has an agreement with CIT that provides two years credit for graduates of CIT Advanced Diplomas of Business into the CSU Bachelor of Business Studies, with the third and final year of the degree taught in Canberra by CIT teaching staff mentored by academics at CSU. A similar arrangement is in place for the CSU Bachelor of Information Technology and CIT also delivers the Graduate Certificate in Management (Professional Practice).

In addition, CIT has a partnership with the **Academy of Interactive Entertainment (AIE)** with the AIE delivering CIT 3D animation courses under profile funding and collaborating with CIT in the delivery of the Bachelor of Games & Virtual Worlds (Programming). In 2011 CIT was successful in relation to an application for the bachelor degree to be accredited in Victoria, which was necessary given mutual recognition does not apply to the accreditation of higher education programs.

Partnerships with ACT schools and colleges

An MOU between the three parties, Gungahlin College, Libraries ACT and CIT was signed in November 2011. This cemented the arrangements for the new ACT Government shared facility at Gungahlin and provided a framework for the operational, day-to-day collaborative arrangements that had been developing rapidly during the year. See Section A3 for more detail about the Gungahlin Learning Centre.

CIT Centres have special relationships with individual schools and colleges to enhance

vocational training opportunities for students, including disadvantaged students. For example:

- Centre for ICT, as the CISCO Regional Academy, offers support to colleges on a needs basis, and in 2011 actively supported Erindale, Lake Ginninderra and Gungahlin Colleges
- Centre for Business delivers two units from the Certificate IV in Business, which count towards the Year 12 Certificate, for the young mothers program at Canberra College
- Tourism and Hotel Management Centre offered the Certificate I in Hospitality to students with a disability at both Black Mountain School and Woden School and offered the Certificate II to students at Burgmann College
- Centre for Health, Community and Wellbeing Children's Services diploma students have been assisting St Peter and St Paul Primary School children with various gardening projects in the school's purpose built environment centre.

As part of the Smarter Schools Partnership, CIT has an MOU with Richardson, Charnwood, Dunlop, Florey and Kingsford Smith primary schools to encourage their communities to participate more actively in further education and training. In 2011:

- CIT careers advisors organised sessions for year 5 and 6 students in two schools to 'dress up their teacher' in the clothes of different jobs and to talk about different occupations and their training requirements
- student visits to CIT campuses were organised for two of the schools
- CIT Vocational College offered their Learning Options program for parents at Florey.

Partnerships with government

ACT Education and Training Directorate

and CIT have a four year partnership whereby CIT central courses are offered to year 9 and 10 students. These are short taster courses designed to engage students and increase participation and retention; enabling students to gain practical work related skills in an authentic environment at a CIT campus. In 2011, 164 students were enrolled in seven different central courses.

In addition, 31 college students were enrolled in nine different E courses and CIT continued to work closely with the directorate to provide vocational education and training for high school and college teachers delivering VET within the ACT school system.

ACT Health Directorate and CIT's Centre for Health, Community and Wellbeing have a strong partnership to develop training to meet the skill needs of the health care workforce. During 2011 the centre piloted an innovative intravenous medication program delivered mostly online to 25 ACT Health enrolled nurses. It also worked with ACT Dental to develop and trial an infection control update program for dental professionals and dental practice staff. In addition, CIT's Yurauna Centre provided cultural awareness training.

Australian Public Service Commission and CIT have an ongoing arrangement whereby the Centre for Business provides project management training in Australian Government departments through a mix of workshops and online delivery.

Australian Government Information Management Office and CIT's Centre for ICT are partners in the delivery of the Information Technology Apprenticeship program. In 2011 there were 50 commencements and 24 graduates.

Industry and business partnerships

Australian Defence Force Academy (ADFA)

and CIT became partners in 2011 when the Centre for Business signed a three year agreement to provide military communications training for ADFA cadets and midshipmen in each year of their study. More than 1,000 students were enrolled this year, student retention and feedback was good, and 252 students completed eight of the 10 units required for the Certificate IV in Business.

Royal Australian Mint and CIT's Centre for Creative Industries signed an MOU for students in Graphic Media and Digital Design to design commemorative coins and associated presentation packaging. Three students received awards when coins were exhibited at the Mint, and their work may go into production. As a second project, students also designed a new National Security Medal for the Mint.

Australian Federal Police (AFP) and CIT's Building and Environment Centre have a three year MOU covering the environmental restoration and development of the AFP Majura site and other related activities such as student training opportunities.

Australian Hotels Association, ACT Branch, partners with CIT, a reputable RTO, to assist businesses in accessing a range of training courses for staff employed in hospitality.

Housing Industry Association of ACT and Southern NSW has nominated CIT as the training provider of choice for their Group Apprenticeships Scheme, while Toyota has an agreement with Fyshwick Trade Skills Centre to provide **Toyota** specific training for their apprentices in Canberra and the region, utilising a flexible approach that facilitates fast tracking and early completion.

Harvey World Travel and CIT's Centre for Tourism and Hotel Management had an MOU covering the delivery of the Certificate III in Retail Sales, using the computerised package and resources used in the workplace.

National Centre for Forensic Studies is a partnership between CIT, UC and the AFP that brings together many forensic science disciplines, including crime-scene investigation and computer forensics offered by CIT. In 2011 CIT completed a three year project, as part of the Australian Government's Overseas Development Assistance, to provide specific forensic science training for approximately 150 members of the Iraqi Police Service.

Therapeutic Goods Administration and CIT's Centre for Business have an agreement covering Front Line Management training for middle managers and management development for senior staff, which continued for the third year with more than 200 staff being trained during this time.

Cultural partnerships

CIT's Centre for Creative Industries continued its strong associations with national cultural institutions. Through the delivery of museum

practice, corporate communication and design courses, relationships are active with the **Australian War Memorial, National Museum of Australia, Queanbeyan Museum, the National Film and Sound Archive, and the Public Relations Institute of Australia.**

Partnership with CIT Student Association (CITSA)

The established partnership between CIT and CITSA continues with students and staff benefitting in 2011 from the significant financial contribution CITSA made in 2010 to campus improvements such as the photovoltaic panels installed on the roof of the electrotechnology building at Fyshwick campus.

In 2011 CITSA continued to provide cash prizes to students in all centres as well as being a major financial sponsor of the creative industries showcase of graduating students work at Momentum. CITSA awards two significant scholarships annually. The Craig O'Neil Scholarship of \$2,000 for a meritorious accounting student who articulates to the University of Canberra and the \$2,000 Len Barrett Award for a graduating Indigenous student from a high level program.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

CIT had a very successful year in 2011, recording high levels of learner and employer satisfaction, meeting the target for government subsidised training, and increased business development activities and commercial revenue. CIT ended the year in a good budget position as a result of its strong financial performance and better than predicted international student numbers.

Winning Large Registered Training Organisation of the Year for the fifth year in a row at the ACT Training Excellence Awards was a highlight. CIT also celebrated a range of awards won by staff and students in 2011, including recognition of Steve McMahon as ACT Vocational Teacher of the Year. These awards signify the high quality of the vocational education provided by CIT to a diverse cohort of students who are highly skilled and work-ready on graduation. (See Appendix 1 for a listing.)

Other significant achievements for 2011 included the successful implementation of eLearn - CIT's online learning environment, and the opening of the Gungahlin Learning Centre and the new electrotechnology building at the Fyshwick campus.

Teaching and learning

This year CIT published a new *Teaching and Learning Plan 2011-12*. The plan builds on the previous plan (2009 – 2010) in particular in the areas of innovation, flexible learning, e-learning and higher education while taking out the specific outcomes where there has been significant achievement such as in skills recognition. The plan recognises that the tertiary education environment will be more integrated and therefore new models of industry embedded work ready skills with stronger academic learning will develop as relationships with university partners evolve.

Teaching and learning highlights for 2011 are detailed below.

Learner Engagement Survey and Employer Satisfaction Survey results

Overall, 92 per cent of students were satisfied with the training delivered at CIT in 2011. Levels of satisfaction were highest in areas related to training quality and overall satisfaction. Improvements were seen across all areas since 2010, with greatest improvements for feedback on assessments and students looking for their own resources to help them learn.

Overall, 92 per cent of employers were satisfied with the training delivered by CIT in 2011. Levels of satisfaction were highest in areas related to training quality, training resources and overall satisfaction. Improvements were seen across the majority of areas, with the greatest improvements for 'preparing employees well for work', the training being effectively integrated into the employers' organisation and 'acting on feedback from employers'.

eLearn

eLearn comprises a learning management system, a digital learning object repository and a synchronous live virtual classroom and is an essential part of CIT's objective to provide flexible and accessible learning.

eLearn was successfully rolled out to all staff and students in January 2011, and, with the implementation of eLearn, CIT has had a 7.5 per cent increase in the number of courses that have online learning content in them. In addition the subject evaluation tool utilised by CIT was revised and embedded in eLearn this year.

Staff and student eLearn surveys were conducted in 2011. Overall satisfaction with eLearn is high with 85 per cent of students and 91 per cent of staff satisfied. More than 80 per cent of students

and staff found eLearn easy to use to access material and resources. They also liked eLearn because it increased communication with teachers and students, and provided flexibility in learning. Students use eLearn both at home, 89 per cent, and at CIT, 67 per cent.

A paper was presented at the E-learning Futures Conference in New Zealand in December 2011 by CIT staff on the new online learning environment. In addition papers were presented at the Manufacturing Skills Australia Conference in Brisbane in August and at the Modern Apprenticeships Conference in Sydney in October on e-learning in metal fabrication trades.

Some interesting statistics about eLearn are:

- 55,000 visits to the eLearn site, 1,900 of these from mobile devices, in October 2011
- 55 courses are actively using the live classroom as a training medium
- the eLearn repository contains over 62,600 live and useable items
- 632 courses are using online assignment submission
- 1,033 courses are using discussion boards.

CIT also provides professional development to support the implementation of eLearn, details of which are in Section C8.

The Learning Centre has been partnering with teaching centres to support CIT's online infrastructure and strategies in relation to eLearn Resources (eLR) by:

- maintaining and developing the repository and sourcing new digital resources
- moderating all learning resources put into eLR to ensure quality and accessibility (approximately 800 per month).

The Centre for Health, Community and Wellbeing has been the biggest contributor of learning resources in 2011, with over 7,000 learning resources contributed.

CIT's eLR implementation has been recognised as a leading edge example of implementation of a digital object repository. As a result CIT staff gave presentations at two conferences in 2011, and responded to interest in the CIT model from several other VET providers.

Learning in the community: Gungahlin Learning Centre

The new CIT Learning Centre in the Gungahlin College precinct offers:

- an expanding range of new VET learning options in Gungahlin
- access to a full range of student services, support and information for existing or future students residing in Gungahlin
- a technology enhanced 'drop-in' hub for existing CIT students who live and work in Gungahlin and region.

Awareness of the CIT Learning Centre at Gungahlin has been growing rapidly and by second semester over 85 different CIT programs were offered, approximately 50 of which can be fully completed at Gungahlin. The programs include statements of attainment as well as certificates and diplomas. Most of the programs make significant use of CIT's eLearn environment and many offer continuous enrolment and self-paced learning.

By December 2011, there were 1,202 module enrolments into 42,456 nominal hours of learning in programs from seven of CIT's nine teaching centres.

Workplace delivery

CIT's focus in 2011 has been on developing a shared understanding of workplace learning to meet business needs and developing groups of teachers who have industry relevant approaches to workforce development.

Examples of successful workplace delivery by the Centre for Business include:

- Justice of the Peace training for 50 participants in a two day workshop
- front line management training provided online for 60 people in the business community.

Student showcases

The results of teaching and learning are measured in student outcomes and evident in showcases of student work.

Creative Industries Showcase: Momentum 2011

Momentum was an excellent showcase of the strength and breadth of student work across 11 creative disciplines including fashion, music, design, media photography and animation. The work of 220 students was showcased through exhibition, performance and the event organisation itself, enabling the community to see the full range and diversity of student achievement. Industry's strong endorsement of CIT programs was evident in their sponsorship and active support. Momentum was an innovation in 2011 replacing the individual end of year exhibitions and fashion parades of previous years.

Forensic Science Research Showcase

The Forensic Science Research Showcase gave graduating students in the degree an opportunity to present their research projects to academic and industry representatives, which also demonstrated

the high quality of teaching and learning in the program.

Leading ACT participation in the national E-learning strategy

CIT continues to play a prominent role in leading national and ACT based e-learning activities for the Flexible Learning Advisory Committee (FLAG). Valued at \$1.25 million, CIT successfully managed:

- Industry Integration of E-learning – CIT managed this significant industry e-learning activity which stimulates national employers, in ten industry sectors, to engage with RTOs to deliver accredited training to their staff using e-learning
- Communities of Practice – CIT hosted a national online conference, and utilised other strategies to facilitate online communities across VET and industry areas and enhance the up-take and embedding of e-learning
- ACT E-learning Coordination Service – As an agent for FLAG, CIT provided e-learning mentoring and support to the ACT region's VET network of public, private and enterprise RTOs
- ACT E-learning Innovations – CIT provided support and seed funding to ACT RTOs to embed e-learning to meet the ACT community's training needs.

Of particular interest, in 2011 CIT won two of five ACT E-learning Innovations projects:

- Centre for Health Community and Wellbeing partnered with Anglicare Canberra Goulburn to customise the pathway planning tool for aged care staff
- Centre for Building and Environment partnered with ACT Planning Land Authority to create online construction learning objects to provide gap training in on-site supervision.

From 2012 the new *National VET E-learning Strategy* will focus on developing the Australian training system's capacity to capitalise on the roll-out of the National Broadband Network (NBN).

Business opportunity and development

Agility and responsiveness mark CIT's approach to business opportunity and development. CIT's long term goal is a resilient business model that delivers a surplus for re-investment.

New projects

During 2011 CIT won several substantial tenders for the development and delivery of vocational education resources and training and achieved the targeted 10 per cent increase in Business Development Unit revenue. Examples include:

- the ADFA three year contract to deliver military communications training worth in excess of \$1 million (See Section A2 for details)
- the Construction and Property Services Industry Skills Council specified CIT as the lead training provider for two successful Critical Skills Investment Fund projects
 - delivery of the Diploma of Building and Construction (Building) and the Diploma of Project Management for existing workers for up to 50 employers in the building industry in the ACT and regional NSW
 - 'Closing the Spatial Gap' to deliver training to industry in Queensland
- the Health Workforce Australia Simulated Learning Environments Project for the ACT in which CIT and UC will develop inter professional scenarios, drawing on CIT's Virtual World and UC's Birth Place Island projects

- the Australian Diabetes Educators Association contracted CIT to develop an online training program on diabetes for Aboriginal Health Workers. CIT brought together the expertise of e-learning specialists, to ensure the content was interactive, intuitive and engaging, as well as the Yurauna Centre and the broader community to ensure it was Indigenous-specific.

Language training for migrants and refugees

CIT was successful in winning the new Australian Government Adult Migrant English Program (AMEP) contract with implementation commencing in July 2011. AMEP provides English language classes to new migrants and refugees and at any one time there are between 300 and 400 students enrolled in this program at CIT Vocational College.

Commercial courses

In 2011 commercial courses offered by CIT centres have increased. Examples include:

- ACT's only accredited carbon accounting short course which gives employees the skills to accurately assess their organisation's carbon emissions, a vital first step towards seeing emissions reduced in line with ACT Government targets
- post trade plumbing training programs were moved from profile to commercial with no significant reduction in student numbers. ACT employees are eligible for reimbursement of a percentage of the course costs upon successful completion of their training
- the new CIT accredited Advanced Diploma of International Hotel and Resort Management has attracted both international and domestic students

- a short course for Mental Health Consumers funded by ACT Health, that also funds scholarships for students who successfully complete this course.

In 2011 CIT Solutions successfully:

- won a substantial multi-million dollar contract to provide learning and development services to the Australian Government
- secured a large number of places in the Australian Government's Productivity Places Program
- partnered with the Australian Public Service Commission to deliver accredited training to their Indigenous trainees.

International students

According to Australian Education International's *Onshore International Students at Public VET Institutions, 2010 Research Snapshot*, CIT was ranked in the top 10 Australian public VET institutions attracting onshore international students.

In 2011 CIT Solutions continued to successfully market CIT as a premier VET destination and has performed very well in attracting international students, with 1,191 students resulting in 2,100 enrolments across nine CIT centres. Overall this was a good result, achieved in the context of a difficult trading environment, with increasing overseas competitors and a higher dollar putting pressure on the company's inbound international student numbers. CIT finished the year far better than predicted with totals showing both a decline in new enrolments of five per cent and of overall enrolments of less than 11 per cent. In 2011, 207 international students graduated from CIT.

While the Knight Review favoured the university sector, its release did provide some relief to the

overall international student program. Students no longer have to go through the onerous Pre-Visa Assessment process. The amount of funding required has been reduced as is the time required to have funds held in bank accounts prior to applying for their visas. This along with other government policy initiatives is being well received in the marketplace.

Connected ACT tertiary system

The tertiary education environment is changing nationally with significant reforms to the higher education system planned to take effect from 2012. The reforms are aimed at increasing student participation and competition between providers through a major change to student funding arrangements and availability of places. In the ACT significant changes have also been debated over the past 12 months.

People

During 2011 negotiations were successfully concluded and approval-in-principle received for new two year enterprise agreements for teachers and general staff which will take effect after consultations when approved by Fair Work Australia. This is a significant achievement for CIT and current enterprise agreements will provide certainty for teachers and general staff during 2012-2013 in a period of change in the tertiary education environment. See Section C10 for more details.

Organisational efficiency and development

Effective asset utilisation is a key objective of CIT and this was demonstrated through a number of initiatives in 2011.

Online enrolments

CIT is on track to achieve its objective of implementing a full online enrolment system in 2013. Further development and user testing of the online enrolment process took place in 2011, with evaluations conducted as part of the testing. Small live pilots have occurred since July 2011 with larger pilots taking place during November and December 2011. The process will be finalised by March 2012, and by mid-2012 online enrolment will be available for all teaching centres.

Client Relationship Management system (CRM)

The CIT Client Relationship Management system has been successfully embedded into CIT business with usage rates increasing substantially. Students are able to access information and online services as needed and staff are able to provide quality face-to-face support to students. The Student Services Hub uses the CRM to track all enquiries received and ensure that responses are provided in a timely way.

Features of the CRM that were implemented and improved in 2011 include:

- improved visibility and usability of the 'Ask Us' FAQs

- development and customisation of the sales module in CRM, allowing tracking and reporting of CIT commercial business opportunities
- the addition of Recognition of Prior Learning (RPL) tracking
- fee assistance application tracking.

Complaints management

Addressing complaints from students, staff and the community is a key responsibility of CIT and one that is taken seriously. During 2011 a workshop was arranged for all executive and centre directors to ensure they fully understood their responsibilities and that CIT had a consistent framework within which to operate. As a result of this workshop, following two internal audits, all systems, policies, procedures were revised, and a reporting framework established.

The number of complaints received has significantly reduced within the last three years and CIT now has six monthly reporting to inform any further improvements and to ensure standards are maintained.

Infrastructure

In 2011 CIT made progress towards improving the quality and efficiency of CIT's infrastructure and towards environmental sustainability.

eLearn

The close working relationship between ACT Government's Shared Services ICT and CIT to deliver and implement the eLearn IT environment for students and staff on campus, at home and in workplaces was a highlight in 2011.

CIT Gungahlin Learning Centre

The new Gungahlin Learning Centre officially opened in May 2011. A sound establishment plan ensured that CIT and Shared Services ICT staff set up the Learning Centre within a couple of weeks of gaining occupancy. The centre is open Monday to Saturday for 49 weeks of the year and has been designed to allow for 24 hour access for CIT students in the future.

The breadth of VET learning opportunities being offered and the number of students able to be enrolled by CIT in Gungahlin relies on a partnership with the co-located Gungahlin College and Libraries ACT. CIT uses seminar rooms in the library and specialist facilities such as the commercial kitchen and the visual arts spaces in the college to supplement its small physical footprint in the Gungahlin precinct.

Electrotechnology building Fyshwick Trade Skills Centre

The new electrotechnology building at the Fyshwick Trade Skills Centre also opened in 2011, providing CIT students with a contemporary training environment with up-to-date equipment and a computer lab, and eLearn available in all subjects. Exhibition space is available for use by appropriate industry groups and partners.

The co-location of the electrical trades with related trades provides enhanced learning opportunities for students to work on joint trade projects, such as hybrid and electric vehicles, involving both the automotive and electrotechnology areas.

Sustainable Skills Training Hub

The Sustainable Skills Training Hub designed to teach environmental science, sustainable engineering and related technologies won the Energy Innovation category award at the Keep Australia Beautiful, Australian Sustainable Cities Awards.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

In 2012 CIT will actively pursue its goal of being Australia's premier vocational education and training provider and will strategically focus on:

- partnerships
- supportive learning environments
- practical and applied learning
- flexibility through innovative applications which include e-learning and workplace learning
- strong links with industry
- employment ready students.

National priorities

CIT will take account of the priorities outlined by the Standing Council on Tertiary Education, Skills and Employment (SCOTESE) at its inaugural meeting in November 2011. These included VET reform, foundation skills, apprenticeship reform, tertiary education sector, workforce planning and international education.

Areas of particular focus in relation to these are:

VET reform

CIT will continue to operate successfully in the increasingly contestable vocational and education training market with the current policy settings. In 2012 CIT will focus on meeting the challenge of an ever more competitive environment. CIT will communicate the opportunities, choice, freedom, and flexibility of learning modes available. Promotion initiatives will position CIT as a lifelong learning partner for students seeking vocational qualifications and industry and business looking to increase and improve productivity in the workplace.

CIT as the largest ACT VET provider has a higher percentage of enrolments in higher level qualifications than most other institutes and jurisdictions. In 2012 CIT's focus will continue to be

on improving the number of students completing their programs.

Foundation skills

CIT's efforts in addressing the needs of students in relation to foundation skills will continue to develop in 2012, through programs offered by CIT Vocational College and CIT Yurauna Centre such as Access10.

Apprenticeship reform

In line with the national agenda, CIT has established an Apprenticeship Working Group to investigate and report new academic models for effective engagement of apprentices reflecting the strategies being developed nationally and the recommendations in the *Apprenticeships in the 21st Century Report*.

Tertiary education

CIT delivers a broad range of diploma, advanced diploma and degree programs many of which are enhanced through established partnerships with a number of tertiary institutions in the ACT and NSW (See Section A2 for more information). The CIT Teaching and Learning Plan includes specific strategies for strengthening the relationship between CIT and UC to meet the sixth pillar of CIT's mission, to have a connected ACT tertiary system. In 2012 CIT will continue to work with UC to develop innovative solutions for collaborative delivery of tertiary education in the ACT. CIT also continues to have discussions with other universities throughout Australia to develop and deliver new programs and establish pathways between institutions to enhance educational outcomes for students.

Workforce planning

CIT anticipates that there will be growth in training for the community services and health and

construction workforce and in response to skill shortages. In addition a growth in enrolments in Access10, the Year 10 alternative program, is predicted to enable students to progress to specific vocational training.

Expansion in these areas will necessitate savings and new provisions for cost sharing. For example:

- language training will be transferred to CIT Solutions and offered on a full cost basis from 2013, with 2012 being a year of transition
- a proposed higher level of student contribution to the cost of higher level programs.

International education

CIT's future for inbound students is promising and the flow on effect from the more positive government policy is already visible, with an increase in 2012 semester one commencements of 27 per cent compared to the same period in 2011. CIT has also been successful in increasing the number of the Department of Education, Employment and Workplace Relations (DEEWR) Endeavour Scholarship holders from 12 new students in 2011 to 31 in 2012.

The diversity of both the countries from which CIT attracts students and the courses they chose will provide the grounding for our future international student program. CIT's strategy of not being reliant on any one country or program has made CIT less vulnerable to future changes in the market place.

New programs and projects

CIT's first exercise of the accreditation delegation from ASQA will be to accredit the *Advanced Diploma of Adult and Vocational Learning* which was developed in 2011 for delivery in 2012. This qualification is designed to meet the needs of CIT's

teaching staff and graduates will have specialist skills and capabilities to design, facilitate, and evaluate adult vocational education programs.

CIT has already secured externally funded projects which will commence in 2012. For example:

- Aerial Taxis - New legislation requires applicants for a taxi licence to have a prescribed English language standard. In 2012 the Vocational College will conduct monthly testing of licence applicants after being approached by the ACT Government Road Transport Authority
- Pakistan initiative - The National Centre for Forensic Studies will provide specific forensic training to the various Pakistan Law Enforcement and Government Agencies in Canberra as part of the Australian Government's Official Development Assistance to the Enhancing Australia's Law Enforcement Engagement with Pakistan initiative
- National E-learning projects – CIT has won two projects
 - The NBN E-learning program: Remote Skills Acquisition for Fire Investigators project
 - A Regional Businesses Program with Horton House, an aged care provider in Yass. Staff from Horton House will access online learning and link up via web-based video conferencing to classes conducted by CIT. This will enable aged care workers to be re-skilled in vital tasks relevant to their employment.

New facilities

CIT has been through a period of considerable infrastructure expansion over the past three years and in 2012 will focus on expanding the utilisation of these new facilities.

In 2012 CIT expects to grow its presence in Gungahlin through increasing enrolments and will continue to review the learning options available at CIT's Learning Centre at Gungahlin to ensure a sustainable mix of options and services for Gungahlin.

The new facility and new delivery options being tested at Gungahlin will inform the next evolution of CIT's Learning Centre at Tuggeranong. In early 2012 CIT will complete a budget case for a new learning centre to expand the range of learning services and options that CIT provides for the Tuggeranong community.

In addition the Centre for Health, Community and Wellbeing will develop a simulated learning environment at Southside campus to reduce reliance on clinical placements and enhance work readiness in areas such as nursing. To date a 3G 'Sim man' has been purchased and a 'Sim baby' is planned for purchase in 2012. These models simulate human functions and communications as students undertake learning exercises.

Preparing for the future

There will be many other influences on CIT in the next year. Some can be anticipated such as the introduction of income contingent student loans in 2013, which will have implications for internal systems as will changes in the funding and purchasing processes of government. The

exogenous possibilities are many in such a volatile environment.

The important thing is for CIT to be prepared, resilient and innovative. CIT will continue to develop its risk management and decision making processes in 2012 and also prepare for 2013 when many foreshadowed changes are enacted. During 2012 CIT will implement a project – *Gearing up for Business* in which project teams lead by the executive will review systems, practices and structures and recommend changes as appropriate to ensure that CIT will meet emerging needs in six key areas:

- structure
- systems – human resources, finance, business decision making, student administration and management information
- academic quality processes
- culture
- marketing
- program offerings.

The aim of this is to equip CIT to develop its effectiveness in an increasingly complex contestable environment.

CIT faces the possibilities and challenges of the future with characteristic confidence and a long record of excellence in achievement of its goals.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

General overview

The year 2011 has been very successful with CIT meeting or exceeding its performance targets. The better than budget operating result reflects the prudent management of financial resources during the course of the year. CIT's educational performance was highlighted by achievement of its nominal hours target, very high graduate and employer satisfaction levels of 92 per cent and above target achievement of module pass rates.

The delivery of high quality training and further education is supported by quality facilities and infrastructure. CIT has continued to make significant investments in infrastructure and information technology systems during 2011 which saw noticeable improvements to technology infrastructure and facilities through new major electrotechnology and sustainable skills buildings, and services for students.

Objectives

CIT's mission is changing lives through first class education and training, supporting its vision to be the premier vocational education and training provider in Australia. CIT is committed to meeting the needs of a diverse range of clients through its responsive and innovative education and business practices.

Financial performance

CIT has excelled in meeting its delivery of government funded training in a year of uncertainty and challenges at the local, national and international levels. This year CIT also had a positive financial result after discounting the effect of large non-cash extraordinary asset related expenses of \$7.2 million.

The operating deficit for 2011 of \$6.7 million includes a loss of \$7.2 million for the transfer of the Weston campus to government and unfunded depreciation of \$5.6 million. Discounting these non-cash items would result in a positive operating result of \$6.1 million for 2011. Nevertheless, the operating deficit of \$6.7 million is \$3.4 million or 34 per cent better than both the 2011 original budget and the 2010 outcome.

The specific income and expense variances affecting the operating result are detailed in the income and expense sections of this report. The financial information in this report is based on audited financial statements for 2010 and 2011, as well as the CIT Statement of Intent 2011-12.

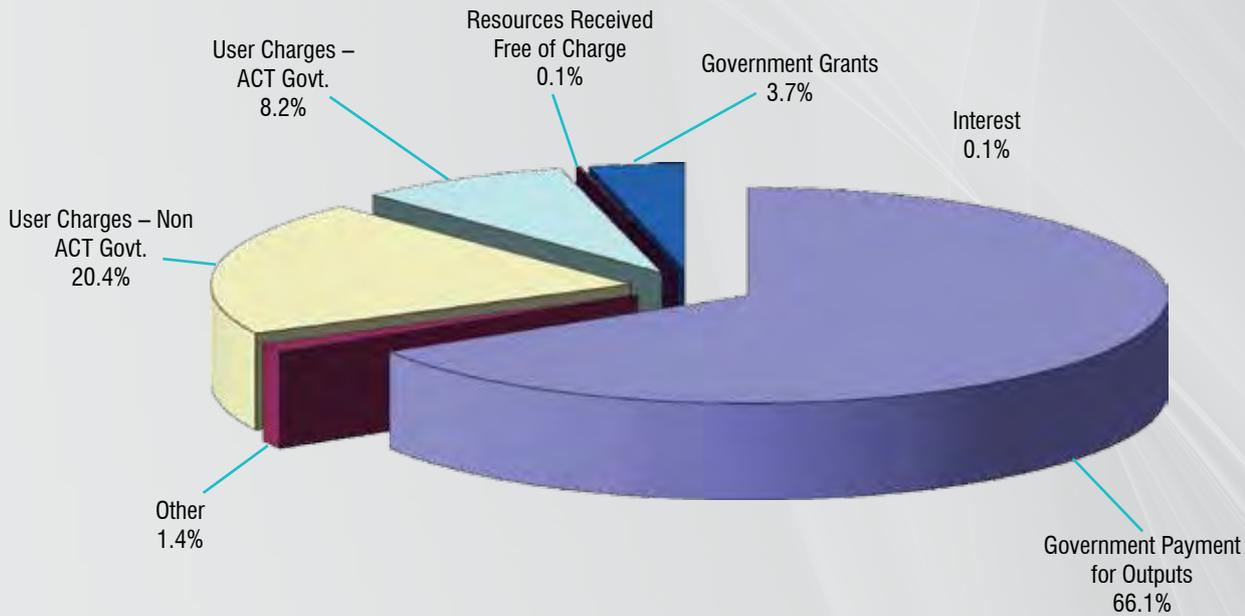
Total income

Components of income

Total income for 2011 is \$107.0 million. This outcome is \$1.4 million or 1.3 per cent above the 2011 budgeted income and represents a decrease of \$2.1 million or 2.0 per cent from the 2010 financial year.

