

# Annual Report

2020

Canberra Institute of Technology





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**2020**

Canberra Institute of Technology



## Acknowledgement of Country

Dhawura Nguna Dhawura Ngunnawal  
Ngunnawalwari Dhawurawari  
Nginggada Dindi Yindumaralidjinyin  
Dhawura Ngunnawal Yindumaralidjinyin

This is Ngunnawal Country.

We always respect their Elders, male and female.

We always respect Ngunnawal Country.

CIT acknowledges the cultural host nation of the ACT, the Ngunnawal people, as Canberra's first inhabitants and traditional custodians of the ACT and Region. We recognise the special relationship and connection to country that the Ngunnawal people have with this area since time immemorial.

Prior to non-Indigenous arrival, Ngunnawal people were a thriving community whose cultural practices were and still are core to their physical and spiritual wellbeing. We acknowledge the historical dispossession of the Ngunnawal people and recognise the long lasting, profound and ongoing impact to their health and well-being that invasion has had on their livelihoods, cultural practices and families as well as the continuation of their laws/lore.

CIT respectfully acknowledges the significant contribution of the Ngunnawal people to the life of Canberra.

We also acknowledge other Aboriginal and Torres Strait Islander peoples who have made this place their home.

## Canberra Institute of Technology

### Annual Report 2020

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# CONTENTS

|                |   |            |
|----------------|---|------------|
| <b>PART A:</b> | <b>TRANSMITTAL CERTIFICATE</b>                  | <b>5</b>   |
|                | <b>FROM THE CIT BOARD CHAIR</b>                 | <b>8</b>   |
|                | <b>FROM THE CIT CHIEF EXECUTIVE OFFICER</b>     | <b>10</b>  |
| <b>PART B:</b> | <b>ORGANISATION OVERVIEW AND PERFORMANCE</b>    | <b>13</b>  |
|                | Organisational Overview                         | 14         |
|                | Performance Analysis                            | 32         |
|                | Scrutiny  | 48         |
|                | Risk Management                                 | 49         |
|                | Internal Audit                                  | 50         |
|                | Fraud Prevention                                | 52         |
|                | Freedom of Information                          | 53         |
|                | Community Engagement and Community Support      | 55         |
|                | Aboriginal and Torres Strait Islander Reporting | 58         |
|                | Work Health and Safety                          | 63         |
|                | Human Resources Management                      | 67         |
|                | Ecologically Sustainable Development            | 74         |
| <b>PART C:</b> | <b>FINANCIAL MANAGEMENT REPORTING</b>           | <b>77</b>  |
|                | Financial Management Analysis                   | 78         |
|                | Financial Statements                            | 83         |
|                | Capital Works                                   | 148        |
|                | Asset Management                                | 150        |
|                | Government Contracting                          | 151        |
|                | Statement of Performance                        | 161        |
|                | <b>ACRONYMS AND ABBREVIATIONS</b>               | <b>168</b> |
|                | <b>COMPLIANCE INDEX</b>                         | <b>169</b> |
|                | <b>CONTACT OFFICER</b>                          | <b>170</b> |



# Section

Transmittal  
Certificate







## Transmittal Certificate

Mr Chris Steel MLA  
Minister for Skills  
ACT Legislative Assembly  
London Circuit  
Canberra ACT 2601

Dear Minister

This report has been prepared in accordance with section 7(2) of the *Annual Reports (Government Agencies) Act 2004* and in accordance with the requirements under the *Annual Reports (Government Agencies) Directions 2019*.

We certify that the information in the attached report and information provided for whole of government reporting is an honest and accurate account and that all material information on the operations of CIT has been included for the period 1 January 2020 to 31 December 2020.

We certify that fraud prevention has been managed in accordance with Part 2.3 of the *Public Sector Management Standards 2006* (repealed) (see section 113 of the *Public Sector Management Standards 2016*).

Section 13 of the *Annual Reports (Government Agencies) Act 2004* requires that you present the report to the Legislative Assembly within 15 weeks after the end of the reporting year.

Yours sincerely



Craig Sloan  
Board Chair  
CIT  
23 March 2021



Leanne Cover  
CIT CEO  
23 March 2021

# FROM THE CIT BOARD CHAIR



**Craig Sloan**  
CIT Board Chair

I am pleased to present the Canberra Institute of Technology (CIT) 2020 Annual Report.

As many others have said about 2020, it was a year like no other in terms of dealing and responding to our external environment (bushfires, smoke, hailstorms and then the COVID-19 pandemic). At the outset, I would like to thank and acknowledge CIT CEO Leanne Cover, the Executive Team and staff across CIT for their ongoing response and adaptability to the pandemic. CIT certainly did 'evolve together' during 2020, in line with the directions set in our *Strategic Compass 2020 – Evolving Together*. Our evolving responses always kept the needs and safety of our students and staff at the forefront of our actions.

As part of CIT's response to COVID-19, CIT's Business Continuity Plan was enacted in late March 2020, and under the leadership of Andrew Whale, Executive Director Corporate Services, the Crisis Management Team (CMT) met regularly from late March until early September when the CMT transitioned to a COVID Committee with weekly meetings. The work of the CMT, and the recommendations they put forward to the CEO and Board, were crucial to CIT's success in responding and adapting to the pandemic. This involved a temporary pause to on campus teaching in late March and rapid configuring of teaching and assessment to an online environment. Teachers and students started to return to campus in early June commencing with those students who needed to be on site to complete their studies. Pastoral care arrangements were put in place including through the CIT Student Association (CITSA) for international students already living in Canberra.

CIT reached out to every student during this time to encourage their continued engagement and training

with CIT, however many students' circumstances changed as did their training priorities. As a result of the pandemic, our domestic and international student numbers have reduced, albeit not by as much as experienced by the university sector. Our challenge for 2021 and beyond is to increase our student numbers back up and past pre-COVID levels. CIT aims to do this by working collaboratively with staff to constantly adapt our offerings to meet student needs and as part of navigating the future of our competitive market.

Throughout 2020, CIT continued to be a key contributor to the ACT economy and community through working closely with government, industry and students, adapting course delivery and assessment approaches and ensuring as many students as possible could gain their qualifications as soon as possible under the challenging circumstances. It was particularly pleasing to see nursing qualifications prioritised as part of this process, so that our nursing graduates could gain employment and assist the Canberra community as part of the pandemic response.

CIT successfully participated in the ACT Government's Screwdriver Ready Program to employ people to upgrade our facilities in Bruce and Fyshwick. During the year, CIT partnered with the Canberra Innovation Network to host another CIT/ACT Industry Round Table with key industry leaders in the ACT to understand the impact of the pandemic on various industry sectors and to understand how CIT could work with our industry leaders to meet the future training needs of our community.

Throughout 2020, the Board worked closely with the Woden Project Board, Major Projects Canberra, and the Government to progress the planning and

delivery of the new Woden campus. This included consultation sessions with the community, staff, and students.

In September, the ACT Government announced CIT as a key partner in delivering free VET training for school leavers, young people, and job seekers as part of the JobTrainer initiative with the Australian Government. CIT welcomes this partnership and expects to deliver 2,500 training places in 2021 through JobTrainer in a mix of full qualifications and skills sets in areas of employment growth and skills need.

The development of the next Strategic Compass was a major focus for the Board in the second half of 2020. The Board considers the four promises of the current Strategic Compass, made to students, industry, the ACT community and government in 2016, as relevant for the next four years as the last four years, and following government consideration will release the next iteration of the Strategic Compass in 2021.

I am very proud that yet again CIT was recognised as the ACT Large Training Provider of the year and one of three finalists nationally at the Australian Training awards held in November. This is the third time in four years that CIT has been shortlisted for this prestigious award. These awards are recognition of CIT continuing to work collaboratively with industry, the community, and students to achieve excellence in vocational education and training.

I would also like to acknowledge and congratulate Caroline Hughes, Director of the CIT Yurauna and proud Ngunnawal woman, who was nominated as the ACT Australian of the Year for 2021 in recognition of her role as a champion of Aboriginal and Torres Strait Islander culture. Caroline understands the power of education and training to unlock opportunities and help others achieve their dreams. Under her leadership the ACT has achieved the best national outcomes in the training sector for First Nations peoples.

Finally, I wish to thank my fellow Board members for their work during the year, particularly for their strategic insights, their collaborative and collegiate approach, and their commitment to CIT's ongoing success and sustainability. I would like to make special mention of Kate Lundy, our new Deputy Chair, who joined the Board in April, at the same time as another new member, Jane Madden. David Slaney joined the Board as our student representative for the first half of 2020, and Eve De Gregorio fulfilled this role for the second half of the year. Tahlia Rose Vannisum, a young Woppaburra woman, joined the Board in late August. Our new Board members have increased our Board diversity and as a result enhanced our Board discussions and deliberations. Collectively, I am pleased the Board has embraced a broader diversity of thinking to the challenges CIT faces in delivering quality vocational education and training for Canberra and the region.

# FROM THE CIT CHIEF EXECUTIVE OFFICER



**Leanne Cover**  
Chief Executive Officer

2020 has been a tough year, and without the hard work and perseverance of our students, staff and partners CIT would not have been able to respond to the challenges we have faced. The impacts associated with the COVID-19 pandemic will still be with us well into 2021 and I am confident that together, with what we have learned, the reconfiguration undertaken and the new initiatives implemented, CIT will be well placed to meet any challenges that lie ahead.

Along with bushfires, smoke and a hailstorm, COVID-19 saw the need for CIT to fundamentally change the way we offer our courses and communicate with our stakeholders. I am so proud of the way we were able to quickly respond to the pressures and restrictions thrust upon us, which enabled us to stay engaged and connected with our students and guide them through their studies.

Classes were offered virtually and coursework was changed to support students to keep studying from home. With our transition back to campuses, staff continued to make student safety a priority by adhering to COVID-19 restrictions. Despite the hardest of challenges, CIT has continued to serve our local ACT community while helping students start a new career or upskill within their industry or profession.

Moving online was not just about our course offerings but also many other initiatives. We repositioned our trade hacks to a virtual experience within 48 hours

and our students and industry partners worked remotely together to explore new possibilities for waste reduction and upcycling. We held our first ever virtual CIT Open Day with teachers and many support staff becoming their own content creators helping students and parents navigate and explore potential career and study options in a new way.

Underpinning this flexibility and innovation in being able to respond to our continuously shifting landscape was our digital uplift project that saw all staff migrated to a new Microsoft 365 operating environment and the replacement of physical ICT infrastructure. These digitalisation initiatives ensured staff and students could continue to work and study anywhere and at anytime.

Our Evolving Together work has taught us how to increasingly work collaboratively and differently in a complex environment and to be able to adapt and respond to the ambiguity of what is happening in the local and global landscape. We implemented new approaches to decision making, with many decisions being made at the local level, assisted by higher level guiding principles which resulted in increased flexibility and agency to work through complex situations.

It has been particularly encouraging to see how students have continued to excel, even in the face of recent events. We were so honoured to have a CIT

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student winner in every category at the ACT Training Awards and then for two of these students—Lisa Burnie (a proud Indigenous woman from the Kamilaroi Nation) and Sebastian Connor (an Australian School-based Apprentice)—to be acknowledged on the national stage at the Australian Training Awards.

Even in our new ‘COVID safe’ environment, we managed to celebrate student and staff achievements and I feel privileged to have been able to attend many end-of-year events both physically and virtually—from the Year 12 Graduation to the International Student Celebration of Success. Thank you to all of you who created new and innovative ways for these events to still take place and celebrate our collective achievements and success.

The four promises of the *Strategic Compass 2020 – Evolving Together* made to students, industry, the ACT community and government, continue to be increasingly relevant in our hyper-connected world and will underpin the next iteration of the Strategic Compass, which will be launched by the CIT Board in 2021. The proposed title *Strategic Compass 2025 – CIT Futures* acknowledges the long-term nature of the change required at CIT, while seeking to emphasise

the importance of us being able to adapt our people and course offerings and work towards multiple possible CIT futures.

The VET sector is continuing to undergo major transformation, driven by the shared responsibility of reform between the Australian and State and Territory Governments. The *Heads of Agreement for Skills Reform* recognises that the COVID-19 pandemic is expected to have a significant, intergenerational impact on employment and the skills required by the workforce at a global, private and public sector scale. Significantly, it acknowledges that Australia’s VET system has a vital, challenging and transformational role to play in supporting Australia’s future growth and prosperity in this novel and unprecedented context.

CIT is working to ensure it is in the best possible space to respond to these changing policy settings. I believe our ability to adapt within the multiple and interdependent environments in which we operate is critical for CIT’s long-term future and to support and enable the national VET reform agenda within the ACT context.



# Section

Organisational  
Overview and  
Performance

B

# ORGANISATIONAL OVERVIEW

Canberra has a global reputation as a world-class education and training city.

As the ACT's premier vocational education and training (VET) provider, the Canberra Institute of Technology (CIT), and its subsidiary, CIT Solutions, provide accredited and non-accredited education and training to well over 20,000 students each year, increasing access to workforce participation and social inclusion for many in the community.

CIT is a dynamic, connected and diverse provider of VET offering quality education and training through the development of unique learning experiences that meet training package requirements and provide students with meaningful and job ready qualifications.

## Roles, Functions and Services

CIT is the ACT's only legislated public provider of VET. Established in 1987, the *Canberra Institute of Technology ACT 1987* (CIT Act) outlines the functions of 'an educational institution' which also includes the field of higher education in addition to VET as a registered training organisation (RTO). This nuance enables the flexibility to respond to the changing nature of work where vocational skills underpin seven out of ten future jobs in Australia.

CIT is a major contributor to the economic growth of the ACT through ensuring a qualified and skilled workforce, increasing skill levels for those self-employed, attracting international students, contributing to the ACT innovation ecosystem and driving life-long learning for the economic and social benefit of the ACT.

Administrative Arrangements 2020 (No 3) came into effect in November 2020, assigning responsibility for CIT to the Minister for Skills, Chris Steel MLA. Prior to this CIT was part of the Tertiary Education portfolio within the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) encompassing both higher education and vocational education and skills.

## CIT's Business Environment in 2020

### Vision, Mission and Values

CIT is committed to excellence in the development and delivery of contemporary VET.

The CIT strategic direction is set by the *Strategic Compass 2020 – Evolving Together* (the Compass), which the CIT Board launched in 2016. The Compass articulates CIT's vision and mission through four promises to the ACT community:

- > **Shaping change** – Raising our ambitions to meet new expectations
- > **Growing our region's economy** – Adapting our offerings to provide skills for the future
- > **Advancing Canberra's workforce** – Contributing to the new economy and positioning for prosperity
- > **Transforming our business** – Investing in our business for viability and value

Activities and achievements under the four promises are provided in the section on Performance Analysis.

CIT has adopted a set of cultural traits to promote a workforce with the highest integrity to deliver a positive environment for work and study. These cultural traits, at the core of everyday operations at CIT, are:

**Customer Centric** – Everyone is a customer and I accept that my actions affect the customer experience.

**Professionalism** – I work with respect, integrity and expertise for our collective success.

**Collaborative** – We achieve our common goals and use less individual energy by working together.

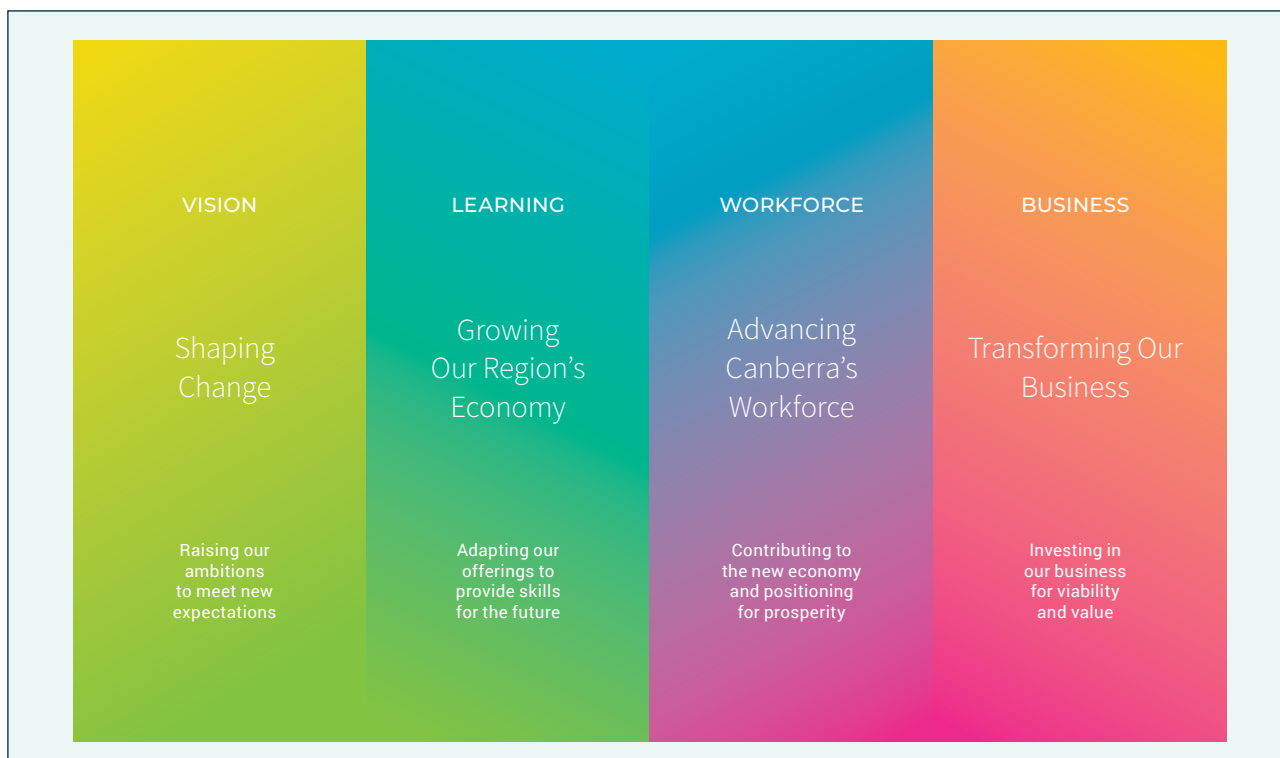
**Trusted** – We are knowledgeable, reliable and honest. We work with integrity, transparency, fairness and respect and are supportive of each other.

**Adaptable** – I respond positively to change. I seek opportunities to continuously improve and grow my capability.

**Accountable** – I own my actions and take responsibility for the outcomes.

**Inspirational** – I motivate others to believe they can do it and inspire them to achieve.





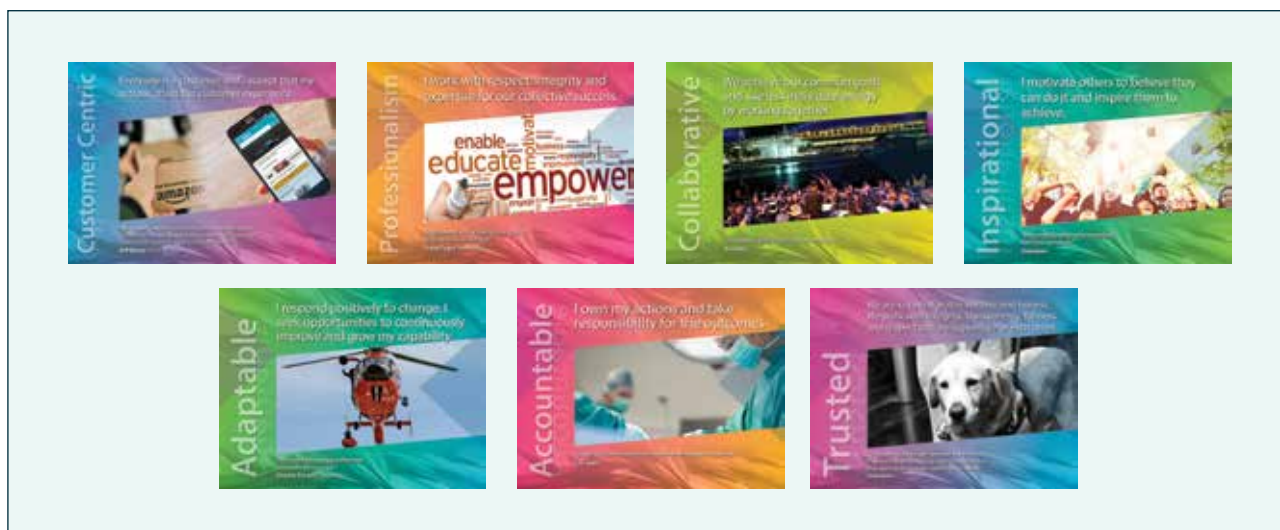
Strategic Compass 2020 – Evolving Together: Four promises

CIT has fostered productive working relationships within the ACT Government and is a trusted partner on progressing the territory's priorities, specifically in relation to jobs and growth, economic development and skills for emerging key capability areas. CIT aligns with ACT Government strategies including: *Confident & Business Ready*; *Canberra: Australia's Education Capital*; *Canberra: A Statement of Ambition*; *Future of Education*; *Renewables Strategy*; and *Infrastructure Strategy*.

CIT is represented on the Board of TAFE Directors Australia and is guided by state and commonwealth

policy to deliver government commitments on VET. Specifically, CIT is enabling growth in identified demand sectors and supporting the objectives of the National Agreement on Skills and Workforce Development, and the National Partnership for the Skilling Australians Fund (SAF), signed in 2018 by the ACT Government.

CIT also has an International Strategy, a Higher Education Strategy and a new CIT Digital Strategy is scheduled to be developed in 2021.



CIT Cultural Traits

## Corporate Objectives

The corporate objectives of CIT for 2020 as outlined in the Statement of Intent are:

- > create a more agile CIT that can effectively respond to the changing VET environment
- > be the provider of choice for students, employers, industry and government
- > improve educational outcomes of disadvantaged groups
- > operate as a customer centric organisation through increased focus on the student experience
- > operate as the public provider of VET in the ACT
- > operate with greater commercial and entrepreneurial focus in the increasingly contestable marketplace
- > meet industry needs by providing the highest quality, contemporary training in a variety of flexible modes
- > grow the capability and capacity of Canberra's changing workforce for employers and industry
- > contribute to the ACT's growing economy and the ACT's reputation of being one of the world's most liveable cities by attracting high-achieving students and delivering quality training and education that skills the ACT and regional workforce.

## Stakeholders

CIT is a service delivery agency tasked with providing VET to the ACT community. Establishing and maintaining relationships with a wide range of stakeholders is essential to meeting this task. CIT stakeholders include students, employers, industry, governments and the ACT community. CIT also maintains a close relationship with universities, schools and other education providers.

## Emergency Challenges

2020 once more demonstrated the continuing severity and cost of extreme weather conditions in our region. The Black Summer bushfires at the start of the year affected many CIT staff and students. Targeted support was provided to students in the form of special fee assistance, which was granted to 37 individuals. Staff affected by the fires also received support as required. To ensure CIT is best prepared for such events CIT annually reviews bushfire management strategies and planning including preparedness for CIT Bruce.

The impact of the hailstorm in early 2020 was again severe for the ACT community. However, CIT apprentices in the automotive refinishing and panel-beating industry were inundated with work. CIT was able to modify its delivery to provide alternative flexible options for the apprentices to keep them working and serving the ACT community while continuing moving forward with their apprenticeship.



COVID-19 poster

## CIT donates plants for bushfire recovery

CIT horticulture staff and students propagated native grasses, shrubs and trees to help local property owners in the ACT recover from the effects of the Black Summer bushfires.

The plants provided by CIT were hardy and well suited to local conditions and included both native and select non-native plants, such as rosemary.

This not only provided a chance for CIT to give back to the local community, but also provided an opportunity for students to learn more about local species and hone their skills in propagating, growing and planting.

The plants were selected to help minimise effects of erosion by revegetating banks and sloped areas to reduce the amount of sediment lost, regenerate the environment and encourage the re-establishment of habitat for local wildlife. It was also a great chance for the students to get out into the field and provide a valuable service to those coming to terms with the aftermath of a bushfire.

Donated plants included 15 local Eucalypt species, hardy native shrubs including Correas, Hakeas and Callistemons as well as a range of Poa grass species.



## COVID-19 pandemic – the ongoing CIT response

With the declaration of a Public Health Emergency in the ACT to combat the spread of COVID-19 in March 2020, CIT enacted its Business Continuity Plan on 17 March 2020. Close to 800 teaching and general staff were transitioned to remote working arrangements and although CIT student services remained accessible via online support the CIT campuses were temporarily closed.

Under the Business Continuity Plan the Crisis Management Team was established, initially meeting daily to plan, consult and coordinate CIT's responses. For teachers this required a rapid adoption of online learning; converting face-to-face teaching to a digital environment. To support teachers in this transition individualised Adobe Connect virtual classroom training was delivered to 53 teachers and a specific teacher resource Moving to Online Learning was developed to provide guidance and support. Running classes through online platforms presented challenges

as well as new opportunities. The enhanced online capability gained during this period has enabled CIT to continue to offer online teaching for greater flexibility of learning.

CIT was quick to adapt to the needs of students, industry, employers and apprentices, particularly in traditional trades areas where practical assessment is required. CIT made significant short-term adjustments to student learning and assessment which enabled apprentices to still be available to work and support the many small businesses in Canberra that were experiencing an upturn in work as a result of COVID-19 restrictions. CIT's responsiveness demonstrated its value to the broader ACT economic environment beyond just the provision of qualifications to individual students.

CIT secured additional funding in April 2020 through the ACT Government's second economic stimulus package to accelerate CIT's existing Study Work Anywhere Any Time (SWAAT) project, expediting delivery of the critical ICT capabilities required to allow CIT to adapt to the challenges of operating during the

COVID-19 pandemic and beyond. The roll-out of Office 365 was a critical aspect in enabling CIT staff to work and teach remotely.

As the ACT COVID-19 restrictions lifted sufficiently to allow planning for students to return to campus, CIT harnessed the development of staff, that has occurred through the Strategic Compass, to be adaptive and responsive. As a result, detailed local planning and consultation occurred by teams to ensure a safe environment that worked for students and staff. Consultation was further enhanced by the formation of an additional committee involving staff, senior management, health and safety representatives and unions.

To help promote safety across the community CIT was quick to develop four new fee-free courses on infection control practices aimed at upskilling local retail, tourism, transport and logistics, hospitality and health care workers. Since its launch over 110 students have completed this training.

Throughout the pandemic, CIT's focus has been to ensure the continuity of services to our students, including health, safety and wellbeing, and to help minimise the impact of the pandemic on the ACT. During this period, CIT also made proactive efforts to contact all students and staff by telephone to keep them advised on aspects of work and study and generally check in on the health and wellbeing of all.

The welfare of CIT's international students was also a priority during this time. Student support and assistance was provided online including counselling and responding to questions around visa and financial concerns. Rent payments were also suspended for international students who resided in CIT accommodation.

CIT was also able to capitalise on ACT Government stimulus funding through the screwdriver-ready projects. The projects were mainly delivered at CIT Bruce and included new carpets, painting, bathroom fit outs and other remedial work.

## JobTrainer

In response to the disproportionate impact of COVID-19 on Canberra's youth, CIT liaised with the ACT Government to secure funding under the Australian Government JobTrainer program. JobTrainer is a jointly funded initiative of the Commonwealth, state and territory governments that offers free VET to young people (17 to 24 years old, who have finished school) and job seekers across Canberra in areas of employment growth. CIT worked collaboratively across the organisation in late 2020 to develop the courses and the model of operation to ensure the success of this program. Enrolments for these programs will commence in 2021.



CIT CEO Leanne Cover with Minister for Skills Chris Steel MLA and CIT Teacher Livio Braiuka at the launch of JobTrainer



# Digital Takeaway 2020

With physical graduation events on hold due to the COVID-19 restrictions, the CIT Interior Design graduation exhibition went digital. The exhibition, Digital Takeaway 2020, is a selection of work put together by students graduating from the Advanced Diploma of Interior Design (MSF60118). The show was presented online and offered a unique 3D virtual experience showcasing the work of the students.

The students worked all year to help prepare for the show and CIT is very proud of what they achieved.

The digital show also included congratulatory and encouraging messages from industry leaders in the ACT and around Australia.



The exhibition is open for viewing until December 2021 and so far it has had over 500 hits from Australia and overseas including from the United States of America, China, Finland, Germany and Greece.

## Jobs for Canberrans

The ACT Government Jobs for Canberrans Fund was established to provide short-term employment opportunities to those whose jobs have been lost or significantly impacted due to COVID-19. CIT was able to engage three different cohorts through this process. The first opportunity was for 10 part-time student support assistants for six months. These roles were targeted at international students at CIT or university who were ineligible for other support. In December 2020 these roles were extended for an additional six-month period through the Jobs for Canberrans Fund until June 2021. CIT's Finance team was provided with funding for two casual Stocktake Officer positions and CIT Records Management was able to engage 10 full-time Digital Officers to commence in 2021. The roles encompassed a range of activities to digitise CIT paper records and provide general administrative support.

The examples above demonstrate CIT's ability to respond in a fast-paced and continuously shifting climate. They also reflect the adaptive capacity developing within CIT's broad leadership group as a result of the Evolving Together approach to increasingly work collaboratively and differently in a complex environment and to be able to adapt and respond to the ambiguity of what is happening in the local and global landscape. By implementing new approaches to decision making, with many decisions being made at the local level with guidance by higher level principles, the CIT workforce was able to respond with increased flexibility to work through these unprecedented complex situations.

We are learning to understand the interdependencies within CIT and the many social and economic systems that CIT is embedded into. This understanding of the broader context and increased adaptive capacity will underpin the success of CIT in being able to meet the four promises of the Strategic Compass now and into the future.



Ane Taito - Jobs for Canberrans

## CIT Board

The CIT Board, established in 2015 under Section 9 of the *Canberra Institute of Technology Act 1987* (CIT Act), consists of a minimum of seven and no more than 11 members, appointed by the ACT Minister for Skills. The CIT CEO is a Board member in accordance with Section 80 (4) of the *Financial Management Act 1996* (FMA).

As required by Section 56 of the FMA, the CIT Board is liable, under the responsible Minister, for the efficient and effective financial management of CIT. The CIT Board Charter outlines the roles and responsibilities of board members, code of conduct, conflict of interest and other information relating to meetings, subcommittees and administration. The CIT Board Charter is available on the CIT website. Appointments to the CIT Board are conducted in accordance with the ACT Government Boards and Committees Handbook.

Prior to April 2019, there were nine members on the CIT Board. On 5 April, the ACT Government introduced changes to the CIT Act to enable CIT to build a more diverse Board to ensure CIT's long-term success. The changes removed the two ACT Government representatives from the CIT Board.

Several new members joined the Board in 2020. In April 2020 Kate Lundy joined the Board as the new Deputy Chair along with Jane Madden as a new member. From January to June 2020, David Slaney was the student representative Board member and from July 2020 Eve De Gregorio fulfilled this role. In August 2020 Tahlia Rose Vannisum, a young Woppaburra woman, also joined the Board.

During 2020 there were five ordinary meetings and two strategic planning sessions.



**Craig Sloan**  
Chair



**Kate Lundy**  
Deputy Chair



**Leanne Cover**  
CIT CEO



**Raymond Garrand**  
Member



**Peter McGrath**  
Member



**Nigel Phair**  
Member



**Professor  
Frances Shannon**  
Member



**Jane Madden**  
Member



**Tahlia-Rose Vannisum**  
Member



**Sam Mills**  
Staff Member  
(elected)



**Eve De Gregorio**  
Student Member  
(elected)

## Board Meeting Attendance in 2020

| Name                                      | Position       | Meetings | Planning sessions |
|---|----------------|----------|-------------------|
| Craig Sloan                               | Chair          | 5        | 2                 |
| Kate Lundy (appointed 1/4/2020)           | Deputy Chair   | 4        | 2                 |
| Leanne Cover                              | CIT CEO        | 5        | 2                 |
| Raymond Garrand                           | Member         | 5        | 2                 |
| Peter McGrath                             | Member         | 5        | 2                 |
| Nigel Phair                               | Member         | 5        | 2                 |
| Professor Frances Shannon                 | Member         | 5        | 2                 |
| Jane Madden (appointed 1/4/2020)          | Member         | 4        | 2                 |
| Tahlia-Rose Vanisum (appointed 31/8/2020) | Member         | 2        | 1                 |
| Sam Mills                                 | Staff Member   | 5        | 2                 |
| David Slaney (term expired 30/6/2020)     | Student Member | 1        | 1                 |
| Eve De Gregorio (appointed 1/7/2020)      | Student Member | 3        | 1                 |

## CIT Board subcommittees

The CIT Audit Committee is a subcommittee of the CIT Board. It was established by the CIT Board in accordance with the ACT Government Internal Audit Committee and Function Framework and Sections 56 and 77 of the *Financial Management Act 1996*. Its role is to provide independent, objective assurance and assistance to the CIT Board on CIT's risk, control and compliance framework, internal audit function and its external accountability responsibilities. The Audit Committee oversees the preparation of the financial statements on behalf of the CIT Board. Further information on the activities of the Audit Committee is on pages 50-51.

## CIT Board activities

CIT Board members bring a range of skills and expertise to CIT. In 2020 the CIT Board met five times and from March onwards maintained a major focus on monitoring and responding to the impact of the COVID-19 pandemic on CIT. This included the safety of staff and students, pausing on campus teaching, assessing activities and adapting services to an online environment, supporting the employment priorities of the ACT Government and understanding the impact of the pandemic on CIT's budget and future financial sustainability.

An ongoing focus of the Board has been supporting the development of a culture that can adapt and be more flexible and responsive to the needs of students, industry and government. This involves understanding

the many interdependencies and complexities in which CIT operates and the implications this complexity has on CIT meeting the promises in the *Strategic Compass 2020 – Evolving Together*.

Another major focus of the Board in 2020 was the development and articulation of CIT's strategic directions to replace the existing Strategic Compass. The Board held a virtual strategic planning workshop in early April 2020 and discussed CIT's ongoing evolution as a learning organisation, adapting and responding to the ecosystems within which CIT operates. The Board canvassed projections, probabilities and possibilities for CIT's future. Initially, it was anticipated that the new strategic directions could be finalised in the middle of 2020, but due to the challenges of the pandemic and implications for student learning and assessment at CIT, the Board agreed in the middle of the year to finalise the next Strategic Compass with the incoming ACT Government after the October election.

In October 2020 the Board Chair, on behalf of the Board, sought feedback from staff on possible strategic initiatives or priority areas for inclusion in the next Strategic Compass. This feedback along with initiatives from the October Federal Budget and commitments from the newly elected ACT Government informed discussions at another strategic planning workshop held in late October 2020. The Board finalised the development of a new *Strategic Compass 2025 – CIT Futures* overarching strategy for ACT Government consideration in 2021.

Throughout 2020, the Chair and CEO participated on Major Projects Canberra's CIT Woden Project Board to progress the planning and delivery of the new Woden campus. Through their participation on this Board, the Chair and CEO were able to convey the CIT Board's priorities for the Woden campus development and assist with the development of the business case for ACT Government approval. Regular updates and discussions on campus renewal occur at each CIT Board meeting including updates on Major Project Canberra's procurement activity linked to the design of the new Woden campus, digital infrastructure requirements and the need for integrated systems to support education delivery. In August 2020, Board members were delighted that the ACT Government

announced formal approval of the CIT Woden Campus business case and investment of between \$250 million to \$300 million for the project and associated work.

## Remuneration for executives and board members

All CIT executives are paid in accordance with Determinations of the ACT Remuneration Tribunal and relevant laws and instruments, including the *Public Sector Management Act 1994* and the *Public Sector Management Standards 2006*. Under the Remuneration Tribunal Act 1995, the Remuneration Tribunal determines remuneration for the CIT CEO and members of the CIT Board.

## Resilience 19;20 a CIT student-led community exhibition

Fires, drought and hail are some of the troubles Canberra experienced in the early part of 2020. The community's ability to overcome these challenges is what the Resilience 19;20 exhibition, a project led by CIT students, sought to underscore.

Five CIT students, Jodie Lear, Beth Rogers, Amy Kirk, Shavorne Bush and Sonja Haynes, pursuing the Certificate IV in Community Services (CHC42015), Community Development (CHC42115), Mental Health (CHC43315) and Alcohol and Other Drugs (CHC43215) remained firm on their objective with a focus on resilience.

The exhibition encouraged community members to share their reflections through creative art forms. Some people shared their paintings, drawings and

photographs, while others viewed different art expressions that resonated with them.

The project received a terrific response from the community with over 30 pieces of art expressing people's thoughts and feelings on their experiences of the bushfires, smoke, hailstorm and then COVID-19.

Originally planned as a permanent art exhibition within the Community Services Hub at CIT Bruce, Resilience 19;20 was quickly moved online in response to the COVID-19 pandemic. Rather than building a website for the exhibition, Resilience 19;20 was hosted on the CIT Student Association's (CITSA) Facebook page, which has an established online presence.







35 metre-tall tower crane at CIT Bruce installed in 2020 to deliver training on working safely at heights in a simulated workplace environment

## 2020 Highlights

CIT celebrated many achievements and addressed significant local and global challenges during 2020. Highlights included:

- > ACT Large Training Provider of the Year
- > ACT Trainee Student of the Year
- > ACT Vocational Student of the Year
- > ACT Australian School-based Apprentice of the Year
- > ACT Apprentice of the Year
- > Australian Training Awards – Finalist Large Training Provider of the Year
- > Australian Training Awards – Aboriginal and Torres Strait Islander Student of the Year
- > Australian Training Awards – Australian School-based Apprentice of the Year
- > progress on a new contemporary, purpose built campus in the Woden Town Centre
- > COVID-19 response and expansion of online learning
- > implementation of My eEquals – a secure online digital credentialling system for issuing awards and academic advice
- > CIT Yurauna Early Childhood Centre achieved an 'Exceeding' rating in all seven Quality Areas of the National Quality Standard for childcare

- > Silver Linings, a remote-production project developed for screen and media students in the online environment
- > acquisition of a 35 metre-tall tower crane to deliver training on working safely at heights in a simulated workplace environment.

## Accountability Indicators

While CIT continues to have above target satisfaction rates for both students and employers, student numbers, training hours and program completions were down on the 2019 figures. In part this is due to the impact of COVID-19 and studying preferences of current and prospective students during this period. Module pass rates and program enrolments were both above target.

Despite the challenges presented by the COVID-19 pandemic, CIT continued to excel in its delivery of government-funded, contestable and commercial training and was successful in delivering quality education and training through innovative learning practices.

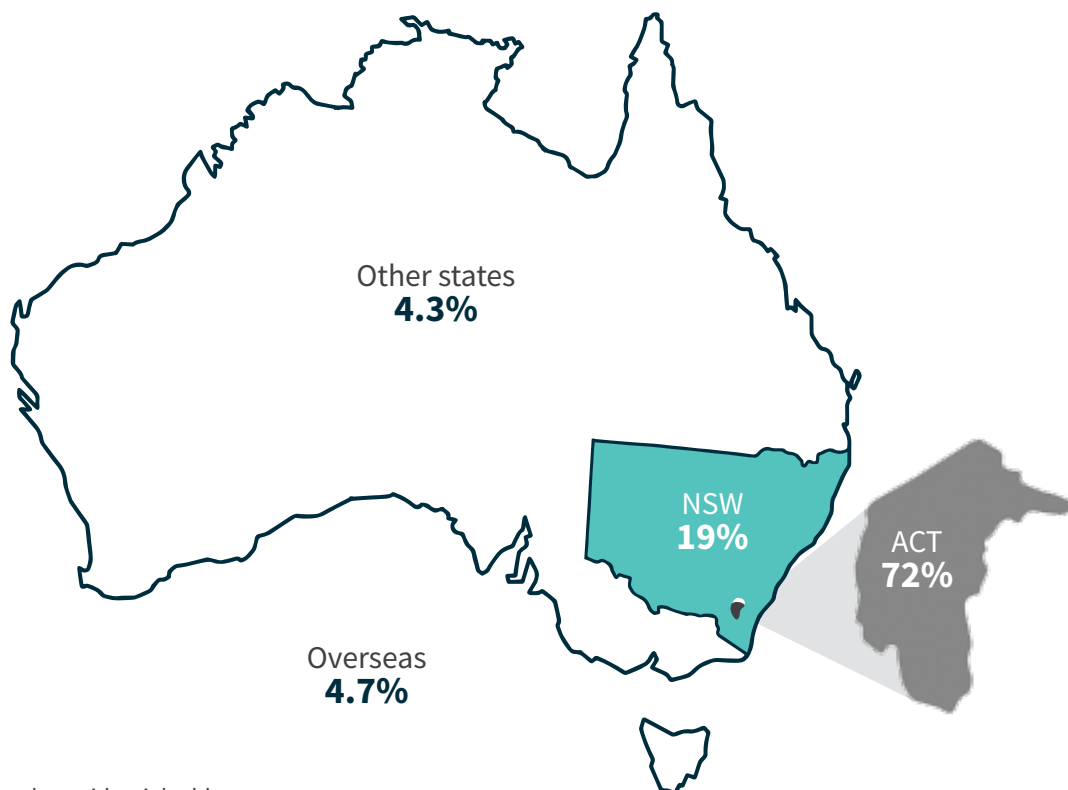
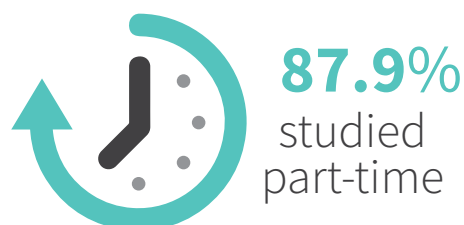
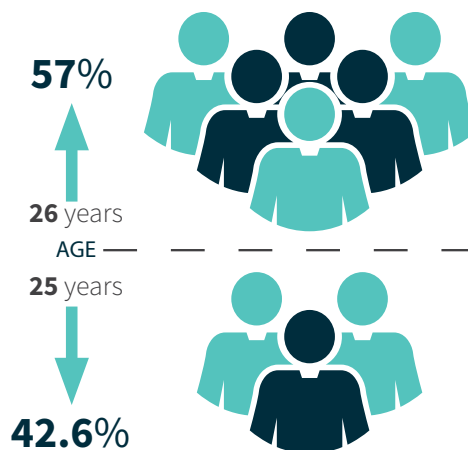
Details of accountability indicators and achievements, under the four promises of the Strategic Compass are covered in the section on Performance Analysis.

## Student demographics

CIT and its subsidiary, CIT Solutions, delivered training to over 23,000 students across its government-funded, commercial and adult education programs. Of these, close to 5,000 are non-accredited learners enrolled in recreational courses, professional workshops and foreign language tuition at CIT Solutions. Most CIT students (57.4%) were aged 26 years and over and 87.9% studied part-time.

Of the students in accredited programs:

- > 964 (5.4%) self-identified as Aboriginal and/or Torres Strait Islander
- > 1,964 (11%) self-identified as having a disability
- > 3,656 (20.4%) self-identified as speaking another language other than English at home
- > 7,656 (42.7%) identified as female, 9,863 (55%) male and 403 (2.3%) not stated
- > 682 (3.8%) were international students from 64 countries
- > 3,456 were apprenticeships/traineeships (including 163 Australian School-based Apprenticeship (ASBA) student enrolments).



CIT students by residential address

## Future Priorities

In 2021, the CIT Board will continue to monitor CIT's progress in responding to the COVID-19 pandemic; continue to progress implementation of the Board's 2020-2021 priorities and the *CIT Strategic Compass 2020 – Evolving Together*; and commence implementation of the *Strategic Compass 2025 – CIT Futures*.

The CIT Board priorities for 2021 include:

- > a sustainable financial model for the future of CIT
- > improving CIT's responsiveness and flexibility to meet the changing VET environment (including changes emanating from the National Cabinet Skills Committee)
- > building additional capacity and industry partnerships in emerging industries and areas of government demand (such as cyber, renewables, health, education and apprenticeships/traineeships)
- > improving the recognition of CIT as a major economic and social contributor to the ACT and region, now and into the future
- > enhancing contemporary organisational transformation and workforce development at CIT through ongoing investment in our people
- > enhancing teacher capability (including by advancing digital fluency) and reshaping education and training offerings so students have contemporary learning experiences
- > maintaining focus on transforming our business through people, processes and system changes including fully understanding the costs of service delivery
- > working collaboratively with Major Projects Canberra on the campus renewal strategy (the new CIT Woden campus) and potentially, a city presence for CIT
- > investing in digital infrastructure to be included as part of the CIT campus renewal strategy that accords with the Chief Minister's ambitions for Canberra.

## Priorities as defined in the Statement of Intent

CIT will continue to contribute to the ACT Government's agenda of making Canberra more inclusive, progressive and connected.

### Inclusive:

- > contributing to the ACT's open and diversified economy by providing critical skills training for the ACT and regional economy in key capability areas such as the renewable energy, cyber security and health sectors
- > improving access to supportive VET for those experiencing disadvantage and marginalised groups
- > increasing contemporary teaching and learning practices to improve student experiences
- > attracting and retaining talented people with diverse skill sets.

### Progressive:

- > continuing CIT's transformation through the *CIT Strategic Compass 2020 – Evolving Together* and through the development and implementation of the next iteration of the strategy beyond 2020
- > actively contributing to the innovation and entrepreneurial culture in the ACT
- > maintaining a high performing workforce
- > targeting funding toward apprenticeships that address areas of priority industry growth
- > supporting the ACT Government's efforts to develop our economy's competitive strengths.

### Connected:

- > modernising campuses, technology and systems including investing in digital infrastructure and ensuring CIT systems are fit-for-purpose
- > strengthening our position as a leader of VET to ensure success in an increasingly competitive market
- > building on CIT's reputation as a trusted and high-quality provider of VET for those employers in the ACT seeking skilled workers and learners wishing to gain qualifications
- > collaborating across government, including partnership activities with the CBR Innovation Network
- > supporting the ACT Government's international engagement agenda.

## Internal Accountability, Governance and Oversight

CIT comprises three divisions, five teaching colleges, and CIT Yurauna, which is a service dedicated to Aboriginal and Torres Strait Islander peoples. Each College, led by a College director and supported by capable management teams, provides quality vocational education in a range of areas. All teaching areas are supported by quality VET practitioners with current industry qualifications and a breadth of experience.

- The **Education and Training Services Division** is responsible for the integrity and delivery of teaching and learning across CIT to meet the needs of students and employers in the ACT and regional community. This includes the oversight of CIT colleges, CIT Yurauna, CIT Education Services, CIT Student Services and CIT Library and Learning Services. The Division's objectives are to provide high quality VET which is engaging, innovative and provides students with authentic workplace based learning experiences. The Division also has a supporting role in ensuring CIT fulfils the compliance requirements set by VET regulators, including the Australian Skills Quality Agency (ASQA), the Tertiary Education Quality Standards Agency (TEQSA) and the ACT Board of Secondary Schools Studies (BSSS).
- The **Corporate Services Division** is responsible for a comprehensive range of support services across CIT in the areas of finance, human resources, industrial relations, corporate governance, audit and risk, facilities management, information technology, records management, work health and safety, student administration system and corporate compliance. Corporate Services is also

responsible for ensuring CIT meets its obligations as a Territory Authority, to the ACT and Australian Governments.

- The **Industry Engagement and Strategic Relations Division** is responsible for supporting and coordinating the growth of CIT's business through: broad and effective links with industry; aligning CIT programs with industry expectations and outcomes; and ensuring stakeholders and the community are aware of the contribution CIT makes to individuals, employers and the ACT economy. In addition, the Division provides ministerial liaison and support to the CIT CEO and CIT Board and liaises with the Economic Development section within the Chief Minister, Treasury and Economic Development Directorate (CMTEDD) regarding the future economic development of the ACT and the region.

