



**Canberra Institute  
of Technology**

RTO Code 0101 | CRICOS No. 00001K

# ANNUAL REPORT 2018



**ACT**  
Government







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of Technology**

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Government

### **Acknowledgement of Country**

The ACT Government acknowledges the Ngunnawal people as traditional custodians of the Canberra region and that the region is also an important meeting place and significant to other Aboriginal groups. The ACT Government respects the continuing culture and the contribution that Aboriginal and Torres Strait Islander peoples make to the life of this city and surrounding region.

### **Canberra Institute of Technology Annual Report 2018**

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.....  
**AUSTRALIAN**  
APPRENTICE OF THE YEAR  
.....  
**MATTHEW EGAN**

# PART A

PART A:  
**TRANSMITTAL  
CERTIFICATE**





### Transmittal Certificate

Ms Meegan Fitzharris MLA  
Minister for Vocational Education and Skills  
ACT Legislative Assembly  
Civic Square, London Circuit  
CANBERRA ACT 2601

Dear Minister

We present to you the ***Canberra Institute of Technology (CIT) Annual Report 2018***.

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

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by CIT.

I certify that information in the attached Annual 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 2018 to 31 December 2018.

I hereby certify that fraud prevention has been managed in accordance with *Public Sector Management Standards 2006*, Part 2.

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

Your sincerely



Leanne Cover  
Chief Executive Officer  
2 April 2019



Craig Sloan  
Chair, CIT Board  
2 April 2019

# FROM THE CIT BOARD CHAIR



**Craig Sloan**  
CIT Board Chair

I am pleased to present the Canberra Institute of Technology (CIT) 2018 Annual Report.

CIT is an important contributor to the prosperity of the ACT economy and the ACT community. Through innovative solutions and the delivery of quality education and training, CIT delivers on government priorities, addresses skill shortages in key occupations and supports growth and innovation in emerging sectors.

The benefits that CIT brings to the ACT community were confirmed through a 2018 report commissioned by CIT – *Canberra Institute of Technology: Economic and Social Contribution to the ACT*. The report found that for every \$1 spent by CIT \$1.99 of value add was returned to the ACT community. The report also found that CIT contributes to significant employment outcomes for our students and lifts the overall productivity of ACT's workforce.

A lot has been achieved in the last 12 months. The Board is particularly pleased with the transformation of CIT and the progress we are making against the promises outlined in the *Strategic Compass 2020 – Evolving Together*.

CIT is a vocational education and training (VET) leader, at the forefront of developing 21st century capabilities needed by individuals, communities and industries. CIT supports the priorities of the ACT Government as what we teach is crucial to the region's economy and its growing and emerging sectors, such as renewable

energy and cyber security, as well as established industries including trades, health, business and the creative industries.

The CIT Renewable Skills Training Centre was upgraded in 2018, to further support local skills development, and new offerings are now available in solar and battery storage systems. CIT is the only training organisation in the ACT and region accredited by the Global Wind Organisation.

CIT partnered with Evoenergy to build the first Australian hydrogen test facility at CIT Fyshwick. This facility will equip future tradespeople with skills in the emerging field of hydrogen gas, and outcomes of the testing will inform future implementation of hydrogen distribution both in the ACT and nationally.

Cyber security training has gone from strength-to-strength with 168 students enrolled in our programs since March 2018. The launch of the new CIT Cyber Security Training Security Operations Centre, opened in late 2018, received national attention as a ground breaking way to ensure the right skills are being taught and to meet demand in this fast-growing sector.

2018 was also a great year for innovation and collaboration at CIT – with industry, with government and across CIT, resulting in exceptional outcomes for our students across all colleges.

Our partnership with the Canberra Innovation Network (CBRIN) continued to grow with the Product



*“With rapid advancements in technology and the changing world of work, CIT plays a critical role in providing the training to meet these evolving needs.”*

---

Innovation Fund delivering on some outstanding projects including Gig Education, sustainable fabric and other innovative solutions to enhance learner experiences.

CIT has had enormous success with its first reality TV show – *Pressure Cooker* – that brought students together from across 12 disciplines, including film and media, hair and beauty, culinary and construction, to learn from each other while on the job.

Campus renewal is continuing. The opening of a state-of-the-art dental clinic and an allied health authentic simulated workplace environment at CIT Bruce and the centralisation of music and media to CIT Reid, add to our world-class training facilities.

With approval from the ACT Government for the next stage of our campus modernisation strategy, we are excited to know that in only a couple of short years our facilities will match our vision: to be the leader in vocational education and training locally, nationally and globally.

We are proud of the ongoing contribution that CIT makes to the ACT community and the ACT Government’s commitment to make Canberra more inclusive, progressive and connected. Programs such as Return to Work for Women, English language courses for refugees and asylum seekers, the Ginninderry Spark program, and a dedicated Aboriginal and Torres Strait Islander Centre support social inclusion and shared prosperity across the ACT.

With dedicated staff, under the strong leadership of the CIT Chief Executive Officer, the Board is confident of the continued success of CIT as we move towards 2020.

It has been a pleasure working with staff across CIT over the last year and I thank everyone for their hard work and dedication.

I also thank my fellow Board members for their commitment to ensuring the longevity and continued success of CIT.

# FROM THE CIT CHIEF EXECUTIVE OFFICER



**Leanne Cover**  
Chief Executive Officer

CIT has a major role in shaping Canberra as the knowledge capital and driving economic and social outcomes of the ACT. Staff are committed to this ambition and contribute both individually and collectively to achieving this success.

During 2018, CIT focused on its primary purpose: to be the government provider of VET in Canberra and beyond and to provide the best possible outcome for our students. To continue to do this, CIT began a journey of transformation to meet the changing needs and expectations of contemporary learners, employers and industry, and the increasingly competitive and rapidly changing circumstances of the VET market.

I am pleased to report we are seeing a shift in the culture at CIT as we transform and evolve together as a learning organisation. With the support of the CIT Board, the Evolving Together project is building the management team's understanding of new and contemporary approaches to large, organisational transformation in a modern, complex system. Through Evolving Teacher, we are pleased to see initiatives such as the digital coaching and mentoring program upskilling our teachers for the tech-driven skills landscape.

A key focus for 2018 was improving the customer experience. We listened and learnt and have implemented strategies that have resulted in

improved outcomes through a range of projects which commenced in 2016.

CIT was honoured at the ACT Training Awards, taking out the award for the ACT Large Training Provider of the Year for the 10th year. CIT Metal Fabrication Teacher, Evan Street, was awarded the ACT VET Teacher of the Year and the 2018 ACT Australian Apprentice of the Year went to CIT electrical apprentice, Mathew Egan. Congratulations to them both.

Our presence at the 2018 World Federation of Colleges and Polytechnics World Congress Conference was well received. It showed CIT is at the forefront of the global VET sector in preparing our students for the new world of work.

In 2018, CIT focused on further strengthening our relationship with employers through the Australian Apprenticeships project. As part of this initiative, we rolled out the My Profiling system to all first year apprentices and employers. The success of this was reflected in our employer satisfaction level of 94%, 14% above target and the highest in 10 years. We have also seen increases in our apprenticeship numbers over the last three years.

Our partnership with Canberra Innovation Network (CBRIN) goes from strength to strength with over 60 staff across two cohorts completing the CIT Product Innovation program in 2018. These staff

*“Education is a vital part of the Canberra economy and CIT is at the forefront of responding to local and national training needs in innovative ways to meet skills demand in emerging markets, and to drive diversification of the ACT economy.”*

have a growing commitment to work together for CIT’s success. This shift in culture, to embrace collaboration and innovation, has been reinforced through the success of the Product Innovation Fund. This culminated in two product idea pitch nights with a number of projects progressing to the development stage.

CIT maintains an international focus, attracting international students to the ACT and supporting CIT students to train overseas and gain a global perspective. CIT has a range of exciting study abroad opportunities, giving students an opportunity to undertake study or placement overseas that is related to their studies. This year CIT attracted 856 international students from 77 countries. On completion of their VET courses many of these students continued on to further educational pathways. International students studying and living in Canberra contribute an estimated \$15 million of added-value to the ACT economy.

In 2018, CIT was successful in winning eight Australian Government Endeavour VET Outbound Mobility Grants enabling 76 students to participate in the program. This year successful students travelled to Canada, Singapore, France, Spain, Cambodia and New Zealand to undertake VET Mobility programs in their field of study.

CIT is also expanding its reach across borders, with two new Memorandums of Understanding signed with Temasek Polytechnic and Institute of Technical Education in Singapore, allowing for reciprocal opportunities for our students. In 2018, CIT also hosted two delegations of students from Singapore.

I believe that education changes lives and I am committed to ensuring the long-term viability of CIT. To remain sustainable and relevant in the future relies on our ability to continually adapt and evolve to our environment. It has been an inspiration to see staff embracing an understanding of contemporary transformational approaches and the tangible results of new thinking and new ways of working, with a vision of being the best we can be.

I am proud to lead an organisation open to change with immense future possibilities.

I thank the Board and all staff for their passion, commitment and support throughout the year.







2018  
**ACT**  
.....  
VET TEACHER  
OF THE YEAR  
.....  
**EVAN STREET**

# PART B

PART B:  
**ORGANISATIONAL  
OVERVIEW AND  
PERFORMANCE**

# B.1 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) is delivering training to meet the future needs of the ACT economy. CIT provides training to close to 20,000 student each year and increases access to workforce participation and social inclusion for many in the community. CIT is a dynamic, connected and diverse provider of VET offering quality skills development to individuals, employers and industry in Canberra, Australia and globally.

## ROLES AND FUNCTIONS

CIT is the largest publically funded Registered Training Organisation (RTO) in the ACT and is a Territory Authority established under the *Canberra Institute of Technology Act 1987*.

CIT is responsible for providing training and education that meets the needs of students, industry, business and the ACT community. Responsibility for CIT sits with the ACT Government Minister for Vocational Education and Skills.

CIT plays a major role in the development of the ACT's future workforce and in building the skill base of the economy. CIT supports the ACT Government's priorities by working with industry and local communities to deliver relevant and accessible high-quality training linked to employment outcomes. CIT's core business is the design and facilitation of high quality vocational programs and services delivered to a diverse customer base – locally, nationally and internationally.

CIT operations are funded by a combination of direct funding from the ACT Government and additional revenue raised by CIT's commercial and competitive activities.

During 2018, CIT operated across four campuses and two learning centres.

## CORPORATE OBJECTIVES

The corporate objectives of CIT for 2018, as outlined in its Statement of Intent, are:

- > create a more agile CIT, able to 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
- > operate with greater commercial and entrepreneurial focus in the increasingly contestable market place
- > 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 students and delivering quality training and education that skills the ACT and regional workforce.

## VISION AND MISSION

CIT is committed to excellence in the development and delivery of contemporary VET. The *Strategic Compass 2020 – Evolving Together* (the Compass), launched by the CIT Board in 2016, sets the direction of CIT to 2020. The Compass articulates CIT's vision and mission through four promises to the ACT community. These are:

- > **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



## Values

In addition to the ACT Government Public Service values of Respect, Integrity, Collaboration and Innovation, CIT works to a set of cultural traits to promote a workforce with the highest integrity to deliver a positive environment for work and study now and into the future. These cultural traits, embraced by staff across CIT, are at the core of everyday operations at CIT:

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

**Professional** – 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.



## STAKEHOLDERS

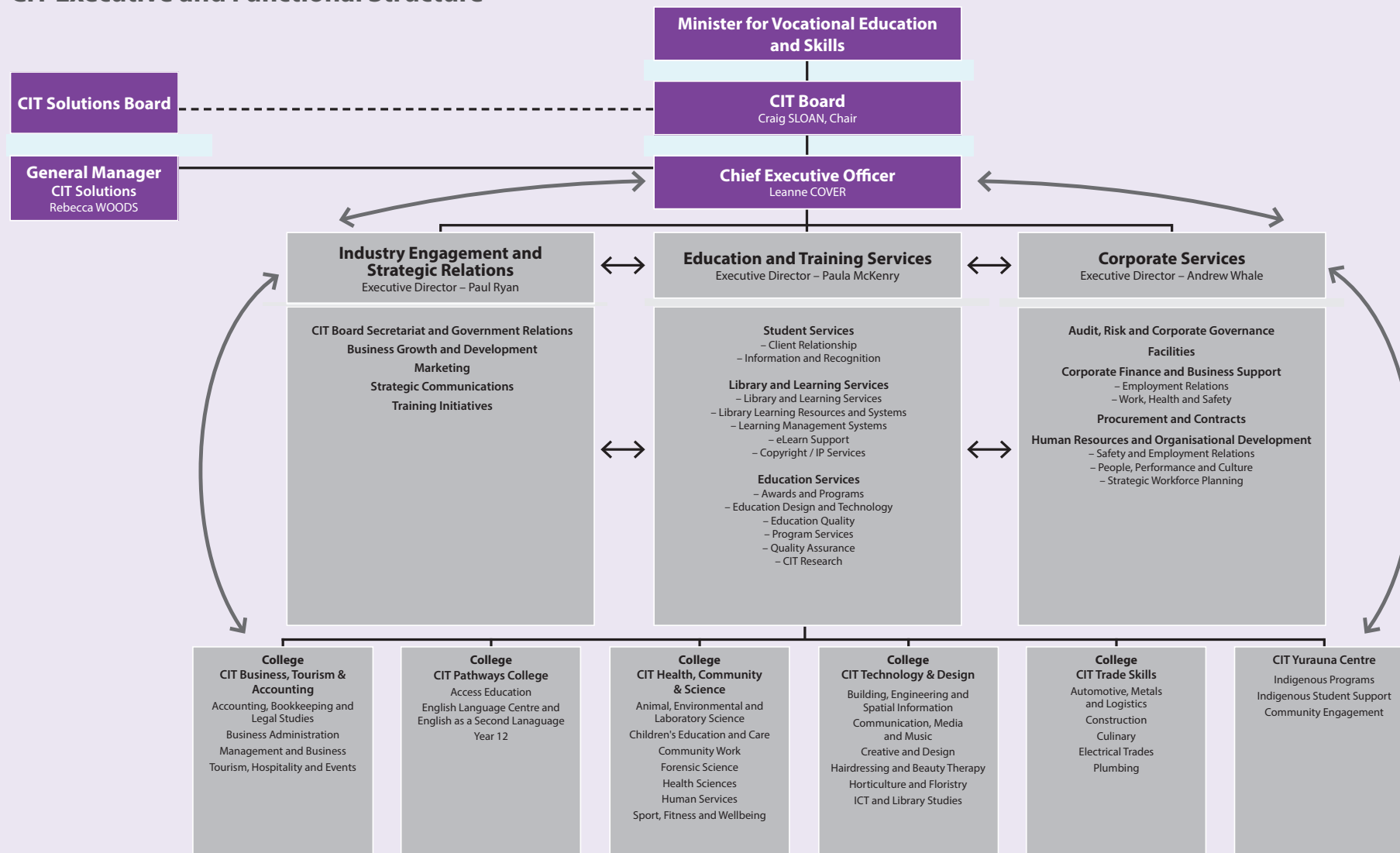
CIT is a service delivery agency tasked with providing vocational education and training to the ACT community. Establishing and maintaining relationships with a wide range of stakeholders is essential to meeting this task. CIT stakeholders include students, employers, industry, governments and the ACT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

## ORGANISATIONAL STRUCTURE

CIT comprises three divisions, five teaching colleges, and the CIT Yurauna Centre which is dedicated to Aboriginal and Torres Strait Islander peoples. Each college, led by an experienced College Director and supported by capable management teams, provides quality vocational education in a range of areas.

- > The **Education and Training Services Division** is responsible for ensuring the integrity and delivery of teaching and learning across CIT to meet the needs of students and employers across the ACT and regional community. The Division's objectives are to provide high quality vocational education and training, which is engaging, innovative and provides students with authentic workplace based learning experiences. The Division is also responsible for fulfilling the compliance requirements set by vocational training and education regulators, including Australian Skills Quality Agency (ASQA), the Tertiary Education Quality Skills Authority (TEQSA) and the ACT Board of Senior Secondary 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, governance, audit and risk, facilities management, information technology, records management, work health and safety, student administration system and corporate compliance.

## CIT Executive and Functional Structure



- > The **Industry Engagement and Strategic Relations Division** is responsible for growing CIT's business through ensuring broad and effective links with industry; aligning all CIT programs with industry expectations and outcomes; ensuring stakeholders and the community are aware of the contribution CIT makes to individuals, employers and the ACT economy; and for providing Chief Executive Officer (CEO), Board and ministerial liaison and support. In addition, the Division liaises with the Economic Development section of 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 interest are available to people in Canberra and provide lifelong learning opportunities. The CIT CEO is also the CEO of CIT Solutions. Information about the performance of CIT Solutions in 2018 is in section B.2.

## CIT SENIOR EXECUTIVE TEAM

The Senior Executive Team is comprised of: the CEO; the Executive Director, Education and Training Services; the Executive Director, Industry Engagement and Strategic Relations; and the Executive Director, Corporate Services. The executive directors work collaboratively and report to the CEO.



**CIT CEO, Ms Leanne Cover**, reports directly to the CIT Board and provides strategic leadership across CIT. The CEO is responsible for leading the transformation of CIT to a business model ready 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 institutions. The CEO also provides leadership to the Executive team in: 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, Ms Paula McKenry**

The Executive Director, Education and Training Services provides overall leadership to CIT's educational leaders to ensure consistently high education and training outcomes are achieved and that CIT meets and exceeds student and employer expectations. The position provides the primary interface with ASQA, TEQSA and BSSS ensuring CIT educational governance is appropriate as a public provider to meet all regulatory requirements, including those in the international student domain.



### **Executive Director, Corporate Services, Mr Andrew Whale from 30 July 2018 (Ms Anita Hargreaves January to June 2018)**

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, Mr 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 at large 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.

## CIT BOARD

The CIT Board, established in 2015 under Section 9 of the *Canberra Institute of Technology Act 1987*, consists of a minimum of nine and no more than 11 members, appointed by the ACT Minister for Vocational Education and Skills. The CIT CEO is also 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. This information is available on the CIT website.

In 2018, the CIT Board comprised three executive and eight non-executive members and held five meetings.

CIT Board Members at 31 December 2018 were:



**Mr Craig Sloan**  
(Chair)



**Ms Michelle Melbourne**  
(Deputy Chair)



**Ms Leanne Cover**  
CIT CEO



**Mr Raymond Garrard**  
Member



**Mr Peter McGrath**  
Member



**Ms Kareena Arthy**  
ACT Public Service  
(ACTPS) Chief Minister,  
Treasury and Economic  
Development Directorate



**Ms Natalie Howson**  
ACTPS Education  
Directorate



**Ms Anita Wesney**  
Staff Member  
(elected)



**Mr Brendon Moore**  
Student Member  
(elected)



**Mr Nigel Phair**  
Member  
from 1 July 2018



**Professor Frances Shannon**  
Member  
from 1 July 2018

## Board Meeting Attendance in 2017

Name	Position	Meetings
Craig Sloan	Chair	5
Michelle Melbourne	Deputy Chair	3
Leanne Cover	CIT CEO	5
Raymond Garrand	Member	4
Kareena Arthy	ACT Public Service – Economic Development Directorate	5
Natalie Howson	ACT Public Service – Education Directorate	2
Peter McGrath	Member	5
Anita Wesney	Staff Member	5
Brendon Moore	Student Member	5
Nigel Phair (appointed 1 July 2018)	Member	2
Professor Francis Shannon (appointed 1 July 2018)	Member	3

## CIT Board Subcommittees

Name	Function
Audit, Risk and Finance Committee (ARFC) Further information on the activities of ARFC is in B.5.	Established by the CIT Board in accordance with the ACT Government Internal Audit Framework and Sections 56 and 77 of the <i>Financial Management Act 1996</i> , ARFC provides independent, objective assurance and assistance to the CIT Board on CIT's risk, control and compliance framework, and its external accountability responsibilities.
Campus Modernisation Subcommittee	The ministerial appointed subcommittee reports to the Board and has oversight of the implementation of the Campus Modernisation Strategy to determine the future of CIT campuses.

## CIT Board Activities

CIT Board members bring a range of skills and expertise to CIT. In 2018, the CIT Board met five times and participated in a strategic planning workshop to inform the next wave of strategy development for CIT. The workshop, facilitated by Professor Rod Glover, Deputy Director (Enterprise), Monash Sustainable Development Institute, Monash University and Mr Brad Davies, Director, Vector Consulting, was held on 22 March 2018. The workshop focussed on the ongoing importance of CIT's contribution to the economic and social development of the ACT and region.

In 2018, the CIT Board commissioned a report *Canberra Institute of Technology: Economic and Social Contribution to the ACT* to better understand the impact CIT makes to the ACT economy and community. Overall, the report found that CIT makes a holistic impact on the ACT community and economy

value-adding \$1.99 for each \$1 spent. Findings of the report are discussed throughout this report.

Campus renewal continued to be a priority for the CIT Board with the CIT Board Chair also chairing the Campus Modernisation Subcommittee. Membership of the Campus Modernisation Subcommittee include key ACT Government representatives and the CIT CEO. Significant work has gone into planning the details of campus modernisation across CIT's main campuses of Reid, Bruce and Fyshwick and in particular the potential City East Education Renewal precinct. The Campus Modernisation Subcommittee met three times in 2018. Further information on campus renewal is in section B.2.

The CIT Board Chair met with the Minister for Vocational Education and Skills on five occasions and the Deputy Director-General, Enterprise Canberra on two occasions. During the year, the Board Chair also



attended the annual employee Evolving Together day and the launch of the CIT Cyber Security Training Security Operations Centre (TSOC) at CIT Reid. The Board Chair also travelled to Singapore for the signing of an MOU between CIT and Temasek Polytechnic (discussed in B2), attended the ACT Training Awards, the Automotive and Metal Fabrication Apprentice Awards and appeared before standing and select committees of the ACT Legislative Assembly.

Board members attended a range of CIT industry and student events and activities while contributing their time and skills to promoting CIT to industry and business partners in 2018. Board members took a particular interest in ensuring CIT continues to offer training that benefits the ACT economy in growing niche markets such as renewable energy and cyber security as well as established industries such as

health, business and the arts. Board members also attended a number of CIT events including the Return to Work for Women graduation, international student graduation and performed the role of judges at the Product Innovation Fund Pitch Night.

## 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.



CIT Board Members Brendon Moore, Professor Francis Shannon, Anita Wesney, CIT CEO Leanne Cover, CIT Board Chair Craig Sloan, CIT Board Deputy Chair Michelle Melbourne, Nigel Phair, Raymond Garrand (missing from the group photo are Peter McGrath, Kareena Arthy and Natalia Howson).