Figure 1 indicates that CIT received 66.1 per cent or \$70.7 million of its total revenue from the ACT Government as Government Payment for Outputs (GPO).

Figure 1: Components of revenue



Source: Canberra Institute of Technology Financial Statements

Comparison to budget

Revenue

Revenue for the year ending 31 December 2011 was \$105.7 million, which was \$93,000 higher than the 2011 budget. This increase mainly related to GPO being higher than budget by \$5.2 million, offset by lower than budgeted User Charges – Non-ACT Government (-\$3.0 million) and Government Grants (-\$1.9 million). The increase in GPO compared to budget results from an appropriation of \$2.6 million that related to January 2012 being paid to CIT in December 2011. This payment was budgeted to be received in 2012. Further, CIT received a \$2.9 million Treasurer’s Advance for cost pressures and costs associated with the

remediation of the Weston campus that was not included in the original budget for 2011.

The decrease relating to User Charges from Non-ACT Government (-\$3.0 million) compared to budget represent lower than expected increases in commercial training activities. The lower than budgeted result for Government Grants (-\$1.9 million) is due to the new national e-learning strategy receiving a lower appropriation through Australian Government funding in July 2011 than previous e-learning strategies, which particularly impacted the July to December 2011 period. This was exacerbated by delays in the issuing of new e-learning funding contracts in the second half of 2011.

Gains

Income from gains for the year ending 31 December 2011 was \$1.3 million. This was a 100 per cent increase on the 2011 Budget. This amount was a cash donation from CIT's commercial company, CIT Solutions Pty Limited, which was provided as a cash gain instead of a dividend as originally budgeted (the originally projected dividend was included in the "Other Revenue" budget line).

Comparison to 2010 actual income

Revenue

Revenue in 2011 was \$2.3 million, or 2.2 per cent lower than the 2010 actual result. The reduction was mainly attributed to a decrease of \$1.9 million in Government Grants revenue from 2010 due to the new National VET e-learning Strategy receiving a lower appropriation through Australian Government funding in July 2011 than previous e-learning strategies which particularly impacted the July to December 2011 period. This was exacerbated by delays in the issuing of new e-learning funding contracts in the second half of 2011.

Gains

Income from gains was \$200,000 higher than the 2010 actual result of \$1.1 million due to an increase in the donation from CIT's commercial company, CIT Solutions Pty Limited.

Future trends

Total income for 2012 is budgeted to remain at 2011 levels. Revenue thereafter is anticipated to increase by indexation.

Total expenditure

Components of expenditure

Expenses totalled \$113.7 million in 2011, representing an decrease of \$2 million or 1.8 per cent below budget. This also represents a decrease of \$5.6 million or 4.7 per cent from the previous year.

Figure 2 indicates the components of CIT's expenditure for 2011 with the largest component of expenditure being employee and superannuation expenses, which represents 57.6 per cent of ordinary activities or \$65.5 million.

Comparison to budget

Expenditure

Total expenditure of \$113.7 million was \$2 million, or 1.8 per cent lower than the 2011 Budget of \$115.7 million. This lower than budgeted expenditure was largely the result of:

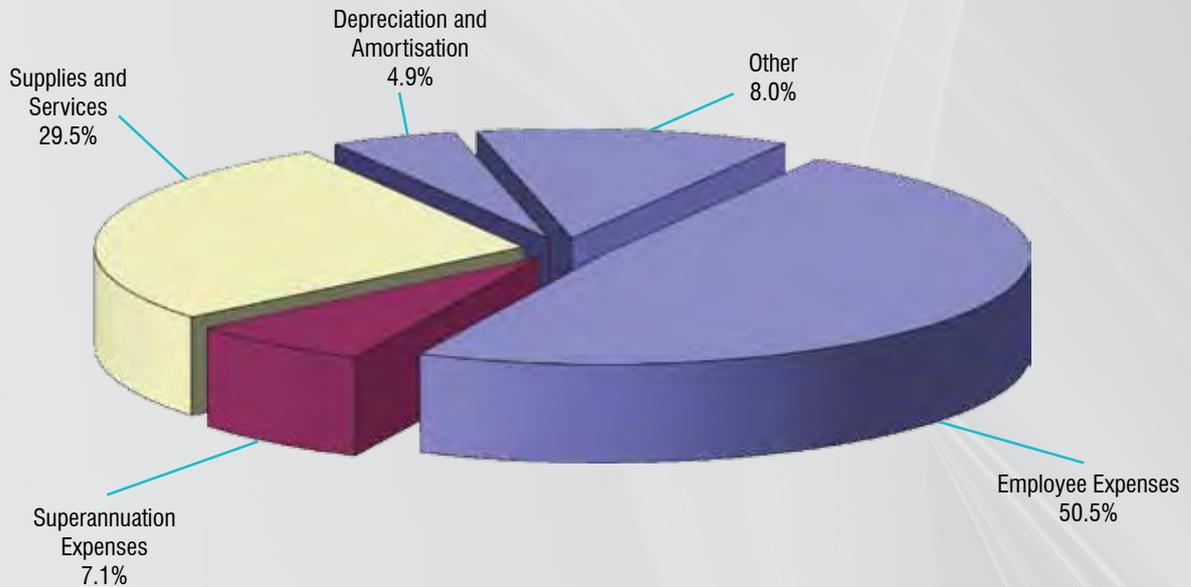
- reductions in supplies and services (-\$8.1 million) due to savings measures implemented in 2011 to combat the effects of a downturn in international activity and manage efficiency dividends; and
- increases in other expenses (\$5.8 million) resulting from a loss of \$7.2 million for the transfer of the Weston Campus to Government.

Comparison to 2010 actual expenditure

Total expenditure was \$5.6 million, or 4.7 per cent lower than the 2010 actual result. The decrease is primarily due to:

- the reduction in employee expenses (-\$3.2 million) from 2010 as a result of Institute public access training being wound back to target levels and efficiencies in the delivery of training activities. CIT had self funded additional training

Figure 2: Components of expenses



Source: Canberra Institute of Technology Financial Statements

effort for the last three years but could no longer draw on cash reserves to supplement this additional activity;

- significant savings made in supplies and services (-\$8.5 million) due to restraint measures implemented in 2011 to combat the effects of a downturn in international activity and manage efficiency dividend; and
- increases in other expenses (\$7.1 million) resulting from a loss of \$7.2 million for the transfer of the Weston Campus to government.

Future trends

Total expenditure for 2012 is budgeted to remain at 2011 levels. Expenditure thereafter is anticipated to increase by indexation.

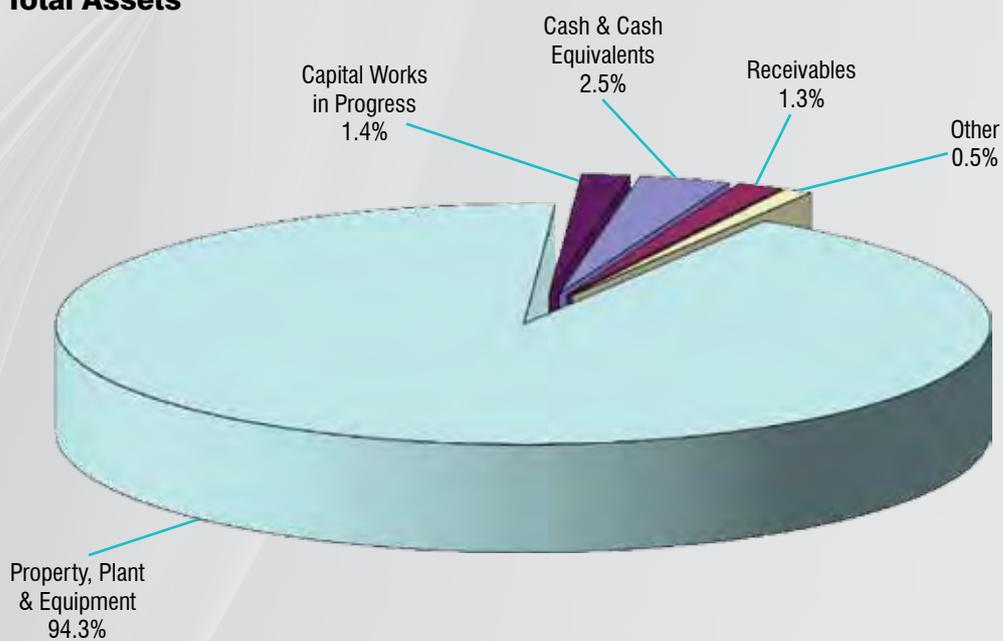
CIT financial position

Total assets

Components of total assets

Figure 3 indicates that for the financial year ended 31 December 2011, CIT held 95.7 per cent of its assets in property, plant and equipment, and works in progress, and 4.3 per cent in cash and cash equivalents, receivables and other current assets.

Figure 3: Total Assets



Source: Canberra Institute of Technology Financial Statements

Comparison to budget

The total asset position as at 31 December 2011 is \$232.2 million, \$156.9 million lower than the 2011 Budget of \$389.1 million. The decrease is due to the budget being set too high due to errors in the previous independent valuation of assets and land.

Cash was \$5.7 million above budget at year-end due to the receipt of an additional GPO allocation received in 2011 of \$2.6 million which was budgeted for 2012 and deferral of some expenditure to 2012.

Comparison to 2010 actuals

CIT's total asset position is \$24.5 million higher than the 2010 actual result of \$207.7 million due to a \$26.8 million asset revaluation increment following an independent valuation of CIT assets conducted in 2011.

Liquidity

Liquidity is the ability of CIT to meet its short-term debts as they fall due. The current working capital ratio (ratio of current assets to current liabilities) is a common indicator for liquidity and measures the ability to fund short-term liabilities from short-term assets.

The current working capital ratio of 0.42 is significantly higher than both the budget target of 0.14 for the year and the 2010 outcome of 0.29. This positive movement is due to a large increase in cash and cash equivalents during 2011 compared to budget and is mostly a result of a stronger than forecast cash position and reduced outstanding payables.

Working Capital Ratio

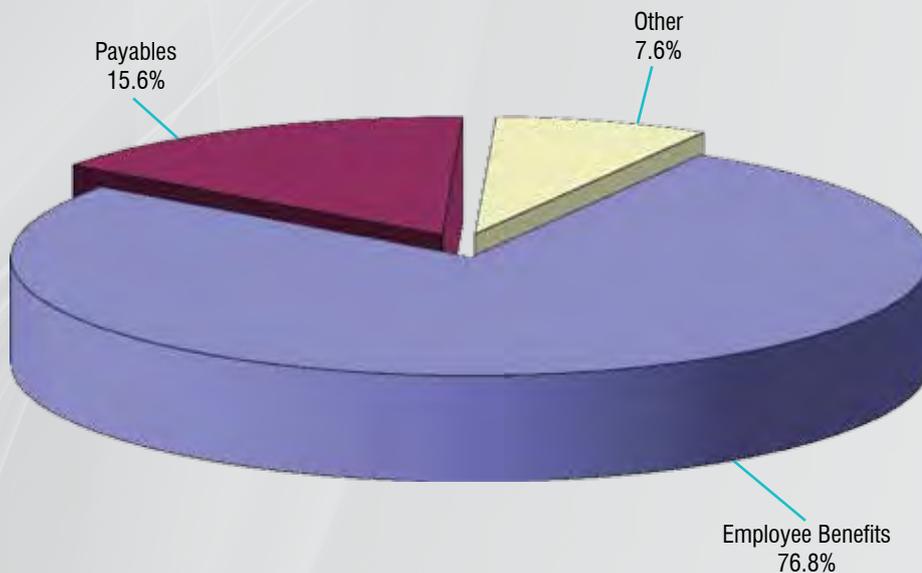
	Actual 2011 \$'000	Budget 2011 \$'000	Actual 2010 \$'000
Current Assets			
Cash and cash equivalents	5,725	–	4,630
Receivables	2,956	2,500	2,306
Other	1,340	1,555	1,865
Total Current Assets	10,021	4,055	8,801
Current Liabilities			
Payables	4,023	8,253	10,038
Employee Benefits	18,005	16,004	17,603
Other	1,972	4,595	2,315
Total Current Liabilities	24,000	28,852	29,956
Working Capital Ratio	0.42	0.14	0.29

Cash increased by \$1.1 million from the previous year to \$5.7 million. This was \$5.7 million above budget at year-end due to the receipt of an additional GPO allocation received in 2011 of \$2.6 million which was budgeted for 2012, successful savings initiatives implemented during the course of the year and deferral of some expenditure to 2012.

Total liabilities

Figure 4 indicates that the majority of CIT's liabilities relate to employee benefits (76.8 per cent), payables (15.6 per cent) and other revenue received in advance (7.6 per cent).

Figure 4: Total Liabilities



Source: Canberra Institute of Technology Financial Statements

CIT's liabilities for the year ended 31 December 2011 of \$25.8 million are \$4.8 million lower than the 2011 budget of \$30.6 million and \$5.7 million lower than the 2010 figure. The decrease in liabilities is largely due to a significant decline in accrued expenses recorded as at 31 December 2011 (\$4.2 million below budget and \$6 million below the prior year). The reduction in accrued expenses from 2010 results from large invoices that were accrued in 2010 being paid during 2011 and more timely payment of invoices in the year in which they were due. That is, in 2010 there were significant unpaid invoices at year end, which were not repeated in 2011.

Accounting issues

There have been two significant changes to CIT's accounting estimates for the 2011 financial statements.

Correction of a prior period error

The Institute had a material prior period error relating to an asset revaluation which was completed in December 2008. The 2008 valuer did not take into account crown leases and other encumbrances applicable to CIT land in performing the valuation. As a consequence, land values were overstated in the December 2008 valuation report.

In 2011 a different independent valuer has estimated the extent of the error to be \$183.5m. The overstatement of land has been corrected accordingly and this report is based on the corrected figures.

Annual and long service leave

There was a revision to the inflation rate used to calculate CIT's liability for employee benefits and the related expense. The ACT Treasury Directorate advised that the rate used to calculate the present value of these estimated future payments has been revised from 90.9 per cent to 102.0 per cent mainly due to a change in the long-term yields on Australian Government bonds. As such there has been an increase to the estimate of the long service leave liability and expense in the current reporting period of \$1.25 million.

Performance measures

The main measures relating to government funded training services indicate better than target results in most measures. Specifically, nominal hours of training exceeded target for the year while module pass rates were above target by 5 per cent due to high demand for skills training from the ACT and region and CIT's continued focus on quality support and pastoral care services for students.

The 2011 satisfaction surveys of learners (graduate) and employers showed satisfaction levels of 92 per cent each reflecting industries' and students' positive view of the relevance of CIT training. CIT has continued to actively improve its effectiveness and responsiveness in skilling students in

contemporary training methods which has been very positively received by industry and students alike.

Risk management

In 2010 CIT conducted a business and fraud risk assessment exercise to identify and analyse CIT fraud and business risks. This was used as a foundation to prepare the CIT Business Risk Management and Fraud and Corruption Control Plans 2011-2012.

The assessment exercise was facilitated by an external consultant, and included the review of existing documentation, liaising with senior management to gain their input into the process and conducting an environmental scan to determine what risks and frauds possibly face CIT. The plans were endorsed by the CIT Audit Committee at its December 2010 meeting. The risks identified in the plans informed the CIT 2011 Internal Audit Program.

CIT undertakes monthly reporting and analysis of its financial performance, both at an institution and cost centre level which assists in identifying and addressing any financial risks. CIT also undertakes monthly reporting and analysis of its annual performance measures as identified in the Statement of Intent and the ACT Government Budget. This process assists in identifying any performance risks. The financial and performance reporting is communicated to management and the various CIT governance committees on a periodic basis.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106



ACT AUDITOR-GENERAL'S OFFICE



INDEPENDENT AUDIT REPORT

CANBERRA INSTITUTE OF TECHNOLOGY

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the Canberra Institute of Technology (the Institute) have been audited. The financial statements are comprised of the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation and accompanying notes.

Responsibility for the financial statements

The Chief Executive Officer of the Institute is responsible for the preparation and fair presentation of the financial statements in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and the accounting policies and estimates used in the preparation of the financial statements.

The auditor's responsibility

Under the *Financial Management Act 1996*, I am responsible for expressing an independent audit opinion on the financial statements of the Institute.

The audit was conducted in accordance with Australian Auditing Standards to obtain reasonable assurance that the financial statements are free from material misstatement.

I formed the audit opinion following the use of audit procedures to obtain evidence about the amounts and disclosures in the financial statements. As these procedures are influenced by the use of professional judgement, selective testing of evidence supporting the amounts and other disclosures in the financial statements, inherent limitations of internal control and the availability of persuasive rather than conclusive evidence, an audit cannot guarantee that all material misstatements have been detected.

Although the effectiveness of internal controls is considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.

The audit is not designed to provide assurance on the prudence of decisions made by the Institute.

Electronic presentation of the audited financial statements

Those viewing an electronic presentation of these financial statements should note that the audit does not provide assurance on the integrity of information presented electronically and does not provide an opinion on any other information which may have been hyperlinked to or from these financial statements. If users of these financial statements are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

Independence

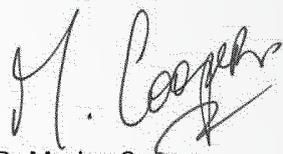
Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

Audit opinion

In my opinion, the financial statements of the Institute for the year ended 31 December 2011:

- (i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and
- (ii) present fairly the financial position of the Institute as at 31 December 2011 and the results of its operations and cash flows for the year then ended.

The audit opinion should be read in conjunction with other information disclosed in this report.



Dr Maxine Cooper
Auditor-General

25 May 2012

**Canberra Institute of Technology
Financial Statements
For the Year Ended 31 December 2011**

Statement of Responsibility

In my opinion, the financial statements are in agreement with the Canberra Institute of Technology's accounts and records and fairly reflect the financial operations of the Canberra Institute of Technology for the year ended 31 December 2011 and the financial position of the Canberra Institute of Technology on that date.



Adrian Marron
Chief Executive Officer
Canberra Institute of Technology
24 May 2012

**Canberra Institute of Technology
Financial Statements
For the Year Ended 31 December 2011**

Statement by the Chief Finance Officer

In my opinion, the financial statements of the Canberra Institute of Technology have been prepared in accordance with generally accepted accounting principles, are in agreement with the Canberra Institute of Technology's accounts and records and fairly reflect the financial operations of the Canberra Institute of Technology for the year ended 31 December 2011 and the financial position of the Canberra Institute of Technology on that date.



Shane Kay
Acting Chief Finance Officer
Canberra Institute of Technology

24 May 2012

Canberra Institute of Technology

Financial Statements

For the year ended 31 December 2011

Canberra Institute of Technology
Operating Statement
For the Year Ended 31 December 2011

Output Class 1.1 Provision of Vocational Education and Training Services

	Note	Consolidated		Institute		
		Actual 2011 \$'000	Actual 2010 \$'000	Actual 2011 \$'000	Budget 2011 \$'000	Actual 2010 \$'000
Income						
Revenue						
Government Payment for Outputs	4	70,699	69,279	70,699	65,465	69,279
User Charges – ACT Government	5	9,433	9,928	8,818	8,295	9,054
User Charges – Non-ACT Government	5	32,976	33,768	21,831	24,869	22,268
Government Grants	6	3,942	5,760	3,942	5,854	5,760
Interest	7	260	303	148	145	182
Resources Received Free of Charge	8	91	59	91	34	59
Other Revenue	9	258	669	155	930	1,426
Total Revenue		117,659	119,766	105,684	105,591	108,028
Gains						
Transfer from CIT Solutions Pty Limited	10	-	-	1,300	-	1,100
Total Gains		-	-	1,300	-	1,100
Total Income		117,659	119,766	106,984	105,591	109,128
Expenses						
Employee Expenses	11	65,752	68,886	57,385	57,000	60,610
Superannuation Expenses	12	8,851	9,576	8,117	8,272	8,795
Supplies and Services	13	35,079	43,282	33,515	41,640	42,040
Depreciation and Amortisation	14	5,778	6,029	5,578	5,534	5,872
Other Expenses	15	9,579	2,803	9,074	3,260	1,944
Total Expenses		125,039	130,576	113,669	115,706	119,261
Operating Deficit		(7,380)	(10,810)	(6,685)	(10,115)	(10,133)
Other Comprehensive Income						
Increase in the Asset Revaluation Surplus	28	26,833	-	26,833	-	-
Total Other Comprehensive Income		26,833	-	26,833	-	-
Total Comprehensive Income		19,453	(10,810)	20,148	(10,115)	(10,133)

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

The Institute has only one output class and as such the above Operating Statement is also the Institute's operating statement for Output Class 1.1 Provision of Vocational Education and Training Services.

Canberra Institute of Technology
Balance Sheet
As at 31 December 2011

	Note	Consolidated		Institute		
		Actual	Actual	Original		
		2011 \$'000	2010 \$'000	Actual 2011 \$'000	Budget 2011 \$'000	Actual 2010 \$'000
Current Assets						
Cash and Cash Equivalents	18	6,627	6,646	5,725	-	4,630
Receivables	19	4,706	4,275	2,956	2,500	2,306
Other Assets	20	1,565	2,064	1,340	1,555	1,865
Total Current Assets		12,898	12,985	10,021	4,055	8,801
Non-Current Assets						
Investments	21	-	-	20	20	20
Property, Plant and Equipment ¹	22 & 35	218,525	185,106	218,039	369,575	184,699
Intangible Assets	23	972	1,119	932	-	1,040
Capital Works in Progress	24	3,179	13,173	3,179	15,409	13,173
Total Non-Current Assets		222,676	199,398	222,170	385,004	198,932
Total Assets		235,574	212,383	232,191	389,059	207,733
Current Liabilities						
Payables	25	4,239	10,386	4,023	8,253	10,038
Employee Benefits	26	18,992	18,564	18,005	16,004	17,603
Other Liabilities	27	2,092	2,964	1,972	4,595	2,315
Total Current Liabilities		25,323	31,914	24,000	28,852	29,956
Non-Current Liabilities						
Employee Benefits	26	1,997	1,742	1,844	1,785	1,635
Other Non-Current Liabilities	27	40	33	-	-	-
Total Non-Current Liabilities		2,037	1,775	1,844	1,785	1,635
Total Liabilities		27,360	33,689	25,844	30,637	31,591
Net Assets		208,213	178,694	206,347	358,422	176,142
Equity						
Accumulated Funds ¹		122,513	119,827	120,647	116,080	117,275
Asset Revaluation Surplus ¹	28 & 35	85,700	58,867	85,700	242,342	58,867
		208,213	178,694	206,347	358,422	176,142

¹ 2010 balances have been restated due to prior period error correction. See Note 3 for details.

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

The Institute has only one output class and as such the above Balance Sheet is also the Institute's balance sheet for the Provision of Output 1.1 Vocational Education and Training Services.

Canberra Institute of Technology
Statement of Changes in Equity
For the Year Ended 31 December 2011

Note	Consolidated				Institute			
	Accumulated Funds	Asset Revaluation Surplus	Total Equity		Accumulated Funds	Asset Revaluation Surplus	Total Equity	Original Budget
	Actual 2011 \$'000	Actual 2011 \$'000	Actual 2011 \$'000		Actual 2011 \$'000	Actual 2011 \$'000	Actual 2011 \$'000	2011 \$'000
Balance at the Beginning of the Reporting Period	119,827	58,867	178,694		117,275	58,867	176,143	356,827
Comprehensive Income								
Operating Deficit	(7,380)	-	(7,380)		(6,685)	-	(6,685)	(10,115)
Increase in the Asset Revaluation Surplus	-	26,833	26,833		-	26,833	26,833	-
Total Comprehensive Income	(7,380)	26,833	19,453		(6,685)	26,833	20,148	(10,115)
Transfer to/(from) Reserves	352	-	352		343	-	343	-
Transactions Involving Owners Affecting Accumulated Funds								
Capital Injections	9,714	-	9,714		9,714	-	9,714	11,710
Total Transactions Involving Owners Affecting Accumulated Funds	10,066	-	10,066		10,057	-	10,057	11,710
Balance at the End of the Reporting Period	122,513	85,700	208,213		120,647	85,700	206,347	358,422

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

Canberra Institute of Technology
Statement of Changes in Equity - Continued
For the Year Ended 31 December 2011

Note	Consolidated				Institute			
	Accumulated Funds	Asset Revaluation Surplus	Total Equity		Accumulated Funds	Asset Revaluation Surplus	Total Equity	Original Budget
	Actual 2010 \$'000	Actual 2010 \$'000	Actual 2010 \$'000		Actual 2010 \$'000	Actual 2010 \$'000	Actual 2010 \$'000	2010 \$'000
Balance at the Beginning of the Reporting Period	109,248	58,867	168,115		106,018	58,867	164,885	348,360
Comprehensive Income								
Operating Deficit	(10,810)	-	(10,810)		(10,133)	-	(10,133)	(5,527)
Increase/(Decrease) in Asset Revaluation Surplus	-	-	-		-	-	-	-
Other Comprehensive (Deficit)/Income	-	-	-		-	-	-	-
Total Comprehensive (Deficit)/Income	(10,810)	-	(10,810)		(10,133)	-	(10,133)	(5,527)
Transactions Involving Owners Affecting Accumulated Funds								
Capital Injections	21,390	-	21,390		21,390	-	21,390	16,214
Total Transactions Involving Owners Affecting Accumulated Funds	21,390	-	21,390		21,390	-	21,390	16,214
Balance at the End of the Reporting Period	119,827	58,867	178,694		117,275	58,867	176,142	359,047

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

Canberra Institute of Technology
Cash Flow Statement
For the Year Ended 31 December 2011

Note	Consolidated		Institute		
	Actual	Actual	Actual	Original	Actual
	2011	2010		Budget	
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Receipts					
	70,699	69,279	70,699	65,465	69,279
Government Payment for Outputs					
User Charges – ACT Government	8,561	12,457	8,476	8,295	11,572
User Charges – Non-ACT Government	33,314	34,179	21,942	18,369	23,123
Interest Received	261	304	148	145	182
Donations/Dividends Received	-	-	1,300	1,300	900
Government Grants	3,942	3,159	3,942	5,854	3,159
Goods and Services Tax Input Tax Credits from the Australian Taxation Office	2,648	4,209	3,246	-	4,209
Goods and Services Tax Collected from Customers	1,634	1,726	547	-	1,726
Other	254	656	144	6,500	1,614
Total Receipts from Operating Activities	121,313	125,969	110,444	105,927	115,764
Payments					
Employee	65,059	67,589	56,775	55,728	59,338
Superannuation	8,851	9,576	8,117	8,272	8,795
Supplies and Services	42,477	36,326	40,639	37,587	35,498
Good and Services Tax Paid to Suppliers	4,282	5,865	3,907	-	5,865
Other	2,998	4,141	2,485	8,760	3,211
Total Payments from Operating Activities	123,667	123,497	111,924	110,347	112,707
Net Cash (Outflows)/Inflows from Operating Activities	(2,355)	2,472	(1,480)	(4,420)	3,057
32					
Cash Flows from Investing Activities					
Receipts					
Proceeds from Sale of Property, Plant and Equipment	11	1	11	-	1
Total Receipts from Investing Activities	11	1	11	-	1

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

Canberra Institute of Technology
Cash Flow Statement - Continued
For the Year Ended 31 December 2011

	Consolidated		Institute			
	Note	Actual	Actual	Actual	Original	Actual
		2011	2010	2011	Budget	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	
Payments						
Purchase of Property, Plant and Equipment		7,389	25,037	7,150	11,918	24,888
Total Payments from Investing Activities		7,389	25,037	7,150	11,918	24,888
Net Cash Outflows from Investing Activities		(7,378)	(25,036)	(7,139)	(11,918)	(24,887)
Cash Flows from Financing Activities						
Receipts						
Capital Injections		9,714	21,390	9,714	11,710	21,390
Total Receipts from Financing Activities		9,714	21,390	9,714	11,710	21,390
Net Cash Inflows/(Outflows) from Financing Activities	32	9,714	21,390	9,714	11,710	21,390
Net Increase/(Decrease) in Cash and Cash Equivalents Held		(19)	(1,174)	1,095	(4,628)	(440)
Cash and Cash Equivalents at the Beginning of the Reporting Period		6,646	7,821	4,630	4,628	5,070
Cash and Cash Equivalents at the End of the Reporting Period	32	6,627	6,646	5,725	-	4,630

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

**Canberra Institute of Technology
Statement of Appropriation
For the Year Ended 31 December 2011**

	Original Budget 2011 \$'000	Total Appropriated 2011 \$'000	Appropriation Drawn 2011 \$'000	Appropriation Drawn 2010 \$'000
Government Payment for Outputs	65,465	70,699	70,699	69,279
Capital Injections	11,710	9,714	9,714	21,390
Total Appropriation	77,175	80,413	80,413	90,669

The above Statement of Appropriation should be read in conjunction with the accompanying notes.

Column Heading Explanations

The *Original Budget* column shows the amounts that appear in the Cash Flow Statement in the Institute's Statement of Intent. These amounts also appear in these financial statements, in the Cash Flow Statement of the Institute.

The *Total Appropriated* column is inclusive of all appropriation variations occurring after the Original Budget.

The *Appropriation Drawn* is the total amount of appropriation received by the Institute during the year. This amount appears in the Cash Flow Statement of the Institute.

Variations between 'Original Budget' and 'Total Appropriated'

Government Payment for Outputs

The difference between the Original Budget and the Total Appropriated results from:

- an appropriation of \$2.6 million related to January 2012 that was paid to CIT in December 2011. This payment was budgeted to be received in 2012 but was received and recognised as revenue in December 2011; and
- a Treasurer's Advance of \$2.9 million for cost pressures associated with increases in CIT's building and ICT infrastructure and costs associated with the remediation of the Weston Campus.