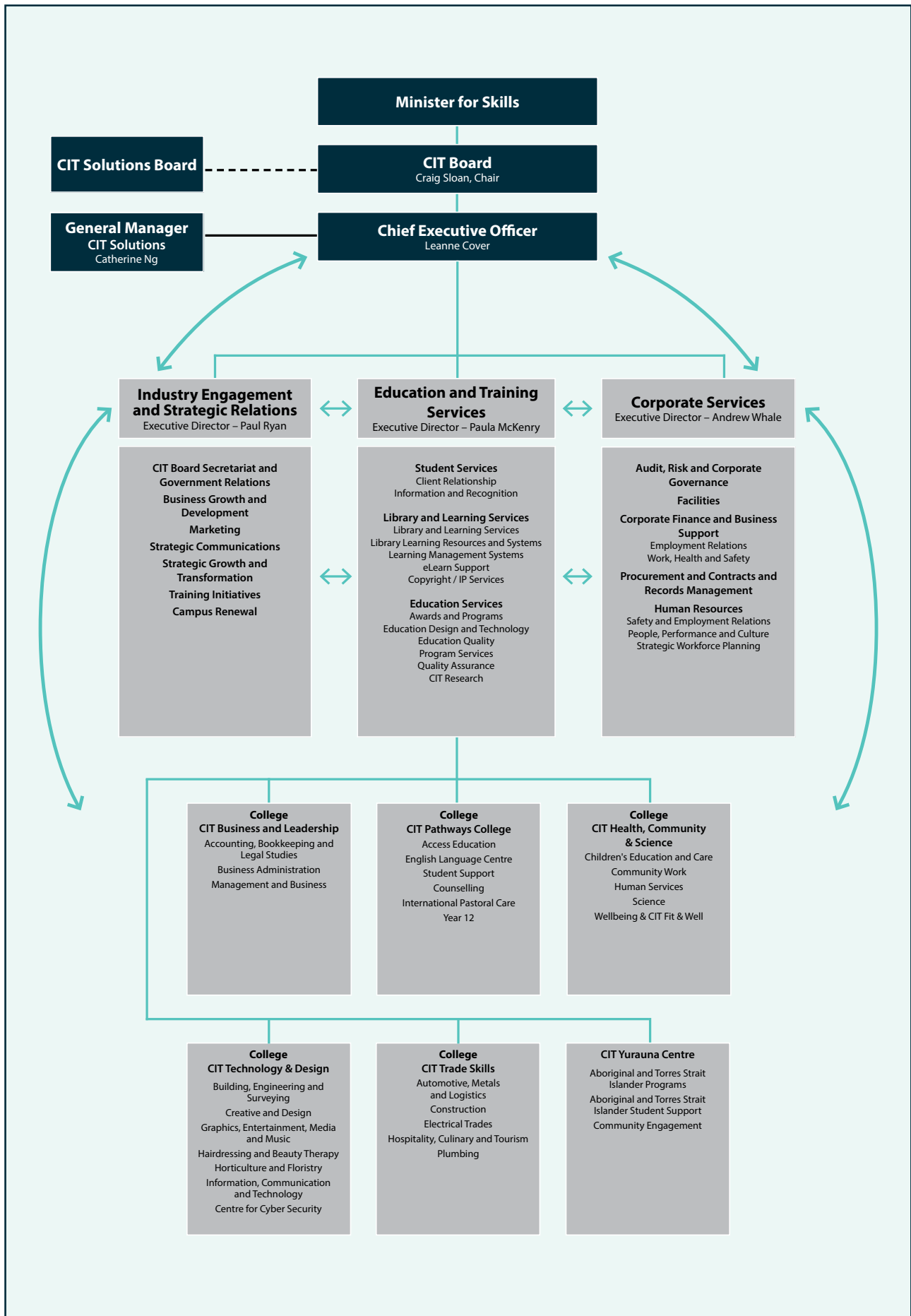
## CIT Solutions Pty Ltd

CIT Solutions Pty Ltd is a wholly-owned subsidiary of CIT that reports to the Australian Securities and Investments Commission in accordance with the *Corporations Act 2001*. CIT Solutions remains the training provider of choice for many Australian Government departments and agencies and some ACT Government directorates. CIT Solutions also provides training in a large range of foreign languages as well as marketing services to CIT for the recruitment of international students. Short courses in professional development and recreational interests are available to people in Canberra and provide lifelong learning opportunities. The CIT CEO is also the CEO of CIT Solutions. Further information about the performance of CIT Solutions in 2020 is on pages 45-46.



Head of Department CIT Graphics Entertainment Media and Music Piers Douglas with the Minister for Education and Youth Affairs Yvette Berry MLA, former CIT student Citizen Kay and CIT Music Teacher Dan McLean at the launch of the CIT Music Enrichment Course

## CIT Executive and Functional Structure





## CIT Senior Executive Team

The Senior Executive Team comprises the CIT CEO; the Executive Director, Education and Training Services; the Executive Director, Industry Engagement and Strategic Relations; the Executive Director, Corporate Services; the Senior Director Finance; and the Senior Director Human Resources. The executive team work collaboratively and report to the CEO.



**CIT CEO, Leanne Cover**, reports directly to the CIT Board and provides strategic leadership across CIT. The CEO is responsible for ensuring CIT is operationalising the Strategic Compass – the four promises. A major foundation

piece for the CEO is on the development of system wide adaptive capacity to ensure the relevance and long-term future of the CIT, continually evolving to a business model able to compete in the rapidly changing VET environment; driving the long-term vision of CIT by ensuring effective delivery of programs; and maintaining productive relationships with the Minister, leaders in the ACT public sector, other training providers and educational organisations. The CEO also provides leadership to the executive team in quality VET outcomes: strategic planning and governance; staff, community and stakeholder engagement; creating a compelling student experience; planning and reporting; financial and operational analysis; policy development; service delivery excellence; and campus modernisation.



**Executive Director, Education and Training Services, Paula McKenry to 31 July 2020 (Andrew Whale from 5 June)**

The Executive Director, Education and Training Services provides overall leadership to CIT's educational leaders to ensure consistent and quality education and training outcomes are achieved and that CIT meets and exceeds student and employer expectations. The position is also responsible for the leadership of CIT Colleges, CIT Yurauna, CIT Education Services, CIT Student Services and CIT Library and Learning Services. The position provides the primary interface with Australian Skills Quality Authority (ASQA), Tertiary Education Quality and Standards Agency (TEQSA) and Board of Senior Secondary Studies (BSSS) ensuring CIT's educational governance is appropriate as a public provider to meet all regulatory requirements, including those in the international student domain.



**Executive Director, Corporate Services, Andrew Whale to 4 June 2020 (Greg Tong from 9 June to 24 July and Alice Clements from 27 July to 30 October. Responsibilities for this role were shared between Paul Ryan and Andrew Whale from 2 November to 31 December 2020 while a recruitment process was underway).**

The Executive Director, Corporate Services has primary responsibility for ensuring the efficient operations of CIT through appropriate business and professional services supporting the strategic and operational needs of CIT. This includes overall management of CIT's budget and finances, human resources, property management, information technology, audit and risk, procurement and corporate compliance. This position is also the key liaison point for other ACT Government services supporting CIT.



**Executive Director, Industry Engagement and Strategic Relations, Paul Ryan**

The Executive Director, Industry Engagement and Strategic Relations has primary responsibility to ensure CIT has broad and effective links with industry to grow CIT's business; responsibility for the CIT brand and ensuring stakeholders and the community are aware of the contribution CIT makes to individuals, employers and the ACT economy; and responsibility for ministerial liaison and providing support to the CIT CEO and CIT Board. In addition, the position liaises with the Economic Development area of CMTEDD regarding the future economic development of the ACT and the region.



**Senior Director, Human Resources, Cheryl Steff**

The Senior Director, Human Resources is responsible for planning, developing, coordinating and implementing all aspects of human resource management, workforce development and industrial relations operations. The CIT HR team supports organisational outcomes and drives transformational change through the provision of timely and effective support, advice and assistance to the leadership team across all areas of CIT in employment policy and practice, employee and industrial relations, workplace safety and injury. The Senior Director, Human Resources works collaboratively with all areas of CIT to meet commitments articulated in the Strategic Compass and leads the development of a high-performance culture and workforce capability.



### Senior Director, Finance, Greg Tong

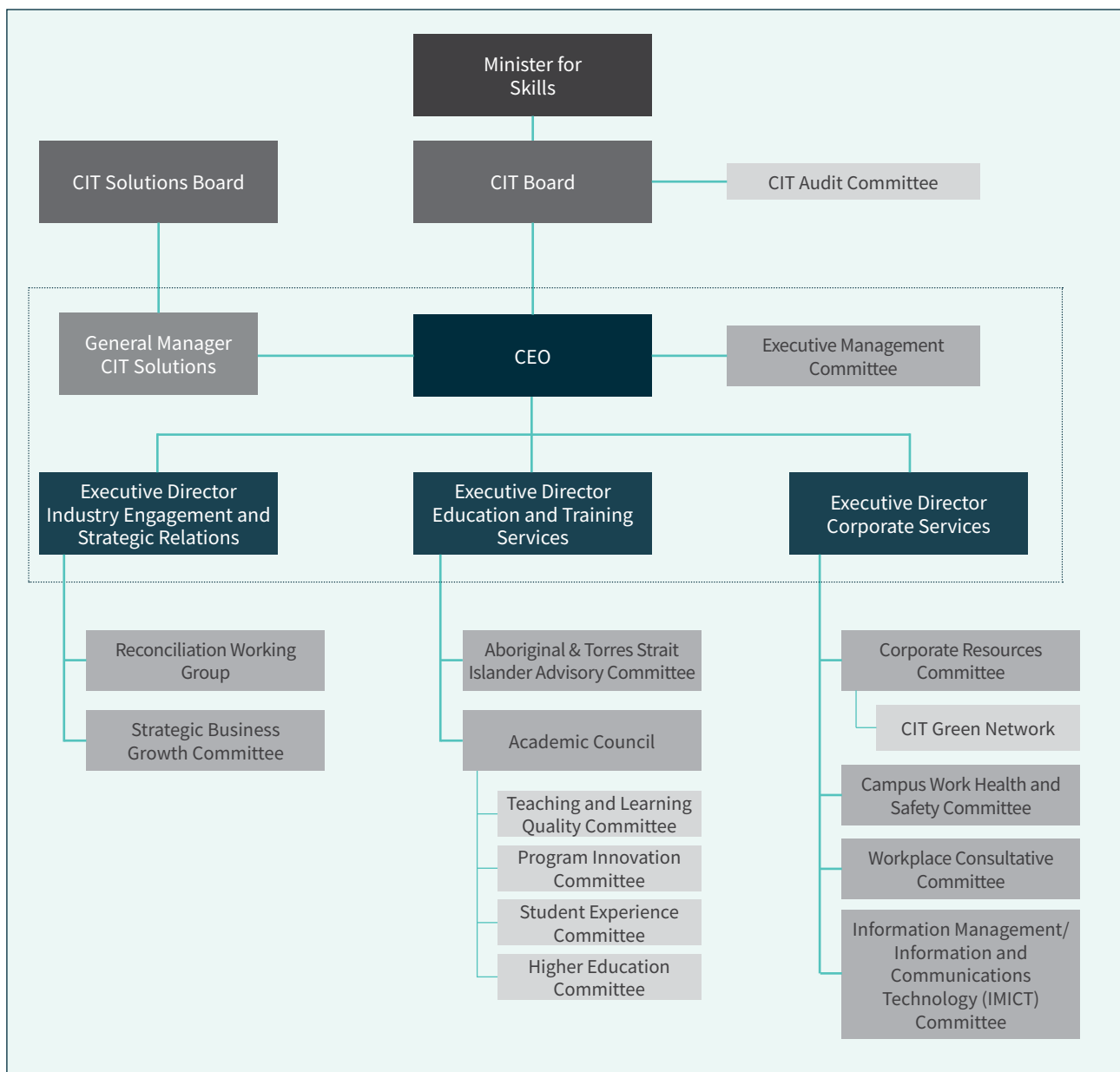
The Senior Director, Finance is responsible for CIT's financial management functions including reporting, budgeting, cash

management, accounts, costing, capital, projects, records management and a range of other administrative support functions. Key links to other ACT Government bodies include ACT Treasury and CMTEDD. The role directly supports internal governance and external compliance activities including reporting student activity and associated statistics to the ACT and Australian Governments.

## CIT internal governance

Under the CIT Internal Governance Framework, CIT committees, advisory groups and working groups are accountable to the CEO through the Executive Management Committee.

### CIT Governance Framework



| Committee  | Role   |
|--|--|
| Executive Management Committee (EMC)                     | To support the CIT Board and the CEO by providing timely, professional and informative advice in relation to key strategic direction setting and the efficient and effective operation of CIT. EMC is accountable for the performance outcomes of CIT through the implementation and monitoring of strategic, operational, educational, people and financial business plans and processes and for ensuring that appropriate frameworks, delegations, policies, procedures and resourcing are in place to support the delivery of CIT strategic and operational objectives. |
| Corporate Resources Committee                            | To provide advice on issues relating to oversight responsibilities relating to financial, human resources and corporate governance matters. This is a subcommittee of EMC.   |
| Academic Council   | Academic Council is the principal academic governance body of CIT. Academic governance is the framework of policies, structures, relationships, systems and processes that provide direction and oversight of academic activities (teaching, learning and assessment and research) at CIT. This includes regulation of the quality and standards of performance of CIT VET services. There are four committees (described below) which support and report to the Academic Council. The outcomes of meetings are reported to EMC.   |
| Teaching and Learning Quality Committee                  | To advise on the development, implementation and review of strategies, policies and initiatives to meet legislative, regulatory and professional requirements and to address quality standards and best practice in teaching and learning.   |
| Program Innovation Committee                             | To advise on and approve strategies, policies and initiatives to review and enhance current teaching and learning programs and identify new and innovative programs and practices. This committee also identifies and uses innovative practices in program delivery that use technology and work-based models.   |
| Student Experience Committee                             | To advise on and approve the development, implementation and review of strategies, policies and initiatives to ensure the learning needs and educational experience of students are addressed. This involves analysing key measures of the student experience and identifying actions to improve and enhance students' education experience.   |
| Higher Education Committee                               | To advise and make recommendations on the review, development and implementation of strategies, policies and initiatives to ensure HEC leads academic enhancements and CIT meets the Higher Education Framework (Threshold Standards) 2015 and other TEQSA requirements.   |
| Aboriginal and Torres Strait Islander Advisory Committee | To provide advice and guidance on training needs from industry and the community for Aboriginal and Torres Strait Islander people as well as input in business planning for the delivery and support of Indigenous education at CIT. The Committee also liaises closely with the Reconciliation Working Group. Outcomes of meetings are reported to EMC.   |
| Reconciliation Working Group                             | The CIT Reconciliation Working Group engages collaboratively with all areas across CIT to advance reconciliation by implementing and monitoring the <i>CIT Reconciliation Action Plan</i> (RAP) and by gathering support and commitment through encouraging all CIT staff to participate in initiatives and events. Outcomes of meetings are reported to EMC.  |



| Committee   | Committee   |
|---|---|
| Strategic Business Growth Committee   | To provide advice to ensure CIT is able to effectively and collaboratively establish and achieve revenue targets to ensure CIT's financial sustainability and competitive market share. The Committee is also responsible for establishing, leading and reviewing the policies, approaches and frameworks around competitive forces such as pricing and funding arrangements. |
| Campus Work Health and Safety Committee   | To facilitate cooperation between staff and management on the development, implementation and review of Work Health and Safety (WHS) policy and procedures. To monitor compliance with WHS legislation, standards, codes of practice, policies and procedures.  |
| Workplace Consultative Committee  | To facilitate effective consultation with employees and their representatives, including union representatives, on workplace matters.   |
| Information Management Information and Communication Technology (IMICT) Committee | To develop and maintain CIT's vision and strategy for IMICT and to provide governance to the management of the future of IMICT in CIT. The Committee's primary focus is strategy and tactics.   |
| CIT Green Network   | To engage with staff and students to promote sustainable practices across all CIT business activities and implement the ACT Government's Climate Change Action Plan across CIT business activities.   |

# PERFORMANCE ANALYSIS

## Provision of Vocational Education and Training Services

Servicing more ACT students than any other post school education institution and as the sole public provider of VET, CIT is committed to continuous improvement supported by ongoing monitoring and auditing to ensure delivery of nationally consistent, high-quality training and assessment services required to meet the VET Quality Framework. CIT also specialises in the delivery of the ACT Senior Secondary Certificate to mature age students.

CIT receives direct funding from the ACT Government to provide VET to the ACT and region, providing publicly funded training, consistent with needs identified in the CIT Training Profile.

CIT delivers 27 national training packages across the Australian Qualification Framework (AQF), from certificate I to graduate certificate levels. As of December 2020, CIT's scope of registration included 204 current training package qualifications and 13 VET-accredited courses.

CIT has Australian Skills Quality Authority (ASQA) RTO registration until 2024, including delegated authority to amend its scope of registration for VET training products and registration with the Tertiary Education Quality and Standards Agency (TEQSA) as a Non-University Higher Education Provider (NUHEPS) until November 2023. CIT was also granted the maximum accreditation of five years for its Diploma of Nursing (HLT54115) program through the Australian Nursing and Midwifery Accreditation Council until 2023.

CIT has established relationships with universities in the ACT, including partnerships with the University of Canberra, Charles Sturt University, the Australian National University, the University of New South Wales and the Australian Catholic University. These relationships allow CIT students to gain university credits for their CIT training and for university

graduates to gain practical skills that employers value through training at CIT.

CIT has also continued to develop its position as a trusted provider of training to support the Australian Government and provides training to the Department of Veterans Affairs, Department of Foreign Affairs and Trade, Department of Defence and the Digital Transformation Agency.

## National Student Outcomes Survey

CIT's key strategic objective is to provide vocational education and training that meets student needs. Success is measured through the National Student Outcomes Survey, conducted annually by the National Centre for Vocational Education Research (NCVER)<sup>1</sup>. By focusing on students' employment outcomes, the Student Outcomes Survey gauges how well CIT serves individuals and the community.

NCVER also collects information on VET students' reasons for training, satisfaction with training, and further study outcomes and provides a comparison across other state and territory registered RTOs. Areas of assessment include:

- > employed after training
- > not employed before training, employed after training
- > employed or in further study after training
- > enrolled in further study after training
- > achieved main reason for training.

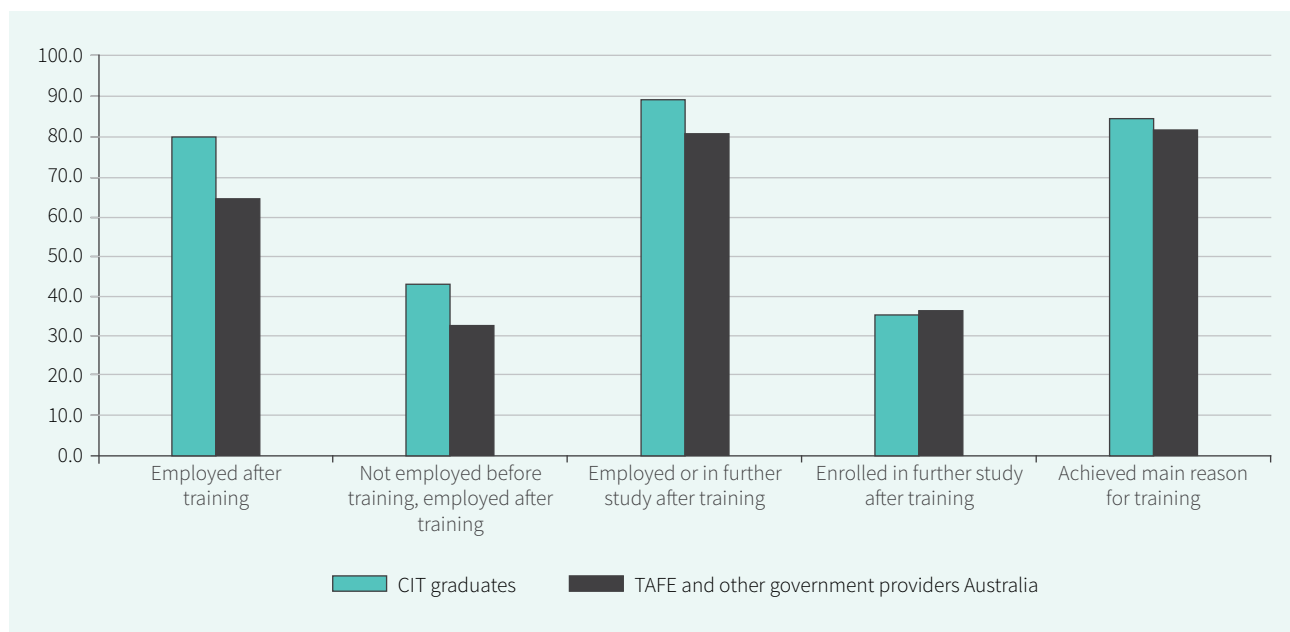
In these categories CIT has outperformed the national average in all but one area. For CIT graduates in 2020:

- > 80% were employed after training compared with 65.7% nationally
- > 43.3% were not employed before training, employed after training compared with 33.3% nationally

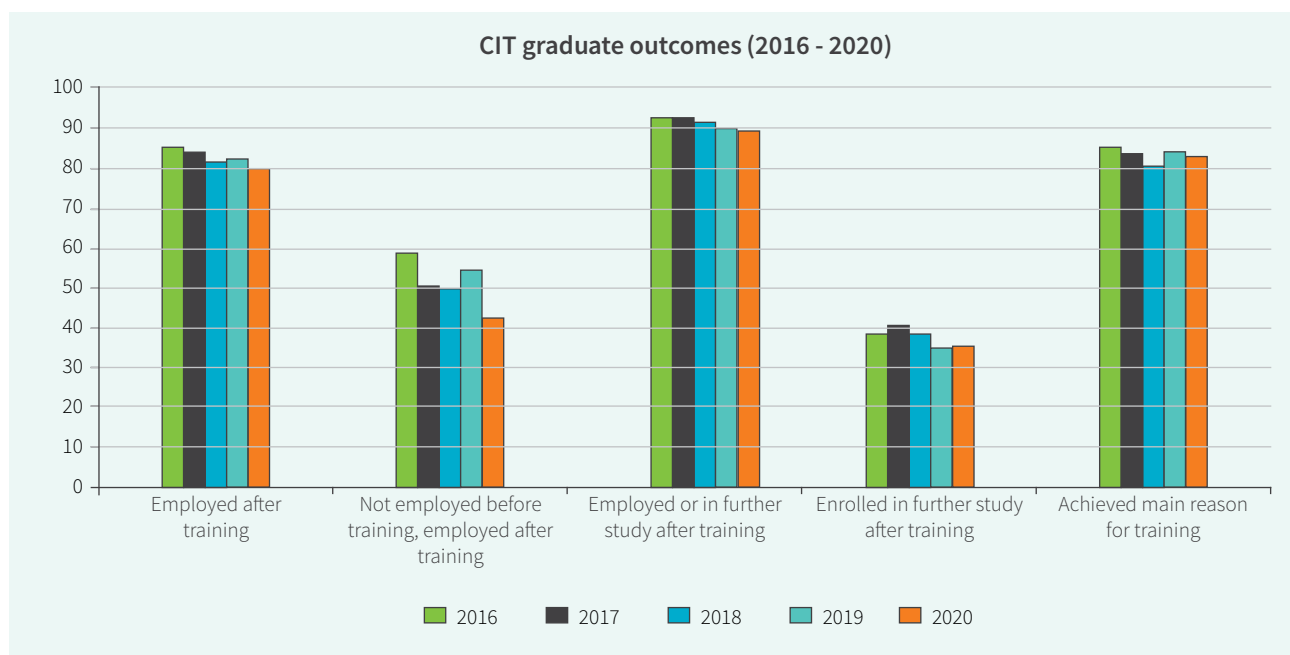
<sup>1</sup> The National Centre for Vocational Education Research (NCVER) - a not-for-profit company owned by the state, territory and federal ministers responsible for vocational education and training. NCVER collects information on VET students' reasons for training, employment outcomes, satisfaction with training, and further study outcomes. NCVER also provides research on vocational education and training in Australia to governments, the training sector, industry and the community.

- > 89.4% were employed or in further study compared with 80.8% nationally
- > 35.7% were enrolled in further study after training compared with 36.8% nationally
- > 84.4% achieved the main reason for study compared with the national average of 81.9%
- > reasons for studying include getting a job, gaining extra skills for current job, changing careers, getting a better job and developing or starting a business.

**Graph 1 NCVER Student Outcomes Survey 2020**



**Graph 2 CIT graduate outcomes 2016 to 2020**



## 2020 Accountability Indicators

The novel and challenging emergency conditions experienced locally, nationally and internationally during 2020 had an impact on CIT's operations, in particular, on the performance measures that are tracked around nominal hours, student numbers and subject enrolments.

CIT delivers VET through ACT Government Controlled Recurrent Payment (CRP), ACT Government Skilled Capital program, funding for Australian Apprenticeships and commercial activities delivered by CIT and its subsidiary, CIT Solutions.

Student activity data against the budget accountability indicators below provides a picture of CIT's performance during 2020 in relation to profile funded courses. Significant areas of delivery not captured by the indicators (such as User Choice, short courses, Skilled Capital and some commercial course) are addressed within the sections that follow.

### Nominal Hours

- > Nominal Hours is the nationally accepted quantitative output measure for the VET sector. CIT (and CIT Solutions) delivered 4.4 million training hours in 2020 (5.6 million in 2019). This includes 2,456,123 training hours for profile funded programs (2,995,643 in 2019), below the 2020 target by 24% variance. The remaining training hours were delivered through contestable programs.
- > Hours were lower than the target as students continued the trend of increasing preferences for enrolling at CIT under other student schemes that are not included in these measures such as User Choice (Apprentices and Trainees) and Skilled Capital (an ACT Government funded training initiative offering a comprehensive range of services and subsidies to Canberrans).
- > The COVID-19 pandemic has had a significant impact on training outputs and completions in 2020.

### Program Enrolments

- > CIT received a total of 27,917 program enrolments (33,305 in 2019). These include Australian Qualification Framework (AQF) qualifications, statements of attainment and Adult and Community Education (ACE) programs. Also 9,558 profile enrolments (11,888 in 2019), below the 2020 target of 11,700.
- > Program enrolments were well below the target due to the continuing trend of students moving away from pursuing full qualifications in favour of individual skillsets.

- > The onset of the COVID-19 pandemic in 2020 further exacerbated the downward trend in program enrolments.

### Program Completions

- > There was a total of 3,102 (4,101 in 2019) program completions (includes qualifications under the AQF and does not include skill sets, statement of attainments and non-accredited training such as ACE programs). This was a 31% variance below the 2020 target of 4,500.
- > Like program enrolments, program completions were also well below target due to the continuing trend of students moving away from pursuing full qualifications in favour of individual skill sets and the impact of the COVID-19 pandemic in 2020.

### Module Pass Rate

- > The module (single accredited unit of competency) pass rate was 80%, which was above the 2020 target of 75%.
- > Module pass rates were above target due to CIT's continued focus on high-quality and relevant training and support for students.

### Learner and Employer Satisfaction Rate

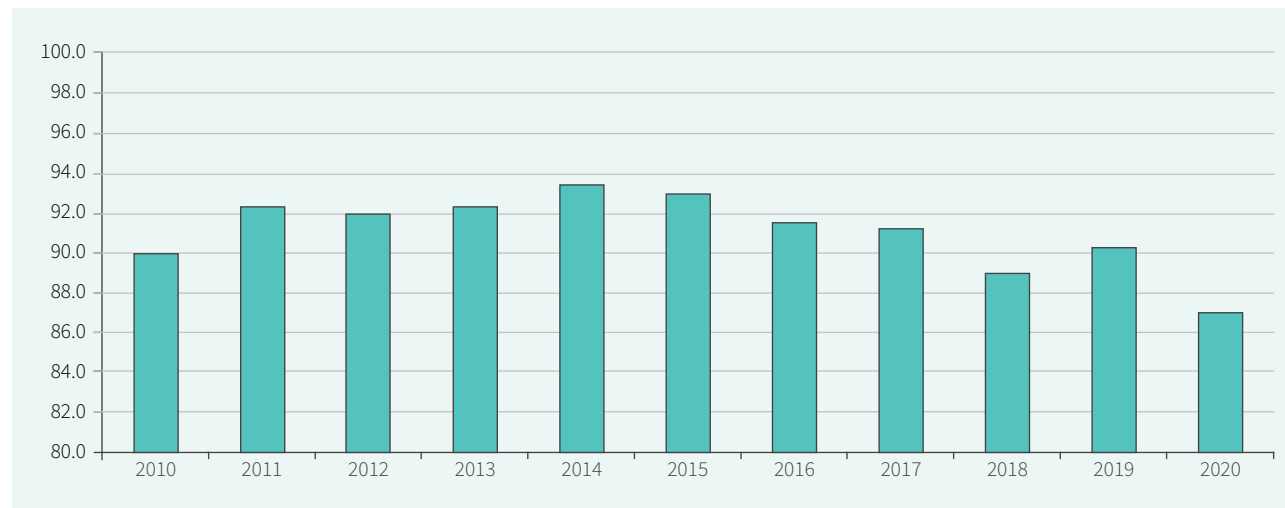
Learner and employer satisfaction rates are measured through the Learner Engagement Survey and Employer Satisfaction Survey. These surveys are conducted in line with the *ASQA Data Provision Requirements 2012* and the *National Vocational Education and Training Regulator Act 2011* provisions. All RTOs are required to use mandatory tools to collect learner engagement and employer satisfaction quality indicator data.

The Learner Engagement Survey is based on CIT students enrolled in nationally accredited programs. The 2020 survey, conducted from 18 October to 19 November, returned a response rate of 24.8% with 2,193 students responding to the survey out of 8,853 students. The satisfaction rate with training at CIT was 87.5% (rounded up to 88% in the Statement of Performance) which is above the accountability indicator target of 85%. Learner satisfaction rates with training at CIT over the past 10 years have remained strong as per the graph below.

### Learner satisfaction rates 2010 to 2020

| 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 90.0% | 92.3% | 92.0% | 92.3% | 93.3% | 93.1% | 91.6% | 91.4% | 89.0% | 90.3% | 87.5% |

**Graph 3 – Learner satisfaction rates 2010 to 2020**



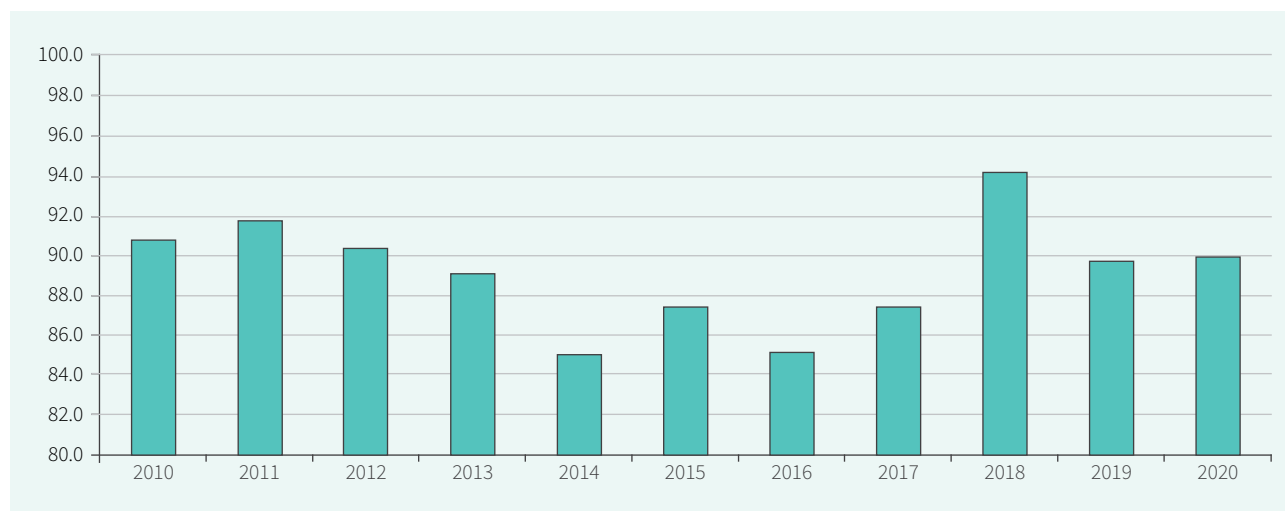
The Employer Satisfaction Survey is based on employers of apprentices or trainees at CIT. The 2020 survey, conducted from 2 to 30 November, returned a response rate of 14.6% with 232 employer responses out of 1,588 employers. Many employers were from large companies (single respondent) with multiple

apprentices/trainees. The satisfaction rate with training at CIT for 2020 was 89.9% (rounded up to 90% in the Statement of Performance) which is above the accountability indicator target of 80%. Employer satisfaction rates have remained positive over 10 years as per the graph below.

### Employer satisfaction rates 2010 to 2020

| 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2018  | 2019  | 2020  |
|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| 90.7% | 91.8% | 90.3% | 89.2% | 85.0% | 87.5% | 85.1% | 87.4% | 94.1% | 89.5% | 89.9% |

**Graph 4 – Employer satisfaction rates 2010 to 2020**



## 2020 Strategic Performance highlights

As an education institution CIT does not operate in isolation of the many complex social and economic systems that it is nested within. The *CIT Strategic Compass – Evolving Together 2020* and its four promises establish the directions for CIT, its workforce and the industries, employers and community we serve.

All activities conducted at CIT are focussed on the enablement of the four promises. These are articulated in many outcomes across CIT and within the ACT community. We serve the community in multiple ways including:

- enabling access and opportunity for social and economic success including the development of the ACT community, services and infrastructure
- provision of courses and qualifications to ensure quality within the ACT skilled workforce
- partnering with industry to increase productivity and position the new economy for prosperity
- and by investing in CIT's long-term future and ensuring relevance and value in all that we do.

CIT's customer focus aims to deliver training to meet student needs and deliver optimal outcomes for students, business, industry and the ACT community. The following performance outcomes align with the promises of the *CIT Strategic Compass 2020 - Evolving Together* and demonstrate the commitment of CIT's staff to our students and our partners.

## Promise 1 – Shaping Change – Raising our ambitions to meet new expectations

In an ever-changing world of work and study, both in terms of new technology and world events, CIT recognises the need to adapt operations to meet the evolving needs of students and industry. This has been particularly true of 2020, where COVID-19 had a major effect on how education and training was delivered.

It was through our existing culture of innovation and collaboration, as well as improved access to technology in the learning environment, that CIT has been able to continue to provide exceptional learning experiences for students across many different departments, while also meeting safety requirements imposed by the global pandemic.

CIT is committed to providing the relevant skills needed by students and the industries they choose both now and into the future, and we continue to transform and refine our teaching and learning experiences to meet whatever challenges we face.

## COVID-19

Recent global developments have had a profound effect on the VET sector, and this has changed how CIT delivers education and training. We remain fully committed to changing lives through quality education and skills development, and we are always looking at new ways to engage with students.

During 2020 the high-quality training and assessment offered at CIT was brought into students' homes through virtual classrooms and tutorials, and there was a greater integration of technology into workplaces and training facilities.

Our innovation in training delivery, supported by technology and enduring strategic industry partnerships, cement CIT as a leader at the forefront of vocational education and training, and the steps taken by CIT staff to meet COVID-19 restrictions meant we were able to support our apprentices, trainees and graduates to meet the challenges and opportunities of this new world.

During 2020, CIT demonstrated its commitment to supporting students and industry and ensuring safety and industry preparedness through the development of four new fee-free courses on infection control. CIT received over 100 enrolments in these courses, aimed at upskilling local retail, tourism, transport and logistics, hospitality and health care workers in response to the ongoing COVID-19 crisis.

CIT's strong relationships with industry meant it was effectively positioned to develop and provide this training and to respond to industry needs.



Adrian Clarke, CIT Plumbing Head of Department



## Innovation and collaboration

CIT takes pride in fostering a sense of innovation and collaboration, and staff are encouraged to adopt new ideas and styles of teaching to infuse training delivery with innovative alternatives to meet the evolving expectations of learners, employers and industry. In 2020, it was particularly important to create and maintain innovative relationships with industry to continue to provide students with the best learning environment possible. This included change and adaptation across all teaching areas of CIT. Some examples include in Trade Skills where coursework was moved online, adjustments to the Nursing program, online tutorials in Visual Arts and Culinary, socially distanced public events run by Event Management students and virtual hackathons.

## Plumbing moving online

CIT plumbing apprentices moved to online learning in Term 2 2020, with teachers re-organising their units and adapting resources to online and remote training delivery. The new course structure allowed plumbing apprentices to focus on the theoretical aspects of skills development online, without compromising high quality training. The practical components were then delivered once COVID restrictions allowed.

Plumbing courses at CIT were well prepared for online and remote training delivery, as much of the theory content of the units was already available online. In a normal term, students were already doing much

of their study in a classroom setting via eLearn (CIT's online learning platform), with a teacher on hand to provide guidance.

Much of the coursework was redesigned to allow students to work more independently of their teachers. All students needed was a quiet and private place to study. This could be at home, work or anywhere. CIT was in close contact with both apprentices and their employers to help them prepare for online study.

CIT Plumbing continued to run classes online for about 380 students in a range of units, including reading plans, workplace health and safety, drainage, trench constructions, water supply for irrigation, metering, gas installation and more.

## Bus shelter collaboration

In 2020, CIT Yurauna Art students collaborated with Community Development on a project to help combat the negative impact of the COVID-19 pandemic on the community. The students designed and painted artwork on two bus shelters at CIT Bruce as a visual celebration of Aboriginal and Torres Strait Islander culture. This project not only saw new vibrant artwork installed at Bruce, but it was also an opportunity for cross-college collaboration as students came together to acknowledge the Traditional Owners of the land and create awareness of Aboriginal and Torres Strait Islander culture.



Students from CIT Yurauna and CIT Community Development showcasing the CIT Bruce bus shelter they painted as a visual celebration of Aboriginal and Torres Strait Islander art.

## Silver Linings

When COVID-19 restrictions came into effect, CIT Screen and Media teachers saw a valuable opportunity for students to further their training and experience creating a television show under a unique production environment.

CIT teachers planned the project and engaged a panel to judge the students' productions, including ABC News presenter Craig Allen.

CIT Screen and Media embraced the opportunities in this new environment for an ambitious remote-production project, *Silver Linings*, a television program about the experiences of our student storytellers, revealing the 'silver lining' they have found in this new world. The stories focused through the lenses of Zoom and smartphones and proved that self-isolation doesn't necessarily mean disconnection.

## Australian Hairdressing Council collaboration

Leading hairdressing and beauty industry groups complemented CIT's teaching and learning resources, ensuring apprentices enhanced their skills during COVID-19 disruptions over 2020.

CIT Hairdressing and Beauty Therapy made use of an Australian Hairdressing Council (AHC)-initiated collaboration with industry to provide students access to a dedicated online resource library and education hub.

This enabled apprentices to access AHC's online resources during the COVID-19 shutdown, such as online training modules and quizzes. The resources of the AHC and leading industry partner Pivot Point kept students inspired and allowed them to stay engaged with their studies while in isolation.

## ACT Training Awards and Australian Training Awards

The annual ACT Training Awards recognise and honour the outstanding achievements of students and apprentices as well as teachers and organisations involved in the VET sector.

CIT was recognised as the Large Training Provider of the Year at the 2020 ACT Training Awards. Students at CIT and CIT Solutions were also strongly represented, with five students winning various award categories. These were:

- > Khye Bolin - ACT Apprentice of the Year
- > Clarisse Ambroise – ACT Trainee of the Year
- > Charise Mae Brabec – ACT Vocational Student of the Year
- > Lisa Cherie Birnie – ACT Aboriginal and Torres Strait Islander Student of the Year
- > Sebastian Connor – ACT Australian School-based Apprentice of the Year (see story on page 47).

CIT and its student winners went on to be finalists in the 2020 Australian Training Awards. CIT was incredibly proud to see two students, Lisa Cherie Birnie (Aboriginal and Torres Strait Islander Student of the Year) and Sebastian Connor (Australian School-Based Apprentice of the Year), win in their categories.

These awards showed that while 2020 was a challenging year, CIT's commitment to quality VET has not wavered and we remain focused on the support our students need to help them achieve their employment and career objectives.



CIT hairdressing apprentice Lauren Swintek practicing her Foiling techniques on a mannequin at CIT Reid



# Resilient and driven 2020 Aboriginal and Torres Strait Islander Student of the Year

Lisa Cherie Birnie stood out among the competition in the Aboriginal and Torres Strait Islander Student of the Year category at the 2020 ACT and Australian Training Awards. The Awards recognise the best in VET.

When asked what she was most proud of in her VET journey Lisa said, “My resilience. Over the last two years, I have been through a lot and to come out shining at the other side with this achievement is something I’m very proud of.”

Driven to change her career after 12 years working in foster care case management, Lisa participated in the Australian Government Indigenous Apprenticeships Program (IAP), a pathway to employment within the Australian Public Service (APS). Lisa said, “Being an Aboriginal woman without the advantage of the IAP pathway, I may have never gained employment in the public sector.”

As part of the program, she completed the Certificate IV in Government (PSP40116) at CIT Solutions, which led to a full-time Government Officer position within the Department of Defence. “The course equipped me with an occupational-specific understanding of government and the overarching policies and procedures relevant to the work I undertake in my role with Defence,” Lisa said.

Lisa, a proud Indigenous woman from the Kamilaroi Nation, is keen to continue working with Indigenous communities and encourages other Aboriginal and Torres Strait Islander people to further their studies. “There are many pathways that advantage us in furthering our studies and



gaining full-time employment. Rather than focusing on how we are disadvantaged as Aboriginal people, it’s important to look at how we are advantaged and use these pathways to enhance our prospects,” Lisa said.

The inspiring role model is following her own advice. Lisa is now participating in the National Aboriginal and Torres Strait Islander Leaders Program, which she will complete in January and is aiming to commence a diploma qualification in 2021. She said, “VET creates opportunities for vulnerable Indigenous people to succeed. Skills training provides so many opportunities and helps to bring down barriers and disadvantage.”

***“VET creates opportunities for vulnerable Indigenous people to succeed. Skills training provides so many opportunities and helps to bring down barriers and disadvantage.”***

## Promise 2 – Growing Our Region’s Economy – Adapting our offerings to provide skills for the future

CIT’s high-quality and innovative training not only provides the skills needed for our current and future workforce, but it also supports our local and national economy, and contributes to Canberra’s ranking as the nation’s highest performing jurisdiction on measures of innovation and entrepreneurship.

CIT supports the ACT Government to deliver on its investments and key capability areas including, cyber security, renewable energy and health and wellbeing. As well as growing the region’s talent and economy by developing and delivering innovative skills training for new and emerging industries, CIT is at the forefront of innovative training delivery for established trades and industries.

This has been especially critical in 2020, where many industries and training areas have been affected by COVID-19. CIT has used its strong industry connections to ensure graduating students continued to have access to the training they needed, while also encouraging input and collaboration from industry members and employers to make sure graduates had the technical skills they will need to be vital contributors to their chosen industries.

Even with the pressures of COVID-19 and the uncertainty it has created in many areas, CIT graduates are well prepared to enter the workforce for the first time, transfer to new industries or gain the upskilling required for a promotion. CIT pivoted to deliver traditionally face-to-face events online in 2020 to ensure students did not miss opportunities to participate in exciting and challenging events to enhance their learning experience.

## CIT’s Trade Hack

In 2020, 52 individuals participated in CIT’s *Trade Hack – Tackling Waste in Trades*, the nation’s first event addressing: ‘What can we do to future proof our industry through material recovery and waste reduction?’ Rapidly adjusting in response to the COVID-19 pandemic, the proposals and award presentations were streamed online. The winning team secured the Canberra Innovation Network’s mentoring support and funding from Capital Ventures to develop their business proposal to prevent unused tiles from going to landfill.

## Zero CO2 Hackathon

CIT was proud to host the 2020 *Zero CO2 Renewable Energy and Sustainability Hackathon* event along with partners the Canberra Innovation Network, Neoen and ActewAGL. The aim of the event was to foster innovative and collaborative solutions to support the ACT Government’s goal to reduce total carbon emissions to net zero by 2045.

The event promoted collaboration between Vestas and CIT and was an opportunity to further raise awareness about career opportunities within the renewables’ workforce. With 18 teams and 71 participants the Hackathon was well attended, given it was held online to allow for COVID-19 restrictions.

Presentations by industry leaders and academics on climate change and the environment were woven through the program to inform the hackathon contestants and to also provide valuable industry insight.



Petr Adamek Canberra Innovation Network CEO, Leanne Cover CIT CEO, Andrew Barr ACT Chief Minister, Craig Sloan CIT Board Chair at the launch of the Trade Hack at CIT Fyshwick February 2020



The view from the 35 metre-tall crane at CIT Bruce

## Global Wind Organisation (GWO) and High-Risk Training Facility

In 2020, CIT completed the installation of a large 35-metre-tall tower crane now standing at CIT Bruce. The crane is the most recent addition to CIT's safety and renewables training facility that will help increase employment opportunities for CIT students in a range of industries.

The tower crane training provides students with a safe, highly controlled simulated workplace environment, while allowing students to experience the physical challenges of working and operating equipment safely at height.

The new tower crane is a welcome addition to the existing training facilities for safety and high-risk training, as well as training done as part of the GWO program. The facility mirrors the needs of local industry now as there is high demand for these skills in areas like construction as well as renewables.

## Nursing

As well as being the year of COVID-19, 2020 was also the International Year of the Nurse and Midwife, as declared by the World Health Organisation. CIT's commitment to supporting the healthcare industry with quality graduates has never been more important or timely. CIT was pleased to announce in 2020 that 55 new nurses are ready to use their skills to support our community, having graduated from our Diploma in Nursing (HLT54115).

Staff were especially proud of these students given the COVID-19 restrictions disrupting their studies. In order to meet social distancing guidelines, course theory was delivered online, while students were given allocated times in CIT's simulated learning environment for practice and assessment of clinical skills.



Nursing Teacher Lisa Burling with the 2020 graduating class



## **Promise 3 – Advancing Canberra’s Workforce – Contributing to the new economy and positioning for prosperity**

CIT is committed to helping Canberra’s workforce adapt and evolve to meet the needs of industry and the community. As a vital part of the ACT economy, CIT supports the ACT Government’s priorities in making Canberra more inclusive, progressive and connected.

As a leader in providing education in indispensable areas, such as health, trades, hospitality and renewables, CIT provides the skills for an adaptive, modern workforce. CIT develops targeted programs to increase workforce participation from our diverse community, as well as people experiencing disadvantage.

With the advent of COVID-19 in 2020, CIT has also made great use of new technology and online resources to ensure the students experienced seamless continuity of their studies.

### **Continuing commitment to the trades and apprentices**

#### **Toyota Network Training Program**

CIT Automotive has delivered the Certificate III in Light Vehicle Mechanical Technology (AUR30616) for over 10 years under the Toyota Network Training Program. During COVID-19, CIT teachers continued to work closely with apprentices, their employers and workplaces involved in the program to ensure full access to learning opportunities and assessment. CIT was one of the few vocational education and training providers in Australia to have the Toyota apprenticeship program available online before the pandemic.

CIT’s close relationship with the automotive industry was critical to ensure both theoretical and simulated training continued. The theory sections of coursework were delivered entirely online, along with simulated tests and practical assessments.

The simulations involved apprentices working on faulty parts supplied by CIT, to identify and repair problems. This was completed in the workplace, under supervision from the apprentice’s employer, rather than in a classroom.

## **New teaching environments**

### **SIMBUS**

CIT Business Administration worked to ensure students had the best access to a digital learning environment under COVID-19 restrictions. Students were given the opportunity to continue their studies through online SIMBUS training. SIMBUS is the practical training for both Business and Business Administration courses. It combines several units in the course and is conducted in an office environment at CIT Reid to give students the ‘real office’ experience.

Given that SIMBUS is about real office experience, it was opportune that students got to experience a new online way of working during the COVID-19 pandemic. This included meeting via videoconference, completing and submitting tasks online and using online collaboration spaces and tools—all critical skills to develop in a new way of working.

### **Accounting, Legal Services and Project Management**

CIT Accounting, Legal Services and Project Management teachers at CIT embraced online delivery methods during the COVID-19 shutdown, with great results and positive feedback from students.