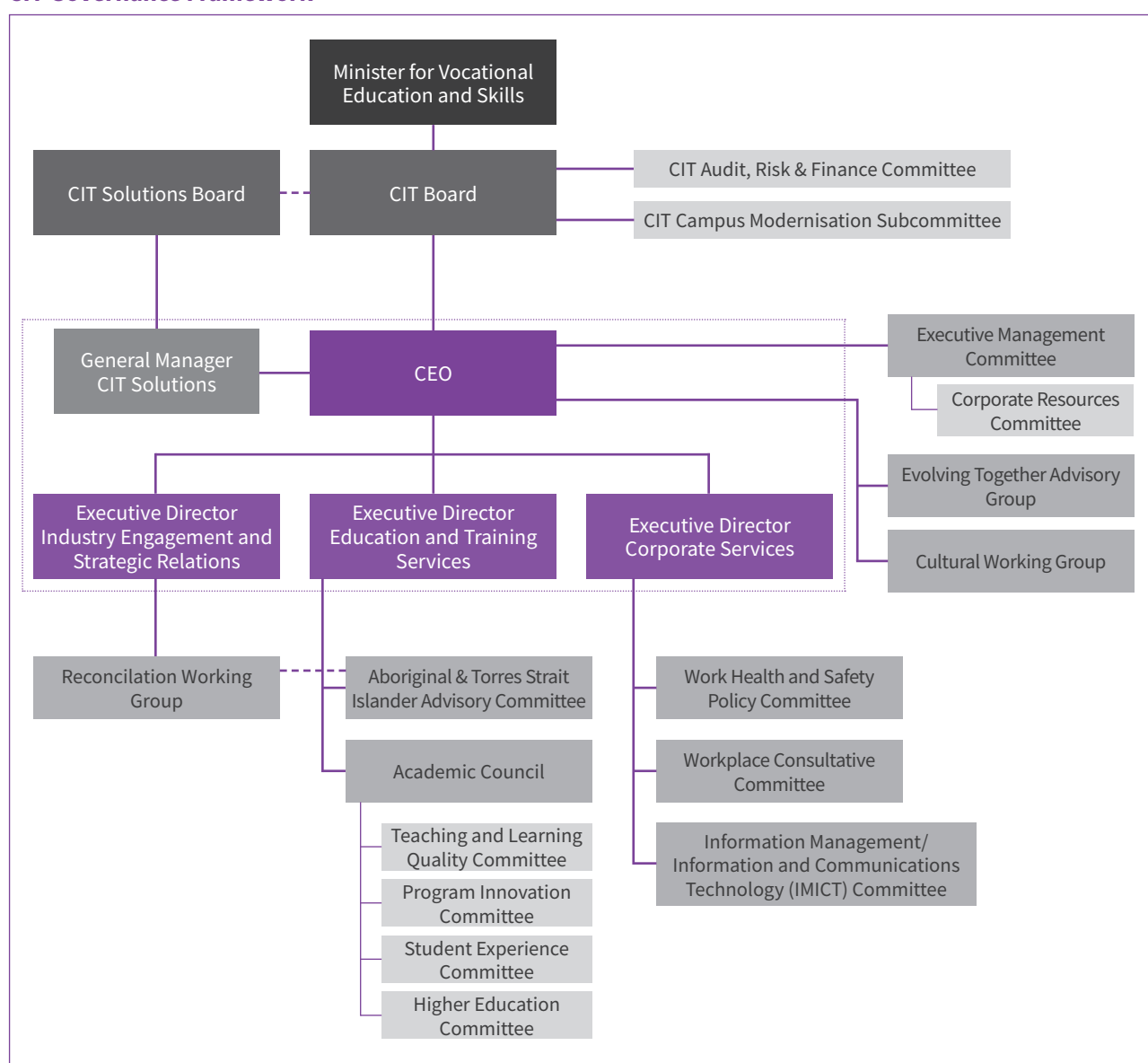
## CIT Committees

Under the CIT Internal Governance Framework, CIT committees, advisory groups and working groups are not decision-making bodies and are accountable to the CEO through the Executive Management Committee.

Committee Name	Committee Role
Executive Management Committee (EMC)	EMC is the peak body within CIT for providing leadership advice in relation to the implementation of key strategic directions and the efficient and effective operation of CIT. EMC is accountable to the CEO 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.
Academic Council (AC)	AC is the peak body within CIT for providing education leadership and advice relating to education direction, regulation, risk, governance, quality, standards and education performance. AC is supported by the Higher Education Subcommittee. In 2018, EMC agreed that CIT would benefit from increased and formalised academic governance through an enhanced structure to provide increased opportunities for building capability through greater representation of staff from all areas of CIT. The new structure includes three subcommittees, which support staff to contribute further to the overall quality and improvement of CIT's training, assessment and student outcomes. The three subcommittees are: <ul style="list-style-type: none"> <li>➤ Teaching and Learning Quality Subcommittee</li> <li>➤ Program Innovation Subcommittee</li> <li>➤ Student Experience Subcommittee.</li> </ul>
Corporate Resources Committee (CRC)	To advise the CEO in fulfilling their obligations and oversight responsibilities relating to financial, human resources and governance matters. The CRC is also responsible for establishing, leading and reviewing the corporate policies, guidelines (corporate advice) and frameworks. This is a subcommittee of EMC and reports directly to the CEO.
Evolving Together Advisory Group (ETAG)	To provide a collaborative forum for co-evolving and co-designing advice to the CEO on the <i>Strategic Compass 2020 – Evolving Together</i> and projects. This group reports directly to the CEO.
Cultural Working Group	To ensure implementation of the cultural traits by actively contributing ideas and thoughts and creating strategies through attending meetings and involvement in conversations. This group leads conversations to bring CIT's desired organisational culture to life as per the Evolving Together transformation. This group reports directly to the CEO.
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 peoples. This committee liaises closely with the Reconciliation Working Group. Outcomes of the meetings are reported to EMC.

Committee Name	Committee Role
Reconciliation Working Group	To engage collaboratively with all areas across CIT to advance reconciliation by implementing and monitoring the 2016-2019 Reconciliation Action Plan and by gathering support and commitment through encouraging all CIT staff to participate in initiatives and events. Outcomes of the meetings are reported to EMC.
Work Health and Safety Policy Committee (WHSPC)	To facilitate cooperation between staff and management on the development, implementation and review of Work Health and Safety (WHS) policy and procedures. The WHSPC also monitors compliance with WHS legislation, standards, codes of practice, policies and procedures. Formal WHS papers are provided to the EMC and CIT Board.
Workplace Consultative Committee (WCC)	The WCC facilitates cooperation between management and employees in workplace issues, reviews workplace data and implements corrective actions when required. WCC includes relevant union representation.
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.

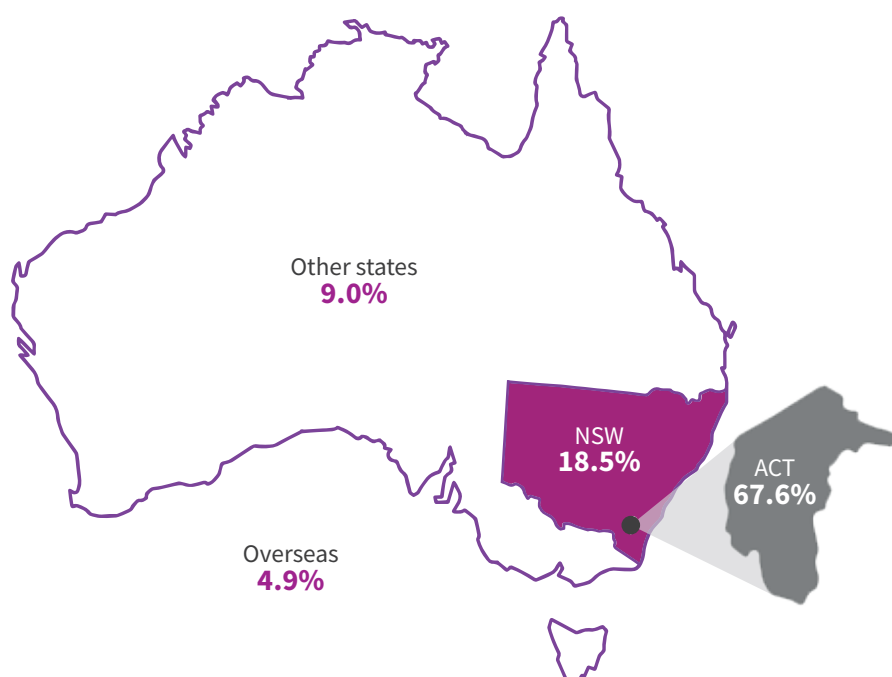
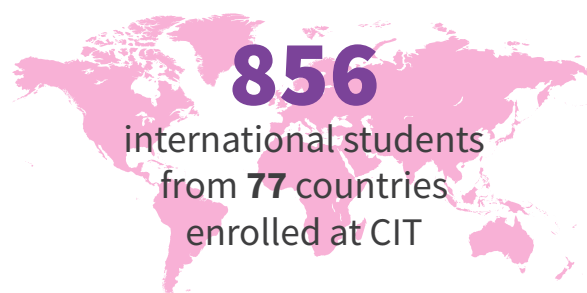
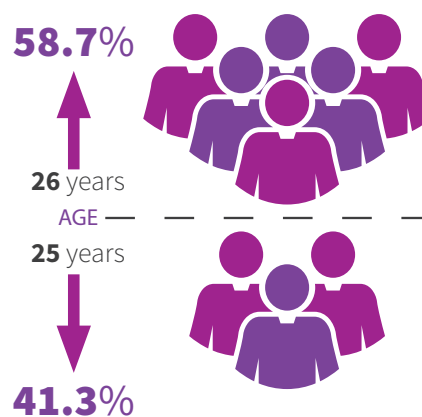
### CIT Governance Framework



## SUMMARY OF PERFORMANCE

CIT continued to excel in its delivery of government-funded, contestable and commercial training, in the increasingly competitive local, national and international markets. CIT and its subsidiary, CIT Solutions, delivered training to over 25,000 students across its government-funded, commercial and adult education programs. Of these, 6,750 are non-accredited learners enrolled in recreational courses, professional workshops and foreign language tuition at CIT Solutions.

- > Of the 18,624 students at CIT:
  - 856 (4.6%) self-identified as Aboriginal and/or Torres Strait Islander
  - 856 (4.6%) were international students from 77 countries
  - 1,926 (10.3%) self-identified as having a disability
  - 3,685 (19.8%) self-identified as speaking another language other than English at home
  - 8,448 (45.4%) identified as female
  - 3,570 were apprenticeships/traineeships (including 132 Australian School-based Apprenticeship (ASBA) student enrolments)
- > The majority of CIT students (58.7%) were aged 26 years and over and 85% studied part-time.



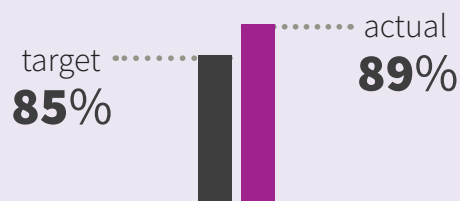
## KEY PERFORMANCE FIGURES FOR 2018

In 2018, 91% of CIT graduates were employed or in further study, compared with 84% nationally, and 82% of CIT graduates were employed after training, compared with 72% nationally.

The figures below include all profile funded enrolments (which relate to training activities funded directly by the ACT Government) and all contestable funding sources (which relate to commercial and apprenticeship enrolments). Further details are in the Statement of Performance at C.6.

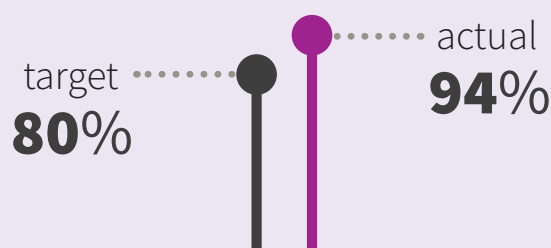
- > CIT delivered a total of 5.4 million training hours in 2018. This includes 3,016,402 nominal hours for profile funded programs, slightly below the 2018 target, with the remaining training hours delivered through contestable programs.
- > CIT received a total of 30,425 program enrolments (includes AQF qualifications, statements of attainment and ACE programs). This includes 11,686 profile enrolments, slightly below the 2018 target of 11,700.
- > The module (single accredited unit of competency) pass rate was 81%, which was above the target of 75%.
- > There were 4,247 program completions (includes qualifications under the Australian Qualification Framework (AQF)) and does not include skill sets, statements of attainment and non-accredited training such as Adult and Community Education (ACE programs). This was slightly below the 2018 target of 4,500.
- > Student satisfaction with the training at CIT was 89%, which was above the target of 85% (CIT 2018 Learner Engagement Survey).
- > Employer satisfaction with the training of apprentices was 94%, which was above the target of 80% (CIT 2018 Employer Satisfaction Survey).

students were satisfied with their training



CIT 2018 Learner Engagement Survey

employers surveyed were satisfied with CIT training



CIT 2018 Employer Satisfaction Survey



CIT students at the 2018 International Celebration of Graduation.



## 2018 HIGHLIGHTS

2018 was another year of achievements for CIT. Highlights include:

- > ACT Large Training Provider of the Year
- > ACT Apprentice of the Year – Mathew Egan
- > ACT VET Teacher of the Year – Evan Street
- > MOU signed with Singapore Temasek Polytechnic
- > MOU signed with Singapore Institute of Technical Education (ITE)
- > launch of Pressure Cooker – CIT reality television show
- > new state-of-the-art dental training facility opened at CIT Bruce
- > first Australian Hydrogen Test Facility at CIT Fyshwick
- > opening of the Cyber Security Training Security Operations Centre (TSOC) at CIT Reid
- > maximum accreditation of five years granted for Diploma of Nursing through the Australian Nursing and Midwifery Accreditation Council
- > increased enrolments in Global Wind Organisation Training
- > CIT Year 12 program achieved a top ATAR score of 97.5 (with 18% of tertiary Year 12 students receiving over 90, 50% over 75 and 80% over 60)
- > successful implementation of My Profiling for apprentices and employers
- > successful establishment of Industry Engagement Plans
- > significant growth in Skilled Capital program enrolments

- > approximately 60 staff completed the CIT Innovation Program delivered by Canberra Innovation (CBRIN) to lead cultural change at CIT.

## FUTURE PRIORITIES

Building on the work undertaken in 2018, the 2019 Board priorities for CIT include:

- > continued implementation of the *CIT Strategic Compass 2020 – Evolving Together*
- > building additional capacity and industry partnerships in emerging industries and areas of government demand
- > improving the recognition of CIT as a major economic and social contributor for the ACT and region
- > enhancing contemporary organisational transformation and workforce development at CIT through ongoing investment in our people in the Evolving Together project
- > maintaining focus on Transforming our Business through people, processes and system changes including fully understanding the costs of service delivery
- > driving CIT's campus renewal through the campus modernisation strategy
- > reshaping education and training products through the Innovative Learning Resources Project and enhancing teacher capability (including digital fluency) through the Evolving Teacher Project
- > investing in digital infrastructure including as part of CIT's campus renewal.

CIT will continue to contribute to the ACT Government's agenda of making Canberra more inclusive, progressive and connected during 2019.



CIT Executive Director Andrew Whale, Mick Gentleman MLA, CIT CEO Leanne Cover and CIT Board Chair Craig Sloan launching the Cyber Security Training Security Operations Centre.

## ABORIGINAL AND TORRES STRAIT ISLANDER REPORTING

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.



CIT Executive Director, Paula McKenry, CIT Yurauna Director Caroline Hughes, CIT CEO, Leanne Cover and Bec Cody MLA at CIT NAIDOC celebrations.

### CIT Yurauna Centre

Yurauna is a Wiradjuri word meaning 'to grow'.

The CIT Yurauna Centre is a dedicated service that provides teaching and support to Aboriginal and Torres Strait Islander peoples across a broad range of programs using a work model specifically designed to build capacity and community connections by removing barriers to education for Aboriginal and Torres Strait Islanders.

The issues and challenges faced by Aboriginal and Torres Strait Islander peoples, including families and children, are complex, varied and long term. The CIT Yurauna Centre enhances employment opportunities for Aboriginal and Torres Strait Islanders through pastoral assistance and providing culturally appropriate courses to improve literacy, numeracy, communication and vocational training.

The Yurauna Centre provides a range of services to Aboriginal and Torres Strait Islander students, including:

- > program and careers advice
- > academic and tutorial support
- > literacy and numeracy assessments
- > help with enrolment procedures
- > equity issues
- > advocacy and mediation

- > childcare
- > time management
- > outreach services
- > accommodation
- > referrals to other support services within CIT and the ACT region.

To stay connected to community the CIT Yurauna Centre works in partnership with a range of employment service providers and partners directly with employers to achieve positive outcomes for its students. CIT hosted two meetings in 2018 for the United Ngunnawal Elders Council (UNEC) and the Yurauna Director continues to meet regularly with local Aboriginal and Torres Strait Islander organisations and representative bodies including UNEC, ACT Aboriginal and Torres Strait Islander Elected Body, and the Aboriginal and Torres Strait Islander Education Advisory Group for the Education Directorate.

CIT also has its own 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 the planning for the delivery and support of Indigenous education. The CIT Aboriginal and Torres Strait Islander Advisory Committee met three times in 2018.

During 2018, the CIT Yurauna Centre established a learning and yarning circle for women to address issues faced by the women in their day-to-day lives. The group meet weekly and through art activities, the women were encouraged to discuss issues preventing them from further study. CIT has also been working with women to encourage community connection and has seen increased numbers of women taking up the



CIT Yurauna NAIDOC Week had students, staff and the community gathered at CIT Reid to celebrate NAIDOC Week. Bec Cody MLA for Murrumbidgee opened the celebrations, followed by a performance from the Wiradjuri Echoes.

opportunity to complete the Learner Driver course offered through CIT Yurauna improving their mobility and breaking down feelings of isolation.

CIT Yurauna Centre also established a weekly men's group. While learning to play didgeridoo men were encouraged to talk about issues impacting their daily lives and to promote cultural integrity and connections to culture.

The CIT Yurauna Director, Ms Caroline Hughes and CIT Yurauna teacher, Ms Anissa Jones, presented at the TAFE Director's Australia Conference on Using Technology to Support at Risk Learners to Succeed. The presentation included a video production on Aboriginal and Torres Strait Islander Year 12 students.

The CIT Yurauna Centre Director, Ms Caroline Hughes, was a finalist for the 2018 ACT Woman of the Year. Under her leadership, CIT Yurauna has become an integral part of CIT and is increasingly successful at supporting Aboriginal and Torres Strait Islander students through their training and into careers.

## CIT Aboriginal and Torres Strait Scholarships

Since 2003, CIT has provided scholarships for Aboriginal and Torres Strait Islander students every year to improve access to vocational education and training. The scholarships cover fees for full-time, part-time and flexible delivery study, and Recognition of Prior Learning. In 2018, CIT provided 128 scholarships for Aboriginal and Torres Strait Islander students at a total cost of \$70,975.



Michael De'Ath, Director General ACT Health, CIT Yurauna student, Papunya Connors, together with Rachel Stephen-Smith receiving her NAIDOC Week ACT Health Aboriginal and Torres Strait Islander Student of the Year Award.



Year 12 teacher, Michele McKell with 2018 graduate, Nicole Poulson. Nicole received a 2018 Board of Senior Secondary Studies award for Excellence for Indigenous Students.

## Student Achievements

CIT has seen increasing enrolments of Aboriginal and Torres Strait Islander students over the years. The number of Aboriginal and Torres Strait Islander students for 2018 was 856 (up from 795 in 2017). During this period, CIT has also seen an increase in the number of enrolments, with more Aboriginal and Torres Strait Islander students completing certificate III and IV and diploma, advanced diploma and degrees. To celebrate their achievements in 2018, CIT Yurauna held graduation ceremonies for Indigenous students, attracting a generous crowd of families and friends eager to celebrate.

- > Papunya Connors received the ACT Health NAIDOC Aboriginal and Torres Strait Islander Student Award of the Year. Her nomination was the result of her successful completion of four certificates in one year and has resulted in her being offered employment with two organisations.
- > Nicole Poulson received a 2018 Board of Senior Secondary Studies award for Excellence for Indigenous Students. Nicole is now studying a Bachelor of Business Administration at the ANU having received the ANU college of Business and Economics scholarship.



## CIT Reconciliation Action Plan (2016-2019)

The CIT 'Stretch' Reconciliation Action Plan (RAP) 2016-19 is a three-year commitment of accelerated action to further build relationships, respect and opportunities for our Aboriginal and Torres Strait Islander students with the wider community.

Aboriginal and Torres Strait Islander cultural awareness is widely promoted across CIT, including through all staff messages from the CIT CEO encouraging engagement with significant events such as the Legislative Assembly flag raising ceremony, Sorry Day and NAIDOC week celebrations. All major meetings at CIT commence with Welcome to Country or Acknowledgment to Country and colleges and divisions are required to include RAP initiatives as part of their business plans. Aboriginal and Torres Strait Islander art is displayed across CIT campuses and cultural awareness training is provided to staff and the executive through the CIT Yurauna Centre.

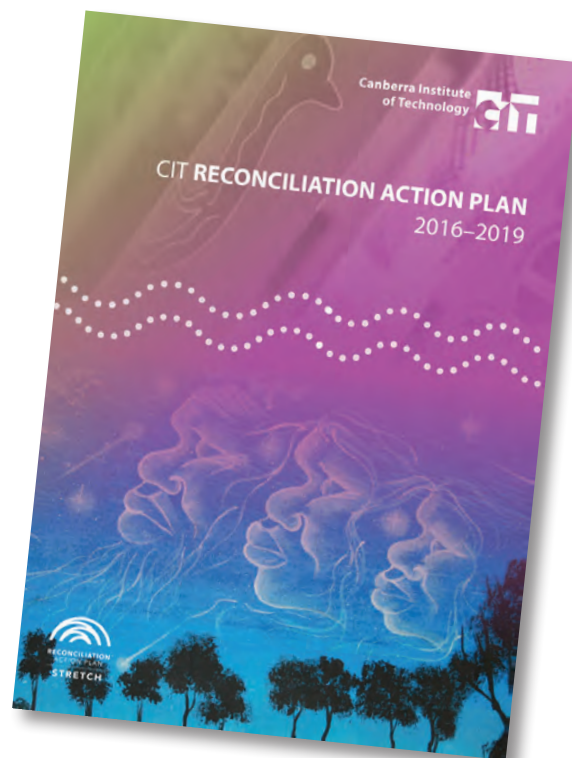
Carriage of these initiatives rests with the Executive Director, Industry Engagement and Strategic Relations, who also chairs the CIT Reconciliation Working Group.

While NAIDOC week is celebrated nationally in July, CIT celebrates the history, culture and achievements of Aboriginal and Torres Strait Islander people in October each year to allow all students and staff (who are generally on semester break in July) to participate in a wide range of activities to support our local Aboriginal and Torres Strait Islander community.

In 2018, the celebrations aligned with the national theme of NAIDOC Week 2018 – *Because of Her, We Can!* The aim of the activities was to acknowledge the pivotal role Indigenous women have played in preserving the dreaming stories, languages and cultural knowledge through generations.

CIT NAIDOC celebrations also recognised the contribution of Aboriginal and Torres Strait Islander women to the community not only as professionals, advocates and leaders, but also as mothers, Elders, grandmothers, aunties, sisters and daughters.

Underscoring the mission of the Indigenous Literacy Foundation, which provides literacy programs to remote communities, the public was encouraged to borrow and read an Indigenous book and come along to book group discussions that were hosted at CIT Reid and Bruce libraries, raising close to \$300 for the cause. NAIDOC Week celebrations also featured didgeridoo performances, basket weaving and performances by the Wiradjuri Echoes.



CIT Yurauna hosted a reconciliation morning tea for CMTEDD to celebrate the 10 year anniversary of their RAP plan and the making of the traditional possum skin cloak featured throughout their RAP.

CIT Solutions employed two Aboriginal and Torres Strait Islander training facilitators and one learner support practitioner for the Indigenous Apprenticeship Program (IAP). The program, delivered to 278 Aboriginal and Torres Strait Islander graduates with a completion rate of 92%, ensured their ongoing employment in the Australian Public Service. CIT Solutions also conducted cultural awareness training for all staff involved in the IAP.

CIT and CIT Solutions continue to support Indigenous businesses in the following ways:

- CIT Solutions renewed corporate membership with Supply Nation
- CIT Solutions uses an Aboriginal and Torres Strait Islander Travel Company (REHO) as its primary source for all corporate travel
- Gulanga has been engaged to provide CIT with survey tool capabilities
- CIT Solutions employed two Aboriginal and Torres Strait Islander training facilitators and one learner support practitioner for the Indigenous Apprenticeship Program (IAP)
- CIT Solutions worked with Murumal Management Consulting regarding training options.