Capital Injections

The difference between the Original Budget and Total Appropriated is due to capital works projects not being completed in the projected year. Some small delays in engaging contractors have led to projects being deferred until early 2012. These projects included the Tuggeranong Learning Centre design and Watson Campus asbestos removal.

Canberra Institute of Technology Notes to and Forming Part of the Financial Statements For the Year Ended 31 December 2011

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Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 1 Objectives of the Canberra Institute of Technology

Operation and Principal Activities

The Canberra Institute of Technology (the Institute) is a multi-campus, multi-disciplinary, tertiary education institution in the ACT, providing vocational education and training to the ACT and surrounding region.

Note 2 Summary of Significant Accounting Policies

(a) Basis of Accounting

The *Financial Management Act 1996 (FMA)* requires the preparation of annual financial statements for ACT Government territory authorities. The Institute is a prescribed territory authority under the FMA, therefore is required to report on its one output class.

The FMA and the Financial Management Guidelines issued under the Act, require the Institute's financial statements to include:

- (i) an Operating Statement for the year;
- (ii) a Balance Sheet at the end of the year;
- (iii) a Statement of Changes in Equity for the year;
- (iv) a Cash Flow Statement for the year;
- (v) a Statement of Appropriation for the year;
- (vi) a summary of the significant accounting policies adopted for the year; and
- (vii) such other statements as are necessary to fairly reflect the financial operations of the Institute during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared to comply with 'Generally Accepted Accounting Principles' (GAAP) as required by the FMA. The financial statements have been prepared in accordance with:

- (i) Australian Accounting Standards; and
- (ii) ACT Accounting and Disclosure Policies.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention, except for assets which were valued in accordance with the revaluation policies applicable to the Institute during the reporting period.

These financial statements are presented in Australian dollars, which is the Institute's functional currency.

The Institute is a group reporting entity.

(b) Principles of Consolidation

The consolidated financial statements are those of the economic entity comprising the Institute and CIT Solutions Pty Limited (the Company). The Company is a wholly-owned subsidiary of the Institute, formed for the purposes of undertaking entrepreneurial and commercial activities on the Institute's behalf. All inter-entity balances, including unrealised profits and losses, have been eliminated on consolidation. The financial statements of the Company are prepared for the same reporting period as the Institute, using accounting policies that are consistent with those of the Institute.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 2 Summary of Significant Accounting Policies - Continued

(c) The Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Institute for the year ended 31 December 2011, together with the financial position of the Institute as at 31 December 2011.

(d) Comparative Figures

Budget Figures

The *Financial Management Act 1996* requires the statements to facilitate a comparison with the Institute's Statement of Intent. The budget numbers disclosed in the financial statements are consistent with those included in the Statement of Intent.

Prior Year Comparatives

Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements, except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have also been reclassified, where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

Some items previously referred to as 'Other Expenses' have been reclassified to 'Supplies and Services'. Refer to Note 13.

(e) Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars (\$'000). Use of “-” represents zero amounts or amounts rounded down to zero.

(f) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. All revenue is recognised to the extent that it is probable that the economic benefits will flow to the Institute and the revenue can be reliably measured. In addition, the following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Revenue from the sale of goods is recognised as revenue when the significant risks and rewards of ownership of the goods has transferred to the buyer, the Institute retains neither continuing managerial involvement nor effective control over the goods sold, and the costs incurred in respect of the transaction can be measured reliably.

Rendering of Services

Revenue from the rendering of services is recognised when the stage of completion of the transaction at the reporting date can be measured reliably and the costs of rendering those services can be measured reliably.

Interest

Interest revenue is recognised using the effective interest method.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 2 Summary of Significant Accounting Policies - Continued

Dividends

Dividend revenue is recognised when the Institute's right to receive payment is established.

(g) Resources Received and Provided Free of Charge

Resources received free of charge are recorded as a revenue and expense in the Operating Statement at fair value. The revenue is separately disclosed under resources received free of charge, with the expense being recorded in the line item to which it relates. Goods and services received free of charge from ACT government agencies are recorded as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recorded as donations. Services that are received free of charge are only recorded in the Operating Statement if they can be reliably measured and would have been purchased if not provided to the Institute free of charge.

Resources provided free of charge are recorded at fair value in the expense and revenue line items to which they relate.

During the year, the Institute provided services and resources to the following organisations on a free of charge basis:

- (i) The CIT Student Association was provided with services and resources free of charge to an amount of \$434,803 in 2011 (2010 \$418,080) for its use of the Institute's accommodation and utilities; and
- (ii) The Canberra City Band was provided with a benefit of rent to the value of \$65,259 in 2011 (2010 \$62,749).

(h) Repairs and Maintenance

The Institute undertakes major cyclical maintenance on its buildings. All costs involved with major cyclical maintenance are recorded as an expense. Where the maintenance leads to an upgrade of the building, and increases the service potential of the existing building, the cost is capitalised.

(i) Waivers of Debt

Debts that are waived during the year are expensed in the year in which the right to payment was waived. Further details of waivers are disclosed at Note 16 – Waivers, Impairment Losses and Write-offs. The Institute did not have any debts waived under Section 131 of the *Financial Management Act 1996*.

(j) Taxation

The Institute and the Company are exempt organisations under income tax legislation and therefore are not subject to Income Tax. Both the Institute and the Company are liable to pay Goods and Services Tax and Fringe Benefits Tax. Fringe Benefits Tax expense for the year was \$105,828 (2010 \$135,136).

(k) Current and Non-Current Items

Assets and liabilities are classified as current or non-current in the Balance Sheet and in the relevant notes. Assets are classified as current where they are expected to be realised within 12 months after the reporting date. Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or the Institute does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Assets or liabilities which do not fall within the current classification are classified as non-current.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 2 Summary of Significant Accounting Policies - Continued

(l) Impairment of Assets

The Institute assesses, at each reporting date, whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 'fair value less costs to sell', less its 'value in use'. An asset's 'value in use' is its depreciated replacement cost, where the asset would be replaced if the Institute were deprived of it.

Non-financial assets that have previously been impaired are reviewed for possible reversal of impairment at each reporting date.

If a material impairment results, the loss is recognised against the relevant class of asset in the Asset Revaluation Surplus with a corresponding reduction to the carrying amount of the asset in the Balance Sheet. Where the impairment loss is greater than the balance for the relevant class of asset in the Asset Revaluation Surplus, the difference is expensed in the Operating Statement.

(m) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement and the Balance Sheet, cash includes cash at bank, cash on hand and demand deposits.

Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. Cash equivalents include amounts invested in negotiable certificates of deposit with less than 120 days to maturity. Bank overdrafts are included in cash and cash equivalents in the Cash Flow Statement but not in the cash and cash equivalents line in the Balance Sheet.

(n) Receivables

Accounts receivable (including student receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Trade receivables arise in the normal course of selling goods and services to other agencies and to the public. Trade receivables are payable within 30 days after the issue of an invoice or the goods/services have been provided under a contractual arrangement.

Student receivables arise in the normal course of providing vocational education and training, the majority of which are payable within two weeks of the enrolment date. Student debtors outstanding after the due date automatically incur a \$50 late fee.

Other trade receivables arise outside the normal course of selling goods and services to other agencies and to the public. Other trade receivables are payable within 30 days after the issue of an invoice or the goods/services have been provided under a contractual agreement.

The allowance for impairment losses represents the amount of trade receivables and student receivables that the Institute estimates will not be repaid. The Institute determines the allowance for impairment losses based on objective evidence and a review of overdue balances. The Institute considers the following to be objective evidence of impairment:

- becoming aware of financial difficulties of debtors;
- default payments; or
- debts more than 90 days overdue, where applicable.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 2 Summary of Significant Accounting Policies - Continued

(n) Receivables - Continued

The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the allowance is recognised in the Operating Statement. The allowance for impairment losses is written back against the receivables account when the Institute ceases action to collect the debt as it considers that it will cost more to recover the debt than the debt is worth.

(o) Investments

The Institute holds a long-term investment in CIT Solutions Pty Limited, which is measured at cost. Further details of this investment are provided in Note 21 - Investments.

(p) Acquisition and Recognition of Property, Plant and Equipment

Property, plant and equipment is initially recorded at cost. Cost includes the purchase price, directly attributable costs and the estimated cost of dismantling and removing the item (where, upon acquisition, there is a present obligation to remove the item) and the estimated cost of restoring the site on which it is located.

Where property, plant and equipment is acquired at no cost, or minimal cost, cost is its fair value at the date of acquisition. However property, plant and equipment acquired at no cost or minimal cost as part of a Restructuring of Administrative Arrangements is measured at the transferor's book value.

Property, plant and equipment with a minimum value of \$2,000 (GST exclusive) is capitalised.

(q) Measurement of Property, Plant and Equipment After Initial Recognition

Property, plant and equipment is valued using the cost or revaluation model of valuation in accordance with AASB 116 Property, Plant and Equipment.

Fair value is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm's length transaction. Fair value is measured using a market price in a market where a market price is available for that asset (or a similar asset), as this is the best evidence of an asset's fair value. Where the market price for an asset cannot be obtained because the asset is specialised and is rarely sold, and where the asset would be replaced if the Institute were to be deprived of the asset, depreciated replacement cost is used as fair value. Where the asset would not be replaced, fair value is the asset's selling price, less costs to sell.

Land, buildings and building improvements, plant and equipment and heritage assets (excluding artworks) were measured at fair value as part of an asset revaluation conducted in 2011.

Fair value of land is measured at an in-use value as determined by an independent valuer. Fair value of buildings and building improvements is measured using current prices in a market for similar properties in a similar location and condition. Leasehold improvements are measured at cost. Fair value for plant and equipment and heritage assets (excluding artworks) is measured using depreciated replacement cost, where the asset would be replaced if the Institute were to be deprived of the asset. Artworks comprise works produced by students and held for permanent exhibition, for which fair value is determined using a market price where there is a market for the same or a similar item.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 2 Summary of Significant Accounting Policies - Continued

(q) Measurement of Property, Plant and Equipment After Initial Recognition - Continued

Land, buildings, plant and equipment and heritage assets are revalued every three years. As these assets were revalued in 2011, the next asset revaluation is scheduled for 2014. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to buildings, plant and equipment and heritage assets, at the date of revaluation, is written-back against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

(r) Intangible Assets

The Institute's intangible assets comprise externally acquired software for internal use. Externally acquired software is recognised and capitalised when:

- (a) it is probable that the expected future economic benefits that are attributable to the software will flow to the Institute;
- (b) the cost of the software can be measured reliably; and
- (c) the acquisition cost is equal to or exceeds \$50,000.

Capitalised software has a finite useful life. Software is amortised on a straight line basis over its useful life, over a period not exceeding five years.

(s) Depreciation and Amortisation of Non-Current Assets

Non-current assets, with a limited useful life, are systematically depreciated/amortised over their useful lives in a manner that reflects the consumption of their service potential. The useful life commences when an asset is ready for use. When an asset is revalued, it is depreciated/amortised over its newly assessed remaining useful life. Amortisation is used in relation to intangible assets, while depreciation is applied to physical assets such as buildings, and plant and equipment. Land and heritage assets have an unlimited useful life and are therefore not depreciated.

Leasehold improvements are depreciated over the estimated useful life of each asset improvement, or the unexpired period of the relevant lease, whichever is shorter.

All depreciation is calculated after first deducting any residual values which remain for each asset.

Depreciation/amortisation for non-current assets is determined as follows:

Class of Asset	Depreciation/Amortisation Method	Useful Life (Years)
Buildings and Improvements	Straight Line	5-100
Leasehold Improvements	Straight Line	2-10
Plant and Equipment	Straight Line	2-20
Externally Purchased Software	Straight Line	3

The useful lives of all major assets held are reassessed on an annual basis.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 2 Summary of Significant Accounting Policies - Continued

(t) Payables

Payables are a financial liability and are measured at the fair value of the consideration received when initially recognised and at amortised cost subsequent to initial recognition, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are measured at their nominal amount and are normally settled within 30 days after the invoice date.

Payables include Trade Payables, Accrued Expenses and Other Payables.

Trade Payables represent the amounts owing for goods and services received prior to the end of the reporting period and unpaid at the end of the reporting period and relating to the normal operations of the Institute.

Accrued Expenses represent goods and services provided by other parties during the period that are unpaid at the end of the reporting period and where an invoice has not been received by period end.

Other Payables are those unpaid invoices that do not directly relate to the normal operations of the Institute.

(u) Leases

The Institute has entered into operating leases.

Operating Leases

Operating leases do not effectively transfer to the Institute substantially all the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recognised as an expense in the Operating Statement on a straight-line basis over the term of the lease.

(v) Employee Benefits

Employee benefits include wages and salaries, annual leave, long service leave and applicable on-costs. On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual and long service leave. These benefits accrue as a result of services provided by employees up to the reporting date and that remain unpaid. They are recorded as a liability and as an expense.

Wages and Salaries

Accrued wages and salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual and Long Service Leave

Annual leave and long service leave that fall due wholly within the next 12 months is measured based on the estimated amount of remuneration payable when the leave is taken.

Annual and long service leave including applicable on-costs that do not fall due within the next 12 months are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At each reporting period, the estimated future payments are discounted using market yields on Commonwealth Government bonds with terms to maturity that match, as closely as possible, the estimated future cash flows. In 2011, the inflation factor used to estimate the present value of these future payments is 102.0% (90.9% in 2010).

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 2 Summary of Significant Accounting Policies - Continued

(v) Employee Benefits - Continued

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of 7 years qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in-service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there is no unconditional right to defer the settlement of the liability for at least 12 months. However, where there is an unconditional right to defer settlement of the liability for at least 12 months, annual and long service leave are classified as non-current liabilities in the Balance Sheet.

(w) Superannuation

Superannuation payments are made to the Territory Banking Account each year, to cover the Institute's superannuation liability for the Commonwealth Superannuation Scheme (CSS) and the Public Sector Superannuation Scheme (PSS). This payment covers the CSS/PSS employer contribution, but does not include the productivity component. The Institute pays the productivity component directly to Comsuper. The CSS and PSS are defined benefit superannuation plans meaning that the defined benefits received by employees is based on the employee's years of service and average final salary.

Superannuation payments have also been made directly to superannuation funds for those members of the Public Sector who are part of superannuation accumulation schemes. This includes the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice.

Superannuation employer contribution payments, for the CSS and PSS, are calculated by taking the salary level at an employee's anniversary date and multiplying it by the actuarially assessed nominal CSS or PSS employer contribution rate for each employee. The productivity component payments are calculated by taking the salary level, at an employee's anniversary date and multiplying it by the employer contribution rate (approximately 3%) for each employee. Superannuation payments for the PSSAP are calculated by taking the salary level, at an employee's anniversary date, and multiplying it by the appropriate employer contribution rate. Superannuation payments for fund of choice arrangements are calculated by taking an employee's salary each pay and multiplying it by the appropriate employer contribution rate.

A superannuation liability is not recognised in the Balance Sheet as the Superannuation Provision Account recognises the total Territory superannuation liability for the CSS and PSS, and Comsuper and the external schemes recognise the superannuation liability for the PSSAP and other schemes respectively.

The ACT Government is liable for the reimbursement of the emerging costs of benefits paid each year to members of the CSS and PSS, in respect of ACT Government service provided after 1 July 1989. These reimbursement payments are made from the Superannuation Provision Account.

(x) Equity Contributed by the ACT Government

Contributions made by the ACT Government, in its role as owner of the Institute, are treated as contributions to equity. Increases or decreases in net assets as a result of Administrative Restructures are also recognised in equity.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 2 Summary of Significant Accounting Policies - Continued

(y) Insurance

The Institute's major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

(z) Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Institute has made the following judgements and estimates that have the most significant impact on the amounts recorded in the financial statements:

(a) *Fair Value of Assets*: The Institute has made a significant judgement regarding the basis of determining the fair value of its assets. Land has been recorded at the in-use value as determined by an independent valuer. Buildings and building improvements have been recorded using current prices in a market for similar properties in a similar location and condition as determined by an independent valuer. Leasehold improvements are measured at cost. Plant and equipment and heritage assets have been recorded at fair value based on depreciated replacement cost as determined by an independent valuer.

(b) *Employee Benefits*: Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for employee benefits requires a consideration of future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable. Further information on this estimate is provided in Note 2 (v) - Employee Benefits and Note 3 - Changes in Accounting Policy and Accounting Estimates, and Correction of a Prior Period Error.

(c) *Estimation of the Useful Lives of Property, Plant and Equipment*: The Institute systematically depreciates property, plant and equipment over its estimated useful life. In making significant estimates to determine the useful lives of its property, plant and equipment, the Institute has considered the historical experience of similar assets. In some cases, an estimation has been based on valuations provided by an independent valuer. The useful lives are assessed on an annual basis and any adjustments are made when considered necessary.

Further disclosure concerning an asset's useful life can be found at Note 2 (s) - Depreciation and Amortisation of Non-Current Assets.

(d) Note 2 (f): 'Revenue Recognition' discloses that revenue is generally recognised when the Institute controls the revenue. User-charge revenue is recognised upon delivery of the service to customers, or by reference to the stage of completion of contracts or agreements for the services involved. The stage of completion is estimated on the basis of the ratio of costs incurred to date to the estimated total costs of the contracts or agreement.

(e) Note 2 (l): 'Impairment of Assets' discloses that plant and equipment is annually assessed for impairment. If this assessment indicates an asset is impaired, then an assessment of the asset's recoverable amount must be estimated to determine whether an impairment loss must be recognised.

(aa) Monies Held on Behalf of Third Parties

The Institute administers these monies on behalf of third parties, independently of Institute funds. They are reported separately in Note 34 – Third Party Monies.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 2 Summary of Significant Accounting Policies - Continued

(ab) Impact of Accounting Standards Issued but yet to be Applied

AASB 9 Financial Instruments (application date 1 Jan 2013) has been issued by the Australian Accounting Standards Board but does not apply to the current reporting period. This standard is applicable to future reporting periods. The Institute does not intend to adopt this standard early. It is estimated that the effect of adopting this standard, when applicable, will not have a material financial impact on the Institute's financial results in future reporting periods.

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of a Prior Period Error

Change in Accounting Policy

The Institute had no changes in Accounting Policy during the reporting period.

Change in Accounting Estimates

Revision of the Discount Rate Used to Estimate the Liability for Employee Benefits

As disclosed in Note 2(v) - Employee Benefits, the estimated future payments for annual and long service leave (including applicable on-costs) that do not fall due within the next 12 months, are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the reporting date. The estimated future payments are discounted back to present value using the government bond rate.

Last financial year the discount rate was 90.9%, however, due to a change in the government bond rate, the inflation rate is now 102%. This rate exceeds 100% as the 10-year Government Bond rate at the reporting date has fallen below expected increases in salary over the medium term.

As such the estimate of the long service leave liability has changed. This change has resulted in an increase to the estimate of the long service leave liability and expense in the current reporting period of \$1,250,197.

Correction of a Prior Period Error

Nature of the Error

The Institute had a material prior period error relating to an asset revaluation which was completed in December 2008. The 2008 valuer did not take in to account crown leases and other encumbrances applicable to CIT land in performing the valuation. As a consequence, land values were overstated in the December 2008 valuation report.

In 2011, a different independent valuer has estimated the extent of the error to be \$183,475,000. The overstatement of land and asset revaluation surplus has been corrected in accordance with AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors. Details of these corrections are provided below.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of a Prior Period Error - Continued

Disclosures Relating to Error

Balance Sheet

The Balance Sheet for the Institute and Consolidated Entity as at 31 December 2010 was restated as follows:

- Property, Plant and Equipment was decreased by \$183,475,000.
- Asset Revaluation Surplus was decreased by \$183,475,000.

The Statement of Changes in Equity for the year ended 31 December 2010 was restated as follows:

- Accumulated Funds was decreased by \$183,475,000.

The section below in Note 3 titled 'Restatement of Financial Statements as a Result of Correction of an Error' shows the restatement of each line item affected by this error. Further disclosure is made in Note 35 - Restated Balance Sheet.

Restatement of Financial Statements as a Result of a Correction of an Error

31 December 2010 Comparative Year

Financial Statement Line Item/Balance Affected

Balance Sheet (Extract)

	Note	Consolidated			Institute					
		Actual 2010 \$'000	Correction of Error Adj 2010 \$'000	Restated Actual 2010	Actual 2010 \$'000	Correction of Error Adj 2010 \$'000	Restated Actual 2010 \$'000			
Non-Current Assets										
Property, Plant and Equipment	22	368,581	(183,475)	185,106	368,174	(183,475)	184,699			
Total Non-Current Assets		368,581	(183,475)	185,106	368,174	(183,475)	184,699			
Total Assets		395,858	(183,475)	212,383	391,208	(183,475)	206,883			
Net Assets		362,169	(183,475)	178,694	359,617	(183,475)	176,142			
Equity										
Accumulated Funds		119,827	-	119,827	117,275	-	117,275			
Asset Revaluation Surplus	28	242,342	(183,475)	58,867	242,342	(183,475)	58,867			
		362,169	(183,475)	178,694	359,617	(183,475)	176,142			

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of a Prior Period Error - Continued

Restatement of Financial Statements as a Result of a Correction of an Error - Continued

Financial Statement Line Item/Balance Affected

Statement of Changes in Equity (Extract)

Note	Consolidated			Institute		
	Correction of		Restated Actual	Correction of		Restated Actual
	Actual 2010	Error Adj 2010		Actual 2010	Error Adj 2010	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Total Equity at the End of the Reporting Period	362,169	(183,475)	178,694	359,617	(183,475)	176,142

Financial Statement Line Item/Balance Affected

Note 22 Property, Plant and Equipment (Extract)

	Consolidated			Institute		
	Correction of		Restated Actual	Correction of		Restated Actual
	Actual 2010	Error Adj 2010		Actual 2010	Error Adj 2010	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land						
Land at Fair Value	245,595	(183,475)	62,120	245,595	(183,475)	62,120
Total Land Assets	245,595	(183,475)	62,120	245,595	(183,475)	62,120
Total Written-Down Value of Property, Plant and Equipment	368,581	(183,475)	185,106	368,174	(183,475)	184,699

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of Prior Period Error – Continued
Restatement of Financial Statements as a result of a Correction of an Error – Continued

For the Year Ended 31 December 2010

Financial Statement Line Item/Balance Affected

Note 22 Property, Plant and Equipment (Extract)

The following table shows the movements in Property, Plant and Equipment balances for the Consolidated Entity:

	Land \$'000	Buildings and Improvements \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
Consolidated 2010						
Carrying Amount at the Beginning of the Reporting Period	62,120	95,072	826	6,190	104	164,312
Additions	-	25,375	94	1,568	-	27,038
Depreciation and Amortisation	-	(4,638)	(110)	(1,201)	-	(5,950)
Disposals	-	-	-	(382)	-	(382)
Depreciation Write-back for Asset Disposals	-	-	-	189	-	189
Other Movements	-	-	-	(101)	-	(101)
Carrying Amount at the End of the Reporting Period	62,120	115,809	810	6,263	104	185,106

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of Prior Period Error - Continued

Restatement of Financial Statements as a Result of a Correction of an Error - Continued

For the Year Ended 31 December 2010

Financial Statement Line Item/Balance Affected

Note 22 Property, Plant and Equipment (Extract)

The following table shows the movements in Property, Plant and Equipment balances for the Institute:

	Land \$'000	Buildings and Improvements \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
Institute 2010						
Carrying Amount at the Beginning of the Reporting Period	62,120	95,072	455	6,107	104	163,858
Additions	-	25,375	-	1,568	-	26,943
Depreciation and Amortisation	-	(4,638)	(5)	(1,179)	-	(5,823)
Disposals	-	-	-	(314)	-	(314)
Depreciation Write-back for Asset Disposals	-	-	-	135	-	135
Other Movements	-	-	-	(100)	-	(100)
Carrying Amount at the End of the Reporting Period	62,120	115,809	450	6,216	104	184,699

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 3 Changes in Accounting Policy and Accounting Estimates and Correction of a Prior Period Error - Continued

Restatement of Financial Statements as a Result of a Correction of an Error - Continued

31 December 2010 Comparative Year

Financial Statement Line Item/Balance Affected

Note 28 Asset Revaluation Surplus (Extract)

Asset Revaluation Surplus

The Asset Revaluation Surplus is used to record the increments and decrements in the value of Property, Plant and Equipment.

	Consolidated			Institute		
	Correction of		Restated	Correction of		Restated
	Actual	Error Adj		Actual	Error Adj	
	2010	2010	2010	2010	2010	2010
\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Balance at the Beginning of the Reporting Period	242,342	(183,475)	58,867	242,342	(183,475)	58,867
Balance at the End of the Reporting Period	242,342	(183,475)	58,867	242,342	(183,475)	58,867

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 4 Government Payment for Outputs

Government Payment for Outputs is revenue received from the ACT Government to fund the costs of delivering outputs. The ACT Government pays appropriation to the Institute on a fortnightly basis.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Revenue from the ACT Government				
Government Payment for Outputs ^(a)	70,699	69,279	70,699	69,279
Total Government Payment for Outputs	70,699	69,279	70,699	69,279

(a) The increase in government payment for outputs (GPO) is mainly due to an appropriation of \$2.6 million that related to January 2012 being paid to CIT in December 2011.

Note 5 User Charges for Goods and Services

User charge revenue is derived by providing goods and services to other ACT Government agencies and to the public. User charge revenue is not part of ACT Government appropriation and is paid by the user of the goods or services. This revenue is driven by consumer demand and is commercial in nature.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
User Charges – ACT Government				
Special Purpose Fund Activities	9,433	9,928	8,818	9,054
Total User Charges – ACT Government	9,433	9,928	8,818	9,054
User Charges – Non-ACT Government				
Commercial Revenue	25,477	26,079	14,331	14,578
Student Fees and Charges	7,499	7,684	7,499	7,685
Donations	-	5	-	5
Total User Charges - Non-ACT Government	32,976	33,768	21,831	22,268
Total User Charges for Goods and Services	42,409	43,696	30,649	31,322

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 6 Government Grants

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Government Grants				
Government Grants – Commonwealth ^(a)	3,829	5,630	3,829	5,630
Government Grants – State	113	130	113	130
Total Government Grants	3,942	5,760	3,942	5,760

(a) The reduction in Government Grants - Commonwealth is due to the new national e-learning strategy receiving a lower appropriation through Commonwealth Government funding in July 2011 than previous e-learning strategies which particularly impacted the July to December period. This was exacerbated by delays in the issuing of new funding contracts for the national e-learning strategy in the second half of 2011.

Note 7 Interest

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Interest Received	260	303	148	182
Total Interest Received	260	303	148	182
Total interest revenue from financial assets not at fair value through profit and loss.	260	303	148	182

Note 8 Resources Received Free of Charge

Resources received free of charge relate to goods and/or services being provided free of charge from other agencies within the ACT Government.

The Institute classifies goods and services received free of charge from entities external to the ACT Government as donations. Donations are shown in Note 5 – User Charges for Goods and Services.

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Revenue from ACT Government Entities				
Legal Services	81	38	81	38
Library Reference Materials	10	21	10	21
Total Resources Received Free of Charge	91	59	91	59

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 9 Other Revenue

Other Revenue arises from the core activities of the Agency. Other Revenue is distinct from Other Gains, as Other Gains tend to be one-off unusual items that are not part of the core activities of the Agency.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Revenue from ACT Government Entities				
Dividend – CIT Solutions Pty Limited ^(a)	-	-	-	900
Total Other Revenue from ACT Government Entities	-	-	-	900
Revenue from Other Sources				
Other	258	669	155	526
Total Other Revenue from Other Sources	258	669	155	526
Total Other Revenue	258	669	155	1,426

(a) CIT Solutions Pty Limited has elected not to pay a dividend in 2011; instead a donation to the Institute was provided (see Note 10 - Gains).

Note 10 Gains

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Transfer from CIT Solutions Pty Limited ^(a)	-	-	1,300	1,100
	-	-	1,300	1,100

(a) Transfers from CIT Solutions Pty Limited represent donations to assist with shared operating and capital costs.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 11 Employee Expenses

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Wages and Salaries	53,839	56,972	46,608	49,819
Annual Leave Expense ^(a)	7,733	9,153	7,281	8,701
Long Service Leave Expense ^(a)	2,617	1,653	2,508	1,567
Other Employee Benefits and On-Costs	1,563	1,108	988	523
Total Employee Expenses ^(b)	65,752	68,886	57,385	60,610
The average full-time equivalent staffing level for the Institute's operations during the year was:	840	900	753	812

(a) The increase in Long Service Leave expense is due to a significant change in the inflation factor used in estimating the long service leave liability for future liability levels; see Note 2(v) - Employee Benefits and Note 3 - Changes in Accounting Policy and Accounting Estimates and Correction of Prior Period Error.

(b) The reduction in employee expenses from 2010 is a result of the Institute's public access training being delivered at target levels. In 2010, CIT delivered 5% more training hours than was budgeted for, which could not be continued in 2011 as cash reserves used to fund this level of delivery had been exhausted. Staff costs are the primary input into training, so less delivery requires less staff inputs.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 12 Superannuation Expenses

The Institute receives funding for superannuation payments as part of the Government Payments for Outputs. The Institute then makes payments on a fortnightly basis to the Territory Banking Account for its portion of the Territory’s Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS) superannuation liability. The productivity benefit for these schemes is paid directly to Comsuper.

Superannuation payments have been made direct to Comsuper to cover the superannuation liability for employees that are in the new Public Sector Superannuation Scheme Accumulation Plan (PSSAP).

Superannuation payments are also made to external providers as part of the employee fund of choice arrangements, and to employment agencies for the superannuation contribution the Institute is required to make for the contract staff it employs.