Condensed pre-recorded slides were coupled with live input from teachers and students. Students commented on the benefits of the online classes, including flexibility in accessing recorded classes if they could not login to the digital classroom at set times. These recordings were also a valuable resource for revising coursework and will continue to be into the future.

### **Visual Arts**

Online tutorials became a valuable student resource for those studying Visual Arts during the pause to classes. It was important that students stayed engaged with their studies and their own creative processes. Tutorials focused on what teachers describe as “creative warm-ups,” based on exercises taught in a traditional classroom.

This allowed student artists to keep training and working to hone their skills. It is important for visual art students to keep their minds in shape and keep up with their creative habits. Many of the students found these tutorials to be a valuable way to continue their artistic education, stay in touch with others and to share their work.



Satellite selfie for 2020 visual art class.

## Supporting students

CIT prides itself on supporting students from all walks of life and all backgrounds. This was especially important in 2020, and additional, targeted support avenues were available to students who struggled with a range of challenges, from personal to financial and academic.

CIT Student Support provided students with guidance, referrals and support to cope with different aspects of student life including finances, health issues or even homesickness. CIT Student Support offered free phone or online support for all students. Other services included counselling, advocacy, disability support, careers advice, youth support, migrant, refugee and international student support, equity support and apprentice support.

CIT Student Services were available to answer questions about courses or administrative matters, such as enquiries about fees and debt, concessions and award applications.

The CIT Student Association (CITSA) was also available to support students. CITSA Student Assistance Officers helped students connect with government agencies and other support arrangements due to COVID-19 along with financial options, employment and general enquiries. CIT also worked closely with the Canberra City Care's Tech Shed to make sure more vulnerable students had access to refurbished laptops. The programs successfully delivered over 70 laptops and computers to students.

CIT's Training Initiatives Unit (TIU) supported apprenticeship and traineeship arrangements at CIT, such as assisting in updating Australian Apprenticeship training contracts. Additionally, TIU was available to direct students to appropriate

support services available and assist with any apprenticeship related queries.

The CIT International Support Unit (ISU) also provided assistance to international students regarding fees and visa enquiries.

Several online and face-to-face workshops were new additions to the support offered to students under the restrictions and challenges of COVID-19. Learning Services at CIT Libraries encouraged students to take the opportunity to learn new skills.

CIT offered workshops to help students learn and improve skills that are needed for their studies including: taking better notes; writing reports and essays; time management; both APA and Harvard referencing; how to effectively use physical and digital library resources; job hunting and interview skills. CIT also offered 'Ask a Librarian' Q&A sessions.

## CIT Yurauna and Northside Children's Services

In 2020, a partnership with the CIT Yurauna Early Childhood Centre (YECC) operated by the not-for-profit Northside Children's Services provided high-quality, culturally safe and community-focused early childhood education for up to 16 Aboriginal and Torres Strait Islander children in the ACT.

The partnership operates by enabling children up to five years old to attend YECC, while their parents or guardians' study at CIT Yurauna, which are both located at CIT Reid. In November 2020, YECC achieved an 'Exceeding' rating in all seven Quality Areas of the National Quality Standard. This is a commendable effort and is a testament to the strong collaboration efforts in establishing this critical service for CIT Yurauna students.

## Promise 4 – Transforming Our Business – Investing in our business for viability and value

CIT is an organisation that is fully immersed in our local community. In 2020, we remained steadfast in our ambition to provide training and career opportunities for students and a highly skilled local workforce for employers. Even without the current pressures of COVID-19, CIT exists in a multifaceted and competitive environment, and it is vital the organisation continues to work to strengthen connections across the Canberra Region to achieve success.

In order to provide valuable options for individuals, employers and government, CIT continues to foster meaningful relationships with industry to ensure training programs provide students with the skills they need to thrive in an ever-changing job market.

### Building new opportunities

As an organisation, CIT sees the value in working directly with industry to create new opportunities for students within existing and emerging industries. To build these opportunities, CIT partners and collaborates with industry and community groups to support existing students and entice new students to think about vocational education and training as a place to start or improve their career.

#### Vestas and Neoen collaborations

In 2020, CIT continued to work closely with the renewables industry to deliver quality training that develops skilled workers for a growing global industry.

One of those important collaborations is with Vestas, a global leader in sustainable energy solutions. CIT's Renewable Energy Skills Centre of Excellence is one of Australia's first Global Wind Organisation (GWO)-accredited wind safety and technical training programs. Vestas employees travel to Canberra to participate in GWO high-risk training, electrotechnology and cyber security courses to upskill with these critical capabilities.

The collaboration between Vestas and CIT was expanded further in 2020 to allow for collaboration in multiple new areas. Both CIT and Vestas are committed to raise awareness about career opportunities within the renewables sector and to ensure they are at the forefront globally in the training and upskilling of the renewables workforce now and into the future.

In September 2020, it was announced that renewables developer Neoen secured a contract to supply 100MW of wind energy for the ACT. As part of the tender selection process, Neoen will build a battery storage facility with a capacity of at least 50MW to support and stabilise ACT's electricity grid. As part of this project, Neoen will also build on its existing partnership with CIT to co-develop programs in cyber security for renewables, Indigenous land care and hydrogen.

#### STEMConnect2020

CIT participated in the Australian Agriculture Centre's virtual STEMConnect2020 program. The event promoted science, technology, engineering and maths and CIT engaged regional primary students in discovering renewable energy, considering it may be their future career path.

Wind power is beginning to contribute more to base load power, and this is really good news for the young men and women looking to get into the industry. CIT's goal was to create a mindset in students around renewables, climate change and innovation in more rural areas and also to promote science and showcase all the different forms it might present in terms of a future career.

### Building towards a better future

As a leader in the community, CIT is committed to evolving with the needs and pressures of our environment to best serve our stakeholders. Throughout 2020, CIT continued on its journey of transformation to evolve into a contemporary learning organisation supported by effective and adaptive learning facilities, flexible learning options and enhanced technological capability. The Board prioritised the creation of its ongoing *Strategic Compass 2020 – Evolving Together* and continued to focus on CIT's budget to explore ways to improve our future financial sustainability.

#### CIT Campus at Woden

A \$250 to \$300 million CIT Campus in the Woden Town Centre was formally approved and announced in August 2020. The ACT is the knowledge capital of the nation, and by investing in a purpose-built teaching and learning facility for vocational education and training, we will continue to support all Canberrans to reach their full potential.

The new CIT Woden will support 6,500 students annually in becoming highly capable and sought-after graduates that are work-ready in their chosen fields. It will also help stimulate the broader economy by supporting local business, industry and employment.





Artist impression of the new CIT Woden Campus

A new light rail-enabled public transport interchange will be built on Callam Street, delivering on the Woden Masterplan objectives and providing a safe, welcoming and connected environment with more bus stops and bus layovers supporting future increases in services.

### Digitalisation at CIT

The Digitalisation Program continued to be rolled out with all staff receiving Office 365 during 2020, allowing for greater flexibility in learning and working options for CIT staff. Staff were supported through this transition to ensure the new platforms were accessible for teaching and non-teaching staff.

### CIT Solutions

CIT Solutions Pty Ltd (the Company) is a wholly owned subsidiary of CIT that reports to the Australian Securities and Investments Commission in accordance with the *Corporations Act 2001*. CIT Solutions' audited financial statements are consolidated within CIT's financial statements in this report (see C2).

CIT Solutions delivers a range of nationally recognised qualifications from the Australian Qualifications Framework under CIT's Registered Training

Organisation status (RTO 0101) to government and corporate sectors. These programs and consultancy services are delivered to clients in the ACT, interstate and internationally.

CIT Solutions also provides training in a large range of foreign languages as well as providing marketing services to CIT for the recruitment of international students. Lifelong learning opportunities are offered to people in the Canberra region through a large suite of professional development and recreational interest short courses.

During 2020, learning was delivered to 2,166 students enrolled in accredited programs, and 4,941 learners from the ACT and region completed non-accredited training in short courses through both face-to-face and online delivery modes, which was an increase of 32% from 2019.

Financially, the Company returned an operating surplus for the year of \$1.004 million<sup>2</sup> which was an increase on 2019 and achieved \$17.254 million in revenue. This result was achieved with a core workforce of 90 employees and supported by a contingent workforce of 214 casual employees in 2020.

CIT Solutions was successful in winning contracts with Australian Government Departments in 2020 to meet

<sup>2</sup> Including the savings from the rent relief received during Covid-19.

their training needs by customising and delivering training programs.

The impact of the COVID-19 pandemic on Government Public Sector qualifications was significant with all except two programs transitioning to online learning.

CIT Solutions successfully delivered the Indigenous Apprenticeship Program (IAP) and the Indigenous Australian Government Development Program (IAGDP) in partnership with the Department of Human Services and the Department of Education, Skill and Employment respectively. A total of 287 students enrolled in these two programs with approximately 86% completion rate.

Lisa Birnie, an IAP graduate of CIT Solutions won the Aboriginal and Torres Strait Islander Student of the Year at the Australian Training Awards in 2020. This is the second year in a row that an IAP graduate has won this Award (with Taylor Williams winning in 2019).

The Company was successful in winning contracts with the Department of Health in 2020 in relation to identifying training needs, developing and delivering training for the Commonwealth's My Aged Care workforce. It also continued to manage the online learning platform for the Department through which 1,157 learners achieved Statement of Attainments in My Aged Care training competencies in 2020. Enrolments in the unaccredited training for 2020 exceeded 500 learners with over 450 Contact Centre staff participating in Refresher Training.

The Company supported the ACT Government's social and economic recovery agenda to support jobseekers. Over 188 jobseekers were trained in 'Writing CVs/ Applications and Interview Skills' under the Jobs for Canberrans funding initiative in October 2020.

CIT Solutions supported CIT through the promotion of its courses and studying in the ACT to prospective students worldwide.

The Company has implemented a successful international student recruitment strategy for CIT by focusing on 'low risk/high yield student source markets' as well as robust admission processes to secure students with genuine interest to study abroad and keep our visa rejection rate low.

Before March 2020, CIT was a Level 3 education provider under the risk assessment of Department of Home Affairs' Simplified Student Visa Framework (SSVF), which had a significant negative impact on the number of source countries from which CIT could recruit international students.

CIT was elevated from a Level 3 to Level 2 education provider in March 2020 and to Level 1 in October 2020. This presents a significant marketing advantage

to promote programs on offer at CIT when the international student market recovers.

The COVID-19 pandemic had impacted the Company's ability to recruit offshore students due to the border closures. The number of international students studying at CIT in 2020 decreased by approximately 20% due to the direct impact of the pandemic.

CIT Solutions has strengthened its digital market presence in offshore target markets as well as focused more attention on onshore student recruitment to minimise the risk as well as introducing a new offshore strategy to recruit international students to commence online study in specific programs in their home country.

Pastoral care for international students remains a very high priority. It is evident that many international students were under severe financial and psychological stress during COVID-19. The Company deployed additional resources to support international students and assisted those who experienced financial hardship to apply for the ACT Government's Relief Program.

The Centre for International Language training continued to deliver tuition in 32 foreign languages to predominantly government agencies, using a flexible workforce of 175 language tutors. During 2020, language training successfully converted to virtual delivery to ensure service continuity.

## Graduation events and exhibitions in 2020

### Student events

CIT graduation events and end-of-year exhibitions are an opportunity to acknowledge and celebrate the achievements of our graduates and the expertise and dedication of their teachers, and to share successes with family, partners, friends and the community.

Due to restrictions relating to COVID, the CIT Graduation event in May was cancelled. These restrictions were extended, and the December international celebration was also cancelled. CIT Solutions International Unit created a commemorative interactive PDF including photos and videos called *Celebrating International Student Success 2020*.

CIT was able to continue issuing awards and academic advice to students electronically without any pause or delays due to the early 2020 implementation of My eEquals. This is a secure online digital credentialling system already in use across all Australian and New Zealand universities. Students can securely share their awards with employers and other education institutes. CIT was the first RTO to offer My eEquals. By the end



of 2020 over 15,000 items of academic advice were issued to CIT students through My eEquals.

CIT also hosts several smaller graduation exhibitions, including for fashion visual arts, design, floristry and media.

## Future direction

During 2020, significant planning and development went into the next integration of the *Strategic Compass 2020 – Evolving Together* with *Strategic Compass 2025 – CIT Futures* set to be launched in 2021.

Capitalising on the development of a strong online learning capacity during 2020, CIT will continue to grow the online offerings in line with student demand. This includes developing short courses or skill sets to meet the continuing trend of students moving away from pursuing full qualifications in favour of individual skill sets.

Through a process of contemporary transformation, CIT continues to evolve into a forward-thinking organisation with structures and resources to enable it to adapt and respond to market changes to meet the expectations of students and employers. A focus on the new campus at Woden will continue to be a priority as well as meeting policy requirements and agreements set by the Australian and ACT Governments.

As the only public provider of VET in the ACT, CIT is committed to the ACT community to ensure a skilled community for strong economic growth.

## Australian School-based Apprentice of the Year Award

Sebastian Connor was awarded the 2020 Australia School-based Apprentice of the Year at the Australian Training Awards. Sebastian had a busy year working as a School-based Apprentice, studying a Certificate III in Commercial Cookery (SIT20816) at CIT and working at Pilot. Restaurant + Bar while finalising his tertiary study at Dickson College.

Sebastian is grateful for his School-based Apprenticeship and is confident in what he wants to do after Year 12, pursue a career as a chef.

Sebastian concedes it's not always easy, but with focus and determination he balances his work and study commitments. Sebastian said working in the kitchen has increased his passion for cooking and his training has made him a more disciplined student. Between school, training and work he has a larger workload than some of his peers, but he works hard to complete all his assessments to a high standard.



# SCRUTINY

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## ACT Legislative Assembly Inquiries

In 2020, one Legislative Assembly Committee inquiry related to CIT.

### **Inquiry into Annual and Financial Reports for 2018-2019**

CIT appeared before the Standing Committee on Education, Employment and Youth Affairs public hearing on 8 November 2019. The Standing Committee tabled its report in the ACT Legislative Assembly on 26 March 2020. There were no recommendations for CIT.

## ACT Auditor-General

There were no ACT Auditor-General reports relating to CIT during the reporting year.

## ACT Ombudsman Reports

There were no ACT Ombudsman reports relating to CIT during the reporting year.

# RISK MANAGEMENT

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CIT is committed to ensuring that all business, operational and learning and teaching activities are underpinned by an effective risk management process. CIT actively manages risks through systems, processes and strategies designed to respond to the environment, shape our activities and improve our capability. Risk identification at CIT also includes strategies to manage fraud and corruption, business continuity, emergency management, incident management, information management and security.

CIT has adopted an organisational-wide approach to risk management as part of its key governance framework, using a risk management plan and a risk register to identify and manage risks across the organisation. The risk register is reviewed and updated quarterly and reported to the Executive Management Committee, the CIT Audit Committee and the CIT Board.

The application of risk management at CIT is conducted in accordance with the Australian and New Zealand Standard ASISO 31000:2018 and the ACT Government Risk Management Policy and Framework.

Financial risks are managed through a well-defined framework that includes:

- > clearly established ownership of internal budgets
- > monthly variance reporting by senior management
- > quarterly strategic reviews of financial performance and, as applicable, reviews of corrective actions
- > regularly updated financial policy, procedures and practice documents
- > training for all staff who have financial responsibilities
- > continuous implementation, monitoring and review of process improvement strategies.

Monthly reporting and analysis of CIT's financial performance and progress against accountability indicators assist in the early identification and remediation of emerging risks. As part of CIT's governance arrangements the CIT Audit Committee and the CIT Board review these results at each meeting.

The CIT Executive team lead and oversight business risks and work with senior management to implement transformational and cultural change to improve

performance. Progress against risk mitigation strategies is dynamic. Emerging risks at CIT are identified through:

- > internal and external reviews
- > review of CIT governance
- > regular discussions with the CIT Board, the Executive, directors, and managers
- > monitoring the implementation of recommendations from internal reviews and audits.

During 2020 CIT undertook a comprehensive review of its strategic risk profile and began development of a single consolidated CIT Strategic Risk Register. CIT's executive led the review with engagement from ACTIA to ensure alignment and consistency with the whole of government Risk Management Policy and Framework. The CIT Strategic Risk Register 2021 is scheduled for review and endorsement by the CIT Audit Committee in early 2021 before final approval is sought through the CIT Board.

The risks around business continuity, emergency management and personal incidents are also considered as part of overall risk management. CIT regularly reviews its emergency management procedures and practice, as well as personal incidents, both of which are supported with general and specialised training of key staff.

One of CIT's biggest risk management undertakings throughout 2020 was to respond to the changing challenges created by the COVID-19 pandemic. An example of how this operated was in the campus transition planning. Once restrictions in the ACT lifted sufficiently for classes to gradually return to campuses an overarching transition strategy was developed through the Crisis Management Team under the Business Continuity Plan. Consultation was undertaken with key stakeholders and Unions in finalising the planning and the processes that would support it. A central transition team was established to work with local areas to analyse how staff and students utilised spaces and then to reconfigure those areas to be compliant with the required restrictions and the associated hygiene, signage and communication requirements. Once this work had been completed along with a checklist, classes in each of those areas could resume on campus. This process enabled local and informed decision making within a broader set of regulations and heuristics.

# INTERNAL AUDIT

Established in 2015 as a subcommittee of the CIT Board, the CIT Audit Committee performs a key corporate governance role within the organisation, supported by the Audit, Risk and Corporate Governance team. Significantly, the Audit Committee provides independent, objective advice and assurance on risk and control, compliance and external accountability responsibilities.

The CIT internal audit function and Audit Committee is conducted in accordance with the *ACT Government Framework for Internal Audit Committee and Function (February 2020)*, the *International Professional Practices Framework (IPPF)* and the CIT Internal Audit Charter.

The Audit Committee is authorised by the CIT Board to carry out its role and responsibilities under the Audit Committee Charter and through the Audit, Risk and Corporate Governance team to:

- obtain any information it needs from any employee and/or external party (subject to their legal obligation under the *Information Privacy Act 2014* and *Public Sector Management Act 1994*)
- discuss any matters with internal or external auditors, or other external parties (subject to their legal obligations)
- request the attendance of any employee, including the Chief Executive Officer, at Committee meetings
- obtain legal or other professional advice, as considered necessary to meet its obligations, at CIT's expense.

The Audit Committee meeting agendas are based on an annual program of work derived from CIT's strategic risks, and responsibilities are documented in the Audit Committee Charter. The Audit Committee also reviews

and endorses the Audit Committee Charter and the Internal Audit Charter annually for approval by the CIT Board. The Chair of the Audit Committee formally reports to the CIT Board Chair and the CIT CEO on any significant matters that may impact CIT operations. These issues are also reported to the CIT Executive Management Committee (EMC).

In 2020, the Audit Committee comprised three members; two independent members and one member from the CIT Board who was also the Deputy Chair. The Executive Director, Corporate Services and a representative of the ACT Auditor-General's Office both hold advisor/observer status. Representatives from the ACT Audit Office regularly attend and update the committee on the progress of Auditor-General audits and audit matters impacting the ACT Government. CIT staff present to the Audit Committee on internal audit, assurance and governance activities and other issues as required. The CEO is an invited guest to each meeting and presents to a standing agenda item.

Six committee meetings were held during 2020, two of which focussed on end-of-year financial matters. The Committee also reviewed the 2020 internal budget processes at an extended meeting. The remainder addressed the annual program of work, including the annual review of the Audit Committee Charter and the Internal Audit Charter.

Due to the impact of the COVID-19 pandemic four of the audit committee meetings were held online through WebEx.

Members' attendance at Audit Committee meetings from 1 January – 31 December 2020 is detailed in the table below.

## Members' attendance at Committee meetings from 1 January – 31 December 2020

| Name of Member  | Position   | Duration         | Meetings attended |
|---|--|------------------|-------------------|
| Bruce Papps   | Chair: Independent member                                    | January–December | 6                 |
| Peter McGrath   | Deputy Chair and CIT Board member                            | January–December | 6                 |
| Margo Wade  | Independent member   | January–December | 6                 |
| Andrew Whale<br>Greg Tong<br>Alice Clements                                 | Executive Director,<br>Corporate Services<br>Observer Status | January–December | 6                 |
| Jatin Singh<br>Sub Arulmugavarathan<br>Saman Mahaarachchi<br>Samina Khatoon | Auditor-General's Office<br>Observer status                  | January–December | 4                 |

## Internal Audit Program

The annual internal audit program is developed through consultations with the Executive team and senior managers to ensure CIT's strategic business and fraud and corruption risks are addressed over a 12-month cycle. The Audit Committee reviews progress of the program at each meeting of its ordinary meetings and the relevant findings and recommendations are discussed to ensure they are on track.

Four independent audits were completed in 2020 to provide assurance of efficiency and effectiveness, compliance with the laws and regulatory requirement, and to promote continual improvements, including:

- > Assurance Map
- > Registered Training Organisations (RTO) Standards
- > ASQA Delegation Requirements Audit
- > Workplace Health and Safety

A further audit on Invalid Module Enrolments was conducted in-house.

Reports for all audits were presented to the Audit Committee and actions taken in regards to audit recommendations are monitored through to completion, including those which are relevant to CIT from external audits, such as the ACT Auditor-General's Office. The Audit Committee receives a status update report on outstanding actions at each of its four ordinary meetings.

# FRAUD PREVENTION

The ACT Government *Public Sector Management Standards 2016* detail the formal responsibilities of agencies to promote integrity and to control fraud and corruption. In accordance with this, and the ACT Government Integrity Policy, CIT has a Fraud Control Plan that is comprehensively reviewed every two years and the risks outlined in the supporting Anti-Fraud and Corruption Risk Profile are reviewed every six months.

The CIT's Disclosure Officers for the purpose of public interest disclosure matters made under the *Public Interest Disclosure Act 2012* (PID Act) is the Executive Director Corporate Services. The Senior Executive Responsible for Business Integrity Risk (SERBIR) during 2019-20 was also the Executive Director Corporate Services.

The SERBIR, supported by the Audit Risk and Corporate Governance team, is responsible for the management of fraud prevention within CIT. The SERBIR reports regularly to the CIT Audit Committee though a standing agenda item. There were no integrity incidents which required corrective action reported to the Audit Committee in 2020.

A representative of the CIT SERBIR attended the inaugural ACT Integrity Commissioner Community of Practice for the ACT and CIT staff attended the Commission's Corruption Prevention Webinar on International Anti-Corruption Day, 8 December 2020.

## Fraud Control Plan

The 2018-20 CIT Fraud Control Plan is a robust, reliable and systematic approach which aims to detect, prevent, respond to and report on any allegations of fraud. The Plan operates with key elements such as:

- > a policy statement that includes fraud and corruption definitions
- > strategies to raise awareness and guide managers on prevention, detection, and prosecution
- > responsibilities for fraud control within CIT and
- > guidance in responding to any Public Interest Disclosures that may be reported.

The Fraud Control Plan is due for review in 2021.

## Anti-Fraud and Corruption Risk Profile

The Anti-Fraud and Corruption Risk Profile is monitored and reported to the CIT Board, EMC and Audit Committee every six months. In the second half of 2020 CIT conducted a comprehensive review of all strategic business risks, which enabled the development of a draft consolidated CIT Strategic Risk Register that incorporates fraud and corruption risks.

Fraud and corruption prevention is part of the CIT staff online Induction Program and face-to-face presentations are provided to staff. Staff are provided with information regarding fraud via newsfeeds on the CIT Intranet site. Topics in 2020 included Procurement Probity.

# FREEDOM OF INFORMATION

CIT is committed to the principles of open, transparent and accountable governance, decision making and operations consistent with the objectives and provisions of the *Freedom of Information Act 2016* (FOI Act). Summary data for each access application received during 2020 is provided below. Details of individual applications and decisions are published on the CIT FOI Disclosure log.

## Open Access Information - Section 96 (3) (a) (i), (ii) and (iii)

| Description  | Total |
|--|-------|
| Number of decisions to publish Open Access information                               | 47    |
| Number of decisions not to publish Open Access information                           | 0     |
| Number of decisions not to publish a description of Open Access information withheld | 0     |

## FOI application received and decision type - Section 96 (3) (a) (iv), (vii), (viii) and (ix)

| Description   | Total                    |
|---|--------------------------|
| Number of access applications received  | 3                        |
| Number of applications where access to all information requested was given                                | 0                        |
| Number of applications where access to only some of the information requested was given (partial release) | 2                        |
| Number of applications where access to the information was refused  | 1 - S35(1)(c)<br>FOI Act |

## FOI processing timeframe - Section 96 (3) (v) and (vi); Section 96 (3) (d)

| Description   | Total |
|---|-------|
| Total applications decided within the time to decide under section 40                     | 3     |
| Applications not decided within the time to decide under section 40                       | 0     |
| Number of days taken to decide over the time to decide in section 40 for each application | 0     |



### Amendment to personal information - Section 96 (a) (x) and Section 96 (3) (e)

| Description   | Total |
|---|-------|
| Number of requests made to amend personal information, and the decisions made | 0     |

### Reviews - Section 96 (3) (b); Section 96 (3) (c)

| Description  | Total |
|--|-------|
| Number of applications made to ombudsman under section 74 and the results of the application | 1     |
| Number of applications made to ACAT under section 84 and the results of the application      | 0     |

### Fees - Section 96 (3) (f)

| Description   | Total |
|---|-------|
| Total charges and application fees collected from access applications | 0     |

## How to lodge an FOI request with CIT

Details as to how to lodge a FOI request with CIT and access the CIT Disclosure Log is available at: [cit.edu.au/about/freedom\\_of\\_information](http://cit.edu.au/about/freedom_of_information).

## Year 12 students meet with the UN

As part of their Global Studies unit, CIT Year 12 students met with representatives from the United Nations (UN). This remarkable opportunity gave students valuable insights into the UN's inner workings.

This is the second year the UN has delivered a presentation to CIT Year 12 students. This year, the meeting was held online due to the COVID-19 pandemic.

CIT Year 12 Global Studies Teacher Ben Brown said the students had a lot of questions for the presenters on UN structure and regulations, gender equality, issues in specific countries and the response to COVID-19.

Ben organised the meeting to expose students to the real-life work that comes from studying these topics. "I hoped they would learn three things: how to reach out for support on substantial topics; the scope and depth of influence the UN has on an international, national, local and personal level; and how content taught at CIT relates to the real world."

Students found the meeting useful and informative. Sam Burn, a Year 12 History, Global



Studies and English student, said the UN meeting was a great way to learn. "The insight from someone who is a part of the global turning cogs was much valued and was especially appreciated during the pandemic."

Another History, Global Studies and English student Samuel Burns said, "I found the public speaking part of the UN presentation to help build my confidence. The general course information was also extremely helpful to my history class."

"I have learnt a lot about political theory and the geopolitics of certain countries from both Global Studies and History. Global Studies helps unpack what things mean in relation to the country politics we learn in History," Sam said.



# COMMUNITY ENGAGEMENT AND COMMUNITY SUPPORT

CIT has a broad presence in the ACT community and a wide range of partnerships with industry and community organisations. The diversity of these partnerships, including hundreds of local and regional businesses, industry and community organisations, demonstrates the central role that CIT plays in the economic, social and cultural life of the ACT community.

## Twilight Enrolment Session

CIT held a Twilight Enrolment Session on 28 January 2020. This event was held to promote study options and Semester 1, 2020 enrolments. The event was promoted through Social Media (Facebook, LinkedIn, Instagram and Twitter), MIX 106.3 and HIT 104.7 radio stations, *Canberra Weekly* magazine and the CIT website. An estimated 500 community members participated in this event.

## Open Day

Open Day is an important event on the CIT annual calendar, promoting career opportunities through vocational education and training. Due to the

COVID-19 pandemic, CIT held a Virtual Open Day on 13-14 November 2020. The event was promoted through Social Media (Facebook, LinkedIn, Instagram and Twitter), MIX 106.3 and HIT 104.7 radio stations, *Canberra Weekly* magazine and a dedicated webpage on the CIT website. Over 4,000 people attended the Virtual Open Day event.

## School liaisons

CIT teachers and CIT Marketing visit schools across the ACT to discuss post-school options in vocational education and training, host schools at CIT campuses for tours of facilities. Due to COVID-19 many of the school events were unfortunately cancelled. CIT attended 28 school events in 2020 (compared to 52 in 2019).

CIT promotes school visits and campus tours through a monthly newsletter to ACT school careers advisors and on a dedicated schools webpage on the CIT website.



CIT Virtual Open Day platform

## CIT Woden Campus – community consultation

In 2020, CIT commenced engaging with stakeholders for the new CIT Woden and CIT Yurauna projects. Both projects are part of the Major Projects Canberra (MPC) CIT Woden project.

CIT Woden staff and student engagement commenced in October 2020 with the MPC CIT Woden Team facilitating working groups to inform the functional design brief for the building at Woden. This took the form of collaborative co-design workshops and included representatives from government, industry and innovation sectors. This initial consultation then moved into the clarification of functional requirements with industry and staff experts. The CIT Woden Design team undertook an Indoor Environment Quality (IEQ) assessment to benchmark the new building against CIT Reid conducting interviews and surveys with CIT staff and students. This work provided insights that will underpin ongoing reference design for Woden.

CIT Yurauna commenced initial consultation with the United Ngunnawal Elders Council, the Aboriginal and Torres Strait Islander Elected Body and the CIT Yurauna Industry Advisory Group regarding the move from CIT Reid to CIT Bruce.

The MPC CIT Woden team undertook community engagement through pop-up shopfronts at Woden locations including the Woden interchange, local shopping centres and CIT Reid. MPC have developed a Virtual Information Room which was open until 18 December 2020. The Virtual Information Room assisted MPC to capture important community feedback to progress the design and development of the project.

## CIT Student Association

CIT continued to fund the CIT Student Association (CITSA) to enhance student experience both on and off campus. This was especially critical during 2020 as students required extra support due to the impacts of the COVID-19 pandemic across the community.

CITSA supported CIT in obtaining student feedback through in-class and online mechanisms to ensure the student voice was well represented and could best inform CIT's offerings. CITSA also played a strong advisory and consultation role in representing students at appropriate forums including CIT committees, working groups and formal academic governance committees.

## Canberra Innovation Network

Throughout 2020, CIT continued to partner with the Canberra Innovation Network (CBRIN) on a range of programs and initiatives. This partnership has been instrumental in providing staff and students with new skills and opportunities to design and deliver innovation across CIT programs and services.

In March 2020, CIT held a Trade Hack event aimed to identify alternatives to address the problem of waste in trades. The four-day Trade Hack connected CIT students, apprentices and graduates with employers from the construction, electrical, culinary and hospitality sectors to collectively look into solving the problem of waste generated from each industry. The event also pivoted to a completely online format to allow for maximum participation during COVID-19.



Trade Hack 2020

## CIT community support initiatives

With its community and industry partners, CIT offers a range of scholarships and prizes to assist CIT students with tuition fees and study costs and reward them for outstanding performance in their studies. The following table captures information for assistance given during 2020.

### Grants and sponsorship 2020

| Recipient | Sponsor  | Support purpose  | Amount                    |
|-----------|--|--|---------------------------|
| 1,089     | CIT Fee Assistance                                     | To assist CIT students experiencing financial hardship with support towards fees and/or course materials.  | \$264,110.97              |
| 37        | CIT Fee Assistance – Bushfire support                  | To support CIT students affected by the 2020 fires.  | \$20,112.50               |
| 77        | CIT Fee Assistance – COVID-19                          | To assist CIT students with the purchase of a desktop computer or Laptop due to COVID-19.  | \$11,550                  |
| 127       | CIT Aboriginal and Torres Strait Islander Scholarships | To support Aboriginal and Torres Strait Islander students with their training costs.   | \$86,883                  |
| 2         | Rotary Club of Canberra City Equity Scholarships       | This is available to students living in the local community and in their second continuous semester of study or beyond.  | \$5,000<br>(\$2,500 each) |
| 4         | Soroptimist International Canberra                     | Nominations from CIT staff accepted for female students continuing their studies in a Certificate II and above program (other than English); who have a commitment to their studies and have leadership potential. | \$4,000<br>(\$1000 each)  |



Executive Director Industry Engagement and Strategic Relations, Paul Ryan with CIT staff at the Soroptimist International Women's Day Breakfast 2020

# ABORIGINAL AND TORRES STRAIT ISLANDER REPORTING

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CIT is committed to promoting a culture that strengthens respect, relationships and opportunities for Aboriginal and Torres Strait Islander peoples through positive and inclusive learning and workforce innovation practices. The CIT *Reconciliation Action Plan 2016-2019* is a framework that supports the CIT *Strategic Compass 2020 – Evolving Together* and business plans. This framework drives CIT's contribution to reconciliation with the Ngannawal community and all Aboriginal and Torres Strait Islander peoples' communities to develop relationships with respect and create meaningful opportunities. With the number of Aboriginal and Torres Strait Islander peoples accessing CIT continuing to grow, CIT aims to close the gap in educational outcomes through policy and practices that improve vocational training outcomes for Aboriginal and Torres Strait Islander people. CIT has a number of key strategies that focus on the needs of Australia's First Nations.

## Aboriginal and Torres Strait Islander Advisory Committee

CIT has a dedicated Aboriginal and Torres Strait Islander Advisory Committee made up of Aboriginal and Torres Strait Islander leaders from the ACT community. The committee provides advice and guidance on training needs from industry and the community, and plays an important role in the governance of CIT and in planning the delivery and support of Indigenous education. Members of the CIT Aboriginal and Torres Strait Islander Advisory Committee were engaged via CIT WebEx throughout 2020, providing ongoing support and advice.

## CIT Yurauna

CIT Yurauna is a community focused multi-functional cultural education centre that brings individuals together to learn in a culturally safe environment. CIT Yurauna is a gathering place that provides opportunity for people to find real solutions. CIT Yurauna is a centre of educational excellence that provides teaching and support to Aboriginal and Torres Strait Islander peoples across a broad range of programs. Yurauna implements a community engagement model specifically designed to build cultural connections,

individual capacity and community networks for education and employment outcomes for Aboriginal and Torres Strait Islander peoples.

The concerns and challenges faced by Aboriginal and Torres Strait Islander peoples are complex, varied, long-term and generational. These challenges require an individual approach that empowers through respectful relationships and meaningful opportunities. CIT Yurauna enhances skills growth for employment opportunities through pastoral assistance and provision of culturally appropriate courses to improve literacy, numeracy, communication and vocational training outcomes.

Yurauna works across the ACT Aboriginal and Torres Strait Islander community to respectfully engage and collaborate for the benefit of the community. Partnership opportunities include meeting with employment service providers and partnering directly with employers for work placement or real jobs to achieve positive outcomes for students.

## Reconciliation Action Plan (RAP)

CIT has a deep commitment to reconciliation. Our journey began in 1998 with CIT staff and students participating in the National Sorry Book Initiative. This was followed with the establishment of the CIT Reconciliation Subcommittee in 2000 to develop a Reconciliation Statement for CIT and plan reconciliation activities. CIT was the first ACT Government agency to launch a Reconciliation Statement in 2002.

In 2009, CIT issued a Reconciliation Statement Reaffirmation during CIT NAIDOC Week. CIT also adopted the Aboriginal and Torres Strait Islander Library and Information Resources Network Protocols. CIT's inaugural 2012-14 RAP was officially launched in August 2012. A RAP Implementation Committee was then established to drive and monitor progress of the plan.

CIT successfully met all the requirements listed in the 2012-14 RAP and we were proud to launch our first Stretch RAP in October 2016.

As an organisation with over 20,000 students, approximately 1,000 staff and extensive and deep connections across all industries and community in



the ACT, we recognise the scope for using our sphere of influence to drive reconciliation both internally and across the ACT and surrounding regions.

In late February 2020, the CIT RAP Working Group participated in a workshop facilitated by Reconciliation Australia at the Australian Institute of Aboriginal and Torres Strait Islander Studies (AIATSIS) to form the draft CIT Stretch RAP for 2021-2024. In late November 2020, CIT received feedback from Reconciliation Australia that the estimated time period for CIT to respond to Reconciliation Australia is three months (March 2021). This includes developing and implementing a CIT Cultural Learning Strategy, a new requirement to be considered for a Stretch level RAP. Given the feedback received, the requirement to develop and implement a Cultural Learning Strategy and allow appropriate time for Reconciliation Australia to review CIT's revised draft RAP, implementation of the CIT Stretch RAP 2021-2024 is anticipated for August 2021.

As an organisation we aspire to collaborate, be influential, be recognised, inclusive and trusted. Our aspiration and intent shapes CIT's commitment to develop longer term strategies that drive reconciliation through meaningful actions that test our assumptions, challenge our perceptions and enable us to share our stories of reconciliation.

To strengthen and maintain relationships between Aboriginal and Torres Strait Islander staff and other CIT staff and students and in light of COVID-19 restrictions, CIT celebrated National Reconciliation Week through an e-morning tea. This was hosted for CIT staff on 27 May 2020 to join in and hear from keynote speakers about reconciliation. The keynote speakers for the e-morning tea were: Peter Radoll, Pro Vice-Chancellor,

Indigenous and Director, Ngunnawal Centre, University of Canberra; Johanna Parker, Deputy Project Lead, National Resting Place Project Team, AIATSIS; and, Chaydin Reid, Teacher, CIT Yurauna. The speakers were from Indigenous and non-Indigenous backgrounds. The e-morning tea saw over 100 CIT staff join in.

## Yurauna Early Childhood Centre (YECC)

CIT Yurauna cares for Aboriginal and Torres Strait Islander children in a culturally-centred environment while their parents or guardians study through ConnXtions, a partnership with the Yurauna Early Childhood Centre operated by the not-for-profit Northside Children's Services provides free high-quality, culturally-safe and community-focused early childhood education for up to 16 Aboriginal and Torres Strait Islander children in the ACT. The partnership operates by enabling children up to five years old to attend YECC, while their parents or guardians study at CIT Yurauna.

The 2019 Banksia Sustainability Awards recognised ConnXtions as a Banksia finalist in the Indigenous Award category. In late 2020, the ABC highlighted the valuable contribution the Yurauna Early Childhood Centre makes to the community by providing learning opportunities for parents or guardians studying at CIT with accessible onsite high-quality, culturally-safe early childhood education for children from birth to five years old. It is open for children of Aboriginal and Torres Strait Islander students enrolled at CIT Yurauna. The service is fully licensed and regulated under the National Quality Framework and is rated Exceeding National Quality Standard.



CIT Yurauna Early Childhood Centre

## CIT Campus Renewal

CIT Yurauna, currently at CIT Reid Campus, will need to move as CIT plans to vacate CIT Reid by the end of 2024. To properly consult and plan for a new CIT Yurauna, CIT and Major Projects Canberra have established an Aboriginal and Torres Strait Islander Design Working group with representatives of the ACT Aboriginal and Torres Strait Islander Elected Body, the United Ngunnawal Elders Council and the CIT Yurauna Advisory Group as part of the co-design of CIT Yurauna at CIT Bruce.

The new multi-story, urban design of CIT Woden is not ideal for CIT Yurauna and, through consultation, CIT Bruce was selected as the preferred location for CIT Yurauna. Major Projects Canberra have added a dedicated Aboriginal and Torres Strait Islander consultant to their functional design team, with the view to having input into the design process of both CIT Yurauna and ensuring the overall cultural sensitivity of CIT Woden.

Further consultation relating to the design work of CIT Yurauna at CIT Bruce will commence in February 2021. The established Aboriginal and Torres Strait Islander Design Working Group will provide cultural design principles as an input to the site selection process and overall design input for CIT Yurauna at CIT Bruce. CIT Yurauna continues to provide input into the CIT Woden Campus development.

## NAIDOC Week celebrations

NAIDOC Week celebrations take place around Australia every year in July. In 2020, NAIDOC was postponed to 8-15 November. The theme *Always Was Always Will Be* 'recognises that First Nations people have occupied and cared for this continent for over 65,000 years' (National NAIDOC). Due to the COVID-19 pandemic, face-to-face CIT NAIDOC week celebrations were not scheduled. Instead, CIT used its communication channels to promote options to celebrate and recognise NAIDOC Week, including online events hosted by National NAIDOC.

## Living languages

In 2020 the Ngunnawal language continued to be supported by CIT Yurauna Director Caroline Hughes as a Ngunnawal Elder. This included hosting meetings, developing language videos for the Chief Minister, Treasury and Economic Development Directorate (CMTEDD), developing partnerships with other ACT Government Directorates for Winanggaay Ngunnawal Language Group which was hosted via Webex and focused on linguistics and revitalising the Ngunnawal language. This program, together with CIT support,

has been instrumental in the revitalisation of the Ngunnawal language for the ACT community.

Caroline continued to support the growth of Ngunnawal language through recordings at ABC Radio, the National Art Gallery and CMTEDD.

## Cultural Awareness Training

Aboriginal and Torres Strait Islander cultural awareness is traditionally delivered face-to-face, due to physical and social distancing restrictions of COVID-19, this training was delivered four times.

In 2020, Yurauna Art students collaborated with CIT Community Development students on a project to help combat the negative impact of the COVID-19 pandemic on the community. The students designed and painted artwork on two bus stops at CIT Bruce as a visual celebration of Aboriginal and Torres Strait Islander culture.

CIT and CMTEDD are continuing in discussions to use CIT as a preferred supplier of training solutions for the ACT Public Service (ACTPS). In recent discussions both parties have agreed that CIT will put forward a range of practical options that could be considered by government that are consistent with the ACTPS workforce development priorities. One of these options will include an ACTPS Indigenous Apprenticeships Program.

## CIT Aboriginal and Torres Strait Islander Scholarships

Since 2003, to overcome financial barriers to vocational education and training, CIT has provided scholarships for Aboriginal and Torres Strait Islander students to improve access and outcomes. The scholarships cover fees for full-time, part-time and flexible delivery study, as well as Recognition of Prior Learning. In 2020, CIT provided 127 Indigenous scholarships for Aboriginal and Torres Strait Islander students at a total value of \$86,883. Since 2015 CIT has awarded scholarships to 752 Aboriginal and Torres Strait Islander students, a value of approximately \$440,000.

## Student support

During the COVID-19 pandemic CIT Yurauna provided one-on-one support to students through regular communication including weekly phone calls, online virtual meetings and teaching. Regular communication focused on the social and emotional wellbeing of Aboriginal and Torres Strait Islander community students.





CIT Yurauna, in partnership with the CIT Student Association, provided the opportunity for CIT students to receive a reconditioned laptop under the Office for Aboriginal and Torres Strait Islander Affairs scholarship grants to support students studying remotely during the pandemic.

During COVID-19, CIT Student Support provided services through phone, video links and Telehealth. These remote service methodologies remain even while CIT has returned to campus delivery.

## Student achievements

For two years running CIT students have been awarded the Aboriginal and Torres Strait Islander Student of the Year Award at Australian Training Awards, with Taylor Williams winning in 2019 and Lisa Cherie Birnie in 2020.

Kate Buerckner received a CIT Aboriginal and Torres Strait Islander Scholarship and enrolled in CIT's Diploma of Visual Arts. Her artwork created at CIT was accepted as an official entry into the 2020 Visual Arts Open, the UK and International Emerging Artists Awards. Kate's oil painting 'The Lake' was selected among over 2,000 submissions competing for one of the 35 finalist spaces available. Kate was selected as a highly commended artist.

CIT Solutions delivers the Services Australia Indigenous Apprenticeship Program (IAP). IAP offers Aboriginal and Torres Strait Islander peoples from regional and remote locations around the country the opportunity to start a career in the Australian Public Service, learn valuable skills, gain exposure and business experience all while studying a nationally recognised qualification. Close to 100% of the IAP participants who have completed their studies have progressed within the APS to the next level.

There was a 5% decline in Aboriginal and Torres Strait Islander student head count in 2020 from 2019 with COVID-19 being a contributing factor.

Total course completions for 2020 currently sits 28% lower than 2019 completions, however 2020 student completions should increase as results are finalised in February 2021 and as students continue to complete qualifications where the duration is more than 12 months.

Total head count of Aboriginal and Torres Strait Islander students in 2020 was 964. Total completions were 469, or approximately 51%.

## CIT Yurauna graduation

The 2020 end-of-year Celebration for Yurauna students was impacted by COVID-19 restrictions, however the celebrations reflected a dedicated group of students who had faced many barriers but still achieved their desired outcomes. Students had already committed to ongoing training, while others gained employment in their chosen fields of study. Anthony Wren, father of three, of which two were actively supported in the Yurauna Early Learning Centre completed the Certificate III in Community Services. Due to his dedication to his children and completing his chosen course, as well as demonstrating leadership, compassion and strong cultural values Anthony received the CIT Yurauna Directors award. Anthony is continuing his studies in 2021 in the Certificate IV Alcohol & Other Drugs (CHC43215).

## Procurement

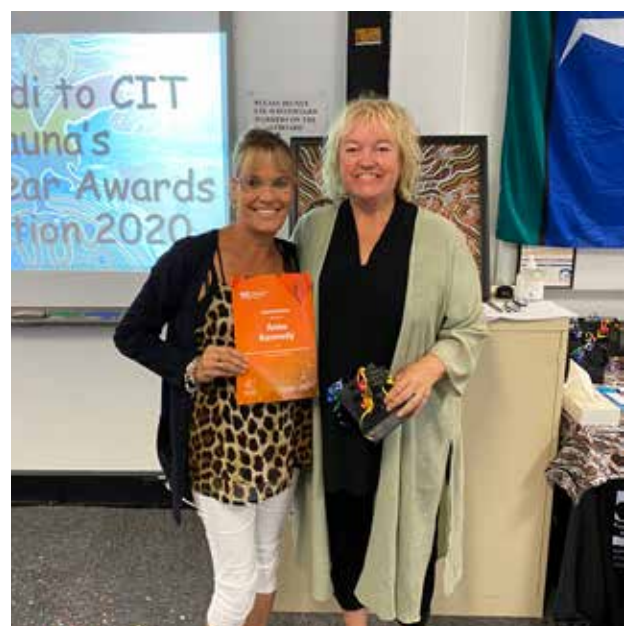
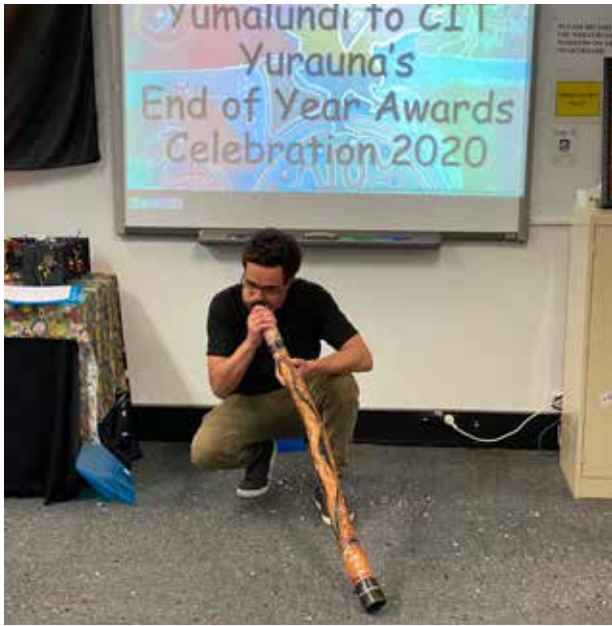
CIT exceeded the Addressable Spend for Aboriginal and Torres Strait Islander contracts in the preceding financial year. In addition, the Aboriginal and Torres Strait Islander Procurement Policy Performance Measures also exceeded targets. The data and analysis is detailed in Section C5 Government Contracting.

## Aboriginal and Torres Strait Islander staff profile

At the end of December 2020, CIT had 18 people employed who identify as being from an Aboriginal or Torres Strait Islander background, compared to 20 in December 2020. This number equates to approximately 2.3% of CIT's total paid employee cohort.

Of these 18 employees, nine employees work in CIT Yurauna, nine work in other areas of CIT and 10 are female (or 56%).

There are 10 identified and occupied positions at CIT which are specifically for Aboriginal or Torres Strait peoples, representing 1.1% of all occupied positions.



CIT Yurauna end of year celebration



# WORK HEALTH AND SAFETY

CIT is committed to the safety, security and wellbeing of our students and staff.