## B.2 PERFORMANCE ANALYSIS

### Output class 1.1 Provision of Vocational Education and Training Services

CIT receives direct funding from the ACT Government to provide vocational education and training (VET) to the ACT and region and operates as the public provider of VET in the ACT. CIT delivers 27 national training packages across the Australian Qualification Framework (AQF), from certificate I to graduate certificate levels. As of December 2018, CIT's scope of registration included 208 current training package qualifications and 14 VET-accredited courses. CIT also specialises in the delivery of the ACT Senior Secondary Certificate to mature age students.

As the largest Registered Training Authority (RTO) in the ACT, 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 has Australian Skills Quality Authority (ASQA) delegated authority to amend its scope of registration for VET training products (except in some Training

and Education (TAE) Training Package and Electrotechnology (UEE) Training Package products where ASQA has retained scope-approval). In 2017, ASQA re-registered CIT as an RTO for the maximum seven years without any rectifications (the only large RTO to do so). CIT is accredited by the Tertiary Education Quality and Standards Agency (TEQSA) as a Non-University Higher Education Provider (NUHEPS) and offers two higher education degrees. In 2018, CIT was granted the maximum accreditation of five years for its Diploma of Nursing (HLT54115) program through the Australian Nursing and Midwifery Accreditation Council.

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 support two-way exchange, including articulation which allows CIT students to gain university credits for their CIT training, and also through providing training to university graduates to gain practical skills that employers value.



Meegan Fitzharris MLA, Gai Brodtmann MP, CIT CEO Leanne Cover, CIT Board Chair Craig Sloan and 2018 graduates from the Return to Work for Women Program.



## NATIONAL STUDENT OUTCOMES SURVEY

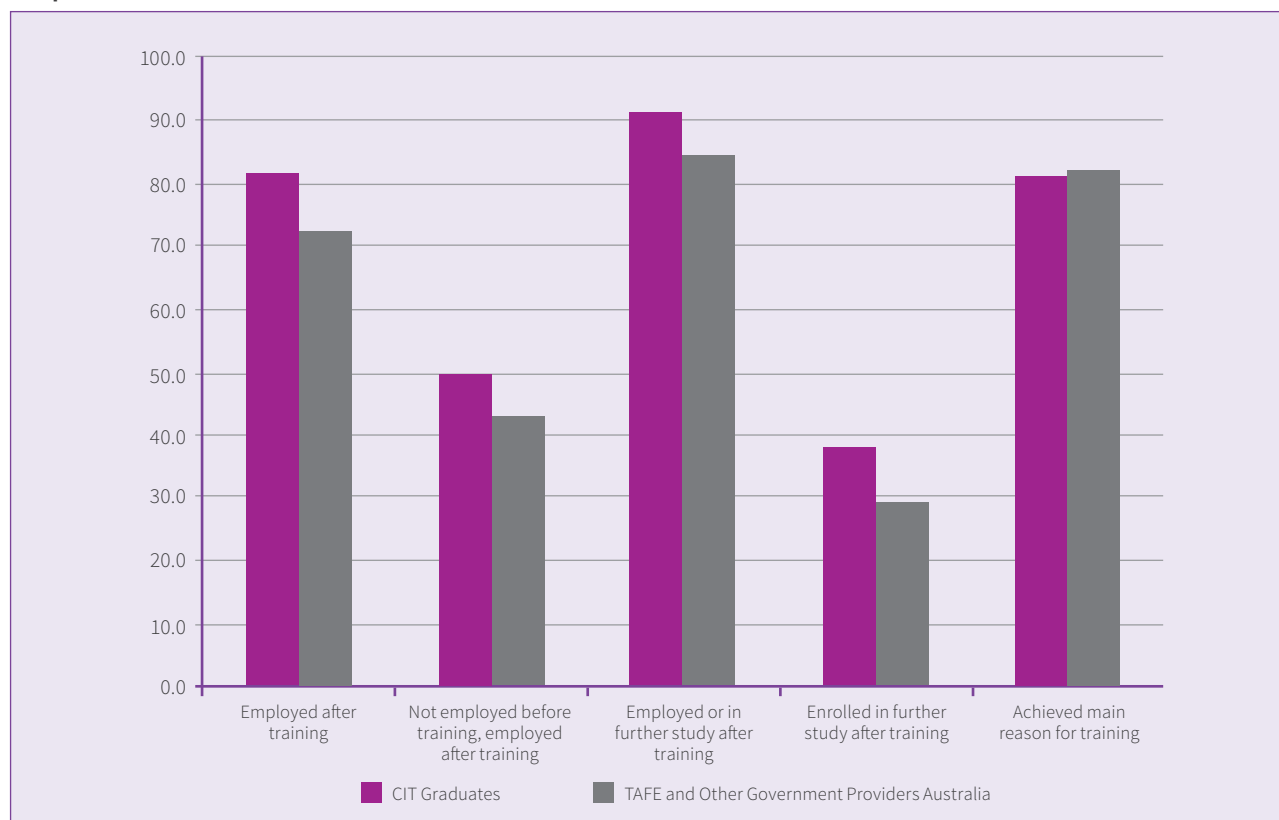
A key indicator of success in the VET sector is student employment outcomes as measured through the annual National Student Outcomes Survey, conducted by the National Centre for Vocational Education Research <sup>1</sup>. By focusing on employment outcomes, the survey gauges how well CIT serves individuals and the community. 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; and achieved main reason for training.

In 2018, 82% of CIT graduates were employed after training, compared with 72% nationally, representing a slight decrease from 2017 where 84% of CIT graduates were employed after training, compared with 73% nationally.

In 2018, 91% of CIT graduates were employed or in further study, compared with 84% nationally, representing a slight decrease from 2017 where 93% of CIT graduates were employed or in further study, compared with 84% nationally.

The 2018 survey results across all areas are in Graph 1.

**Graph 1**



<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.

## 2018 ACCOUNTABILITY INDICATORS

CIT has continued to perform well in 2018.

The Learner Engagement (LES) and Employer Satisfaction Survey (ESS) 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.

- > **Learner Satisfaction Survey** results for 2018 was 89% satisfaction rate, above the target of 85%. This is a slight decrease from the 2017 satisfaction rate of 91%. Learner satisfaction rates are based on students enrolled in nationally accredited programs.
- > **Employer Satisfaction Survey** results for 2018 was 94%, above the target of 80%. The target population is employers of enrolled apprentices or trainees at CIT. This was the highest rate recorded in 10 years and was an increase on the 2017 rate of 87%.
- > **Nominal Hours** is the nationally accepted quantitative output measure for the VET sector.

In 2018, CIT delivered a total of 5.4 million training hours. This includes 3,016,402 nominal hours for profile funded programs, slightly below the 2018 target, with the remaining training hours delivered through contestable programs, which include commercial courses, apprenticeships and Skilled Capital. Despite being slightly under target for profile hours, CIT was successful in increasing its overall delivery of training from 5.3 million nominal hours in 2017.

- > **Program enrolments** include Australian Qualification Frameworks (AQF) qualifications, statement of attainments and non-accredited training such as Adult and Community Education (ACE). In 2018, CIT received a total of 30,425 program enrolments. This includes 11,686 profile enrolments, slightly below the 2018 target of 11,700. While profile enrolments remained steady, overall enrolments increased from 29,934 in 2017.
- > **Program completions** include AQF qualifications and do not include skill sets, statements of attainment and non-accredited training such as ACE. There were 4,247 program completions. This was slightly below the 2018 target of 4,500, but slightly higher than program completions in 2017.
- > Modules include single accredited units of competency. The **module pass rate** for 2018 was 81%, which was above the target of 75% and slightly lower than the 2017 module pass rate of 82%.

Nominal Hours and Program Completions at 2018 were lower than target due to the carry-over effects of low enrolments in 2017. Nevertheless, performance figures for 2018 reflect a continued year-on-year increase in student numbers.

All activities conducted at CIT are customer focussed aimed to improve outcomes for students, business, industry and the ACT community and ensure that CIT meets its accountability measures of qualification enrolments and completions, successful subject completions, and learner and employer satisfaction levels.

The following performance analysis aligns CIT's Corporate Objectives in the Statement of Intent with the promises of the *CIT Strategic Compass 2020 – Evolving Together*.

## CIT TRANSFORMATION

CIT began a journey of transformation, through the implementation of the *CIT Strategic Compass 2020 – Evolving Together* and the interconnected projects, to meet the changing needs and expectations of contemporary learners, business and industry and the increasingly competitive and rapidly changing circumstances of the VET market. This has included significant investment in our people, processes and systems to ensure that CIT is meeting its obligations as the public provider of VET in local, national and international markets and is delivering state of the art training to meet skills shortages in the changing world of work.

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

*Through the provision of world class, industry immersive, learning environments CIT will contribute to Canberra's knowledge economy, 'scale up' innovation and build future skills for new ways of working.*

**Education and Training Services**

**Corporate Objective – Create a more agile CIT able to effectively respond to the changing VET environment.**

**Corporate Objective – Be the provider of choice for students, employers, industry and government.**

With the rapidly changing world, CIT prioritised the need to evolve in a sustainable way through a combination of traditional and contemporary approaches using its natural diversity to continue to adapt and coevolve with the changing Canberra ecosystem.

### Investment in our people *Evolving Together*

CIT has a major role in shaping Canberra as the knowledge capital and driving the economic and social outcomes of the ACT. Staff are committed to this ambition and contribute both individually and collectively to achieving this success. Under the leadership of the CEO, CIT has embraced the principles of a contemporary organisation and has

begun investigating and applying contemporary approaches to organisational transformation. These contemporary approaches are complimentary to the existing body of knowledge on organisational management and transformation informed by science-based systems of connection and complexity. CIT has shifted to organisational wide new thinking and practices encouraging staff to think differently about the future to meet the emerging needs of our customers. As part of this work, approximately 60 CIT leaders were involved in intensive workshops to develop an understanding of contemporary transformation approaches, resulting in new ways of doing things. This work will continue in 2019 as CIT builds its capacity in new thinking and new ways of working, with a vision of being the best it can be.

## Evolving Teacher

More than 200 CIT trainers and assessors engaged in the Evolving Teacher Project throughout 2018. This project included seven professional development programs, which focussed on building contemporary skills for CIT trainers and assessors. These innovative programs supported teachers to actively develop more robust and sophisticated pedagogical and technological skills. Throughout the programs, evaluation and data collected informed strategic decision-making across CIT. Other project activities included The Thread, an email feed connecting teaching practices with CIT's cultural traits. Additionally from September, a digital coaching program commenced with one-on-one coaching as well as group training in partnership with Jansz Advisory. The Teacher Professional Learning Capability (TPLC) model was piloted, honing the themes and skills identified in 2017, and now forms the benchmark

for CIT trainers and assessors moving to 2020. Evolving Teacher now has a suite of professional development opportunities for trainers and assessors ensuring the CIT teaching workforce is well prepared to design, develop and deliver contemporary training programs. It is at the cutting edge of contemporary learning models.

## Innovative Learning Resources (ILR)

The ILR project began in 2017, and in collaboration with Evolving Teacher, aims to enhance and modernise CIT learning systems, delivery practices and learning resources to ensure the best learning experience for students. While full realisation of project benefits are contingent upon infrastructure upgrades planned for 2019, major achievements for 2018 include:

- > development and implementation of a new online template ensuring quality, consistent online learner environments
- > development of user guides and technical standards for digital learning and multimedia asset content formats
- > identification of high priority courses and development of online learning resources to support blended delivery
- > creation of a range of high quality digital multimedia assets to support learning activities across a range of programs
- > trialling and testing a number of rapid-prototyping learning content systems.



*"We have been hugely impressed with how the Canberra Institute of Technology uses its Product Innovation Fund and collaboration with the Canberra Innovation Network to introduce innovation to its business in a way that transforms how its people collaborate with industry and the broader innovation ecosystem. The strong support this initiative receives from the CIT Board and its top executives coupled by the enthusiasm for change by the early participants is what makes this all-of-institute effort particularly impactful."*

Petr Adamek, CEO, CBRIN

## Partnership with Canberra Innovation Network (CBRIN)

In partnership with CBRIN, CIT has been delivering the Product Innovation Fund (PIF) program, now in its second year. Staff across CIT have embraced innovation with 60 staff across two cohorts completing the program in 2018. This resulted in the development and presentation of 12 projects at the first 2018 'CIT Pitch Night', with teams competing for funding to progress through to the next stage. In addition to this, eight CIT staff went on to undertake the CBRIN innovation facilitator program, and CIT now has 12 innovation facilitators (four facilitators from the 2017 cohort). A second cohort for 2018 centred on an industry-led 'problem' across five industries. In this program, staff and students worked with employers and industry peak bodies to develop industry-led solutions. A one-day 'boot camp' style program was also delivered to the CIT leadership team to develop awareness of the innovation process to ensure staff are fully supported by their leaders.

CIT is also working with CBRIN to develop co-badged resources for future CIT innovation projects and to lead CIT innovators to use their new skills in the workplace. To complement this, CIT and CBRIN have developed an 'accelerator' program that will involve mentorship and structured activities to drive the project teams to complete their 'proof of concept' prototypes and trial the 'products' in 2019.



CIT media student filming Pressure Cooker.

## Promise Two – Growing our region's economy – Adapting our offerings to provide skills for the future

*Respond to current and emergent industry needs with programs that develop transferable, future skills to build social capital, resilience to disruption and ensure no learners are left behind.*

**Education and Training Services**

**Corporate Objective – Meet industry needs by providing the highest quality, contemporary training in a variety of flexible modes.**

**Corporate Objective – Grow the capability and capacity of Canberra's changing workforce for employers and industry.**

**Corporate Objective – Contribute to the ACT's growing economy and the ACT's reputation of being one of the world's most liveable cities by attracting students and delivering quality training and education that skills the ACT and regional workforce.**

What CIT does is crucial to industry success. CIT builds a culture of entrepreneurship by going beyond skills, technical competence and subject knowledge. We encourage our students to think deeply and differently. As a trusted, quality training provider, CIT works collaboratively with industry, community and students to achieve excellence in a fast changing tertiary education sector.

CIT delivers training to meet the future needs of the ACT economy, and in the process is supporting the ACT Government's ability to deliver on its investments and key capability areas including, cyber security, renewable energy, further education partnerships, and healthy and active living. 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.



## Renewable Energy Training

CIT continues to be at the forefront of renewable energy training in the ACT. The Renewable Energy program focuses on using CIT's inspired and passionate teachers to deliver a world class training experience through the use of purpose built simulated worksites and contemporary technology and infrastructure.

Through a collaborative approach, CIT has worked diligently to develop strong working relationships with global partners, local industry and community groups. Consequently, these organisations are keen to forge closer relationships regarding the promotion of the renewables industry and the exciting career opportunities that it provides within the local region. This also includes opportunities to foster closer ties with global leaders in wind systems, technology and infrastructure management.

Specifically, these partnership opportunities provide platforms for raising CIT's ambitions to meet new corporate expectations, adapting and creating new and exciting offerings to provide skills, knowledge and training for the future and contribute to the ACT community and economy with the goal of positioning our people for stimulating careers and prosperous futures.

## Renewable Skills Training Centre

CIT designed and delivered two new statements of attainment courses in 2018. These are Training in Battery Storage Systems (UEE and UEE11) and Training in Grid Connect Photovoltaic Systems (UEE11). This training will assist the ACT reach its goal of installing battery and photovoltaic units on 50,000 homes and is available to qualified electricians or as an elective as part of the electrical apprenticeship. The training is both online and practical.

The Renewable Skills Training Centre was upgraded, through funding from Neoen as part of the ACT Government's reverse auction, to bring ACT to the target of 100% renewable energy by 2020. This includes photovoltaic units, battery storage units, practice roofs, equipment and dummies for rescue at heights.



CIT teacher, Peter Warne, performing an emergency self rescue from a nacelle as part of the GWO work safe from heights course.

## SERREE/CIT Regional Renewable Business Forum

On 16 May 2018, South East Region of Renewable Energy Excellence (SERREE) partnered with CIT to host a Regional Renewable Energy Business Forum, supported by the ACT Government, to showcase the region's higher education and vocational skills training resources currently available to develop the renewable energy industry workforce of the future.

Held in the High Risk Training Facility at CIT Bruce, attendees received a demonstration of CIT's Global Wind Organisation (GWO) accredited training, as well as an update on CIT's wind farm and solar photovoltaic training programs.

## Global Wind Organisation Training

CIT gained GWO accreditation in 2017. As the exclusive provider of GWO certified training in this growing industry in the Canberra region, CIT is helping to position the ACT as a national leader in renewable and clean energy.

In 2018, the GWO training was bedded down and considerable investment went into additions to the High Risk Tower and other resources to support the introduction of the training. CIT gained approval to operate the High Risk training in NSW and ran a number of courses. The introduction of this training has also resulted in the development of new client relationships with international organisations within the wind industry including Siemens, Suzlon, and Vestas.

In particular, CIT has built a strong relationship with Vestas, the energy industry's global partner on sustainable energy solutions. Vestas is the world's largest wind turbine operator with 25,000 employees across the globe. CIT provides GWO Basic Technical Training, GWO Basic Safety Training, Electrotechnology Electrician (Australian Apprentices), High Risk and computer skills training to Vestas employees. CIT continues to develop the relationship with Vestas through on-going co-design of quality workforce development solutions.

## Hydrogen Testing Station at CIT Fyshwick

Evoenergy and CIT have partnered to build Australia's first hydrogen test facility at CIT Fyshwick. Opened in December 2018, the facility will be testing hydrogen on existing materials, equipment and work practices in preparation for application to the existing gas distribution network. Through this partnership, Evoenergy will gain a clear understanding of the impact of introducing hydrogen to existing infrastructure, and its application as a new energy source.

CIT continues to take the lead in globally-recognised renewable energy training and this partnership allows CIT to teach students the skills needed for this fast-growing sector.

Outcomes of the trial will inform future implementation of hydrogen as an energy source both in the ACT and nationally. As a new energy source with the potential to replace gas, apprentice plumbers will be trained in the distribution and connection of hydrogen to homes, placing CIT at the forefront of understanding this new technology and preparing ourselves for the arrival of this technology.



The new Hydrogen Testing station at CIT Fyshwick.

*“Canberra Institute of Technology is one of the leading lights in the GWO education space. With a mature approach to delegate safety, systematic operational controls of trainer resourcing and innovative spaces for the simulation of emergencies in a wind turbine generator.”*

GWO Audit Report conducted by Best Practice on behalf of GWO



## Cyber Security

In a national first, a collaborative training solution to the cyber security skills shortage, Cyber TAFE, was launched in November 2017 with CIT, TAFE NSW, TAFE QLD and Box Hill Institute signing an MOU to deliver a coordinated Certificate IV in Cyber Security (22334VIC). To facilitate the increase in students in 2018, CIT joined a consortium with ACT start up Fifth Domain, national company Nova and the ANU to develop a new virtual security operations centre with a new physical Cyber Security Training Security Operations Centre (TSOC) and tech-collab space opening at CIT in November.

The \$1.1 million project includes a virtual classroom with a cloud-based security operations centre simulating real cyber threats, giving students the chance to work through real scenarios to gain nationally-accredited qualifications.

The facility provides:

- physical and virtual infrastructure
- a control room for the monitoring of programs
- a server room for launching new infrastructure
- collaboration spaces for tech start up organisations.

*“CIT is leading the way with implementing education and training pathways to help address the critical issue of growing and upskilling our cyber security workforce.”*

Tony Marceddo of Vault Cloud and Co-Chair of AustCyber ACT Node Advisory Board

The TSOC will help meet demand in cyber security courses offered by CIT. These include the Certificate IV in Cyber Security 22334VIC and the Graduate Certificate in Networking and Cyber Security 10198NAT which is now included as part of the Traineeship program for participants in the Australian Government graduate program. Cyber security programs continue to grow with over 160 students enrolled in the two programs by the end of 2018. To assist in growth, retention and student completions CIT trialled a virtual mentoring program. The program, beginning with the Graduate Certificate in Cyber Security and Networking, will see cyber industry mentors working with groups of eight students.



CIT Cyber Security students with Dr Abu Barkat, Head of CIT Centre for Cyber Security and Games.

Four CIT students received the award for the Highest Ranking TAFE Team from the Cyber Security Challenge Australia (CySCA), the only national cyber security competition for university and vocational education students.

For six consecutive years, the ‘hacking’ competition has encouraged the participation of undergraduate university and TAFE students, and 2018 saw a significant increase in the number of competitors with

422 students from 35 universities and TAFEs across Australia participating. Teams competed over a 24-hour period to reverse real-world cyber security threats.

This unique CySCA competition provides students with the opportunity to display their technical, analytical and communication abilities to academia and industry. CySCA 2018 exposed CIT students to a networking and cyber security experience to kick start their careers in 2019.

## CIT Nurses Receive White Hats



CIT Students Taylah Sherd-Lawler, Brittany Nagas, Rose Christensen in Calgary, Canada being presented with a hat by Karen from Calgary Tourism, as part of the White Hat Ceremony.

Ten CIT enrolled nursing students and two CIT teachers travelled to Canada for three weeks for an exploratory field trip to gain knowledge and integrate skills by shadowing hospital-based health professionals (doctors, nurses and allied health staff) and students at teaching hospitals and associated teaching institutions. The students worked with their Canadian counterparts in a simulated environment and visited a variety of health care facilities, related to community and Indigenous health.

The visit to Calgary coincided with the annual Calgary Stampede, a unique 10 day event that blends Western Canadian culture and contemporary entertainment which includes the Stampede Rodeo, chuckwagon races, and a variety of musical concerts. CIT students were honoured with a special White Hat Ceremony, a long-standing tradition in Calgary, and a symbol of western hospitality and good cheer shared with visiting guests.

## International students – inbound and outbound

CIT maintains an international focus, attracting international students to the ACT and supporting CIT students to train overseas. CIT has a range of exciting study abroad opportunities, giving students an opportunity to undertake study or placement overseas that is related to their studies.

This year CIT attracted 856 international students from 77 countries. On completion of studies many of these students continue on to further educational pathways. A 2018 report, *Canberra Institute of Technology: Economic and Social Contribution to the ACT*, estimated that international students studying at CIT and living in the ACT contributed \$15 million of added-value to the ACT economy.

In 2018, CIT was successful in winning eight Australian Government Endeavour VET Outbound Mobility Grants, enabling 74 students to participate in the program.

The grants of \$2,000 per student for short-term overseas study programs provide students with an opportunity to travel while they study. CIT has been exceptionally successful in attracting the grants, offering students unique learning experiences to complement their social, personal and professional career development.

In 2018, with the support of the Endeavour VET Outbound Mobility Grants:

- eight students travelled to Singapore to experience Singapore's globally recognised quality customer service within the hotel, resort and spa industries

- > 10 students travelled to Singapore to explore world leading cyber security
- > 10 students travelled to Canada to expand their understanding of different health care models and systems
- > eight students travelled to Cambodia with aid organisation Union Aid Abroad APHEDA, to mentor and work with Cambodian and Laos trainers in garment production
- > eight students travelled to Singapore to explore technological innovations, sustainable building processes, techniques and materials
- > 10 students travelled to Singapore to work alongside their contemporaries in the Makerspace facilities at Temasek Polytechnic, where over 1,000 students now undertake exciting team-based, practical workshops while enrolled in their primary discipline

- > 10 students travelled to New Zealand for an overseas experience directly related to their studies. This cohort expanded CIT's engagement in Wellington with relevant organisations, enhancing opportunities to grow students' businesses and create partnerships with producers and suppliers while supporting future growth for the ACT.

Funding was also received in 2018 for 10 students to travel to Singapore, France and Spain in 2019, to explore the renewable energy sector and see industry examples of good design in the application of renewable energy including solar and battery storage and the impact on business and construction.

As part of the Australian Government funded VET Mobility program CIT also welcomed a student and teacher delegation from Singapore's Temasek Culinary Academy. The delegation, in Canberra for a week, exchanged industry skills and expertise as they immersed themselves in Australian culinary culture.