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Superannuation Contributions to the Territory Banking Account	4,641	5,076	4,577	5,005
Superannuation Payments to Comsuper (for the PSSAP)	423	475	423	475
Superannuation to External Providers	3,787	4,025	3,117	3,315
Total Superannuation Expenses	8,851	9,576	8,117	8,795

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 13 **Supplies and Services**

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Travel and Transport	1,301	1,371	867	938
Materials	4,289	4,723	4,006	4,355
Consultants and Contractors ^(a)	9,613	12,227	7,335	9,386
Repairs and Maintenance ^(b)	8,594	13,118	8,298	12,752
Operating Lease Charges ^(c)	6,553	7,326	6,241	7,119
Insurance ^(d)	1,357	1,338	1,283	1,267
Reference and Learning Materials	593	696	525	636
Seminars and Conferences	392	509	364	489
Advertising	1,024	1,160	622	798
Overseas Student Management Fees	968	385	3,656	3,930
Other	395	429	318	370
Total Supplies and Services	35,079	43,282	33,515	42,040

(a) The reduction in Consultant and Contractor expenses is due to reduced payments to the Academy of Interactive Entertainment (due to lower than forecast student numbers) as well as a number of one-off contractor expenses incurred in 2010 relating to the implementation of the new student information system.

(b) The construction of new facilities in 2010 and ongoing upgrades to existing facilities has resulted in lower ongoing maintenance costs. Additionally, savings as part of an efficiency dividend have led to reductions in costs across the Institute's campuses.

(c) The reduction in Operating Lease Charges is due to a reduction in the number of leased computers and servers following major ICT infrastructure upgrades over the last few years.

(d) Insurance was reclassified from 'Other Expenses' to 'Supplies and Services'.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 14 Depreciation and Amortisation

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Depreciation				
Buildings and Improvements	4,098	4,638	4,098	4,639
Plant and Equipment	1,202	1,202	1,174	1,179
Leasehold Improvements	142	110	10	5
Total Depreciation	5,442	5,950	5,282	5,823
Amortisation				
Externally Purchased Software	336	79	296	49
Total Amortisation	336	79	296	49
Total Depreciation and Amortisation ^(a)	5,778	6,029	5,578	5,872

(a) The Institute commissioned an independent valuer to revalue its assets as at 31 December 2011. As part of the process the useful lives of building improvements and additions assets were revised. Consequently depreciation expense for buildings has decreased by \$540,000 in the current reporting period.

Note 15 Other Expenses

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Waivers, Impairment Losses and Write-offs	769	286	761	276
Bank Charges and Security Services	68	85	41	61
Copyright Charges	154	154	154	154
Asset Transfer to Property Group ^(a)	7,251	-	7,251	-
Grants and Sponsorships	1,182	1,810	911	1,204
Other Expenses	155	468	(44)	249
Total Other Expenses	9,579	2,803	9,074	1,944

(a) The increase in Asset Transfer to Property Group from 2010 relates to the transfer of part of the land and buildings at CIT's Weston Campus to the ACT Government.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 16 Waivers, Impairment Losses and Write-Offs

Under Section 131 of the *Financial Management Act 1996* the Treasurer may, in writing, waive the right to payment of an amount payable to the Territory. A waiver is the relinquishment of a legal claim to a debt over which the Institute has control.

The write-off of a debt is the accounting action taken to remove a debt from the books but does not relinquish the legal right of the Institute to recover the amount. The write-off of debts may occur for reasons other than waivers.

The waivers, impairment losses and write-offs listed below have occurred during the reporting period for the Institute.

The financial impact of Student Fee Waivers is included under 'Waivers, Impairment Losses and Write-offs' in Note 15 - Other Expenses. The number of Student Fee Waivers relates to transactions with 336 students who attracted a waiver during 2011. The number of Student Fee Irrecoverable Debts relates to transactions with 33 students who attracted a write-off during 2011.

	Consolidated			
	2011		2010	
	Number	\$'000	Number	\$'000
Waivers and Write-offs				
Student Fee Waivers	336	143	504	110
Student Fee Irrecoverable Debts	33	139	194	58
Total Waivers and Write-Offs	369	282	698	168
Impairment Losses				
<i>Impairment Loss from Receivables</i>				
Trade Receivables and Other Trade Receivables	-	487	-	118
Total Impairment Loss from Receivables	-	487	-	118
Total Waivers, Impairment Losses and Write-offs	369	769	698	286

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 16 **Waivers, Impairment Losses and Write-Offs - Continued**

	Institute			
	2011		2010	
	Number	\$'000	Number	\$'000
Waivers and Write-offs				
Student Fee Waivers	336	138	504	110
Student Fee Irrecoverable Debts	33	139	194	58
Total Waivers and Write-Offs	369	277	698	168
Impairment Losses				
<i>Impairment Loss from Receivables</i>				
Trade Receivables and Other Trade Receivables ^(a)	-	484	-	108
Total Impairment Loss from Receivables	-	484	-	108
Total Waivers, Impairment Losses and Write-offs	369	761	698	276

(a) A comprehensive review of outstanding receivables conducted during 2011 resulted in an impairment of longer-term outstanding receivables.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
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Note 17 Auditor's Remuneration

Auditor's remuneration consists of financial audit services provided to the Institute by the ACT Auditor-General's Office and any other services provided by a contract auditor engaged by the ACT Auditor-General's Office to conduct the financial audit. Auditor's remuneration is included under 'Contractors and Consultants' in Note 13 – Supplies and Services. No other services were provided by the ACT Auditor-General's Office.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Audit Services				
Audit Fees Paid to the ACT Auditor-General's Office	130	123	100	96
Total Audit Fees	130	123	100	96
Total Auditor's Remuneration	130	123	100	96

Note 18 Cash and Cash Equivalents

The Institute holds a number of bank accounts with the Commonwealth Bank as part of whole-of-government banking arrangements. As part of these arrangements, the Institute earns interest on deposits, at a rate equivalent to 15 basis points below the Reserve Bank's target cash rate.

CIT Solutions Pty Limited's Term Deposits were held with the Westpac Banking Corporation Limited. The funds earned an interest rate of 6.15% (6.15% in 2010). These funds were able to be withdrawn upon request.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Cash at Bank	6,603	5,622	5,706	4,611
Cash on Hand	24	24	19	19
Cash Equivalent – Term Deposit	-	1,000	-	-
Total Cash and Cash Equivalents	6,627	6,646	5,725	4,630

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 19 Receivables

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current Receivables				
Accounts Receivable	4,421	3,976	2,665	2,020
Less: Allowance for Impaired Receivables	(206)	(66)	(200)	(64)
Total Accounts Receivable	4,215	3,910	2,465	1,956
Student Receivables				
Student Receivables	933	539	933	540
Less: Allowance for Impaired Receivables	(537)	(190)	(537)	(190)
Total Student Receivables	396	349	396	350
Sub-Total Receivables	4,611	4,260	2,861	2,306
Accrued Revenue	95	16	95	-
Total Accrued Revenue	95	16	95	-
Total Current Receivables	4,706	4,275	2,956	2,306
Total Receivables	4,706	4,275	2,956	2,306
Reconciliation of the Allowance for Impaired Receivables				
Allowance for Impaired Receivables at the Beginning of the Reporting Period	256	751	254	731
Additional Allowance Recognised	487	-	484	-
Reduction in Allowance resulting from a Write Back against the Receivables	-	(495)	-	(477)
Allowance for Impaired Receivables at the End of the Reporting Period	743	256	738	254
Classification of ACT Government/Non-ACT Government Receivables				
Receivables with ACT Government Entities				
Net Accounts Receivable	172	901	1,092	690
Total Receivables with ACT Government Entities	172	901	1,092	690
Receivables with Non-ACT Government Entities				
Net Accounts Receivable	4,138	2,835	1,468	1,077
Net Student Receivables	396	539	396	539
Total Receivables with Non-ACT Government Entities	4,534	3,374	1,864	1,616
Total Receivables	4,706	4,275	2,956	2,306

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 19 Receivables - Continued

Aging of Receivables

Consolidated

	Not Overdue	Past Due			Total
		Less than 30 Days	30 to 60 Days	Greater than 60 Days	
2011	\$'000	\$'000	\$'000	\$'000	\$'000
Not Impaired⁽¹⁾					
Receivables	3,785	651	168	102	4,706
Impaired					
Receivables	-	-	-	743	743
<hr/>					
2010					
Not Impaired⁽¹⁾					
Receivables	3,321	487	112	355	4,275
Impaired					
Receivables	-	-	-	256	256

Institute

	Not Overdue	Past Due			Total
		Less than 30 Days	30 to 60 Days	Greater than 60 Days	
2011	\$'000	\$'000	\$'000	\$'000	\$'000
Not Impaired⁽¹⁾					
Receivables	2,607	175	141	33	2,956
Impaired					
Receivables	-	-	-	738	738
<hr/>					
2010					
Not Impaired⁽¹⁾					
Receivables	1,875	167	51	213	2,306
Impaired					
Receivables	-	-	-	253	253

(1) 'Not Impaired' refers to Net Receivables (that is Gross Receivables less Impaired Receivables).

Canberra Institute of Technology
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For the Year Ended 31 December 2011

Note 20 Other Assets

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Current Other Assets				
Prepayments	1,565	2,064	1,340	1,865
Total Current Other Assets	1,565	2,064	1,340	1,865
Total Other Assets	1,565	2,064	1,340	1,865

Note 21 Investments

	Consolidated		Institute	
	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000
Non-Current Investments				
CIT Solutions Pty Limited ^(a)	-	-	20	20
Total Non-Current Investments	-	-	20	20
Total Investments	-	-	20	20

(a) The Chief Executive Officer, on behalf of the Institute, holds \$20,000 of paid-up capital in CIT Solutions Pty Limited. CIT Solutions Pty Limited offers a range of educational activities and services on a commercial basis.

Note 22 Property, Plant and Equipment

Property, plant and equipment includes the following classes of assets – land, buildings and improvements, leasehold improvements, plant and equipment and heritage assets. Property, plant and equipment does not include assets held for sale or investment property.

Land includes leasehold land held by the Institute, but excludes land under infrastructure.

Buildings and Improvements includes office buildings, teaching spaces, workshops, laboratories, fit-out and site works.

Leasehold improvements represent capital expenditure incurred in relation to leased assets. This includes fit-outs of leased buildings.

Plant and equipment includes mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, motor vehicles, and other mechanical and electronic equipment.

Heritage assets are defined as those non-current assets that the ACT Government intends to preserve indefinitely because of their unique historical, cultural or environmental attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or redeployment. Heritage assets held by the Institute include art works, gemstones and sculptures.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 22 Property, Plant and Equipment - Continued

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Land				
Land at Fair Value	51,600	62,120	51,600	62,120
Total Land Assets	51,600	62,120	51,600	62,120
Buildings and Improvements				
Buildings and Improvements at Fair Value	159,265	124,699	159,265	124,698
Less: Accumulated Depreciation	(775)	(8,889)	(775)	(8,889)
Total Written-Down Value of Buildings and Improvements	158,490	115,810	158,490	115,809
Total Written-Down Value of Land and Buildings	210,090	177,930	210,090	177,929
Leasehold Improvements				
Leasehold Improvements at Fair Value	906	1,036	160	497
Less: Accumulated Amortisation	(305)	(222)	-	(47)
Total Written-Down Value of Leasehold Improvements	601	814	160	450
Plant and Equipment				
Plant and Equipment at Fair Value	7,788	8,279	7,679	8,196
Less: Accumulated Depreciation	(75)	(2,020)	(10)	(1,980)
Total Written-Down Value of Plant and Equipment	7,713	6,259	7,669	6,216
Heritage Assets				
Heritage Assets at Fair Value	121	104	121	104
Total Heritage Assets	121	104	121	104
Total Written-Down Value of Property, Plant and Equipment	218,525	185,106	218,039	184,699

Valuation of Non-Current Assets

Cerified Practising Valuer Rodney Hyman Asset Services Pty Ltd performed an independent revaluation of the Institute's Plant and Equipment and Heritage assets as at 31 December 2011. Certified Practising Valuer Knight Frank Valuations Canberra performed an independent revaluation of the Institute's Land, Building and Leasehold improvement assets as at 31 December 2011.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 22 Property, Plant and Equipment - Continued

The following table shows the movements in Property, Plant and Equipment balances:

	Land \$'000	Buildings and Improvements \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
Consolidated 2011						
Carrying Amount at the Beginning of the Reporting Period	62,120	115,809	810	6,263	104	185,106
Additions	-	17,204	344	1,422	5	18,975
Depreciation and Amortisation	-	(4,098)	(141)	(1,203)	-	(5,442)
Disposals	(7,195)	(225)	-	(62)	-	(7,482)
Revaluation	(3,325)	29,243	(412)	1,315	12	26,833
Depreciation Write-back for Asset Disposals	-	169	-	24	-	193
Other Movements	-	388	-	(46)	-	342
Carrying Amount at the End of the Reporting Period	51,600	158,490	601	7,713	121	218,525
Consolidated 2010						
Carrying Amount at the Beginning of the Reporting Period	62,120	95,072	826	6,190	104	164,312
Additions	-	25,375	94	1,568	-	27,038
Depreciation and Amortisation	-	(4,638)	(110)	(1,201)	-	(5,950)
Disposals	-	-	-	(382)	-	(382)
Depreciation Write-back for Asset Disposals	-	-	-	189	-	189
Other Movements	-	-	-	(101)	-	(101)
Carrying Amount at the End of the Reporting Period	62,120	115,809	810	6,263	104	185,106

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 22 Property, Plant and Equipment - Continued

The following table shows the movements in Property, Plant and Equipment balances:

	Land \$'000	Buildings and Improvements \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
Institute 2011						
Carrying Amount at the Beginning of the Reporting Period	62,120	115,809	450	6,216	104	184,699
Additions	-	17,204	132	1,391	5	18,732
Depreciation and Amortisation	-	(4,098)	(10)	(1,174)	-	(5,282)
Disposals	(7,195)	(225)	-	(58)	-	(7,478)
Revaluation	(3,325)	29,243	(412)	1,315	12	26,833
Depreciation Write-back for Asset Disposals	-	169	-	20	-	189
Other Movements	-	388	-	(42)	-	346
Carrying Amount at the End of the Reporting Period	51,600	158,490	160	7,668	121	218,039
Institute 2010						
Carrying Amount at the Beginning of the Reporting Period	62,120	95,072	455	6,107	104	163,858
Additions	-	25,375	-	1,568	-	26,943
Depreciation and Amortisation	-	(4,638)	(5)	(1,179)	-	(5,823)
Disposals	-	-	-	(314)	-	(314)
Depreciation Write-back for Asset Disposals	-	-	-	135	-	135
Other Movements	-	-	-	(100)	-	(100)
Carrying Amount at the End of the Reporting Period	62,120	115,809	450	6,216	104	184,699

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 23 Intangible Assets

CIT Solutions Pty Limited has externally purchased software, comprising five core corporate business systems (off-the-shelf products modified to meet the Institute's needs) and software titles.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Computer Software				
<i>Externally Purchased Software</i>				
Computer Software at Fair Value ^(a)	1,963	1,030	1,842	901
Computer Software at Cost ^(a)	-	1,088	-	1,088
Less : Accumulated Amortisation	(991)	(999)	(910)	(949)
<i>Total Externally Purchased Software</i>	972	1,119	932	1,040
Total Computer Software	972	1,119	932	1,040
Total Intangible Assets	972	1,119	932	1,040

(a) Computer Software carried at Cost for 2010 has been incorporated into the amount carried at Fair Value for 2011.

Reconciliation of Intangible Assets

The following table shows the movements in Intangible Assets from the beginning to the end of 2010 and 2011.

	Consolidated		Institute	
	Externally Purchased Software		Externally Purchased Software	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Carrying Amount at the Beginning of the Reporting Period	1,119	30	1,040	-
Additions	188	1,167	188	1,088
Amortisation	(298)	(78)	(258)	(48)
Revaluation	(38)	-	(38)	-
Other Movements	1	-	-	-
Carrying Amount at the End of the Reporting Period	972	1,119	932	1,040

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
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Note 24 Capital Works in Progress

Capital Works in Progress are assets being constructed over periods of time, in excess of the present reporting period. These assets often require extensive installation work or integration with other assets, and contrast with simpler assets that are ready for use when acquired, such as motor vehicles and equipment. Capital Works in Progress are not depreciated, as the Institute is not currently deriving economic benefits from them.

The Institute currently has Capital Works in Progress comprising buildings under construction and information technology infrastructure for the CIT online development project.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Plant and Equipment in Progress	49	-	49	-
Building Works in Progress	831	12,315	831	12,315
Information Technology Infrastructure in Progress	2,299	858	2,299	858
Total Capital Works in Progress	3,179	13,173	3,179	13,173

Reconciliation of Capital Works in Progress

The following table shows the movements in the consolidated Capital Works in Progress balances:

	Buildings Works in Progress \$'000	Software Works in Progress \$'000	Total \$'000
Consolidated 2011			
Carrying Amount at the Beginning of the Reporting Period	12,451	722	13,173
Additions	8,356	-	8,356
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	(18,162)	-	(18,162)
Capital Works in Progress Completed and Transferred to Intangible Assets	-	(188)	(188)
Carrying Amount at the End of the Reporting Period	2,645	534	3,179
Consolidated 2010			
Carrying Amount at the Beginning of the Reporting Period	14,228	1,810	16,038
Additions	24,030	-	24,030
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	(25,807)	-	(25,807)
Capital Works in Progress Completed and Transferred to Intangible Assets	-	(1,088)	(1,088)
Carrying Amount at the End of the Reporting Period	12,451	722	13,173

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 24 Capital Works in Progress - Continued

Reconciliation of Capital Works in Progress

The following table shows the movements in the Institute's Capital Works in Progress balances:

	Buildings Works in Progress	Software Works in Progress	Total
	\$'000	\$'000	\$'000
Institute 2011			
Carrying Amount at the Beginning of the Reporting Period	12,451	722	13,173
Additions	8,356	-	8,356
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	(18,162)	-	(18,162)
Capital Works in Progress Completed and Transferred to Intangible Assets	-	(188)	(188)
Carrying Amount at the End of the Reporting Period	2,645	534	3,179
Institute 2010			
Carrying Amount at the Beginning of the Reporting Period	14,228	1,810	16,038
Additions	24,030	-	24,030
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	(25,807)	-	(25,807)
Capital Works in Progress Completed and Transferred to Intangible Assets	-	(1,088)	(1,088)
Carrying Amount at the End of the Reporting Period	12,451	722	13,173

Canberra Institute of Technology
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For the Year Ended 31 December 2011

Note 25 Payables

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current Payables				
Accounts Payable ^(a)	239	2,059	239	1,913
Other Payables	248	277	158	182
Sub-Total Payables	487	2,336	397	2,095
Accrued Expenses ^(a)	3,752	8,050	3,626	7,943
Total Current Payables	4,239	10,386	4,023	10,038
Total Payables	4,239	10,386	4,023	10,038
Payables are Aged as Follows:				
Not Overdue	4,091	5,704	3,875	5,356
Overdue for Less than 30 Days	-	1,162	-	1,162
Overdue for 30 to 60 Days	147	1,646	147	1,646
Overdue for more than 60 Days	1	1,874	1	1,874
Total Payables	4,239	10,386	4,023	10,038
Classification of ACT Government/Non-ACT Government Payables				
Payables with ACT Government Entities				
Accounts Payable	2	1,765	3	1,668
Accrued Expenses	2,756	5,526	2,632	5,526
Total Payables with ACT Government Entities	2,758	7,291	2,635	7,194
Payables with Non-ACT Government Entities				
Accounts Payable	237	497	237	245
Other Payables	248	182	158	182
Accrued Expenses	996	2,416	993	2,417
Total Payables with Non-ACT Government Entities	1,481	3,095	1,388	2,844
Total Payables	4,239	10,386	4,023	10,038

(a) The reduction in Accounts Payable and Accrued Expenses from 2010 results from large invoices that were outstanding or accrued respectively in 2010 that were subsequently paid during 2011 and more timely payment of invoices in the year in which they were due. That is, in 2010 there were significant unpaid invoices at year end, which was not repeated in 2011.

Canberra Institute of Technology
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Note 26 Employee Benefits

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current Employee Benefits				
Annual Leave	5,986	5,946	5,645	5,538
Long Service Leave (a)	11,162	9,772	10,831	9,477
Accrued Salaries	1,485	2,323	1,308	2,267
Other Benefits	359	523	221	321
Total Current Employee Benefits	18,992	18,564	18,005	17,603
Non-Current Employee Benefits				
Long Service Leave	1,997	1,742	1,844	1,635
Total Non-Current Employee Benefits	1,997	1,742	1,844	1,635
Total Employee Benefits	20,989	20,306	19,849	19,238

(a) The increase in Long Service Leave is due to a significant change in the discount factor used in valuing future liability levels; see Note 2(v) - Employee Benefits and Note 3 - Changes in Accounting Policy and Accounting Estimates and Correction of a Prior Period Error.

For Disclosure Purposes Only				
Estimate of when Leave is Payable				
Estimated Amount Payable within 12 Months				
Annual Leave	5,986	5,946	5,645	5,538
Long Service Leave	1,187	2,027	1,143	1,942
Accrued Salaries	1,485	2,323	1,308	2,267
Other Benefits	359	523	221	321
Total Amount Payable within 12 Months	9,017	10,819	8,317	10,068
Estimated Amount Payable after 12 Months				
Long Service Leave	11,971	9,487	11,532	9,170
Total Amount Payable after 12 Months	11,971	9,487	11,532	9,170
Total Employee Benefits	20,989	20,306	19,849	19,238

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 27 Other Liabilities

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Current Other Liabilities				
Revenue in Advance - Student Fees	1,770	1,886	1,770	1,886
Revenue in Advance - Grants	147	539	147	328
Other	175	539	55	101
Total Current Other Liabilities	2,092	2,964	1,972	2,315
Non-Current Other Liabilities				
Other	40	33	-	-
Total Non-Current Other Liabilities	40	33	-	-
Total Other Liabilities	2,132	2,997	1,972	2,315

Note 28 Asset Revaluation Surplus**Asset Revaluation Surplus**

The Asset Revaluation Surplus is used to record the increments and decrements in the value of Property, Plant and Equipment.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Balance at the Beginning of the Reporting Period	58,867	58,867	58,867	58,867
Decrement in Land due to Revaluation	(3,325)	-	(3,325)	-
Increment in Buildings due to Revaluation	29,243	-	29,243	-
Decrement in Leasehold Improvements	(412)	-	(412)	-
Increment in Plant and Equipment due to Revaluation	1,315	-	1,315	-
Increment in Heritage Assets due to Revaluation	12	-	12	-
Transfer to Accumulated Funds on Disposal	-	-	-	-
Total Movement	26,833	-	26,833	-
Balance at the End of the Reporting Period ^(a)	85,700	58,867	85,700	58,867

(a) In 2011, CIT assets were revalued by an independent valuer on a fair value basis (see Note 2 (q) - Measurement of Property, Plant and Equipment After Initial Recognition). As a consequence of the revaluation, land and leasehold improvements have been reduced in value whereas revaluation increments have increased reserve balances for buildings, plant and equipment and heritage assets.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 29 Financial Instruments

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability, are disclosed in Note 2 - Summary of Significant Accounting Policies.

Interest Rate Risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As shown in the maturity analysis in Note 29 - Financial Instruments, the Institute has most of its financial assets held in floating interest rate investments. This means that the Institute is exposed to movements in interest receivable.

The Institute does not have any financial liabilities held at floating interest rates and is therefore not exposed to movements in the amount of interest payable.

As the Institute's operating cash flows are not significantly dependant on interest earned from cash and cash equivalents, a sensitivity analysis of the interest rate risk has not been performed.

There have been no changes in risk exposure or processes for managing risk since last reporting period.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Institute's credit risk is limited to the amount of the financial assets it holds. This risk is minimised due to a majority of the transactions taking place with State and Australian Government entities. Total term deposits held are with the Westpac Banking Corporation Limited, which is considered to be a high quality credit financial institution. Therefore these funds are considered to be subject to an insignificant amount of credit risk. Credit risk is monitored on a regular basis.

The Institute has a large number of transactions with students and other commercial entities. These credit risks are managed through internal processes which include sending reminder letters and referring to a debt collection agency. With regard to student debtors, the Institute can limit their access to facilities, obtaining grades and graduating.

There have been no changes in credit risk exposure since last reporting period.

Liquidity Risk

Liquidity risk is the risk that the Institute will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Institute manages its exposure to liquidity risk by drawing down appropriations received to fund outputs progressively throughout the year and by progressively invoicing students and other debtors to ensure that it can meet its obligations throughout the year.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 29 Financial Instruments - Continued

Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in prices traded in the market. The Institute has no exposure to price risk, as it does not hold financial instruments that are exposed to movements in market prices.

Currency Risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes to foreign currency exchange rates. As the Institute's transactions are carried out in Australian dollars, the Institute has no exposure to currency risk.

Fair Value of Financial Assets and Liabilities

The fair value of cash and cash equivalents is the carrying value recorded in the Balance Sheet.

The carrying amounts and fair values of financial assets and liabilities at balance date are:

	Consolidated			
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	2011 \$'000	2011 \$'000	2010 \$'000	2010 \$'000
Financial Assets				
Cash and Cash Equivalents	6,627	6,627	6,646	6,646
Receivables	4,611	4,611	4,260	4,260
Total Financial Assets	11,238	11,238	10,906	10,906
Financial Liabilities				
Payables	487	487	2,336	2,336
Total Financial Liabilities	487	487	2,336	2,336

Fair Value Hierarchy

The Institute does not have any financial assets or liabilities measured at fair value. As such, no fair value hierarchy disclosures have been made.

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 29 Financial Instruments - Continued

The following table sets out the Institute's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 31 December 2011. All financial assets and liabilities, which have a floating interest rate or are non-interest bearing, will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

The Institute does not hold any collateral as security relating to financial assets.

Consolidated 2011

		Fixed Interest Maturing In:					
	Note	Floating Interest Rate \$'000	1 Year or Less \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000	Total \$'000
Financial Instruments							
Financial Assets							
Cash and Cash Equivalents	18	6,603	-	-	-	24	6,627
Receivables	19	-	-	-	-	4,611	4,611
Total Financial Assets		6,603	-	-	-	4,635	11,238
Weighted Average Interest Rate		4.50%	-	-	-	-	-
Financial Liabilities							
Payables	25	-	-	-	-	(487)	(487)
Total Financial Liabilities		-	-	-	-	(487)	(487)
Net Financial Assets		6,603	-	-	-	4,148	10,751

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 29 Financial Instruments - Continued

The following table sets out the Institute's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 31 December 2010. All financial assets and liabilities, which have a floating interest rate or are non-interest bearing, will mature in one year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

The Institute does not hold any collateral as security relating to financial assets.

Consolidated 2010

Financial Instruments	Note	Fixed Interest Maturing In:						Total \$'000
		Floating Interest Rate \$'000	1 Year or Less \$'000	1 to 5 Years \$'000	Over 5 Years \$'000	Non-Interest Bearing \$'000		
Financial Assets								
Cash	18	5,642	1,000	-	-	-	-	6,646
Receivables	19	-	-	-	-	4,260	-	4,260
Total Financial Assets		5,642	1,000	-	-	4,264	-	10,906
Weighted Average Interest Rate		4.54%	6.15%	-	-	-	-	-
Financial Liabilities								
Payables	26	-	-	-	-	-	(2,336)	(2,336)
Total Financial Liabilities		-	-	-	-	-	(2,336)	(2,336)
Net Financial Assets		5,642	1,000	-	-	-	1,928	8,570

**Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011**

Note 29 Financial Instruments - Continued

	Consolidated	
	2011 \$'000	2010 \$'000
Carrying Amount of Each Category of Financial Asset and Financial Liability		
Financial Assets		
Loans and Receivables	4,611	4,260
Financial Liabilities		
Financial Liabilities Measured at Amortised Cost	487	2,336

The Institute does not have any financial assets in the 'Held to Maturity' category and as such this category is not included above. Also, the Institute does not have any financial liabilities in the 'Financial Liabilities at Fair Value through Profit and Loss' category and as such this category is not included above.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 30 Commitments

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Capital Commitments				
Capital commitments contracted at reporting date, that have not been recognised as liabilities, are payable as follows:				
<i>Buildings and Minor New Works</i>				
Within one year	3,007	10,405	3,007	10,405
<i>Total Capital Commitments - Buildings and Minor New Works</i>	3,007	10,405	3,007	10,405
<i>Intangible Assets</i>				
Within one year	898	-	898	-
<i>Total Capital Commitments - Intangible Assets</i>	898	-	898	-
Total Capital Commitments	3,905	10,405	3,905	10,405
Other Commitments				
Other commitments contracted at reporting date, that have not been recognised as liabilities, are payable as follows:				
Within one year	1,513	2,476	663	2,476
Later than one year but not later than five years	4,360	3,242	1,043	3,242
Later than five years	1,740	-	-	-
Total Other Commitments	7,613	5,718	1,706	5,718

All amounts shown in the commitment note are inclusive of Goods and Services Tax.

Note 31 Contingent Liabilities and Contingent Assets**Contingent Liabilities**

In December 2011, the Institute notified their public liability insurer, ACT Insurance Authority, of pending legal claims from third parties. The public liability insurance policy provides insurance cover for the legal costs that have occurred through defending claims against the Institute from a third party.

At the reporting date an estimate of the potential insurance claims as a result of the court action is \$730,000 (2010 \$385,000).

Contingent Assets

At the reporting date an estimate of the potential insurance settlement receivable in relation to pending legal claims from third parties is \$705,000 (2010 \$365,000).

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 32 Cash Flow Reconciliation

(a) Reconciliation of Cash and Cash Equivalents at the end of the reporting period in the Cash Flow Statement to the equivalent items in the Balance Sheet.

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Total Cash and Cash Equivalents Recorded in the Balance Sheet	6,627	6,646	5,725	4,630
Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement	6,627	6,646	5,725	4,630
(b) Reconciliation of Net Cash (Outflows)/Inflows from Operating Activities to the Operating Surplus/(Deficit)				
Operating (Deficit)/Surplus	(7,380)	(10,810)	(6,685)	(10,133)
Add/(Less) Non-Cash Items				
Impairment Loss of Non-Current Assets	-	-	-	-
Depreciation of Property, Plant and Equipment	5,442	5,951	5,282	5,823
Amortisation of Intangibles	336	78	296	49
Asset Transfer to Property Group	7,251	-	7,251	-
Add/(Less) Items Classified as Investing or Financing				
Net Loss/(Gain) on Disposal of Non-Current Assets	88	(1)	88	(1)
Cash Before Changes in Operating Assets and Liabilities	5,737	(4,782)	6,232	(4,262)
Changes in Operating Assets and Liabilities				
(Increase)/Decrease in Receivables	(919)	906	(1,134)	1,332
Increase/(Decrease) in Allowance for Impaired Receivables	488	(495)	484	(477)
Decrease/(Increase) in Other Assets	499	(624)	525	(647)
(Decrease)/Increase in Payables	(7,988)	6,242	(7,855)	5,922
Increase in Provisions	684	1,297	610	1,272
(Decrease)/Increase in Other Liabilities	(856)	(72)	(342)	(83)
Net Changes in Operating Assets and Liabilities	(8,092)	7,254	(7,712)	7,319
Net Cash (Outflows)/Inflows from Operating Activities	(2,355)	2,472	(1,480)	3,057

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 33 Events Occurring after Balance Date

There were no events occurring after balance date for the reporting period.