CIT's training role means it must ensure students are prepared for industry and therefore the curriculum has a substantial focus on work health and safety (WHS). Given the diversity of the learning at CIT, we must be mindful of a wide range of hazards and risks. This requires a strong safety culture to protect staff, students and visitors.

The CIT Board, Executive and staff are committed to addressing WHS matters and continuously improving WHS practices. CIT has a comprehensive and robust WHS management system that ensures compliance with the *Work Health and Safety Act 2011*.

## Health, Safety and Wellbeing Initiatives

Several health, safety and wellbeing initiatives occurred at CIT during 2020, including:

- fast response and implementation of COVID -19 safe work practices including establishment of a CIT COVID Committee and Transition Planning Team and the provision of WHS home based assessments to assist staff to work safely
- WHS spot check program was conducted for workplaces which have a high inherent risk, e.g. construction
- free influenza vaccinations were offered to all staff
- online manual handling training provided in areas with high levels of manual handling activity
- implementation of improvements to chemical management practices and processes, including online information sessions regarding purchasing, use, storage and disposal
- early intervention support including welfare checks and workplace reasonable adjustments
- an internal WHS safety management audit undertaken by external provider
- collaboration with Chief Minister, Treasury and Economic Development Directorate and Employers Mutual Limited to better support injured staff.

## Wellbeing of Staff

In September 2020 CIT launched the inaugural Wellness Week. The week focused on practising gratitude, introducing wellbeing initiatives such as mindfulness into day-to-day work practices and launching a virtual Wellness Hub. The week aimed to provide all CIT staff access to resources on wellbeing and provide guidance on activities that could increase resilience and motivation.

Each day had a different focus and gave staff three small action items, such as completing a one-minute mindfulness exercise, writing a thankyou card or watching an inspirational video. The Wellness Hub is now live on CIT's intranet and will be continually updated with relevant content and tools for staff to access.

Other wellness activities that took place during 2020 included:

- telephone calls and emails to each staff member during the 'remote working' period to check on their wellbeing, address any concerns they had and connect them to additional resources if needed
- R U Ok? Day was celebrated and each campus had a COVID-19 Safe event open to staff and students such as a BBQ or Pancake station, with healthy treats dropped off to our smaller campuses – Gungahlin and Tuggeranong
- CIT advertised and participated in the WorkSafe ACT Healthier Work COVID-19 seminars
- development of care packs for staff to assist with the physical discomfort of associated high smoke hazard during the bushfire period.

## National Work Safe Month

This year CIT celebrated National Safe Work Month in October making a commitment to the continuous review and improvement of safety and health within the workplace. The month was broken into four themed weeks covering:

- > Mental Health - including Mental Health day on 10 October
- > Chemical Safety at Work - including understanding Safety Data Sheets
- > Working Safely Remotely - including workstation ergonomics and the importance of physical and nutritional health
- > COVID-19 Safe Practices on Campus with reminders around physical distancing and hygiene.

A range of live sessions were facilitated by CIT staff such as 'Developing a Self-Care Plan', 'Practical guide to workstation ergonomics', 'Working Smarter not Harder' and 'Surge to Recovery on Campus'. To complement this, the WHS information on CIT's intranet was updated to be more interactive and user-friendly.

## Worker Consultation

WHS committee meetings are convened for each campus.

Campus based committees are held quarterly and are chaired by a senior manager with campus-based Health and Safety Representatives (HSRs) in attendance. These meetings provide the opportunity for consultation on WHS matters directly affecting staff on each campus.

During the COVID-19 pandemic, a Campus Implementation Committee was established with representation from the unions and HSRs to focus on accelerated response to COVID-19 related issues. The Executive Director of Corporate Services chaired this meeting.

Notes from the WHS campus-based committees are available to all staff on the CIT intranet.

CIT has a strong WHS culture, represented by:

- > 35 First Aid Officers
- > 18 Health and Safety Representatives
- > seven Red Contact Officers
- > 39 Fire Wardens.

## Incident and Hazard Notifications

In 2020, no improvement, prohibition or non-disturbance notices (under Part 10) or any enforceable undertakings (Part 11) of the WHS Act were issued to CIT. There were no findings of a failure to comply with a safety duty under Part 2, Division 2.2, 2.3 or 2.4 of the Act. Over the same period, there was a total of 122 Accident & Incident Reports, relating to 58 student incidents, 58 staff incidents and six third party incidents.

Section 38 of the WHS Act outlines conditions under which a serious workplace incident must be reported to WorkSafe ACT. Consistent with this provision, four incidents occurred during 2020 that were notified to WorkSafe ACT. In all cases, WorkSafe ACT determined that no further action was required by CIT.

## Case Management

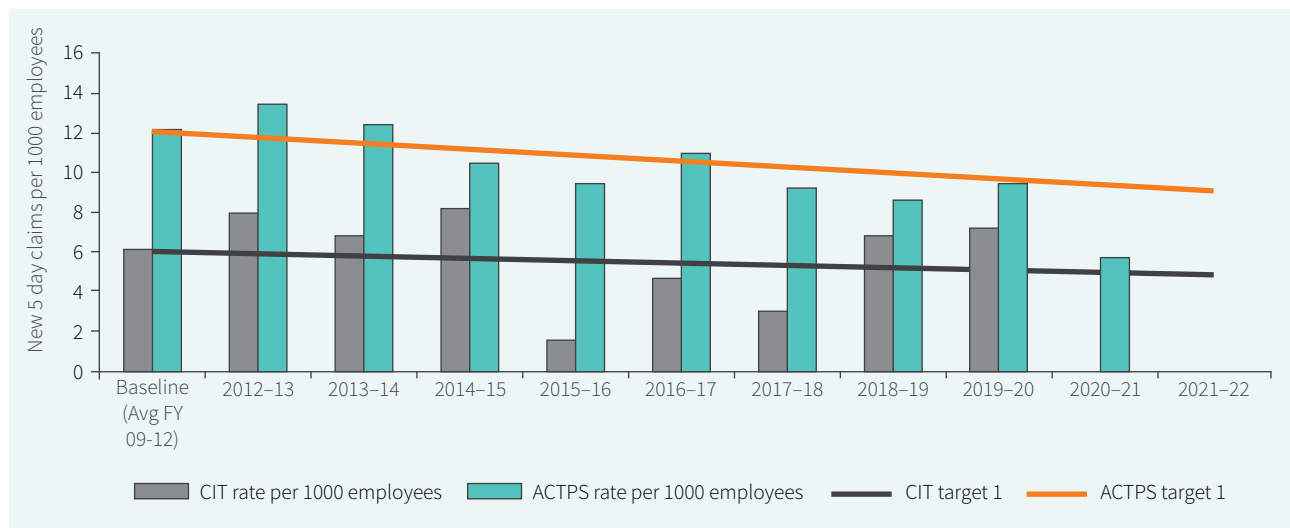
CIT's compensation claims are managed by the Chief Minister, Treasury and Economic Development Directorate.

## Australian Work Health and Safety Strategy

The following tables represent CIT's performance against Australian WHS Strategy 2012–22 targets.

### Target 1 – Reduce the incidence rate of claims resulting in one or more weeks off work by at least 30%

| Financial year | CIT # new 5-day claims | Rate per 1,000 employees | CIT Target | ACTPS # new 5-day claims | ACTPS rate per 1,000 employees | ACTPS Target |
|----------------|------------------------|--------------------------|------------|--------------------------|--------------------------------|--------------|
| Avg 9/10-11/12 | 5                      | 6.23                     | 6.23       | 274                      | 12.45                          | 12.45        |
| 2012-13        | 6                      | 8.02                     | 6.05       | 274                      | 13.42                          | 12.08        |
| 2013-14        | 5                      | 6.66                     | 5.86       | 257                      | 12.20                          | 11.70        |
| 2014-15        | 6                      | 8.19                     | 5.67       | 228                      | 10.49                          | 11.33        |
| 2015-16        | 1                      | 1.42                     | 5.49       | 205                      | 9.36                           | 10.96        |
| 2016-17        | 3                      | 4.38                     | 5.30       | 243                      | 10.83                          | 10.58        |
| 2017-18        | 2                      | 2.94                     | 5.11       | 202                      | 4.07                           | 10.21        |
| 2018-19        | 5                      | 7.08                     | 4.93       | 201                      | 8.50                           | 9.84         |
| 2019-20        | 5                      | 7.60                     | 4.74       | 231                      | 9.32                           | 9.46         |
| 2020-21        | 0                      | 0.00                     | 4.55       | 139                      | 5.52                           | 9.09         |
| 2021-22        |                        |                          | 4.36       |                          |                                | 8.72         |

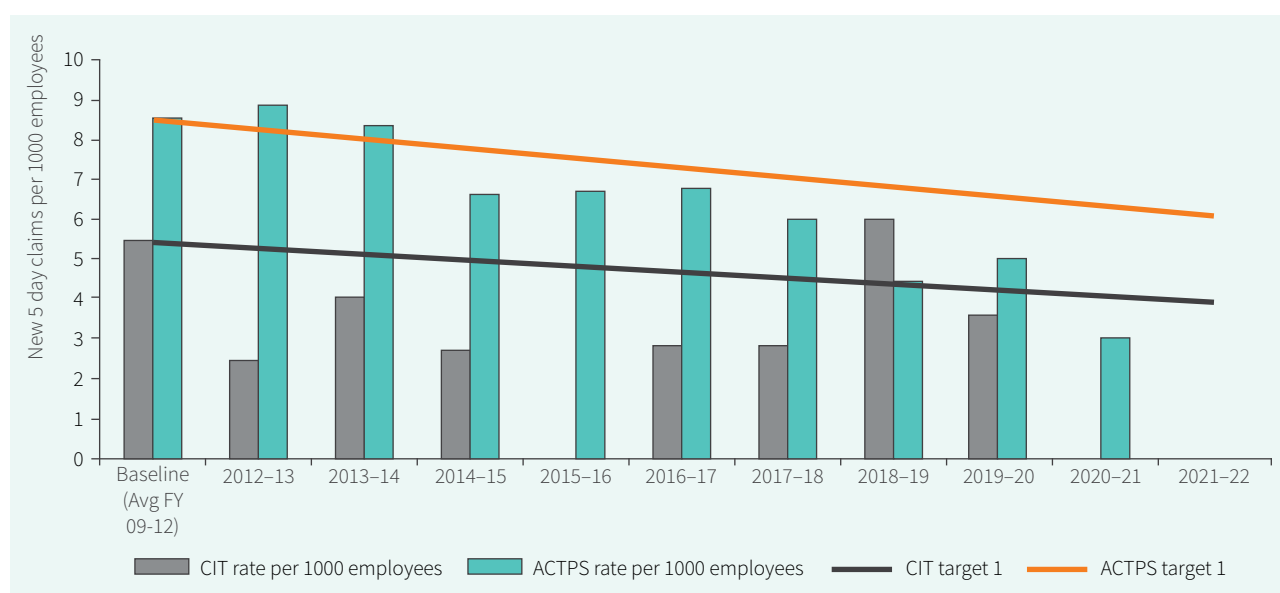


#### Notes:

1. Dates are based on those claims received by Comcare in each financial year.
2. Data is taken at 30 June in each of the years to allow for direct comparisons to be made between years.
3. The report includes accepted claims that result in one or more weeks off work.
4. Data includes claims up to 30 June 2020.

**Target 2 – Reduce the incidence rate of claims for musculoskeletal disorders resulting in one or more weeks off work by at least 30%**

| Financial year | CIT # new 5-day MSD claims | Rate per 1,000 employees | CIT Target | ACTPS new 5-day MSD claims | ACTPS MSD rate per 1,000 employees | ACTPS Target |
|----------------|----------------------------|--------------------------|------------|----------------------------|------------------------------------|--------------|
| Avg 9/10-11/12 | 4.33                       | 5.40                     | 5.40       | 167                        | 8.55                               | 8.55         |
| 2012-13        | 2                          | 2.67                     | 5.24       | 183                        | 8.96                               | 8.29         |
| 2013-14        | 3                          | 4.00                     | 5.08       | 175                        | 8.31                               | 8.03         |
| 2014-15        | 2                          | 2.73                     | 4.92       | 144                        | 6.63                               | 7.78         |
| 2015-16        | 0                          | 0.00                     | 4.75       | 146                        | 6.67                               | 7.52         |
| 2016-17        | 2                          | 2.92                     | 4.59       | 150                        | 6.69                               | 7.26         |
| 2017-18        | 2                          | 2.94                     | 4.43       | 128                        | 5.66                               | 7.01         |
| 2018-19        | 4                          | 5.66                     | 4.27       | 102                        | 4.31                               | 6.75         |
| 2019-20        | 2                          | 3.04                     | 4.11       | 126                        | 5.09                               | 6.49         |
| 2020-21        | 0                          | 0.00                     | 3.94       | 78                         | 3.10                               | 6.24         |
| 2021-22        |                            |                          | 3.78       |                            |                                    | 5.98         |



**Notes:**

1. Dates are based on those claims received by Comcare in each financial year.
2. Data is taken at 30 June in each of the years to allow for direct comparisons to be made between years.
3. The report includes accepted claims that result in one or more weeks off work.
4. Data includes claims up to 30 June 2020.



# HUMAN RESOURCES MANAGEMENT

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In addition to the application of traditional organisational transformation approaches, including undertaking leadership development, skills training and digitalisation initiatives CIT's *Evolving Together* transformational work is a contemporary approach to support the delivery of CIT's strategic directions. Transformation actions undertaken in the current Strategic Compass and the development of future iterations of our Strategic Compass are underpinned by our contemporary approach based on:

- > acquiring knowledge to understand the theory and processes of a contemporary approach to system level transformation
- > increasing visibility of the CIT system through experimentation and learning
- > designing scaffolding that supports organisational transformation.

*Evolving Together* has increased the adaptive capacity of the CIT workforce to have greater situational awareness of their environment resulting in a better understanding of the multiple contexts in which individuals and the collective CIT system operates. It recognises the connectivity both within CIT as well as externally with the ACT community and our partners and fosters explorative and analytical decision-making to support good customer focussed outcomes in a rapidly evolving environment.

Put simply, CIT is committed to being a system that learns; understanding its environment, exploring possibilities, applying appropriate context-specific responses and focussing on customer needs. In contrast to a traditional top-down approach to organisational change, CIT's approach works across and from within all levels and spaces of the organisation and the connections in between. Our approach recognises that CIT is not an isolated entity but rather is deeply enmeshed within broader networks. This means we consider and value information from a range of sources, such as customers, competitors, partners, the public, industry, government and the VET sector.

The *Evolving Together* learning undertaken by CIT staff has fostered an environment that has enabled us to have a shared understanding of our collective work, test assumptions and reduce duplicity in our system while adapting rapidly in a changing environment.

During 2020 the CIT leadership undertook exploration of and training in the application of

tools, frameworks and skills designed to give greater situational awareness of our environment and a shared understanding of the Strategic Compass transformational intent.

To enable connectedness, transparency and increased effective communication, CIT management met weekly through a digital platform, which was subsequently extended to regular digital all-staff meetings. Formal meetings, like the COVID Committee, were also extended to all staff to attend.

## Learning and Development

Learning and development strategies at CIT align activities with key CIT functions, including staff induction, providing organic opportunity for growth and promoting connectivity across the organisation. Initiatives included:

- > facilitating conversations with new CIT trainers and assessors across various teaching departments to explore and understand new staff experiences to help inform improved induction processes and practice
- > developing and implementing a mentoring program for experienced trainers and assessors enrolled in *Maintain and Enhance Professional Practice* (TAEPDD501) including mentoring and coaching skills development being embedded into the broader subject content delivery to support future mentoring programs for new trainers and assessors
- > facilitating the delivery of 105 customised Microsoft Office 365 training workshops to CIT staff of all levels in response to the roll out of the new operating system across CIT
- > launching a new program, Winanggaay – a word from the Ngunnawal language that means *Look, Listen and Learn*, consisting of a series of guest speaker conversations on a variety of professional learning topics to inform, inspire and connect staff.

## Upskilling our workforce

CIT invests heavily in workforce capability at all levels across CIT. Upskilling CIT trainers and assessors with pedagogical skills and knowledge in the digital learning space supports several CIT's Strategic Compass promises and aims to improve the learning experience for our students.

With the unforeseen movement of staff from our campuses to working from home, due to the COVID-19 pandemic, this investment was amplified to ensure that staff not only felt supported working remotely but had the necessary skills to work safely and effectively to achieve positive outcomes. CIT identified skills, resourcing and support needs, and worked across many CIT services to support the design and delivery of quality teaching and learning while working remotely, including:

- > delivery of Adobe Connect virtual classroom training
- > development of a resource 'Moving to Online Learning' to provide guidance to support the rapid transition to flexible delivery
- > 70 SNAP trainings sessions attended by over 400 teaching and non-teaching staff (a simple and easy to navigate/edit template for the eLearn platform)
- > eLearn training over 14 weeks delivered to 26 College/Division administrative staff
- > 56 online sessions on basic and advanced eLearn functions training
- > 33 Adobe Connect training sessions attended by over 600 staff.

The following formal qualifications were delivered to CIT trainers and assessors, complemented by both accredited training and non-accredited professional development opportunities:

- > Enterprise Trainer Presenting Skill Set (TAESS000014)
- > Certificate IV Training and Assessment (TAE40116)
- > Diploma of Vocational Education and Training (TAE50116).

#### **Enterprise Training – Presenting Skill Set (TAESS00014)**

- > provides initial training for people with no formal teaching qualifications
- > delivered to a total of 52 participants with continuous enrolment
- > graduated 37 new trainers eligible to commence teaching with CIT.

#### **Certificate IV in Training and Assessment (TAE40116)**

- > this is the minimum and core qualification required for teaching in the VET sector
- > supports CIT trainers and assessors in the induction of workplace practices
- > delivered work-based training to 46 CIT trainers and assessors.

#### **Diploma of Vocational Education and Training (TAE50116)**

- > provides an opportunity for experienced trainers and assessors to enhance their professional practice
- > provides CIT trainers and assessors with skills and knowledge to support the design and development of curricula; program design and facilitation; and mentoring of colleagues
- > delivered meaningful and work-based training to 32 CIT trainers and assessors.

During 2020, 474 staff completed the Work Health and Safety training. 462 completed CIT Working Together and several inhouse soft skill courses were facilitated with smaller groups. A comprehensive Learning and Development Calendar has been developed to continue the investment in staff capability. To supplement our localised learning and development strategy, CIT staff attended ACT Public Service sessions, both virtually and face-to-face, related to: Health and Safety; Aboriginal and Torres Strait Islander Awareness; Mental Health First Aid; Difficult Conversations; and Recruitment.

#### **Staff Achievement Awards 2020**

The annual CIT Staff Achievement Awards recognise the outstanding achievements of CIT staff and those individuals or teams who exemplify CIT's cultural traits. Due to COVID-19 restrictions the event this year was a pre-recorded video, with staff encouraged to log-on and view the awards simultaneously or to watch it with their peers in smaller COVID-19 safe groups.

In line with the CIT cultural traits, awards were given out for the following categories: Accountable; Adaptable; Collaborative; Professionalism; Customer Centric; Inspirational; and Trusted. CIT Reconciliation, CIT Board and 25 Years' Service awards were also presented.

In 2020 the CIT Board award went to CIT's COVID Transition Team. Following the temporary closure of the CIT campuses earlier this year due to the pandemic, this group of extraordinary staff volunteered their services to work with all areas of CIT to establish COVID-19 safe transition plans and make CIT campuses safe and ready for staff and students to return.

In 2020 the CIT CEO chose to acknowledge every staff member by way of an Appreciation Award for their efforts and contribution throughout the year.

## Workforce Profile

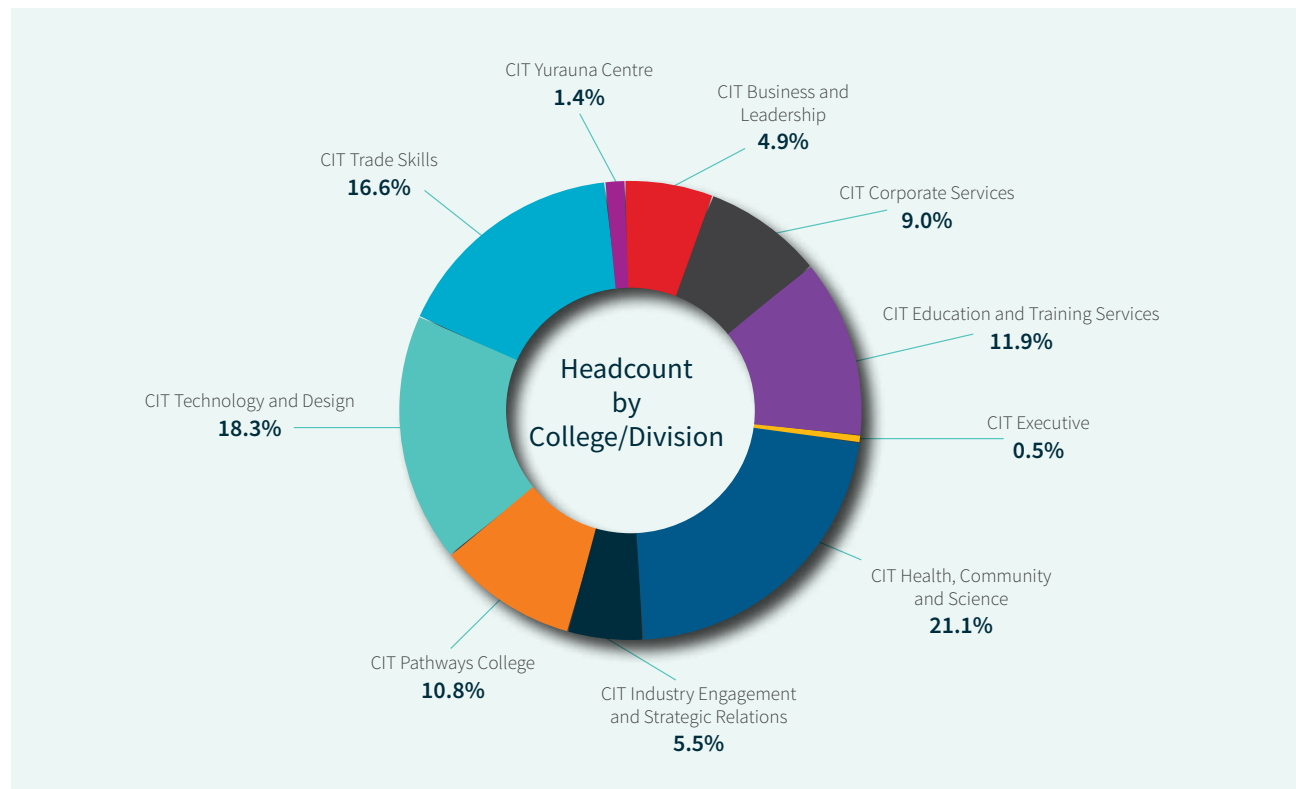
The following data provided by the Shared Services Reporting, Performance and HR Quality Assurance team reflects CIT staff information as at payday 10 December 2020. The data excludes CIT Board members, staff not paid by the ACT Public Service and staff on leave without pay.

The number of CIT paid staff increased from 831 at payday 12 December 2019 to 835 this year.

### FTE and headcount by College/Division

| College/Division                                | FTE          | Headcount  |
|---|--------------|------------|
| CIT Business and Leadership                     | 30.6         | 41         |
| CIT Corporate Services                          | 72.1         | 75         |
| CIT Education and Training Services             | 91.7         | 99         |
| CIT Executive                                   | 3.5          | 4          |
| CIT Health, Community and Science               | 117.5        | 176        |
| CIT Industry Engagement and Strategic Relations | 43.8         | 46         |
| CIT Pathways College                            | 58.8         | 91         |
| CIT Technology and Design                       | 112.9        | 152        |
| CIT Trade Skills                                | 123.7        | 139        |
| CIT Yurauna Centre                              | 11.8         | 12         |
| <b>Total</b>                                    | <b>666.5</b> | <b>835</b> |

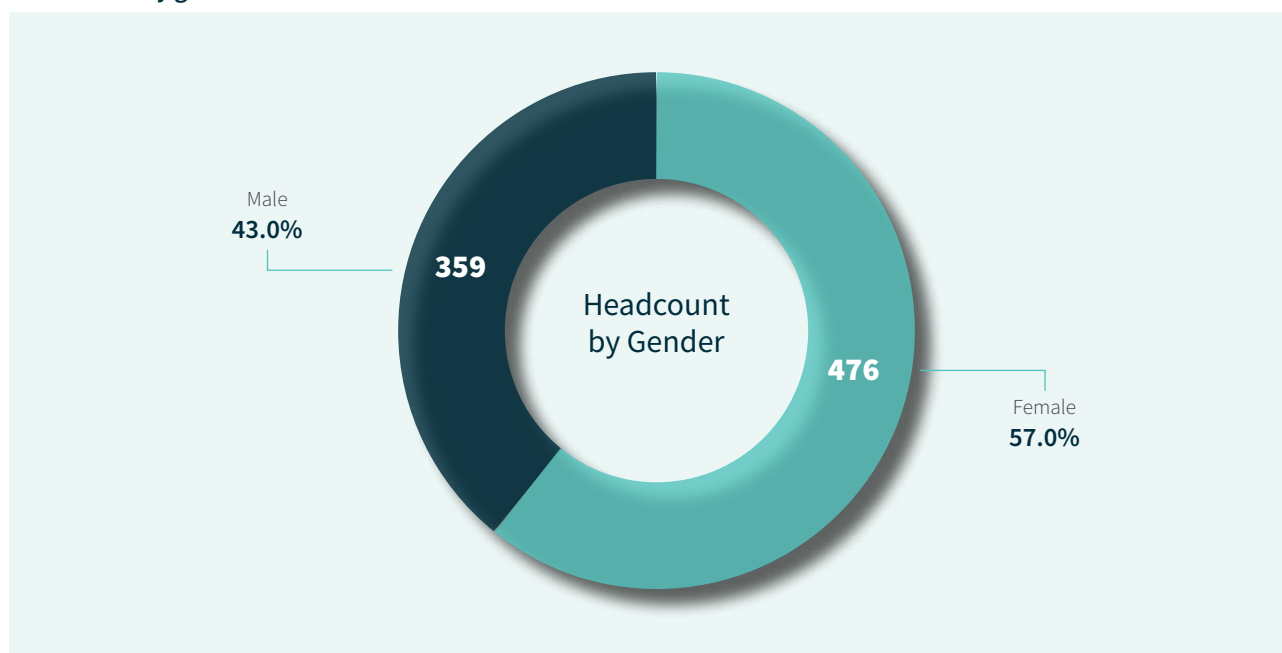
### FTE and headcount by College/Division



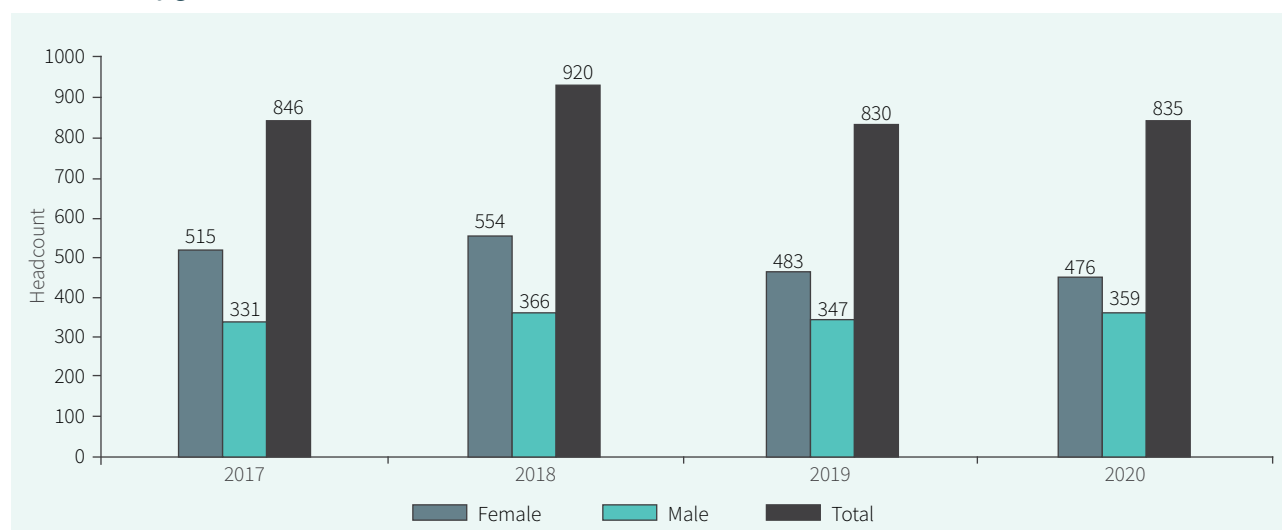
## FTE and headcount by gender

|  | Female | Male  | Total         |
|--|--------|-------|---------------|
| Full Time Equivalent                         | 377.3  | 289.2 | <b>666.5</b>  |
| Headcount                                    | 476    | 359   | <b>835</b>    |
| Percentage of Workforce (Based on Headcount) | 57.0%  | 43.0% | <b>100.0%</b> |

## Headcount by gender



## Headcount by gender 2017-2020



### Headcount by classification and gender

|   | Female     | Male       | Total      |
|---|------------|------------|------------|
| Administrative Officers                 | 150        | 62         | 212        |
| Executive Officers                      | 1          | 3          | 4          |
| General Service Officers and Equivalent | 16         | 14         | 30         |
| Professional Officers                   | 14         | 7          | 21         |
| Senior Officers                         | 31         | 21         | 52         |
| Statutory Office Holders                | 1          | 0          | 1          |
| Technical Officers                      | 6          | 12         | 18         |
| VET Teacher Managers                    | 24         | 10         | 34         |
| VET Teachers                            | 233        | 230        | 463        |
| <b>Total</b>                            | <b>476</b> | <b>359</b> | <b>835</b> |

### Headcount by employment category and gender

|                     | Female     | Male       | Total      |
|---------------------|------------|------------|------------|
| Casual              | 97         | 81         | 178        |
| Permanent Full-time | 223        | 173        | 396        |
| Permanent Part-time | 48         | 16         | 64         |
| Temporary Full-time | 64         | 67         | 131        |
| Temporary Part-time | 44         | 22         | 66         |
| <b>Total</b>        | <b>476</b> | <b>359</b> | <b>835</b> |

### Headcount by diversity group

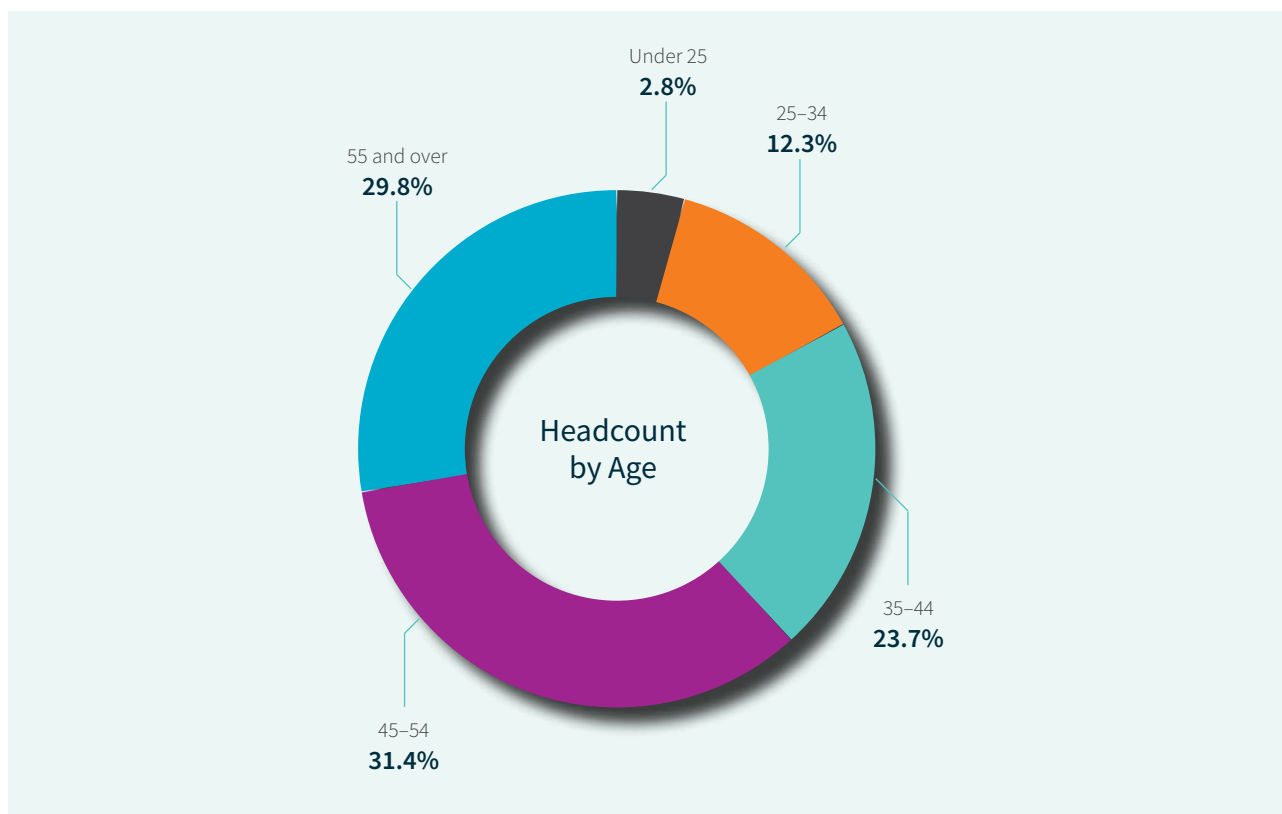
|  | Headcount | Percentage of CIT workforce |
|--|-----------|-----------------------------|
| Aboriginal and/or Torres Strait Islander | 19        | 2.3%                        |
| Culturally and Linguistically Diverse    | 159       | 19.0%                       |
| People with a Disability                 | 30        | 3.6%                        |

**Note:** Staff may identify with more than one of the diversity groups.

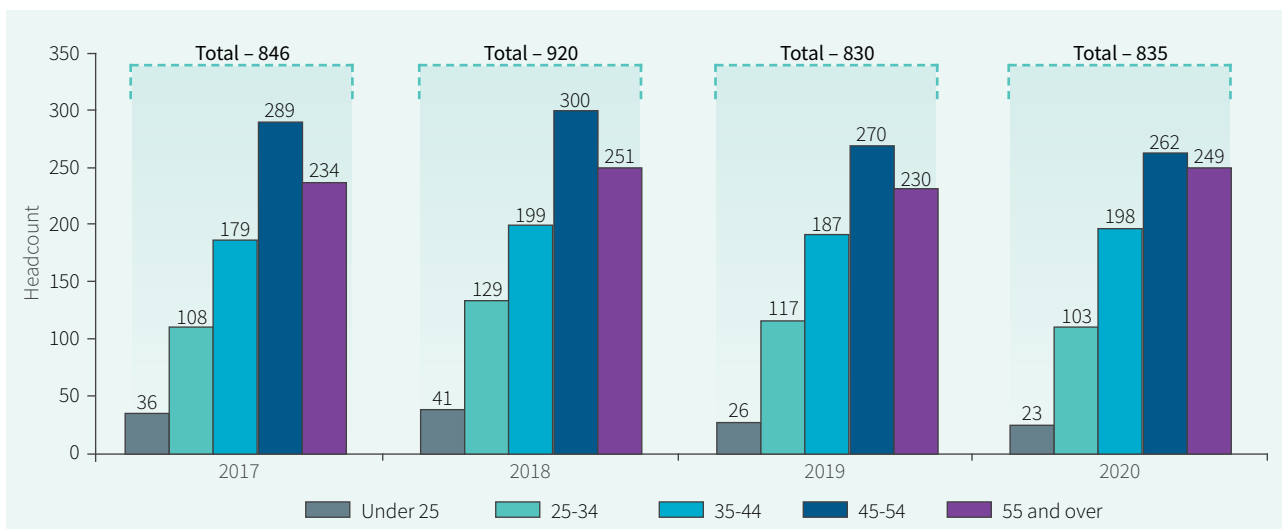
## Headcount by age and gender

|              | Female     | Male       | Total      |
|--------------|------------|------------|------------|
| Under 25     | 17         | 6          | 23         |
| 25-34        | 52         | 51         | 103        |
| 35-44        | 117        | 81         | 198        |
| 45-54        | 161        | 101        | 262        |
| 55 and over  | 129        | 120        | 249        |
| <b>Total</b> | <b>476</b> | <b>359</b> | <b>835</b> |

## Headcount by age



## Headcount by age 2017-2020





#### Average length of service by gender

|               | Female | Male | Total      |
|---------------|--------|------|------------|
| Average Years | 8.9    | 8.8  | <b>8.8</b> |

#### Recruitment and separation rates of permanent staff for the 2020 calendar year

|       | Recruitment Rate | Separation Rate |
|-------|------------------|-----------------|
| Total | 12.4%            | 7.2%            |

## Attraction and Retention Incentives (ARIns)

As at December 2020, the *ACT Public Sector Canberra Institute of Technology (Teaching Staff) Enterprise Agreement 2018–2021*, covered CIT teaching staff. The *ACT Public Sector Canberra Institute of Technology Enterprise Agreement 2019–2021* covered general staff.

The Enterprise Agreements (EAs) provide scope for Attraction and Retention Incentives (ARIns) agreed with staff to provide higher levels of remuneration or other benefits above those identified in the EAs.

#### ARIns in place during 2020

| Description  | No. of Individual ARIns |
|--|-------------------------|
| Number of ARIns at 31 December   | 8                       |
| Number of employees who transferred from SEAs during the period        | 0                       |
| Number of ARIns entered into during period                             | 0                       |
| Number of ARIns terminated during period                               | 1                       |
| Number of ARIns providing for privately plated vehicles at 31 December | 0                       |

#### ARIn remuneration

|                        | Classification Range | Remuneration as at 31 December 2019 |
|------------------------|----------------------|-------------------------------------|
| Individual ARIn groups | SOG A                | \$211,925                           |
|                        | SPO C                | \$120,832                           |
|                        | PO 2                 | \$102,388                           |
|                        | TL 1                 | \$112,814                           |

# ECOLOGICALLY SUSTAINABLE DEVELOPMENT

As in past years, CIT continued to work towards ACT Government targets set down through the *Climate Change and Greenhouse Gas Reduction Act 2010*.

CIT supports ACT Government strategies to address climate change and reduce greenhouse gas emissions. This includes implementing initiatives to improve energy efficiency and water conservation through building upgrades, refurbishments and maintenance programs.

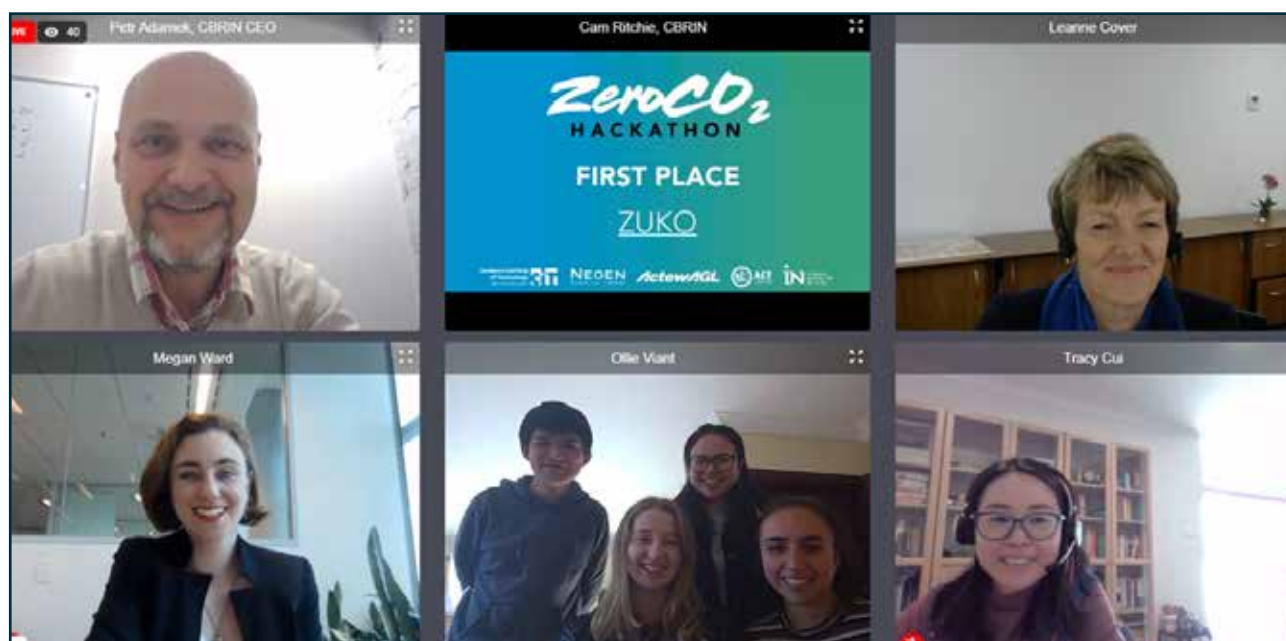
CIT manages, monitors and reports all energy systems across a number of software platforms including: ENVIZI (which is the main ACT Government Energy reporting platform), SMA Solar Technology AG 2019 ©, Schneider Electrical BMS Dashboard, Airtel International © and BEIMS. This range of software applications allows CIT to monitor and, in some instances, operate energy systems remotely to provide additional efficiencies in our operations.

## CIT Green and Partnerships in Sustainability

CIT Green is the CIT network committed to developing, implementing and monitoring sustainable practices, including the engagement of staff and students to work towards a more sustainable campus.

CIT Green held two meetings in 2020. The following sustainability projects were led by CIT Green and CIT Facilities in 2020:

- > developing composting solutions with the culinary school which will include opportunities for environmental programs within Culinary and Hospitality (a 12-month trial program planned for 2020 will now commence in 2021)
- > promoting active transport via participation in ride-to-work events and attendance at government events which promote active transport
- > supporting the WebEx meeting format and working from home imperatives due to COVID-19
- > continuing monitoring of energy usage across CIT
- > representation at the whole of government Zero Emissions Government Implementation Committee meetings
- > providing online information and resources for staff and students on environmental sustainability within CIT to raise staff awareness of the environmental impacts associated with daily work practices and provide environmentally friendly alternatives and opportunities to save energy through business as usual activity.



Zero CO2 Hackathon Winning Team

## Grind to Ground

In 2020 Grind to Ground diverted landfill and supported the skill building of 30 volunteers living with an intellectual disability.

Grind to Ground is a CIT student-led initiative, which turns used coffee grinds and sawdust into garden soil enhancer for sale to the public.

CIT Community Work students identified that sawdust from CIT carpentry was going to landfill each week. They also identified a gap in skills opportunity for people living with an intellectual disability.

By combining the sawdust with potentially wasted coffee grounds from local cafes, the students saw a community development social enterprise opportunity that joins sawdust, coffee waste and people together to meet outcomes such as:

- > reducing landfill
- > increasing CIT Green credentials
- > enhancing community connections
- > giving CIT students an opportunity to learn a wide range of work-ready skills.



## Recycling

CIT incorporates reuse and recycling into daily activities to divert waste products from landfill. In 2020, CIT diverted many waste streams from landfill for recycling by authorised facilities including 8.5 tonnes of scrap metal recycled from collection centres across three major campuses. Other recycling programs include:

- > co-mingle waste, paper and cardboard along with secure destruction waste
- > printer cartridges and print accessories
- > mobile phones and batteries
- > grease traps from the culinary school and CIT Student Association cafes
- > fluorescent tube recycling also continued for all campuses with stillage located at CIT Bruce
- > organic waste
- > CIT Hairdressing and Beauty Therapy continued their partnership with sustainable salons to divert 95% of waste products to recycling including aluminum, plastics and hair from the salons
- > recycling of IT waste through Shared Services.

## Sustainable Performance Reporting summary

The COVID-19 pandemic called for CIT to reduce in person, office and teaching environments throughout 2020. This has resulted in significant reductions in energy and water use across all campuses. Although buildings remained operational at all times, electricity and gas have demonstrated over 10% reduction in consumption. Water consumption reduced by 14.9%.

More significant reductions have been realised in transport fuel usage and paper use. Total kilometres travelled reduced significantly correlating with the reduction in total fleet vehicles and reduced fuel consumption as seen in the following table. In 2020, CIT had 11 Hybrid vehicles, making up 65% of fleet vehicles leased. CIT's total fleet was reduced by 24%, down from 21 to 17 vehicles.

## Sustainable development performance – current and previous calendar year

| Indicator as at 31 December 2020                     | Unit                            | Current 2020 | Previous 2019 | Percentage change |
|--|---------------------------------|--------------|---------------|-------------------|
| <b>Directorate/public sector body staff and area</b> |                                 |              |               |                   |
| Directorate/public sector body staff                 | FTE                             | 666.5        | 659.4         | 1.1               |
| Workplace floor area                                 | Area (m <sup>2</sup> )          | 104,339.57   | 104,339.57    | 0                 |
| <b>Stationary energy usage</b>                       |                                 |              |               |                   |
| Electricity use                                      | Kilowatt hours                  | 6,986,676    | 8,079,252     | -13.5             |
| Natural gas use                                      | Megajoules                      | 20,232,681   | 22,604,091    | -10.5             |
| Diesel   | Kilolitres                      | 0            | 0             | 0                 |
| <b>Transport fuel usage</b>                          |                                 |              |               |                   |
| Electric vehicles                                    | Number                          | 0            | 0             | 0                 |
| Hybrid vehicles                                      | Number                          | 11           | 10            | 10.0              |
| Other vehicles (that are not electric or hybrid)     | Number                          | 6            | 11            | -45.4             |
| Total number of vehicles                             | Number                          | 17           | 21            | -23.8             |
| Total kilometres travelled                           | Kilometres                      | 97,656       | 233,333       | -58.1             |
| Fuel use – Petrol                                    | Kilolitres                      | 3.5          | 10.38         | -66.2             |
| Fuel use – Diesel                                    | Kilolitres                      | 4.32         | 10.62         | -59.3             |
| Fuel use – Liquefied petroleum gas (LPG)             | Kilolitres                      | 0            | 0             | 0                 |
| Fuel use – Compressed natural gas (CNG)              | Cubic Metres (Cm <sup>3</sup> ) | 0            | 0             | 0                 |
| <b>Water usage</b>                                   |                                 |              |               |                   |
| Water use  | Kilolitres                      | 37,492       | 44,054        | -14.9             |
| <b>Resource efficiency and waste</b>                 |                                 |              |               |                   |
| Reams of paper purchased                             | Reams                           | 1,916        | 4,465         | -57               |
| Recycled content of paper purchased                  | Percentage                      | 50           | 50            | 0                 |
| Waste to landfill                                    | Litres                          | 401,500      | 401,500       | 0                 |
| Co-mingled material recycled                         | Litres                          | 21,520       | 21,520        | 0                 |
| Paper and cardboard recycled (incl. secure paper)    | Litres                          | 67,256       | 67,256        | 0                 |
| Organic material recycled                            | Litres                          | 48,670       | 48,670        | 0                 |
| <b>Greenhouse gas emissions <sup>1</sup></b>         |                                 |              |               |                   |
| Emissions from stationary energy use                 | Tonnes CO <sub>2</sub> -e       | 1,067        | 2,340         | -54.4             |
| Emissions from transport                             | Tonnes CO <sub>2</sub> -e       | 25           | 33            | -24.2             |
| Total emissions                                      | Tonnes CO <sub>2</sub> -e       | 1,092        | 2,373         | -53.9             |

# Section

Financial  
Management  
Reporting





# FINANCIAL MANAGEMENT ANALYSIS

## 1. Overview

2020 presented CIT with many challenges, most notably those associated with the COVID-19 pandemic alongside the continued regulatory uncertainty and intense competition. Notwithstanding these challenges, the Canberra Institute of Technology (CIT) continued to deliver quality government-funded and commercial training, maintaining its high student and employer satisfaction levels. CIT has continued to actively improve its effectiveness and responsiveness in skilling students using contemporary training methods which continue to be positively received by industry and students alike.