## CIT welcomes Singapore's Temasek Culinary Academy into the pastry kitchen

CIT culinary students opened the kitchen doors to welcome fellow students from the Temasek Culinary Academy in Singapore in 2018, exchanging learned industry skills as they immersed themselves in Australian culinary culture.

Temasek Culinary Academy is one of Asia's leading vocational education institutions. Welcoming them to CIT strengthens our international relationship with Singapore and allows us to build essential knowledge and skills in the food service and hospitality industry in Canberra.

In April 2017, CIT culinary students visited Temasek Polytechnic's Culinary Academy in Singapore in a one week study exchange to share skills, knowledge and receive a 'hands-on' culinary training experience, in state-of-the-art facilities.

Students from Temasek also experienced a regional taste of Canberra when they visited a vineyard in Murrumbateman, a fine food producer in Hall, and explored Braddon's pop-up restaurant culture through their stay. Alongside CIT staff and students, Temasek culinary teacher and chef, provided a demonstration of his special recipe for Singapore crab as part of CIT's culinary demonstrations for the ACT and



regional community, at Exhibition Park in Canberra on Saturday, 7 April 2018.

International opportunities and relationships are vital in providing students unique cultural experiences and providing access to worldwide networks. CIT is excited to continue our close relationship with Singapore in the future.

Through these international experiences, CIT students were provided the opportunity to network, further develop their culinary and management skills, and build global industry relationships.



## International Engagement

With innovation and entrepreneurship becoming the new norm for students in the tertiary sector, CIT partnered with Temasek Polytechnic to create and deliver a vocational education program for students who want to understand and gain the skills in pitching ideas, creating new products and services and forming new start-up companies. Subjects include design thinking, entrepreneurship and co-design.

### MOU with Temasek Polytechnic (TP)

CIT is expanding its reach across borders, with a new memorandum of understanding (MOU) signed with TP in Singapore. The objectives of the MOU are for CIT and TP to have a seamless exchange of resource development and student and staff collaboration and exchange. The MOU is also growing understanding and cooperation between CIT and TP in the areas of staff and student exchanges and in the sharing of expertise, knowledge and information. The friendship between CIT and TP developed through a mutual interest in innovation, entrepreneurship, culinary, cyber security and design. The MOU gives students of CIT and TP reciprocal opportunities to undertake their entrepreneurial studies and work on their start-up concepts in either Canberra or Singapore and provides invaluable learning opportunities for the ACT VET sector.

### MOU with Institute of Technical Education (ITE)

CIT hosted a delegation from the Singapore ITE in April 2018. The delegation, led by ITE's CEO, was looking for student and teacher exchange opportunities resulting in the CIT VET mobility tour to explore technological innovations, sustainable building processes, techniques and materials that are used overseas. CIT and ITE signed an MOU to enhance the global relationship and to provide for program exchanges, staff development and co-development of programs. The CIT Board Chair also visited ITE prior to the MOU signing and had the opportunity to see ITE facilities and meet industry partners.

CIT hosted a further five delegates from ITE in November 2018 resulting in a co-developed work placement program in the creative sector.

### CISCO-Optus Career and Technical Education Study Tour

CIT Executive Director, Education and Training Services, and the Director Health, Community and Science attended the CISCO-Optus Career and Technical Education Study Tour. The 2018 Study Tour to Singapore and Hong Kong focussed on student employability, innovating with new digital economy learning models, emerging technology and securing the digital institute. The tour included interactions with industry and education leaders in Singapore and Hong Kong, cyber security panel discussions and site visits to Singtel's Cyber Security Institute, ITE Singapore, Changi Airport, Technical and Higher Education Institute (Hong Kong), and the Vocational Training Council (Hong Kong).



CIT Board Chair Craig Sloan, CIT Director Strategic Relations, Jayne Miller, and representatives of Temasek Polytechnic signing a Memorandum of Understanding.

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

*Lead in the acquisition of future-proofed work skills by providing environments and contexts to push innovation and the evolution of teaching and learning.*

**Education and Training Services**

**Corporate Objective – Improved educational outcomes of disadvantaged groups.**

**Corporate Objective – Operate as customer centric organisation through increased focus on the student experience.**

**Corporate Objective – Operate as the public provider of VET.**

CIT is a key economic and social enabler, contributing to the ACT economy by providing VET to support the priorities of the ACT Government in making Canberra more inclusive, progressive and connected. CIT is delivering training to meet the future needs of our economy. More employers and students trust CIT for their training than any other organisation in the ACT. As a major contributor to the economy, CIT provides the skills for an adaptive, modern workforce. CIT is also a leader in providing education in skill shortage areas and developing targeted programs to increase workforce participation for people experiencing disadvantage. This includes helping people from our diverse community to reach their potential.

### Training and Education Training Package

Changes made to the Training and Education (TAE) Training Package in 2016 were to ensure the VET workforce has appropriate skills in designing and developing assessment tools and identifying and evaluating Language, Literacy and Numeracy (LLN) needs. These changes required all trainers and assessors to have completed these units by 1 April 2019. During 2018, CIT offered staff 'in-house' opportunities to attain the units to upskill them in

key areas of VET training and assessment. With over half of the employee cohort completing the two competencies during 2018, a significant uplift in the capability of our trainers and assessors is expected to be realised in 2019, positively affecting student outcomes.

### Apprenticeships and Traineeships

In 2018, CIT focused on further strengthening its relationship with employers through the Australian Apprenticeships project by ensuring a consistent and streamlined process at the commencement of their employee's training journey at CIT. In March 2018, a dedicated centralised team of liaison officers commenced engaging with all employers and Australian Apprentices to map out their training program, outline the support services available and to agree on how all parties will work together throughout the life of the Australian Apprenticeship. This early engagement, with a single point of contact, established a two-way avenue for feedback and has facilitated early identification and resolution of issues including:

- additional support such as LLN, mentoring, additional training tutorials, disability support, referral to the CIT Yurauna Centre (CIT's dedicated centre to support Aboriginal and Torres Strait Islander People)
- employers being able to provide the breadth of work required for a student to successfully complete the qualification.

The early identification of these issues, by analysing the data CIT collects, facilitates early intervention and management not only by CIT but also in conjunction with the broader ACT VET network. CIT works together with stakeholders such as Skills Canberra (ACT state training authority), Apprenticeship Network Providers and Group Training Organisations to support positive outcomes for Australian Apprentices and their employers.

As part of this initiative, the My Profiling system was rolled out to all first year apprentices and employers. This electronic system, accessible 24 hours a day 7 days a week, enables employers to access information about how their apprentices are progressing throughout their training at CIT and also captures the tasks the apprentices are completing while on the job (which can also be reviewed by trainers and assessors). CIT is now engaging with employers through the system to gain support for every unit of competency achieved so that all parties have visibility of a student's progress. This enables arrangements to

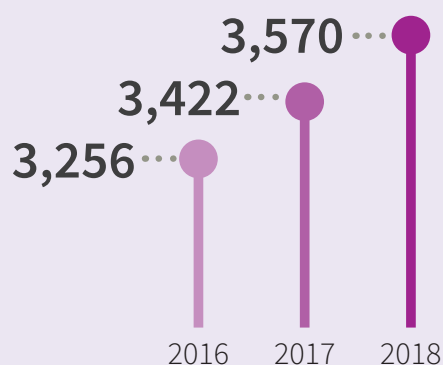


be made if there are any areas in which an apprentice needs further training or on the job experience.

CIT appreciates the importance of positive employer engagement and relationships and the connection to

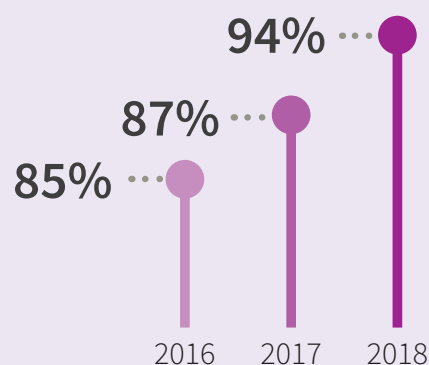
positive outcomes for apprentices. CIT's result for the Employer Satisfaction Survey was the highest in 10 years, supporting the need for services and tools such as these.

Total apprentices/trainees



CIT Executive Student Activity Report, 2018

Employer Satisfaction rate



2018 Employer Satisfaction Survey

## Matthew Egan | 2018 ACT Australian Apprentice of the Year

### Australian Capital Territory | Certificate III in Electrotechnology Electrician

Matthew completed his Certificate III in Electrotechnology Electrician with the Canberra Institute of Technology (CIT). He worked with Electrical Apprenticeships and host employer, Star Group.

With the electrical industry moving forward with energy efficient products and systems, Matthew enjoys contributing to the larger picture of clean energy.

To broaden his career options and keep his skills up-to-date, Matthew completed a renewable energy skill set at CIT, which gave him a Statement of Attainment in Working in the Wind Industry.

This gave Matthew the opportunity to travel to Europe under the Australian Government Endeavour Outbound Mobility Program and experience firsthand renewable energy practices from world leaders.

Matthew hopes to use what he has learnt through this experience to help shape change in Canberra and surrounding areas, and to be a champion for renewable energy.



## Business Development and Industry Partnerships

CIT is continuing to strengthen its industry partnerships through a dedicated Business Growth and Development team established as part of the Business Development and Industry Partnerships Project. CIT is working with ACT industry to deliver training programs that meet the needs of both the ACT economy and community.

The model focuses on a centralised point of contact that facilitates greater collaboration across CIT to ensure that CIT is building strategic partnerships with industry to meet their workforce development needs in areas as diverse as the construction, business, information technology, health and community sectors. CIT is also focusing on increasing industry awareness of CIT's extensive service offering and the value of VET in attracting and retaining a highly skilled workforce.

CIT understands the changing world of work and that industry needs training that is tailored, flexible and delivered through a range of online, workplace based and face-to-face delivery solutions. CIT is not only working with industry on the skills they need now but those needed in the future.

CIT has been working closely with the ACT Government to pilot innovative ideas and programs delivered under the National Partnership Skilling Australians Fund, including:

- exploring ways to attract high quality trade people to consider a career with CIT as a trainer and assessor in skills shortage areas
- increased implementation and evaluation of the My Profiling tool
- development and delivery of an industry pathways course for year 9/10 school students
- the development of pre-traineeship programs across hospitality and construction which have resulted in increasing student awareness of the exciting career opportunities that undertaking VET qualifications can achieve
- the development of authentic simulated work environments to support Allied Health and Cyber Security training delivery.

## Skill Shortages

The Skilled Capital program is an ACT Government funded training initiative. Skilled Capital offers an opportunity for the Canberra community to access quality training and fill critical skills needs areas across

a range of industries such as community services, information technology, health and construction.

The ACT Skills Needs List informs the qualifications and courses offered under Skilled Capital. CIT saw substantial growth in Skilled Capital enrolments in 2018 compared to 2017, almost doubling the number of enrolments. Industry areas where enrolments increased in 2018 included Conservation and Land Management, Building and Construction, Information Technology, Business and Health and Community.

## Student Support Services

CIT has a broader remit than the delivery of VET alone. As a not-for-profit training provider, CIT reinvests into the public VET system for the ongoing benefit of the community.

CIT undertakes a range of activities to support social cohesion to increase workforce participation and social inclusion. This is particularly important in communities with higher portions of socially vulnerable groups, including unemployed and disengaged youth, Aboriginal and Torres Strait Islander peoples, women returning to work, migrants and refugees and people with disabilities. CIT student support services include counselling, careers advice, disability support and financial assistance. Targeted support is also available for international students, mature aged students, migrants, refugees and youth.

## CIT Student Association

The CIT Student Association (CITSA) also provides support to students. CITSA's mission is "to use the power of our partnerships (both on and off campus) to enhance the student experience". Membership is free and open to all CIT students. CITSA provides a range of non-academic support services including operating bookshops and food and beverage facilities on CIT campuses and an online employment service and accommodation information. The CITSA Council is an elected student body comprising nine elected students and two non-student representatives. The Council oversees CITSA's facilities and student services. CIT works closely with CITSA.

In 2018, CITSA and CIT collaborated to get two people (one from each) trained as MATE Bystander trainers, a leadership program focussed on primary prevention. The MATE Bystander Program is an education and intervention program on the prevention of violence and harmful behaviour. This collaboration was a result of work commenced in 2017 following CIT's response to the Human Rights Commission report into sexual assault and harassment at universities.

## Rotary Club of Canberra City Equity Scholarships

The Rotary Club of Canberra City partnered with CIT in 2015, to offer two Rotary Club of Canberra City Equity Scholarships to eligible students. These scholarships continue into 2018.

The scholarships are the result of the Rotary Club of Canberra City's hard work and dedicated fundraising within the local Canberra community to provide opportunities and financial assistance to those most in need.

Anne Jenkin, the club's Vocational Service Director, says these scholarships have an important point of difference from many others. "There are lots of incentives available for helping people get into a course, but these scholarships are about actually wanting to keep students in a course and enabling them to complete. Recipients will have already demonstrated a commitment to their study. I think that's important," she said.

Chief Executive, Leanne Cover, thanked the Rotary Club of Canberra City for the partnership opportunity.



CIT Students John Mark and Ankurkumar Vaidya (with CIT Executive Director, Corporate Services, Andrew Whale and Rotary Vocational Education Services Director Anne Jenkins) receive the Rotary Club of Canberra City Equity Scholarship.

"Rotary is highly regarded by the CIT community. CIT will be able to continue to achieve great outcomes for students and the community by working with invaluable organisations like Rotary," Ms Cover said.

## Pathways College

The CIT Pathways College provides a valuable contribution to the ACT community by offering targeted training and skill development to assist people to enter the workforce. In 2018, the college was restructured to include CIT Student Support, enabling support services to cover both academic and non-academic matters. Programs on offer include English language programs, Year 12 and Access Education.

The year saw a continued increase in Year 12 students studying VET qualifications as part of their pathway to employment and further study (20% of students). In addition to this, the top ATAR score achieved was 97.5 with 18% of tertiary Year 12 students receiving over 90, 50% over 75 and 80% over 60.

The college also collaborates with community organisations to enhance opportunities for its students, including Calvary Refugee Mentoring Program and St Vincent De Paul who provide volunteering opportunities for students. A partnership with Global Sisters, a not-for-profit organisation assisting women to be financially independent, ran a program for CIT students in 2018. The nine week program included 'My big idea workshop' and 'Sister School' where women learn business know-how such as getting an ABN, finance and marketing. The end of the program is celebrated with a pitch and graduation event.



CIT English Language students presenting two representatives of Canberra Refugee Support, Judy Loy and Virginia Buring with a cheque for \$465 which they raised through a Tombola event held at CIT during Refugee Week.



The Big Picture program, an innovative interdisciplinary approach, was launched in 2018 as part of the Year 12 program. In this program students worked on a project of their choice against which they are assessed. A stand out performance was a student who created an appeal on Youtube and received early entry to the University of Canberra to study media. As part of this program, students also attend a business mentors' lunch and were involved in 'real life' learning and research.

The Return to Work for Women Program is a 14-week course designed for women to help regain confidence, brush up on professional skills and update computing and digital literacy skills to improve their chances of successfully re-entering the workforce after an extended absence. The program also includes a valuable work placement. The course ran twice in 2018 due to high demand with close to 30 women graduating with a Certificate II in Skills for Work and Vocational Pathways (FSK20113).

The program has seen great success over recent years, with a 90% completion rate and approximately 76% of graduates going on to employment or further training in an area of interest.

## ACT Work Experience Support Program (WESP)

WESP is an ACT Government initiative designed to help people from culturally and linguistically diverse backgrounds who are building a new life in Canberra gain office skills and Australian workplace experience. In 2018, CIT delivered the Certificate II in Business BSB20115 to 45 WESP participants. This included two groups who spent four weeks at CIT undertaking intensive training in computer based office skills, resume writing, interview skills and public sector knowledge relevant to working in a government environment. Following this, students complete eight weeks work experience placements in a government agency. This successful program resulted in the employment of three participants at CIT.



WESP 2018 graduates with ACT Legislative Assembly Member Chris Steel, MLA.

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

*Invest in Canberra's premium vocational provider, providing world-class facilities to propel the development of Canberra as the knowledge capital and ensure life-long skills development for the workforce.*

**Education and Training Services**

**Corporate Objective – Be the provider of choice for students, employers, industry and government.**

**Corporate Objective – Operate with greater commercial and entrepreneurial focus in the increasingly contestable marketplace.**

CIT operates in a complex and increasingly competitive environment. To remain at the forefront of vocational learning CIT continues to maintain strong and relevant links with industry to ensure training programs provide students with industry relevant, contemporary and job ready skills. CIT offerings provides valuable options for individuals, employers and government.

### Campus Renewal

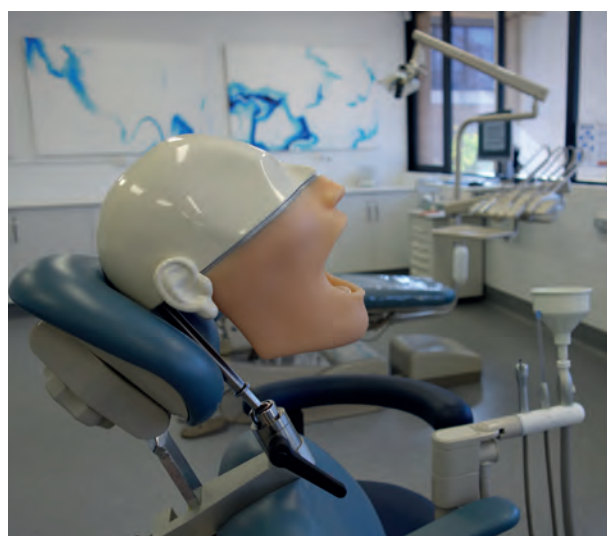
The ACT Government has approved the CIT campus modernisation strategy and has committed \$1 million towards the next steps in campus modernisation to undertake master planning, a concept design and to develop a business case to seek further funding for the design and construction of a new Reid Campus.

This is an exciting milestone for CIT in the progression of the *Strategic Compass 2020 – Evolving Together*, and will help CIT to remain a modern, innovative and dynamic organisation able to respond to the changing needs of the community and business sectors and adapt to contemporary learner needs and new technologies. CIT is committed to upgrading facilities and reducing the overall campus footprint. With the University of NSW (UNSW) seeking to expand its presence in the ACT, the ACT Government is investigating the establishment of a City East Education Precinct with the option to co-locate UNSW alongside the CIT Reid campus. CIT has been in discussion with the ACT Government and UNSW about the opportunities and possibilities for students from both CIT and UNSW.

In 2018, CIT operated across four campuses and two learning centres. During this period CIT has been upgrading current facilities and ceased its operations at the Woden campus, moving the music department to CIT Reid for the commencement of classes in 2019.

### New Dental Clinic

A state-of-the-art dental clinic opened at CIT Bruce in December 2018, showcasing a transformed authentic training space to support growth in dental assisting careers in Canberra. A skilled dental workforce is vital in providing high quality, affordable dental care in the Canberra Region and CIT students now have access to the best learning environment to attain high standards in dental assisting. With Canberra's population growth on the rise, demand is increasing for health services. To help meet this demand, the expanded facility will enable CIT to double student numbers and offer more programs. The expanded facility has the most up-to-date equipment and resources, ensuring students are job ready and equipped to provide high standard customer-centered care.



New dental clinic at CIT Bruce.

### Allied health authentic simulated workplace environment

CIT was awarded \$500,000 through the Skilling Australians Fund to establish and fit out an Allied Health focused authentic simulated workplace environment at CIT Bruce. This facility will increase opportunities for practical training positioning CIT to grow education delivery in the Allied Health Assistant area and in the health sector more broadly, to meet increasing demand. This facility will be operational by mid 2019.



## Digital footprint

To be the very best and provide staff and students with quality teaching and learning facilities, CIT has embarked on a Digital Transformation initiative to uplift its digital capabilities. The aim of the transformation is to augment traditional learning approaches with new digital experiences and create intuitive and streamlined processes for all stakeholders. This transformation is being achieved through the *CIT Strategic Compass 2020 – Evolving Together* Digitalisation Project with a focus on optimising staff and student experience and to streamline and simplify business processes.

During 2018, CIT replaced many outdated desktop computers with new modernised staff devices to allow staff access to their shared drives and CIT applications across campuses and other ACT Government locations, creating greater flexibility in the workplace. Student laboratories were also updated and Microsoft Office 2016 was rolled out across CIT, complemented by an intensive training program for all staff. Provisions were also rolled out for all student computer labs devices.

The CIT SMS system, which allows teachers and staff to send text messages to students, was

enhanced to allow remote access, improving student communications. Teaching staff were also given access to tablet devices, changing the way students are assessed in work places.

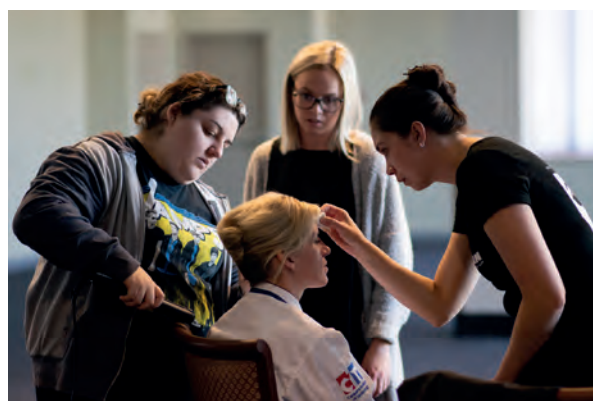
Significant work has gone into the backend of CIT systems to increase network connections and speed when on campus. Project work conducted during 2018 heavily relied on a successful collaboration with the ACT Government Shared Services ICT teams.

## Collaboration and Innovation

CIT has been driving a culture of innovation and collaboration to encourage staff to adopt new thinking to deliver innovative training solutions to meet the evolving expectations of learners, employers and industry. Examples from 2018 include the following.

### Chef Craft

The 'gamification' of learning is an educational approach to motivate students to use video game design and game elements in learning environments. CIT Culinary Skills developed an online computer game 'Chef Craft' that was piloted in 2018. The aim of the game is for students to have fun while completing



CIT students working collaboratively on the ACT first reality TV show *Pressure Cooker*.

assessment tasks. The game is both a learning tool and an assessment tool. The successful pilot will be developed further throughout 2019.

## CIT 'Pressure Cooker'

'Pressure Cooker' is Canberra's first reality cooking show. This collaborative, cross-disciplinary project involves students, community and industry in an innovative model of training and assessment. It draws on CIT's links with industry, with judges from the local restaurant and food industry, and local produce from the Canberra Region Farmers Market. Bringing together 12 separate discipline areas of CIT, the project delivers multi-layered levels of training and assessment occurring simultaneously and concurrently over the life of the project, from inception to production and post-production. Pressure Cooker is an exciting, contemporary form of training delivery that provides students with critical skills in collaboration, creative thinking, communication and time management in addition to discipline specific training via a real life high-pressure scenario. Including key industry professionals from the culinary and media industries, the project showcases CIT as a leader in innovative training and assessment. Feedback from students has been exceptional.

## Sustainable Fabric

With the need for more sustainable, green products, innovation and renewable bio-based products, a cross college collaboration between horticulture, fashion, science and an industry partnership, has seen the introduction of students growing sustainable fabric. This initiative was the result of a CIT fashion teacher concerned that the textile and fashion industry was the second largest polluter in the world. Through the industry partnership, students gain hands on experience and are part of the process. The fabric, once grown, will be available for use by students of fashion, interior design, visual arts and building and construction. Use of the by-product is also being considered for use by CIT horticulture. The students involved will be meeting units of competency in each of their own qualifications and disciplines.