Note 34 Third Party Monies

The Institute holds monies on behalf of third parties which are reported as follows:

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Balance at the Beginning of the Reporting Period	696	442	696	442
Cash Receipts	1,033	1,221	1,033	1,221
Cash Payments	(1,202)	(967)	(1,202)	(967)
Balance at the End of the Reporting Period	527	696	527	696

Monies Held on Behalf of Third Parties at the End of the Reporting Period:

	Consolidated		Institute	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
CIT Student Association Fees	46	310	46	310
Contractors' Deposits	290	258	290	258
Other	86	60	86	60
Conference Deposits	85	48	85	48
Students – Accommodation Bonds	20	20	20	20
Total Third Party Monies	527	696	527	696

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 35 Restated Balance Sheet

Consolidated	Note	Actual	Original	Actual ¹	Actual ¹
		2011	Budget	2010	2009
		\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and Cash Equivalents	18	6,627	1,756	6,646	7,821
Receivables	19	4,706	4,440	4,275	4,686
Other Assets	20	1,565	1,790	2,064	1,440
Total Current Assets		12,898	7,986	12,985	13,947
Non-Current Assets					
Investments	21	-	20	-	-
Property, Plant and Equipment	22	218,525	370,015	185,106	164,312
Intangible Assets	23	971	70	1,119	30
Capital Works in Progress	24	3,179	15,409	13,173	16,038
Total Non-Current Assets		222,675	385,514	199,398	180,380
Total Assets		235,573	393,500	212,383	194,327
Current Liabilities					
Payables	25	4,239	8,537	10,386	4,144
Employee Benefits	26	18,992	16,956	18,564	17,286
Other Liabilities	27	2,092	5,381	2,964	3,036
Total Current Liabilities		25,323	30,874	31,914	24,466
Non-Current Liabilities					
Employee Benefits	26	1,997	1,894	1,742	1,722
Other Non-Current Liabilities	27	40	40	33	24
Total Non-Current Liabilities		2,037	1,934	1,775	1,746
Total Liabilities		27,360	32,808	33,689	26,212
Net Assets		208,213	360,692	178,694	168,115
Equity					
Accumulated Funds		122,513	118,350	119,827	109,248
Asset Revaluation Surplus	28	85,700	242,342	58,867	58,867
		208,213	360,692	178,694	168,115

¹ Restated balances based on the correction of a prior period error. See Note 3 for details.
 The above Balance Sheet should be read in conjunction with the accompanying notes.

Canberra Institute of Technology
Notes to and Forming Part of the Financial Statements
For the Year Ended 31 December 2011

Note 35 Restated Balance Sheet - Continued

Institute	Note	Original			
		Actual 2011 \$'000	Budget 2011 \$'000	Actual ¹ 2010 \$'000	Actual ¹ 2009 \$'000
Current Assets					
Cash and Cash Equivalents	18	5,725	-	4,630	5,070
Receivables	19	2,956	2,500	2,306	3,160
Other Assets	20	1,340	1,555	1,865	1,218
Total Current Assets		10,021	4,055	8,801	9,448
Non-Current Assets					
Investments	21	20	20	20	20
Property, Plant and Equipment	22	218,039	369,575	184,699	163,859
Intangible Assets	23	932	-	1,040	-
Capital Works in Progress	24	3,179	15,409	13,173	16,037
Total Non-Current Assets		222,170	385,004	198,932	179,916
Total Assets		232,191	389,059	207,733	189,364
Current Liabilities					
Payables	25	4,023	8,253	10,038	4,116
Employee Benefits	26	18,005	16,004	17,603	16,278
Other Liabilities	27	1,972	4,595	2,315	2,397
Total Current Liabilities		24,000	28,852	29,956	22,791
Non-Current Liabilities					
Employee Benefits	26	1,844	1,785	1,635	1,688
Total Non-Current Liabilities		1,844	1,785	1,635	1,688
Total Liabilities		25,844	30,637	31,591	24,479
Net Assets		206,347	358,422	176,142	164,885
Equity					
Accumulated Funds		120,647	116,080	117,275	106,018
Asset Revaluation Surplus	28	85,700	242,342	58,867	58,867
		206,347	358,422	176,142	164,885

¹ Restated balances based on the correction of a prior period error. See Note 3 for details.
The above Balance Sheet should be read in conjunction with the accompanying notes.

For more information:

Deputy Chief Executive, Operations

(02) 6207 3106



ACT AUDITOR-GENERAL'S OFFICE



REPORT OF FACTUAL FINDINGS

CANBERRA INSTITUTE OF TECHNOLOGY

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the Canberra Institute of Technology (the Institute) for the year ended 31 December 2011 has been reviewed.

Responsibility for the statement of performance

The Chief Executive Officer of the Institute is responsible for the preparation and fair presentation of the statement of performance in accordance with the *Financial Management Act 1996*. This includes responsibility for maintaining adequate records and internal controls that are designed to prevent and detect fraud and error, and the systems and procedures to measure the results of the accountability indicators reported in the statement of performance.

The auditor's responsibility

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2011*, I am responsible for providing a report of factual findings on the statement of performance.

The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide assurance that the results of the accountability indicators reported in statement of performance have been fairly presented in accordance with the *Financial Management Act 1996*.

A review is primarily limited to making inquiries with representatives of the Institute, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.

The review did not include an assessment of the relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets.

No opinion is expressed on the accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations.

Level 4, 11 Moore Street, Canberra City, ACT 2601 | PO Box 275, Civic Square, ACT 2608
Telephone: 02 6207 0833 | Facsimile: 02 6207 0826 | Email: actauditorgeneral@act.gov.au

Electronic presentation of the statement of performance

Those viewing an electronic presentation of this statement of performance should note that the review does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from the statement of performance. If users of the statement of performance are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the reviewed statement of performance to confirm the accuracy of this electronically presented information.

Independence

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the review.

Review opinion

Based on the review procedures, no matters have come to my attention which indicate that the results of the accountability indicators, reported in the statement of performance of the Institute for the year ended 31 December 2011, are not fairly presented in accordance with the *Financial Management Act 1996*.

This review opinion should be read in conjunction with the other information disclosed in this report.



Dr Maxine Cooper
Auditor General
23 March 2012

**Canberra Institute of Technology
Statement of Performance
For the Year Ended 31 December 2011**

Statement of Responsibility

In my opinion, the Statement of Performance is in agreement with the Canberra Institute of Technology's records and fairly reflects the service performance of the Canberra Institute of Technology for the year ended 31 December 2011 and also fairly reflects the judgements exercised in preparing it.



Adrian Marron
Chief Executive Officer
Canberra Institute of Technology
2 March 2012

Canberra Institute of Technology
Statement of Performance
For the Year Ended 31 December 2011

Statement by the Chief Finance Officer

In my opinion, the Statement of Performance is in agreement with the Canberra Institute of Technology's records and fairly reflects the service performance of the Canberra Institute of Technology for the year ended 31 December 2011 and also fairly reflects the judgements exercised in preparing it.



Peter Kowald
Chief Finance Officer
Canberra Institute of Technology
2 March 2012

**Canberra Institute of Technology
Statement of Performance
For the Year Ended 31 December 2011**

OUTPUT CLASS 1: CANBERRA INSTITUTE OF TECHNOLOGY				
Output 1.1: Provision of Vocational Education and Training Services				
Accountability Indicators included in the Institute's 2010-11 Statement of Intent	Notes	31 December 2011 Target	31 December 2011 Outcome	Variance %*
a) Nominal Hours		3,820,000	3,824,817	0
b) Achieve key output targets.				
i) Program Enrolments		19,100	18,302	(4)
ii) Module Pass Rates	1	75%	79%	5
iii) Program Completions	2	9,000	8,196	(9)
iv) Learner Satisfaction Rate	3	85%	92%	8
v) Employer Satisfaction Rate	3	80%	92%	15
c) Average Government Payment per Nominal Hour	4	\$17.14	\$18.48	8
Accountability Indicators included in the Institute's 2010-11 Budget	Notes	30 June 2011 Target	30 June 2011 Outcome	Variance %*
a) Nominal Hours		3,820,000	3,818,562	0
b) Achieve key output targets.				
i) Program Enrolments	5	19,000	17,861	(6)
ii) Module Pass Rates		75%	78%	4
iii) Program Completions	2	9,000	9,880	10
iv) Graduate Satisfaction Rate	3	85%	92%	8
v) Employer Satisfaction Rate	3	80%	92%	15
c) Average Government Payment per Nominal Hour	4	\$17.74	\$18.39	4

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

Canberra Institute of Technology
Statement of Performance
For the Year Ended 31 December 2011

Notes

- 1 Module pass rates at 31 December 2011 are above target due to CIT's continued focus on quality support and pastoral care services for CIT's students.
- 2 Program completion rates when taken for both periods combined are on target (actual of 18,076 versus target of 18,000). The differences between the periods are due to a delay in updating results at the end of 2010 while a major system upgrade was being performed. That is, some of the 2010 completions were processed in early 2011 but related to the 2010 year.
- 3 The 2011 surveys of learner (graduate) and employer satisfaction showed satisfaction levels of 92 per cent each reflecting employers' and graduates' positive view of the relevance of CIT training. CIT has continued to actively improve its effectiveness and responsiveness in skilling students in contemporary training methods which has been very positively received by industry and students alike.
- 4 Average Government Payment per Nominal Hour is above budget due to higher than budgeted receipt of Government Payment for Outputs (GPO) funding. This was due to a \$2.9 million Treasurer's Advance in June 2011 for cost pressures and costs associated with the remediation of the Weston campus that was not included in the original budget for 2011 and an appropriation of \$2.6 million that related to January 2012 being paid to CIT in December 2011. At the time of preparation of the 2011 budget it was anticipated that this payment would be received in 2012; as it was received in 2011, in accordance with the *Financial Management Act 1996*, the GPO must be recognised as revenue in that year (*cash basis*).
- 5 Program enrolments at 30 June 2011 and 31 December 2011 are lower than target due to increasing activity in longer duration programs. This is reflective of recent trends for higher level programs when employment levels have risen in the local economy.

* Variance from Target

The percentage variance is calculated by subtracting the target from the outcome and dividing this difference by the target.

Canberra Institute of Technology Statement of Performance For the Year Ended 31 December 2011

Accountability Indicator Measure Definitions

- a) Nominal Hours is the nationally accepted quantitative output measure for the Vocational Education and Training sector. It measures the anticipated hours of supervised learning or training provided by the Institute to adequately present the educational material associated with the delivery and assessment of a program of study when delivered in a standard classroom. It also includes student contact hours delivered through a recognition of prior learning process.
- b) Output targets are as specified below noting that 'Profile' relates to training activities that are funded directly by the ACT Government appropriation for the provision of public access vocational education and training.
 - i. The number of records of students completing program enrolment requirements in accordance with the national Australian Vocational Education and Training Management Information Statistical Standard (AVETMISS).
 - ii. The proportion of successful module (subject) outcomes compared to module enrolments weighted by Nominal Hours in accordance with the national AVETMIS Standard.
 - iii. The number of student records where program completion requirements have been met in accordance with the AVETMIS Standard for students completing study in the previous academic year(s). This measure does not include completions for non-accredited training such as Adult Community Education (ACE) programs.
 - iv. Graduate satisfaction rates measure the proportion of graduates indicating they were satisfied with their program. Graduate satisfaction is measured by using results of surveys of ACT students undertaken by the National Centre for Vocational Education Research Ltd (NCVER). NCVER is Australia's principal research organisation for the Vocational Education and Training sector in Australia.
 - v. Employer satisfaction rates measure the proportion of employers of CIT graduates indicating they are satisfied with training provided to their staff. It is measured through the Institute's surveys of ACT region employers. Responses indicating employers as being 'very satisfied' and 'satisfied' were counted as a proportion of total surveys completed.
- c) The Average Government Payment per Nominal Hour is an output target calculated as the Total Government Payment for Outputs divided by the Nominal Hours outcome for training programs delivered under the Institute's training Profile.

For more information:

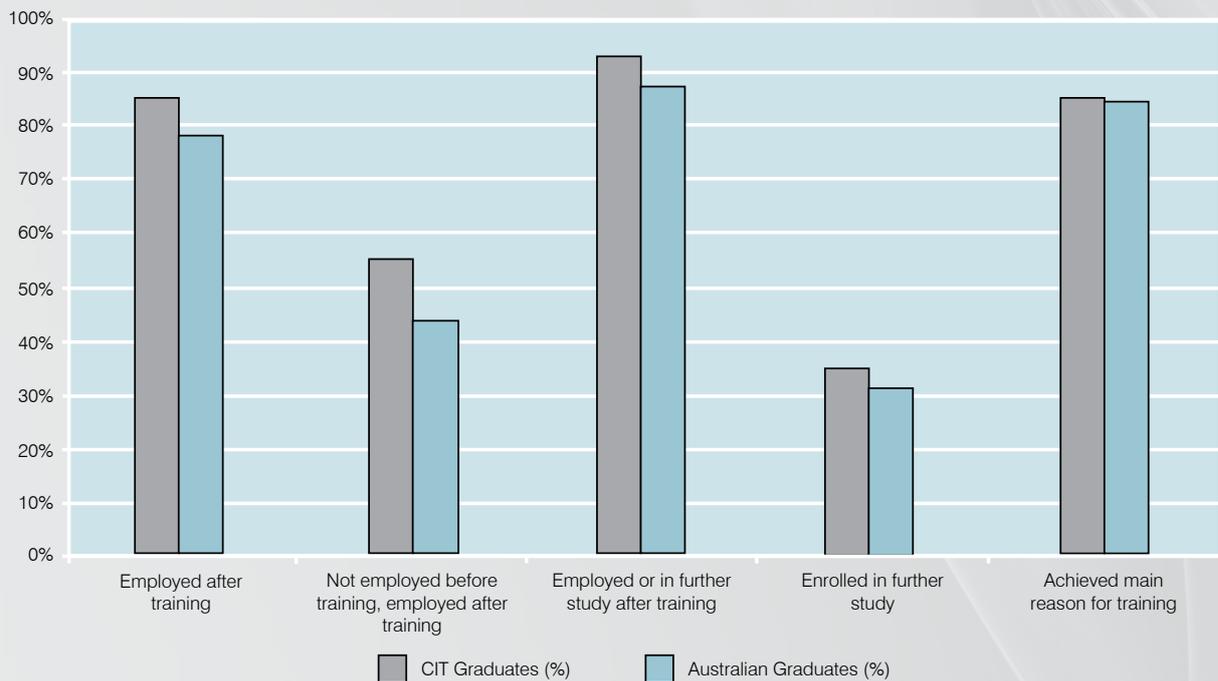
Deputy Chief Executive, Operations
(02) 6207 3106

The key strategic indicator used by CIT to measure its success is students' employment outcomes measured through the annual student outcomes survey. By focusing on students' employment outcomes and satisfaction with vocational education and training, the student outcomes survey gauges how well the CIT serves individuals and the community.

Quality and effectiveness can be measured through student outcomes against national benchmarks. Against national benchmarks, CIT students consistently achieve high levels of employment or are undertaking further study after training.¹

The 2011 performance of CIT graduates against national benchmarks for Australian graduates is highlighted in the table below. CIT graduates are shown in the grey and have exceeded the national benchmark on all measures indicating a strong performance across all strategic indicators.

VET Graduate Outcomes 2011



(1) The most recently reported figures are from 5 December 2011, as published in the National Centre for Vocational Education Research report: *Student Outcomes 2011*.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

A9

Analysis of Agency Performance

CIT's principal objective is the delivery of quality vocational education and training services to meet the needs of the ACT and surrounding region. CIT's traditional role has been the delivery of government funded public access programs; however, in recent years CIT has invested considerable effort in diversifying and growing new business from contestable funding sources.

As a result 60 per cent of CIT's total of 6.4 million nominal hours of training provision in 2011 was provided under CIT's Statement of Intent, which includes only government funded public access programs and the remaining 40 per cent of nominal hours of training was provided with contestable funding.

Performance in public access programs

The Statement of Intent has one corporate objective which is the provision of vocational education and training and CIT's performance against targets are discussed below. (See Section A7 for more detail.)

In 2011 CIT's performance continued to be of a high standard with satisfaction measures relating to VET provision indicating better than target results. Overall learner and employer satisfaction rates were both 92 per cent and module pass rates were 79 per cent.

However, both program enrolments and program completions were influenced by the pattern of student demand. Program enrolments were lower than target as a result of increased activity in programs with a longer duration, mostly higher level programs. This is consistent with the national agenda for increased uptake of higher level qualifications. Program completions were also lower than target due to fewer enrolments in short

programs and processing delays during the major systems upgrade.

In 2011 CIT delivered 3,824,817 nominal hours which is on par with target, and the average government payment per nominal hour was \$18.48 which is slightly higher than the target. There were 18,302 enrolments in public access programs.

Performance in contestable programs

CIT maintained its strong performance in the delivery of contestable training in special programs such as apprentice training under User Choice and English language training for migrants under the AMEP contract.

CIT was also successful in achieving its goal to increase commercially funded training undertaken by both CIT directly, and through CIT Solutions. Corporate clients included large institutions such as ADFA, Australian Government departments such as Families, Housing, Community Services and Indigenous Affairs, ACT Government directorates such as Health, as well as professional bodies such as the Australian Diabetes Educators Association. See Section A3 for more details.

In 2011 CIT through CIT Solutions was the largest adult and community education provider in the ACT and region and offered over 600 short courses in areas such as creative arts, languages, and home, shed and garden.

In 2011 CIT delivered 2,543,057 nominal hours of training and had 19,788 enrolments in contestable programs.

CIT Solutions is responsible for the marketing and recruitment of CIT's international students. In 2011 1,191 enrolments was a good result, achieved in

the context of a difficult trading environment, with increasing overseas competitors and a higher dollar putting pressure on the company's inbound international student numbers.

CIT Solutions maintained a strong financial performance during 2011 with total revenue of \$18.5 million gained from an expanded client base. Although the operating profit of \$600,000 was down compared to last year, the company is well positioned for 2012 after operational and facility improvements were completed in 2011. The company has maintained its net asset position after a contribution of \$1.3 million paid to CIT, as a donation, from its 2010 operating surplus.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

	INDICATOR	2011 Result	2010 Result	% Change
ECONOMIC	Employee Expenses			
	Number of staff employed (head count, not FTE)	1,071	1,148	-6.7
	Total employee expenditure (dollars)	65.5 million	69.4 million	-5.6
	Operating Statement			
	Total expenditure (dollars)	113.7 million	119.3 million	-4.7
	Total own sourced revenue (dollars) ¹	35 million	38.7 million	-9.6
	Total net cost of services (dollars)	78.7 million	80.6 million	-2.4
	Economic Viability			
	Total assets (dollars) ²	232.2 million	207.7 million	+11.8
	Total liabilities (dollars) ³	25.8 million	31.6 million	-18.4
ENVIRONMENTAL ⁴	Transport			
	Total number of fleet vehicles	36	39	-7.7
	Total transport fuel used (kilolitres)	63.7	77.0	-17.3
	Total direct greenhouse emissions of the fleet (tonnes of CO ₂ e)	167.6	195.0	-14.1
	Energy Use			
	Total office energy use (mega joules)	8,235,868	9,218,729	-10.7
	Office energy use per FTE (mega joules/FTE)	10,249	9,759	+5.0
	Office energy use per square metre (mega joules/m ²)	623	700	-11.0
	Greenhouse Emissions			
	Total office greenhouse emissions - direct and indirect (tonnes of CO ₂ e)	1,208.45	1,455.38	-17.0
	Total office greenhouse emissions per FTE (tonnes of CO ₂ e/FTE)	1.50	1.54	-2.6
	Total office greenhouse emissions per square metre (tonnes of CO ₂ e/m ²)	0.09	0.11	-18.2
	Water Consumption			
	Total water use (kilolitres) ⁵	44,562	77,919	-42.8
	Office water use per FTE (kilolitres/FTE)	6	8.5	-29.5
	Office water use per square metre (kilolitres/m ²)	0.36	0.7	-48.5
	Resource Efficiency and Waste			
Estimate of co-mingled office waste per FTE (litres)	74.4	80.2	-7.3	
Estimate of paper recycled (litres)	365,400	429,600	-14.9	
Estimate of paper used (by reams) per FTE (litres)	19.4	21.2	-8.5	

	INDICATOR	2011 Result	2010 Result	% Change
	The Diversity of Our Workforce			
SOCIAL	Women (Female FTE's as a percentage of the total workforce)	62.1%	61.7%	+0.6
	People with a disability (as a percentage of the total workforce)	2.1%	1.8%	+16.6
	Aboriginal and Torres Strait Islander people (as a percentage of the total workforce)	2.2%	2.2%	0.0
	Staff with English as a second language (as a percentage of the total workforce)	15.4%	15.2%	+1.3
	Staff Health and Wellbeing			
	OH&S Incident Reports	42	38	+10.5
	Accepted claims for compensation (as at 31 August 2011)	36	31	+16.1
	Staff receiving influenza vaccinations	319	365	-12.6
Workstation assessments requested	34	126	-73.0	

Notes:

1. The fall in own-source revenue is primarily due to lower Australian Government funding appropriations for the national e-learning strategy and no dividend being received from CIT Solutions for 2011.
2. The fall in total assets is primarily due to land (which was previously carried at market value) being revalued to the in-use value as determined by an independent valuer, which has resulted in a significant one-off devaluation.
3. The fall in total liabilities is primarily due to a significant reduction in unpaid invoices at year end.
4. 2010 results have been recalculated to reflect measures for office only usage, emissions and resource efficiency.
5. The reduction in water consumption from 2010 has been achieved through the implementation of numerous water saving initiatives by CIT.

SECTION B

Consultation and Scrutiny Reporting



Lauren Sharman, a graduating student from the Advanced Diploma of Interior Design, who was one of the many students exhibiting their work at Momentum November 2011

CIT works actively with numerous community groups to assist future and current students and to encourage greater participation in VET. Over the past 85 years CIT has developed with the ACT, providing skills development and helping make Canberra Australia's most educated community.

In addition to its broad range of vocational programs, CIT offers specific programs for people from diverse backgrounds including migrants and refugees, people with disabilities and Indigenous Australians to enable them to improve their skills. CIT's support delivers benefits to students who perhaps would not otherwise have participated in VET study, increasing the benefits to the community more broadly.

CIT utilises a number of consultation tools to seek advice from business, industry and the community. Each teaching centre has a strong Industry Advisory Committee and works closely with community and industry bodies to respond to needs with innovative training solutions. Program Reference Groups provide advice which is critical in defining the local ACT and region learning outcomes that are required from education and training programs.

The CIT website is a key tool for community engagement by being course oriented with enhanced navigation and an online feedback mechanism as well as a Frequently Asked Questions (FAQ) facility.

CIT values its links with the community and works to develop, strengthen and broaden these links through a wide range of activities. Examples of CIT's engagement with the community are:

- CIT Career Advisors have a strong relationship with community groups within the ACT that assist in supporting a number of socially and financially disadvantaged people to

re-engage with training. Part of this process is to demonstrate how learning is flexible to meet an individual's needs and how financial and educational support can be provided

- CIT Learning Centre, located on three campuses as well as at Tuggeranong and Gungahlin, provides a supportive learning environment for all CIT students. In 2011 the focus has been on supporting students' learning needs by providing library services, access to computers and the internet, photocopying and printing services, technology enhanced, comfortable spaces to work individually and in small groups, and access to assistance. Drop-in Learning Support has been popular at all Learning Centres and, at Tuggeranong and Gungahlin, a full range of student services is also available. Students have been able to access whichever Learning Centres suit them, such as the campus where they study, and a centre near where they live or work
- CIT Vocational College has strong relationships with migrant services and communities, including Companion House, the Migrant and Refugee Settlement Service, Canberra Refugee Support and the Multicultural Youth Service. The resulting common client-base allows for the coordinated flow of information to clients/students, which is essential for making education and information accessible to people of diverse backgrounds, who may feel vulnerable in their new surroundings and may well have experienced traumatic circumstances in their journey to their new life in the ACT
- the visibility and usability of the 'Ask Us' FAQs has been significantly improved on the CIT Website in 2011. 'Ask Us' is now prominently featured on all major web pages with search functionality linking to relevant information throughout the CIT site

- in August 2011, as part of Tertiary Open Day, CIT opened its Bruce campus to the ACT and regional community to visit and experience CIT facilities and vocational education and training opportunities
- Momentum 2011 Showcase attracted several thousand visitors over three days in November 2011, who were able to engage with students and staff and learn more about the diversity of educational opportunities available in the creative industries.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

B2

Internal and External Scrutiny

A total of 11 audits scrutinised CIT's operations during 2011. Of these, one was external and the remainder internal.

The external audit was conducted by SAI Global and related to CIT's compliance with the Quality Management Standards set by the International Organisation for Standardisation (ISO). The recommendation of this audit was that CIT's ISO certification be continued.

The remaining ten audits concerned:

- contract management
- financial processes
- student administration system

- complaints management
- contracted services under partnered arrangements
- validation of recognition of prior learning
- higher duty arrangements
- student enrolment
- management of casual teachers.

All recommendations were agreed and these are being monitored through to completion. Below are further details of each of these audits.

2011 Internal Audits	Key Outcomes
Partnered Arrangements Audit	Four recommendations were made and agreed concerning: establishment of a dedicated working group to improve the policy, guidelines and forms related to contract development and management and in particular managing contracts with partnered arrangements.
Audit of Students Services Hub	Five recommendations were made to address: student wait times; communication between the Student Services Hub and Centres; to increase efficiency and streamline services to customers; training to ensure a consistent customer service; and to promote a culture of continuous improvement.
Review of Higher Duty (HDA) Arrangements	Seven recommendations were made and agreed in relation to: development of a checklist to guide all Centres on HDA; raising awareness regarding advertising after six months for staff and nine months for Executive positions and that this is tracked; ensuring joint selection committees are used for teaching positions; that expressions of interest are preferably prepared for all higher duties; that teaching qualifications are carefully checked to ensure staff have the correct skill set before appointment; that staff are made aware of where they can appeal; and that all paperwork is correctly prepared and filed. A further audit is scheduled to ensure processes are embedded.
Review of Complaints – implementation of 2009 Audit Recommendations	Six recommendations were made in the most recent audit, and our complaints have significantly reduced in the past 12 months. As a result of two audits (2009 and 2011) CIT now has: a centralised system for the initial logging of all complaints; a complaints framework to address formal complaints; improvements to the complaints register; a revised policy for students, potential students and the community; and a revised form to submit complaints to make the complaints more transparent in terms of the allegations. Six monthly reporting will also be more rigorous following analysis of complaints to document lessons learnt.

2011 Internal Audits	Key Outcomes
Payment of Casual Teachers – Faculty Load	Four recommendations were made. Improvements to the effectiveness of the system now include a policy and framework to clearly articulate the required procedures for teachers and education managers; increased rigor applied to ensure timesheets are provided on time and that they are correctly completed; and greater awareness raised to ensure staff are aware of their responsibilities.
Audit of Contract Management	A total of three recommendations were made focussing on improvements to the procurement processes, contract management, and best practice. These concentrated on: ensuring awareness is raised across CIT; training for Procurement and Contract Management processes; and providing staff with clear guidance and necessary documentation, accessed through the Staff Information Site.
Audit of Financial Processes and Teachers Professional Development Fund	A total of ten recommendations were made and some improvements were noted from 2010. Findings focussed on: raising greater awareness of the requirements of the Procurement Act in relation to purchase orders; updating the debtor collectors policy and ensuring records are accurate; updating the travel policy; ensuring centres are tracking and recording their assets and disposals accurately; and tracking the progress of teacher professional development funds and encouraging this to be spent.
Review of Student Services Hub Wait Times and Effectiveness of the Client Relationship Management [CRM] System	A further review was conducted on client wait times to seek assurance that the client wait times had decreased and that students were accessing the website for information, rather than staff responding to calls. A range of improvements were noted, as a result of a comprehensive review of management practices to improve teamwork, overall efficiency and client service.
Review of the Validation of Recognition	A total of four recommendations were made based on strengthening communication across CIT by providing: greater clarity in policy procedures and guidelines; revising existing templates to improve fairness, reliability and transparency of assessment strategies for candidates; promoting regular communication; and monitoring and review of processes.
Review of Banner 8 – CIT Student Administration System	A total of six recommendations were made which focussed on contracting a consultant to achieve more objectivity and possession of the necessary technical project management, risk management and evaluation skills; and that internal audits be conducted throughout the lifecycle of such a project. The lessons learnt from a project of this complexity need to be clearly evidenced for any future project of this nature.

For more information:

Executive Director, Governance and Executive Services
 (02) 6207 3133

B3 Legislative Assembly Committee Inquiries and Reports

There were two ACT Legislative Assembly committee inquiries relating to CIT in 2011:

- Standing Committee on Education, Training and Youth Affairs
 1. Annual and Financial Reports 2009-2010
- Select Committee on Estimates 2011-12
 2. Appropriation Bill 2011-12

Committee	Report	Date Tabled	Recommendations	Government Response	Implementation
Standing Committee on Education, Training and Youth Affairs	6. Annual and Financial Reports 2009-2010	5 May 2011	Recommendation 6: The committee recommends that the Canberra Institute of Technology take note of the Chief Minister's Annual Report Directions regarding preferred publication and design standards.	The Canberra Institute of Technology has noted this recommendation and the 2010 annual report has been prepared cognisant of the requirements of the Chief Minister's Annual Report Directions regarding preferred publication and design standards.	The Canberra Institute of Technology 2011 annual report will be prepared in line with the requirements of the Chief Minister's Annual Report Directions.
Select Committee on Estimates 2011-12	Appropriation Bill 2011-12	21 June 2011	None for which CIT has carriage.	29 June 2010	N/A

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

The Canberra Institute of Technology is not responsible for any legislation under the Administrative Arrangements.