## 2. Objectives

CIT's mission is 'changing lives through quality education and skills development for individuals, industry and community', supporting its vision 'to be the leading provider of vocational education and training in the ACT and Australia'. CIT is committed to meeting the needs of a diverse range of clients through its responsive and innovative education and business practices.

## 3. Financial Performance of CIT

Both revenue and expenses were below budget for the year, with revenue finishing below budget by 1.5% and expenses finishing below budget by 2.7% resulting in a better than budget operating result variance of \$1.2 million.

The 2020 operating result demonstrated CIT's ability to manage expenditure considering the effects of reduced revenue as impacted significantly by the COVID-19 pandemic.

Included in revenue for the year is a \$3.0 million government appropriation payment which was received in December for the 2021 year as an advance payment to cover the shutdown period. This has improved the operating result for 2020 as Accounting Standards require this drawdown to be reported as revenue for 2020 on the basis that an entity has control of the funds once received.

Included in expenses for the year is \$9.0 million for depreciation and amortisation and a \$1.0 million loss

incurred as a result of the transfer of the Southside (Woden) buildings. The buildings were demolished hence CIT needing to write-off the value of the buildings that were held on the Balance Sheet.

Exclusive of these noted revenue and expense amounts, CIT reported an Operating Deficit of \$3.5 million against a budgeted deficit of \$2.9 million (excluding lease adjustments of \$0.5m).

The individual income and expense variances affecting the operating result are summarised in the Revenue and Expense sections following.

The end of year cash and cash equivalents balance was \$11.7 million (2019 ending balance \$10.9 million). With the reduced revenue streams, CIT managed to retain sufficient cash balances to ensure its ability to meet ongoing payment commitments and to meet contingencies. This cash balance included the \$3.0 million advance appropriation drawdown.

CIT has maintained a healthy financial position as represented by the Balance Sheet and has a Working Capital ratio of 0.55 which is adequate given the cash outgoings for employee benefits are provided for in the regular appropriation from the ACT Government and therefore do not place pressure on cash balances. For further information, refer to the Liquidity section.

The financial information is based on the audited Financial Statements for 2020.

## 4. Operating Result (Operating Statement)

### Revenue

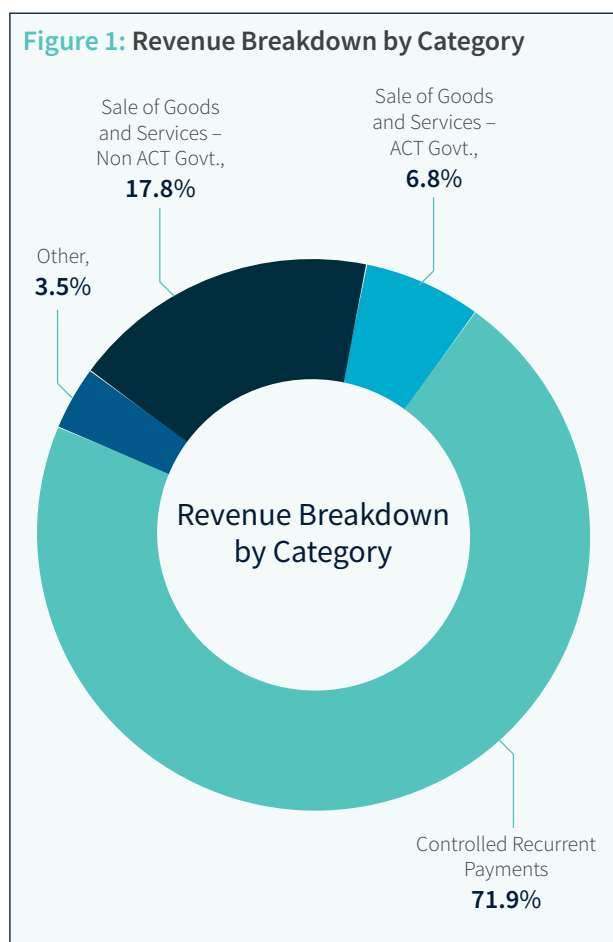
#### Components of revenue

Total revenue (Figure 1) for 2020 was \$111.6 million, consisting primarily of \$80.3 million (72.0%) received from the ACT Government as Controlled Recurrent Payments and \$27.4 million (24.6%) generated from Sales of Goods and Services from Contracts with Customers (including local and international student fees and training course income as well as Apprentice Funding).

#### Comparison to budget

Total own source revenue of \$31.3 million for 2020 was \$4.7 million (13.2%) lower than budgeted, due primarily to decreased student numbers across all

categories as affected by the COVID-19 pandemic. Controlled Recurrent Payments was \$3.0 million higher than budget due to an additional/early drawdown of \$3.0 million in December 2020 to cover cash requirements for January 2021.



### Comparison to 2019 actual

Own source revenue in 2020 was \$31.3 million (20%) lower than 2019 revenue across all categories. This is because of the COVID-19 pandemic and is predominately the result of lower student enrolments. Controlled Recurrent Payments were \$5.9 million higher than 2019 due to the additional drawdown in December 2020 and annual budget adjustments.

### Future trends

Noting reduced student and subject enrolments in 2020, CIT is anticipating that total revenue will remain depressed for the short to medium term. CIT anticipates the revenue category that will be most impacted is tuition fees from international students.

Subject to the filling of places for eligible students, funding under the JobTrainer initiative will contribute \$10.1 million to revenue in 2021.

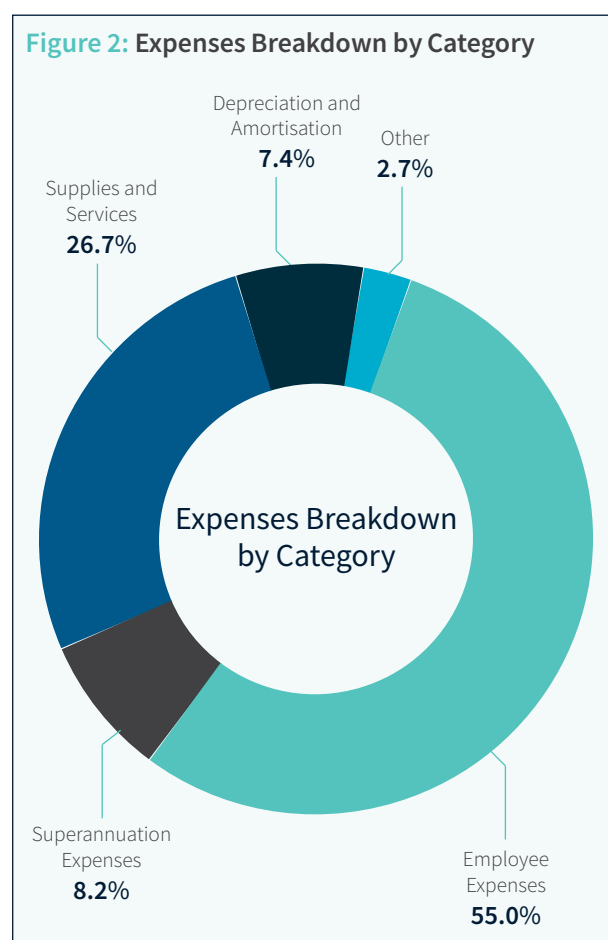
As part of the Economic Response to the COVID-19 pandemic, the Australian Government is providing free or low-fee training courses across Australia through a \$1 billion JobTrainer Fund. The Australian Government has partnered with state and territory governments to establish the \$1 billion JobTrainer Fund. Job seekers and young people, including school leavers, can take advantage of subsidised training to learn skills for jobs in demand. CIT is a participant in this initiative and will be funded to the amount of \$10.1 million.

It should be noted that the Vocational Education and Training (VET) sector regulatory environment remains volatile and continued regulatory change may affect future income levels, for example with international student revenue and funding from the User Choice and Skilled Capital funding schemes.

## Expenses

### Components of expenses

Expenses totalled \$122.1 million in 2020 with the most significant component being employee and superannuation expenses of \$77.3 million (63.3%). Supplies and services expenses accounted for \$32.6 million (26.7%) (Figure 2).



### Comparison to budget

Total expenses of \$122.1 million in 2020 were \$3.4 million (2.7%) lower than budgeted. Both salary and non-salary expenses experienced reductions.

Employee expenses (including superannuation) finished the year with a \$1.8 million favourable variance against budget due primarily to fewer teachers being engaged given the lower student numbers due to the COVID-19 pandemic.

Supplies and Services expenditure reductions resulted from lower occupancy expenses and other impacts of the COVID-19 pandemic restrictions including savings brought about by reduced staff travel (e.g. to conferences) and reduced professional development activity. This was partially offset by an increase in Other Expenses due to the write-off of the Southside (Woden) campus building and the recognition of rental waivers for commercial tenants including CIT Solutions and student accommodation fee waivers during the COVID-19 pandemic response.

### Comparison to 2019 actual

Total expenses in 2020 were \$0.8 million (0.7%) lower than 2019 across both salary and non-salary expenses.

The only increase in expenses was within the 'Other' Category. This was due primarily to the write-off of the Southside (Woden) campus building and the expense recognised for rental waivers for commercial tenants, CIT Solutions and student accommodation within the COVID-19 pandemic response.

Supplies and Services expenditure was lower than 2019 as explained in the Comparison to budget section above.

### Future trends

CIT is anticipating an increase in total expenditure over the short to medium term as expenses associated with occupancy, travel and professional development gradually return to normal. Expenditure against the JobTrainer initiative will occur throughout 2021 as salary and other costs are incurred, including those associated with additional training that may be required under this initiative.

It should be noted that the VET sector regulatory environment remains volatile and that continued regulatory change will impact on future activity levels.

## 5. Financial Position (Balance Sheet)

### Assets

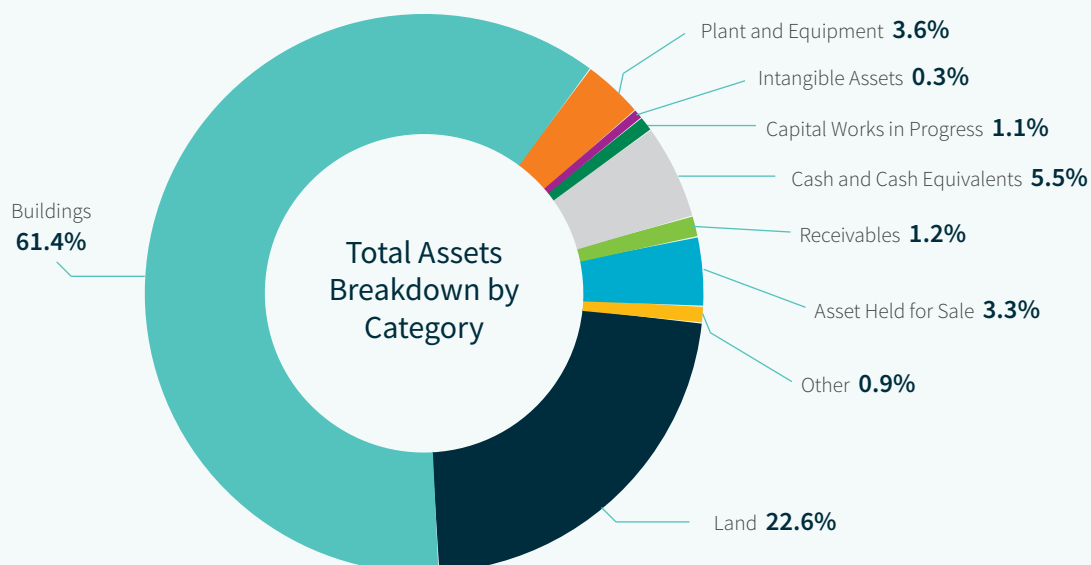
#### Components of total assets

At 31 December 2020, \$195.7 million (92.4%) of CIT's assets were in property, plant and equipment, intangible assets, assets held for distribution to owners, and works in progress with the remaining 7.6% being represented by cash and cash equivalents, receivables and other current assets (Figure 3).

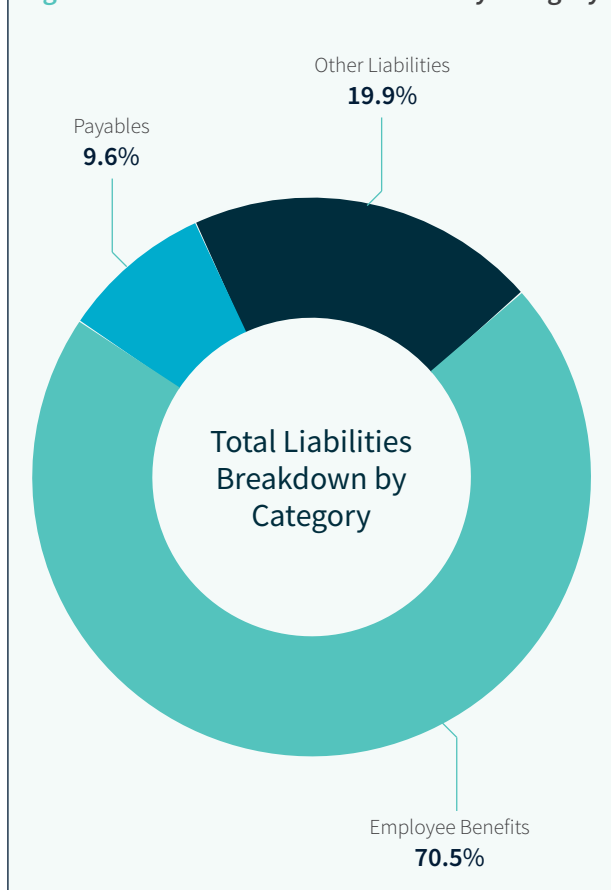
#### Comparison to budget

The total asset position at 31 December 2020 was \$211.9 million, which was \$9.9 million (4.9%) above budget due to a combination of the above budgeted cash position resulting from the additional drawdown in December 2020 and the delayed transfer of the assets held for distribution to owners (Watson campus). Partially offsetting these higher values was the lower than budgeted Land and Building revaluation amount.

Figure 3: Total Assets Breakdown by Category



**Figure 4: Total Liabilities Breakdown by Category**



### Comparison to 2019 actual

CIT's total asset position at 31 December 2020 of \$211.9 million was consistent with the 2019 position of \$216.3 million. Assets Held for Distribution to Owners decreased following the transfer of the Southside campus land and Woden Childcare property to the ACT Government. This was partially offset by the \$5.9 million net increase in Land and Buildings following the 2020 revaluation and the increase in the cash balance.

## Liabilities

At 31 December 2020, the major component of CIT's liabilities related to employee benefits of \$25.3 million (70.5%). Payables made up an additional \$3.5 million (9.6%) of the total.

In the Other Liability category, \$4.5 million of the \$7.1 million are lease liabilities which relate predominantly to the Tuggeranong campus.

### Comparison to budget

Liabilities at 31 December 2020 of \$35.9 million were \$5.7 million (18.9%) higher than the 2020 budget of \$30.2 million. This was due primarily to increases in employee benefits resulting from a combination of pay rises under the enterprise bargaining agreements

and increased long-service and annual leave liabilities as less long service and annual leave was taken by staff in 2020 as largely contributed to by the varying COVID-19 travel restrictions.

### Comparison to 2019 actual

Total liabilities at 31 December 2020 were \$1.6 million (4.4%) higher than the \$34.3 million balance as at 31 December 2019. This was mainly attributable to the increased employee benefits described above.

## Equity

There was a decrease from 2019 in the Asset Revaluation Reserve balance of \$37.2 million. Affecting the balance was a \$5.8 million adjustment due to the 2020 tri-annual revaluation of Land and Buildings assets (\$9.1 million increment in Land Values and a \$3.3 million decrement in Building Values) and a \$43.0 million adjustment to align land assets to current values. The adjustment offsets Accumulated Funds in the Equity section of the Balance Sheet and has no financial impact on CIT.

## 6. Liquidity – CIT

Liquidity is a measure of the ability of an entity to meet its short-term financial obligations as they fall due. The 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 0.55:1 is higher than the budget target of 0.40:1 due to a combination of factors including a higher than budgeted cash balance (as discussed above) partially offsetting the higher than budgeted Payables and Employee Benefits liabilities.

At 31 December 2020, CIT's current assets of \$16.2 million (excluding Assets Held for Distribution to Owners) were less than the total current liabilities (\$29.7 million) by \$13.5 million. This is not considered a liquidity risk as along with external revenue, cash needs are funded through Controlled Recurrent Payment appropriation from the ACT Government on a cash-needs basis.

It is important to note that although Employee Benefits of \$24.1 million (LSL and AL \$22.4 million) are classified as current liabilities under Accounting Standards, based on historical data, less than \$6.0 million for LSL and AL is paid out in any one year.

CIT does not anticipate any impact on its liquidity through the operations of its wholly owned subsidiary, CIT Solutions Pty Ltd.

## Working Capital

|  | Actual 2020<br>\$'000 | Budget 2020<br>\$'000 | Actual 2019<br>\$'000 |
|--|-----------------------|-----------------------|-----------------------|
| <b>Current Assets</b>                      |                       |                       |                       |
| Cash and Cash Equivalents                  | 11,745                | 5,020                 | 10,938                |
| Receivables                                | 2,497                 | 2,900                 | 2,840                 |
| Other Assets                               | 1,940                 | 1,900                 | 2,083                 |
| <b>Total Current Assets <sup>(a)</sup></b> | <b>16,182</b>         | <b>9,820</b>          | <b>15,861</b>         |
| <b>Current Liabilities</b>                 |                       |                       |                       |
| Payables                                   | 3,452                 | 1,700                 | 2,642                 |
| Employee Benefits                          | 24,112                | 20,150                | 21,267                |
| Other Liabilities                          | 2,109                 | 2,480                 | 3,065                 |
| <b>Total Current Liabilities</b>           | <b>29,673</b>         | <b>24,330</b>         | <b>26,974</b>         |
| <b>Working Capital Ratio</b>               | <b>0.55</b>           | <b>0.40</b>           | <b>0.59</b>           |

(a) Current Assets exclude Assets Held for Distribution to Owners (2020: \$6.9 million and 2019: \$16.2 million), which represents the carrying amount of the Watson facility that CIT will transfer back to the ACT Government for no consideration. The CIT Southside campus and Woden Childcare were transferred to the ACT Government in 2020.



# FINANCIAL STATEMENTS

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AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY 

## INDEPENDENT AUDITOR'S REPORT

To the Members of the ACT Legislative Assembly

### Opinion

I have audited the financial statements of the Canberra Institute of Technology for the year ended 31 December 2020 which comprise the operating statement, balance sheet, statement of changes in equity, statement of cash flows, statement of appropriation and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In my opinion, the financial statements:

- (i) present fairly, in all material respects, the Canberra Institute of Technology's financial position as at 31 December 2020, and its financial performance and cash flows for the year then ended; and
- (ii) are presented in accordance with the *Financial Management Act 1996* and comply with Australian Accounting Standards.

### Basis for opinion

I conducted the audit in accordance with the Australian Auditing Standards. My responsibilities under the standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of this report.

I am independent of the Canberra Institute of Technology in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (Code). I have also fulfilled my other ethical responsibilities in accordance with the Code.

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

### Responsibilities of the Canberra Institute of Technology for the financial statements

The Governing Board of the Canberra Institute of Technology is responsible for:

- preparing and fairly presenting the financial statements in accordance with the *Financial Management Act 1996*, and relevant Australian Accounting Standards;
- determining the internal controls necessary for the preparation and fair presentation of the financial statements so that they are free from material misstatements, whether due to error or fraud; and
- assessing the ability of the Canberra Institute of Technology to continue as a going concern and disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting in preparing the financial statements.

### Auditor's responsibilities for the audit of the financial statements

Under the *Financial Management Act 1996*, the Auditor-General is responsible for issuing an audit report that includes an independent opinion on the financial statements of the Canberra Institute of Technology.

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My objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for expressing an opinion on the effectiveness of the Canberra Institute of Technology's internal controls;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Canberra Institute of Technology;
- conclude on the appropriateness of the Canberra Institute of Technology's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Canberra Institute of Technology's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in this report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. I base my conclusions on the audit evidence obtained up to the date of this report. However, future events or conditions may cause the Canberra Institute of Technology to cease to continue as a going concern; and
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether they represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Governing Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
23 March 2021

Canberra Institute of Technology  
**Financial Statements**  
For the Year Ended 31 December 2020

**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 2020 and the financial position of the Canberra Institute of Technology on that date.



Craig Sloan  
Chair  
Canberra Institute of Technology Board  
23 March 2021

Canberra Institute of Technology  
**Financial Statements**  
For the Year Ended 31 December 2020

**Statement by the Chief Finance Officer**

In my opinion, the financial statements have been prepared in accordance with Australian Accounting Standards, 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 2020 and the financial position of the Canberra Institute of Technology on that date.



Greg Tong  
Chief Finance Officer  
Canberra Institute of Technology  
23 March 2021

Canberra Institute of Technology  
**Operating Statement**  
For the Year Ended 31 December 2020

| Consolidated  |          |                    |                    | CIT                |                             |                    |
|---|----------|--------------------|--------------------|--------------------|-----------------------------|--------------------|
|   | Note No. | Actual 2020 \$'000 | Actual 2019 \$'000 | Actual 2020 \$'000 | Original Budget 2020 \$'000 | Actual 2019 \$'000 |
| <b>Income</b>   |          |                    |                    |                    |                             |                    |
| <b>Revenue</b>  |          |                    |                    |                    |                             |                    |
| Controlled Recurrent Payments   | 3        | 80 296             | 74 379             | 80 296             | 77 308                      | 74 379             |
| Sales of Goods and Services from Contracts with Customers                 | 4        | 40 960             | 51 069             | 27 409             | 31 853                      | 36 173             |
| Grants and Contributions  | 5        | 2 768              | 2 027              | 2 768              | 3 262                       | 2 027              |
| Investment Revenue  | 6        | 151                | 296                | 149                | 300                         | 279                |
| Other Revenue   | 7        | 860                | 494                | 964                | 600                         | 582                |
| <b>Total Revenue</b>  |          | <b>125 035</b>     | <b>128 265</b>     | <b>111 586</b>     | <b>113 323</b>              | <b>113 440</b>     |
| <b>Gains</b>  |          |                    |                    |                    |                             |                    |
|   |          |                    |                    |                    |                             |                    |
|   |          |                    |                    |                    |                             |                    |
|   |          |                    |                    |                    |                             |                    |
| <b>Expenses</b>   |          |                    |                    |                    |                             |                    |
| Employee Expenses   | 8        | 78 691             | 78 559             | 67 295             | 68 857                      | 66 653             |
| Superannuation Expenses   | 9        | 10 984             | 10 484             | 9 982              | 10 228                      | 9 458              |
| Supplies and Services   | 10       | 32 431             | 35 992             | 32 553             | 35 259                      | 35 476             |
| Depreciation and Amortisation   | 11       | 9 136              | 9 445              | 9 039              | 9 349                       | 9 349              |
| Other Expenses  | 12       | 3 422              | 3 029              | 3 274              | 1 833                       | 2 032              |
| <b>Total Expenses</b>   |          | <b>134 664</b>     | <b>137 509</b>     | <b>122 143</b>     | <b>125 526</b>              | <b>122 968</b>     |
| <b>Other Comprehensive Income</b>   |          |                    |                    |                    |                             |                    |
| <i>Items that will not be reclassified subsequently to profit or loss</i> |          |                    |                    |                    |                             |                    |
| Increase in Asset Revaluation Surplus                                     | 25       | 5 865              | –                  | 5 865              | –                           | –                  |
| <b>Total Other Comprehensive Income</b>                                   |          | <b>5 865</b>       | <b>–</b>           | <b>5 865</b>       |                             |                    |
| <b>Total Comprehensive (Deficit)</b>                                      |          | <b>(3 756)</b>     | <b>(9 228)</b>     | <b>(4 684)</b>     | <b>(11 703)</b>             | <b>(9 512)</b>     |

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

The Canberra Institute of Technology (CIT) has only one output class and as such the above Operating Statement is also CIT's Operating Statement for Output Class 1.1: Provision of Vocational Education and Training Services.



# Canberra Institute of Technology

## Balance Sheet

At 31 December 2020

| Consolidated                          |          |                    |                    | CIT                |                             |                    |
|---------------------------------------|----------|--------------------|--------------------|--------------------|-----------------------------|--------------------|
|                                       | Note No. | Actual 2020 \$'000 | Actual 2019 \$'000 | Actual 2020 \$'000 | Original Budget 2020 \$'000 | Actual 2019 \$'000 |
| <b>Current Assets</b>                 |          |                    |                    |                    |                             |                    |
| Cash and Cash Equivalents             | 14       | 16 166             | 13 064             | 11 745             | 5 020                       | 10 938             |
| Receivables                           | 15       | 3 249              | 4 245              | 2 497              | 2 900                       | 2 840              |
| Assets Held for Distribution to Owner | 16       | 6 940              | 16 199             | 6 940              | –                           | 16 199             |
| Other Assets                          | 20       | 2 089              | 2 227              | 1 940              | 1 900                       | 2 083              |
| <b>Total Current Assets</b>           |          | <b>28 444</b>      | <b>35 735</b>      | <b>23 122</b>      | <b>9 820</b>                | <b>32 060</b>      |
| <b>Non-Current Assets</b>             |          |                    |                    |                    |                             |                    |
| Investments                           |          | –                  | –                  | 20                 | 20                          | 20                 |
| Property, Plant and Equipment         | 17       | 185 890            | 182 115            | 185 785            | 190 642                     | 181 936            |
| Intangible Assets                     | 18       | 584                | 297                | 584                | 230                         | 297                |
| Capital Works in Progress             | 19       | 2 341              | 2 019              | 2 341              | 1 200                       | 2 019              |
| <b>Total Non-Current Assets</b>       |          | <b>188 815</b>     | <b>184 431</b>     | <b>188 730</b>     | <b>192 092</b>              | <b>184 272</b>     |
| <b>Total Assets</b>                   |          | <b>217 259</b>     | <b>220 166</b>     | <b>211 852</b>     | <b>201 912</b>              | <b>216 332</b>     |
| <b>Current Liabilities</b>            |          |                    |                    |                    |                             |                    |
| Payables                              | 21       | 3 408              | 2 828              | 3 452              | 1 700                       | 2 642              |
| Lease Liabilities                     | 22       | 822                | 841                | 822                | 680                         | 841                |
| Employee Benefits                     | 23       | 25 461             | 22 582             | 24 112             | 20 150                      | 21 266             |
| Other Liabilities                     | 24       | 3 129              | 3 158              | 1 287              | 1 800                       | 2 224              |
| <b>Total Current Liabilities</b>      |          | <b>32 820</b>      | <b>29 409</b>      | <b>29 673</b>      | <b>24 330</b>               | <b>26 973</b>      |
| <b>Non-Current Liabilities</b>        |          |                    |                    |                    |                             |                    |
| Lease Liabilities                     | 22       | 3 633              | 4 462              | 3 627              | 3 500                       | 4 462              |
| Employee Benefits                     | 23       | 1 322              | 1 284              | 1 166              | 1 034                       | 1 126              |
| Other Liabilities                     | 24       | 1 390              | 1 827              | 1 390              | 1 294                       | 1 777              |
| <b>Total Non-Current Liabilities</b>  |          | <b>6 345</b>       | <b>7 573</b>       | <b>6 183</b>       | <b>5 828</b>                | <b>7 365</b>       |
| <b>Total Liabilities</b>              |          | <b>39 165</b>      | <b>36 982</b>      | <b>35 856</b>      | <b>30 158</b>               | <b>34 338</b>      |
| <b>Net Assets</b>                     |          | <b>178 094</b>     | <b>183 184</b>     | <b>175 996</b>     | <b>171 754</b>              | <b>181 994</b>     |
| <b>Equity</b>                         |          |                    |                    |                    |                             |                    |
| Accumulated Funds                     |          | 97 350             | 65 215             | 95 252             | 45 785                      | 64 025             |
| Asset Revaluation Surplus             | 25       | 80 744             | 117 969            | 80 744             | 125 969                     | 117 969            |
| <b>Total Equity</b>                   |          | <b>178 094</b>     | <b>183 184</b>     | <b>175 996</b>     | <b>171 754</b>              | <b>181 994</b>     |

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

CIT has only one output class and as such the above Balance Sheet is also CIT's Balance Sheet for Output Class 1.1: Provision of Vocational Education and Training Services.

Canberra Institute of Technology

## Statement of Changes in Equity

For the Year Ended 31 December 2020

| Consolidated   |  |   |   | CIT  |   |   |                                      |
|--|--|---|---|--|---|---|--------------------------------------|
|  | Accumulated<br>Funds<br>Actual<br>2020<br>\$'000 | Asset<br>Revaluation<br>Surplus<br>Actual<br>2020<br>\$'000 | Total<br>Equity<br>Actual<br>2020<br>\$'000 | Accumulated<br>Funds<br>Actual<br>2020<br>\$'000 | Asset<br>Revaluation<br>Surplus<br>Actual<br>2020<br>\$'000 | Total<br>Equity<br>Actual<br>2020<br>\$'000 | Original<br>Budget<br>2020<br>\$'000 |
| <b>Balance at 1 January 2020</b>                                       | <b>65 215</b>                                    | <b>117 969</b>  | <b>183 184</b>                              | <b>64 025</b>                                    | <b>117 969</b>  | <b>181 994</b>                              | <b>181 994</b>                       |
| <b>Adjust opening balance for 2019 AASB 16 consolidation entries</b>   | (20)   | -   | (20)  | -  | -   | -   | -                                    |
| <b>Transfer of the Asset Revaluation Surplus</b>                       | 43 090   | (43 090)  | -   | 43 090   | (43 090)  | -   | -                                    |
|  | <b>108 285</b>                                   | <b>74 879</b>   | <b>183 164</b>                              | <b>107 115</b>                                   | <b>74 879</b>   | <b>181 994</b>                              | <b>181 994</b>                       |
| <b>Comprehensive Income</b>  |  |   |   |  |   |   |                                      |
| Operating (Deficit)  | (9 621)  | -   | (9 621)                                     | (10 549)   | -   | (10 549)                                    | (11 702)                             |
| Increase in the Asset Revaluation Surplus                              | -  | 5 865   | 5 865                                       | -  | 5 865   | 5 865                                       | 8 000                                |
| <b>Total Comprehensive (Deficit)</b>                                   | <b>(9 621)</b>                                   | <b>5 865</b>  | <b>(3 756)</b>                              | <b>(10 549)</b>                                  | <b>5 865</b>  | <b>(4 684)</b>                              | <b>(3 702)</b>                       |
| <b>Transactions Involving Owners Affecting Accumulated Funds</b>       |  |   |   |  |   |   |                                      |
| Capital Injections   | 6 973  | -   | 6 973                                       | 6 973  | -   | 6 973                                       | 9 661                                |
| Net Assets transferred out to ACT Government                           | (8 287)  | -   | (8 287)                                     | (8 287)  | -   | (8 287)                                     | (16 199)                             |
| <b>Total Transactions Involving Owners Affecting Accumulated Funds</b> | <b>(1 314)</b>                                   | <b>-</b>  | <b>(1 314)</b>                              | <b>(1 314)</b>                                   | <b>-</b>  | <b>(1 314)</b>                              | <b>(6 538)</b>                       |
| <b>Balance at 31 December 2020</b>                                     | <b>97 350</b>                                    | <b>80 744</b>   | <b>178 094</b>                              | <b>95 252</b>                                    | <b>80 744</b>   | <b>175 996</b>                              | <b>171 754</b>                       |

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 2019

| Consolidated   |  |   |   | CIT  |  |   |
|--|--|---|---|--|--|---|
|  | Accumulated<br>Funds<br>Actual<br>2019<br>\$'000 | Asset<br>Revaluation<br>Surplus<br>Actual<br>2019<br>\$'000 | Total<br>Equity<br>Actual<br>2019<br>\$'000 | Accumulated<br>Funds<br>Actual<br>2019<br>\$'000 | Revaluation<br>Surplus<br>Actual<br>2019<br>\$'000 | Total<br>Equity<br>Actual<br>2019<br>\$'000 |
| Note<br>No.  |  |   |   |  |  |   |
| <b>Balance at 1 January 2019</b>                                       | <b>93 088</b>                                    | <b>94 911</b>   | <b>187 999</b>                              | <b>92 182</b>                                    | <b>94 911</b>                                      | <b>187 093</b>                              |
| Adoption of New Accounting Standard AASB 16 <sup>(a)</sup>             | (600)  | –   | (600)                                       | (600)  | –  | (600)                                       |
| <b>Comprehensive Income</b>  |  |   |   |  |  |   |
| Operating (Deficit)  | (9 228)  | –   | (9 228)                                     | (9 512)  | –  | (9 512)                                     |
| <b>Total Comprehensive (Deficit)</b>                                   | <b>(9 228)</b>                                   | <b>–</b>  | <b>(9 228)</b>                              | <b>(9 512)</b>                                   | <b>–</b>   | <b>(9 512)</b>                              |
| <b>Transactions Involving Owners Affecting Accumulated Funds</b>       |  |   |   |  |  |   |
| Movement in the Asset Revaluation Surplus                              | (23 058)   | 23 058  | –   | (23 058)   | 23 058   | –   |
| Capital Injections   | 5 013  | –   | 5 013                                       | 5 013  | –  | 5 013                                       |
| <b>Total Transactions Involving Owners Affecting Accumulated Funds</b> | <b>(18 045)</b>                                  | <b>23 058</b>   | <b>5 013</b>                                | <b>(18 045)</b>                                  | <b>23 058</b>                                      | <b>5 013</b>                                |
| <b>Balance at 31 December 2019</b>                                     | <b>65 215</b>                                    | <b>117 969</b>  | <b>183 184</b>                              | <b>64 025</b>                                    | <b>117 969</b>                                     | <b>181 994</b>                              |

(a) Re-measurement of the opening balance of Accumulated Funds resulting from the initial adoption of AASB 16 (refer to Appendix C). This adjustment to Accumulated Funds is a timing difference and will unwind over the lease term.

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

Canberra Institute of Technology  
**Statement of Cash Flows**  
For the Year Ended 31 December 2020

| Consolidated |                       |                       | CIT                   |                                |                       |
|--------------|-----------------------|-----------------------|-----------------------|--------------------------------|-----------------------|
| Note No.     | Actual 2020<br>\$'000 | Actual 2019<br>\$'000 | Actual 2020<br>\$'000 | Original Budget 2020<br>\$'000 | Actual 2019<br>\$'000 |

**Cash Flows from Operating Activities**

**Receipts**

|  |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|
| Controlled Recurrent Payments  | 80 296         | 74 379         | 80 296         | 77 308         | 74 379         |
| Sales of Goods and Services from Contracts with Customers                    | 42 688         | 53 073         | 27 138         | 31 793         | 37 271         |
| Interest Received  | 151            | 296            | 149            | 300            | 279            |
| Goods and Services Tax Input Tax Credits from the Australian Taxation Office | 3 611          | 3 714          | 3 415          | 3 030          | 3 370          |
| Goods and Services Tax Collected from Customers                              | 1 981          | 2 502          | 1 065          | 1 500          | 1 578          |
| Grants and Contributions   | 973            | 1 568          | 973            | 1 727          | 1 568          |
| Other  | 861            | 496            | 964            | 1 200          | 582            |
| <b>Total Receipts from Operating Activities</b>                              | <b>130 561</b> | <b>136 028</b> | <b>114 000</b> | <b>116 858</b> | <b>119 027</b> |

**Payments**

|   |                |                |                |                |                |
|---|----------------|----------------|----------------|----------------|----------------|
| Employee  | 76 032         | 78 834         | 64 660         | 70 857         | 66 849         |
| Superannuation                                  | 10 891         | 10 453         | 9 891          | 10 228         | 9 408          |
| Supplies and Services                           | 31 798         | 36 629         | 31 641         | 35 592         | 34 884         |
| Good and Services Tax Paid to Suppliers         | 5 572          | 6 265          | 4 507          | 4 300          | 4 991          |
| Other   | 1 805          | 2 936          | 1 193          | 1 800          | 1 920          |
| <b>Total Payments from Operating Activities</b> | <b>126 098</b> | <b>135 117</b> | <b>111 892</b> | <b>122 777</b> | <b>118 052</b> |

|  |    |              |            |              |                |            |
|--|----|--------------|------------|--------------|----------------|------------|
| <b>Net Cash Inflows/(Outflows) from Operating Activities</b> | 29 | <b>4 463</b> | <b>911</b> | <b>2 108</b> | <b>(5 919)</b> | <b>975</b> |
|--|----|--------------|------------|--------------|----------------|------------|

**Cash Flows from Investing Activities**

**Receipts**

|   |          |           |          |          |           |
|---|----------|-----------|----------|----------|-----------|
| Proceeds from Sale of Property, Plant and Equipment | 8        | 16        | 8        | –        | 16        |
| <b>Total Receipts from Investing Activities</b>     | <b>8</b> | <b>16</b> | <b>8</b> | <b>–</b> | <b>16</b> |

**Payments**

|  |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|
| Purchase for Property, Plant and Equipment           | 7 373          | 5 080          | 7 314          | 9 661          | 4 981          |
| <b>Total Payments from Investing Activities</b>      | <b>7 373</b>   | <b>5 080</b>   | <b>7 314</b>   | <b>9 661</b>   | <b>4 981</b>   |
| <b>Net Cash (Outflows) from Investing Activities</b> | <b>(7 365)</b> | <b>(5 064)</b> | <b>(7 306)</b> | <b>(9 661)</b> | <b>(4 965)</b> |

Canberra Institute of Technology  
**Statement of Cash Flows – Continued**  
For the Year Ended 31 December 2020

| Consolidated  |                    |                    | CIT                |                             |                    |
|---|--------------------|--------------------|--------------------|-----------------------------|--------------------|
| Note No.  | Actual 2020 \$'000 | Actual 2019 \$'000 | Actual 2020 \$'000 | Original Budget 2020 \$'000 | Actual 2019 \$'000 |
| <b>Cash Flows from Financing Activities</b>                         |                    |                    |                    |                             |                    |
| <b>Receipts</b>   |                    |                    |                    |                             |                    |
| Capital Injections  | 6 973              | 5 013              | 6 973              | 9 661                       | 5 013              |
| <b>Total Receipts from Financing Activities</b>                     | <b>6 973</b>       | <b>5 013</b>       | <b>6 973</b>       | <b>9 661</b>                | <b>5 013</b>       |
| <b>Payments</b>   |                    |                    |                    |                             |                    |
| Repayment of Lease Liabilities – Principal                          | 969                | –                  | 969                | –                           | –                  |
| <b>Total Payments from Financing Activities</b>                     | <b>969</b>         | <b>–</b>           | <b>969</b>         | <b>–</b>                    | <b>–</b>           |
| <b>Net Cash Inflows from Financing Activities</b>                   | <b>6 004</b>       | <b>5 013</b>       | <b>6 004</b>       | <b>9 661</b>                | <b>5 013</b>       |
| <b>Net Increase/ (Decrease) in Cash and Cash Equivalents</b>        | <b>3 102</b>       | <b>860</b>         | <b>806</b>         | <b>(5 918)</b>              | <b>1 023</b>       |
| Cash and Cash Equivalents at the Beginning of the Reporting Period  | 13 064             | 12 204             | 10 938             | 10 938                      | 9 915              |
| <b>Cash and Cash Equivalents at the End of the Reporting Period</b> | <b>16 166</b>      | <b>13 064</b>      | <b>11 745</b>      | <b>5 020</b>                | <b>10 938</b>      |

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



Canberra Institute of Technology  
**Statement of Appropriation**  
For the Year Ended 31 December 2020

|                                       | Original<br>Budget<br>2020<br>\$'000 | Total<br>Appropriated<br>2020<br>\$'000 | Appropriated<br>Drawn<br>2020<br>\$'000 | Appropriated<br>Drawn<br>2019<br>\$'000 |
|---------------------------------------|--------------------------------------|---|---|---|
| Controlled Recurrent Payments         | 77 308                               | 80 296                                  | 80 296                                  | 74 379                                  |
| Capital Injections                    | 9 661                                | 14 433                                  | 6 973                                   | 5 013                                   |
| <b>Total Controlled Appropriation</b> | <b>86 969</b>                        | <b>94 729</b>                           | <b>87 269</b>                           | <b>79 392</b>                           |

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 Statement of Cash Flows in the 2020 Budget Papers. This amount also appears in the Statement of Cash Flows..

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 CIT during the year. This amount appears in the Statement of Cash Flows.

**Variances between 'Original Budget', 'Total Appropriated' and 'Appropriation Drawn':**

|   | Controlled<br>Recurrent Payment<br>\$'000 | Capital<br>Injections<br>\$'000 |
|---|---|---------------------------------|
| <b>Reconciliation of Appropriation for 2020</b>   |   |                                 |
| Original Appropriation  | 77 308                                    | 9 661                           |
| Rollover of Undisbursed Appropriation Carried Forward at end of CIT Calendar Year 2019                | –   | 4 772                           |
| Additional Appropriations Drawn <sup>(a)</sup>  | 2 988                                     | –                               |
| <b>Total Appropriated</b>   | <b>80 296</b>                             | <b>14 433</b>                   |
| <b>Budget Rollovers</b>   | <b>–</b>                                  | <b>–</b>                        |
| Rollover of Undisbursed Appropriation Carried Forward at end of CIT Calendar Year 2020 <sup>(b)</sup> | –   | (7 460)                         |
| <b>Appropriation Drawn</b>  | <b>80 296</b>                             | <b>6 973</b>                    |

(a) Additional Appropriation of \$2,987,500 was budgeted to be received in 2021 however was received and recognised in December 2020 to meet possible cash requirements for early January 2021 due to the Christmas shutdown period.

(b) This amount relates to capital projects which are not completed at the end of the year and are predominately the Better ICT Services for Students and Staff, 2020-21 Better Infrastructure Funds and Teaching and Learning Spaces for CIT Fyshwick.

Canberra Institute of Technology  
For the Year Ended 31 December 2020

**NOTE INDEX**

|                        |                |   |
|------------------------|----------------|---|
|                        | <b>Note 1</b>  | Objectives of the Canberra Institute of Technology                              |
|                        | <b>Note 2</b>  | Significant Accounting Policies   |
|                        |                | <b>Appendix A</b> – Basis of Preparation of the Financial Statements            |
|                        |                | <b>Appendix B</b> – Significant Accounting Policies                             |
|                        |                | <b>Appendix C</b> – Impact of Accounting Standards Issued But Yet to be Applied |
| <b>Income Notes</b>    | <b>Note 3</b>  | Controlled Recurrent Payments   |
|                        | <b>Note 4</b>  | Sales of Goods and Services from Contracts with Customers                       |
|                        | <b>Note 5</b>  | Grants and Contributions  |
|                        | <b>Note 6</b>  | Investment Revenue  |
|                        | <b>Note 7</b>  | Other Revenue   |
| <b>Expense Notes</b>   | <b>Note 8</b>  | Employee Expenses   |
|                        | <b>Note 9</b>  | Superannuation Expenses   |
|                        | <b>Note 10</b> | Supplies and Services   |
|                        | <b>Note 11</b> | Depreciation and Amortisation   |
|                        | <b>Note 12</b> | Other Expenses  |
|                        | <b>Note 13</b> | Auditor's Remuneration  |
| <b>Asset Notes</b>     | <b>Note 14</b> | Cash and Cash Equivalents   |
|                        | <b>Note 15</b> | Receivables   |
|                        | <b>Note 16</b> | Assets Held for Distribution to Owners  |
|                        | <b>Note 17</b> | Property, Plant and Equipment   |
|                        | <b>Note 18</b> | Intangible Assets   |
|                        | <b>Note 19</b> | Capital Works in Progress   |
|                        | <b>Note 20</b> | Other Assets  |
| <b>Liability Notes</b> | <b>Note 21</b> | Payables  |
|                        | <b>Note 22</b> | Lease Liabilities - CIT as a Lessee   |
|                        | <b>Note 23</b> | Employee Benefits   |
|                        | <b>Note 24</b> | Other Liabilities   |
| <b>Equity Notes</b>    | <b>Note 25</b> | Asset Revaluation Surplus   |
| <b>Other Notes</b>     | <b>Note 26</b> | Financial Instruments   |
|                        | <b>Note 27</b> | Commitments   |
|                        | <b>Note 28</b> | Contingent Liabilities and Contingent Assets                                    |
|                        | <b>Note 29</b> | Cash Flow Reconciliation  |
|                        | <b>Note 30</b> | Events after the Reporting Period   |
|                        | <b>Note 31</b> | Third Party Monies  |
|                        | <b>Note 32</b> | Related Party Disclosure  |
|                        | <b>Note 33</b> | Budgetary Reporting   |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

## **NOTE 1 OBJECTIVES OF THE CANBERRA INSTITUTE OF TECHNOLOGY**

### **Operations and Principal Activities**

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

CIT experienced reduced revenue in 2020 as affected by the COVID-19 pandemic. This resulted in reduced student numbers and subject enrolments hence lower tuition fees being received.

Offsetting the reduced revenue, expenditure was lower across many expense categories. See Note 10 for further details. Reduced revenue (exclusive of the advance drawdown – see Statement of Appropriation for further details) combined with lower expenditure resulted in an operating result deficit of \$13.5 million against a budgeted deficit of \$11.7 million.

## **NOTE 2 SIGNIFICANT ACCOUNTING POLICIES**

Refer to the following appendices for the notes comprising significant accounting policies and other explanatory information.

Appendix A – Basis of Preparation of the Financial Statements

Appendix B – Significant Accounting Policies

Appendix C – Impact of Accounting Standards Issued but Yet to be Applied.

## **NOTE 3 CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments (CRP) is revenue received from the ACT Government to fund the costs of delivering outputs. The ACT Government pays CRP appropriation to CIT on a fortnightly basis.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Revenue from the ACT Government</b>     |                |                |                |                |
| Controlled Recurrent Payments              | 80 296         | 74 379         | 80 296         | 74 379         |
| <b>Total Controlled Recurrent Payments</b> | <b>80 296</b>  | <b>74 379</b>  | <b>80 296</b>  | <b>74 379</b>  |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 4 SALES OF GOODS AND SERVICES FROM CONTRACTS WITH CUSTOMERS**

Revenue from the Sale of Goods and Services is derived by providing goods and services to other ACT Government agencies and to the public.

ACT Government Customers Special Purpose Funding revenue is received from the ACT Government for students funded under specific funding arrangements and is legally retained by CIT.

Non-ACT Government Customers revenue is paid by the user of the goods or services, is legally retained by CIT and is driven by consumer demand. Commercial revenue consists primarily of full fee-paying International Student Fees and Charges, Rental Income and Sale of Products and Services.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>ACT Government Customers</b>  |                |                |                |                |
| Special Purpose Fund Activities <sup>(a)</sup>                             | 9 247          | 14 099         | 7 585          | 10 931         |
| <b>Total Sales of Goods and Services from ACT Government Customers</b>     | <b>9 247</b>   | <b>14 099</b>  | <b>7 585</b>   | <b>10 931</b>  |
| <b>Non-ACT Government Customers</b>  |                |                |                |                |
| Commercial Revenue <sup>(b)</sup>  | 20 929         | 23 626         | 9 040          | 11 898         |
| Student Fees and Charges <sup>(c)</sup>                                    | 10 784         | 13 344         | 10 784         | 13 444         |
| <b>Total Sales of Goods and Services from Non-ACT Government Customers</b> | <b>31 713</b>  | <b>36 970</b>  | <b>19 824</b>  | <b>25 242</b>  |
| <b>Total Sales of Goods and Services from Contracts with Customers</b>     | <b>40 960</b>  | <b>51 069</b>  | <b>27 409</b>  | <b>36 173</b>  |

(a) The decrease in Special Purpose Fund Activities revenue is due primarily to a decrease in student enrolments funded under specific funding arrangements (e.g. Apprentices and Trainees) and is also due to delayed completion of units resulting from COVID-19 restrictions.

(b) Commercial revenue decreased including where due to reduced international student enrolments.