## Gig Education

Gig Education is an opportunity for students to undertake work placements at CIT that contribute to their qualification. This project was a staff initiative and funded through the Product Innovation Fund. In the first trial, 10 Certificate III in Business Administration (BSB30415) students gained valuable workplace skills and experience during 100

hours of work placement at CIT. They completed three competencies towards their qualification with online learning and workplace assessments with a collaborative support team consisting of their supervisor, teacher, CIT Student Association, Education Services, Student Support and Student Services. Students also attended additional professional development covering work skills, resume writing and interview skills.



CIT student Noor Theeb with CIT CEO Leanne Cover participating in the Gig Education program.

## 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 C.2).

Throughout 2018 the company delivered outcomes for 2,953 students in CIT accredited programs and for 6,752 non-accredited learners enrolled in recreational courses, professional workshops and foreign language tuition. It also provided fee-for-service solutions to 271 clients and maintained a workforce of 110 people (headcount) with a total of over 250 people in the contingent workforce.

In 2018, the Company's revenue to the end of December was \$18.777 million. The challenges in commercial models of VET are not unique to CIT Solutions and the company did not avoid the impact. A consistent negative financial trend in 2018 saw the company undertake a significant analysis of operations and made decisions to adjust the operating model, particularly the workforce component, in late 2018. The analysis provided a sustainable approach for 2019 while also highlighting

the important educational impact the company provides in Canberra, across Australia and offshore.

The work in 2018 to shift the workforce to a sound, contemporary contracting approach and management structure will continue in 2019 with a further refinement to the workforce model to position the organisation with the right skills, structure and culture to deliver in the areas of market demand at a reduced cost. The market analysis shows that competition for skills development in government workforces will continue to increase at a rapid rate as centralised Australian Government departmental spending on targeted capability growth becomes accepted practice. CIT Solutions saw new success

in late 2018 by redesigning programs toward digital and agile skills and new projects continue to grow. Offshore projects provide a new market for the traditional CIT Solutions service offerings and with a new executive heading the International Portfolio, CIT Solutions is now in a position to pursue cost-effectiveness by rapidly shifting from 'fly-in, fly-out' delivery models to 'in-country' capability. The language and cultural competency area of the business continues to be profitable and with extensive curriculum and examination development completed in 2018, it is in a strong position to increase its market share.

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## AWARDS AND ACHIEVEMENTS

- > Large Training Provider of the Year – ACT Training Awards
- > Matthew Egan, Electrical Apprentice – Australian Apprentice (Trainee) of the Year – ACT Training Awards
- > Evan Street, CIT Metal Fabrication Teacher – ACT VET Teacher of the Year – ACT Training Awards
- > Papunya Connors – Aboriginal and Torres Strait Islander Student of the Year, ACT Health NAIDOC
- > Nicole Poulson – Excellence for Indigenous students, 2018 Board of Senior Secondary Studies
- > Louisa Hou, Cabinetmaking Apprentice – Tradeswoman of the Year – National Association for Women in Construction
- > Shay Kozokaro – Top Academic Achievement in a course/program within the field of project management, Australian Institute of Project Management
- > Tim Bishell – Silver Medal for Joinery, National Worldskills Competition
- > Chloe Rosenbaum – Silver Medal for Restaurant Service, National Worldskills Competition
- > Elliot Nunn – Bronze Medal for Plumbing and Heating, National Worldskills Competition
- > Britany Foley – Diamond in the Industry Award (Certificate III in Landscape Construction)
- > Ross Waddington – Landscape Construction Apprentice of the Year (Certificate III in Landscape Construction)
- > Gayney Smith – National Wildflower Competition Winner (Certificate III in Floristry)
- > Joel Paterson – Open Gardens Canberra Scholarship (Certificate III in Horticulture)
- > Andrew Colwell – Jake Keller Scholarship (Certificate III in Horticulture)
- > Christopher Wroe – Capricorn Award Automotive Industry Apprentice of the Year – CIT Automotive and Metal Fabrication Apprentice Awards
- > Sam Freebody – Kempii Australia Award – Outstanding Apprentice in Stage Three Heavy Fabrication – CIT Automotive and Metal Fabrication Apprentice Awards
- > Rolf Barfoed, CIT Teacher – Interwood Design Award – International Australian Wood Review Furniture Awards
- > Greg Kempton, CIT Teacher – 2018 Service to Industry Award at the National Electrical Contractors Association (NECA) ACT Excellence and Apprentice Awards.





CIT Executive Team, Andrew Whale, Paula McKenry, CIT CEO Leanne Cover, CIT Board Chair Craig Sloan and Paul Ryan at the ACT Training Awards 2018.

## CIT STUDENT ASSOCIATION TEACHER OF THE YEAR

CIT prides itself on the quality and experience of our teaching staff. This is acknowledged through the annual Teacher of the Year Awards, run by the CIT Student Association, where students nominate and vote for their favourite teacher. The 2018 awards attracted 1,125 student votes. The winners this year by College were:

- > James Barker – CIT Health Community and Science
- > Anissa Jones – CIT Yurauna Centre
- > Samantha Goss – CIT Technology and Design
- > Lesa Cockburn – CIT Trade Skills
- > Natasha Zulifqar – CIT Pathways
- > Renee Brand – CIT Business and Accounting.

## GRADUATION EVENTS

Each year CIT students who have successfully completed their studies may attend a CIT Graduation Celebration Event and receive formal recognition of their success at CIT. CIT graduation celebration events are important for students and CIT. They provide a public occasion to acknowledge and celebrate the achievements of our graduates and the expertise and

dedication of their teachers. It is also an opportunity to acknowledge the support of family, partners and friends. These events are prestigious and students who choose to attend wear academic dress.

During 2018, two CIT graduation and celebration events were held in April and a further event was held in December for International Students. The International Celebration of Graduation was live streamed across the world.



CIT students at the 2018 International Celebration of Graduation.

## B.3 SCRUTINY

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### ACT LEGISLATIVE ASSEMBLY INQUIRIES

In 2018, three Legislative Assembly Committee inquiries related to CIT.

- > **Report on Annual and Financial Reports for 2016-17** – The Standing Committee on Education, Employment and Youth Affairs Report was tabled in the ACT Legislative Assembly by Committee Chair, Michael Pettersson MLA on 6 June 2018. The Committee made no recommendations relating to CIT in response to its scrutiny of the CIT 2017 Annual Report.
- > **Report on Inquiry into Appropriation Bill 2018-2019 and the Appropriation (Office of the Legislative Assembly) Bill 2018-2019** – The Select Committee on Estimates 2018-19 Report was tabled in the ACT Legislative Assembly on 31 July 2018. Of the 226 recommendations, none related to CIT.
- > **Report for Annual and Financial Reports for 2017-18** – CIT attended the Standing Committee on Education, Employment and Youth Affairs public hearing on 6 November 2018. The Standing Committee was due to report in the ACT Legislative Assembly by the last sitting day in March 2019.

### 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.

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### For more information:

Executive Director, Industry Engagement and Strategic Relations  
(02) 6207 4955



## B.4 RISK MANAGEMENT

An integral component of CIT governance is risk management, which is embedded in the CIT *Strategic Compass 2020 – Evolving Together*, business and operational plans.

CIT risk management is based on the Australian/ New Zealand Standard on Risk Management (ASNZS 4360:2004), the ASNZS ISO31000, and 2018 Risk Management Guidelines (the Standard). The Standard is part of CIT's commitment to governance, improvement and implementation of best risk management practice. CIT has adopted the ACT Insurance Authority Framework, its risk management policy and implementation guide, to manage all risks.

To assess CIT strategic business risk, the CIT Environmental Risk Plan provides this foundation. The risks also include fraud and corruption and Business Continuity

During 2018, the CIT Strategic Risk Profile was reviewed with feedback from the CIT Board, the CIT Executive team, and members of the Audit Risk and Finance Committee (ARFC). The updated profile comprises eight key priorities against which business risks are assessed. These are:

- > value to stakeholders
- > *Strategic Compass 2020 – Evolving Together* projects
- > workforce skills and capability
- > portfolio course offerings
- > financial sustainability
- > CIT infrastructure
- > legislative and regulatory requirements
- > security and protection.

The Executive leads the strategic business risks and oversees the major strategic compass project risks, working with managers, directors and heads of departments to continuously implement transformational and cultural change to improve performance. Progress against the risk mitigation strategies is dynamic, with regular reporting to the CIT Board, the AFRC and the Executive Management Committee.

Emerging risks at CIT are identified through:

- > internal and external reviews
- > review of CIT governance, including the maintenance of policies and procedures
- > regular discussions with the CIT Board, the Executive, directors and managers
- > monitoring the implementation of internal performance reviews and audit recommendations
- > quality assurance assessments and spot checks
- > regular review of risk across CIT including business continuity, fraud and corruption
- > review of key business aspects, such as work health and safety (WHS) and records management.

The CIT financial risks are managed through a clearly defined financial management framework that includes:

- > quarterly strategic review of financial performance and corrective action as required by the Executive
- > review of the CIT accountability indicators
- > review of the output targets to ensure they are realistic
- > monthly variance reporting presented by senior management and dashboard reporting
- > clearly established ownership of internal budgets
- > regularly updated financial policy, procedures and practice documents
- > ACT Auditor-General's office reviews and input into process and procedure
- > provision of targeted training to staff who have financial responsibilities
- > continuous monitoring and review of processes and systems improvement.

The risks around business continuity, emergency management, and personal incidents are also taken into account as part of the management of strategic risks. 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.

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### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

## B.5 INTERNAL AUDIT

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The CIT Audit, Risk and Finance Committee (ARFC), a subcommittee of the CIT Board, performs a key corporate governance role. ARFC was established in 2015, and operates under a Charter of activities which is reviewed annually in line with good practice models documented by the Australian National Audit Office.

The internal Audit, Risk and Corporate Governance team supports ARFC to provide independent, objective advice and assurance, as well as assistance to the CIT Board, on risk, its control, compliance and the external accountability responsibilities.

ARFC is authorised by the CIT Board to carry out its role and responsibilities under the *CIT Audit, Risk and Finance 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 to protect information)
- discuss any matters with the internal or external auditor, or other external parties (subject to their legal obligations)
- request the attendance of any employee, including the CIT Chief Executive Officer (CEO), at ARFC meetings
- obtain legal or other professional advice, as considered necessary to meet its obligations, at CIT expense.

ARFC meeting agendas are based on an annual program of work, derived from the CIT Strategic Risk Profile and responsibilities documented in the ARFC Charter. The Chair formally reports to the CIT Board Chair and CIT CEO on any significant matters that may affect the operation of the CIT. These issues are also reported to the Executive Management Committee.

The annual audit schedule is determined against the CIT strategic business and anti-fraud and corruption risks. In 2018, a total of 10 audits and reviews were undertaken, to promote continual improvement and generate advice on whether CIT was working efficiently and effectively, and had complied with legal and regulatory requirements. All of these were completed and provided valued recommendations for improvements.

The audits and/or reviews were undertaken by both the internal team and contracted consultants. This ensured a balance of independent objectivity when providing advice to ARFC, the CIT Board and the CEO. To determine the annual program, consultations were held with the Executive team and directors to ensure CIT priority risks were addressed as part of the final program. Actions against audit recommendations were monitored through to completion including those which were relevant to CIT from external audits, such as the ACT Auditor-General's Office. The progress of the program was reviewed at each ARFC meeting and the relevant findings and recommendations discussed, as well as implementation progress, to ensure it is on track. All audits and reviews were completed within the scheduled timeframe and budget for 2018.

Internal Audit and Risk policies, procedures and charters are reviewed annually, in accordance with the Australian National Audit Office Better Practice Guides, to inform relevance and quality practice.

During 2018, ARFC comprised two independent members, and a CIT Board member who was also the Deputy Chair. The Executive Director, Corporate Services and a representative of the ACT Auditor-General's Office hold observer status. Each ARFC member is appointed for two years, apart from the Chair who is appointed for three years. The CEO is invited to each meeting and reports against a standing agenda item.

Seven ARFC meetings were held during 2018, three of which focussed on financial matters, including planning the 2019 Budget. The remainder addressed the annual program of work, including updates to its specific policies and procedures and the ARFC.

## Members' attendance at Committee meetings from 1 January – 31 December 2018

Name of Member	Position	Duration	Meetings attended
Mr Bruce Papps	Chair: Independent Member	January–December	7
Mr Peter McGrath	Deputy Chair: Independent and CIT Board Member	January–December	7
Ms Margo Wade	Independent Member	January–December	7
Mr Andrew Whale	Executive Director, Corporate Services Observer	September–December	3
Mr Saman Mahaarachchi	Auditor-General's Office Observer	January–September	4
Mr Chris Huang	Auditor-General's Office Observer	September–December	1



CIT Board Chair, Craig Sloan with CIT apprentice chef Logan Buckley, CITSA General Manager, Andrew Scotford with Mick Gentleman MLA and Meegan Fitzharris MLA raising funds for farmers at the *Parma for a Farmer* event.

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

## B.6 FRAUD PREVENTION

The ACT Government *Public Sector Management Standards 2016* detail the formal responsibilities of agencies to promote integrity and control fraud and corruption. In accordance with this, and the ACT Government Integrity Policy, CIT comprehensively reviews and prepares an Anti-Fraud and Corruption Prevention Plan and Fraud Risk Assessment every two years.

In 2018, a biennial comprehensive review was undertaken with participation from the CIT Executive team, Directors and Senior Managers. Examples of fraud and corruption were also sourced across all Australian TAFEs and public sector organisations as part of this review to better inform the review of factual fraudulent incidents and responses. This process has improved the compliance culture at CIT which has a focus on prevention and detection.

The Senior Executive Responsible for Business Integrity Risk (SERBIR) assisted by the Audit, Risk and Corporate Governance team is responsible for the management of fraud prevention within CIT.

### Fraud Control Framework

The CIT Fraud Control Framework is a robust, reliable and systematic approach which aims to detect, prevent, respond to and report on any fraud allegations. The Framework key elements are:

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

### Fraud Risk Profile

An Anti-Fraud and Corruption, Risk Management Profile was maintained, monitored and reported to the CIT Board, Executive Management Committee every six months and quarterly to the Audit, Risk and Finance Committee by the SERBIR. CIT's key risks were regularly reviewed and contained in this profile, including their source and impact on CIT, with a range of strategies to mitigate the risks. The risk management profile was developed as an outcome of the biennial review.

To raise greater awareness, a set of checklists were developed to assist managers with fraud detection and prevention, as well as six-monthly reminders of fraud prevention and detection strategies, which were distributed to all staff by the SERBIR. Fraud and corruption prevention was part of the CIT Staff on-line Induction Program and face-to-face presentations were provided to staff as required by any college or division.

In 2018, there were a number of thefts including two laptops from the Bruce Campus, copper roof tubing from the Woden Campus, and a number of vehicle break-ins and thefts of tools in CIT campus car parks. Nearly all incidents, 99%, were captured on CCTV and all were reported to ACT Police.

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### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

## B.7 WORK HEALTH AND SAFETY

The CIT Board, executive and staff are committed to addressing work, health and safety (WHS) matters and continuously improving WHS practices.

CIT's working and teaching environments reflect the diversity of its business, employees and students. CIT has a comprehensive WHS management system that ensures compliance with the *Work Health and Safety Act 2011* (WHS Act) and effectively manages the inherent risks.

Throughout 2018, CIT continued developing and implementing its WHS Strategy 2017–2019. The Strategy is focused on strengthening the risk management framework's implementation, supporting health and wellbeing at work, improving safety engagement and raising staff awareness about WHS expectations and accountability.

In 2018, 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 WHS Act.

### NOTIFIABLE INCIDENTS

Section 38 of the WHS Act outlines conditions under which a serious workplace incident must be reported to WorkSafe ACT.

During 2018, two incidents occurred that were notified to the regulator.

One incident involved a student falling down some stairs while carrying a bicycle, the other was when some material fell from the top of a compactus. Actions were taken in response to both incidents to reduce the likelihood of similar incidents occurring in the future.

### WORKER CONSULTATION

WHS committee meetings are convened for each campus and CIT-wide issues are discussed at the CIT Policy Committee.

Campus-based committees are held quarterly and are chaired by a senior manager with campus-based Health and Safety Representatives (HSRs)

in attendance. They provide the opportunity for consultation on WHS matters directly affecting staff on each campus. As at the end of the reporting period, there were 22 Health and Safety Representatives covering CIT campuses.

Campus-based committees each nominate two HSRs to attend quarterly CIT WHS Policy Committee meetings.

Notes from the WHS campus-based and policy committees were made available to all staff on the CIT intranet.

### HEALTH, SAFETY AND WELLBEING INITIATIVES

A number of CIT health, safety and wellbeing initiatives occurred in 2018, including:

- > release of the CIT Work Health and Safety Handbook which is now available to staff and students
- > a WHS spot check program by CIT's WHS Advisor was done to further support CIT's formal WHS audit process
- > free influenza vaccinations were offered to all staff
- > release of the CIT Psychological Risk Assessment tool to assist staff to undertake self-guided assessments
- > manual handling training provided in areas with high levels of manual handling activity
- > presentations were delivered to work areas on resilience and wellbeing
- > risk management training was provided by ACT Insurance Authority to managers across CIT
- > training in the use of CIT's risk register was provided to several departments to assist them to review and update their WHS risks in preparation for transitioning to the ACT Public Service RISKMAN system.





## CASE MANAGEMENT

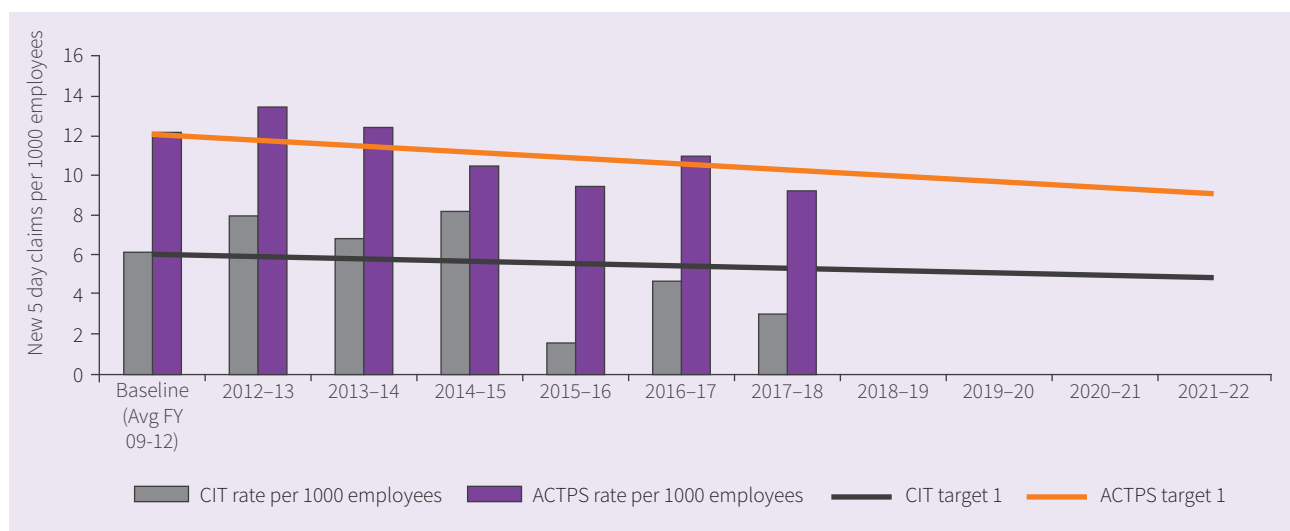
CIT's compensation claims are managed by the Chief Minister, Treasury and Economic Development Directorate.

## 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
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			4.93			9.84

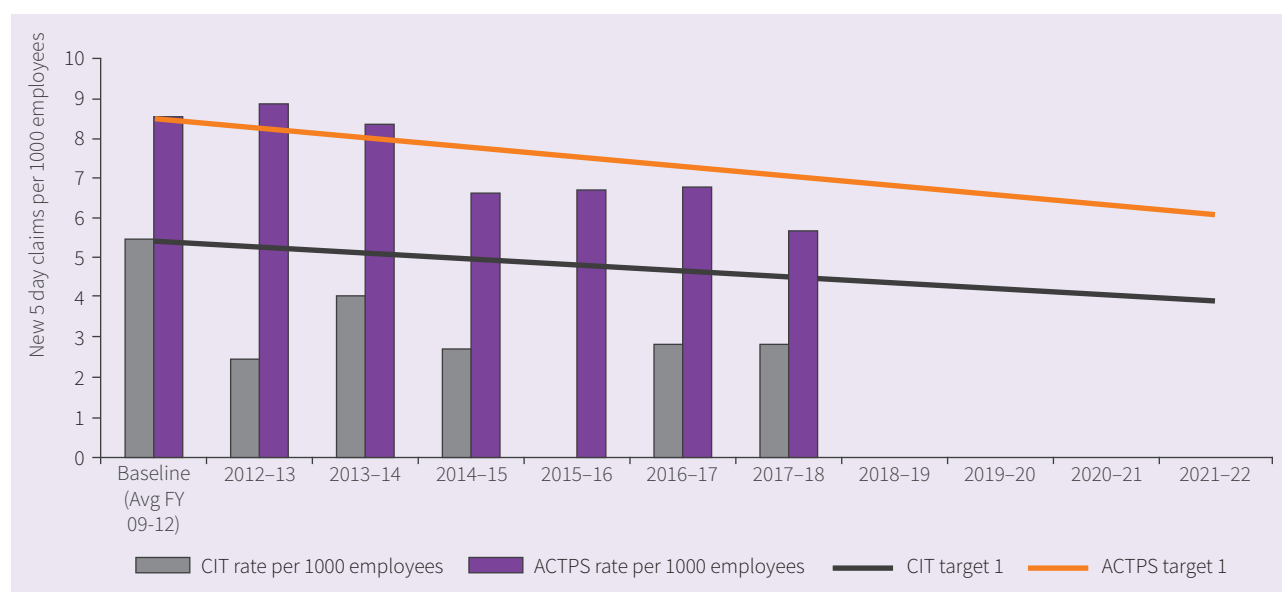


#### Notes:

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 2018.

## 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
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			4.27			6.75



### 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 2018.

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

# B.8 HUMAN RESOURCES MANAGEMENT

## STAFF ACHIEVEMENT AWARDS

The CIT 2018 Staff Achievement Awards recognise the outstanding achievements of CIT employees and the valuable contributions individuals and teams make to our community and CIT's operation, above and beyond expectations of their role. The annual end-of-year awards event was well attended by staff and streamed live for those unable to attend in person.

In 2018, award categories for staff teams and individuals were based on personal attributes, CIT values and the CIT cultural traits: Accountable; Adaptable; Collaborative; Professionalism; Customer Centric; Inspirational; and Trusted. CIT Reconciliation, CIT Board and 25 Years' Service awards were also presented.

The CIT CEO Award went to Gillian Sinclair and the CIT Pressure Cooker Team for their innovative and collaborative approaches to learning delivery, and to Maeve Castles her outstanding commitment to student wellbeing. Corinna Murphy was presented with the CIT Board Chair Award for her exceptional contribution to the Evolving Teacher project.

## STAFF LEARNING AND DEVELOPMENT PROGRAMS

CIT staff capability development was supported with opportunities and resources dedicated to their ongoing professional development.

### CIT Conversations

This series of lunchtime seminars were held throughout the year to facilitate discussion on topical matters as they arose. Topics included 20/20 vision, managing challenging classroom dynamics and performance management.