CIT is established by and operates in accordance with the *Canberra Institute of Technology Act 1987* (CIT Act). The CIT Act was amended during 2011 by the *Statute Law Amendment Act 2011* and the *Administrative (One Public Service Miscellaneous Amendments) Act 2011*.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

SECTION C

Legislative and Policy Based Reporting



The new \$10m Electrotechnology Building G at Fyshwick campus

CIT's Audit Committee provides a key corporate governance role in the provision of independent, objective assurance and assistance to the Chief Executive. The responsibilities of the committee are reviewed annually, based on best practice examples that are then expressed through a charter of activities, approved by the Chief Executive. In summary these include:

- maintaining effective internal audit and review capability
- overseeing regular reports of strategic risk and fraud management
- commenting on the effective management of strategic, operational and financial risk
- adopting appropriate accounting policies for its business activities
- maintaining reliable management reporting systems
- complying with laws, regulations and reporting requirements.

The committee reports to the Chief Executive after each meeting on matters that may significantly impact the effective operation of CIT.

The CIT Audit Committee comprises a total of nine members. Of these, four are independent, two of which are appointed by the Minister (Chair and Deputy) and three are internal CIT staff members. There are two positions of observer status, held by the CIT Central Support Centre Director and a representative of the ACT Auditor-General's Office. Each Audit Committee member is appointed for a period of two years, apart from the Chair whose appointment is for three years. There were three new members appointed during 2011, one of which was an independent and two were CIT staff.

The Finance Sub-Committee is a representative group of Audit Committee members. The Sub-Committee meets annually to review CIT's financial statements and provide assurance to the Chief Executive on the veracity of CIT's annual financial statements.

A total of six meetings were held during 2011, one of which included a Finance Sub-Committee meeting to examine CIT's annual financial statements.

The membership of Audit Committee, positions held and attendance at meetings as at 31 December 2011 is as follows:

Name of Member	Position	Duration	Meetings attended
Mr Kevin Patchell	Independent Chair	Full year	6 meetings
Dr Margo Wade	Independent Deputy Chair	Full year	6 meetings
Mr Roger Rose	Independent member	Full year	6 meetings
Ms Robyn McClelland	Independent member	25 per cent	2 meetings
Mr Peter Kowald	CIT member	Full year	6 meetings
Dr Nicole Stenlake	CIT member	75 per cent	4 meetings
Ms Leslie Ralph	CIT member	75 per cent	4 meetings
Mr David O'Toole	Observer	Full year	3 meetings
Mr Shane Kay	Observer	Full year	6 meetings

The Risk Management policy, guidelines and tools used by CIT comply with the framework developed by the ACT Insurance Authority, the Australian/New Zealand Standard on Risk Management (ASNZS 4360:2004), and the updated ASNZS ISO31000:2009.

During 2011 a more rigorous approach to the monitoring and review of risk management was adopted as a result of an internal review in 2010 which produced a more tailored and robust approach to the management of strategic risk.

Risk plans are dynamic, discussed regularly by the Board of Management and by the Audit Committee. Audit and Review work closely with centres and the executive in providing advice on the identification of emerging risks to ensure there is contingency planning and timely implementation of mitigating strategies. Strategies and controls are assigned to executive members and directors who provide regular reports that contribute to six monthly, quarterly and annual reports, collated by Audit and Review.

CIT's emerging risks are continually reviewed by the Board of Management and the Audit Committee and identified through:

- the development and ongoing maintenance of the Risk Management Control Plans at quarterly, six monthly and annual intervals in monitoring all risks
- as part of the internal Performance Audit and Review Program when reports are presented.

Internal audits and reviews conducted by CIT aim to promote better practice, improve performance and generate advice as to whether CIT is operating efficiently, effectively and in accordance with the relevant laws and authorities. Audits and reviews are undertaken by members of the Internal Audit and Review Team and by external contractors. This ensures there is balance of objectivity and assurance when providing advice to the Chief Executive.

The identification of the annual internal Audit and Review Program is a consultative process with all directors and the executive based on the level of strategic risk, including fraud and corruption. This ensures that the identified priorities are addressed and resources are targeted. Appropriate action is taken to ensure all recommendations are monitored through to completion, including those which are relevant to CIT from the ACT Auditor-General's reports.

During 2011 a total of 12 internal audits and reviews were completed and CIT continued to achieve ISO 9001:2008 certification. To ensure the program is continually on track, progress is reviewed at each Audit Committee meeting with discussion of findings and recommendations as appropriate.

Audit and Review conduct an annual review of their policies, procedures and charters for internal audit and the Audit Committee, to ensure they are relevant, practical and adopt better practices where identified.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

Prevention strategies

CIT's fraud control and prevention strategies aim to build and support a compliance culture that focuses on CIT's outcomes and reflects:

- a commitment to best practice
- the application of risk-based decision making
- transparency and accountability.

CIT's Fraud and Corruption Framework ensures that a robust and reliable system is in place to aid preventing, detecting, reporting and responding to fraud allegations throughout CIT. An integral part of the framework is the Fraud and Corruption Control Plan, which was revised last year and presented to the Audit Committee in March 2011. Strategies have been developed for detection and prevention, with mitigating strategies against the identified significant risks. Progress against these strategies is reported six monthly to the Board of Management and the Audit Committee.

Both the plan and framework are updated every two years as a result of a risk assessment and as part of the fraud control planning process. This occurred in 2010 and involved intensive consultation with staff to identify potential strategic risks.

Reminders are distributed three times a year to all employees concerning their responsibilities regarding fraud and corruption and how to report this where this may be suspected.

During 2011 awareness workshops were not held because of the low level of risk identified across CIT. Centres were provided with a manual on fraud prevention and a number of workshops were held in 2010 as part of the two yearly review. This was to

raise awareness for detecting and preventing fraud and corruption as well as demonstrating ethical behaviours, including CIT's professional code of practice.

Number of reports and allegations of fraud or corruption received

An allegation of misuse of CIT equipment in running a private business was received, investigated and found to have no substance. No other reports of fraud or corruption were received during 2011.

During 2011 equipment losses due to theft totalled \$4,205.

Action taken and outcomes of investigations

The previous investigation outcome concerning misuse of CIT equipment was advised to the originator of the allegation and the alleged perpetrator.

Disciplinary action against a staff member who had not paid a fine in relation to previous disciplinary action was concluded and the staff member was issued a first and final warning.

A staff member previously reported as being charged with a criminal offence for actions taken in their private life was found guilty in the ACT Supreme Court and given a custodial sentence. The staff member resigned from their CIT position before disciplinary action could be concluded.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Procedures

CIT's Public Interest Disclosure (PID) Policy outlines the mechanisms for reporting possible wrongdoing in CIT or any ACT Government Agency perpetrated by staff or persons engaged by or on behalf of CIT or other ACT government agencies.

The policy includes the principles and processes for dealing with a disclosure, including:

- contact details of officers who can provide information and assistance
- information on the protection against reprisals available to the person making the disclosure
- the procedures for investigation, referral or decision not to investigate
- feedback to informants
- strategies if dissatisfied with the outcome of an investigation.

In addition to the policy, CIT promotes awareness through workshops and has also developed a brochure which outlines the key facts and elements of PID.

The policy is available on CIT's intranet.

Disclosures received

CIT did not receive any Public Interest Disclosures during 2011.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Section 7 Statement

Organisation, functions and powers

The Canberra Institute of Technology is a statutory authority established under the *Canberra Institute of Technology Act 1987* (CIT Act).

The functions of CIT, as described in the CIT Act, are:

- (a) to conduct, mainly in the ACT, an educational institution to foster excellence in study in the fields of technical and further education that the director, with the Minister's written approval, decides or the Minister requires;
 - (b) to provide courses and programs, and to use the facilities and resources of the Institute, to advance and develop knowledge and skill in the fields of technical and further education;
 - (c) to support industry and commerce, and to assist the development of industry and commerce and the community, in the ACT;
 - (d) to promote the development of community awareness and appreciation of technical and further education;
 - (e) to confer awards to people who have completed courses of studies at the Institute;
 - (f) to confer honorary awards;
 - (g) to consult and cooperate with other entities in relation to the provision of technical and further education;
 - (h) to make suitable financial arrangements with industry and commerce for the purposes of its functions under paragraphs (a) to (g); and
 - (i) to do anything incidental to its functions under (a) to (h).
- The powers of CIT, as described in the CIT Act, are:
- (a) erecting buildings and structures and carrying out works;
 - (b) occupying, using and controlling any land or building owned or leased (whether from the Territory or anyone else) and made available to the Institute;
 - (c) making available, by lease or otherwise, any land or building to anyone else;
 - (d) accepting gifts, grants, devises and bequests, whether on trust or otherwise, and acting as trustee of property vested in it on trust;
 - (e) providing scholarships and other similar benefits;
 - (f) charging for work done and services provided;
 - (g) providing consultative services;
 - (h) investing in shares in, or debentures or other securities of, a company;
 - (i) providing services, facilities or resources to:
 - any company in which it holds shares; or
 - a member of any partnership it has entered into; or
 - a member of any joint venture it participates in;
 - (j) acting as an agent for other people;
 - (k) getting commercial sponsorship;
 - (l) establishing and conducting residential facilities for its staff or students either by itself or in association with other entities;
 - (m) establishing and maintaining library, museum, art and other collections either by itself or in association with other entities.

Public participation in decision making

Members of the public contribute to the work of CIT by the following means:

- membership of various boards and committees including the CIT Advisory Council, CIT Audit Committee, Academic Board, Resources Board, CIT Solutions Board and Centre Advisory Committees
- participation in consultative groups for program design and review
- participation in a range of client consultative processes and industry specific surveys and activities.

Categories of documents

Documents freely available on request and without charge

CIT's annual report and documents relating to programs and services offered (for example, CIT Pathways Guide and Student Information Guide) are available on the CIT website. Most of these are also available in hard copy, and free of charge, through the Student Services Hub.

Records and documents which may be available under the Freedom of Information (FOI) Act include:

- student records (to the student concerned)
- records of committee and board meetings
- leases and deeds of agreement
- general administrative files.

Facilities for access

Members of the public who wish to obtain information are encouraged to seek access in the first instance by contacting CIT directly rather than seeking formal access under the Freedom of Information legislation.

CIT's Freedom of Information Coordinator can be contacted on (02) 6207 3104.

Access to documents under the FOI Act can also be requested in person at Reception, Office of the Chief Executive, First Floor E Block, Reid Campus between the hours of 9.00am to 5.00pm, Monday to Friday.

All CIT campuses have disabled access, are accessible by public transport and have reserved car parking designated for persons with a disability.

Written requests for documents under the ACT Freedom of Information Act should be directed to:

Post: FOI Coordinator
Office of the Chief Executive
Canberra Institute of Technology
GPO Box 826
CANBERRA ACT 2601

Fax: (02) 6207 3392

Email: officeofthechiefexecutive@cit.edu.au

Delivery: Office of the Chief Executive
Canberra Institute of Technology
Cnr Constitution Ave and Coranderrk St
REID ACT

Section 8 Statement

Copies of CIT student policies and associated procedures can be requested from the Student Services Hub and the CIT Learning Centre. Hard copies may be obtained from the Office of the Chief Executive, (02) 6207 3104.

CIT staff policies and associated procedures are available on the CIT intranet (Staff Information Service). Hard copies may be obtained from the Office of the Chief Executive, (02) 6207 3104.

The Student Information Guide is available on the CIT website, and in hard copy from the Office of the Chief Executive, (02) 6207 3104.

Section 9 Statement

Freedom of Information Requests 2011

Number of applications made	
– where full access to the documents was granted	3
– where access was refused to all documents	0
– where partial access to the documents was granted	2
Number of applications made for the review of decisions under Section 59	1
Number of applications made to the Tribunal for the review of decisions	Nil
Particulars of the total charges and application fees collected	Nil
Number of requests received to amend records under Section 48	Nil

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

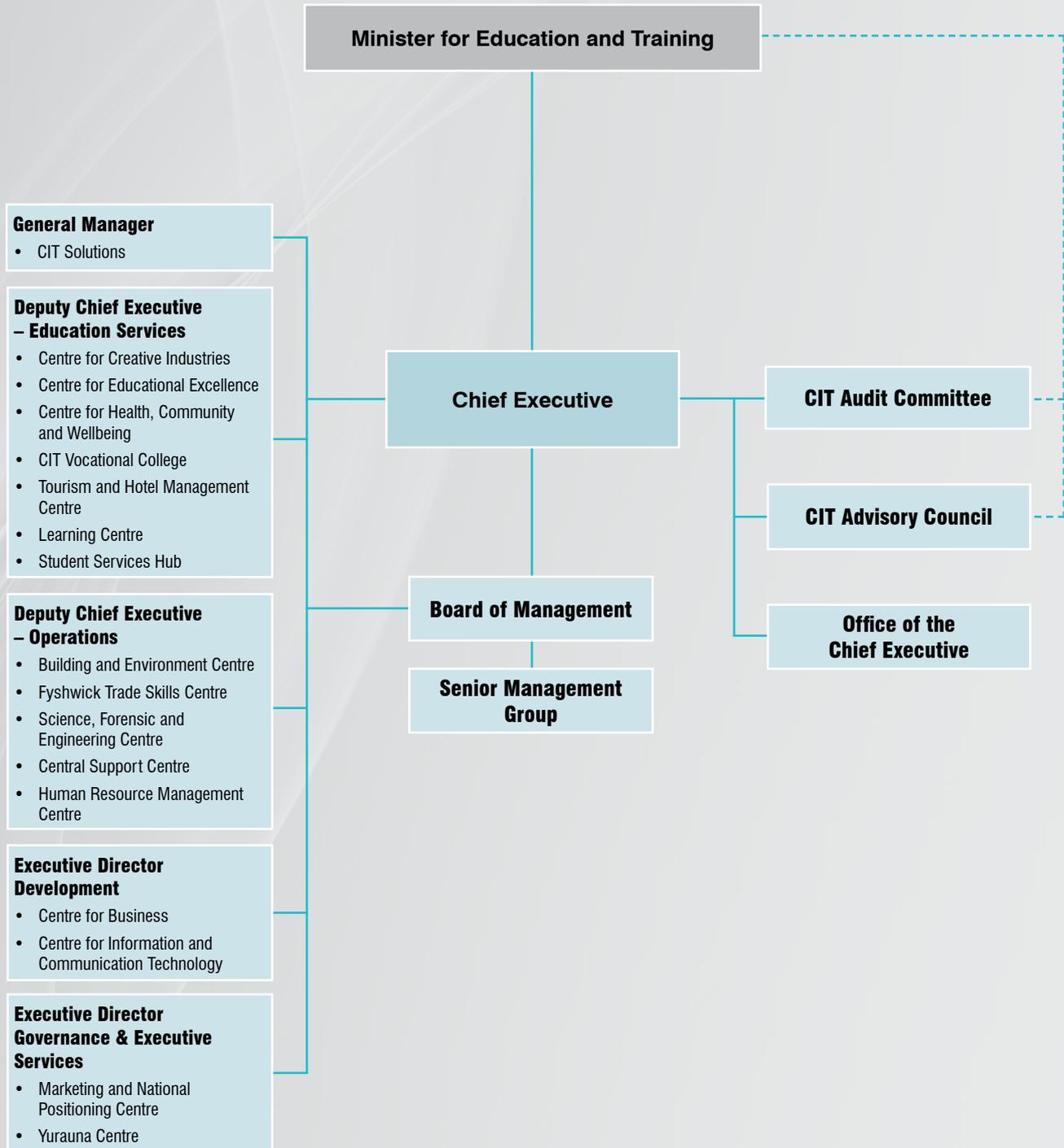
CIT Executive Members

As at 31 December 2011, the Executive Management Group of CIT comprised:

Chief Executive	Adrian Marron
Deputy Chief Executive, Education Services <ul style="list-style-type: none"> - Educational quality and innovation - Academic governance - Higher education relations - School relations 	Jenny Dodd (acting)
Deputy Chief Executive, Operations <ul style="list-style-type: none"> - Finance and performance targets - Facilities and infrastructure planning - Industrial relations - Information and communication technology 	Peter Kowald
Executive Director, Development <ul style="list-style-type: none"> - Business development - International strategy - Commercial business systems - CIT Solutions relations 	Ian Drayton
Executive Director, Governance and Executive Services <ul style="list-style-type: none"> - Governance - Legislation and ministerial staff relations - Strategic planning and audit - CIT Advisory Council - CIT Student Association - Complaints management - International student compliance 	Nicole Stenlake
General Manager, CIT Solutions	Paul Ryan

The Executive Team was streamlined in mid-2011 when the position of Executive Director Student Services was discontinued and responsibilities of the position allocated to other members of the team.

CIT Executive Management Structure



Senior Management Committees

Board of Management

The Board of Management is the key decision-making body of CIT, providing advice and support to the Chief Executive on strategic and operational management issues. The fortnightly meetings of the Board of Management are chaired by the Chief Executive.

As at 31 December 2011, membership of the board comprised the six members of the Executive Group, two CIT centre directors, and the Manager, Office of the Chief Executive.

The Board of Management facilitates an integrated approach to policy development and delivery of key government priorities, through monitoring progress; sharing information and focusing on strategic policy and management issues. The board monitors the overall performance of CIT and provides a forum for discussing key national and ACT Government activities that affect CIT.

Senior Management Group

The Senior Management Group is the key management team, taking collective responsibility for delivering CIT's objectives and outcomes. The monthly meeting of the group is chaired by the Chief Executive.

Membership of the group comprises the Board of Management, all other centre directors as well as the Manager, Audit and Review, the CIT Marketing and Media Managers and the Director, CIT ICT Services.

The role of the Senior Management Group is to promote excellence in quality educational practice, industry and community focus and client responsiveness. Meetings also provide a forum for

information sharing and facilitating internal linkages between centres.

Remuneration for executives

Section 10 of the *Remuneration Tribunal Act 1995* requires the tribunal to inquire into and determine the remuneration, allowances and other entitlements of those persons who are executives within the meaning of the *Public Sector Management Act 1994*, which includes all members of the CIT Executive Group.

CIT Audit Committee

The CIT Audit Committee comprises four independent members, two of which are appointed by the Minister (Chair and Deputy) and three internal CIT staff members. The CIT Central Support Centre Director and a representative of the ACT Auditor-General's Office, both hold observer status. Each Audit Committee member is appointed for a period of two years.

A representative group of Audit Committee members meet annually as a finance sub-committee, to review CIT's financial statements and provide assurance to the Chief Executive on the veracity of CIT's annual financial statements.

More information about the Audit Committee is included in Section C1.

CIT Advisory Council

Role

The Canberra Institute of Technology Advisory Council (CITAC) is established under the *Canberra Institute of Technology Act 1987* (CIT Act). In accordance with the CIT Act, CITAC provides advice to the Chief Executive on the following matters relating to the functions of CIT:

- policies on educational and financial management
- welfare of students
- relationships between CIT and the community
- planning and programming of educational services.

CITAC may also provide advice directly to the Minister. All members are appointed by the Minister for Education and Training for up to three years.

CITAC does not have its own budget, but has access to funding through CIT, including access to independent professional or legal advice if requested.

Membership

The council is made up of 12 members. Section 31 of the CIT Act sets out the criteria for council membership as follows:

- 1 member who represents an organisation that represents the teaching staff; and
- 1 member who represents the student body; and
- 7 members who represent the interests of industry and commerce; and
- 2 members, not representing the interests of industry or commerce, who have experience and knowledge relevant to the functions of the council; and
- 1 member who has skills in and knowledge of vocational education and training.

In making appointments, the CIT Act requires the Minister to have regard to the balance of skills, expertise and gender among the council members. The appointment and retirement of council members are set out in the CIT Act and the *Legislation Act 2001*. Before appointment, members

are required to sign a Code of Conduct and Conflict of Interest declaration.

Council members are not remunerated.

Details of members, as at 31 December 2011, are as follows:

Ms Kathy Kostyrko – (Chair)

Ms Kostyrko is the Director, Public Sector at Hays Recruitment. In this role she is responsible for public sector business management which includes working with clients in the Australian Government, state and territory governments across Australia, not-for-profit organisations, and the health and education sectors. Ms Kostyrko sits on a number of boards and councils including CIT Solutions Board, Institute of Public Administration Australia (ACT), and is a member of Australian Institute of Company Directors, Australian Institute of Management, the ACT & Region Chamber of Commerce and Industry, and the ACT Council of the Recruitment Consulting Services Association.

Mr Kevin Patchell – (Deputy Chair)

Mr Patchell has been a member of CITAC since 1997. He held numerous senior roles in the Australian Tax Office over 32 years and more recently has worked in a number of senior consulting and management roles in both the private and public sectors. He has also held a number of elected positions at the national and local levels of Certified Practising Accountants Australia. Mr Patchell is an independent member of the audit committees for the Office of Parliamentary Council (also Chair), the National Archives of Australia and the Australian Institute of Criminology. Mr Patchell chairs a number of CIT and CIT Solutions committees.

Mr Brendan Church

Mr Church is the Chief Executive Officer of the ACT Aboriginal Justice Centre. He is a member of the Barkindji people of Western NSW, but has spent his life living in the ACT. In 2003 he completed an apprenticeship in stonemasonry, becoming the first Aboriginal person to do so. In 2005 Mr Church joined the ACT public service and has undertaken a range of community based and management positions across a number of directorates. He is a current member of the ACT Aboriginal and Torres Strait Islander Elected Body where he holds the primary portfolio responsibility of law and justice. Mr Church has completed a Bachelor of Health degree and is currently undertaking a Bachelor of Laws.

Ms Tracey Dodimead

Ms Dodimead is currently working as a hairdressing teacher in the CIT Centre for Tourism and Hotel Management, having worked in the hairdressing industry for 31 years as both a business owner and an employee. She is the Recognition of Prior Learning (RPL) officer for hairdressing and has acted as a mentor for contract and casual teachers in her program area. In 2011 Ms Dodimead was the Vice President TAFE, Australian Education Union (ACT).

Associate Professor Paul Dugdale

Associate Professor Dugdale is Director of Chronic Disease Management in the ACT Health Directorate, and Associate Professor of Public Health in the ANU Medical School. He is a director of the National Health Sciences Centre and Biomed North, and a previous director of Musica Viva Australia (all not-for-profit companies). He has longstanding interests in interdisciplinary education and research on health governance and policy. Associate Professor Dugdale is a member of the Advisory Committee for the CIT Health, Community and Wellbeing Centre.

Ms Mary Hicks

Ms Hicks is currently a board member of Worldskills Australia, and recently retired from the position of Director, Employment, Education and Training with the Australian Chamber of Commerce and Industry. In that role, she held a number of key vocational education and training policy positions, including as Deputy Chair of the National Quality Council. Ms Hicks is a qualified high school and college teacher and has also worked as a public servant for the Australian and ACT Governments.

Mr Ken Hogg

Mr Hogg is the Managing Director of Mac1 Pty Ltd Australia. His connection with CIT began twenty years ago when he studied at CIT as an apprentice in pre-press printing. He is a keen sponsor of CIT, providing computers for major exhibitions in the graphic arts, technology and communications and media programs, as well as prizes for student competitions and free computers for businesses that take on CIT graphic design students during work placements. Mr Hogg was awarded the CIT Honoured Friend Award in 2007.

Ms Christine Magner

Ms Magner is the General Manager, Government for Noetic Solutions, having joined the company in March 2011. She previously spent eight years at the Australian Sports Commission, as General Manager, Human Resources and later as General Manager, Corporate Services. Ms Magner holds a Bachelor of Arts in Administration and is a certified Australian Human Resources Practitioner. She is a graduate and member of the Australian Institute of Company Directors and has been involved with a number of advisory groups. She is currently a member of the Advisory Committees for CIT's Centre for Business and Centre for ICT. Ms Magner was awarded the CIT Honoured Friend Award in 2004.

Ms Cherokee Ricketts

Ms Ricketts is the Chair of the Canberra Institute of Technology Student Association Student Council (CITSA), which is a voluntary and annually elected position. Ms Ricketts is studying full time at CIT in the Art and Design Diploma, having previously completed the Certificate IV in Art and Design, and works part time for Anglicare. Ms Ricketts appointment expired on 31 December 2011.

Mr Craig Robertson

Mr Robertson is Head of Division, Industry Skills Division in the Department of Industry, Innovation, Science, Research and Tertiary Education leading policy and programs designed to support the skilling strategies for Australian industry to support participation and productivity. Mr Robertson has policy experience across the school and VET sectors as well as labour market policy and programs. He has also served on the Australian Qualifications Framework Council and on the VET sector's National Quality Council. Mr Robertson is the Chair of CIT's Accreditation Committee.

Ms Cindy Young

Ms Young is the Manager, National Convention Centre, Canberra. She has worked in various aspects of the hospitality and business events industry in Canberra since 1987. Ms Young has a Bachelor of Arts from the Virginia Polytechnic Institute and State University (USA) and is a member of a number of professional organisations including Meetings & Events Australia, BLITS (Business Leaders Innovative Thoughts and Solutions) ACT and the ACT Disability Advisory Board. Ms Young is a member of the Advisory Committee for CIT's Centre for Tourism and Hotel Management.

Mr Stephen Darwin

Mr Darwin is an advisor in Academic Development and Evaluation in the College of Law at the Australian National University (ANU). Mr Darwin has extensive experience in the secondary and vocational sector through his work with CIT, UC, ANU and Deakin Australia. Mr Darwin's appointment as acting member expired on 31 December 2011.

Ms Rebecca Vassarotti

Ms Vassarotti has worked in both the ACT Government and non-government sectors, including positions with the ACT Bushfire Recovery Taskforce Secretariat, Environment ACT, ACT Council of Social Service, ACT Poverty Project and the ACT Department of Health and Community Care. Since 2003, she has undertaken the role as Executive Director, YWCA of Canberra and has extensive experience on a number of boards and committees. Ms Vassarotti resigned in January 2011.

Mr Terry Williams

Mr Williams is the Indigenous Equity Officer at UC and has extensive experience at a senior level in the Australian public service. Mr Williams acted as Director of UC's Ngunnawal Centre, where he also lectured. He is the Chair of the ACT Aboriginal and Torres Strait Islander Elected Body, and has held positions on a number of boards and committees such as the Aboriginal and Torres Strait Islander Commission Queanbeyan Regional Council and the ACT Chief Minister's Aboriginal and Torres Strait Islander Advisory Council. Mr Williams resigned in September 2011.

Mr Roger Buckley

Mr Buckley is the Chief Executive of the Surveying and Spatial Sciences Institute, and a board member of the Capital Region Student to Industry Association. His past roles include: General Manager/Director Employment Education and Training, ACT Chamber of Commerce and Industry; Corporate Services Manager, John James Memorial Hospital; and Director, Resource Management, Outward Bound Australia. Mr Buckley was the

Executive Officer of the ACT Association of Providers of Training Services and spent several years on the VET subcommittee of the ACT Vocational Education and Training Advisory Group. Mr Buckley resigned in March 2011.

Meeting attendance

Council members' meeting attendance during 2011 is shown in the following table:

	22 Feb	25 May	21 Jun	9 Aug	9 Sep	11 Oct
Roger Buckley <i>Resigned 28/03/11</i>	A					
Brendan Church <i>Appointment commenced</i>						
Stephen Darwin <i>Appointment expired 30/06/11</i> <i>Acting Member 13/09/11 – 31/12/11</i>	Y	Y				A
Tracey Dodimead <i>On Leave 13/09/11-31/12/11</i>				Y	Y	A
Paul Dugdale	Y	Y	Y	Y	Y	Y
Mary Hicks <i>Appointment Commenced 20/09/11</i>						Y
Ken Hogg	Y	A	A	Y	Y	A
Kathy Kostyrko	Y	Y	Y	Y	Y	Y
Christine Magner <i>Appointment commenced 17/05/11</i>		Y	A	Y	Y	Y
Kevin Patchell	Y	Y	Y	Y	Y	Y
Cherokee Ricketts	Y	A	Y	Y	A	A
Craig Robertson	Y	Y	Y	A	Y	Y
Rebecca Vassarotti <i>Resigned 24/01/11</i>						
Terry Williams <i>Resigned 15/09/11</i>	A	A	A	A	A	
Cindy Young	Y	Y	Y	Y	Y	Y

Y = Attendance A = Apology = Not a member at this time/on approved leave.

Activities

During 2011 the council developed a charter, and implemented a Governance Strengthening Plan, designed to maximise its contribution to the work of CIT and prepare the council for a possible future as a governing, rather than advisory, body.

Implementation of the plan has included:

- a report on CIT's financial and student activity performance being presented and discussed at each council meeting
- greater interaction with CIT's teaching centres
- connecting with the ACT business community through a contribution to CIT's industry newsletter
- initiating an annual self-assessment process
- attending relevant conferences for representational and professional development purposes.

Members met with the Minister for Education and Training twice during the year, the first time during the preparation of Professor Denise Bradley's report to the ACT Government on options for future collaboration between CIT and UC. They also met Professor Bradley prior to her report, and provided a submission to the consultations arising out of the ACT Bradley Report.

Following the release of the report, council representatives again met with the Minister, to discuss their submission.

On 30 August 2011, the council hosted an informal reception for members of the University of Canberra Council.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

C6

Human Resources Performance

CIT recognises the need for strategic positioning of CIT within the changing education market locally, nationally and internationally. For CIT to remain competitive in these markets, it requires flexibility in its employment framework and its ability to meet the needs of the various external clients and stakeholders. CIT developed a People Plan in 2011 to further these aims.

Delivering for the future

During 2011 CIT continued to develop workforce skills relevant to a leading tertiary education provider. CIT:

- held regular training programs for teaching staff in teaching pedagogy, online learning, curriculum development, sustainability, digital literacy, mentoring, assessment and CIT's online learning environment, eLearn
- held online interactive management forums
- provided online training resources accessible to all staff
- delivered customised workplace-based training for CIT staff, for example, business development training.