(c) The decrease in Student Fees and Charges is due to decreases in student enrolments primarily resulting from COVID-19 impacts.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 5 GRANTS AND CONTRIBUTIONS

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Resources Received Free of Charge from ACT Government Entities</b> |                |                |                |                |
| Legal Services  | 80             | 64             | 80             | 64             |
| Shared Services Finance <sup>(a)</sup>                                | 1 407          | 746            | 1 407          | 746            |
| <b>Total Resources Received Free of Charge</b>                        | <b>1 487</b>   | <b>810</b>     | <b>1 487</b>   | <b>810</b>     |
| <b>Government Grants</b>  |                |                |                |                |
| ACT Government Grants   | 1 281          | 1 217          | 1 281          | 1 217          |
| <b>Total Government Grants</b>  | <b>1 281</b>   | <b>1 217</b>   | <b>1 281</b>   | <b>1 217</b>   |
| <b>Total Government Grants and Contribution</b>                       | <b>2 768</b>   | <b>2 027</b>   | <b>2 768</b>   | <b>2 027</b>   |

(a) The increase in Shared Services Finance is due to the Shared Services model of not charging agencies directly being implemented for a full year in 2020 compared to a half year in 2019. CRP/Appropriation funding to agencies has reduced and the funds are now paid directly to Shared Services.

### NOTE 6 INVESTMENT REVENUE

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Investment Revenue from Non-ACT Government Entities</b>              |                |                |                |                |
| Interest Revenue  | 151            | 296            | 149            | 279            |
| <b>Total Investment Revenue from Non-ACT Government Entities</b>        | <b>151</b>     | <b>296</b>     | <b>149</b>     | <b>279</b>     |
| Total interest revenue from financial assets measured at amortised cost | 151            | 296            | 149            | 279            |

(a) Interest Received decreased due to lower average interest rates during the year combined with lower average bank balances than 2019.



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

## NOTE 7 OTHER REVENUE

Other Revenue arises from the core activities of CIT. Recoveries consist of cost recoveries for Child Care Centre licensing and food expense recoveries from the CIT Student Association (CITSA).

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Revenue from Non-ACT Government Entities</b> |                |                |                |                |
| Recoveries <sup>(a)</sup>                       | 771            | 351            | 939            | 521            |
| Student Allowances                              | 56             | 76             | –              | –              |
| Other   | 33             | 67             | 25             | 61             |
| <b>Total Other Revenue</b>                      | <b>860</b>     | <b>494</b>     | <b>964</b>     | <b>582</b>     |

(a) In 2020, recoveries include the receipt of hail damage insurance monies for recouping costs incurred to repair damage to CIT property in the January 2020 hailstorm.

## NOTE 8 EMPLOYEE EXPENSES

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Wages and Salaries                        | 68 204         | 68 071         | 58 263         | 57 841         |
| Annual Leave Expense <sup>(a)</sup>       | 6 043          | 5 677          | 5 542          | 5 151          |
| Long Service Leave Expense <sup>(b)</sup> | 2 472          | 2 736          | 2 312          | 2 606          |
| Workers' Compensation Insurance Premium   | 1 972          | 2 075          | 1 178          | 1 055          |
| <b>Total Employee Expenses</b>            | <b>78 691</b>  | <b>78 559</b>  | <b>67 295</b>  | <b>66 653</b>  |

(a) The Annual Leave Expense consists of the movement in the provision for this expense, annual leave taken and the annual leave loading expense.

(b) The Long Service Leave (LSL) Expense consists of the movement in the provision for this expense as well as LSL taken.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 9 SUPERANNUATION EXPENSES**

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Superannuation Contributions to the Territory Banking Account | 4 560          | 4 164          | 4 555          | 4 150          |
| Productivity Benefit  | 449            | 451            | 449            | 451            |
| Superannuation to External Providers                          | 5 975          | 5 869          | 4 978          | 4 857          |
| <b>Total Superannuation Expenses</b>                          | <b>10 984</b>  | <b>10 484</b>  | <b>9 982</b>   | <b>9 458</b>   |

**NOTE 10 SUPPLIES AND SERVICES**

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Advertising                              | 626            | 890            | 589            | 803            |
| Cleaning Costs                           | 1 878          | 1 872          | 1 879          | 1 872          |
| Consultants and Contractors              | 6 545          | 8 641          | 4 706          | 6 252          |
| Information and Communication Technology | 10 762         | 10 928         | 10 763         | 10 950         |
| Insurance                                | 846            | 876            | 799            | 829            |
| Materials                                | 1 660          | 2 085          | 1 617          | 1 937          |
| Minor Assets Expensed                    | 279            | 448            | 277            | 440            |
| Operating Lease Charges                  | 70             | 201            | 70             | 201            |
| Overseas Student Management Fees         | –              | –              | 2 458          | 3 103          |
| Reference and Learning Materials         | 704            | 895            | 455            | 527            |
| Repairs and Maintenance <sup>(a)</sup>   | 5 159          | 4 282          | 5 133          | 4 181          |
| Seminars and Conferences                 | 114            | 229            | 133            | 202            |
| Travel and Transport                     | 314            | 828            | 234            | 449            |
| Utilities                                | 2 487          | 2 851          | 2 487          | 2 851          |
| Other                                    | 986            | 966            | 953            | 879            |
| <b>Total Supplies and Services</b>       | <b>32 431</b>  | <b>35 992</b>  | <b>32 553</b>  | <b>35 476</b>  |

The reduction in most expense categories is due to COVID-19 related operational impacts including but not limited to travel, training, engagement of contractors and consultants, occupancy costs and Overseas Student enrolments. Other explanations are given below.

- (a) Repairs and maintenance costs consists mainly of expenditure undertaken to maintain CIT's buildings and property. Costs increased in 2020 due to the costs incurred when implementing the ACT Government COVID-19 stimulus initiatives and the costs of hail damage repairs which have been recovered by insurance monies.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 11 DEPRECIATION AND AMORTISATION**

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Depreciation</b>                        |                |                |                |                |
| Buildings                                  | 6 651          | 6 535          | 6 651          | 6 535          |
| Right-of-Use Asset Buildings               | 711            | 711            | 711            | 711            |
| Plant and Equipment                        | 1 043          | 1 089          | 1 022          | 1 073          |
| Right-of-Use Asset Plant and Equipment     | 210            | 294            | 210            | 294            |
| Leasehold Improvements                     | 415            | 419            | 339            | 339            |
| <b>Total Depreciation</b>                  | <b>9 030</b>   | <b>9 048</b>   | <b>8 933</b>   | <b>8 952</b>   |
| <b>Amortisation</b>                        |                |                |                |                |
| Computer Software                          | 106            | 397            | 106            | 397            |
| <b>Total Amortisation</b>                  | <b>106</b>     | <b>397</b>     | <b>106</b>     | <b>397</b>     |
| <b>Total Depreciation and Amortisation</b> | <b>9 136</b>   | <b>9 445</b>   | <b>9 039</b>   | <b>9 349</b>   |

**NOTE 12 OTHER EXPENSES**

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Waivers, Impairment Losses and Write-offs | 255            | 537            | 228            | 502            |
| Lease Interest Expense                    | 126            | 147            | 126            | 147            |
| Grants                                    | 444            | 644            | –              | –              |
| Sponsorships                              | 358            | 407            | 357            | 405            |
| Student Association Funding               | 638            | 659            | 600            | 612            |
| Other Expenses <sup>(a)</sup>             | 1 601          | 635            | 1 963          | 366            |
| <b>Total Other Expenses</b>               | <b>3 422</b>   | <b>3 029</b>   | <b>3 274</b>   | <b>2 032</b>   |

(a) Other Expenses includes \$1.0m for the write-off of the Southside Campus buildings upon transfer to the ACT Government and \$0.8m of rental relief provided to tenants (including CIT Solutions Pty Limited) of CIT campuses for 10 months and to students who resided in CIT Student Accommodation properties for nine months. The rent relief for CIT Solutions Pty Limited has been eliminated in the Consolidated figures.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 13 AUDITOR'S REMUNERATION

Auditor's remuneration consists of financial audit services provided to CIT by the ACT Audit Office. Auditor's remuneration is included under 'Other' in **Note 10 – Supplies and Services**. No other services were provided by the ACT Audit Office.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Audit Services</b>                              |                |                |                |                |
| Audit Fees Paid or Payable to the ACT Audit Office | 196            | 177            | 160            | 142            |
| <b>Total Audit Fees</b>                            | <b>196</b>     | <b>177</b>     | <b>160</b>     | <b>142</b>     |
| <b>Total Auditor's Remuneration</b>                | <b>196</b>     | <b>177</b>     | <b>160</b>     | <b>142</b>     |

No other services were provided by the ACT Audit Office.

### NOTE 14 CASH AND CASH EQUIVALENTS

CIT holds bank accounts with Westpac Banking Corporation Limited as part of the ACT Government's whole-of-government banking arrangements. CIT earns interest on these deposits at a rate of 0.95% which is 85 basis points above the Reserve Bank's target cash rate.

CIT's Term Deposit has been held with Illawarra Mutual Bank Limited since 2015 and is currently earning an interest rate of 0.89%. These funds may be withdrawn upon request.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Cash at Bank <sup>(a)</sup>            | 13 160         | 10 056         | 8 741          | 7 934          |
| Cash on Hand                           | 6              | 8              | 4              | 4              |
| Cash Equivalent – Term Deposit         | 3 000          | 3 000          | 3 000          | 3 000          |
| <b>Total Cash and Cash Equivalents</b> | <b>16 166</b>  | <b>13 064</b>  | <b>11 745</b>  | <b>10 938</b>  |

(a) The increase is due to the additional \$3.0m Government Appropriation (CRP) received in December 2020 to cover January 2021 expenses.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 15 RECEIVABLES**

|                                      | Consolidated   |                | CIT            |                |
|--------------------------------------|----------------|----------------|----------------|----------------|
|                                      | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Current Receivables</b>           |                |                |                |                |
| Trade Receivables                    | 1 438          | 917            | 643            | 459            |
| <b>Total Trade Receivables</b>       | <b>1 438</b>   | <b>917</b>     | <b>643</b>     | <b>459</b>     |
| <b>Student Receivables</b>           |                |                |                |                |
| Student Receivables                  | 372            | 122            | 372            | 122            |
| Less: Expected Credit Loss Allowance | (199)          | (54)           | (165)          | (35)           |
| <b>Total Student Receivables</b>     | <b>173</b>     | <b>68</b>      | <b>207</b>     | <b>87</b>      |
| <b>Other Receivables</b>             |                |                |                |                |
| Accrued Revenue <sup>(a)</sup>       | 1 638          | 3 260          | 1 635          | 2 294          |
| Net GST Receivable                   | –              | –              | 12             | –              |
| <b>Total Other Receivables</b>       | <b>1 638</b>   | <b>3 260</b>   | <b>1 647</b>   | <b>2 294</b>   |
| <b>Total Current Receivables</b>     | <b>3 249</b>   | <b>4 245</b>   | <b>2 497</b>   | <b>2 840</b>   |
| <b>Total Receivables</b>             | <b>3 249</b>   | <b>4 245</b>   | <b>2 497</b>   | <b>2 840</b>   |

(a) The decrease in Accrued Revenue is the result of receiving fewer training requests by customers due to the COVID-19 pandemic.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 15 RECEIVABLES – CONTINUED**

| Ageing of Receivables                            |                 | Days Past Due         |                     |                      |                      |                    |
|--|-----------------|-----------------------|---------------------|----------------------|----------------------|--------------------|
| Consolidated                                     | Total<br>\$'000 | Not Overdue<br>\$'000 | 1-30 days<br>\$'000 | 31-60 days<br>\$'000 | 61-90 days<br>\$'000 | >91 days<br>\$'000 |
| <b>31 December 2020</b>                          |                 |                       |                     |                      |                      |                    |
| <b>CIT Non-Student Receivables</b>               | 597             | 300                   | 262                 | 6                    | –                    | 29                 |
| <b>Student Receivables</b>                       | 372             | –                     | 68                  | 37                   | 47                   | 220                |
| Expected credit loss rate                        | –               | –                     | 10.41%              | 28.20%               | 50.90%               | 56.05%             |
| Expected credit loss allowance                   | 164             | –                     | 7                   | 11                   | 23                   | 123                |
| CITSOL Receivables                               | 1 181           | 924                   | 194                 | 23                   | 14                   | 26                 |
| Expected credit loss rate – CITSOL               | –               | –                     | –                   | 52.0%                | 43.0%                | 62.0%              |
| Estimated total gross carrying amount at default | 1 147           | 924                   | 194                 | 11                   | 8                    | 10                 |
| Expected credit loss allowance                   | 34              | –                     | –                   | 12                   | 6                    | 16                 |
| <b>31 December 2019</b>                          |                 |                       |                     |                      |                      |                    |
| <b>CIT Non-Student Receivables</b>               | 686             | 450                   | 136                 | 31                   | 21                   | 48                 |
| <b>Student Receivables</b>                       | 122             | 9                     | 41                  | 31                   | 8                    | 33                 |
| Expected credit loss rate                        | –               | –                     | 10.40%              | 28.20%               | 50.90%               | 56.05%             |
| Expected credit loss allowance                   | 35              | –                     | 4                   | 9                    | 4                    | 18                 |
| CITSOL Receivables                               | 1 157           | 1 030                 | 19                  | 59                   | 1                    | 48                 |
| Expected credit loss rate – CITSOL               | –               | –                     | –                   | –                    | 2.00%                | 39.90%             |
| Expected credit losses CITSOL                    | 19              |                       |                     |                      |                      | 19                 |
| Estimated total gross carrying amount at default | 1 191           | 1 489                 | 192                 | 112                  | 26                   | 92                 |
| Expected credit loss allowance                   | 54              |                       | 4                   | 9                    | 4                    | 37                 |

‘Expected Credit Loss Expense’ is recognised as the movement in the allowance for expected credit losses. The allowance for expected credit losses of trade receivables is measured at the lifetime expected credit losses at each reporting date. CIT has established a provision matrix based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Loss rates are calculated separately for groupings of customers with similar loss patterns. CIT has determined there are two material groups for measuring expected credit losses which reflect customer profiles for revenue streams. The calculations reflect observed default rates using credit losses experienced on prior transactions. The calculation was based on 2019 student receivable data which showed consistent patterns to prior years. The default rates are then adjusted by reasonable and forward-looking information for expected changes in the macroeconomic indicators that affect the future recovery of those receivables. CIT has analysed the current receivables balances and believed that the credit loss rates calculated in 2019 remain valid for 2020.



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 15 RECEIVABLES – CONTINUED**

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |

**Reconciliation of the Allowance for Impaired Losses**

|   |            |           |            |           |
|---|------------|-----------|------------|-----------|
| Allowance for Impairment Losses at the Beginning of the Reporting Period    | 54         | 120       | 35         | 120       |
| Net increase in Allowance During the Reporting Period                       | 138        | 244       | 123        | 244       |
| Reduction in Allowance from Amounts Written off During the Reporting Period | (123)      | (329)     | (123)      | (329)     |
| Expected Credit Loss Expense  | 130        | –         | 130        | –         |
| <b>Allowance for Impairment Losses at the End of the Reporting Period</b>   | <b>199</b> | <b>35</b> | <b>165</b> | <b>35</b> |

**Classification of ACT Government/Non-ACT Government Receivables**

**Receivables with ACT Government Entities**

|   |              |              |              |              |
|---|--------------|--------------|--------------|--------------|
| Net Trade Receivable                                  | 287          | 66           | 133          | 64           |
| Accrued Revenue                                       | 1 111        | 2 268        | 1 185        | 2 003        |
| <b>Total Receivables with ACT Government Entities</b> | <b>1 398</b> | <b>2 334</b> | <b>1 318</b> | <b>2 067</b> |

**Receivables with Non-ACT Government Entities**

|   |              |              |              |              |
|---|--------------|--------------|--------------|--------------|
| Net Trade Receivable                                      | 1 151        | 832          | 510          | 395          |
| Net Student Receivable                                    | 173          | 87           | 207          | 87           |
| Accrued Revenue   | 527          | 992          | 450          | 291          |
| Net GST Receivable  | –            | –            | 12           | –            |
| <b>Total Receivables with Non-ACT Government Entities</b> | <b>1 851</b> | <b>1 911</b> | <b>1 179</b> | <b>773</b>   |
| <b>Total Receivables</b>                                  | <b>3 249</b> | <b>4 245</b> | <b>2 497</b> | <b>2 840</b> |

The maximum exposure to credit risk at the end of the reporting period for Receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table above.

CIT does not hold any collateral as security or other credit enhancements for trade receivables.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 16 ASSETS HELD FOR DISTRIBUTION TO OWNERS**

CIT has classified the land and buildings at the Watson Campus as 'assets held for distribution to owners', as it has been deemed as surplus to requirements under the campus modernisation program. The Watson Campus is expected to be disposed of during the next reporting period.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Land Held for Distribution to Owners <sup>(a)</sup>      | 6 940          | 14 411         | 6 940          | 14 411         |
| Buildings Held for Distribution to Owners <sup>(a)</sup> | –              | 1 788          | –              | 1 788          |
| <b>Total Assets Held for Distribution to Owners</b>      | <b>6 940</b>   | <b>16 199</b>  | <b>6 940</b>   | <b>16 199</b>  |

(a) The reduction in the amount from 2019 to 2020 is due to the transfer of the Southside Woden and the Woden Childcare property to ACT Government. As permitted under AASB 5 - Non-current Assets Held for Sale and Discontinued Operation, the period to dispose of an asset may extend beyond one year from the date of classification due to reasons outside the entity's control. CIT remains committed to this disposal. This asset was not revalued in 2020.

**Fair Value Hierarchy**

Details of CIT's assets held for distribution to owners at fair value and information about the Fair Value Hierarchy as at 31 December 2020 are as follows:

| Classification According to Fair Value Hierarchy 2020       |                   |                   |                   |                 |
|---|-------------------|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| <b>Assets Held for Distribution to Owners at Fair Value</b> |                   |                   |                   |                 |
| Land  | –                 | 6 940             | –                 | 6 940           |
| <b>Total Assets Held for Distribution to Owners</b>         | <b>–</b>          | <b>6 940</b>      | <b>–</b>          | <b>6 940</b>    |

| Classification According to Fair Value Hierarchy 2019       |                   |                   |                   |                 |
|---|-------------------|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000 | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| <b>Assets Held for Distribution to Owners at Fair Value</b> |                   |                   |                   |                 |
| Land  | –                 | 14 411            | –                 | 14 411          |
| Buildings   | –                 | 816               | 972               | 1 788           |
| <b>Total Assets Held for Distribution to Owners</b>         | <b>–</b>          | <b>15 227</b>     | <b>972</b>        | <b>16 199</b>   |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 16 ASSETS HELD FOR DISTRIBUTION TO OWNERS – CONTINUED

The Fair Value Hierarchy is discussed in **Note 17 – Property, Plant and Equipment**.

#### Transfers Between Categories

There were no transfers between Levels 1, 2 and 3 during the current and previous reporting period.

#### Valuation techniques, inputs and processes

Level 2 fair values of assets held for distribution to owners are derived using the market approach. The valuation technique used to value land and buildings is the market approach that reflects recent transaction prices for similar properties and buildings (comparable in location and size).

Level 3 fair values of assets held for distribution to owners are derived using the cost approach for specialised buildings and depreciated replacement cost of equivalent modern improvements for buildings.

These assets have been written down to fair value less costs to sell. Assets held for distribution to owners represent a non-recurring fair value measurement.

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes the classes of assets listed below. Property, plant and equipment does not include Assets Held for Distribution to Owners. ACT Disclosure Policy is that Right-of-Use (ROU) assets recognised under AASB 16 Leases are disclosed under the relevant class of property, plant and equipment.

- **Land** includes leasehold land held by CIT.
- **Buildings** include office buildings, warehouses and land improvements. Land improvements include parking lots, retaining walls and purpose-built children's playground structures adjoining a building. Property leased which is subject to AASB 16 Leases is also included in this category.
- **Leasehold improvements** represent fitouts in leased buildings.
- **Plant and equipment** includes plant and equipment under an AASB 16 lease, mobile plant, air conditioning and heating systems, office and computer equipment, furniture and fittings, and other mechanical and electronic equipment.
- **Heritage assets** held by CIT include art, historical buildings, and memorials.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Land</b>   |                |                |                |                |
| Land at Fair Value                                    | 47 970         | 38 824         | 47 970         | 38 824         |
| <b>Total Land Assets at Fair Value</b>                | <b>47 970</b>  | <b>38 824</b>  | <b>47 970</b>  | <b>38 824</b>  |
| <b>Buildings</b>                                      |                |                |                |                |
| Buildings at Fair Value                               | 125 139        | 141 706        | 125 139        | 141 706        |
| Less: Accumulated Depreciation                        | (585)          | (13 521)       | (585)          | (13 521)       |
| <b>Total Buildings at Fair Value</b>                  | <b>124 554</b> | <b>128 185</b> | <b>124 554</b> | <b>128 185</b> |
| Right-of-Use Asset Buildings at Fair Value            | 5 153          | 5 153          | 5 153          | 5 153          |
| Less: Accumulated Depreciation                        | (1 422)        | (711)          | (1 422)        | (711)          |
| <b>Total Right-of-Use Asset Buildings at Cost</b>     | <b>3 731</b>   | <b>4 442</b>   | <b>3 731</b>   | <b>4 442</b>   |
| <b>Total Land and Buildings</b>                       | <b>176 255</b> | <b>171 451</b> | <b>176 255</b> | <b>171 451</b> |
| <b>Leasehold Improvements</b>                         |                |                |                |                |
| Leasehold Improvements at Cost                        | 3 818          | 3 819          | 3 427          | 3 427          |
| Less: Accumulated Depreciation                        | (1 920)        | (1 506)        | (1 591)        | (1 252)        |
| <b>Total Leasehold Improvement at Cost</b>            | <b>1 898</b>   | <b>2 313</b>   | <b>1 836</b>   | <b>2 175</b>   |
| <b>Plant and Equipment</b>                            |                |                |                |                |
| Plant and Equipment at Cost                           | 13 117         | 12 488         | 13 029         | 12 423         |
| Less: Accumulated Depreciation                        | (5 730)        | (4 714)        | (5 685)        | (4 690)        |
| <b>Total Plant and Equipment at Cost</b>              | <b>7 387</b>   | <b>7 774</b>   | <b>7 344</b>   | <b>7 733</b>   |
| Right-of-Use Asset Plant and Equipment at Cost        | 556            | 727            | 556            | 727            |
| Less: Accumulated Depreciation                        | (349)          | (294)          | (349)          | (294)          |
| <b>Total Right-of-Use Plant and Equipment at Cost</b> | <b>207</b>     | <b>433</b>     | <b>207</b>     | <b>433</b>     |
| <b>Heritage Assets</b>                                |                |                |                |                |
| Heritage Assets at Fair Value                         | 144            | 144            | 144            | 144            |
| Less: Accumulated Depreciation                        | (1)            | –              | (1)            | –              |
| <b>Total Heritage Assets</b>                          | <b>143</b>     | <b>144</b>     | <b>143</b>     | <b>144</b>     |
| <b>Total Property, Plant and Equipment</b>            | <b>185 890</b> | <b>182 115</b> | <b>185 785</b> | <b>181 936</b> |

**Valuation of Non-Current Assets**

Knight Frank Valuers Canberra, an independent valuer, performs revaluations of CIT's Land and Building assets. The latest valuation was performed as at 31 December 2020. This resulted in an increase of \$5.9m in the value of Land. The latest valuation of heritage assets was performed as at 31 December 2017. These assets were not revalued in 2020 due to COVID-19 limitations however the value of this asset class is not material and CIT does not believe the asset values vary materially from the reported values.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

#### Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2020 and 2019.

|   | Land<br>\$'000 | Buildings<br>\$'000 | Right-of-Use<br>Buildings<br>\$'000 | Leasehold<br>Improvements<br>\$'000 | Plant and<br>Equipment<br>\$'000 | Right-of-Use<br>Plant and<br>Equipment<br>\$'000 | Heritage<br>Assets<br>\$'000 | Total<br>\$'000 |
|---|----------------|---------------------|-------------------------------------|-------------------------------------|----------------------------------|--|------------------------------|-----------------|
| <b>Consolidated 2020</b>                                  |                |                     |                                     |                                     |                                  |  |                              |                 |
| Carrying Amount at the Beginning of the Reporting Period  | 38 824         | 128 185             | 4 442                               | 2 313                               | 7 774                            | 433  | 144                          | 182 115         |
| Additions   | -              | 6 358               | -                                   | -                                   | 772                              | -  | -                            | 7 130           |
| Revaluation Increment/(Decrement)                         | 9 146          | (3 281)             | -                                   | -                                   | -                                | -  | -                            | 5 865           |
| Depreciation  | -              | (6 651)             | (711)                               | (415)                               | (1 043)                          | (210)  | (1)                          | (9 031)         |
| Disposals   | -              | (57)                | -                                   | -                                   | (34)                             | (171)  | -                            | (262)           |
| Depreciation Write-back for Asset Disposals               | -              | -                   | -                                   | -                                   | 30                               | 155  | -                            | 185             |
| Other Movements   | -              | -                   | -                                   | -                                   | (112)                            | -  | -                            | (112)           |
| <b>Carrying Amount at the End of the Reporting Period</b> | <b>47 970</b>  | <b>124 554</b>      | <b>3 731</b>                        | <b>1 898</b>                        | <b>7 387</b>                     | <b>207</b>                                       | <b>143</b>                   | <b>185 890</b>  |
| <b>Consolidated 2019</b>                                  |                |                     |                                     |                                     |                                  |  |                              |                 |
| Carrying Amount at the Beginning of the Reporting Period  | 38 824         | 130 961             | -                                   | 2 732                               | 7 101                            | -  | 144                          | 179 762         |
| Additions   | -              | 3 759               | 5 594                               | -                                   | 1 901                            | 727  | -                            | 11 981          |
| Depreciation  | -              | (6 535)             | (1 152)                             | (419)                               | (1 089)                          | (294)  | -                            | (9 489)         |
| Disposals   | -              | -                   | -                                   | (104)                               | (694)                            | -  | -                            | (798)           |
| Depreciation Write-back for Asset Disposals               | -              | -                   | -                                   | 104                                 | 491                              | -  | -                            | 595             |
| Other Movements   | -              | -                   | -                                   | -                                   | 64                               | -  | -                            | 64              |
| <b>Carrying Amount at the End of the Reporting Period</b> | <b>38 824</b>  | <b>128 185</b>      | <b>4 442</b>                        | <b>2 313</b>                        | <b>7 774</b>                     | <b>433</b>                                       | <b>144</b>                   | <b>182 115</b>  |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

#### Reconciliation of Property, Plant and Equipment

The following table shows the movement of Property, Plant and Equipment during 2020 and 2019.

|   | Land<br>\$'000 | Buildings<br>\$'000 | Right-of-Use<br>Buildings<br>\$'000 | Leasehold<br>Improvements<br>\$'000 | Plant and<br>Equipment<br>\$'000 | Right-of-Use<br>Plant and<br>Equipment<br>\$'000 | Heritage<br>Assets<br>\$'000 | Total<br>\$'000 |
|---|----------------|---------------------|-------------------------------------|-------------------------------------|----------------------------------|--|------------------------------|-----------------|
| <b>CIT 2020</b>   |                |                     |                                     |                                     |                                  |  |                              |                 |
| Carrying Amount at the Beginning of the Reporting Period  | 38 824         | 128 185             | 4 442                               | 2 175                               | 7 733                            | 433  | 144                          | 181 936         |
| Additions   | –              | 6 358               | –                                   | –                                   | 748                              | –  | –                            | 7 106           |
| Revaluation Increment/(Decrement)                         | 9 146          | (3 281)             | –                                   | –                                   | –                                | –  | –                            | 5 865           |
| Depreciation  | –              | (6 651)             | (711)                               | (339)                               | (1 022)                          | (210)  | (1)                          | (8 934)         |
| Disposals   | –              | (57)                | –                                   | –                                   | (34)                             | (171)  | –                            | (262)           |
| Depreciation Write-back for Asset Disposals               | –              | –                   | –                                   | –                                   | 31                               | 155  | –                            | 186             |
| Other Movements   | –              | –                   | –                                   | –                                   | (112)                            | –  | –                            | (112)           |
| <b>Carrying Amount at the End of the Reporting Period</b> | <b>47 970</b>  | <b>124 554</b>      | <b>3 731</b>                        | <b>1 836</b>                        | <b>7 344</b>                     | <b>207</b>                                       | <b>143</b>                   | <b>185 785</b>  |
| <b>CIT 2019</b>   |                |                     |                                     |                                     |                                  |  |                              |                 |
| Carrying Amount at the Beginning of the Reporting Period  | 38 824         | 130 961             | –                                   | 2 514                               | 7 096                            | –  | 144                          | 179 539         |
| Additions   | –              | 3 759               | 5 153                               | –                                   | 1 849                            | 727  | –                            | 11 488          |
| Depreciation  | –              | (6 535)             | (711)                               | (339)                               | (1 073)                          | (294)  | –                            | (8 952)         |
| Disposals   | –              | –                   | –                                   | –                                   | (694)                            | –  | –                            | (694)           |
| Depreciation Write-back for Asset Disposals               | –              | –                   | –                                   | –                                   | 491                              | –  | –                            | 491             |
| Other Movements   | –              | –                   | –                                   | –                                   | 64                               | –  | –                            | 64              |
| <b>Carrying Amount at the End of the Reporting Period</b> | <b>38 824</b>  | <b>128 185</b>      | <b>4 442</b>                        | <b>2 175</b>                        | <b>7 733</b>                     | <b>433</b>                                       | <b>144</b>                   | <b>181 936</b>  |



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy**

The Fair Value Hierarchy below reflects the significance of the inputs used in determining fair value. The Fair Value Hierarchy is made up of the following three levels:

- **Level 1** – quoted prices (unadjusted) in active markets for identical assets or liabilities that the agency can access at the measurement date;
- **Level 2** – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** – inputs that are unobservable for particular assets or liabilities.

Details of CIT's property, plant and equipment at fair value and information about the Fair Value Hierarchy as at 31 December 2020 are as follows:

**Consolidated 2020**

| Property, Plant and Equipment at Fair Value | Classification According to the Fair Value Hierarchy 2020 |                   |                   |                 |
|---|---|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000   | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| Land  | –   | 47 970            | –                 | 47 970          |
| Buildings                                   | –   | 1 405             | 123 148           | 124 553         |
| Heritage Assets                             | –   | 135               | 8                 | 143             |
|   | <b>–</b>  | <b>49 510</b>     | <b>123 156</b>    | <b>172 666</b>  |

**Consolidated 2019**

| Property, Plant and Equipment at Fair Value | Classification According to the Fair Value Hierarchy 2019 |                   |                   |                 |
|---|---|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000   | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| Land  | –   | 38 824            | –                 | 38 824          |
| Buildings                                   | –   | 1 365             | 126 820           | 128 185         |
| Heritage Assets                             | –   | 135               | 8                 | 143             |
|   | <b>–</b>  | <b>40 324</b>     | <b>126 828</b>    | <b>167 152</b>  |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy – Continued**

**Transfer Between Categories**

**Transfers:** There have been no transfers between level 1, 2 and 3 during the current or prior reporting periods.

**CIT 2020**

| Property, Plant and Equipment at Fair Value | Classification According to the Fair Value Hierarchy |                   |                   |                 |
|---|--|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000                                    | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| Land  | –  | 47 970            | –                 | 47 970          |
| Buildings                                   | –  | 1 405             | 123 148           | 124 553         |
| Heritage Assets                             | –  | 135               | 8                 | 143             |
|   | <b>–</b>   | <b>49 510</b>     | <b>123 156</b>    | <b>172 666</b>  |

**CIT 2019**

| Property, Plant and Equipment at Fair Value | Classification According to the Fair Value Hierarchy |                   |                   |                 |
|---|--|-------------------|-------------------|-----------------|
|   | Level 1<br>\$'000                                    | Level 2<br>\$'000 | Level 3<br>\$'000 | Total<br>\$'000 |
| Land  | –  | 38 824            | –                 | 38 824          |
| Buildings                                   | –  | 1 365             | 126 820           | 128 185         |
| Heritage Assets                             | –  | 135               | 8                 | 143             |
|   | <b>–</b>   | <b>40 324</b>     | <b>126 828</b>    | <b>167 152</b>  |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

#### Fair Value Hierarchy – Continued

##### Transfer Between Categories

**Transfers:** There have been no transfers between level 1, 2 and 3 during the current or prior reporting periods.

##### Valuation Techniques, inputs and processes

##### Level 2 Valuation Techniques and Inputs

##### Land and Buildings

**Valuation Technique:** The valuation technique used to value land and buildings is the market approach that reflects recent transaction prices for similar properties and buildings (comparable in location and size).

**Inputs:** In determining the value of land, prices and other relevant information generated by market transactions involving comparable land and buildings were considered. The following was taken into regard: the Crown Lease terms and tenure, the Australian Capital Territory Plan and the National Capital Plan, where applicable, as well as current zoning. CIT considers that the valuation reflects the highest and best use value.

When assessing the value, the prices adopted from the evidence were on a dollar per square metre basis, subsequently applied to the various land areas to derive the total land value. The Monterey student accommodation was valued on a direct comparison basis, whereby an active and liquid market exists and comparable market evidence can be analysed to assist in deriving a value.

##### Heritage Assets

**Valuation technique:** The valuation technique applied to Heritage assets is the market approach. This approach uses sales prices and other relevant information generated by market transactions involving similar assets or works by artists with similar standing/style.

**Inputs:** Artworks comprise works produced by students and other artists held for permanent exhibition, for which fair value is determined using a market value (comparable sales) where there is a market for the same or a similar item.

##### Level 3 Valuation Techniques and Inputs

##### Land and Buildings

**Valuation Technique:** Most buildings were considered specialised assets by the valuer and measured using the cost approach that reflects the cost to a market participant to construct assets of comparable utility adjusted for obsolescence. For buildings, depreciated replacement cost of equivalent modern improvements per square metre of floor area was also used in measuring fair value.

**Inputs:** In determining the value of buildings, regard was given to the age of buildings, size of improvements, estimated replacement cost, condition of structures and current use. This required the use of data internal to CIT. When assessing the value, the prices adopted from the evidence were on a dollar per square metre basis, subsequently applied to the various building areas to derive the total building value.

##### Heritage Assets

**Valuation technique:** Heritage assets where there is no active market (produced by non-recognised artists) are valued using unobservable inputs.

**Inputs:** In determining the value of these artworks, unobservable inputs were developed with regard given to aesthetic quality, medium, valuer knowledge of the market, and recent sales of works by artists with similar standing/style to the non-recognised artists.

There have been no changes to the above valuation techniques during the year.

Transfers in and out of a fair value level are recognised at the end of the reporting period in which the assets are revalued or changed in circumstances that cause a revaluation and transfer.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

#### Fair Value Hierarchy – Continued

Fair value measurements using significant unobservable inputs (Level 3)

| Consolidated 2020  | Buildings<br>\$'000 | Heritage Assets<br>\$'000 |
|--|---------------------|---------------------------|
| <b>Fair Value at the Beginning of the Reporting Period</b> | <b>126 820</b>      | <b>8</b>                  |
| Additions  | 6 358               | –                         |
| Revaluation (decrement)                                    | (3 281)             | –                         |
| Depreciation   | (6 602)             | –                         |
| Disposal   | (146)               | –                         |
| <b>Fair Value at end of the Reporting Period</b>           | <b>123 149</b>      | <b>8</b>                  |

| Consolidated 2019  | Buildings<br>\$'000 | Heritage Assets<br>\$'000 |
|--|---------------------|---------------------------|
| <b>Fair Value at the Beginning of the Reporting Period</b> | <b>129 546</b>      | <b>8</b>                  |
| Additions  | 3 758               | –                         |
| Depreciation   | (6 484)             | –                         |
| <b>Fair Value at end of the Reporting Period</b>           | <b>126 820</b>      | <b>8</b>                  |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 17 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

#### Fair Value Hierarchy – Continued

Fair value measurements using significant unobservable inputs (Level 3)

| CIT 2020   | Buildings<br>\$'000 | Heritage Assets<br>\$'000 |
|--|---------------------|---------------------------|
| <b>Fair Value at the Beginning of the Reporting Period</b> | <b>126 820</b>      | <b>8</b>                  |
| Additions  | 6 358               | –                         |
| Revaluation (decrement)                                    | (3 281)             | –                         |
| Depreciation   | (6 602)             | –                         |
| Disposal   | (146)               | –                         |
| <b>Fair Value at end of the Reporting Period</b>           | <b>123 149</b>      | <b>8</b>                  |

| CIT 2019   | Buildings<br>\$'000 | Heritage Assets<br>\$'000 |
|--|---------------------|---------------------------|
| <b>Fair Value at the Beginning of the Reporting Period</b> | <b>129 546</b>      | <b>8</b>                  |
| Additions  | 3 758               | –                         |
| Depreciation   | (6 484)             | –                         |
| <b>Fair Value at end of the Reporting Period</b>           | <b>126 820</b>      | <b>8</b>                  |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 18 INTANGIBLE ASSETS**

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

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Computer Software</b>                      |                |                |                |                |
| <i>Externally Purchased Software</i>          |                |                |                |                |
| Computer Software at Cost                     | 7 130          | 6 739          | 7 130          | 6 739          |
| Less: Accumulated Amortisation <sup>(a)</sup> | (6 546)        | (6 442)        | (6 546)        | (6 442)        |
| <b>Total Externally Purchased Software</b>    | <b>584</b>     | <b>297</b>     | <b>584</b>     | <b>297</b>     |
| <b>Total Computer Software</b>                | <b>584</b>     | <b>297</b>     | <b>584</b>     | <b>297</b>     |
| <b>Total Intangible Assets</b>                | <b>584</b>     | <b>297</b>     | <b>584</b>     | <b>297</b>     |

(a) Computer Software amortisation is included in Depreciation and Amortisation in the Operating Statement.

**Reconciliation of Intangible Assets**

The following table shows the movements in Intangible Assets from the beginning to the end of 2019 and 2020.

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Carrying Amount at the Beginning of the Reporting Period</b> | <b>297</b>     | <b>623</b>     | <b>297</b>     | <b>623</b>     |
| Additions   | 396            | 71             | 396            | 71             |
| Disposal  | (4)            |                | (4)            |                |
| Amortisation  | (105)          | (397)          | (105)          | (397)          |
| <b>Carrying Amount at the End of the Reporting Period</b>       | <b>584</b>     | <b>297</b>     | <b>584</b>     | <b>297</b>     |



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 19 CAPITAL WORKS IN PROGRESS**

Assets under construction include buildings and software.

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Plant and Equipment Works in Progress  | 35             | –              | 35             | –              |
| Buildings Works in Progress            | 2 306          | 1 549          | 2 306          | 1 549          |
| Software Works in Progress             | –              | 470            | –              | 470            |
| <b>Total Capital Works in Progress</b> | <b>2 341</b>   | <b>2 019</b>   | <b>2 341</b>   | <b>2 019</b>   |

**Reconciliation of Consolidated Capital Works in Progress**

The following table shows the movement in the Capital Works in Progress during 2019 and 2020.

|  | Plant and<br>Equipment<br>Works in<br>Progress<br>\$'000 | Buildings<br>Works in<br>Progress<br>\$'000 | Software<br>Works in<br>Progress<br>\$'000 | Total<br>\$'000 |
|--|--|---|--|-----------------|
|--|--|---|--|-----------------|

**Consolidated 2020**

|   |           |              |            |              |
|---|-----------|--------------|------------|--------------|
| <b>Carrying Amount at the Beginning of the Reporting Period</b>                                     | –         | <b>1 549</b> | <b>470</b> | <b>2 019</b> |
| Additions <sup>(a)</sup>  | 35        | 8 372        | 133        | 8 540        |
| Capital Works in Progress Completed and Transferred to Property, Plant and Equipment <sup>(b)</sup> | –         | (6 966)      | –          | (6 966)      |
| Capital Works in Progress Completed and Transferred to Intangible Asset                             | –         | –            | (395)      | (395)        |
| Capital Works in Progress Expensed <sup>(c)</sup>   | –         | (649)        | (208)      | (857)        |
| <b>Carrying Amount at the End of the Reporting Period</b>   | <b>35</b> | <b>2 306</b> | <b>–</b>   | <b>2 341</b> |

**Consolidated 2019**

|  |          |              |            |              |
|--|----------|--------------|------------|--------------|
| <b>Carrying Amount at the Beginning of the Reporting Period</b>                      | –        | <b>2 342</b> | <b>71</b>  | <b>2 413</b> |
| Additions  | –        | 5 203        | 470        | 5 673        |
| Capital Works in Progress Completed and Transferred to Property, Plant and Equipment | –        | (5 290)      | –          | (5 290)      |
| Capital Works in Progress Completed and Transferred to Intangible Asset              | –        | –            | (71)       | (71)         |
| Capital Works in Progress Expensed   | –        | (706)        | –          | (706)        |
| <b>Carrying Amount at the End of the Reporting Period</b>                            | <b>–</b> | <b>1 549</b> | <b>470</b> | <b>2 019</b> |

(a) Capital works additions increased due to expenditure relating to the Better Infrastructure Fund 2019-20 as well as expenditure for the new project, Better ICT Services for Students and Staff.

(b) Capital Works in Progress Completed and Transferred to Property, Plant and Equipment increased primarily due to the capitalisation of the Better ICT Services for Staff and Students project and Better Infrastructure Fund works for buildings carried over from 2019 and the COVID Stimulus projects carried out during 2020.

(c) Works Expensed include expenses relating to the Better ICT Services for Staff and Students project and the ACT Government COVID-19 Stimulus projects.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 19 CAPITAL WORKS IN PROGRESS – CONTINUED**

|  | Plant and<br>Equipment<br>Works in<br>Progress<br>\$'000 | Buildings<br>Works in<br>Progress<br>\$'000 | Software<br>Works in<br>Progress<br>\$'000 | Total<br>\$'000 |
|--|--|---|--|-----------------|
|--|--|---|--|-----------------|

**CIT 2020**

|  |           |              |            |              |
|--|-----------|--------------|------------|--------------|
| <b>Carrying Amount at the Beginning of the Reporting Period</b>                      | –         | <b>1 549</b> | <b>470</b> | <b>2 019</b> |
| Additions  | 35        | 8 372        | 133        | 8 540        |
| Capital Works in Progress Completed and Transferred to Property, Plant and Equipment | –         | (6 966)      | –          | (6 966)      |
| Capital Works in Progress Completed and Transferred to Intangible Assets             | –         | –            | (395)      | (395)        |
| Capital Works in Progress Expensed   | –         | (649)        | (208)      | (857)        |
| <b>Carrying Amount at the End of the Reporting Period</b>                            | <b>35</b> | <b>2 306</b> | <b>–</b>   | <b>2 341</b> |

**CIT 2019**

|  |          |              |            |              |
|--|----------|--------------|------------|--------------|
| <b>Carrying Amount at the Beginning of the Reporting Period</b>                      | –        | <b>2 342</b> | <b>71</b>  | <b>2 413</b> |
| Additions  | –        | 5 203        | 470        | 5 673        |
| Capital Works in Progress Completed and Transferred to Property, Plant and Equipment | –        | (5 290)      | –          | (5 290)      |
| Capital Works in Progress Completed and Transferred to Intangible Assets             | –        | –            | (71)       | (71)         |
| Administrative Arrangements Transfers  | –        | (706)        | –          | (706)        |
| <b>Carrying Amount at the End of the Reporting Period</b>                            | <b>–</b> | <b>1 549</b> | <b>470</b> | <b>2 019</b> |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 20 OTHER ASSETS**

|                                   | Consolidated   |                | CIT            |                |
|-----------------------------------|----------------|----------------|----------------|----------------|
|                                   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Current Other Assets</b>       |                |                |                |                |
| Prepayments <sup>(a)</sup>        | 2 089          | 2 227          | 1 940          | 2 083          |
| <b>Total Current Other Assets</b> | <b>2 089</b>   | <b>2 227</b>   | <b>1 940</b>   | <b>2 083</b>   |
| <b>Total Other Assets</b>         | <b>2 089</b>   | <b>2 227</b>   | <b>1 940</b>   | <b>2 083</b>   |

(a) Prepayments include workers compensation, insurance and software licence prepayments.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 21 PAYABLES**

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Current Payables</b>                                    |                |                |                |                |
| Trade Payables   | 332            | 371            | 332            | 371            |
| Other Payables   | 971            | 456            | 971            | 456            |
|  | <b>1 303</b>   | <b>827</b>     | <b>1 303</b>   | <b>827</b>     |
| Accrued Expenses   | 2 018          | 1 933          | 2 010          | 1 787          |
| GST Payable  | 87             | 68             | –              | 16             |
| Inter-Entity Payable                                       | –              | –              | 139            | 12             |
| <b>Total Current Payables</b>                              | <b>2 105</b>   | <b>2 001</b>   | <b>2 149</b>   | <b>1 815</b>   |
| <b>Total Payables</b>                                      | <b>3 408</b>   | <b>2 828</b>   | <b>3 452</b>   | <b>2 642</b>   |
| <b>Payables are aged as follows:</b>                       |                |                |                |                |
| Not Overdue  | 3 037          | 2 639          | 3 081          | 2 453          |
| Overdue for Less than 30 Days                              | 371            | 171            | 371            | 171            |
| Overdue for 30 to 60 Days                                  | –              | 11             | –              | 11             |
| Overdue for More than 60 Days                              | –              | 7              | –              | 7              |
| <b>Total Payables</b>                                      | <b>3 408</b>   | <b>2 828</b>   | <b>3 452</b>   | <b>2 642</b>   |
| <b>Classification of ACT Government/Non-ACT Government</b> |                |                |                |                |
| <b>Payables with ACT Government Entities</b>               |                |                |                |                |
| Inter-Entity Payables                                      | –              | –              | 139            | 12             |
| Accrued Expenses   | 1 000          | 894            | 992            | 748            |
| <b>Total Payables with ACT Government Entities</b>         | <b>1 000</b>   | <b>894</b>     | <b>1 131</b>   | <b>760</b>     |
| <b>Payables with Non-ACT Government Entities</b>           |                |                |                |                |
| Trade Payables   | 397            | 371            | 397            | 395            |
| Other Payables   | 906            | 456            | 906            | 432            |
| Accrued Expenses   | 1 018          | 1 039          | 1 018          | 1 039          |
| GST Payable  | 87             | 68             | –              | 16             |
| <b>Total Payables with Non-ACT Government Entities</b>     | <b>2 408</b>   | <b>1 934</b>   | <b>2 321</b>   | <b>1 882</b>   |
| <b>Total Payables</b>                                      | <b>3 408</b>   | <b>2 828</b>   | <b>3 452</b>   | <b>2 642</b>   |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 22 LEASE LIABILITIES – CIT AS A LESSEE

CIT has leases over a range of assets including land and buildings, IT equipment and Motor Vehicles.