- > 7 March – Continuous Assessment in the Simulated Environment (14 participants)
- > 6 April – CIT Big Picture academy (18 participants)
- > 23 May – Culturally and Linguistically Diverse Learners (15 participants)

- > 13 August – Evolving Teacher Razorsharp Recognition of Prior Learning Project (25 Participants)
- > 11 September – Reasonable Adjustments (Disability) (9 participants)
- > 7 November – Connecting with other TAFEs and collaborating within CIT (11 participants)

### Milestone Financials Services

- > 9 April – 5 Top Tips to Build Wealth for Retirement – Rob Smith-Saarinen (27 participants)
- > 14 May – Options for Your Retirement Savings – Rob Smith-Saarinen (29 participants)
- > 18 June – Investing for Income – Rob Smith-Saarinen (12 participants)

### Evolving Together 2018

An *Evolving Together 2018* staff development event was held at Canberra Southern Cross Club Woden on 1 February 2018. More than 500 staff attended the event that signalled the start of the new education year at CIT. CIT CEO shared her positive perspective for the year ahead and conveyed CIT's priorities from the Board. The day covered a number of project presentations and updates from project managers and staff members, who have been involved in the collaboration of CIT's key projects.

### Innovation Workshops

A variety of innovation workshops were delivered in 2018 in partnership with the Canberra Innovation Network (CBRIN). The workshops included two workshops for the Product Innovation Fund project, a workshop to train Innovation Facilitators and an intensive mini-workshop to upskill senior CIT leaders. The Product Innovation Fund workshops brought together CIT staff, industry professionals, resident innovators and CIT Solutions staff to work on industry-based innovative projects. The multi-disciplinary teams were provided with practical information, strategies, skills and mentoring to work through the LEAN innovation process. The sessions have developed staff capability to raise our ambitions to meet new expectations and transform our business,

through new ways of working and the adaptation of our offerings through meaningful engagement with industry.

## Training and Assessment Capability Development Programs

In 2018, CIT continued to support the ongoing development of its workforce through structured formal programs and workshops and skills recognition. During the year, CIT staff gained a total of 203 qualifications and 118 Units of Competency towards the update of their Training and Education (TAE) Training Package (TAE40116):

- 122 staff were awarded TAESS00014 Enterprise Trainer Presenting Skill Set
- 53 staff were awarded TAE40116 Certificate IV in Training and Assessment
- 19 staff were awarded TAE50116 Diploma of Vocational Education and Training
- 9 staff were awarded 10051NAT Advanced Diploma of Adult Learning and development
- 48 staff were awarded TAEASS502 Design and develop assessment tools as part for the TAE core update

- 70 staff were awarded TAELLN411 Address adult language, literacy and numeracy skills for the TAE core update
- eight staff commenced the Charles Sturt University Associate Degree in Adult and Vocational Education.

## ATTRACTION AND RETENTION INCENTIVES (ARIns)

In 2018, CIT teaching staff were covered by the *ACT Public Sector Canberra Institute of Technology (Teaching Staff) Enterprise Agreement 2013-2017* and general staff were covered by the *ACT Public Sector Canberra Institute of Technology Enterprise Agreement 2013-2017*.

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

Two ARIns ceased in the reporting year, which included staff who ceased their temporary employment contract and higher duties positions. As of 31 December 2018, there were seven ARIns in place. Further information regarding ARIns is in P.3.



CIT CEO, Leanne Cover at the CIT Staff Achievement Awards 2018 with the 25 Year's Service Award recipients.

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### For more information:

Executive Director, Corporate Services  
(02) 6207 8960



## B.9 ECOLOGICALLY SUSTAINABLE DEVELOPMENT

CIT continues to promote initiatives, working 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, refurbishment and maintenance programs. In 2018, CIT continued the installation of LED lighting, variable speed drives, low flush and water conservation urinals and toilets, and conducted improvements to building management systems and space heating and air-conditioning.

CIT staff and students collaborate in greenhouse gas reductions through actions which reduce energy use in operations, and education and project initiatives that reduce our carbon footprint, and by maintaining a conscious, ongoing awareness of climate change.

CIT provides online information and resources for staff and students on environmental sustainability within CIT. This information provides opportunities for increasing staff awareness of the environmental impacts associated with daily work practices and provides environmentally friendly alternatives and opportunities to save energy while contributing to daily business as usual activity.

The CIT website and CIT intranet were updated with features on what environmental initiatives were being investigated and implemented, how staff could help and energy conservation posters that could be downloaded for posting around CIT campuses.

CIT Green is the CIT network dedicated to developing, implementing and monitoring sustainable practices. CIT Green held five meetings in 2018 and actioned several environmental initiatives. Some examples include:

- projects to increase recycling by exchanging information with recycling companies, MRI, ICT and E Waste recycling providers through ACT Shared Services and Toxfree Pty Ltd, in the Canberra region
- continued partnership with a local scrap metal company for recycling and reducing waste to landfill
- regular submissions and updates of waste/recycling reports provided at each CIT Green meeting and made available to all staff and students upon request
- representation at the Carbon Neutral Government Implementation Committee.

CIT supports the ACT Government Renewable Energy Industry Development Strategy to meet renewable energy targets by 2020. This includes continued partnerships in research and industry development in renewable technologies and working to deliver training programs, research and on campus applications for wind turbine and battery power storage. Partners include Neoen, IT Power, Global Wind Organisation, Aspen Medical, EPC Solar and Siemens Gamesa Renewable Energy.

CITSA has a partnership with Vegware (packaging made from plants) for the development of full organic recycling from all its food outlets.





Grid Connect at CIT Bruce.

CIT Colleges incorporate reuse and recycling into daily activities to divert waste products from landfill. Examples from 2018 include:

- Scrap metal – CIT recycled 27.5 tonnes of scrap metal in 2018, with collection centres at all three major campuses. Scrap metal contributions came from lesson delivery, capital works upgrades and facilities maintenance projects.
- CIT Hairdressing, beauty and therapy continued their partnership with Sustainable Salons to divert 95% of waste products to recycling including aluminium, plastics and hair from the salons.
- Fluorescent tube recycling also continued for all campuses with stillage located at CIT Bruce.

To reduce greenhouse gas emissions, CIT has a strategy to reduce the overall consumption of electricity, natural gas and installation of photovoltaic systems. This year, CIT installed a 100 kW solar system at CIT Fyshwick and is currently installing a Microgrid system at CIT Bruce.

In 2018, natural gas consumption reduced significantly by replacing two natural gas-fired steam boilers at CIT Bruce with electric units. This year, CIT entered into a new large gas market contract. This required daily predictions of gas usage on campus coupled with

closer management of gas usage, which illustrated opportunities to reduce consumption and confirmed good savings. A replacement boiler at Fyshwick, reportedly 12% more efficient than the old unit (which was at end of life), contributed to energy savings and greenhouse gas emission reduction. CIT also has operational policies in place to monitor energy usage.

In 2018, CIT saw increases in electricity and water consumption by 1% and 24% respectively. The water increase reflected a significant mains leak at CIT Bruce in September, the unusual dry winter experienced in our region and the continued maintenance of expansive grounds and flora on CIT campuses. Despite these increases, CIT demonstrated a 3% overall reduction in greenhouse gas emissions. This was largely due to a 20% reduction in gas consumption and a 25% reduction in ULP fuel consumption.

CIT recorded data for 2018 for waste and recycling streams. Reliability of data for Waste to Landfill, Co-mingle recycling and paper and cardboard recycling is determined by ACT Government directorate requirements. CIT also identified and recorded data for recycling of other waste streams including scrap metal, grease traps and fluorescent tubes.

## Sustainable development performance – current and previous calendar year

Indicator as at 31 December 2018	Unit	Current FY	Previous FY	Percentage change
<b>Directorate/public sector body staff and area</b>				
Directorate/public sector body staff	FTE	728.6	693.9	5
Workplace floor area	Area (m <sup>2</sup> )	104,339.6	104,339.6	0
<b>Stationary energy usage</b>				
Electricity use	Kilowatt hours	9,011,205	8,899,913	1
Natural gas use	Megajoules	24,630,998	31,073,828	-20
Diesel	Kilolitres	0	0	0
<b>Transport fuel usage</b>				
Electric vehicles	Number	0	0	0
Hybrid vehicles	Number	0	0	0
Other vehicles (that are not electric or hybrid)	Number	27	21	-22
Total number of vehicles	Number	27	21	-22
Total kilometres travelled	Kilometres	327,239	364,891	-10
Fuel use – Petrol	Kilolitres	12.96	17.25	-25
Fuel use – Diesel	Kilolitres	16.49	15.65	5
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	50,988	41,231	24
<b>Resource efficiency and waste</b>				
Reams of paper purchased	Reams	4,750	6,112	-22
Recycled content of paper purchased	Percentage	50	50	0
Waste to landfill	Litres	401,500	337,700	19
Co-mingled material recycled	Litres	21,520	49,500	-56
Paper and cardboard recycled (incl. secure paper)	Litres	67,256	103,400	-35
Organic material recycled	Litres	48,670	53,360	-8
<b>Greenhouse gas emissions</b>				
Emissions from stationary energy use	Tonnes CO <sub>2</sub> -e	8,550.18	8,878.61	-3
Emissions from transport	Tonnes CO <sub>2</sub> -e	66.85	86.78	-23
Total emissions	Tonnes CO <sub>2</sub> -e	8,617.03	8,965.39	-3

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960



# PART C

PART C:  
**FINANCIAL  
MANAGEMENT  
REPORTING**



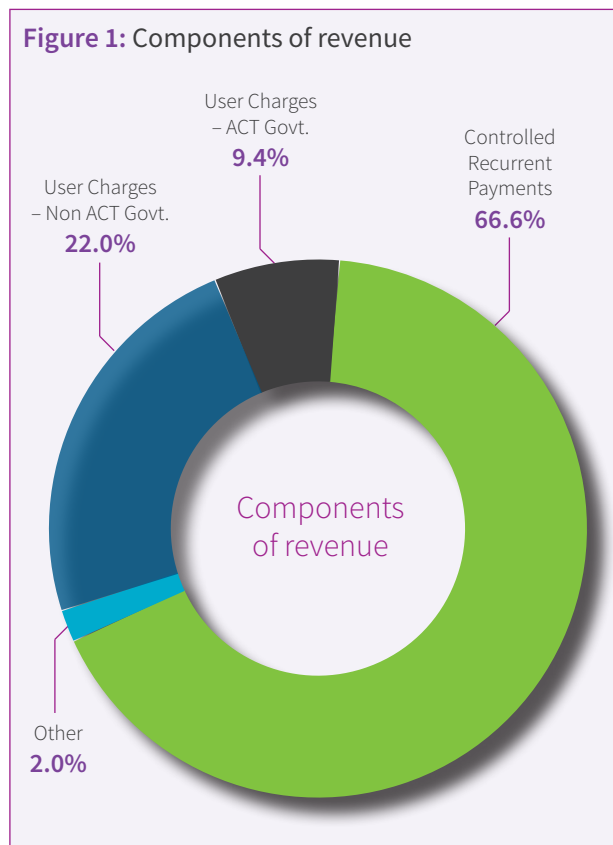
# C.1 FINANCIAL MANAGEMENT ANALYSIS

## GENERAL OVERVIEW

Despite a large number of challenges including regulatory uncertainty, intense competition and changes to significant funding arrangements, 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 have been positively received by industry and students alike.

### 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.



## FINANCIAL PERFORMANCE

In 2018, CIT incurred an operating deficit of \$12.9 million (including \$9.1 million in depreciation) against a budgeted deficit of \$10.6 million, due to lower than budgeted revenue. The end of year cash and cash equivalents balance of \$9.9 million is consistent with the ending 2017 balance of \$10.0 million. Expenditure came in below budget as a result of savings made to operational expenditure.

The individual income and expense variances affecting the operating result are detailed in the income and expense sections of this Financial Management Analysis. The financial information is based on CIT's audited financial statements for 2018, as well as CIT's Statement of Intent 2018-19.

## TOTAL REVENUE

### Components of revenue

Total revenue (Figure 1) for 2018 was \$107.6 million consisting primarily of \$71.8 million (66.6%) received from the ACT Government as Controlled Recurrent Payments and \$23.6 million (22.0%) generated from Non-ACT Government User-Charges (including local and overseas student fees and training course income).

### Comparison to budget

#### Revenue

Revenue for 2018 was \$107.6 million; \$4.6 million (4.1%) lower than budgeted, due to a combination of factors. International student numbers were lower than budgeted, with a resulting negative impact on fee revenue, due to Government changes to Visa processes. Domestic Degree program student numbers and revenue were below budget due to difficulties faced by CIT's partners in this space. Additionally, budgeted contributions of \$0.5 million from CIT Solutions Pty Ltd was deferred for 2018.

### Comparison to 2017 Actual

#### Revenue

Revenue in 2018 was \$2.7 million (2.6%) higher than in 2017, due primarily to an increase in Controlled Recurrent Payments which was \$1.8 million (2.5%) greater than 2017, and an increase of \$0.9 million (2.9%) in User Charges as a result of a net increase in

students funded under specific funding arrangements (e.g. apprentices and trainees).

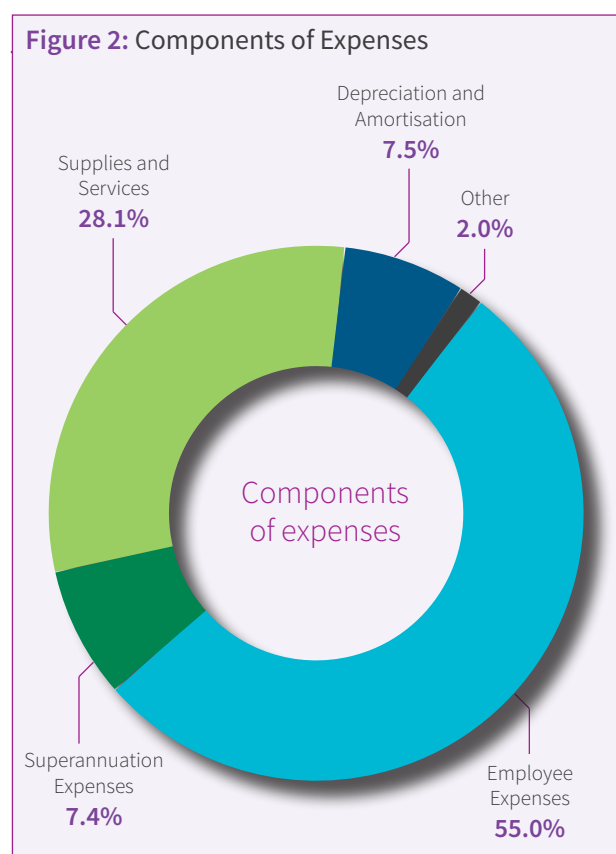
## Future Trends

Other than steady increases in line with increasing student enrolment numbers, CIT is anticipating that total revenue will remain broadly steady over the short to medium term. However, 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, especially with regards to International student revenue.

## TOTAL EXPENSES

### Components of expenses

Expenses totalled \$120.5 million in 2018, with the majority \$75.2 million (62.4%) comprising employee and superannuation expenses. Supplies and services expenses accounted for an additional 28.1% (\$33.8 million) (Figure 2).



## Comparison to budget

### Expenses

Total expenses of \$120.5 million in 2018 were \$2.3 million (1.9%) lower than budgeted, due to continued focus on expense reduction and efficiency improvements, with the bulk of these savings (\$3.3 million, 80.1%) coming from supplies and services with particular savings in utilities, insurance premiums, contractors and consultants and overseas student management fee payments. The transfer of the Sutton Road Training Facility to the ACT Government is an accounting adjustment (non-cash transaction) which increased other expenses by \$0.97 million, resulting in this category being 44.0% (\$0.8 million) above budget.

## Comparison to 2017 Actual

Total expenses in 2018 were \$5.7 million (5.0%) higher than in 2017, primarily due to a 8.6% (\$5.9 million) increase in employee expenses, with the total FTE for 2018 being 18 (2.7%) higher than in 2017. \$2.2 million of this expenditure was an accrual of backpay for 2017 and 2018 pending enterprise agreement negotiations being finalised in early 2019.

## Future Trends

CIT is anticipating an increase in total expenditure over the short to medium term as student numbers steadily increase and additional funds need to be invested into maintaining and upgrading CIT's ageing physical and ICT infrastructure. However, it should be noted that the Vocational Education and Training (VET) sector regulatory environment remains volatile and that continued regulatory change will impact on future activity levels thereby affecting revenue and expenditure.

## FINANCIAL POSITION: TOTAL ASSETS

### Components of Total Assets

At 31 December 2018 84.6% of CIT's assets were held in property, plant and equipment, intangible assets and works in progress with the remaining 15.4% represented by cash and cash equivalents, receivables and other current assets (Figure 3).

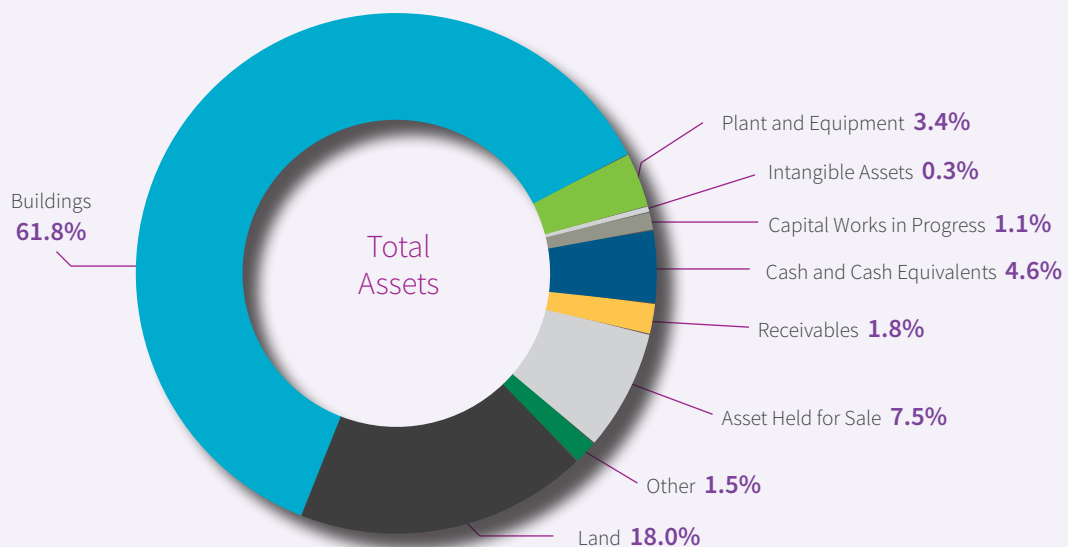
### Comparison to Budget

The total asset position at 31 December 2018 is \$215.8 million, which is consistent with the 2018 budget of \$215.4 million.

### Comparison to 2017 Actual

CIT's total asset position at 31 December 2018 was \$4.7 million (2.1%) lower than the 2017 actual result of \$220.6 million at 31 December 2017. The decrease was primarily due to depreciation.

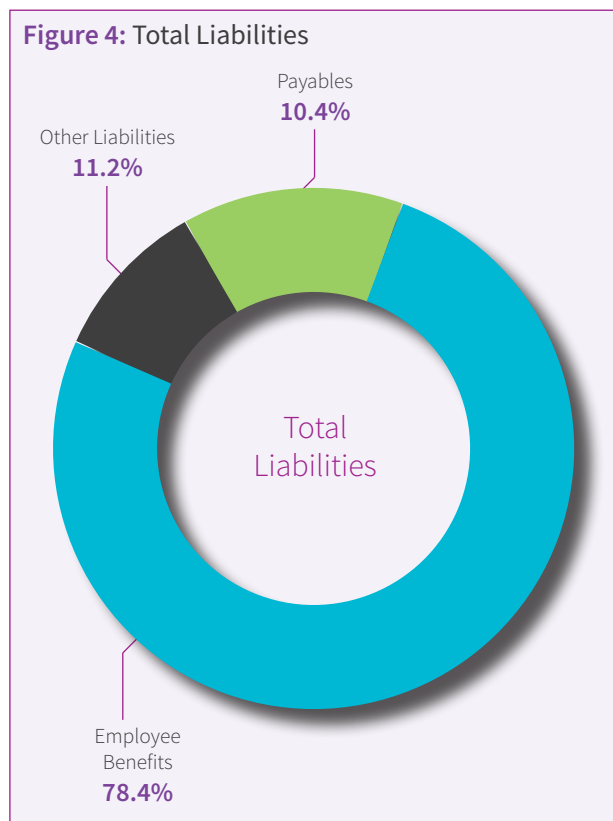
Figure 3: Total Assets



Kieran Taylor Director, Tobias Thorn DOP, Ngoc Hung Thinh Ha Camera Operator on the set of Pressure Cooker.

## FINANCIAL POSITION: TOTAL LIABILITIES

At 31 December 2018, the majority of CIT's liabilities related to employee benefits \$22.6 million (78.4%), payables \$2.9 million (10.4%) and other liabilities (revenue received in advance and the non-current portion of the ACT Government Carbon Neutral Government Loan) of \$3.2 million (11.2%).



### Comparison to Budget

CIT's liabilities at 31 December 2018 of \$28.8 million were \$3.3 million (13.1%) higher than the 2018 budget of \$25.5 million due primarily to higher than budgeted:

- accrued expenses (primarily for utilities and telecommunications expenses);
- accounts payable for utility expenditure, Procurement Solutions charges, student management system software licences and accrued expenses for general operating activities; and
- accrual of employee salary entitlements likely to be back-paid under the new Enterprise Bargaining Agreement expected to be finalised in early 2019.

### Comparison to 2017 Actual

CIT's total liabilities at 31 December 2018 were \$3.2 million (12.4%) higher than the actual result of \$25.6 million at 31 December 2017 due to an increase

in employee benefits resulting from the accrual of employee salary back-pay entitlements as described above.

## LIQUIDITY

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

The current working capital ratio of 0.64 is higher than the budget target of 0.58 due to higher than expected receivables contributed to by accrued revenue for User Choice Australian Apprenticeship funds and student fees receivable. The working capital ratio was lower than the 2017 outcome of 0.73, primarily due to the accrual of anticipated employee salary back-pay entitlements as described above.

At 31 December 2018, CIT's current assets (\$17.1 million) excluding Assets Held for Distribution to Owners were less than the total current liabilities (\$26.6 million) by \$9.5 million. This is not considered a liquidity risk as the associated cash needs are funded through appropriation from the ACT Government on a cash-needs basis. This is consistent with whole-of-government cash management practices, which requires excess cash balances to be held centrally rather than within individual agency bank accounts. CIT does not anticipate any impact on its liquidity through the operations of its wholly owned subsidiary, CIT Solutions Pty Ltd.

## PERFORMANCE MEASURES

The measures included in the Statement of Performance relating to government-funded training services indicate consistent results from year to year. Module pass rates were above target by 8%, and although program completion rates were 6% below target, this represents an improvement from 2017 of 19% indicating CIT's progress in working toward reducing the rate of students not completing formal qualifications.

2018 satisfaction surveys of learners (560 respondents) and employers (2,638 respondents) showed satisfaction levels of 89% and 94% respectively, indicating overall the positive views of industry and students around CIT's training. CIT continues to strive to improve its effectiveness and responsiveness in skilling students using contemporary training methods as positively received by industry and students.



## CIT Working Capital

	Actual 2018 \$'000	Budget 2018 \$'000	Actual 2017 \$'000
<b>Current Assets</b>			
Cash and Cash Equivalents	9,915	8,507	10,018
Receivables	4,039	2,900	4,410
Other Assets	3,125	1,900	3,345
<b>Total Current Assets <sup>(a)</sup></b>	<b>17,079</b>	<b>13,307</b>	<b>17,773</b>
<b>Current Liabilities</b>			
Payables	2,990	1,403	3,721
Employee Benefits	21,572	18,978	18,408
Other Liabilities	1,991	2,500	2,152
<b>Total Current Liabilities</b>	<b>26,553</b>	<b>22,881</b>	<b>24,281</b>
<b>Working Capital Ratio</b>	<b>0.64</b>	<b>0.58</b>	<b>0.73</b>

(a) Total Current Assets is stated excluding Assets Held for Distribution to Owners (2018: \$16.2 million and 2017 \$1.0 million), which represents the carrying amount of properties that CIT intends to hand back to ACT Government.



CIT teacher, Janet Harris, with CIT English language students.