Strengthening organisational resilience

2011 was a challenging year for CIT with a number of major tertiary education reforms outlined in Section A2. A range of short and long term actions were developed at CIT aimed at ensuring continued resilience in the context of an evolving tertiary education sector and increased competition. Actions included:

- increasing communication of resources available to staff if feeling stressed or harassed
- promoting a range of health and wellbeing initiatives, including implementation of an amended smoking policy, practice and signage to be compliant with new legislative and policy provisions
- enhancing the Client Service Liaison Model to provide centre directors and managers with integral HR information, data and support. Meetings are now held monthly
- further refining the workforce planning tool to enhance managers' ability to access and update information relating to critical roles and critical staff, and support their succession planning.

Sustaining community confidence

During 2011 CIT was again recognised as the ACT's Large Training Provider of the Year, endorsing the quality of the education and training that CIT provides; and reflecting the skills of its teachers and development programs.

CIT also recognises the need for community confidence in its corporate governance. To that end, CIT has:

- conducted business and fraud risk training
- has improved staff and management understanding of the *ACTPS Respect, Equity and Diversity (RED) Framework* through a series of workshops and presentations
- reviewed internal policies associated with the *Framework*

- implemented an 'open door' protocol for executives and senior managers to receive staff members with RED issues.

Working collaboratively

CIT is committed to pursuing forward thinking partnerships with industry, the community, and government by stimulating collaborative approaches to industry development, actively engaging with community groups and increasing our ability to communicate and partner effectively with government. During 2011 CIT:

- conducted whole of CIT professional development (See Section C8)
- held Moodleposium 2011 jointly with ANU and UC, outlining the latest developments and capabilities of the Moodle teaching and learning tool
- contributed to various community organisations through events and functions, for example, Harmony Day
- continued its ongoing relationship with Advanced Personnel for the placement of people with disabilities into the CIT workforce.

Enhancing skills and capabilities

As an educational institution, CIT takes seriously the skills development and enhancement of its workforce. Examples of initiatives during 2011 are:

- allocation of professional development funds which included individual allocations, teacher fellowships, centre initiatives and cross-centre initiatives. These funds provided support to teaching staff allowing them to access professional development that built proficiency in their area of expertise
- Academic Board Conversations were held on competency based assessment
- provision of extensive in-house training for staff in the updated Banner 8 student enrolment software
- a series of business development workshops to support teacher managers in their quest for new commercial business.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

The following data reflects CIT staff information as at payday 8 December 2011.

FTE and Headcount

	Female	Male	Total
FTE	482.4	323.1	805.5
Headcount	665	405	1,071
% of Workforce	62%	38%	100%

Employment Type

Permanent	Temporary	Casual	Total
558	167	346	1,071

Classifications

Classification Group	Female	Male	Total
Administrative Officers	177	46	223
Executive Officers	2	3	5
General Service Officers & Equivalent	12	23	35
Professional Officers	21	3	24
Senior Officers	33	23	56
Technical Officers	13	19	32
VET Teacher Managers	33	17	50
VET Teachers	374	272	646
Total	665	406	1,071

Employment Category by Gender

Employment Status	Female	Male	Total
Casual	221	125	346
Permanent Full-time	273	187	460
Permanent Part-time	79	198	98
Temporary Full-time	38	56	94
Temporary Part-time	54	19	73
Total	665	406	1,071

Average Length of Service by Gender

	0 to 2 years	2 to 4	4 to 6	6 to 8	8 to 10	10 to 12	12 to 14	14 plus	Average Length of Service
Female	146	154	83	78	51	45	12	96	7.06
Male	89	92	52	43	35	12	8	75	7.90
Total	235	246	135	121	86	57	20	171	7.38

Age Profile

	<20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65-69	70+
Female	1	21	38	46	62	101	113	121	80	54	22	6
Male	1	8	25	38	43	55	48	55	66	49	12	6
Total	2	29	63	84	105	156	161	176	146	103	34	12

Agency Profile

Branch/Division	FTE	Headcount
Executive and Support Staff	23.8	26
Building and Environment	59.6	76
Central Support Centre	49.3	51
Centre for Business	47.7	88
Centre for ICT	33.3	41
Creative Industries	52.3	80
Education Excellence	29.6	33
Fyshwick Trade Skills Centre	61.4	67
Health, Community and Wellbeing	72.8	118
Learning Centre	39.0	45
Marketing and National Positioning	14.7	16
Organisational Capability	20.5	21
Science, Forensic and Engineering	41.2	68
Student Services Hub	112.8	130
Tourism and Hotel Management	49.9	67
Vocational College	88.9	134
Yurauna Centre	8.8	10
Total	805.5	1,071

Agency Profile by Employment Type

Branch/Division	Permanent	Temporary	Casual
Executive and Support Staff	18	8	0
Building and Environment	29	16	31
Central Support Centre	42	9	0
Centre for Business	25	8	55
Centre for ICT	17	7	17
Creative Industries	38	12	30
Education Excellence	29	3	1
Fyshwick Trade Skills Centre	33	13	21
Health, Community and Wellbeing	44	11	63
Learning Centre	29	12	4
Marketing and National Positioning	13	3	0
Organisational Capability	17	4	0
Science, Forensic and Engineering	34	6	28
Student Services Hub	106	12	12
Tourism and Hotel Management	25	18	24
Vocational College	53	22	59
Yurauna Centre	6	3	1
Total	558	167	346

Equity and Workplace Diversity

	Headcount	% of Total Staff
A Aboriginal and/or Torres Strait Islander Employment	24	2.2%
B Culturally & Linguistically Diverse (CALD) Employment	165	15.4%
C Employment of people with a disability	22	2.1%
Number of employees who identify in any of the Equity & Diversity categories (A, B, C)	208	19.4%
Women	665	62.1%

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

CIT strongly supports continuous improvement in staff capability by providing employees with the resources for professional development. CIT encourages staff to access professional development opportunities in ways that support their learning style and their need for flexibility.

Key outputs for CIT are to:

- provide excellent vocational education and training in the ACT and in growing national and international markets as well as meeting the needs of business
- be innovative in its approach to partnership development with industry, business, universities and schools
- implement strong coordinated processes of market analysis, business intelligence, organisational capability, industry engagement and partnerships
- be an employer of choice – renowned for professionalism, high morale and commitment to skilled staff.

To achieve this, CIT staff professional development in 2011 included innovative practices such as virtual workshops, and a focus on business development and online learning.

Leadership & business development

This is seen as a critical component of CIT's Strategic Plan and includes a need for an improved competitive focus. In 2011 CIT further developed its leaders by conducting targeted forums, professional development for middle managers as well as business development workshops. Leadership development included:

- three Leadership Forums - CIT Refreshed Vision, The Future of VET and Change Management (40 participants each session)
- Business Development workshops (30 participants)
- OH&S Harmonisation training (40 participants).

One-on-one workplace coaching is regarded as a valuable option and is made available to staff on a needs basis. In 2011 the CIT staff coaching program supported 10 staff.

Institute-wide professional development

For the fourth consecutive year *Developing'Us* was held in January 2011 with more than 600 staff participating. The first keynote speaker, a world renowned dancer, author and public speaker inspired staff by talking about the importance of resilience and education as well as the value of excellent teachers. The second keynote speaker discussed plans for the 2013 Centenary of Canberra and how CIT staff and students might participate.

A total of 48 workshops were conducted by both internal and external presenters on topics ranging from Presentation Skills in the Workplace to Innovative Pedagogy and Adult Learning. The evaluation provided strong evidence that the workshops were well received and provided valuable professional development and professional stimulus for all staff.

In October 200 staff took part in a planning forum where staff had the option of attending via a virtual meeting room or coming along in person to listen and ask questions.

Professional development fund management

The Teachers' Enterprise Agreement ensures that all permanent and temporary teachers have access to an accruable professional development allocation of \$750 per person for fulltime teachers or \$375 for eligible casual teachers. These funds enable teachers to undertake professional development identified in their approved performance management plan.

Teacher education

A number of teachers sought formal training and assessment qualifications:

- 67 CIT staff completed the Certificate IV in Training and Assessment (TAE40110)
- 95 CIT staff completed a qualification upgrade from the previous versions of Certificate IV in Training and Assessment (TAA40104 or BSZ97)
- 7 staff completed the Advanced Diploma of Adult Vocational Education with a further 39 participating and expected to complete their qualification in 2012.

Workshops for teachers were also provided both in classroom settings and online.

eLearn professional development

The implementation of CIT's online learning environment, known as eLearn, was supported by professional development provided for all staff:

- 406 staff accessed *eLearn Getting Started* online training
- 518 people logged into 28 *Learn eLearn* live sessions
- 18 staff accessed the master classes in *Flash and Wimba Create*
- 45 staff participated in the *Developing digital literacy* six week program.

Presentations by teaching and learning experts

Three presentations were conducted in 2011:

- 60 staff attended the presentation on Competency based assessment
- 20 staff attended the presentation on Making teaching interesting
- 60 staff attended the presentation on Supporting apprentices.

ACT public sector training

- 25 staff accessed programs of study through the ACTPS Training Calendar.
- 25 staff were approved under the CIT studies assistance program.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

CIT demonstrated during 2011 its ongoing commitment to Workplace Health and Safety by continuing the implementation of the CIT Workplace Health and Safety and Injury Management Improvement Strategy 2009-2012. This strategy identifies key actions for 2011 that have contributed to continuous improvement in the health and safety of CIT's employees.

In addition to the actions undertaken under the CIT Workplace Health and Safety and Injury Management Improvement Strategy 2009-2012, CIT continued to be involved in the promotion of health and safety through its continued sponsorship of the annual ACT Safety Expo and Awards held in October.

The CIT Chief Executive has also been directly involved in raising management awareness of the harmonised Occupational Health and Safety laws due to come into effect on 1 January 2012.

Worker consultation

CIT currently has a total of 32 trained Workplace Safety Representatives across all campuses. Staff were elected in 2011 by employees within a designated workgroup to undertake this role for a period of two years. All CIT Workplace Safety Representatives were provided with training and support.

Workplace safety representatives attended quarterly Workplace Safety Committees based on each of the major campuses. These committees were chaired by centre directors which ensured management involvement, understanding and responsibility for workplace health and safety matters across CIT.

Two workplace safety representatives were nominated by each of the campus based Workplace Safety Committees to attend the

CIT Work Safety Policy Committee. The Policy Committee was chaired by the Deputy Chief Executive, Operations and had responsibility for the oversight of workplace health and safety initiatives and policy across CIT. The committee has an advisory role to the Chief Executive and Board of Management. The Policy Committee includes representation from management and unions.

Health, safety and wellbeing initiatives/programs

CIT has implemented a number of health and safety initiatives during 2011. These include:

- Influenza vaccinations made available for all staff
- mini health checks
- provision of an employee assistance program
- training in new Harmonisation Laws for executive, centre directors and education managers
- initial/refresher training of Workplace Safety Representatives
- RED Contact Officer training
- implementation of revised Smoke Free Workplace policy
- ongoing ergonomic/workstation inspections and assessments
- stretch-break software for at-risk staff
- eyesight testing
- monthly wellbeing quiz
- promotion of Work Safety Month during October which included a healthy breakfast for staff and students.

Reporting requirements under the Work Safety Act

CIT can report that during 2011 three Improvement Notices were issued by the Office of Regulatory Services.

Serious Events

Section 38 of the *Work Safety Act 2008* outlines conditions under which a serious event at or near the workplace must be reported to WorkSafe ACT. During 2011 CIT was required to notify six incidents under Section 38 but no actual injuries occurred.

Injury prevention and management targets

The following tables represent CIT's performance against the Injury Management and Prevention targets for the ACT Public Service.

An increase against targets 1 and 3 was recorded in 2010-11 due to a number of initially rejected claims from previous years that were then accepted in late 2010. CIT's performance has improved during the last six months of 2011.

Target 1 – Reduce the number of claims reaching five days incapacity by 40 per cent

Experience Quarter Ending	# new 5 day claims	Rate per 1000 employees	CIT Target	ACTPS # new 5 day claims	Rate per 1000 employees	ACTPS Target
2001/02	15	20.1	20.1	412	23.8	23.8
2002/03	9	13.6	19.3	473	26.0	22.8
2003/04	8	10.6	18.5	448	24.5	21.9
2004/05	5	6.7	17.7	440	24.5	21.9
2005/06	8	10.2	16.9	459	25.0	20.0
2006/07	5	5.9	16.1	379	21.0	19.0
2007/08	4	5.6	15.3	291	15.7	18.1
2008/09	2	2.5	14.5	330	17.1	17.1
2009/10	6	7.4	13.7	333	16.9	16.2
2010/11	12	14.5	12.9	355	17.2	15.2
2011/12	2	2.3	12.0	179	9.1	14.3

Note: 2011-12 data represents six months to December 2011

Target 2 – Eliminate all fatalities due to workplace injuries

There were no fatalities during the period.

Target 3 – Reduce the average lost time rate by 40 per cent

Experience Quarter Ending	Wks incap	Rate per 1000 employees	CIT Target	ACTPS Target
2001/02	167	223	223	754
2002/03	316	476	215	724
2003/04	337	448	206	694
2004/05	195	263	197	664
2005/06	264	338	188	633
2006/07	346	412	179	603
2007/08	196	272	170	573
2008/09	128	161	161	543
2009/10	169	209	152	513
2010/11	557	675	143	483
2011/12	183	213	134	452

Note: 2011-12 data represents six months to December 2011

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Teaching staff within CIT are covered by the CIT Teachers' Enterprise Agreement 2009-2011. General staff are covered by the CIT Enterprise Agreement 2010-2011. Staff continue to be covered by these agreements until their replacements are endorsed by Fair Work Australia.

Following negotiations throughout 2011, the process for lodging the two new enterprise agreements is close to finalisation.

The following tables outline Special Employment Arrangements (SEAs) and Australian Workplace Agreements (AWAs) that were in place during 2011.

Special Employment Arrangements	No. of Individual SEAs	No. of Group SEAs	Total employees covered by Group SEAs	Total
	A	B	C	(A+C)
Number of SEAs as at 31 December 2011	3	0	0	3
Number of SEAs entered into during period	0	0	0	0
Number of SEAs terminated during period	1	0	0	1
Number of SEAs providing for privately plated vehicles as at 31 December 2011	0	0	0	0
Number of SEAs for employees who have transferred from AWAs during period	0	0	0	0

Australian Workplace Agreements	No. of Individual AWAs	No. of Group AWAs	Total employees covered by Group AWAs	Total
	A	B	C	(A+C)
Number of AWAs as at 31 December 2011	0	0	0	0
Number of AWAs terminated/lapsed (including formal termination and those that have lapsed due to staff departures)	0	0	0	0

	Classification Range	Remuneration as at 30 June 2011
Individual and Groups SEAs	SOG A	\$127,700 - \$133,600
AWAs (includes AWAs ceased during period)	N/A	N/A

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

C11

Strategic Bushfire Management Plan

CIT has an evacuation plan for bushfire management as required by the Emergency Services Agency. This plan is only related to and required for the Bruce Campus. The Bushfire / Local Disaster Evacuation Plan can be found on the Staff Information Site in the Emergency Procedures all Campuses document.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Assets managed

CIT manages land and building assets with a land area of 47.25 Ha, a total floor area of 114,492 m² and a total value of \$218 million.

CIT's largest infrastructure assets are located on four operational campuses:

- Reid campus
- Bruce campus
- Fyshwick Trade Skills Centre
- Southside campus.

Additional assets at other locations include:

- Tuggeranong Learning Centre
- Gungahlin Learning Centre
- Sutton Road Training Facility
- Watson Campus sub-leased to the Academy of Interactive Entertainment
- Monterey Student Residences
- Woden Childcare Centre.

The infrastructure assets comprise a diverse range of buildings, grounds and building services of varying age and condition. They range from the first building on CIT Reid campus constructed in 1960 to the Gungahlin Learning Centre completed in early 2011. CIT's buildings incorporate a mix of function types including specialist facilities, workshops, general-purpose classrooms and ancillary office areas. The average age of all CIT buildings is 31 years.

A new electrotechnology building at the Fyshwick Campus and the Gungahlin Learning Centre were added to the Asset Register during 2011. As at 31 December 2011, CIT had no nominated surplus properties.

In 2011 CIT initiated the design phase for a new 1,150 square metre Learning Centre at Tuggeranong Town Centre. This project follows on from a 2010 feasibility study which established the future needs of the Tuggeranong community. A master plan for the Fyshwick Trade Skills Centre due for completion in March 2012 will establish how future development of the Fyshwick Campus can best meet future learning needs in the trade skills sector and demand for flexible learning in the inner south suburbs of the ACT.

The CIT vehicle fleet consists of 33 passenger vehicles.

Asset maintenance and upgrade

In 2011 CIT introduced a new facilities management system to facilitate asset management and maintenance. A facilities identification and data input program commenced in 2011.

CIT conducts ongoing condition audits and the results are incorporated in CIT's Capital Upgrades and Minor New Works programs.

Minor works undertaken outside the capital works program totalled \$199,000. Expenditure on repairs and maintenance was \$2.4 million, being 1.15 per cent of the closing carrying value of property, plant and equipment. No audits were carried out on CIT properties during 2011.

Asset utilisation

Because of the diverse nature of operations throughout CIT, most buildings have multiple usage including classrooms, specialist teaching rooms (workshops, laboratories, etc), support areas (stores, preparation rooms) and offices.

CIT undertakes comparisons of utilisation rates with similar state and territory educational institutions on an annual basis.

The dynamic nature of CIT functions makes it difficult to determine the exact quantum of office space and usage at any one time. Utilisation of office space is always close to 100 per cent as office space is created or removed, subject to demand.

Office accommodation

CIT's space allocation rate for office accommodation is estimated to be approximately 13.9 square metres of floor space per office employee, which is lower than the ACT Government's target rate of 15 square metres per employee.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

CIT's capital works program was focussed on providing new and upgraded facilities to support students' learning experiences, campus planning and improved assets management.

Completed projects

- The new electrotechnology building at Fyshwick campus was completed in January 2011 at a final cost of \$9.943 million. This new facility has provided up-to-date training accommodation and equipment for fast developing trades. See A3 for more details.
- The Gungahlin Learning Centre was completed in April 2011 at a final cost of \$3.1 million. This new facility offers a range of vocational training opportunities for the Gungahlin community. See A3 for more details.
- An extension to the Raiders Training Facility at Bruce campus was completed in June 2011 at a final cost of \$1.144 million.

Works still in progress

- CIT was funded to undertake a design for a new learning centre in Tuggeranong in July 2011. The project is expected to be completed in 2012 and is valued at \$700,000. CIT expects to make a construction budget bid for 2012-2013.
- CIT was funded to undertake a Master Plan Study of Fyshwick Campus in July 2011. The project is expected to be completed in June 2012 and is valued at \$180,000. When completed the study will establish the best options for future infrastructure development at Fyshwick campus to meet forecast increases in education delivery.

- CIT was funded to undertake Data Population of Building Asset Management System in July 2011. The project is expected to be completed in June 2012 and is valued at \$250,000. When completed the data system will assist with the management of CIT's assets.
- CIT was funded to undertake the Removal of Asbestos at Watson Campus in June 2011. The project, currently in progress, is expected to be completed in May 2012 and is valued at \$815,000.

Statement of Capital Works Income and Expenditure

Project	Original Project Value	Revised Project Value	Prior Years	
			Prior Year's Expenditure	Prior Year's Financing
NEW WORKS and WORKS IN PROGRESS				
New Tuggeranong Learning Centre - Design	700	700	0	0
ACT Capital Upgrades 2011-12	2,279	2,279	0	0
Asbestos Removal & Remediation Watson campus	815	815	0	0
Data population of Building Asset Management System	250	250	0	0
Total New Works	4,044	4,044	0	0
COMPLETED PROJECTS				
Bruce – Refurbishment of Canberra Raiders Training Facility (Design)	65	65	52	32
Design of Raiders Extension	1,144	1,144	0	0
ACT Capital Upgrades 2010-11	2,224	2,224	1,460	1,348
Electrotechnology Program Relocation	9,943	9,943	7,165	6,435
National Partnership - Training Infrastructure Investment for Tomorrow - Sustainable Skills Training Hub Bruce Campus*	7,600	7,600	7,515	7,600
CIT Online Implementation	4,500	4,500	3,597	3,492
Total Completed Projects	25,476	25,476	19,789	18,907
GRAND TOTAL	29,520	29,500	19,789	18,907

* This program has been financed outside the ACT Government Capital Injection framework.

Statement of Capital Works Income and Expenditure – continued

Current Year						Completion Date	
Budgeted Financing	Revised Financing	Budgeted Expenditure	Actual Expenditure	Total Financing to date	Total Expenditure to Date	Original	Revised
200	50	200	57	50	57	Jun 12	Jun 12
684	823	684	877	823	877	Jun 12	Jun 12
300	24	300	33	24	33	Jun 12	Jun 12
120	70	120	78	70	78	Jun 12	Jun 12
1,304	967	1,304	1,045	967	1,045		
13	33	13	13	65	65	Jun 11	Jan 11
1,144	1,144	1,144	1,144	1,144	1,144	Jun 11	Jun 11
764	876	764	816	2,224	2,276	Jun 11	Jun 11
2,779	3,507	2,779	2,779	9,942	9,944	Jun 11	Jun 11
0	0	0	0	7,600	7,515	Nov 10	Jun 11
1,108	1,007	1,108	903	4,499	4,500	Jun 12	Jun 12
5,807	6,568	5,807	5,654	25,475	25,443		
7,111	7,534	7,111	6,699	26,441	26,488		

CIT 2011 Capital Works Program Reconciliations

Reconciliation of Total Current Year Financing	
Total Current Year Capital Works Financing	7,534
Add: Financing of other Assets (outside capital works)	2,179
Capital Injection from Government per Cash Flow Statement	9,714
Reconciliation of Total Current Year Actual Expenditure - against financing	
Total Current Year Capital Works Expenditure	6,699
Add: Asset purchases outside of capital works program funded by capital injection	1,262
Add: Previous Year expenditure funded by current year capital injection	1,753
Capital Injection from Government per Cash Flow Statement	9,714
Reconciliation of Total Current Year Actual Expenditure	
Total Current Year Capital Works Expenditure	6,699
Add: Capital Works Expenditure expensed on the operating statement	252
Add: Asset purchases outside of capital works program	199
Purchase of Property Plant and Equipment as per Cash Flow Statement	7,150

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Procurement processes within CIT comply with the procurement legislative framework including the Government Procurement Act 2001, Government Procurement Regulation 2007 and subordinate guidelines and circulars. Under whole of government procurement arrangements, Shared Services Procurement continues to provide advice and support in relation to procurement and contract management issues, and undertakes higher value procurement activities on behalf of CIT.

CIT engaged external organisations and individuals to undertake a range of services during 2011. The contracting of these external parties occurred for the following reasons including; the need for specialist skills and services, the lack of suitable in-house resources, and the need for independent review or facilitation.

Details of individual contracts with expenditure of greater than \$20,000 during 2011 are listed in the table. Expenditure over \$20,000 for external sources of labour and services was incurred in 36 contracts, totalling \$8,388,765.

The largest expenditure item was for CIT's document and printing solution (\$2.320 million) with other large expenditure items being for cleaning at Reid (\$1.193 million) and Bruce (\$0.781 million) campuses.

The processes used to select and manage the various consultancies and contractor services were consistent with the ACT Government procurement guidelines and circulars. CIT continues to be responsible for the management of contracts and ensures that these obligations are met and that incidents of non-compliance by contractors are followed up by the nominated agency officer.

External sources of labour and services

No	Contractor	Description	2011 Expenditure	Date Let	Select Tender
1	ACT Boiler & Burner P/L	Provision of Maintenance Services for Boilers and Burners	\$62,005	26/02/2005	No
2	Air Plant Sales	Panel of Contractors for Electrical, Mechanical and General Building Maintenance Services	\$362,507	15/12/2009	No
3	A-Line Electrical Solutions	Panel of Contractors for Electrical, Mechanical & General Maintenance Services	\$91,083	17/12/2009	No
4	Complete Control Pty Ltd	Purchase of Equipment for Certificate III in Refrigeration/Air Conditioning	\$18,460	2/03/2010	No
5	Custom Security Services	Security Services	\$150,361	17/02/2010	No
6	E Palic and L Palic Trading as Palic's Maintenance Services	Panel - Electrical, Mechanical & General Maintenance Services	\$184,706	15/12/2009	No
7	Electroboard Solutions Pty Ltd	Supply and Delivery of Smart Boards	\$66,533	1/06/2011	No
8	Fuji Xerox Australia Pty Ltd	Production of Document Reproduction Equipment and Services	\$2,320,271	25/01/2008	No
9	Gibson Harridan Carpentry	Provision of General Building Maintenance	\$138,707	1/11/2008	No
10	Gridline Constructions	Repairs, Maintenance and Minor New Works	\$87,240	11/04/2006	No
11	James Bennett Pty Ltd	Supply of Non-Serial Publications and Services	\$28,071	23/10/2009	No
12	Kayell Australia	Purchase of Eizo Screens for Digital Darkroom	\$36,800	11/04/2011	No
13*	KMR Consulting	Issues assessment report	\$50,985	23/09/2010	Yes
14	Leopold Mlakar Trading as Rapid Paints Australia	Delivery, Installation & Removal of Internal & External Signage for the CIT	\$30,888	22/07/2010	No
15	Millswest Plumbing	Plumbing Maintenance	\$274,967	30/05/2007	No
16	National Cleaning Services	Cleaning services to Reid Campus (includes 2 separate contracts)	\$1,192,934	6/03/2007	No
17	National Cleaning Services	Cleaning for Monterey Apartments and Bowman House	\$41,062	22/08/2009	No
18	National Cleaning Services	Cleaning for Southside Campus and Tuggeranong FLC	\$306,897	8/07/2003	No
19	National Fire Solutions	Fire Equipment Maintenance	\$231,326	24/11/2006	No
20	NetSpot Pty Ltd	Online Learning Environment and Digital Learning	\$437,582	24/08/2009	No

* \$33,825 was paid in 2010.

External sources of labour and services

No	Contractor	Description	2011 Expenditure	Date Let	Select Tender
21	Nova Topstage Pty Limited	Supply and Delivery of Audio Visual Equipment	\$24,612	10/03/2011	No
22	PFD Food Services Pty Ltd	Provision of Dry Goods	\$38,247	22/06/2010	No
23	Rallcom Pty Ltd Trading as Regional Wholesale Fruit Market	Supply and Delivery of Fresh Fruit & Vegetables	\$100,684	27/05/2011	No
24	Recall Information Management Pty Ltd	Provision of Records Management Sentencing	\$157,346	2/09/2009	No
25	SAI Global Ltd	Renewal of Subscription - Australian Standards Online	\$29,528	24/05/2011	No
26	Schindler Lifts Australia Pty Ltd	Provision of Lift Maintenance Services	\$56,224	26/08/2009	No
27	Simeco Pty Limited	Panel of Contractors for Electrical, mechanical and General Maintenance Services	\$234,877	15/12/2009	No
28	Starmex Pty Limited trading as Belconnen Refrigeration Services	Provision of Maintenance and Minor New works of Air Conditioning Systems and Refrigeration Compressors	\$107,726	27/02/2007	No
29	Swets Information Services BV	Supply of Serial Publications and Services for the Library and Learning Centre	\$64,907	31/01/2009	No
30	The Lincoln Electric Co (Australia) Pty Ltd	Purchase of CNC Plasma Thermal Cutting Machine	\$49,133	17/08/2011	No
31	The Trustee for JPE Unit Trust Trading as Popes Electrical & Data Supplies Pty Ltd	Electrical Testing Equipment	\$71,108	14/07/2011	No
32	Transpacific Cleanaway Ltd	Waste Disposal - CIT	\$132,742	17/12/2009	No
33	Unicard Systems	Provision of Identity Management System	\$161,653	19/02/2004	No
34	Universal Office Cleaners (ACT) Pty Ltd	Provision of Cleaning Services to CIT Bruce Campus	\$780,852	4/07/2011	No
35	Vast Security	Provision of Installation and Maintenance Services for Security Systems	\$83,352	25/05/2006	No
36	VNT Services	Provision of Cleaning Services for Fyshwick Campus	\$216,214	1/04/2009	No
	TOTAL		\$8,388,765		

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

Key aspects of CIT's role are to support industry and the community and to promote awareness and appreciation of vocational education and training.

Community grants, assistance and sponsorship are important in this regard.