Information relating to the leases in place and associated balances and transactions are provided below.

|  |  |
|--|--|
| Building leases –<br>office facilities | <p>CIT has a non-cancellable operating lease for the Tuggeranong Campus, which expires in 2026.</p> <p>A Make Good provision has been created to satisfy the condition in the lease agreements requiring CIT to restore the premises to its original state. It is considered probable that this expenditure will be required.</p> <p>The lease contains an annual pricing mechanism based on CPI movements at each anniversary of the lease inception.</p> |
| Motor Vehicle leases                   | <p>CIT holds 17 motor vehicle leases. The terms vary from two years to three years. These leases allow for extensions however have no terms of renewal or purchase options, nor escalation clauses.</p>  |
| IT and Office<br>Equipment leases      | <p>CIT has numerous leases for equipment, including for office equipment and IT equipment.</p> <p>Where the value of a leased asset is of low value, CIT has used the exemption for leases of low value assets and accounts for the expense through the Operating Statement as incurred.</p> <p>Leases for other assets have lease terms which vary from three to 10 years and there are generally no extension or renewal options.</p>                    |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 22 LEASE LIABILITIES – CIT AS A LESSEE – CONTINUED**

**Right-of-Use Assets**

|  | Buildings<br>\$'000 | Motor Vehicles<br>\$'000 | ICT Equipment<br>\$'000 | Total<br>\$'000 |
|--|---------------------|--------------------------|-------------------------|-----------------|
| <b>Balance at 1 January 2020</b>                                 | <b>4 442</b>        | <b>325</b>               | <b>109</b>              | <b>4 876</b>    |
| Depreciation Charge  | (711)               | (132)                    | (78)                    | (921)           |
| Changes in right-of-use assets due to changes in lease liability | –                   | (16)                     | –                       | (16)            |
| <b>Balance at 31 December 2020</b>                               | <b>3 731</b>        | <b>177</b>               | <b>31</b>               | <b>3 939</b>    |
| <b>Balance at 1 January 2019</b>                                 | <b>–</b>            | <b>–</b>                 | <b>–</b>                | <b>–</b>        |
| Depreciation Charge  | (711)               | (169)                    | (125)                   | (1 005)         |
| Additions to right-of-use assets                                 | 5 153               | 494                      | 234                     | 5 881           |
| <b>Balance at 31 December 2019</b>                               | <b>4 442</b>        | <b>325</b>               | <b>109</b>              | <b>4 876</b>    |

**Lease Liabilities**

The maturity analysis of lease liabilities at 31 December 2020 based on contractual undiscounted cash flows is shown in the table below.

| < 1 year<br>(\$'000) | 1 - 5 years<br>(\$'000) | > 5 years<br>(\$'000) | Total undiscounted<br>lease liabilities<br>(\$'000) | Lease liabilities<br>included in the<br>Balance Sheet<br>(\$'000) |
|----------------------|-------------------------|-----------------------|---|---|
| 822                  | 3 390                   | 237                   | –   | <b>4 449</b>  |

**Operating Statement**

The amounts recognised in the operating statement relating to leases where CIT is a lessee are shown below.

|  | (\$'000) |
|--|----------|
| Depreciation of right-of-use assets  | 921      |
| Interest on lease liabilities  | 126      |
| Variable lease payments based on usage not included in the lease liability | 58       |
| Expenses relating to short-term leases                                     | 12       |
| Expenses relating to leases of low-value assets                            | 1 684    |

**Statement of Cash Flows**

|                              | (\$'000) |
|------------------------------|----------|
| Total of Cash outflow leases | 969      |



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 23 EMPLOYEE BENEFITS**

|   | <b>Consolidated</b> |               | <b>CIT</b>    |               |
|---|---------------------|---------------|---------------|---------------|
|   | <b>2020</b>         | <b>2019</b>   | <b>2020</b>   | <b>2019</b>   |
|   | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| <b>Current Employee Benefits</b>                        |                     |               |               |               |
| Annual Leave  | 7 913               | 7 048         | 7 434         | 6 595         |
| Long Service Leave                                      | 15 256              | 14 100        | 14 674        | 13 556        |
| Accrued Salaries  | 1 910               | 1 192         | 1 758         | 964           |
| Other Benefits  | 382                 | 242           | 246           | 151           |
| <b>Total Current Employee Benefits <sup>(a)</sup></b>   | <b>25 461</b>       | <b>22 582</b> | <b>24 112</b> | <b>21 266</b> |
| <b>Non-Current Employee Benefits</b>                    |                     |               |               |               |
| Long Service Leave                                      | 1 322               | 1 284         | 1 166         | 1 126         |
| <b>Total Non-Current Employee Benefits</b>              | <b>1 322</b>        | <b>1 284</b>  | <b>1 166</b>  | <b>1 126</b>  |
| <b>Total Employee Benefits</b>                          | <b>26 783</b>       | <b>23 866</b> | <b>25 278</b> | <b>22 392</b> |
| <b>Estimate of when Leave is Payable</b>                |                     |               |               |               |
| <b>Estimated Amount Payable within 12 months</b>        |                     |               |               |               |
| Annual Leave  | 4 876               | 4 840         | 4 580         | 4 528         |
| Long Service Leave                                      | 1 564               | 1 437         | 1 494         | 1 372         |
| Accrued Salaries  | 1 910               | 1 192         | 1 758         | 963           |
| Other Benefits  | 382                 | 242           | 246           | 151           |
| <b>Total Employee Benefits Payable within 12 months</b> | <b>8 732</b>        | <b>7 711</b>  | <b>8 078</b>  | <b>7 014</b>  |
| <b>Estimated Amount Payable after 12 months</b>         |                     |               |               |               |
| Long Service Leave                                      | 15 014              | 13 947        | 14 346        | 13 312        |
| Annual Leave  | 3 037               | 2 208         | 2 854         | 2 066         |
| <b>Total Employee Benefits Payable after 12 months</b>  | <b>18 051</b>       | <b>16 155</b> | <b>17 200</b> | <b>15 378</b> |
| <b>Total Employee Benefits</b>                          | <b>26 783</b>       | <b>23 866</b> | <b>25 278</b> | <b>22 392</b> |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 24 OTHER LIABILITIES**

|  | Consolidated   |                | CIT            |                |
|--|----------------|----------------|----------------|----------------|
|  | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Current Other Liabilities</b>           |                |                |                |                |
| Contract Liabilities <sup>(a)</sup>        | 826            | 1 968          | 826            | 1 968          |
| Other Current Liabilities <sup>(b)</sup>   | 2 303          | 1 190          | 461            | 256            |
| <b>Total Current Other Liabilities</b>     | <b>3 129</b>   | <b>3 158</b>   | <b>1 287</b>   | <b>2 224</b>   |
| <b>Non-Current Other Liabilities</b>       |                |                |                |                |
| Provision for Make Good                    | 309            | 309            | 309            | 309            |
| Other                                      | 1 081          | 1 518          | 1 081          | 1 468          |
| <b>Total Non-Current Other Liabilities</b> | <b>1 390</b>   | <b>1 827</b>   | <b>1 390</b>   | <b>1 777</b>   |
| <b>Total Other Liabilities</b>             | <b>4 519</b>   | <b>4 985</b>   | <b>2 677</b>   | <b>4 001</b>   |

(a) Contract liabilities have decreased primarily due to the decrease in student fees received in advance in 2020 for 2021.

(b) The increase in Other Current Liabilities is due to commercial clients paying in advance for services yet to be provided at the reporting date. Due mainly to the impacts of the COVID-19 pandemic, contracted training projects for the ACT Government and Commonwealth departments had been deferred and revenue is being held in advance of the services remaining to be delivered.

**NOTE 25 ASSET REVALUATION SURPLUS**

**Asset Revaluation Surplus**

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

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Balance at the Beginning of the Reporting Period</b> | <b>117 969</b> | <b>94 911</b>  | <b>117 969</b> | <b>94 911</b>  |
| Transfer to Accumulated Funds <sup>(a)</sup>            | (43 090)       | –              | (43 090)       | –              |
| Increment in Land due to Revaluation                    | 9 146          | –              | 9 146          | –              |
| Decrement in Buildings due to Revaluation               | (3 281)        | –              | (3 281)        | –              |
| Movement in Asset Revaluation Surplus                   | –              | 23 058         | –              | 23 058         |
| <b>Total Increase in the Asset Revaluation Surplus</b>  | <b>5 865</b>   | <b>23 058</b>  | <b>5 865</b>   | <b>23 058</b>  |
| <b>Balance at the End of the Reporting Period</b>       | <b>80 744</b>  | <b>117 969</b> | <b>80 744</b>  | <b>117 969</b> |

(a) The transfer to Accumulated Funds is to correct the balance from prior year transactions. The *Asset Revaluation Surplus – Land* balance was in excess of the previously carried Land value and the reserve was adjusted to reflect correct Land values. This offsets Accumulated Funds in the Equity section of the Balance Sheet and has no financial impact on CIT.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

## **NOTE 26 FINANCIAL INSTRUMENTS**

Financial assets are classified as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both;

- (a) the business model for managing the financial assets; and
- (b) the contractual cash flow characteristics of the financial assets.

Financial liabilities are measured at amortised cost.

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 **Appendix B – 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. CIT's financial assets consist of cash and cash equivalents, which are normally exposed to floating interest rate risk. Based on the cash needs of CIT, floating interest rate risk is mitigated by investing cash in term deposits with fixed interest rates.

CIT does not have any financial liabilities held at floating interest rates and is therefore not exposed to movements in the amount of interest payable. There have been no changes in risk exposure or processes for managing risk since the last financial reporting period.

A sensitivity analysis has not been undertaken for the interest rate risk of CIT as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

### **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.

CIT is exposed to credit risk from:

- the amount of the financial assets it holds net of any allowance for impairment.
- financial assets that are not past due or impaired.
- transactions with students and other commercial entities.
- term deposits and cash balances.

CIT mitigates its credit risk by the following processes and procedures:

- the majority of revenue transactions taking place with ACT Government and Australian Government entities hence any receivable generated does not carry a credit risk.
- monitoring and collecting all financial assets not past due or impaired.
- transactional risks are managed through internal processes which include contacting debtors by phone and email and referring to a debt collection agency. With regard to student debtors, CIT can limit student access to facilities, obtaining of grades and graduating and by deregistering students with outstanding accounts.
- term deposits are held with the Illawarra Mutual Bank Limited, which had a long-term credit rating of Baa1 with Moody's Investor Services as at April 2020.
- cash balances are held with Westpac Banking Corporation.

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

Trade receivables are measured at lifetime expected credit losses (the simplified approach).

### **Liquidity Risk**

Liquidity risk is the risk that CIT will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. CIT manages its exposure to liquidity risk by drawing down appropriations received progressively throughout the year and by progressively invoicing students and other debtors to ensure that it can meet its obligations throughout the year. See the maturity analysis for further details on when financial assets and liabilities mature.

CIT's exposure to liquidity risk and the management of this risk has not changed since the previous reporting period.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 26 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 market prices (other than those arising from interest rate risk or currency risk), whether these changes are caused by factors specific to the individual financial instrument or its issuer, or by factors affecting all similar financial instruments traded in the market. CIT has no exposure to price risk, as it does not hold financial instruments that are exposed to movements in market prices.

**Fair Value of Financial Assets and Liabilities**

The carrying amounts and fair values of financial assets and liabilities at the end of the reporting period are:

| <b>Consolidated</b> |                            |                              |                            |                              |
|---------------------|----------------------------|------------------------------|----------------------------|------------------------------|
|                     | <b>Carrying<br/>Amount</b> | <b>Fair Value<br/>Amount</b> | <b>Carrying<br/>Amount</b> | <b>Fair Value<br/>Amount</b> |
|                     | <b>2020</b>                | <b>2020</b>                  | <b>2019</b>                | <b>2019</b>                  |
|                     | <b>\$'000</b>              | <b>\$'000</b>                | <b>\$'000</b>              | <b>\$'000</b>                |

**Financial Assets**

|                                     |               |               |               |               |
|-------------------------------------|---------------|---------------|---------------|---------------|
| Cash and Cash Equivalents           | 16 166        | 16 166        | 13 064        | 13 064        |
| Financial assets at amortised costs | 3 249         | 3 249         | 4 245         | 4 245         |
| <b>Total Financial Assets</b>       | <b>19 415</b> | <b>19 415</b> | <b>17 309</b> | <b>17 309</b> |

**Financial Liabilities**

|                                    |              |              |              |              |
|------------------------------------|--------------|--------------|--------------|--------------|
| Payables                           | 3 320        | 3 320        | 2 760        | 2 760        |
| ACT Government Borrowings          | 1 060        | 1 060        | 1 230        | 1 230        |
| Lease Liability                    | 4 455        | 4 455        | 5 303        | 5 303        |
| <b>Total Financial Liabilities</b> | <b>8 835</b> | <b>8 835</b> | <b>9 293</b> | <b>9 293</b> |

**Fair Value Hierarchy**

CIT 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 2020

### NOTE 26 FINANCIAL INSTRUMENTS – CONTINUED

The following table sets out the maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period at 31 December 2020. All financial assets, which have a floating interest rate or are non-interest bearing, will mature in one year or less. Payables will mature within one year and the non-interest-bearing loan will mature in eight years. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

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

| Consolidated 2020                   | Note No. | Weighted Average Interest Rate | Fixed Interest Maturing In: |                       |                               |                     | Non-Interest Bearing \$'000 | Total \$'000 |
|-------------------------------------|----------|--------------------------------|-----------------------------|-----------------------|-------------------------------|---------------------|-----------------------------|--------------|
|                                     |          |                                | Floating Interest \$'000    | 1 Year or Less \$'000 | Over 1 Year to 5 Years \$'000 | Over 5 Years \$'000 |                             |              |
| Financial Instruments               |          |                                |                             |                       |                               |                     |                             |              |
| Financial Assets                    |          |                                |                             |                       |                               |                     |                             |              |
| Cash and Cash Equivalents           | 14       | 1.1%                           | 13 160                      | 3 000                 | -                             | -                   | 6                           | 16 166       |
| Receivables                         | 15       |                                | -                           | -                     | -                             | -                   | 3 447                       | 3 447        |
| Total Financial Assets              |          |                                | 13 160                      | 3 000                 | -                             | -                   | 3 453                       | 19 613       |
| Financial Liabilities               |          |                                |                             |                       |                               |                     |                             |              |
| Payables                            | 21       | -                              | -                           | -                     | -                             | -                   | 3 320                       | 3 320        |
| Carbon Neutral Loan                 |          |                                | -                           | -                     | -                             | -                   | 1 060                       | 1 060        |
| Lease liability                     | 21       |                                | -                           | -                     | -                             | -                   | 4 455                       | 4 455        |
| Total Financial Liabilities         |          |                                | -                           | -                     | -                             | -                   | 8 835                       | 8 835        |
| Net Financial Assets/ (Liabilities) |          |                                |                             |                       |                               |                     |                             |              |
|                                     |          |                                | 13 160                      | 3 000                 | -                             | -                   | (5 382)                     | 10 778       |

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 26 FINANCIAL INSTRUMENTS – CONTINUED

The following table sets out the maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period at 31 December 2019. 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.

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

| Consolidated 2019                   | Note No. | Weighted Average Interest Rate | Fixed Interest Maturing In: |                       |                               |                     | Non-Interest Bearing \$'000 | Total \$'000 |
|-------------------------------------|----------|--------------------------------|-----------------------------|-----------------------|-------------------------------|---------------------|-----------------------------|--------------|
|                                     |          |                                | Floating Interest \$'000    | 1 Year or Less \$'000 | Over 1 Year to 5 Years \$'000 | Over 5 Years \$'000 |                             |              |
| Financial Instruments               |          |                                |                             |                       |                               |                     |                             |              |
| Financial Assets                    |          |                                |                             |                       |                               |                     |                             |              |
| Cash and Cash Equivalents           | 14       | 2.00%                          | 10 064                      | 3 000                 | -                             | -                   | -                           | 13 064       |
| Receivables                         | 15       |                                | -                           | -                     | -                             | -                   | 4 245                       | 4 245        |
| Total Financial Assets              |          |                                | 10 064                      | 3 000                 | -                             | -                   | 4 245                       | 17 309       |
| Financial Liabilities               |          |                                |                             |                       |                               |                     |                             |              |
| Payables                            | 21       |                                | -                           | -                     | -                             | -                   | 2 760                       | 2 760        |
| Carbon Neutral Loan                 |          |                                | -                           | -                     | -                             | -                   | 1 230                       | 1 230        |
| Lease Liability                     | 22       |                                | -                           | -                     | -                             | -                   | 5 303                       | 5 303        |
| Total Financial Liabilities         |          |                                | -                           | -                     | -                             | -                   | 9 293                       | 9 293        |
| Net Financial Assets/ (Liabilities) |          |                                |                             |                       |                               |                     |                             |              |
|                                     |          |                                | 10,064                      | 3,000                 | -                             | -                   | (5 048)                     | 8 016        |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 26 FINANCIAL INSTRUMENTS – CONTINUED**

|  | <b>Consolidated</b> |               |
|--|---------------------|---------------|
|  | <b>2020</b>         | <b>2019</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> |

**Carrying Amount of Each Category of Financial Asset and Financial Liability**

**Financial Assets**

|   |        |        |
|---|--------|--------|
| Financial Assets Measured at Amortised Cost | 19 613 | 17 309 |
|---|--------|--------|

**Financial Liabilities**

|  |       |       |
|--|-------|-------|
| Financial Liabilities Measured at Amortised Cost | 8 835 | 9 293 |
|--|-------|-------|

**Fair Value**

CIT does not have any financial assets classified as subsequently measured at fair value through other comprehensive income or fair value through profit or loss and as such these categories are not included above. CIT does not have any financial liabilities in the 'Financial Liabilities at Fair Value through Profit and Loss' category and, as such, this category is also not included above.

**NOTE 27 COMMITMENTS**

**Capital Commitments**

Capital commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

|  | <b>Consolidated</b> |               | <b>CIT</b>    |               |
|--|---------------------|---------------|---------------|---------------|
|  | <b>2020</b>         | <b>2019</b>   | <b>2020</b>   | <b>2019</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| <b>Capital Commitments – Property, Plant and Equipment</b>       |                     |               |               |               |
| Within one year <sup>(a)</sup>                                   | 4 217               | 1 958         | 4 217         | 1 958         |
| <b>Total Capital Commitments – Property, Plant and Equipment</b> | <b>4 217</b>        | <b>1 958</b>  | <b>4 217</b>  | <b>1 958</b>  |

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

(a) Commitments have increased in 2020 due to the Better ICT Services for Staff and Students project which is due for completion by June 2021.



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 27 COMMITMENTS – CONTINUED**

**Other Commitments**

Other commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| Within one year                                   | 761            | 747            | 761            | 747            |
| Later than one year but not later than five years | 1 064          | 1 245          | 1 064          | 1 245          |
| Later than five years                             | 23             | 48             | 23             | 48             |
| <b>Total Other Commitments</b>                    | <b>1 848</b>   | <b>2 040</b>   | <b>1 848</b>   | <b>2 040</b>   |

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

**NOTE 28 CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

**Contingent Liabilities**

*Legal Claims*

In December 2020 CIT reviewed pending legal claims from third parties. A public liability insurance policy, held with the ACT Insurance Authority, provides insurance cover for the legal costs that have occurred through defending claims against CIT from a third party. At the reporting date, the estimated potential liability as a result of court action is \$216,600 (2019 \$243,000). The estimated contingent liability has not been provided for in CIT's accounts.

**Contingent Assets**

At the reporting date an estimate of the potential insurance settlement receivable in relation to pending legal claims from third parties is \$201,600 (2019 \$228,000).

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 29 CASH FLOW RECONCILIATION**

**(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Statement of Cash Flows to the Equivalent Items in the Balance Sheet**

|  | <b>Consolidated</b> |               | <b>CIT</b>    |               |
|--|---------------------|---------------|---------------|---------------|
|  | <b>2020</b>         | <b>2019</b>   | <b>2020</b>   | <b>2019</b>   |
|  | <b>\$'000</b>       | <b>\$'000</b> | <b>\$'000</b> | <b>\$'000</b> |
| Total Cash and Cash Equivalents Recorded in the Balance Sheet  | 16 166              | 13 064        | 11 745        | 10 938        |
| <b>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement</b> | <b>16 166</b>       | <b>13 064</b> | <b>11 745</b> | <b>10 938</b> |

**(b) Reconciliation of Operating Deficit Surplus/(Deficit) to Net Cash Inflows Operating Activities**

|                     |         |         |          |         |
|---------------------|---------|---------|----------|---------|
| Operating (Deficit) | (9 621) | (9 228) | (10 549) | (9 512) |
|---------------------|---------|---------|----------|---------|

**Add/(Less) Non-Cash Items**

|   |       |         |       |       |
|---|-------|---------|-------|-------|
| Depreciation of Property, Plant and Equipment | 9 030 | 9 048   | 8 933 | 8 952 |
| Amortisation of Intangibles                   | 106   | 397     | 106   | 397   |
| Right-of-Use Asset Expense                    | –     | (1 435) | –     | (888) |

**Add/(Less) Items Classified as Investing or Financing**

|   |            |                |              |                |
|---|------------|----------------|--------------|----------------|
| Net (Loss)/ Gain from the Sale of Assets                                | (8)        | (16)           | (8)          | (16)           |
| Net Loss on Disposal of Non-Current Assets                              | 1 034      | –              | 1 034        | –              |
| <b>Cash Outflows Before Changes in Operating Assets and Liabilities</b> | <b>541</b> | <b>(1 234)</b> | <b>(484)</b> | <b>(1 067)</b> |

**Changes in Operating Assets and Liabilities**

|  |              |              |              |              |
|--|--------------|--------------|--------------|--------------|
| Decrease in Receivables                                | 912          | 1 378        | 198          | 1 200        |
| (Increase)/ Decrease in Other Assets                   | 104          | (609)        | 142          | 1 042        |
| Increase/ (Decrease) in Payables                       | 521          | 444          | 693          | (496)        |
| Increase/(Decrease) in Provisions                      | 2 906        | (270)        | 2 884        | (175)        |
| Increase/ (Decrease) in Other Liabilities              | (521)        | 1 202        | (1 325)      | 471          |
| <b>Net Changes in Operating Assets and Liabilities</b> | <b>3 922</b> | <b>2 145</b> | <b>2 592</b> | <b>2 042</b> |
| <b>Net Cash Inflows from Operating Activities</b>      | <b>4 463</b> | <b>911</b>   | <b>2 108</b> | <b>975</b>   |

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

## NOTE 30 EVENTS AFTER THE REPORTING PERIOD

There were no events occurring after the balance date which would affect the financial statements at 31 December 2020.

## NOTE 31 THIRD PARTY MONIES

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

|   | Consolidated   |                | CIT            |                |
|---|----------------|----------------|----------------|----------------|
|   | 2020<br>\$'000 | 2019<br>\$'000 | 2020<br>\$'000 | 2019<br>\$'000 |
| <b>Balance at the Beginning of the Reporting Period</b>                           | <b>12</b>      | <b>37</b>      | <b>12</b>      | <b>37</b>      |
| Receipts for Overseas Student Health Cover  | 21             | 121            | 21             | 121            |
| Payments for Overseas Student Health Cover  | (23)           | (146)          | (23)           | (146)          |
| <b>Balance at the End of the Reporting Period</b>                                 | <b>10</b>      | <b>12</b>      | <b>10</b>      | <b>12</b>      |
| <b>Monies Held on Behalf of Third Parties at the End of the Reporting Period:</b> |                |                |                |                |
| Overseas Student Health Cover   | 10             | 12             | 10             | 12             |
| <b>Total Third Party Monies</b>   | <b>10</b>      | <b>12</b>      | <b>10</b>      | <b>12</b>      |

## NOTE 32 RELATED PARTY DISCLOSURE

A related party is a person that controls or has significant influence over the reporting entity, or is a member of the Key Management Personnel (KMP) of the reporting entity or its parent entity, and includes their close family members and entities in which the KMP and/or their close family members individually or jointly have controlling interests.

KMP are those persons having authority and responsibility for planning, directing and controlling the activities of CIT, directly or indirectly.

KMP of CIT are the CIT Board Members, the Chief Executive and Executive Management of CIT.

The Head of Service and the ACT Executive comprising the Cabinet Ministers are KMP of the ACT Government and therefore related parties of CIT.

There were no related party transactions undertaken directly with CIT by Cabinet Ministers, including the Portfolio Minister, or by the Head of Service during the year ended 31 December 2020.

This note does not include typical citizen transactions between the KMP and CIT that occur on terms and conditions no different to those applying to the general public.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 32 RELATED PARTY DISCLOSURE – CONTINUED**

**(A) CONTROLLING ENTITY**

CIT is an ACT Government controlled entity.

**(B) KEY MANAGEMENT PERSONNEL**

**B.1 Compensation of Key Management Personnel**

Compensation by CIT to KMP employed by CIT is set out below.

|   | 2020<br>\$'000 | 2019<br>\$'000 |
|---|----------------|----------------|
| Short-term employee benefits            | 1 523          | 1 857          |
| Post-employment benefits                | 150            | 200            |
| Board member fees                       | 115            | 105            |
| Termination Benefits                    | 203            | –              |
| <b>Total Compensation by CIT to KMP</b> | <b>1 991</b>   | <b>2 162</b>   |

**B.2 Transactions with related parties**

There were no transactions with parties related to KMP, including transactions with KMP's close family members or other related entities that were material to the financial statements of CIT.

During the year \$0.15m was paid for childcare services to an organisation where the CEO is a related party of CIT. This was an arms-length transaction as part of a 3.5 year, \$0.5m contract ending on 30 June 2022.

**(C) TRANSACTIONS WITH OTHER ACT GOVERNMENT CONTROLLED ENTITIES**

All transactions with ACT Government controlled entities are disclosed in the relevant notes to the financial statements.

**(D) TRANSACTIONS WITHIN THE CONSOLIDATED GROUP**

During the year CIT reported \$2,537,000 of expenses (\$3,103,099 in 2019) related to CIT Solutions Pty Limited (CIT Solutions), mainly for a management fee for the recruitment of international students.

CIT earned \$196,000 of revenue (\$556,000 in 2019) from CIT Solutions, largely comprising payments for the lease of CIT's facilities and administrative services. CIT Solutions received rental relief for ten months to the value of \$0.47m.

All transactions between CIT and CIT Solutions have been disclosed at arm's length value and normal trading terms and conditions are applied.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2020

### NOTE 33 BUDGETARY REPORTING

Significant judgements have been applied in determining what variances are considered 'major variances'. Variances are considered major if both of the following criteria are met:

- The line item is a significant line item: where either the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or more than 10% of the sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 2.5% or \$500,000 of the budget for the financial statement line item.

| Operating Statement Line Items                                     | Actual<br>2020<br>\$'000 | Original<br>Budget <sup>1</sup><br>2020<br>\$'000 | Variance<br>\$'000 | Variance<br>% | Variance Explanation  |
|--|--------------------------|---|--------------------|---------------|---|
| Controlled Recurrent Payments                                      | 80,296                   | 77,308  | 2,988              | 4%            | The first drawdown for January 2021 was drawn in December to cover January expenses due to the Christmas shutdown period.                               |
| Sale of Goods and Services from Contracts with Customers           | 27,409                   | 31,853  | (4,444)            | (14%)         | Reduced student enrolments and associated reduced Special Purpose funding resulting from COVID-19 pandemic impacts.                                     |
| Supplies and Services  | 32,553                   | 35,259  | (2,706)            | (8%)          | Reduced expenditure resulting from lower operational activity impacted by COVID-19 restrictions.  |
| Other Comprehensive Income – Increase in Asset Revaluation Reserve | 5,685                    | –   | 5,685              | 100%          | Revaluation increment as per the external Land and Buildings revaluation.   |
| Balance Sheet Line Items   | Actual<br>2020<br>\$'000 | Original<br>Budget <sup>1</sup><br>2020<br>\$'000 | Variance<br>\$'000 | Variance<br>% | Variance Explanation  |
| Cash and Cash Equivalents  | 11,745                   | 5,020   | 6,725              | 133%          | \$3.0 Government Appropriation 2021 advance drawdown is included in the bank balance. Also, the budget amount was overstated.                           |
| Assets Held for Distribution to Owners                             | 6,940                    | –   | 6,940              | 100%          | Watson property transfers to ACT Government have been delayed.  |
| Employee Benefits–Current  | 24,111                   | 20,150  | 3,961              | 19%           | Less leave was taken during the year due to COVID-19 restrictions.  |
| Accumulated Funds  | 95,252                   | 45,785  | 49,467             | 108%          | Revaluation of Land and Buildings, including both the revaluation increment outlined above and the land carrying amount adjustment outlined in Note 25. |

<sup>1</sup> Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (Australian Capital Territory Budget 2020-21). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2020

**NOTE 33 BUDGETARY REPORTING – CONTINUED**

| Cash Flow Statement Lines                                 | Actual<br>2020<br>\$'000 | Original<br>Budget <sup>1</sup><br>2020<br>\$'000 | Variance<br>\$'000 | Variance<br>% | Variance Explanation  |
|---|--------------------------|---|--------------------|---------------|---|
| Payments for Property Plant and Equipment                 | 7,314                    | 9,661   | (2,347)            | (24%)         | The variance is mainly due the push back of procurement and project timelines into 2021 as a result of COVID-19, namely the Better ICT services for CIT Students and Staff. |
| Sales of Goods and Services from Contracts with Customers | 27,138                   | 31,793  | (4,655)            | (15%)         | Reduced student enrolments and associated reduced Special Purpose funding resulting from COVID-19 impacts.  |
| Employee Payments   | 64,660                   | 70,857  | (6,197)            | (9%)          | Salary expense was lower than budgeted combined with a larger year end accrual. Also, the budgeted amount was overestimated.  |
| Supplies and Services                                     | 31,641                   | 35,592  | (3,951)            | (11%)         | Reduced expenditure resulting from lower operational activity impacted by COVID-19 restrictions.  |

<sup>1</sup> Original Budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect of the reporting period (Australian Capital Territory Budget 2020-21). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

## **Appendix A – Basis of Preparation of the Financial Statements Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2020

### **APPENDIX A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS**

#### **LEGISLATIVE REQUIREMENT**

The *Financial Management Act 1996* (FMA) requires the preparation of annual financial statements for ACT Government Agencies.

The FMA and the *Financial Management Guidelines* issued under the FMA, requires CIT's financial statements to include:

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

These general-purpose financial statements have been prepared to comply with Australian Accounting Standards 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.

#### **ACCRUAL ACCOUNTING**

The financial statements have been prepared using the accrual basis of accounting. The financial statements have also been prepared according to the historical cost convention, except for assets such as those included in property, plant and equipment and financial instruments which were valued at fair value in accordance with the revaluation policies applicable to CIT during the reporting period.

#### **CURRENCY**

These financial statements are presented in Australian dollars.

#### **INDIVIDUAL REPORTING ENTITY**

CIT is an individual not-for-profit reporting entity.

#### **PRINCIPLES OF CONSOLIDATION**

The Canberra Institute of Technology holds \$20,000 of paid-up capital in CIT Solutions Pty Limited (CIT Solutions).

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



## Appendix A – Basis of Preparation of the Financial Statements Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

### APPENDIX A BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS – CONTINUED

#### REPORTING PERIOD

These financial statements state the financial performance, changes in equity and cash flows of CIT for the year ended 31 December 2020 together with the financial position of CIT as at 31 December 2020.

#### COMPARATIVE FIGURES

##### *Budget Figures*

To facilitate a comparison with the Budget Papers, as required by the Financial Management Act 1996, budget information for 2020 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the 2020 Budget Papers.

##### *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 been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

##### *Rounding*

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

#### GOING CONCERN

The 2020 financial statements have been prepared on a going concern basis. As at 31 December 2020, CIT's current liabilities (\$29.7m) exceeded its current asset (\$23.1m) by \$6.6m. However, this is not considered a liquidity risk as the LSL Employee Entitlements of \$15m are unlikely to be called upon during the next reporting period and historical analysis shows that on average, only a portion of the entitlements are paid out in any one year.

CIT does not believe that the effects of the COVID-19 pandemic have compromised the ability of CIT to continue as a going concern as is evidenced in the financial statements and due to other qualitative analysis undertaken including an assessment of international student enrolments in 2021. It should also be noted that the major portion of CIT's expenses are funded through Controlled Recurrent Payments on a cash-needs basis from the ACT Government. Of further relevance is the receipt of up to \$10.1 million of funding under the Job Trainer initiative of the ACT Government which is likely to be received in 2021.

As part of the Economic Response to the COVID-19 pandemic, the Australian Government is providing free or low-fee training courses across Australia through a \$1 billion JobTrainer Fund. The Australian Government has partnered with state and territory governments to establish the \$1 billion JobTrainer Fund. Job seekers and young people, including school leavers, can take advantage of subsidised training to learn skills for jobs in demand. CIT is a participant in this initiative and will be funded to the amount of \$10.1 million.

Canberra Institute of Technology

## **Appendix B – Significant Accounting Policies**

### **Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2020

## **APPENDIX B SIGNIFICANT ACCOUNTING POLICIES**

### **SIGNIFICANT ACCOUNTING POLICIES – INCOME**

#### **REVENUE RECOGNITION**

Revenue is recognised in accordance with AASB 15 Revenue from Contracts with Customers where the contract is enforceable and contains sufficiently specific performance obligations, otherwise revenue is in the scope of AASB 1058 Income of not-for-Profit Entities, or AASB 1004 Contributions Where the performance obligations of the contract have not been met at the reporting date, revenue is held as Contract Liabilities on the Balance Sheet.

#### **AASB 15**

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the entity expects to receive in exchange for those goods or services. Revenue is recognised by applying a five step model as follows:

1. identify the contract with the customer;
2. identify the performance obligations;
3. determine the transaction price;
4. allocate the transaction price; and
5. recognise revenue as or when control of the performance obligation is transferred to the customer.

No revenue streams of CIT have any significant financing terms as there is less than 12 months between the receipt of funds and the satisfaction of performance obligations. Refer to Note 4 for specific revenue sources.

#### **AASB 1058**

Where revenue streams are in the scope of AASB 1058, CIT recognises the asset received (generally cash or other financial asset) at fair value, recognises any related amount (e.g. liability or equity) in accordance with an accounting standard and recognises revenue as the residual between the fair value of the asset and the related amount on receipt of the asset.

#### **CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments are recognised as revenue when CIT gains control over the funding. Control over appropriated funds is obtained upon the receipt of cash.

#### **SPECIAL PURPOSE FUND ACTIVITIES**

This is recognised as revenue on an accruals basis as students are given positive grades for completed modules. This category of revenue is funding provided by the ACT Government for students undertaking courses which are subject to this funding and is predominately for apprentices and trainees. The revenue is recognised at a point in time when the student receives a positive grade from CIT.

#### **STUDENT FEES AND CHARGES**

CIT earns the major part of its contract revenue from the provision of education services. The financial year for CIT coincides with the academic year. Generally, the performance obligations of contracts classified as General Student Fees and Charges are satisfied during the current year, hence revenue is recognised at a point in time when the invoice is raised in the current year. In the event of performance obligations not being met in the current financial year, revenue is held on the Balance Sheet as Contract Liabilities.

#### **COMMERCIAL REVENUE**

Commercial Revenue component of International Student fees are treated in the same way as General Student Fees.

The other main Commercial Revenue components are rental income contracts and the sale of goods and services contracts. Generally, the meeting of the performance obligations of the contracts coincides with the payment. Rental revenue is recognised on an accrual basis over time throughout the term of the contract.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – INCOME – CONTINUED

##### GRANTS AND CONTRIBUTIONS

Where CIT receives an asset or services for significantly less than fair value then the transaction is in the scope of AASB 1058 and revenue is recognised on receipt of the asset or services.

Where services are received, the expense is recognised in the line item to which it relates.

Goods and services received free of charge from ACT Government agencies are recognised as resources received free of charge, whereas goods and services received free of charge from entities external to the ACT Government are recognised as donations or contributions.

Services that are received free of charge are only recognised in the Operating Statement if they can be reliably measured and would have been purchased if not provided to CIT free of charge.

Where CIT receives capital grants that meet the following:

- the contract is enforceable;
- the financial asset is to be used to acquire or construct a non-financial asset which will be recognised by the agency; and
- the asset is not required to be transferred to any other party

then a contract liability is recognised on receipt of funds and revenue is recognised as the acquisition or construction occurs. If the funds are received in arrears, then a contract asset is recorded as CIT is completing the work.

##### INTEREST

Interest revenue is recognised using the effective interest method.

#### SIGNIFICANT ACCOUNTING POLICIES – EXPENSES

##### NOTE 8 – EMPLOYEE EXPENSES

Employee benefits include:

- short-term employee benefits such as wages and salaries, annual leave loading, annual leave, superannuation and applicable on cost if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
- other long-term benefits such as long service leave and annual leave; and
- termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual and long service leave.

(See Appendix B – Note 23 – *Employee Benefits* for accrued wages and salaries, and annual and long service leave).

Canberra Institute of Technology

## **Appendix B – Significant Accounting Policies**

### **Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2020

#### **SIGNIFICANT ACCOUNTING POLICIES – EXPENSES – CONTINUED**

##### **NOTE 9 – SUPERANNUATION EXPENSES**

Employees of CIT will have different superannuation arrangements due to the type of superannuation scheme available at the time of commencing employment, including both defined benefit and defined contribution superannuation scheme arrangements.

For employees who are members of the defined benefit Commonwealth Superannuation Scheme (CSS) and Public Sector Superannuation Scheme (PSS), CIT makes employer superannuation contribution payments to the Territory Banking Account at a rate determined by the Chief Minister, Treasury and Economic Development Directorate. CIT also makes productivity superannuation contribution payments on behalf of these employees to the Commonwealth Superannuation Corporation, which is responsible for administration of the schemes.

For employees who are members of defined contribution superannuation schemes (the Public Sector Superannuation Scheme Accumulation Plan (PSSAP) and schemes of employee choice), CIT makes employer superannuation contribution payments directly to the employees' relevant superannuation fund.

All defined benefit employer superannuation contributions are recognised as expenses on the same basis as the employer superannuation contributions made to defined contribution schemes. The accruing superannuation liability obligations are expensed as they are incurred and extinguished as they are paid.

##### **Superannuation Liability Recognition**

For CIT employees who are members of the defined benefit CSS or PSS the employer superannuation liabilities for superannuation benefits payable upon retirement are recognised in the financial statements of the Superannuation Provision Account.

##### **NOTE 10 – SUPPLIES AND SERVICES**

##### **Insurance**

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

##### **Repairs and Maintenance**

CIT undertakes major cyclical maintenance on its assets. Where the maintenance leads to an upgrade of the asset, and increases the service potential of the existing asset, the cost is capitalised. Maintenance expenses which do not increase the service potential of the asset are expensed.

##### **Operating Leases**

Lease payments that are not subject to AASB 16 are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease. Following the adoption of AASB 16, most of the lease commitments have been reclassified as Right-of-Use Assets and Lease Liabilities. The leases not captured by AASB 16 include short term and low value leases.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – EXPENSES – CONTINUED

##### NOTE 11 – DEPRECIATION AND AMORTISATION

Amortisation is used in relation to intangible assets and depreciation is applied to physical assets such as buildings, infrastructure assets, and plant and equipment.

Land has an unlimited useful life and is therefore not depreciated.

Heritage Assets are not depreciated.

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

| Class of Asset               | Depreciation/Amortisation | Useful Life (Years) |
|------------------------------|---------------------------|---------------------|
| Buildings                    | Straight Line             | 5-100               |
| Leasehold Improvements       | Straight Line             | 2-10                |
| Plant and Equipment          | Straight Line             | 2-20                |
| Externally Acquired Software | Straight Line             | 2-5                 |
| Right-of-Use Assets          | Straight Line             | Lease Term          |

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in **Note 11 – Depreciation and Amortisation**.

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS

##### ASSETS – CURRENT AND NON-CURRENT

Assets are classified as current where they are expected to be realised within 12 months after the reporting date.

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

##### Significant Accounting Judgements and Estimates – Fair Value of Assets

CIT has made a significant estimate regarding the fair value of its assets. Land has been recorded at the market value of similar properties as determined by an independent valuer. Buildings have been recorded at fair value using depreciated replacement cost for buildings considered specialised and for non-specialised buildings current prices in a market for similar properties in a similar location and condition as determined by an independent valuer. Heritage assets have been recorded at fair value based on current replacement cost and market value as determined by CIT. The valuation uses significant judgements and estimates to determine fair value, including the appropriate indexation figure and quantum of assets held. The fair value of assets is subject to management assessment between formal valuations.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS – CONTINUED

##### NOTE 14 – CASH AND CASH EQUIVALENTS

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.

##### NOTE 15 – RECEIVABLES

###### Accounts Receivables

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

###### Impairment Loss – Receivables

The allowance for expected credit losses represents the amount of trade receivables and student receivables that CIT estimates will not be repaid. CIT determines the allowance for impairment losses is based on objective evidence and a review of overdue balances. CIT measures expected credit losses of a financial instrument in a way that reflects:

- (a) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- (b) the time value of money; and
- (c) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions (AASB 9.5.5.17).

The amount of the expected credit loss is recognised in the Operating Statement. The allowance for impairment losses are written off against the allowance account when CIT ceases action to collect the debt when the cost to recover the debt is more than the debt is worth.

For trade receivables CIT applied the simplified approach under AASB 9, which uses a lifetime expected loss for all trade receivables. A provision matrix is used to calculate the expected credit loss.

Where CIT has no reasonable expectation of recovering an amount owed by a debtor and ceases action to collect the debt, as the cost to recover the debt is more than the debt is worth, the debt is written-off by directly reducing the receivable against the loss allowance.

##### NOTE 16 – ASSETS HELD FOR DISTRIBUTION TO OWNERS

Assets held for distribution to owners are assets that are available for immediate distribution in their present condition, and their distribution is highly probable. Assets held for distribution to owners are measured at the lower of the carrying amount and fair value less costs to sell. Assets held for distribution to owners are not depreciated.

##### NOTE 17 – PROPERTY, PLANT AND EQUIPMENT

###### Acquisition and Recognition of Property, Plant and Equipment

All property, plant and equipment are initially recorded at cost.

Where property, plant and equipment are acquired at no cost, or minimal cost, cost is its fair value as 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.

Where payment for property, plant and equipment is deferred beyond normal credit terms, the difference between its cash price equivalent and the total payment is measured as interest over the period of credit. The discount rate used to calculate the cash price equivalent is an asset specific rate.

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

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS – CONTINUED

##### NOTE 17 – PROPERTY, PLANT AND EQUIPMENT - CONTINUED

###### Measurement of Property, Plant and Equipment after Initial Recognition

Property, Plant and Equipment is valued using the cost or revaluation model of valuation. Land, Buildings, and Heritage assets are measured at fair value. Leasehold Improvements, Right-of-Use assets and Plant and Equipment are measured at cost.

Right-of-use assets are initially measured at cost. After the commencement date, right of use assets are measured at cost less any accumulated depreciation and accumulated losses and adjusted for any re-measurement of the lease liability. Right-of-use assets are presented in property, plant and equipment under the relevant asset class.

Fair value for land and non-specialised buildings is measured using the market approach valuation technique. This approach uses prices and other relevant information generated by market transactions involving identical or similar assets.

Fair value for specialised buildings, and some heritage assets is measured by reference to the cost of replacing the remaining future economic benefits embodied in the asset i.e. depreciated replacement cost. This is the cost approach valuation technique. For other heritage assets, the fair value is measured using the market approach valuation technique. This approach uses sales prices and other relevant information generated by market transactions involving similar assets or works by artists with similar standing/style.

Heritage assets 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. Where there is no active market (produced by non-recognised artists) heritage assets are valued using unobservable inputs such as, aesthetic quality, medium and the knowledge and experience of the valuer.

Land, buildings and heritage assets are generally revalued every three years. Land and Building assets were revalued at the end of 2020. 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. Heritage Assets were not revalued in 2020, however CIT does not believe the value to be materially different to the 2017 valuation given the nature and type of asset.

###### Significant Accounting Judgements and Estimates – Useful lives of Property Plant and Equipment

CIT has made a significant estimate in determining the useful lives of its property, plant and equipment. The estimation of useful lives of property, plant and equipment is based on the historical experience of similar assets and in some cases has been based on valuations provided by Knight Frank Valuations Canberra as at 31 December 2020. The useful lives are assessed on an annual basis and adjustments are made when necessary.

Refer Appendix B – Note 11 – *Depreciation and Amortisation* for disclosures concerning assets useful life assets.

###### Impairment of Assets

CIT 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.

Any resulting impairment losses for land and buildings are recognised against the relevant class of asset in the Asset Revaluation Surplus with a corresponding reduction to the carrying amount in the Balance Sheet. Where the impairment loss is greater than the balance in the Asset Revaluation Surplus, the difference is expensed in the Operating Statement.



Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS – CONTINUED

##### NOTE 18 – INTANGIBLE ASSETS

CIT's intangible assets comprise externally acquired software.

Externally acquired software is recognised and capitalised when:

- it is probable that the expected future economic benefits attributable to the software will flow to CIT;
- the cost of the software can be measured reliably; and
- 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. Intangible assets are measured at cost.

#### SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES

##### LIABILITIES – CURRENT AND NON-CURRENT

Liabilities are classified as current when they are due to be settled within 12 months after the reporting date or CIT does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Liabilities which do not fall within the current classification are classified as non-current.

##### NOTE 21 – PAYABLES

Payables are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after the invoice date.

Payables include Accounts Payables, Accrued Expenses and Other Payables.

##### NOTE 22 – LEASE LIABILITIES – CIT AS A LESSEE

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentive receivables;
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable by CIT under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that termination option.

After the commencement date, lease liabilities are measured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined the rate on the ACT Accounting website is to be used.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES – CONTINUED

##### NOTE 22 – LEASE LIABILITIES – CIT AS A LESSEE – CONTINUED

At inception of a contract, CIT assesses whether a lease exists – i.e. does the contract convey the right to control the use of an identified asset for a period of time in exchange for consideration.

This involves an assessment of whether:

- the contract involves the use of an identified asset – this may be explicitly or implicitly identified within the agreement. If the supplier has a substantive substitution right then there is no identified asset;
- CIT has the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use; and
- CIT has the right to direct the use of the asset i.e. decision-making rights in relation to changing how and for what purpose the asset is used.

CIT has elected not to separate non-lease components from lease components for leases, except for outgoings on the Tuggeranong lease. These are recognised as an expense as incurred in the Operating Statement.

At the lease commencement date, CIT recognised a right-of-use asset and associated lease liability for the lease term.

The right-of-use asset is measured using the cost model where cost on initial recognition comprises of the lease liability, initial direct costs, prepaid lease payments, estimated cost of removal and restoration less any lease incentives received.

The right-of-use asset is depreciated over the lease term on a straight-line basis and assessed for impairment in accordance with the impairment of assets accounting policy.

The lease liability is initially measured at the present value of the remaining lease payments at the commencement of the lease. The discount rate is the incremental borrowing rate published by ACT Treasury which most closely matches the remaining lease term.

Subsequent to initial recognition, the lease liability is measured at amortised cost using the effective interest rate method. The lease liability is remeasured whether there is a lease modification, change in estimate of the lease term or index upon which the lease payments are based (e.g. CPI) or a change in CIT's assessment of the lease term.

Where the lease liability is remeasured, the right-of-use asset is adjusted to reflect the remeasurement or is recorded in the operating statement if the carrying amount of the right-of-use asset has been reduced to zero.

##### EXCEPTIONS TO LEASE ACCOUNTING

CIT has elected to apply the exceptions to lease accounting for both short-term leases (i.e. leases with a term of less than or equal to 12 months) and leases of low-value assets.

CIT recognises the payments associated with these leases as an expense on a straight-line basis over the lease term.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2020

#### SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES – CONTINUED

##### NOTE 23 – EMPLOYEE BENEFITS

###### Wages and Salaries

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

###### Annual and Long Service Leave

Annual and long service leave including applicable on-costs that are not expected to be wholly settled within twelve 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, experiences of patterns or trends in employee departures and periods of service. At the end of each reporting period, the present value of annual leave and long service leave payments is estimated using market yields on Commonwealth Government bonds with terms to maturity that match as closely as possible, the estimated future cash flows.

Annual leave liabilities have been estimated on the assumption that they will be wholly settled within three years. In 2020 the rate used to estimate the present value of future

- annual leave payments is 99.9% (100.7% in 2019); and
- payments for long service leave is 112.8% (109.7% in 2019).

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 seven years of qualifying service, the probability that employees will reach the required minimum period is taken into account when estimating the provision for long service leave and the 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 are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because CIT has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.

###### Significant Accounting Judgements and Estimates – Employee Benefits

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for annual and long service leave requires a consideration of the future wage and salary levels, experience of patterns and trends in employee departures, probability that leave will be taken in service 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.

The significant judgements and assumptions included in the estimation of annual and long service leave liabilities include an assessment by an actuary. The Australian Government Actuary performed this assessment in April 2019. The next actuarial review is expected to be undertaken by early 2022.

##### NOTE 24 – OTHER LIABILITIES

###### Revenue Received in Advance

Revenue received in advance is recognised as a liability if there is a present obligation to return the funds received or if deferral of revenue recognition is permitted or required under AASB 15 and AASB 1058.

Canberra Institute of Technology

**Appendix B – Significant Accounting Policies**  
**Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2020

**SIGNIFICANT ACCOUNTING POLICIES – OTHER NOTES**

**NOTE 25 – EQUITY**

Contributions made by the ACT Government through its role as the owner of CIT are treated as contributions of equity.