## For more information:

Senior Director Finance, Corporate Services  
(02) 6207 3197

## C.2 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 2018 which comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement, statement of appropriation, and notes to the financial statements including a summary of significant accounting policies.

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 2018, 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* (the 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 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.

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.



Michael Harris  
Auditor-General

26 March 2019



Canberra Institute of Technology  
**Financial Statements**  
For the Year Ended 31 December 2018

**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 2018 and the financial position of the Canberra Institute of Technology on that date.

A handwritten signature in black ink, appearing to read 'Craig Sloan', is positioned above the printed name.

Craig Sloan  
Chair  
Canberra Institute of Technology Board  
22 March 2019



Canberra Institute of Technology  
**Financial Statements**  
For the Year Ended 31 December 2018

**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 2018 and the financial position of the Canberra Institute of Technology on that date.



Gregory Tong  
Senior Director Finance  
Canberra Institute of Technology  
22 March 2019

Canberra Institute of Technology  
**Operating Statement**  
For the Year Ended 31 December 2018

Consolidated				CIT		
	Note No.	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Original Budget 2018 \$'000	Actual 2017 \$'000
<b>Income</b>						
<b>Revenue</b>						
Controlled Recurrent Payments	4	71,779	70,023	71,779	71,779	70,023
User Charges	5	48,385	48,545	33,743	34,770	32,807
Government Grants	6	1,197	967	1,197	4,257	967
Interest	7	360	434	327	300	398
Resources Received Free of Charge	8	105	156	105	35	156
Other Revenue	9	554	789	463	600	593
<b>Total Revenue</b>		<b>122,380</b>	<b>120,914</b>	<b>107,614</b>	<b>111,741</b>	<b>104,944</b>
<b>Gains</b>						
Other Gains	10	23	2	23	500	2
<b>Total Gains</b>		<b>23</b>	<b>2</b>	<b>23</b>	<b>500</b>	<b>2</b>
<b>Total Income</b>		<b>122,403</b>	<b>120,916</b>	<b>107,637</b>	<b>112,241</b>	<b>104,946</b>
<b>Expenses</b>						
Employee Expenses	11	78,899	73,045	66,235	65,558	60,650
Superannuation Expenses	12	10,117	9,710	8,942	9,764	8,601
Supplies and Services	13	35,647	36,959	33,830	37,144	35,240
Depreciation and Amortisation	14	9,173	8,812	9,077	8,695	8,715
Other Expenses	15	3,461	2,679	2,463	1,710	1,650
<b>Total Expenses</b>		<b>137,297</b>	<b>131,205</b>	<b>120,547</b>	<b>122,871</b>	<b>114,856</b>
<b>Operating Deficit</b>		<b>(14,894)</b>	<b>(10,289)</b>	<b>(12,910)</b>	<b>(10,630)</b>	<b>(9,910)</b>
<b>Other Comprehensive Income</b>						
<i>Items that will not be reclassified subsequently to profit or loss</i>						
Increase in Asset Revaluation Surplus	29	–	20,377	–	–	20,377
<b>Total Other Comprehensive Income</b>		<b>–</b>	<b>20,377</b>	<b>–</b>	<b>–</b>	<b>20,377</b>
<b>Total Comprehensive (Deficit)/Income</b>		<b>(14,894)</b>	<b>10,088</b>	<b>(12,910)</b>	<b>(10,630)</b>	<b>10,467</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 2018

Consolidated				CIT		
	Note No.	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Original Budget 2018 \$'000	Actual 2017 \$'000

### Current Assets

Cash and Cash Equivalents	18	12,204	13,119	9,915	8,507	10,018
Receivables	19	5,627	7,275	4,039	2,900	4,410
Assets Held for Distribution to Owners	22	16,199	965	16,199	–	965
Other Assets	20	1,622	1,860	3,125	1,900	3,345
<b>Total Current Assets</b>		<b>35,652</b>	<b>23,219</b>	<b>33,278</b>	<b>13,307</b>	<b>18,738</b>

### Non-Current Assets

Investments	21	–	–	20	20	20
Property, Plant and Equipment	23	179,762	199,157	179,539	198,695	198,842
Intangible Assets	24	623	804	623	1,194	804
Capital Works in Progress	25	2,413	2,210	2,413	2,186	2,210
<b>Total Non-Current Assets</b>		<b>182,798</b>	<b>202,171</b>	<b>182,595</b>	<b>202,095</b>	<b>201,876</b>
<b>Total Assets</b>		<b>218,450</b>	<b>225,390</b>	<b>215,873</b>	<b>215,402</b>	<b>220,614</b>

### Current Liabilities

Payables	26	2,829	3,643	2,990	1,403	3,721
Employee Benefits	27	22,986	19,992	21,572	18,978	18,408
Other Liabilities	28	2,184	2,337	1,991	2,500	2,152
<b>Total Current Liabilities</b>		<b>27,999</b>	<b>25,972</b>	<b>26,553</b>	<b>22,881</b>	<b>24,281</b>

### Non-Current Liabilities

Employee Benefits	27	1,171	1,018	997	1,277	870
Other Liabilities	28	1,281	499	1,230	1,294	452
<b>Total Non-Current Liabilities</b>		<b>2,452</b>	<b>1,517</b>	<b>2,227</b>	<b>2,571</b>	<b>1,322</b>
<b>Total Liabilities</b>		<b>30,451</b>	<b>27,489</b>	<b>28,780</b>	<b>25,452</b>	<b>25,603</b>
<b>Net Assets</b>		<b>187,999</b>	<b>197,901</b>	<b>187,093</b>	<b>189,950</b>	<b>195,011</b>

### Equity

Accumulated Funds		93,088	104,426	92,182	96,475	101,536
Asset Revaluation Surplus	29	94,911	93,475	94,911	93,475	93,475
<b>Total Equity</b>		<b>187,999</b>	<b>197,901</b>	<b>187,093</b>	<b>189,950</b>	<b>195,011</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 2018

Consolidated					CIT			
	Note No.	Accumulated Funds Actual 2018 \$'000	Asset Revaluation Surplus Actual 2018 \$'000	Total Equity Actual 2018 \$'000	Accumulated Funds Actual 2018 \$'000	Asset Revaluation Surplus Actual 2018 \$'000	Total Equity Actual 2018 \$'000	Original Budget 2018 \$'000
<b>Balance at 1 January 2018</b>		<b>104,426</b>	<b>93,475</b>	<b>197,901</b>	<b>101,536</b>	<b>93,475</b>	<b>195,011</b>	<b>195,011</b>
Re-measurement under AASB 9 <sup>(a)</sup>		83	–	83	83	–	83	–
		<b>104,509</b>	<b>93,475</b>	<b>197,984</b>	<b>101,619</b>	<b>93,475</b>	<b>195,094</b>	<b>195,011</b>
<b>Comprehensive Income</b>								
Operating Deficit		(14,894)	–	(14,894)	(12,910)	–	(12,910)	(10,630)
<b>Total Comprehensive Deficit</b>		<b>(14,894)</b>	<b>–</b>	<b>(14,894)</b>	<b>(12,910)</b>	<b>–</b>	<b>(12,910)</b>	<b>(10,630)</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>								
Transfer to/(from) Asset Revaluation Surplus	29	(1,436)	1,436	–	(1,436)	1,436	–	–
Capital Injections		4,909	–	4,909	4,909	–	4,909	5,569
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>3,473</b>	<b>1,436</b>	<b>4,909</b>	<b>3,473</b>	<b>1,436</b>	<b>4,909</b>	<b>5,569</b>
<b>Balance at 31 December 2018</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>	<b>189,950</b>

(a) Re-measurement of the opening balance of allowance for impaired receivables under AASB 9 (refer to **Note 19 Receivables**)

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 2017

Consolidated					CIT		
	Note No.	Accumulated Funds Actual 2017 \$'000	Asset Revaluation Surplus Actual 2017 \$'000	Total Equity Actual 2017 \$'000	Accumulated Funds Actual 2017 \$'000	Asset Revaluation Surplus Actual 2017 \$'000	Total Equity Actual 2017 \$'000
<b>Balance at 1 January 2017</b>		<b>111,150</b>	<b>73,235</b>	<b>184,385</b>	<b>107,881</b>	<b>73,237</b>	<b>181,118</b>
<b>Comprehensive Income</b>							
Operating Deficit		(10,289)	–	(10,289)	(9,910)	–	(9,910)
Increase in the Asset Revaluation Surplus	29	–	20,377	20,377	–	20,377	20,377
<b>Total Comprehensive Deficit</b>		<b>(10,289)</b>	<b>20,377</b>	<b>10,088</b>	<b>(9,910)</b>	<b>20,377</b>	<b>10,467</b>
<b>Transactions Involving Owners Affecting Accumulated Funds</b>							
Transfer to/(from) Asset Revaluation Surplus	29	139	(137)	2	139	(139)	–
Capital Injections		3,426	–	3,426	3,426	–	3,426
<b>Total Transactions Involving Owners Affecting Accumulated Funds</b>		<b>3,565</b>	<b>(137)</b>	<b>3,428</b>	<b>3,565</b>	<b>(139)</b>	<b>3,426</b>
<b>Balance at 31 December 2017</b>		<b>104,426</b>	<b>93,475</b>	<b>197,901</b>	<b>101,536</b>	<b>93,475</b>	<b>195,011</b>

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

Canberra Institute of Technology  
**Cash Flow Statement**  
For the Year Ended 31 December 2018

		Consolidated		CIT		
	Note No.	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Original Budget 2018 \$'000	Actual 2017 \$'000

**Cash Flows from Operating Activities**

**Receipts**

Controlled Recurrent Payments		71,779	70,023	71,779	71,779	70,023
User Charges		50,809	45,216	34,823	36,280	30,626
Interest Received from Bank		359	434	327	300	398
Goods and Services Tax Input Tax Credits from the Australian Taxation Office		3,874	1,935	3,403	2,200	2,396
Goods and Services Tax Collected from Customers		2,269	2,103	1,342	1,500	1,188
Government Grants		1,197	840	1,197	4,257	840
Other		556	789	463	700	593
Contributions		–	–	–	500	–
<b>Total Receipts from Operating Activities</b>		<b>130,843</b>	<b>121,340</b>	<b>113,334</b>	<b>117,516</b>	<b>106,064</b>

**Payments**

Employee		75,626	73,890	62,856	65,558	61,562
Superannuation		10,073	9,711	8,907	9,764	8,600
Supplies and Services		35,834	37,482	33,845	38,355	37,160
Good and Services Tax Paid to Suppliers		5,992	4,192	4,593	3,650	3,745
Other		2,596	2,241	1,603	1,700	1,212
<b>Total Payments from Operating Activities</b>		<b>130,121</b>	<b>127,516</b>	<b>111,804</b>	<b>119,027</b>	<b>112,279</b>

<b>Net Cash (Outflows)/Inflows from Operating Activities</b>	33	<b>722</b>	<b>(6,176)</b>	<b>1,530</b>	<b>(1,511)</b>	<b>(6,215)</b>
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**Cash Flows from Investing Activities**

**Receipts**

Proceeds from Sale of Property, Plant and Equipment		23	2	23	–	2
<b>Total Receipts from Investing Activities</b>		<b>23</b>	<b>2</b>	<b>23</b>	<b>–</b>	<b>2</b>

**Payments**

Payments for Property, Plant and Equipment		6,569	2,750	6,565	5,569	2,594
<b>Total Payment from Investing Activities</b>		<b>6,569</b>	<b>2,750</b>	<b>6,565</b>	<b>5,569</b>	<b>2,594</b>
<b>Net Cash (Outflows) from Investing Activities</b>		<b>(6,546)</b>	<b>(2,748)</b>	<b>(6,542)</b>	<b>(5,569)</b>	<b>(2,592)</b>

Canberra Institute of Technology  
**Cash Flow Statement – Continued**  
For the Year Ended 31 December 2018

Consolidated				CIT		
	Note No.	Actual 2018 \$'000	Actual 2017 \$'000	Actual 2018 \$'000	Original Budget 2018 \$'000	Actual 2017 \$'000
<b>Cash Flows from Financing Activities</b>						
<b>Receipts</b>						
Capital Injections		4,909	3,426	4,909	5,569	3,426
<b>Total Receipts from Financing Activities</b>		<b>4,909</b>	<b>3,426</b>	<b>4,909</b>	<b>5,569</b>	<b>3,426</b>
<b>Payments</b>						
Repayment of Borrowings		–	–	–	–	–
<b>Total Payments from Financing Activities</b>		<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Net Cash Inflows from Financing Activities</b>		<b>4,909</b>	<b>3,426</b>	<b>4,909</b>	<b>5,569</b>	<b>3,426</b>
<b>Net (Decrease)/ Increase in Cash and Cash Equivalents</b>		(915)	(5,498)	(103)	(1,511)	(5,381)
Cash and Cash Equivalents at the Beginning of the Reporting Period		13,119	18,617	10,018	10,018	15,399
<b>Cash and Cash Equivalents at the End of the Reporting Period</b>	33	<b>12,204</b>	<b>13,119</b>	<b>9,915</b>	<b>8,507</b>	<b>10,018</b>

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

Canberra Institute of Technology

## Statement of Appropriation

For the Year Ended 31 December 2018

	Original Budget 2018 \$'000	Total Appropriated 2018 \$'000	Appropriated Drawn 2018 \$'000	Appropriated Drawn 2017 \$'000
Controlled Recurrent Payments	71,779	71,779	71,779	70,023
Capital Injections	5,569	4,909	4,909	3,426
<b>Total Appropriation</b>	<b>77,348</b>	<b>76,688</b>	<b>76,688</b>	<b>73,449</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 Cash Flow Statement in the Australian Capital Territory Budget 2018-2019. This amount also appears in the Cash Flow Statement.

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 Cash Flow Statement.

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

	Controlled Recurrent Payment \$'000	Capital Injections \$'000
<b>Reconciliation of Appropriation for 2018</b>		
<b>Original Budget for 2018</b>	<b>71,779</b>	<b>5,569</b>
Unspent Appropriation Carried Forward at end of CIT Calendar Year 2017	–	1,866
<b>Total Appropriated</b>	<b>71,779</b>	<b>7,435</b>
Unspent Appropriation Carried Forward at end of CIT Calendar Year 2018	–	(2,526)
<b>Appropriation Drawn <sup>(a)</sup></b>	<b>71,779</b>	<b>4,909</b>

(a) The difference between the Capital Injections Original Budget and the amount drawn during 2018 is due mainly to a delay in Campus infrastructure upgrades forming part of the Campus Modernisation Project.



Canberra Institute of Technology  
For the Year Ended 31 December 2018

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Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

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

**Operation 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.

**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

Appendix D – Initial Application of Australian Accounting Standards

**NOTE 3 CHANGE IN ACCOUNTING ESTIMATES**

Refer to Appendix E – Change In Accounting Estimates.

**NOTE 4 CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments (CRP) are 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	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Revenue from the ACT Government</b>				
Controlled Recurrent Payments	71,779	70,023	71,779	70,023
<b>Total Controlled Recurrent Payments</b>	<b>71,779</b>	<b>70,023</b>	<b>71,779</b>	<b>70,023</b>

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 5 USER CHARGES

User charge revenue is derived by providing goods and services to other ACT Government agencies and to the public. User charge revenue is paid by the user of the goods or services and legally retained by CIT and driven by consumer demand.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>User Charges – ACT Government</b>				
Special Purpose Fund Activities <sup>(a)</sup>	11,090	8,267	10,111	7,997
<b>Total User Charges – ACT Government</b>	<b>11,090</b>	<b>8,267</b>	<b>10,111</b>	<b>7,997</b>
<b>User Charges – Non-ACT Government</b>				
Commercial Revenue <sup>(b)</sup>	25,528	27,898	11,865	12,430
Student Fees and Charges <sup>(c)</sup>	11,767	12,380	11,767	12,380
<b>Total User Charges – Non-ACT Government</b>	<b>37,295</b>	<b>40,278</b>	<b>23,632</b>	<b>24,810</b>
<b>Total User Charges</b>	<b>48,385</b>	<b>48,545</b>	<b>33,743</b>	<b>32,807</b>

- (a) The increase in Special Purpose Fund Activities revenue is due primarily to a net increase in students funded under specific funding arrangements (e.g. Apprentices and Trainees).
- (b) The decrease in Commercial Revenue is due to a lower number of international student enrolments and the transfer of management of student accommodation to the CIT Student Association.
- (c) The decrease in Student Fees and Charges is due to decreases in student enrolment fees and associated charges. Student fee concessions granted increased as these now apply to Apprentices and Trainees.

### NOTE 6 GOVERNMENT GRANTS

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Government Grants</b>				
Government Grants – ACT Government	1,197	967	1,197	967
<b>Total Government Grants <sup>(a)</sup></b>	<b>1,197</b>	<b>967</b>	<b>1,197</b>	<b>967</b>

- (a) The increase in Government Grants is due to funding received from the ACT Government for the Allied Health ASWE and Cyber Security projects.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 7 INTEREST

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Revenue from Non-ACT Government Entities</b>				
Interest Revenue <sup>(a)</sup>	360	434	327	398
<b>Total Interest Revenue</b>	<b>360</b>	<b>434</b>	<b>327</b>	<b>398</b>
Total interest revenue from financial assets measured at amortised cost	360	434	327	398

(a) Interest received decreased due to lower cash balances during the year because of expenditure against project funds received in prior years.

### NOTE 8 RESOURCES RECEIVED FREE OF CHARGE

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

CIT classifies goods and services received free of charge from entities external to the ACT Government as donations. Donations are shown in **Note 5 – User Charges**.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Revenue from ACT Government Entities</b>				
Legal Services	104	151	104	151
Library Reference Materials	1	5	1	5
<b>Total Resources Received Free of Charge</b>	<b>105</b>	<b>156</b>	<b>105</b>	<b>156</b>

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 9 OTHER REVENUE**

Other Revenue arises from the core activities of CIT.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Revenue from Other Sources</b>				
Recoveries <sup>(a)</sup>	414	513	416	513
Student Allowances	88	190	–	–
Other Grants	–	6	–	–
Other	52	80	47	80
<b>Total Other Revenue from Other Sources</b>	<b>554</b>	<b>789</b>	<b>463</b>	<b>593</b>

(a) Recoveries consist primarily of cost recoveries for utility expenses from CIT Solutions Pty Ltd, Child Care Centre licensing, and food expenses from the CIT Student Association.

**NOTE 10 OTHER GAINS**

Gains are unusual transactions that are not part of the Institute's core activities. Other gains are distinct from Other Revenue, as Other Revenue arises from the core activities of CIT.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Gain on Sale of Assets	23	2	23	2
	<b>23</b>	<b>2</b>	<b>23</b>	<b>2</b>



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 11 EMPLOYEE EXPENSES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Wages and Salaries <sup>(a)</sup>	69,477	65,254	58,575	54,369
Annual Leave Expense <sup>(b)</sup>	5,471	4,904	4,786	4,325
Long Service Leave Expense <sup>(c)</sup>	2,009	952	1,827	837
Workers' Compensation Insurance Premium <sup>(d)</sup>	1,942	1,935	1,047	1,119
<b>Total Employee Expenses</b>	<b>78,899</b>	<b>73,045</b>	<b>66,235</b>	<b>60,650</b>

(a) The increase in Wages and Salaries expenses is primarily the result of additional staff being employed.

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

(c) The Long Service Leave Expense consists of the movement in the provision for this expense and long service leave taken expense. The increase is the result of less long service leave taken and fewer staff departing than in the prior year.

(d) The CIT Workers' Compensation Insurance Premium fell in 2018 due to a continuing decline in claims.

**NOTE 12 SUPERANNUATION EXPENSES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Superannuation Contributions to the Territory Banking Account	3,713	3,696	3,702	3,680
Superannuation Payments to Comsuper (for the PSSAP)	427	414	427	414
Superannuation to External Providers <sup>(a)</sup>	5,977	5,600	4,813	4,507
<b>Total Superannuation Expenses</b>	<b>10,117</b>	<b>9,710</b>	<b>8,942</b>	<b>8,601</b>

(a) The increase is due to additional staff including staff transferred from other ACT Government entities resulting in greater contributions to ComSuper and external providers of superannuation.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 13 SUPPLIES AND SERVICES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Advertising	1,053	1,050	901	825
Cleaning Costs	2,093	2,102	2,093	2,102
Consultants and Contractors <sup>(a)</sup>	9,396	10,917	6,130	7,914
Information and Communication Technology <sup>(b)</sup>	8,945	8,536	8,934	8,490
Insurance <sup>(c)</sup>	972	1,174	927	1,121
Materials	2,276	2,375	2,107	2,142
Minor Assets Expensed	550	438	545	420
Operating Lease Charges	917	1,171	917	945
Other <sup>(d)</sup>	485	574	362	478
Overseas Student Management Fees <sup>(e)</sup>	135	107	3,142	3,444
Reference and Learning Materials	997	634	568	430
Repairs and Maintenance <sup>(f)</sup>	3,883	3,756	3,809	3,536
Seminars and Conferences	505	540	483	472
Travel and Transport	952	1,059	424	395
Utilities <sup>(g)</sup>	2,488	2,526	2,488	2,526
<b>Total Supplies and Services</b>	<b>35,647</b>	<b>36,959</b>	<b>33,830</b>	<b>35,240</b>

- (a) Consultants and Contractors expenditure decreased due to larger payments made in 2017 than 2018 for work related to the structural reforms projects, market research, business analysis, and the campus modernisation program.
- (b) Information and Communication Technology consists of the simplified billing agreement with ACT Shared Services, software, hardware and computing incidentals paid to external providers. The increase is due to higher Shared Services Charges in 2018.
- (c) ACT Insurance Agency (ACTIA) review of premiums resulted in lower charges.
- (d) Other comprises membership and association, legal and audit fees. There was a significant drop in Memberships and Associations expenditure for both staff and the institute in 2018 as part of cost savings efforts.
- (e) Overseas Student Management Fees paid by CIT to CIT Solutions Pty Ltd for the management of international students with fewer international student enrolments resulting in lower fees.
- (f) Repairs and maintenance costs consists mainly of expenditure undertaken to maintain CIT's buildings and property with costs incurred as required to maintain building standards. Costs have increased as CIT's infrastructure becomes increasingly aged.
- (g) Utilities expenditure has decreased primarily due to a new gas contract with fluctuating daily rates, and more efficient electric boilers replacing two steam boilers.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 14 DEPRECIATION AND AMORTISATION**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Depreciation</b>				
Buildings <sup>(a)</sup>	7,241	6,848	7,241	6,848
Plant and Equipment	1,001	1,018	997	1,014
Leasehold Improvements	431	439	339	346
<b>Total Depreciation</b>	<b>8,673</b>	<b>8,305</b>	<b>8,577</b>	<b>8,208</b>
<b>Amortisation</b>				
Computer Software	500	507	500	507
<b>Total Amortisation</b>	<b>500</b>	<b>507</b>	<b>500</b>	<b>507</b>
<b>Total Depreciation and Amortisation</b>	<b>9,173</b>	<b>8,812</b>	<b>9,077</b>	<b>8,715</b>

(a) Buildings depreciation increased due to additional charges as a result of improvements to existing buildings.

**NOTE 15 OTHER EXPENSES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Waivers, Impairment Losses and Write-offs <sup>(a)</sup>	31	96	31	96
Bank Charges and Security Services	88	85	61	56
Copyright Charges	122	100	122	100
Grants	622	598	–	–
Sponsorships	355	392	353	391
Licences and registrations <sup>(b)</sup>	51	163	51	171
Student Association Funding	671	650	625	600
Other Expenses <sup>(c)</sup>	1,521	595	1,220	236
<b>Total Other Expenses</b>	<b>3,461</b>	<b>2,679</b>	<b>2,463</b>	<b>1,650</b>

(a) Waivers, Impairment Losses and Write-offs continue to decrease as a result of the cancellation of enrolments of outstanding student debtors introduced during 2016. See also **Note 16 – Waivers, Impairment Losses and Write-Offs**.