CIT Community Grants and Sponsorships 2011

No	Organisation/Recipient	Project Description/Process/Period of time engagement	Outcomes	Amount
1	Companion House	Community Skills/Training Support Grant Program	Promotion of VET and CIT	\$10,000
2	Lions Youth Haven	Grant from ACT Government for administrative support for financial year 2011-12	Payment of administrative expenses	\$30,000
3	Hawker College	Student scholarship funded by the Centre for Business	Promotion of student pathways	\$500
4	Lake Ginninderra College/ Canberra College	Student scholarships	Promotion of student pathways	\$1,250
5	University of Canberra	UC and CIT Pathway Scholarships	Payment of student fees and promotion of student pathways	\$1,000
6	Various Students	Scholarships and fees assistance for various students funded by the ACT Government or CIT	Payment of student fees	\$293,527
7	Country Education Foundation of Australia (CEFA)	CEFA Education Partnership	Matching of CEFA student grants for students attending CIT	\$15,290
8	Tertiary Education Open Day	Contribution to the ACT Tertiary sector under a MOU with ANU, UC, CIT and ADFA	Promotion of the tertiary education sector	\$20,000
9	ACT Education and Training Directorate	ACT Training Excellence Awards sponsorship	Advertising/Marketing CIT	\$4,545
10	ACT NAIDOC Awards	Indigenous VET Student and Indigenous Apprentice/Trainee Awards sponsorship	Community support and promotion of VET and CIT	\$1,100
11	ACT Nursing and Midwifery	International Nurses and Midwives Celebration – Enrolled Nurse and Assistant in Nursing Awards sponsorship	Industry support and promotion of VET and CIT	\$1,000
12	AUSTAFE	AUSTAFE Conference sponsorship	Advertising/Marketing CIT	\$550
13	Australian Capital Tourism	Australian Capital Tourism Exchange Program sponsorship	Industry support and promotion of VET and CIT	\$4,000
14	Australian Hotels Association ACT	Sponsorship	Industry support and promotion of VET and CIT	\$4,500
15	Communities@Work	ACT Children's Services Award Night sponsorship	Industry support and promotion of VET and CIT	\$2,000
16	Construction Charitable Works	Breakfast table sponsorship	Industry support and promotion of VET and CIT	\$2,000

CIT Community Grants and Sponsorships 2011

No	Organisation/Recipient	Project Description/Process/Period of time engagement	Outcomes	Amount
17	ACT Regional Building and Construction Industry Training Council	Apprenticeship Awards sponsorship	Industry support and promotion of VET and CIT	\$2,727
18	Cystic Fibrosis Charity Ball	Chief Executive sponsored table	Support for community association	\$3,500
19	Floriade	Floriade sponsorship and cooking demonstrations	Advertising/Marketing CIT	\$7,000
20	Harold Crow Williams Memorial League Knockout	Competition sponsorship	Indigenous community support	\$400
21	Illawarra Vocational Training Committee	Illawarra Vocational Training Awards sponsorship	Advertising/Marketing CIT	\$600
22	Knit and Natter	Community activity for migrant women learning English	Training and community support	\$1,000
23	Live in Canberra	Live in Canberra Campaign sponsorship	Advertising/Marketing CIT	\$5,000
24	National Electrical and Communications Association	Sponsorship for publicity, marketing, events and newsletter	Advertising/marketing CIT	\$6,000
25	National Museum of Australia	Sponsorship	Advertising/Marketing CIT	\$5,000
26	SIDS ACT	Memorable Challenge, trivia fundraising night sponsorship	Support for community association	\$580
27	Worksafe ACT	Worksafe ACT Awards sponsorship	Advertising/Marketing CIT	\$2,500
28	Oz-Harvest	Food rescue scheme	Support for the community	\$2,000
	TOTAL			\$427,569

CIT also provides a range of in kind sponsorship support to a number of industry-affiliated competitions. For example the Tourism and Hotel Management Centre has supported a range of competitions through access to CIT facilities and resources, and CIT staff who assist with judging competitors work. These include WorldSkills, Nestle Golden Chef's Hat Competition, Australian Culinary Federation Secondary Schools Competition, Canberra Southern Cross Graduate Cooks Award,

Canberra Southern Cross Club and CIT's Food and Beverage Competition and the HTN Culinary Competition.

Other events provide learning opportunities for students and expand CIT's connection with the ACT community and industries. For example CIT media students produce complimentary digital records of AUSdance ACT performances.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

CIT has a recognised Records Management Program (RMP) that has been approved by the agency principal officer and submitted to the Director of Territory Records.

CIT has specific approved procedures in place which are implemented in conjunction with the RMP.

Appropriate training and resources are available to staff throughout the agency.

CIT has included in its RMP arrangements for preserving records that contain information that may allow people to establish links with their Aboriginal or Torres Strait Islander heritage.

CIT has responded to the commencement of Part 3 of the *Territory Records Act 2002* - Access to records, including details of the assessment of those records to which Section 28 of the Act may apply. CIT continues to develop tools which will help members of the community to interpret CIT's older records which are open for public access.

Approved Agency Specific Records Disposal Schedules

Records Disposal Schedule Name	Effective	Year and No.
Territory Records (Records Disposal Schedule – Tertiary Student Management Records)	9 October 2007	NI2007-313
Territory Records (Records Disposal Schedule – Tertiary Teaching and Research Records)	9 October 2007	NI2007-314

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

During 2011 CIT continued to strengthen its commitment to human rights.

CIT's *Equity and Diversity Strategy 2009-2013* sets out the vision and commitment to valuing the differences among employees and ensuring that all CIT staff have fair access to opportunities.

A Reconciliation Action Plan for Aboriginal and Torres Strait Islander people began development during 2011.

Human Rights training for staff

The Yurauna Centre delivered Aboriginal and Torres Strait Islander cultural awareness training to CIT staff and students. Training for staff and students is also provided by the Student Services Hub, through Counselling and Equity. Training provided during 2011 included workshops on anti-discrimination; gender inclusiveness; and respectful and culturally appropriate behaviours. Migrant Support also provided training seminars on cultural competence and sensitivity.

Internal dissemination of Human Rights information

CIT's range of policies and procedures are designed to provide staff and students with a learning environment which is supportive, respectful, meets diverse needs and protects health and safety. Compliance with the *Human Rights Act 2004* is referenced in many of the CIT student and staff policies. Policy reviews include ensuring that policies are in keeping with the requirements of the *Human Rights Act 2004*.

Access to information on a range of human rights topics is available to all CIT staff through Conversations with Counselling and Equity – an

internal online service utilising CIT's MicroBYTES. Topics covered in 2011 included: teacher responsibility; assessment when dealing with cultural and religious prohibitions; bullying; disability disclosure; and working with sign language interpreters.

Liaison with Human Rights, Coordination and Scrutiny Group

CIT had no need to liaise with the Human Rights, Coordination and Scrutiny Group.

Litigation

Three complaints were raised against CIT in 2011.

A complaint of unlawful discrimination on the grounds of disability in the area of education was raised with the Human Rights Commission. The case was closed by the Human Rights and Discrimination Commissioner on the grounds that the complaint lacked substance.

A further complaint of unlawful discrimination on the grounds of age in the area of employment is currently being considered by the Human Rights and Discrimination Commissioner.

Another complainant made three separate complaints to the Human Rights Commission. The complaints related to unlawful discrimination on the grounds of race and age in the area of education. Race vilification and victimisation were also alleged. The Commissioner closed one case on the basis that it lacked substance and the other two on the grounds that she did not consider conciliation would resolve the matter. All the complaints were referred to the ACT Civil and Administrative Tribunal by the Human Rights and Discrimination Commissioner, in accordance with section 53A of the Human Rights Act.

For more information:

Executive Director, Governance and Executive Services
(02) 6207 3133

CIT was not required to provide any information to the Office of the Commissioner for the Environment during 2011.

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

CIT is a key contributor to the multicultural richness of the Canberra community, as recognised when the Vocational College received the Australian Capital Territory Multicultural Awards 2011 Education Award.

The award recognises the Vocational College's outstanding commitment to people of culturally and linguistically diverse backgrounds, as underlined by the college's Adult Migrant English Program, Language, Literacy and Numeracy Program, the English for Employment, Study and Life Program and the English Program for international students.

Focus Area	Progress
Languages	<p>CIT offered accredited programs in French, Spanish, Japanese, Chinese Mandarin and Auslan.</p> <p>CIT Solutions offered a range of language programs, including Croatian, Czech, Dari, Dutch, Farsi, French, German, Hindi, Indonesian, Italian, Japanese, Mandarin, Polish, Portuguese, Spanish and Vietnamese.</p>
Children & Young People	<p>CIT's childcare service is provided as part of its AMEP (Adult Migrant English Program) and is available to all AMEP students who need childcare, including humanitarian entrants.</p> <p>CIT partners with the Multicultural Youth Service to provide information about educational opportunities for young people.</p>
Older People and Aged Care	<p>CIT provides a skills recognition service to assist people who do not hold formal qualifications.</p>
Women	<p>CIT Vocational College has provided support to community groups providing a service to migrant and refugee women. For example in 2011 CIT staff worked with a group of volunteers to secure a grant for the "Knit and Natter" group and provides a meeting space for them. This group offers an opportunity for people to meet and practice their English conversation while sharing their crafts.</p>

Focus Area	Progress
<p>Refugees, Asylum Seekers and Humanitarian entrants</p>	<p>CIT Vocational College works closely with Companion House, the Migrant and Refugee Settlement Service, Canberra Refugee Support and the Multicultural Youth Service. The resulting common client-base allows for the coordinated flow of information to clients/students, which is essential for making education and information accessible to people of diverse backgrounds, who may feel vulnerable and have experienced traumatic circumstances in their journey to their new life in the ACT.</p> <p>CIT offers programs to refugees to improve their English and other basic skills to secure employment. The safe learning environment helps remove barriers to learning, with many students returning to undertake mainstream CIT courses.</p> <p>In 2011 CIT Vocational College worked with refugee support agencies and the Office of Multicultural Affairs to establish a special service for asylum seekers on bridging visas awaiting a decision on their status from the Department of Immigration and Citizenship (DIAC). Asylum seekers arrive in Australia with little or no English language skills, and most are in financial difficulties, but they are not eligible for mainstream funded English programs. It is essential for their wellbeing that they enter English language training so that they can deal with their daily needs, interact socially and cope with emergencies. To this end CIT has introduced a fee waiver for asylum seekers and a policy of continuous intake for these students, ensuring that they have quick, easy access to essential language training.</p> <p>In response to a request from DIAC, CIT provided English classes for asylum seekers in community detention within the ACT. CIT staff work in close collaboration with Red Cross caseworkers and volunteers to ensure that this special program addresses the very difficult and distressing circumstances facing these people</p>
<p>Intercultural Harmony and Religious Acceptance</p>	<p>CIT hosted almost 1,200 international students from more than 80 countries.</p> <p>CIT continued to employ a dedicated Cultural Diversity Officer and delivered training in cultural diversity and discrimination legislation to groups of CIT students and staff members.</p>

For more information:

Executive Director Governance and Executive Services
 (02) 6207 3133

CIT is committed to 'closing the gap' in educational outcomes through policy and practices that seek to improve education and training outcomes for Aboriginal and Torres Strait Islander people.

During 2011 CIT began development of a Reconciliation Action Plan which will be launched in 2012.

Yurauna Centre

Yurauna is a community focused multi-functional cultural education centre that brings individuals together to learn in a culturally appropriate environment. The centre has an advisory committee that includes Aboriginal and Torres Strait Islander members who advise on program delivery and key strategies.

The centre offers specific Aboriginal and Torres Strait Islander educational programs and student support across CIT. It is committed to developing training opportunities by working in partnership with a range of stakeholders so that Aboriginal and Torres Strait Islander people are able to access programs to increase their employability skills. Utilising a holistic approach, culturally sensitive staff work with individuals and groups to enable them to reach their potential.

Staff include Aboriginal and Torres Strait Islander people who are highly qualified and flexible, teachers who bring a wealth of community experience and skills across a range of disciplines enhanced through professional development. This is instrumental in creating a positive cultural learning environment.

The Yurauna Centre is committed to meeting community and industry demand by working collaboratively with other entities, both private and government, to develop and deliver customised training. For example, the centre, worked with the Australian Government Department of Health and Ageing and Batchelor College to deliver Mental Health First Aid training in the Northern Territory.

During 2011 the Yurauna Centre delivered nine Aboriginal and Torres Strait Islander Mental Health First Aid Courses in the Northern Territory, NSW South Coast and ACT. Four Yurauna Centre staff are Aboriginal and Torres Strait Islander Mental Health First Aid Instructors. The program covers:

- Aboriginal and Torres Strait Islander social and emotional wellbeing
- mental health first aid interventions in Aboriginal and Torres Strait Islander communities.

In 2012 the centre will also deliver this program in the ACT and region.

Aboriginal and Torres Strait Islander Enrolments

Aboriginal and Torres Strait Islander Students	2009	2010	2011
Total Clients (headcount)	266	388	521
Total Enrolments	443	602	830
Enrolments in Support Programs*	189	167	267
Enrolments in Apprenticeships/Traineeships	26	26	49
Enrolments in Non Awards and Statement of Attainment	189	263	395
Enrolments in Certificate I and Certificate II	94	126	101
Enrolments in Certificate III and Certificate IV	113	124	214
Enrolments in Diploma, Advanced Diploma and Degrees	47	89	120

* Includes all literacy and numeracy programs, Learning Options and Access10 (Year 10 alternative program)

Overcoming Indigenous Disadvantage Report

In April 2002 the Council of Australian Governments commissioned the production of a regular report against key indicators of Indigenous disadvantage. In regard to education and training, the report covers a range of measures related to educational achievement by Aboriginal and Torres Strait Islander young people.

The latest edition of the report, *Overcoming Indigenous Disadvantage: Key Indicators 2011* was released on 25 August 2011. Section 4.7 deals with post-secondary education, participation and attainment, and the primary measure is the proportion of 20–64 year olds with a post school qualification of certificate III or above or currently studying. CIT's Indigenous student enrolment in certificate III and higher level programs has been steadily increasing over the past three years as shown in the table.

CIT's total of Aboriginal and Torres Strait Islander student enrolments increased by 38 per cent from 602 in 2010 to 830 in 2011. Total enrolments in general education programs, Access10 (Year 10 alternative program) and CIT's Year 12, remained stable between 2010 and 2011. Successful completion of these programs is important for entry into certificate III and higher level programs.

A highlight in 2011 was CIT's first Indigenous degree graduate, who graduated from the Bachelor of Design (Photography) and also received an Institute Medal and the Len Barrett Award.

Progress against strategic areas for action

Transition to adulthood

The Yurauna Centre provides a range of programs including Aboriginal specific courses such as Learning Options, Access 10 and Cultural Arts. These programs are enabling programs that seek to improve literacy and numeracy, and self-esteem. Through learning about Aboriginal history, politics and culture students gain an understanding of self and their roles within families and community. Participants include Bimberri and Alexander Maconochie Correctional Centre clients who transition to the Yurauna Centre.

Students are encouraged to pursue career development with cultural support, and thus transition into the world of work, further education or skill development.

Other programs that are specific to Aboriginal and Torres Strait Islander people and encourage work transition include:

- Road Ready
- L's to P's Program in collaboration with the ACT Justice and Community Services Directorate and the ACT Aboriginal Justice Organisation (Both programs enable disengaged and disadvantaged individuals to access their learner drivers' licence as a path to independence and employment.)
- Certificate II in Conservation and Land Management for trainees in collaboration with the ACT Natural Resource Management Council
- ACT Health Nursing Scholarships
- Short courses such as the Barista course, Responsible Service of Alcohol and Responsible Conduct of Gambling

- Aboriginal and Torres Strait Islander Community Justice – Circle Sentencing program Training Program
- Interview Friends Training Program.

A highlight in 2011 was the development of a special project with the CIT Student Association. Every fortnight, Yurauna Centre students worked with a qualified chef employed by CITSA, to cook a communal lunch funded by CITSA.

Resilient families and communities

Programs and student support services are specifically culturally-sensitive and respectful of equality and diversity of cultures to assist individuals, families and communities to break the cycle of poverty. This is facilitated through pathway planning plans and individual learning plans that establish goals and expectations over which students have control. They gain a greater sense of confidence in their learning capability and empower families and communities by their successes.

In November 2011 the Yurauna Centre provided an Aboriginal and Torres Strait Islander Mental Health First Aid program for community members.

Economic participation and development

The CIT Indigenous Scholarship program administered by the Yurauna Centre is a key strategy to encourage participation in vocational education and access to pathways to employment. Staff across CIT are encouraged to work in partnership with the Yurauna Centre to develop strategies to ensure recruitment and retention of Aboriginal and Torres Strait Islander people in mainstream programs.

The Yurauna Centre provides cultural awareness training programs to a number of organisations.

CIT employs 24 Aboriginal and Torres Strait Islander Australians.

For more information:

Executive Director Governance and Executive Services
(02) 6207 3133

In order to reduce greenhouse gas emissions, CIT has a strategy to reduce the overall consumption of electricity and switch to natural gas and solar energy. CIT has operational policies in place for the monitoring of energy usage. Each campus has building monitoring systems and metering equipment in place to monitor energy usage and make savings where possible. In 2011 CIT's electricity consumption increased by 2.4 per cent due to an increase in floor area of 6.4 per cent. Total energy consumption per square meter has decreased by 5.9 per cent.

CIT has ongoing eco-workplace recycling schemes that include paper, cardboard, comingled waste, organic waste, concrete, bricks and metals.

In 2011 CIT reduced potable water consumption by 29.2 per cent.

In 2011 through the Resource Management Fund \$93,000 was spent on installation of solar hot water gas boosted systems at Bruce campus.

	Indicator as at 30 June	Unit	2009-10		2010-11	
Line	General		Office	Total	Office	Total
L1	Occupancy – staff full-time equivalent	Number (FTE)	944.6	944.6	805.5	805.5
L2	Area office space – net lettable area	Square metres (m ²)	13,173	105,442	13,225	122,345.9
	Stationary Energy		Office	Total	Office	Total
L3	Electricity use	Kilowatt hours	1,492,276	11,944,905	1,322,594	12,235,459
L4	Renewable energy use (GreenPower + EDL land fill gases)	Kilowatt hours	387,992	3,105,675	449,682	4,160,056
L5	Percentage of renewable energy used (L4/L3 x100)	Percentage	26	26	34	34
L6	Natural Gas use	Megajoules	4,849,882	38,820,796	4,192,822	38,788,253
L7	Total energy use	Megajoules	10,114,300	80,959,766	7,335,305	81,680,347
L8	Energy intensity per FTE (L7/L1)	Megajoules/FTE	10,707	85,708	9,106.5	101,403
L9	Energy intensity per square metre (L7/L2)	Megajoules/m ²	767.8	767.8	554.6	667.6
	Transport		Office	Total	Office	Total
L10	Total number of vehicles	Numeric	39	39	35	35
L11	Total vehicle kilometres travelled	Kilometres (km)	827,646	827,646	821,651	821,651
L12	Transport fuel (Petrol)	Kilolitres	63,138	63,138	58,399	58,399
L13	Transport fuel (Diesel)	Kilolitres	16,671	16,671	14,585	14,585
L14	Transport fuel (LPG)	Kilolitres	0	0	0	0
L15	Transport fuel (CNG)	Kilolitres	0	0	0	0
L16	Total transport energy use	Gigajoules	2,804	2,804	2,560	2,560
	Water		Office	Total	Office	Total
L17	Water use	Kilolitres	9,734	77,919	5,960	55,137
L18	Water use per FTE (L17/L1)	Kilolitres/FTE	10.3	82.5	7.4	68.4
L19	Water use per square metre (L17/L2)	Kilolitres/m ²	0.73	0.73	0.45	0.45
	Resource Efficiency and Waste		Office	Total	Office	Total
L20	Reams of paper purchased	Reams	17,215	17,215	15,430	15,430
L21	Recycled content of paper purchased	Percentage	60	60	60	60
L22	Estimate of general waste (based on bins collected)	Litres	65,128	65,128	49,312	49,312
L23	Estimate of commingled material recycled (based on bins collected)	Litres	11,340	11,340	13,314	13,314
L24	Estimate of paper recycled (based on bins collected)	Litres	409,000	409,000	367,000	367,000

C21 – Ecologically Sustainable Development

Line	Indicator as at 30 June General	Unit	2009-10		2010-11	
			Office	Total	Office	Total
L25	Estimate of organic material recycled (based on bins collected)	Litres	205	205	430	430
L26	Total stationary energy greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	1,929	15,443	1,688	15,623
L27	Total transport greenhouse gas emissions (All scopes)	Tonnes CO ₂ -e	26.21	209.83	20.74	191.92
L28	Greenhouse gas emissions per person (L26/L1)	Tonnes CO ₂ -e FTE	16.34	16.34	19.39	19.39
L29	Greenhouse gas emissions per square metre (L26/L2)	Tonnes CO ₂ -e	0.146	0.146	0.127	0.127
L30	Transport greenhouse gas emissions per person (L27/L1)	Tonnes CO ₂ -e FTE	0.222	0.222	0.238	0.238

For more information:

Deputy Chief Executive, Operations
(02) 6207 3106

The ACT Women's Plan provides the opportunity for a collaborative approach across ACT Government agencies, to improve the status of women and girls through its three key priorities. CIT is a significant contributor to the plan's economic and social priorities.

CIT's progress against this plan is demonstrated in a diverse range of ways, including CIT's support for women in the workforce, the appointment of women to strategic decision-making committees, the delivery of vocational education and training to students, and assisting community organisations.

Workforce participation

With a significant female representation in its workforce, CIT is committed to ensuring women have ample opportunity to contribute to the economic, social, and environmental aspects of the workforce. This is demonstrated through CIT's flexible working environment, and the provision of suitable, safe and secure facilities for working mothers such as facilities for child care.

As at December 2011, women represented a high proportion of CIT staff:

- 62 per cent of all staff (permanent, temporary and casual) employed in CIT
- 63 per cent of CIT's permanent workforce
- 59 per cent of all permanent full-time staff
- 40 per cent of all temporary full-time staff
- 81 per cent of all permanent part-time staff
- 74 per cent of all temporary part-time staff
- 64 per cent of all casual staff.

Leadership

Women's representation at the managerial level (SOG C and Teacher Band 2 and above) is at 61 per cent, which is consistent with the overall

proportion of women in the total CIT workforce. CIT provides opportunities for its staff to access mentoring and leadership programs. Two of the six executive positions at CIT are held by women and nine of the 16 centre directors are women.

Enrolment in CIT programs

In 2011 there were 14,508 female enrolments at CIT, with women making up 48 per cent of total enrolments. In terms of qualification level, women made up 55 per cent of enrolments in diploma and higher-level programs.

CIT has concentrated on retaining female students on their training pathways. A part-time equity officer is employed to assist in promoting gender inclusiveness and respect on campus and in the workplace to ensure women's full access and participation.

In 2011 initiatives included:

- peer tutoring for equity based reasons, for example mature aged women, women returning to study, women from remote and regional backgrounds
- highlighting appropriate strategies for respectful behaviours through brochures, class visits and Conversations (issues and hints on the staff intranet). For example Understanding our female Muslim students at CIT
- promoting women's scholarships to staff and students. For example, Women's Grants ACT.

Encouragement of women in trades

In 2011 CIT continued its annual Girls Try-a-Trade Day in May. More than 150 girls from the ACT and region attended. The aim of the program is to involve girls in a range of hands-on activities that will develop their skills and confidence in a supportive environment and allow them to make more informed career choices.

New trades for the girls to try this year were glass and glazing, bricklaying and hairdressing. The girls received guidance from some great female role models, including the licensed builder behind the first national initiative, 'Buildmore Women into Building Housing Showcase', a project which involved a small lot home designed, constructed and supplied mainly by women on the Sunshine Coast.

CIT employs female teachers in a range of non-traditional occupations including electrical and carpentry trades, engineering, horticulture and food processing.

Support for women returning to the workplace

The Learning Options for Women program is specifically customised for women who wish to prepare to enter the workforce and/or go on to further study. Over the past 10 years the program has been successful in building students' confidence and work readiness. Work experience was incorporated in the course in 2010 and has proven to be particularly valuable. Since the integration of the work experience component in 2010, over 88 per cent of students have found employment or gone on to further training.

Two groups of students completed the program in 2011. In December 2011, 12 students graduated and their certificates were presented by the ACT Minister for Women, Ms Joy Burch MLA.

Community support

CIT is committed to supporting the wellbeing of families and the community. For example in 2011, CIT Vocational College supported community groups providing a service to migrant and refugee clients such as the Karen Community Group that needed a meeting room to conduct parenting classes.

For more information:

Executive Director, Governance and Executive Support
(02) 6207 3133

Amendments made to the *Law Officer Act 1992* by the *Law Officer Amendment Act 2009* introduced a legal obligation in performing Territory legal work to comply with Model Litigant Guidelines.

CIT ensures compliance with the model litigant guidelines by engaging the legal services of the ACT Government Solicitor in litigation matters. CIT relies on the ACT Government Solicitor to identify matters where a question arises as to compliance with the Model Litigant Guidelines, and to address them or elevate them within CIT as appropriate.

The Chief Executive is advised of all legal disputes and is provided with regular updates as necessary.

No breaches of the Model Litigant Guidelines were identified in the reporting period.

For more information:

Executive Director, Governance and Executive Support
(02) 6207 3133

The ACT Strategic Plan for Positive Ageing provides the opportunity for a coordinated approach across ACT Government to maximise the quality of life of people as they age and assist them to be actively engaged in the community. The plan has seven focus areas and CIT is a contributor to two of the focus areas.

Progress against the focus areas in 2011:

Focus Area	Progress
Respect, Valuing and Safety <i>Action 21. Promote positive inter-generational relationships</i>	As eight elder mentoring sessions were held between July and December 2010, further elder mentoring sessions were not needed during 2011. However the eight elders enrolled in a clothing production program provided mentoring to young Aboriginal and Torres Strait Islander students at the Yurauna Centre. Elders told stories and actively engaged in discussion with youth to encourage respect for others and attendance.
Work and Retirement <i>Action 54: Promote educational and recreational opportunities</i>	During 2011 there were 629 students aged 55 and over enrolled at CIT, whilst CIT Solutions had 1020 enrolments of students aged 55 and over. ACE courses offered by CIT Solutions were accessible to seniors depending on their interests. Some courses were offered during the day to try and attract the senior participant/retiree who prefers this time to evening classes. Popular classes included, Computing for Seniors, Photography, Art, and the very popular Caravanning for Beginners and How to Reverse a Trailer or Caravan. The Yurauna Centre, in partnership with Burrunju Aboriginal Corporation, provides programs specifically to meet the needs of their Elders. In 2011 this included a Clothing Production training program and the Aboriginal or Torres Strait Islander Cultural Arts certificate programs. (Elders enrolled in certificate programs participate in Art Exhibitions at CIT or the community.) The Yurauna Centre also participates in community activities designed for Elders such as Boomanulla Oval's NAIDOC and Christmas luncheons.

For more information:

Executive Director, Governance and Executive Support
(02) 6207 3133

Appendix 1

Awards received by CIT and its staff and students in 2011

CIT

- ACT Large Registered Training Organisation of the Year
- CIT Vocational College received the Australian Capital Territory Multicultural Awards 2011 Education Award
- The Sustainable Skills Training Hub won the Energy Innovation category award at the Keep Australia Beautiful, Australian Sustainable Cities Awards after being the overall winner of the ACT award
- ACT Sustainable Cities 2011 award for the "Sustainable Buildings and Gardens - Commercial".

Staff

- Peter Kowald, Deputy Chief Executive Operations was awarded the Public Service Medal in the Australia Day Honours List
- Kaye O'Hara, recently retired Deputy Chief Executive Academic, received the Norm Fisher Award for outstanding and extensive contribution to VET in the ACT
- Steve McMahon, a metal fabrication teacher in the Fyshwick Trade Skills Centre, received the award of ACT Vocational Teacher of the Year
- Leanne Pagett, an allied health teacher in the Centre for Health, Community and Wellbeing, was the winner of the National Centre for Vocational Education Research Learning and Skills Research Network study tour competition
- Darrell Morton and Dammika Hatharasinghe, pastry teachers in the Centre for Tourism and Hotel Management, were members of the ACT team that was the overall winner at the 5th Australian Artisan Baking Cup

- Steve Wright, a fashion design teacher in the Centre for Creative Industries was awarded a scholarship from the German Government to attend a Creative Industry and Sustainability conference in Berlin.

Students

- ACT Training Awards
 - ACT Aboriginal and Torres Strait Islander Student
 - ACT Trainee or Apprentice of the Year
 - ACT Vocational Student of the Year
- At the Construction Industry Training Awards
 - CIT students received Outstanding Apprentice Awards in 14 out of the 15 trade categories plus the Outstanding Apprentice of the Year and the Outstanding Female Apprentice in a non-traditional trade
 - A CIT and ActewAGL electrical apprentice and winner of three of the above awards was also awarded a National Association of Women in Construction award in the Future Leader category
- At WorldSkills
 - A CIT landscape gardening student and national WorldSkills winner from 2010, received a Medallion for Excellence at the 41st WorldSkills International Competition in London
 - Success in Worldskills continued at the regional competition in Canberra in October with CIT students winning 9 Gold, 10 Silver and 10 Bronze medals
- Other student awards included
 - a CIT Bachelor of Photography student was the overall winner of the 2011 United Nations/CIT "International Year of Forests" Photography Competition

-
- A photography student, who won the United Nations internship to Timor-Leste in 2010, won the 2011 Ocean Geographic Conservation Award, the Digital Trio Merit of Excellence and High Commendation for the Most Influential Underwater Shoot
 - Two CIT students won Best Film and Best Student Film in the Lights! Canberra! Action! Short Film awards
 - Two students received World Refugee Scholarships for their efforts in overcoming adversity to undertake studies.

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Acronyms and Abbreviations

ACE	Adult and Community Education
ACT	Australian Capital Territory
ACTPS	ACT Public Service
ACU	Australian Catholic University
ADFA	Australian Defence Force Academy
AFP	Australian Federal Police
AIE	Academy of Interactive Entertainment
AMEP	Adult Migrant English Program
ANU	Australian National University
AQF	Australian Qualifications Framework
ASBA	Australian School-based Apprenticeships
ASQA	Australian Skills Quality Authority
ATSI	Aboriginal and Torres Strait Islander
AWA	Australian Workplace Agreement
CALD	Culturally and Linguistically Diverse
CIT	Canberra Institute of Technology
CITAC	Canberra Institute of Technology Advisory Council
CITSA	CIT Student Association
COAG	Council of Australian Governments
CRM	Client Relationship Management
CSS	Commonwealth Superannuation Scheme
CSU	Charles Sturt University
DEEWR	Australian Government Department of Education, Employment and Workplace Relations
DIAC	Australian Government Department of Immigration and Citizenship
eLR	eLearn Resources
ETD	Education and Training Directorate (ACT Government)
ESL	English as a Second Language
ESOS	Education Services for Overseas Students
FAQ	Frequently Asked Question
FLAG	Flexible Learning Advisory Group
FOI	Freedom of Information
GAAP	Generally Accepted Accounting Practice

GFS	Government Finance Statistics
GPO	Government Payment of Outputs
GST	Goods and Services Tax
HR	Human Resources
ICT	Information and Communication Technology
ISO	International Organisation for Standardisation
IT	Information Technology
LLNP	Language, Literacy and Numeracy Program
MOU	Memorandum of Understanding
NBN	National Broadband Network
NSSC	National Skills Standards Council
OH&S	Occupational Health and Safety
PID	Public Interest Disclosure
PSSAP	Public Sector Superannuation Scheme Accumulation Plan
PSS	Public Sector Superannuation Scheme
RMP	Records Management Program
RPL	Recognition of Prior Learning
RED	ACTPS Respect, Equity and Diversity (RED) Framework
RTO	Registered Training Organisation
SCOTESE	Standing Council on Tertiary Education, Skills and Employment
SEA	Special Employment Arrangement
SOI	Statement of Intent
TAFE	Technical and Further Education
TEQSA	Tertiary Education Quality and Standards Agency
UC	University of Canberra
VET	Vocational Education and Training

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