Increases or decreases in net assets that occur as a result of Administrative Restructures or transfers to ACT Government are also recognised in equity as required.

## **Appendix C – Initial Application of Accounting Standards Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2020

### **APPENDIX C IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED**

The following new and revised accounting standards and interpretations have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period. These standards and interpretations are applicable to future reporting periods. CIT does not intend to adopt these standards and interpretations early. Where applicable, these Australian Accounting Standards will be adopted from their application date.

- AASB 2014-10 *Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* [AASB 10 & 128] (application date 1 Jan 2022).
- AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* [AASB 101] (application date 1 January 2022).

These standards have been assessed and it has been determined that they are not relevant or material to CIT.

# CAPITAL WORKS

In 2020, the CIT capital works program consisted of more teaching and learning spaces at CIT Fyshwick campus, better ICT services for CIT students and staff and minor capital upgrades to enhance education delivery including equipment replacement and software upgrades.

## Completed Projects

The following projects were completed:

- > Upgrade of mechanical ventilation C block – CIT Bruce
- > CIT Card access system upgrade – All campuses
- > Upgrade to EWIS system – CIT Bruce and CIT Fyshwick
- > Upgrade emergency lighting – All campuses
- > New lift for D block – CIT Fyshwick
- > New chillers – CIT Bruce
- > Upgrade sewer main building Y and Z – CIT Bruce
- > Upgrades to CCTV system - CIT Bruce
- > Resurfacing of Bitumen pavement - CIT Bruce
- > Upgrade dust extraction system G block – CIT Bruce
- > Upgrade floor coverings – CIT Bruce
- > Heating upgrade J block – CIT Bruce
- > Upgrade air-conditioning systems – CIT Fyshwick and CIT Bruce
- > Refurbishment of Electrotechnology classrooms – CIT Fyshwick
- > New lift for A block, stage 1 design and approval completed – CIT Fyshwick
- > Upgrade switchboards D and E blocks – CIT Fyshwick
- > Pavement Upgrade – CIT Fyshwick
- > Upgrade of fire detection system – CIT Fyshwick
- > ICT project Study Work Anywhere Any Time phase 1 completed
- > ICT infrastructure modernisation – CIT Fyshwick
- > More teaching and learning spaces for CIT Fyshwick design completed – CIT Fyshwick.

## Works still in progress

- > More teaching and learning spaces for CIT Fyshwick
- > Study Work Anywhere Any Time phase 2 and phase 3
- > ICT infrastructure modernisation – CIT Bruce
- > Refurbishment of Physics Laboratory – CIT Bruce
- > New lift A block - CIT Fyshwick
- > Solar System upgrades – CIT Bruce
- > Refurbishment of A and C block classrooms – CIT Fyshwick
- > Construction of training showers for people with disabilities – CIT Bruce
- > Pavement upgrade E block – CIT Fyshwick
- > New lift A block – CIT Fyshwick
- > Painting K block – CIT Bruce
- > LED Lighting upgrade CIT Bruce and Fyshwick.

|  |               |               |              |              |              |              |              |              |              |               |              |        |        |
|--|---------------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|--------------|--------|--------|
| Better Infrastructure Funds 2020-21  | 2,846         | 2,846         | 0            | 0            | 2,846        | 2,846        | 2,846        | 2,846        | 1,371        | 2,846         | 1,371        | Jun-21 | Jun-21 |
|  |               |               |              |              |              |              |              |              |              |               |              |        |        |
| BIF Adj - More Teaching & Learning Spaces for Fyshwick                     | 2,900         | 2,900         | 0            | 0            | 1,800        | 1,800        | 1,800        | 1,800        | 273          | 1,800         | 273          | Jun-22 | Jun-22 |
| Better ICT Services for Students & Staff                                   | 5,488         | 5,488         | 2,744        | 2,744        | 2,744        | 2,744        | 2,744        | 2,563        | 952          | 5,488         | 3,696        | Jun-21 | Jun-21 |
| More jobs for our growing city – CIT Campus Modernisation – early planning | 1,000         | 1,000         | 610          | 610          | 390          | 390          | 390          | 390          | 39           | 1,000         | 649          | Jun-21 | Jun-21 |
| <b>Total New Works</b>   | <b>12,234</b> | <b>12,234</b> | <b>3,354</b> | <b>3,354</b> | <b>7,780</b> | <b>7,780</b> | <b>7,780</b> | <b>7,599</b> | <b>2,635</b> | <b>11,134</b> | <b>5,989</b> |        |        |

[illegible]



# ASSET MANAGEMENT

## Overview

Located mainly at the Reid, Bruce and Fyshwick campuses, CIT owns and manages assets of varying age and condition across the following asset classes<sup>1</sup>:

- > land and buildings
- > plant and equipment
- > heritage assets
- > software.

Additional assets are located at:

- > Gungahlin Learning Centre (shared community space under an MOU)
- > Tuggeranong Learning Centre (10-year property lease with five years remaining)
- > Watson campus (sub-leased to the Academy of Interactive Entertainment)
- > Monterey Student Residences
- > Woden Childcare Centre.

The replacement cost of land and buildings at the three campuses (Reid, Bruce and Fyshwick) of around 35 hectares in total, is \$570 million.

The decommissioned Southside (Woden) campus was handed back to the ACT Government in 2020.

CIT is working with the ACT Government with a view to handing the Watson Campus and the Woden Childcare Centre back to the ACT Property Group in 2021.

CIT buildings incorporate a range of function types including specialist facilities, workshops, general-purpose classrooms and ancillary office areas. The average age of all CIT buildings is 38 years and range from the first CIT building constructed in Reid in 1960, to the Learning Centre at Gungahlin Town Centre completed in 2011.

No new buildings were added to the asset register during 2020.

CIT's Reid, Bruce and Fyshwick campuses and the Monterey Student Accommodation are subject to external valuation on a three-year rotational basis with the Reid campus being revalued in 2020.

The CIT vehicle fleet consisted of 17 (mainly leased) passenger and light commercial vehicles.

## Asset Maintenance and Upgrade

Asset condition audits are undertaken and where identified as needing to be replaced or upgraded, the relevant items are incorporated into CIT's capital programs. Planned asset maintenance is included in CIT's operating budgets.

Expenditure on repairs and maintenance including grounds maintenance and cleaning approximated \$5.1 million in 2020.

Minor works outside the capital works program totalled \$0.8 million in 2020.

## Asset Utilisation

Due to the diverse nature of CIT operations, most buildings are configured for multiple use purposes including as classrooms, specialist teaching rooms (workshops, laboratories etc.), support areas (stores and preparation rooms) and offices.

CIT compares utilisation rates of workspaces with other state and territory educational institutions annually. The dynamic nature of CIT functions makes it difficult to determine the exact quantum of usage at any given point in time. Utilisation of spaces has not been estimated in 2020 given the effects of the COVID-19 pandemic where staff were required to work in various degrees, remotely.

CIT's allocation rate for office accommodation is estimated to be about 13m<sup>2</sup> of floor space per office employee.

<sup>1</sup> For more information, refer to Note 17 of Financial Statements for the year ended 2020.

# GOVERNMENT CONTRACTING

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CIT undertakes procurement activities for a range of goods, services and works. Procurement processes within CIT adhere to the *Government Procurement Act 2001* and the *Government Procurement Regulation 2007*. Procurement expenditure, selection and management processes are authorised by the appropriate delegate within CIT.

Procurement ACT continued to provide advice and support on procurement and contract management issues and worked with CIT on high value and/or high-risk procurements.

CIT continued to be responsible for the management of contracts and incidents of non-compliance by contractors were followed up by the nominated CIT Officer.

## Contract Information

Details of the contracts on the ACT Government Contracts Register with a value of \$25,000 or more, with an execution date between 1 January 2020 and 31 December 2020, listed against CIT are provided below in Table 1.

Details of the contracts on the ACT Government Contracts Register with a value of \$25,000 or more, that were not executed during 2020, but remain current and are listed against CIT are provided below in Table 2.

Table 1 – New CIT Contracts

| Contract Number | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name  | Contract Amount | Execution Date | Expiry Date |
|-----------------|---|-------------------------|------------------|--|--|-----------------|----------------|-------------|
| CIT2019/1209    | Learning Resources for CIT Hospitality, Culinary and Tourism  | Quotation               | Goods            |  | LEARNING VAULT PTY LTD   | \$160,000.00    | 22/01/2020     | 22/01/2023  |
| CIT2019/1836    | Provision of Fire Protection Equipment and Services   | Quotation               | Services         |  | 360 Degree Fire Pty Ltd  | \$200,000.00    | 25/02/2020     | 25/02/2021  |
| C200292         | Microsoft Support Agreement   | Single Select           | Goods            | Yes  | MICROSOFT PTY LTD  | \$69,647.60     | 06/03/2020     | 28/02/2021  |
| 5203956992      | Purchase Ford Transit Cargo Van   | Single Select           | Goods            | Yes  | MANHEIM PTY LTD  | \$25,000.00     | 08/03/2020     | 08/04/2020  |
| CIT2019/795     | Working Safely with Asbestos-containing Materials   | Single Select           | Services         | Yes  | ELECTROCOMMS AND ENERGYUTILITIES INDUSTRY SKILLS COUNCIL LTD   | \$105,000.00    | 18/03/2020     | 02/03/2023  |
| C200363         | VMware ELA  | Quotation               | Goods            |  | DATA#3 LIMITED.  | \$80,071.45     | 03/04/2020     | 11/03/2021  |
| CIT2019/1210    | Procurement of Learning Resources for CIT Construction  | Quotation               | Goods            |  | AMMONITE PTY LTD   | \$200,000.00    | 07/04/2020     | 07/04/2023  |
| 2020.2147.220   | Provision of Organisational Transformation Strategy Guidance and Mentoring Services for CIT 2020-2021 | Public                  | Consulting       |  | REDROUGE NOMINEES PTY LTD as The Trustee for The Patrick Hollingworth Family Trust trading as think.garden | \$1,705,000.00  | 09/04/2020     | 09/12/2021  |
| RFQCIT052020    | Provision of Painting Services to CIT Bruce   | Quotation               | Services         |  | AIR PLANT SALES PTY LTD  | \$157,000.00    | 15/04/2020     | 30/06/2020  |
| RFQCIT042020    | Provision of Carpet Tile Installation CIT Bruce H, D & F Blocks                                       | Quotation               | Services         |  | INLINE FLOORS ACT PTY LTD  | \$42,651.28     | 15/04/2020     | 30/06/2020  |
| RFQCIT072020    | Provision of Switchboard Upgrade Replacement of Circuit Breakers and Associated Electrical Works      | Quotation               | Services         |  | Simeco Pty Ltd trading as Simeco Electrical  | \$100,000.00    | 16/04/2020     | 30/06/2020  |
| RFQCIT062020    | Provision of Suspended Ceiling Installation   | Quotation               | Services         |  | Simeco Pty Ltd trading as Simeco Electrical  | \$60,000.00     | 16/04/2020     | 30/06/2020  |
| RFQCIT092020    | Provision of Supply and Installation of LED Lighting throughout CIT Bruce Campus                      | Quotation               | Services         |  | Simeco Pty Ltd trading as Simeco Electrical  | \$60,000.00     | 16/04/2020     | 30/06/2020  |

Table 1 – New CIT Contracts – continued

| Contract Number    | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name   | Contract Amount | Execution Date | Expiry Date |
|--------------------|---|-------------------------|------------------|--|---|-----------------|----------------|-------------|
| RFQCIT082020       | Provision of Toilet Refurbishment Upgrade Services to CIT Bruce A, C and H Blocks                               | Quotation               | Services         |  | Simeco Pty Ltd trading as Simeco Electrical   | \$170,560.00    | 20/04/2020     | 30/06/2020  |
| CIT14042020        | CIT Office 365 Rollout Support - Staff  | Single Select           | Services         | Yes  | THE JANSZ GROUP PTY LTD   | \$110,000.00    | 20/04/2020     | 20/06/2020  |
| GS001055.210       | Provision of an ID Card Management System (CITCARD) for CIT   | Public                  | Services         |  | UNICARD SYSTEMS PTY. LIMITED  | \$255,326.70    | 29/04/2020     | 29/04/2023  |
| CIT2019/1972       | InPlace Cloud Based Software Solution for Supporting the Co-ordination and Administration of Student Placements | Quotation               | Services         |  | QUANTUM INFORMATION TECHNOLOGY PTY. LTD.  | \$195,000.00    | 01/05/2020     | 30/04/2023  |
| C200402            | Purchase BD Alaris Pump, Software and Maintenance Services  | Single Select           | Goods            | Yes  | BECTON DICKINSON PTY. LTD.  | \$26,120.00     | 04/05/2020     | 03/05/2021  |
| 73229-NCT-006      | Upgrade Learning Spaces at CIT Fyshwick - Design  | Public                  | Consulting       |  | AMC ARCHITECTURE PTY LIMITED  | \$180,400.00    | 04/05/2020     | 13/12/2021  |
| C200395            | MIMS Online Licences  | Single Select           | Goods            | Yes  | MIMS AUSTRALIA PTY LTD  | \$35,123.00     | 04/05/2020     | 15/05/2021  |
| DTA011/DTA014      | Office 365 Student Capability/ Azure Remote Learning Solution   | Quotation               | Services         |  | A23 PTY. LTD.   | \$354,750.00    | 05/05/2020     | 31/07/2020  |
| CIT2020.270320.210 | Provision of Adobe Connect - CIT Virtual Classroom  | Single Select           | Services         | Yes  | WEBQEM PTY LTD  | \$206,837.40    | 11/05/2020     | 14/08/2021  |
| C200427            | Adobe ETLA Year 1   | Single Select           | Goods            | Yes  | DATA#3 LIMITED.   | \$286,282.70    | 05/05/2020     | 21/05/2021  |
| C200450            | Commvault CLA   | Quotation               | Goods            |  | DATA#3 LIMITED.   | \$73,275.62     | 27/05/2020     | 30/06/2021  |
| PO:C200376         | Provision of Toilet Refurbishment Upgrade Services  | Quotation               | Services         |  | DI IULIO ENTERPRISES PTY LTD & Larobina Investments Pty Ltd trading as DL Earthworks and Plumbing | \$165,000.00    | 19/06/2020     | 31/12/2020  |

Table 1 – New CIT Contracts – continued

| Contract Number | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Threshold Requirements | Contractor Name   | Contract Amount | Execution Date | Expiry Date |
|-----------------|---|-------------------------|------------------|--|---|-----------------|----------------|-------------|
| C200490         | Purchase an RTC1000 Digital Oscilloscope              | Quotation               | Goods            |  | ROHDE & SCHWARZ (AUSTRALIA) PTY LTD   | \$34,055.40     | 23/06/2020     | 03/11/2020  |
| C200496         | Electrical Department FPC Spectrum Analyzer           | Quotation               | Goods            |  | ROHDE & SCHWARZ (AUSTRALIA) PTY LTD   | \$66,006.60     | 25/06/2020     | 13/08/2020  |
| 2020.1037.220   | Plumbing Services Panel                               | Public                  | Services         |  | Dalmaso, Adrian D trading as Adrian Dalmaso Plumbing  | \$0.00          | 13/07/2020     | 12/07/2023  |
| 2020.1037.223   | Plumbing Services Panel                               | Public                  | Services         |  | LEAKE, MARC trading as PRO PLUMBING AND GASFITTING  | \$0.00          | 13/07/2020     | 12/07/2023  |
| 2020.1037.221   | Plumbing Services Panel                               | Public                  | Services         |  | DI IULIO ENTERPRISES PTY LTD & Larobina Investments Pty Ltd trading as DL Earthworks and Plumbing | \$0.00          | 13/07/2020     | 12/07/2023  |
| 2020.1037.222   | Plumbing Services Panel                               | Public                  | Services         |  | TAIT & MILLER INVESTMENTS PTY LTD trading as LASER PUMBING QUEANBEYAN                             | \$0.00          | 13/07/2020     | 12/07/2023  |
| C200485         | Australian Standards Online Subscriptions             | Single Select           | Services         | Yes  | SAI GLOBAL PTY LIMITED  | \$48,376.63     | 22/07/2020     | 31/12/2020  |
| C200552         | Purchase Altendorf F45 Panel Saw for CIT Construction | Quotation               | Goods            |  | ALTENDORF ASIA PACIFIC PTY LTD  | \$57,200.00     | 23/07/2020     | 07/12/2020  |
| C200576         | RightNow Renewal 2020                                 | Single Select           | Goods            | Yes  | ORACLE CORPORATION AUSTRALIA PTY LIMITED  | \$180,491.72    | 30/07/2020     | 31/07/2021  |
| CIT2020/637     | CIT Leadership Development Program                    | Quotation               | Services         |  | Grain of Sand Pty Ltd   | \$85,800.00     | 31/07/2020     | 31/12/2020  |
| HM-05333-ECO    | CIT Bruce ICT Infrastructure Upgrade                  | Select                  | Services         | Yes  | ECOWISE SERVICES (AUSTRALIA) PTY LTD  | \$718,016.40    | 19/08/2020     | 21/12/2020  |
| C200587         | Oracle Linux Renewal 2020                             | Quotation               | Goods            |  | DATA#3 LIMITED.   | \$38,747.02     | 21/08/2020     | 09/09/2021  |
| C200593         | Purchase Franna Crane                                 | Quotation               | Goods            |  | HUGGETT CONTRACTING PTY LTD   | \$101,200.00    | 03/09/2020     | 25/10/2020  |

Table 1 – New CIT Contracts – continued

| Contract Number   | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name   | Contract Amount | Execution Date | Expiry Date |
|-------------------|---|-------------------------|------------------|--|---|-----------------|----------------|-------------|
| CIT2020/683       | Purchase Make-Up Kits & Airbrush Kits and Professional Make Up                    | Quotation               | Goods            |  | KRYOLAN AUSTRALIA PTY LTD   | \$29,830.44     | 22/09/2020     | 22/09/2023  |
| CIT2020/556       | Purchase the MindTap Product for Certificate III Air-Conditioning & Refrigeration | Quotation               | Goods            |  | CENGAGE LEARNING AUSTRALIA PTY LIMITED                                      | \$200,000.00    | 01/10/2020     | 04/05/2023  |
| RITM2148764       | EBSCO RENEWAL   | Single Select           | Services         | Yes  | EBSCO INTERNATIONAL INC.  | \$31,845.81     | 01/10/2020     | 30/09/2022  |
| ON24-SF-2010-1490 | ON24 ENGAGEMENT HUB SERVICES PROVIDED TO CIT                                      | Quotation               | Services         |  | ON24  | \$83,928.62     | 29/10/2020     | 15/09/2021  |
| C200690           | Replacement of hail damaged solar panels at CIT Fyshwick                          | Quotation               | Goods            |  | E P C SOLAR PTY LTD   | \$62,943.10     | 17/11/2020     | 28/02/2021  |
| CIT2020/932       | Soldamatic Augmented Welding Simulator  | Quotation               | Goods            |  | WELD AUSTRALIA  | \$39,600.00     | 25/11/2020     | 25/11/2023  |
| CIT2020/544       | Provision of Lift Maintenance Services  | Quotation               | Services         |  | TK ELEVATOR AUSTRALIA PTY LTD trading as THYSSEN ELEVATOR AUSTRALIA PTY LTD | \$200,000.00    | 14/12/2020     | 14/12/2023  |
| 2020.1074.220     | Provision of Cleaning Services for CIT Campuses and Buildings                     | Public                  | Services         |  | MENZIES INTERNATIONAL (AUST.) PTY. LTD.                                     | \$6,600,000.00  | 21/12/2020     | 21/12/2025  |

Table 2 – CIT Contracts Current in 2020

| Contract Number | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name                                      | Contract Amount | Execution Date | Expiry Date |
|-----------------|---|-------------------------|------------------|--|--|-----------------|----------------|-------------|
| 2016/1768       | Delivery of the Bachelor of Games and Virtual Worlds                  | Single Select           | Services         |  | THE ACADEMY OF INTERACTIVE ENTERTAINMENT LIMITED     | \$2,971,436.00  | 31/10/2017     | 23/11/2023  |
| 2015.25059.210  | 2018 Waste Disposal Services  | Public                  | Services         |  | J.J. RICHARDS & SONS PTY LTD                         | \$337,500.00    | 20/02/2015     | 22/04/2020  |
| CIT16/19198     | VMware ELA License & Financing Agreement                              | Quotation               | Goods            |  | FUJITSU AUSTRALIA LTD                                | \$595,588.04    | 13/03/2015     | 31/03/2020  |
| 07/0074         | Provision of ID Card System (Using Mifare Card Technology)            | Single Select           | Goods            | Yes  | UNICARD SYSTEMS PTY. LIMITED                         | \$201,230.70    | 05/10/2015     | 20/10/2020  |
| 2015/2669       | Procurement of Testing & Tagging Canberra Institute of Technology     | Quotation               | Services         |  | ELECTRICAL TESTING SERVICES PTY LTD                  | \$104,535.00    | 06/11/2015     | 05/11/2020  |
| RN2071687       | Lease of Block 19, Section 19 Division Greenway                       | Single Select           | Services         | Yes  | AUSTRALIAGEN OFFICE PORTFOLIO SUB TC PTY LTD         | \$7,506,900.00  | 24/11/2015     | 30/04/2026  |
| AP 27.11.2015   | Electronic System for the CIT Board                                   | Single Select           | Services         | Yes  | DILIGENT BOARD SERVICES AUSTRALIA PTY LTD            | \$156,992.92    | 02/12/2015     | 27/11/2021  |
| 2016/1435       | Provision of Cleaning Services to CIT Tuggeranong                     | Public                  | Community        |  | CANBERRA INSTITUTE OF TECHNOLOGY STUDENT ASSOCIATION | \$163,033.55    | 01/07/2016     | 18/12/2020  |
| CIT17 31303     | Provide a Timetabling, Scheduling and Staff Management System for CIT | Quotation               | Goods            |  | CYON KNOWLEDGE COMPUTING PTY LTD                     | \$187,789.00    | 28/04/2017     | 29/05/2020  |
| CIT2017/2353    | Provision of Lift Maintenance Services                                | Quotation               | Works            |  | SCHINDLER LIFTS AUSTRALIA PTY. LTD.                  | \$200,000.00    | 27/10/2017     | 01/11/2020  |
| CIT2017/1856    | Provision of Automatic Closing Door Services                          | Quotation               | Goods            |  | KONE ELEVATORS PTY LTD                               | \$200,000.00    | 29/11/2017     | 01/12/2020  |
| CIT 2017/1864   | Provision of Security Guard and Patrol Services                       | Quotation               | Services         |  | WILSON SECURITY PTY LTD                              | \$200,000.00    | 01/12/2017     | 01/12/2020  |
| CIT 2017/2143   | Provision of Fire Protection Equipment and Services                   | Quotation               | Goods            |  | WORMALD AUSTRALIA PTY LTD                            | \$200,000.00    | 08/12/2017     | 10/01/2020  |



Table 2 – CIT Contracts Current in 2020 – continued

| Contract Number | Contract Title  | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name                                      | Contract Amount | Execution Date | Expiry Date |
|-----------------|---|-------------------------|------------------|--|--|-----------------|----------------|-------------|
| Q-111287        | Marketing Automation Tool   | Quotation               | Services         |  | Marketo EMEA Ltd                                     | \$52,076.20     | 08/02/2018     | 16/02/2020  |
| C180538         | Camera Bodies, Lenses and Accessories   | Quotation               | Goods            |  | TED'S CAMERA STORES (VIC.) PTY. LIMITED              | \$59,180.00     | 19/04/2018     | 11/04/2020  |
| C180555         | Support Services for Open Source Software   | Quotation               | Goods            |  | EDALEX PTY LTD                                       | \$154,660.00    | 20/04/2018     | 01/04/2020  |
| C180596         | Hire Vixtro CISCO equipment and software  | Quotation               | Services         |  | De Lage Landen Pty Limited                           | \$146,005.80    | 21/05/2018     | 21/05/2023  |
| CIT 2017/2144   | Provision of Cooling Tower and Chiller Maintenance Services   | Quotation               | Services         |  | CARRIER AUSTRALIA PTY LTD                            | \$200,000.00    | 29/06/2018     | 01/01/2021  |
| RFQ2018/61      | Provision of Maintenance, Alteration and Installation Services on Intruder Alarm Systems and CIT Card Access System | Quotation               | Services         |  | CONTROL BY INTEGRATION (CXI) PTY LTD                 | \$160,000.00    | 01/11/2018     | 01/11/2020  |
| 2018.31001.220  | Provision of Organisational Transformation Strategic Guidance and Mentoring Services                                | Public                  | Consulting       |  | REDROUGE NOMINEES PTY LTD                            | \$1,220,000.00  | 09/11/2018     | 30/04/2020  |
| 2018.CIT.0211   | Software to Support the Co-ordination and Administration of Student Placements                                      | Single Select           | Services         | Yes  | QUANTUM INFORMATION TECHNOLOGY PTY. LTD.             | \$28,050.00     | 14/11/2018     | 12/05/2020  |
| 2018.29922.210  | Student Information Management System – Banner  | Single Select           | Services         | Yes  | ELLUCIAN AUSTRALIA PTY LIMITED                       | \$5,000,000.00  | 01/12/2018     | 01/12/2023  |
| CIT2018/2707    | Provision of Cleaning Services to CIT Bruce Campus  | Select                  | Services         | Yes  | ROLFE PROPERTY SERVICES PTY LIMITED                  | \$1,495,000.00  | 07/01/2019     | 18/12/2020  |
| CIT2018/2709    | Provision of Cleaning Services to CIT Fyshwick Campus   | Select                  | Services         | Yes  | ROLFE PROPERTY SERVICES PTY LIMITED                  | \$414,000.00    | 07/01/2019     | 18/12/2020  |
| CIT2018/2708    | Provision of Cleaning Services to CIT's Monterey Apartments, Gungahlin and Reid Campus                              | Select                  | Services         | Yes  | CANBERRA INSTITUTE OF TECHNOLOGY STUDENT ASSOCIATION | \$1,671,333.33  | 07/01/2019     | 18/12/2020  |

Table 2 – CIT Contracts Current in 2020 – continued

| Contract Number | Contract Title   | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Threshold Requirements | Contractor Name   | Contract Amount | Execution Date | Expiry Date |
|-----------------|--|-------------------------|------------------|--|---|-----------------|----------------|-------------|
| 2018/2979       | Provision of Alarm Monitoring and Response Services  | Quotation               | Services         |  | SECURITY 1 PTY LIMITED  | \$100,000.00    | 10/01/2019     | 10/01/2020  |
| 2018.30276.220  | Provision of a Customer Satisfaction Survey Tool   | Public                  | Services         |  | GULANGA GROUP PTY LTD   | \$400,000.00    | 01/02/2019     | 01/02/2022  |
| ME_156195739_1  | Remuneration Agreement between Copyright Agency Limited and Canberra Institute of Technology | Single Select           | Services         | Yes  | COPYRIGHT AGENCY LTD  | \$300,000.00    | 26/03/2019     | 31/12/2021  |
| C190419         | Red Hat Enterprise Linux Server  | Quotation               | Goods            |  | RED HAT ASIA-PACIFIC PTY. LTD.  | \$25,274.70     | 02/04/2019     | 24/03/2020  |
| 29995.21        | Ground Maintenance Services for CIT Campuses   | Public                  | Services         |  | The Trustee for Gehrig Family Trust trading as C.J Gardens & Maintenance      | \$860,000.00    | 09/05/2019     | 08/05/2022  |
| C190464         | Purchase Hitachi Software Assurance  | Quotation               | Goods            |  | HITACHI VANTARA AUSTRALIA PTY LIMITED trading as HITACHI DATA SYSTEMS PTY LTD | \$39,842.75     | 14/05/2019     | 07/07/2020  |
| C190472         | MIMS Online Licences   | Single Select           | Services         |  | MIMS AUSTRALIA PTY LTD  | \$68,200.00     | 28/05/2019     | 16/05/2020  |
| C190476         | Purchase of Creative Cloud ENT   | Quotation               | Goods            |  | DATA#3 LIMITED.   | \$201,502.40    | 28/05/2019     | 22/05/2020  |
| CIT2019-708-02  | Purchase, Supply and Manage Print and Electronic Serial Subscriptions                        | Quotation               | Goods            |  | ISUBSCRIBE PTY LIMITED  | \$0.00          | 17/06/2019     | 17/06/2022  |
| CIT2019/190     | Digital Fluency Coaching Program   | Quotation               | Services         |  | THE JANSZ GROUP PTY LTD   | \$130,000.00    | 03/07/2019     | 01/06/2020  |
| CIT2019-708-01  | Purchase, Supply and Manage Print and Electronic Serial Subscriptions                        | Quotation               | Goods            |  | EBSCO INTERNATIONAL INC.  | \$0.00          | 10/07/2019     | 10/07/2022  |
| CIT2019/2022    | Provide Early Education Services at CIT Yurauna Centre                                       | Single Select           | Services         | Yes  | Northside Community Service Limited   | \$519,750.00    | 29/07/2019     | 30/06/2022  |
| CIT2018/2626    | Flexible Allied Trade Delivery, Future Skills for Future Job Grants Program                  | Single Select           | Services         | Yes  | ELEARNING AUSTRALIA PTY LTD trading as my profiling                           | \$88,660.00     | 09/09/2019     | 09/09/2020  |

Table 2 – CIT Contracts Current in 2020 – continued

| Contract Number | Contract Title   | Procurement Methodology | Procurement Type | Exemption from Quotation and Tender Requirements | Contractor Name                                | Contract Amount | Execution Date | Expiry Date |
|-----------------|--|-------------------------|------------------|--|--|-----------------|----------------|-------------|
| C190594         | Provide Technical Assistance Coverage  | Quotation               | Services         |  | DATA#3 LIMITED.                                | \$56,052.37     | 17/09/2019     | 30/06/2020  |
| C190615         | Oracle RightNow Licence Renewal  | Quotation               | Services         |  | Oracle Corporation                             | \$171,896.87    | 26/09/2019     | 31/07/2020  |
| CIT-14082019    | EBSCO Discovery Services   | Single Select           | Goods            | Yes  | EBSCO INTERNATIONAL INC.                       | \$32,598.21     | 01/10/2019     | 30/11/2020  |
| CIT2019/1814    | My eQuals Platform Participation Agreement   | Single Select           | Services         | Yes  | HIGHER ED SERVICES PTY LTD                     | \$310,000.00    | 03/10/2019     | 01/01/2023  |
| INV-5437        | Purchase Training Equipment for Metal Fabrication Trades                                     | Quotation               | Goods            |  | POWER MACHINERY (AUST) PTY LIMITED             | \$119,339.00    | 20/11/2019     | 08/05/2020  |
| GS001020        | Vocational Education and Training (VET) Quality Assurance and Training Activities (Services) | Public                  | Services         |  | BARRACK ST COMPLIANCE CO PTY LTD               | \$450,000.00    | 12/12/2019     | 12/12/2022  |
| C190700         | MicroFocus Renewal Jan - Dec 2020  | Quotation               | Goods            |  | DATACOM SYSTEMS (AU) PTY LTD                   | \$109,830.60    | 16/12/2019     | 21/12/2020  |
| CIT2019/932     | Learning Resources for Cert II and III in Electrotechnology                                  | Quotation               | Goods            |  | SPACE TO LEARN PTY LTD trading as Energy Space | \$200,000.00    | 16/12/2019     | 16/12/2021  |
| 003083          | Purchase Cisco Lab Hardware  | Quotation               | Goods            |  | CIRRUS NETWORKS PTY. LTD.                      | \$173,118.00    | 18/12/2019     | 17/11/2024  |
| 316081.3        | CIT Cloud Governance   | Quotation               | Services         |  | INFRONT SYSTEMS PTY LIMITED                    | \$27,500.00     | 18/12/2019     | 29/01/2021  |

## Secure Local Jobs Code

CIT actively implemented the requirements of the Secure Local Jobs Code, including the expansion of the code to include additional services on 7 November 2019.

No exemptions from the Secure Local Jobs Code Requirements have been provided to CIT.

## Aboriginal and Torres Strait Islander Procurement Policy

The ACT Government launched the Aboriginal and Torres Strait Islander Procurement Policy (ATSIPP) on 31 May 2019 with reporting against three measures required at the end of each financial year. The first reporting period concluded at the end of June 2020 with a target of 1% of Addressable Spend to be spent with Aboriginal and Torres Strait Islander (ATSI) Enterprises. The aim of the ATSIPP is to support the objectives of the *ACT Aboriginal and Torres Strait Islander Agreement – 2028*. The Agreement includes the focus area of employment and economic participation for Aboriginal and Torres Strait Islander peoples in the Canberra Region.

CIT is committed to the success of the Aboriginal and Torres Strait Islander Procurement Policy. The table below shows the ATSIPP Performance Measures for CIT in the financial year 2019–20.

| ATSIPP Performance Measure  | Result |
|---|--------|
| The number of unique Aboriginal and Torres Strait Islander Enterprises that respond to CIT tender and quotation opportunities issued from the Approved Systems. | 8      |
| The number of unique Aboriginal and Torres Strait Islander Enterprises attributed a value of Addressable Spend in the 2019-2020 financial year.                 | 10     |
| Percentage of the financial year's Addressable Spend of \$22.35 million that is spent with Aboriginal and Torres Strait Islander Enterprises – target 1%        | 8.34%  |

The target addressable spend with Aboriginal and Torres Strait Islander Enterprises for 2020/21 is 1.5%. Using the estimated metrics for calendar year provided by Procurement ACT, CIT has continued to exceed the annual targets in 2020 with an addressable spend of 9.15% with eight unique Aboriginal and Torres Strait Islander Enterprises.

# STATEMENT OF PERFORMANCE

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AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY 

## INDEPENDENT LIMITED ASSURANCE REPORT

To the Members of the ACT Legislative Assembly

### Conclusion

I have undertaken a limited assurance engagement on the statement of performance of the Canberra Institute of Technology for the year ended 31 December 2020.

Based on the procedures performed and evidence obtained, nothing has come to my attention to indicate the results of the accountability indicators reported in the statement of performance for the year ended 31 December 2020 are not in agreement with the Canberra Institute of Technology's records or do not fairly reflect, in all material respects, the performance of the Canberra Institute of Technology, in accordance with the *Financial Management Act 1996*.

### Basis for conclusion

I have conducted the engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. My responsibilities under the standard and legislation are described in the 'Auditor-General's responsibilities' section of this report.

I have complied with the independence and other relevant ethical requirements relating to assurance engagements, and the ACT Audit Office applies Australian Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*.

I believe that sufficient and appropriate evidence was obtained to provide a basis for my conclusion.

### Canberra Institute of Technology's responsibilities for the statement of performance

The Governing Board of the Canberra Institute of Technology is responsible for:

- preparing and fairly presenting the statement of performance in accordance with the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*; and
- determining the internal controls necessary for the preparation and fair presentation of the statement of performance so that the results of accountability indicators and accompanying information are free from material misstatements, whether due to error or fraud.

### Auditor-General's responsibilities

Under the *Financial Management Act 1996* and *Financial Management (Statement of Performance Scrutiny) Guidelines 2019*, the Auditor-General is responsible for issuing a limited assurance report on the statement of performance of the Canberra Institute of Technology.

My objective is to provide limited assurance on whether anything has come to my attention that indicates the results of the accountability indicators reported in the statement of performance are not in agreement with the Canberra Institute of Technology's records or do not fairly reflect, in all material respects, the performance of the Canberra Institute of Technology, in accordance with the *Financial Management Act 1996*.

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In a limited assurance engagement, I perform procedures such as making inquiries with representatives of the Canberra Institute of Technology, performing analytical review procedures and examining selected evidence supporting the results of accountability indicators. The procedures used depend on my judgement, including the assessment of the risks of material misstatement of the results reported for the accountability indicators.

**Limitations on the scope**

The procedures performed in a limited assurance engagement are less in extent than those required in a reasonable assurance engagement and consequently the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, I do not express a reasonable assurance opinion on the statement of performance.

This limited assurance engagement does not provide assurance on the:

- relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets;
- accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations; or
- adequacy of controls implemented by the Canberra Institute of Technology.



Ajay Sharma  
Assistant Auditor-General, Financial Audit  
23 March 2021

Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2020

**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 2020 and also fairly reflects the judgements exercised in preparing it.



Craig Sloan  
Chair  
Canberra Institute of Technology Board  
23 March 2021



Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2020

**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 2020 and also fairly reflects the judgements exercised in preparing it.



Greg Tong  
Chief Finance Officer  
Canberra Institute of Technology  
23 March 2021

Canberra Institute of Technology  
**Statement of Performance**  
 For the Year Ended 31 December 2020

| <b>OUTPUT CLASS 1: CANBERRA INSTITUTE OF TECHNOLOGY</b>             |       |                                      |   |             |
|---|-------|--------------------------------------|---|-------------|
| Output 1.1: Provision of Vocational Education and Training Services |       |                                      |   |             |
| <b>1 January 2020 to 31 December 2020</b>                           |       |                                      |   |             |
|   | Notes | 31 December 2020<br>Target<br>\$'000 | 31 December 2020<br>Actual Result<br>\$'000 | Variance %* |
| Total Cost  |       | 125,526                              | 122,143                                     | (3)         |
| Controlled Recurrent Payments                                       |       | 77,308                               | 80,296                                      | 4           |

| <b>1 July 2019 to 30 June 2020</b> |       |                                  |   |             |
|------------------------------------|-------|----------------------------------|---|-------------|
|                                    | Notes | 30 June 2020<br>Target<br>\$'000 | 30 June 2020<br>Actual Result<br>\$'000 | Variance %* |
| Total Cost                         |       | 121,248                          | 123,417                                 | 2           |
| Controlled Recurrent Payments      |       | 75,067                           | 75,359                                  | 0           |

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

The Total Cost and Controlled Recurrent Payments were not examined by the ACT Audit Office in accordance with the Financial Management (Statement of Performance Scrutiny) Guidelines 2019.

\*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 2020

**1 January 2020 to 31 December 2020**

| Accountability Indicators included in the Institute's 2020-21 Statement of Intent | Notes | 31 December 2020 Target | 31 December 2020 Actual Result | Variance %* |
|---|-------|-------------------------|--------------------------------|-------------|
| a) Nominal Hours  | 1     | 3,226,000               | 2,456,123                      | (24)        |
| b) Achieve key output targets.  |       |                         |                                |             |
| i) Program Enrolments   | 2     | 11,700                  | 9,558                          | (18)        |
| ii) Module Pass Rates   | 3     | 75%                     | 80%                            | 7           |
| iii) Program Completions  | 4     | 4,500                   | 3,102                          | (31)        |
| iv) Learner Satisfaction Rate   | 5     | 85%                     | 88%                            | 4           |
| v) Employer Satisfaction Rate   | 5     | 80%                     | 90%                            | 13          |
| c) Average Controlled Recurrent Payments per Nominal Hour                         | 1     | \$23.96                 | \$32.69                        | 36          |

**1 July 2019 to 30 June 2020**

| Accountability Indicators included in the Institute's 2018-19 Budget | Notes | 30 June 2020 Target | 30 June 2020 Actual Result | Variance %* |
|--|-------|---------------------|----------------------------|-------------|
| a) Nominal Hours   | 1     | 3,227,000           | 2,643,052                  | (18)        |
| b) Achieve key output targets.                                       |       |                     |                            |             |
| i) Program Enrolments  | 2     | 11,700              | 12,686                     | 8           |
| ii) Module Pass Rates  | 3     | 75%                 | 80%                        | 7           |
| iii) Program Completions   | 4     | 4,800               | 4,094                      | (15)        |
| iv) Learner Satisfaction Rate  | 5     | 85%                 | 88%                        | 4           |
| v) Employer Satisfaction Rate  | 5     | 80%                 | 90%                        | 13          |
| c) Average Controlled Recurrent Payments per Nominal Hour            | 1     | \$23.36             | \$28.51                    | 22          |

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

\*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 2020

## NOTES – EXPLANATION OF MATERIAL VARIANCES

- 1 Nominal Hours under the Profile student scheme were lower than target for two key reasons:
  - i. The continuing trend of increasing student preferences for enrolling at CIT under other student schemes that are not included in these measures, most notably the User Choice (Apprentices and Trainees) and Skilled Capital schemes; and
  - ii. Additionally, the studying preferences of current and prospective students has been significantly impacted by the COVID-19 pandemic, resulting in significantly lower than expected student numbers in 2020, particularly in the second half of the year (July-December).
- 2 Program Enrolments (enrolments in a course of study, comprising one or more accredited units of competency, leading to a qualification) under the Profile student scheme were higher than the targeted amount for the 12 months to 30 June 2020 due to strong pre-COVID performance. Reduced enrolments in the Profile scheme for the second half of 2020 (July-December) due to COVID impacts resulted in the figure for the 12 months to 31 December 2020 being below target.
- 3 Module pass rates were above target due to CIT's continued focus on high quality and relevant training and support for students, as reflected in its 2020 Learner Engagement Survey results.
- 4 Program Completions under the Profile student scheme were well below target due to the both the continuing trend of students moving away from pursuing full qualifications in favour of individual skillsets and the impacts of the COVID-19 pandemic in 2020.
- 5 CIT has continued to improve its responsiveness to customers and its effectiveness in skilling students with contemporary training methods which have been positively received by industry and students. The 2020 annual surveys of learner engagement and employer satisfaction showed overall levels of satisfaction of 88% and 90% respectively, reflecting the positive views of employers and students of their experience at CIT. Learner Satisfaction Rate results were derived from the survey of students enrolled in nationally accredited programs.

## Accountability Indicator Definitions

- a) Student activity data reported here (Nominal Hours, Program Enrolments, Module Pass Rates and Program Completions) only includes the subset of CIT's education delivery traditionally referred to as 'Profile' activity. 'Profile' refers to training offered with heavily subsidised student fees that is not funded by any source other than ACT Government Controlled Recurrent Payments (CRP). CIT's other student activity, including student activity subsidised through other ACT Government funding mechanisms such as the User Choice (Australian Apprenticeships) and Skilled Capital programs are not included in these figures.

Nominal Hours is the nationally accepted quantitative output measure for the Vocational Education and Training sector. This measures the anticipated hours of supervised learning or training provided by Registered Training Organisations (RTOs) to adequately present the educational material associated with the delivery and assessment of a program of study. It also includes student contact hours delivered through a Recognition of Prior Learning (RPL) process.
- b) Output targets are as specified below.
  - 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. The learner satisfaction rate measures the proportion of current CIT students participating in the Learner Engagement Survey (LES) who indicated that they were satisfied with the training at CIT.
  - v. The employer satisfaction rate measures the proportion of employers with apprentices or trainees at CIT that expressed their satisfaction with the training delivered at CIT.
- c) The Average Government Payment per Nominal Hour is an output target calculated as the Total Controlled Recurrent Payments divided by the Nominal Hours outcome for Profile training programs delivered. A below-target Nominal Hour outcome will result in a higher figure for this target despite CIT not receiving any additional funding.

# ACRONYMS AND ABBREVIATIONS

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|         |   |        |  |
|---------|---|--------|--|
| AC      | Academic Council  | GWO    | Global Wind Organisation                                 |
| ACE     | Adult and Community Education   | HR     | human resources  |
| ACT     | Australian Capital Territory  | HSR    | health safety representative                             |
| ACTPS   | ACT Public Service  | IAG    | Industry Advisory Group                                  |
| ACU     | Australian Catholic University  | IAP    | Indigenous Apprenticeship Program                        |
| AHC     | Australian Hairdressing Council                                       | ICT    | information and communication technology                 |
| AIATSIS | Australian Institute of Aboriginal and Torres Strait Islander Studies | LES    | Learner Engagement Survey                                |
| ANAO    | Australian National Audit Office                                      | LLN    | Language, Literacy and Numeracy                          |
| ANU     | Australian National University  | LLND   | Language, Literacy, Numeracy and Digital                 |
| APS     | Australian Public Service   | MOU    | Memorandum of Understanding                              |
| AQF     | Australian Qualifications Framework                                   | MPC    | Major Projects Canberra                                  |
| ARIn    | Attraction and Retention Initiatives                                  | NCVER  | National Centre for Vocational Education Research        |
| ASBA    | Australian School Based Apprenticeship                                | NUHEP  | Non-University Higher Education Provider                 |
| ASNZS   | Australian/New Zealand Standard                                       | PIF    | Product Innovation Fund                                  |
| ASQA    | Australian Skills Quality Authority                                   | RAP    | Reconciliation Action Plan                               |
| ATSIPP  | Aboriginal and Torres Strait Islander Procurement Policy              | RED    | Respect, Equity and Diversity                            |
| BSSS    | Board of Senior Secondary Studies                                     | REDCO  | Respect, Equity Diversity Contact Officer                |
| CBRIN   | Canberra Innovation Network   | RMP    | records management program                               |
| CEO     | Chief Executive Officer   | RTO    | Registered Training Organisation                         |
| CIT     | Canberra Institute of Technology                                      | SERBIR | Senior Executive Responsible for Business Integrity Risk |
| CITSA   | CIT Student Association   | SWAAT  | Study Work Anywhere Any Time                             |
| CMTEDD  | Chief Minister, Treasury, Economic Development Directorate            | TAE    | Training and Education                                   |
| CMT     | Crisis Management Team  | TAFE   | Technical and Further Education                          |
| CRC     | Corporate Resources Committee   | TEQSA  | Tertiary Education Quality and Standards Agency          |
| CSU     | Charles Sturt University  | UC     | University of Canberra                                   |
| EA      | Enterprise Agreement  | UNEC   | United Ngunnawal Elders Council                          |
| EAP     | Employee Assistance Program   | VET    | Vocational Education and Training                        |
| EMC     | Executive Management Committee  | WESP   | Work Experience Support Program                          |
| ESS     | Employer Satisfaction Survey  | WHS    | Work Health and Safety                                   |
| FMA     | Financial Management Act 1996   | YECC   | Yurauna Early Childhood Centre                           |
| FTE     | full-time equivalent  |        |  |

# COMPLIANCE INDEX

The *CIT 2020 Annual Report* must comply with the *Annual Report Directions* (the Directions) made under section 8 of the *Annual Reports (Government Agencies) Act 2004*. The Directions are found at the ACT Legislation Register: [www.legislation.act.gov.au](http://www.legislation.act.gov.au)

The Compliance Statement indicates the subsections, under Parts 1 to 5 of the Directions, that are applicable to CIT and the location of information that satisfies these requirements.

## Part 1 Directions Overview

The requirements under Part 1 of the Directions relate to the purpose, timing and distribution, and records keeping of annual reports. The *CIT 2020 Annual Report* complies with all subsections of Part 1 under the Directions.

To meet Section 15 Feedback, Part 1 of the Directions, contact details for CIT are provided within the *CIT 2020 Annual Report* to provide readers with the opportunity to provide feedback.

## Part 2 Reporting entity Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all reporting entities and CIT complies with all subsections. The information that satisfies the requirements of Part 2 is found in the *CIT 2020 Annual Report* as follows:

- A. Transmittal Certificate, see page 7.
- B. Organisational Overview and Performance, inclusive of all subsections, see pages 14-76.
- C. Financial Management Reporting, inclusive of all subsections, see pages 78-167.

## Part 3 Reporting by Exception

CIT has nil information to report by exception under Part 3 of the Directions for the 2020 reporting year.

## Part 4 Directorate and Public Sector Body Specific Annual Report Requirements

CIT is not required to report under Part 4 of the Directions.

## Part 5 Whole of Government Annual Reporting

All subsections of Part 5 of the Directions apply to CIT. Consistent with the Directions, the information satisfying these requirements is reported in the one place for all ACT Public Service directorates, as follows:

- > Human Rights, see the annual report of the Justice and Community Safety Directorate;
- > *Legal Services Directions*, see the annual report of the Justice and Community Safety Directorate;
- > Public Sector Standards and Workforce Profile, see the annual *State of the Service Report*; and
- > Territory Records, see the annual report of the Chief Minister, Treasury and Economic Development Directorate.

The *CIT 2020 Annual Report* can be found at <https://cit.edu.au>

# CONTACT OFFICER

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**CIT Chief Executive Officer**

Canberra Institute of Technology

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