(b) Licences and registrations have decreased due to the absence of a one-off expense paid in 2017 for Employee Engagement Licence (Qualtrics).

(c) Other Expenses have increased in 2018 due to the Sutton Road Buildings transfer to ACT Property Group.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 16 WAIVERS, IMPAIRMENT LOSSES AND WRITE-OFFS

Under Section 131 of the *Financial Management Act 1996* the Treasurer may, in writing, waive the right to payment of an amount payable to the Territory.

The write-off of a debt is the accounting action taken to remove a debt from CIT's books however it does not relinquish the legal right of CIT to recover the amount. The write-off of debts may occur for reasons other than waivers. The waivers, impairment losses and write-offs listed below have occurred during the reporting period for CIT.

The financial impact of Student Fee Waivers is included under 'Waivers, Impairment Losses and Write-offs' in **Note 15 – Other Expenses**. The number of Student Fee Waivers relates to transactions with 373 students who attracted a waiver during 2018 (1,770 in 2017).

The number of Student Fee Irrecoverable Debts relates to transactions with 177 students who attracted a write-off during 2018 (1,371 in 2017).

Consolidated				
	2018		2017	
	Number	\$'000	Number	\$'000
Waivers and Write-offs				
Student Fee Waivers	373	114	992	306
Student Fee Irrecoverable Debts	177	(53)	563	(172)
Total Waivers and Write-Offs <sup>(a)</sup>	550	61	1,555	134

#### Impairment Losses

*Impairment Loss from Receivables*

Trade and Other Receivables	–	(21)	–	(38)
<b>Total Impairment Loss from Receivables</b>	<b>–</b>	<b>(21)</b>	<b>–</b>	<b>(38)</b>
<b>Total Waivers, Impairment Losses and Write-offs</b>	<b>550</b>	<b>40</b>	<b>1,555</b>	<b>96</b>

CIT				
	2018		2017	
	Number	\$'000	Number	\$'000
Waivers and Write-offs				
Student Fee Waivers	373	114	992	306
Student Fee Irrecoverable Debts	177	(53)	563	(172)
Total Waivers and Write-Offs <sup>(a)</sup>	550	61	1,555	134

#### Impairment Losses

*Impairment Loss from Receivables*

Trade and Other Receivables	–	(30)	–	(38)
<b>Total Impairment Loss from Receivables</b>	<b>–</b>	<b>(30)</b>	<b>–</b>	<b>(38)</b>
<b>Total Waivers, Impairment Losses and Write-offs</b>	<b>550</b>	<b>31</b>	<b>1,555</b>	<b>96</b>

(a) Waivers and Write-offs continue to decrease as a result of the cancellation of enrolments for outstanding student debtors introduced during 2016.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 17 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 'Contractors and Consultants' in **Note 13 – Supplies and Services**. No other services were provided by the ACT Audit Office.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Audit Services</b>				
Audit Fees Paid or Payable to the ACT Audit Office	172	165	138	134
<b>Total Audit Fees</b>	<b>172</b>	<b>165</b>	<b>138</b>	<b>134</b>
<b>Total Auditor's Remuneration</b>	<b>172</b>	<b>165</b>	<b>138</b>	<b>134</b>

### NOTE 18 CASH AND CASH EQUIVALENTS

CIT holds a number of 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 currently equivalent to 85 basis points above the Reserve Bank's target cash rate.

CIT's Term Deposits are held with IMB Banking and Financial Services, earning an interest rate of 2.39%. These funds are able to be withdrawn upon request.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Cash at Bank <sup>(a)</sup>	9,196	10,110	6,911	7,014
Cash on Hand	8	9	4	4
Cash Equivalent – Term Deposit	3,000	3,000	3,000	3,000
<b>Total Cash and Cash Equivalents</b>	<b>12,204</b>	<b>13,119</b>	<b>9,915</b>	<b>10,018</b>

(a) The Cash at Bank decrease is due to normal operational activities.



Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 19 RECEIVABLES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current Receivables</b>				
Trade Receivable	3,506	3,594	1,774	670
Less: Allowance for Impaired Receivables	–	(56)	–	(23)
<b>Total Accounts Receivable</b>	<b>3,506</b>	<b>3,538</b>	<b>1,774</b>	<b>647</b>
<b>Student Receivables</b>				
Student Receivables	593	2,026	593	2,026
Less: Allowance for Impaired Receivables	(129)	(177)	(120)	(210)
<b>Total Student Receivables</b>	<b>464</b>	<b>1,849</b>	<b>473</b>	<b>1,816</b>
<b>Other Receivables</b>				
Inter-Entity Receivable	–	–	135	–
Accrued Revenue	1,657	1,854	1,657	1,854
Net GST Receivable	–	34	–	93
<b>Total Other Receivables</b>	<b>1,657</b>	<b>1,888</b>	<b>1,792</b>	<b>1,947</b>
<b>Total Current Receivables</b>	<b>5,627</b>	<b>7,275</b>	<b>4,039</b>	<b>4,410</b>
<b>Total Receivables</b>	<b>5,627</b>	<b>7,275</b>	<b>4,039</b>	<b>4,410</b>

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 19 RECEIVABLES – CONTINUED**

	<b>Consolidated</b>		<b>CIT</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>

**Reconciliation of the Allowance for Impaired Receivables**

Allowance for Impaired Receivables at the Beginning of the Reporting Period	233	271	233	270
Re-measurement under AASB 9	(83)	–	(83)	–
Restated balance at start of period	150	271	150	270
Decrease in Allowance Recognised During the Reporting Period	–	(38)	–	(37)
Decrease in Expected Credit Losses Recognised during the Reporting Period	(21)	–	(30)	–
<b>Allowance for Impairment Losses at the End of the Reporting Period</b>	<b>129</b>	<b>233</b>	<b>120</b>	<b>233</b>

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

**Receivables with ACT Government Entities**

Net Trade Receivable	228	814	109	154
Accrued Revenue	1,657	1,623	1,657	1,623
Inter-entity Receivable	–	–	135	–
<b>Total Receivables with ACT Government Entities</b>	<b>1,885</b>	<b>2,437</b>	<b>1,901</b>	<b>1,777</b>

**Receivables with Non-ACT Government Entities**

Net Trade Receivable	3,269	2,757	1,665	493
Net Student Receivable	473	1,816	473	1,816
Accrued Revenue	–	230	–	230
Net GST Receivable	–	35	–	94
<b>Total Receivables with Non-ACT Government Entities</b>	<b>3,742</b>	<b>4,838</b>	<b>2,138</b>	<b>2,633</b>
<b>Total Receivables</b>	<b>5,627</b>	<b>7,275</b>	<b>4,039</b>	<b>4,410</b>

The maximum exposure to credit risk at the end of the reporting period for trade receivables is the carrying amount of the asset inclusive of any allowance for impairment as shown in the table at **Note 30 – Financial Instruments**.

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 2018

**NOTE 19 RECEIVABLES – CONTINUED**

Not Overdue	Overdue			Total
Ageing of Receivables Consolidated	Less than 30 Days	30 to 60 Days	Greater than 60 Days	
\$'000	\$'000	\$'000	\$'000	\$'000

**2018**

**Not Impaired <sup>(a)</sup>**

Receivables	3,254	1,824	172	377	5,627
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**Impaired**

Receivables	–	–	–	–	–
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**2017**

**Not Impaired <sup>(a)</sup>**

Receivables	5,990	597	312	376	7,275
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**Impaired**

Receivables	–	–	–	233	233
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Not Overdue	Overdue			Total
Ageing of Receivables CIT	Less than 30 Days	30 to 60 Days	Greater than 60 Days	
\$'000	\$'000	\$'000	\$'000	\$'000

**2018**

**Not Impaired <sup>(a)</sup>**

Receivables	1,985	1,626	78	350	4,039
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**Impaired**

Receivables	–	–	–	–	–
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**2017**

**Not Impaired <sup>(a)</sup>**

Receivables	3,505	324	214	367	4,410
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**Impaired**

Receivables	–	–	–	233	233
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(a) 'Not Impaired' refers to Net Receivables (that is Gross Receivables less Impaired Receivables).

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 20 OTHER ASSETS

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current Other Assets</b>				
Prepayments <sup>(a)</sup>	1,622	1,860	3,125	3,345
<b>Total Current Other Assets</b>	<b>1,622</b>	<b>1,860</b>	<b>3,125</b>	<b>3,345</b>
<b>Total Other Assets</b>	<b>1,622</b>	<b>1,860</b>	<b>3,125</b>	<b>3,345</b>

(a) Prepayments include workers compensation, insurance and software licence prepayments. The decrease was due to lower insurance premiums and workers' compensation prepayment amounts for 2018.

### NOTE 21 INVESTMENTS

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Non-current Investments</b>				
CIT Solutions Pty Limited <sup>(a)</sup>	–	–	20	20
<b>Total Non-Current Investments</b>	<b>–</b>	<b>–</b>	<b>20</b>	<b>20</b>
<b>Total Investments</b>	<b>–</b>	<b>–</b>	<b>20</b>	<b>20</b>

(a) The Canberra Institute of Technology holds \$20,000 of paid-up capital in CIT Solutions Pty Ltd. CIT Solutions Pty Ltd provides a range of educational activities and services on a commercial basis.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 22 ASSETS HELD FOR DISTRIBUTION TO OWNERS

CIT has classified the land and buildings at the Woden and Watson Campuses as 'assets held for distribution to owners'. CIT is disposing of these land and buildings as a result of a CIT's campus modernisation program. The Woden and Watson Campuses' land and buildings are expected to be disposed during the next reporting period.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Land Held for Distribution to Owners <sup>(a)</sup>	14,411	–	14,411	–
Buildings Held for Distribution to Owners <sup>(a)</sup>	1,788	965	1,788	965
<b>Total Assets Held for Distribution to Owners</b>	<b>16,199</b>	<b>965</b>	<b>16,199</b>	<b>965</b>

(a) The increase in land and buildings held for distribution to owners is attributed to CIT's intention to dispose of the land and buildings at the Woden and Watson Campuses as part of the campus' modernisation program.

#### 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 2018 are as follows:

	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'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>

31 December 2017 are as follows:

	Classification According to Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Assets Held for Distribution to Owners at Fair Value</b>				
Buildings	–	–	965	965
<b>Total Assets Held for Distribution to Owners</b>	<b>–</b>	<b>–</b>	<b>965</b>	<b>965</b>



Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 22 ASSETS HELD FOR DISTRIBUTION TO OWNERS – CONTINUED

The Fair Value Hierarchy is discussed in **Note 23 – 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 23 PROPERTY, PLANT AND EQUIPMENT

*Property, plant and equipment* includes the following classes of assets

- *Property, plant and equipment* does not include Assets Held for Distribution to Owners or Investment property.
- *Land* includes leasehold land held by CIT.
- *Buildings* include office buildings, teaching spaces, workshops, laboratories, fit-out, carparks, footpaths and street lights.
- *Leasehold improvements* represent capital expenditure incurred in relation to leased assets. This includes fit-outs of leased buildings.
- *Plant and equipment* includes mobile plant, office and computer equipment, furniture and fittings, motor vehicles, and other mechanical and electronic equipment.
- *Heritage assets* are defined as those non-current that the ACT Government intends to preserve indefinitely because of their unique historical, cultural or environmental attributes. A common feature of heritage assets is that they cannot be replaced and they are not usually available for sale or redeployment. Heritage assets held by CIT include artworks, gemstones, and sculptures.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 23 PROPERTY, PLANT AND EQUIPMENT – CONTINUED

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Land</b>				
Land at Fair Value	38,824	53,235	38,824	53,235
<b>Total Land Assets</b>	<b>38,824</b>	<b>53,235</b>	<b>38,824</b>	<b>53,235</b>
<b>Buildings</b>				
Buildings at Fair Value	137,947	136,320	137,947	136,320
Less: Accumulated Depreciation	(6,986)	(602)	(6,986)	(602)
<b>Total Written Down Value of Buildings</b>	<b>130,961</b>	<b>135,718</b>	<b>130,961</b>	<b>135,718</b>
<b>Total Written Down Value of Land and Buildings</b>	<b>169,785</b>	<b>188,953</b>	<b>169,785</b>	<b>188,953</b>
<b>Leasehold Improvements</b>				
Leasehold Improvements at Cost	3,923	3,919	3,427	3,427
Less: Accumulated Depreciation	(1,191)	(761)	(913)	(574)
<b>Total Written Down Value of Leasehold Improvements</b>	<b>2,732</b>	<b>3,158</b>	<b>2,514</b>	<b>2,853</b>
<b>Plant and Equipment</b>				
Plant and Equipment at Cost	11,218	10,074	11,205	10,051
Less: Accumulated Depreciation	(4,117)	(3,172)	(4,109)	(3,159)
<b>Total Written-Down Value of Plant and Equipment</b>	<b>7,101</b>	<b>6,902</b>	<b>7,096</b>	<b>6,892</b>
<b>Heritage Assets</b>				
Heritage Assets at Fair Value	144	144	144	144
<b>Total Heritage Assets</b>	<b>144</b>	<b>144</b>	<b>144</b>	<b>144</b>
<b>Total Written Down Value of Property, Plant and Equipment</b>	<b>179,762</b>	<b>199,157</b>	<b>179,539</b>	<b>198,842</b>

#### Valuation of Non-Current Assets

Certified Practising Valuers Knight Frank Valuations Canberra performed an independent revaluation of CIT's Land and Buildings at 31 December 2017. The Director, CIT Technology and Design, performed a revaluation of CIT's Heritage assets at 31 December 2017. The next valuation is scheduled for December 2020.

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 23 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Reconciliation of Property, Plant and Equipment**

The following table shows the movement of Property, Plant and Equipment during 2018 and 2017.

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
<b>Consolidated 2018</b>						
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>53,235</b>	<b>135,718</b>	<b>3,158</b>	<b>6,902</b>	<b>144</b>	<b>199,157</b>
Additions	–	4,272	5	1,297	–	5,574
Depreciation	–	(7,241)	(431)	(1,002)	–	(8,674)
Disposals	–	–	–	(104)	–	(104)
Asset Held for Distribution to Owners	(14,411)	(1,788)	–	–	–	(16,199)
Depreciation Write-back for Asset Disposals	–	–	–	48	–	48
Other Movements	–	–	–	(40)	–	(40)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>38,824</b>	<b>130,961</b>	<b>2,732</b>	<b>7,101</b>	<b>144</b>	<b>179,762</b>
<b>Consolidated 2017</b>						
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>43,717</b>	<b>129,974</b>	<b>2,837</b>	<b>7,140</b>	<b>144</b>	<b>183,812</b>
Additions	–	2,717	760	826	2	4,305
Revaluation Increment	9,518	10,857	–	–	–	20,375
Depreciation	–	(6,848)	(439)	(1,017)	(2)	(8,306)
Disposals	–	(93)	–	(288)	–	(381)
Asset Held for Distribution to Owners	–	(965)	–	–	–	(965)
Depreciation Write-back for Asset Disposals	–	76	–	158	–	234
Other Movements	–	–	–	83	–	83
<b>Carrying Amount at the End of the Reporting Period</b>	<b>53,235</b>	<b>135,178</b>	<b>3,158</b>	<b>6,902</b>	<b>144</b>	<b>199,157</b>

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**

For the Year Ended 31 December 2018

**NOTE 23 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Reconciliation of Property, Plant and Equipment**

The following table shows the movement of Property, Plant and Equipment during 2018 and 2017.

	Land \$'000	Buildings \$'000	Leasehold Improvements \$'000	Plant and Equipment \$'000	Heritage Assets \$'000	Total \$'000
<b>CIT 2018</b>						
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>53,235</b>	<b>135,718</b>	<b>2,853</b>	<b>6,892</b>	<b>144</b>	<b>198,842</b>
Additions	–	4,272	–	1,297	–	5,569
Depreciation	–	(7,241)	(339)	(997)	–	(8,577)
Disposals	–	–	–	(104)	–	(104)
Asset Held for Distribution to Owners	(14,411)	(1,788)	–	–	–	(16,199)
Depreciation Write-back for Asset Disposals	–	–	–	48	–	48
Other Movements	–	–	–	(40)	–	(40)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>38,824</b>	<b>130,961</b>	<b>2,514</b>	<b>7,096</b>	<b>144</b>	<b>179,539</b>
<b>CIT 2017</b>						
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>43,717</b>	<b>129,974</b>	<b>2,584</b>	<b>7,140</b>	<b>144</b>	<b>183,559</b>
Additions	–	2,717	615	813	2	4,147
Revaluation Increment	9,518	10,857	–	–	–	20,375
Depreciation	–	(6,848)	(346)	(1,014)	–	(8,208)
Disposals	–	(93)	–	(288)	(2)	(383)
Asset Held for Distribution to Owners	–	(965)	–	–	–	(965)
Depreciation Write-back for Asset Disposals	–	76	–	158	–	234
Other Movements	–	–	–	83	–	83
<b>Carrying Amount at the End of the Reporting Period</b>	<b>53,235</b>	<b>135,718</b>	<b>2,853</b>	<b>6,892</b>	<b>144</b>	<b>198,842</b>

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 23 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 2018 are as follows:

#### Consolidated 2018

Property, Plant and Equipment at Fair Value	Classification According to the Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	–	38,824	–	38,824
Buildings	–	1,415	129,546	130,961
Heritage Assets	–	136	8	144
	–	<b>40,375</b>	<b>129,554</b>	<b>169,929</b>

#### Consolidated 2017

Property, Plant and Equipment at Fair Value	Classification According to the Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	–	53,235	–	53,235
Buildings	–	2,346	133,373	135,719
Heritage Assets	–	136	8	144
	–	<b>55,717</b>	<b>133,381</b>	<b>189,098</b>



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**NOTE 23 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 2018**

Property, Plant and Equipment at Fair Value	Classification According to the Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	–	38,824	–	38,824
Buildings	–	1,415	129,546	130,961
Heritage Assets	–	136	8	144
	<b>–</b>	<b>40,375</b>	<b>129,554</b>	<b>169,929</b>

**CIT 2017**

Property, Plant and Equipment at Fair Value	Classification According to the Fair Value Hierarchy			
	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
Land	–	53,235	–	53,235
Buildings	–	2,346	133,373	135,719
Heritage Assets	–	136	8	144
	<b>–</b>	<b>55,717</b>	<b>133,381</b>	<b>189,098</b>

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 23 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 and Woden Childcare Centre were 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 valuers 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's 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.

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**Notes to and Forming Part of the Financial Statements**  
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**NOTE 23 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy – Continued**

**Fair value measurements using significant unobservable inputs (Level 3)**

Consolidated 2018	Buildings \$'000	Heritage Assets \$'000
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>133,373</b>	<b>8</b>
Additions	4,182	–
Depreciation	(7,190)	–
Disposal	(104)	–
Transfer to Asset Held for Distribution to Owners	(972)	–
Other movements	257	–
<b>Fair Value at end of the Reporting Period</b>	<b>129,546</b>	<b>8</b>

Consolidated 2017	Buildings \$'000	Plant and Equipment \$'000	Heritage Assets \$'000
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>127,379</b>	<b>6,800</b>	<b>8</b>
Additions	2,717	–	–
Revaluation increments recognised in Other Comprehensive Income	11,251	–	–
Plant and Equipment now carried at cost	–	(6,800)	–
Depreciation	(6,514)	–	–
Disposal	(94)	–	–
Transfer to Asset Held for Distribution to Owners	(965)	–	–
<b>Fair Value at end of the Reporting Period</b>	<b>133,373</b>	<b>–</b>	<b>8</b>

Canberra Institute of Technology  
**Notes to and Forming Part of the Financial Statements**  
For the Year Ended 31 December 2018

**NOTE 23 PROPERTY, PLANT AND EQUIPMENT – CONTINUED**

**Fair Value Hierarchy – Continued**

**Fair value measurements using significant unobservable inputs (Level 3)**

CIT 2018	Buildings \$'000	Heritage Assets \$'000
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>133,373</b>	<b>8</b>
Additions	4,182	–
Depreciation	(7,190)	–
Disposal	(104)	–
Transfer to Assets Held for Distribution to Owners	(972)	–
Other movements	257	–
<b>Fair Value at end of the Reporting Period</b>	<b>129,546</b>	<b>8</b>

CIT 2017	Buildings \$'000	Plant and Equipment \$'000	Heritage Assets \$'000
<b>Fair Value at the Beginning of the Reporting Period</b>	<b>127,379</b>	<b>6,800</b>	<b>8</b>
Additions	2,717	–	–
Revaluation increments recognised in Other Comprehensive Income	11,251	–	–
Depreciation	(6,514)	–	–
Disposal	(94)	–	–
Transfer to Assets Held for Distribution to Owners	(965)	–	–
Plant and Equipment now carried at cost	–	(6,800)	–
<b>Fair Value at end of the Reporting Period</b>	<b>133,373</b>	<b>–</b>	<b>8</b>

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**NOTE 24 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	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Computer Software</b>				
<i>Externally Purchased Software</i>				
Computer Software at Cost	6,668	6,349	6,668	6,349
Less: Accumulated Amortisation <sup>(a)</sup>	(6,045)	(5,545)	(6,045)	(5,545)
<b>Total Externally Purchased Software</b>	<b>623</b>	<b>804</b>	<b>623</b>	<b>804</b>
<b>Total Computer Software</b>	<b>623</b>	<b>804</b>	<b>623</b>	<b>804</b>
<b>Total Intangible Assets</b>	<b>623</b>	<b>804</b>	<b>623</b>	<b>804</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 2017 and 2018.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>804</b>	<b>1,252</b>	<b>804</b>	<b>1,252</b>
Additions <sup>(b)</sup>	319	59	319	59
Amortisation	(500)	(507)	(500)	(507)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>623</b>	<b>804</b>	<b>623</b>	<b>804</b>

(b) Additions increased in 2018 due to the capitlisation of new security software (Content Keeper) and resource scheduling software (Syllabus Plus).



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**NOTE 25 CAPITAL WORKS IN PROGRESS**

Assets under construction include infrastructure assets, buildings, leasehold improvements and software.

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Plant and Equipment Works In Progress	–	58	–	58
Buildings Works in Progress	2,342	2,064	2,342	2,064
Software Works in Progress	71	88	71	88
<b>Total Capital Works in Progress</b>	<b>2,413</b>	<b>2,210</b>	<b>2,413</b>	<b>2,210</b>

**Reconciliation of Consolidated Capital Works in Progress**

The following table shows the movement in the Consolidated Entity's Capital Works in Progress during 2017 and 2018.

	Plant and Equipment Works in Progress \$'000	Buildings Works in Progress \$'000	Software Works in Progress \$'000	Total \$'000
--	--	---	--	-----------------

**Consolidated 2018**

<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>58</b>	<b>2,064</b>	<b>88</b>	<b>2,210</b>
Additions	–	4,126	71	4,197
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	(58)	(3,848)	–	(3,906)
Capital Works in Progress Completed and Transferred to Intangible Asset	–	–	(88)	(88)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>–</b>	<b>2,342</b>	<b>71</b>	<b>2,413</b>

**Consolidated 2017**

<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>–</b>	<b>2,467</b>	<b>55</b>	<b>2,522</b>
Additions	58	2,510	88	2,656
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	–	(2,913)	–	(2,913)
Capital Works in Progress Completed and Transferred to Intangible Assets	–	–	(55)	(55)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>58</b>	<b>2,064</b>	<b>88</b>	<b>2,210</b>

Canberra Institute of Technology  
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**NOTE 25 CAPITAL WORKS IN PROGRESS – CONTINUED**

**Reconciliation of Capital Works in Progress**

The following table shows the movement in CIT's Capital Works in Progress during 2017 and 2018.

	Plant and Equipment Works in Progress \$'000	Buildings Works in Progress \$'000	Software Works in Progress \$'000	Total \$'000
--	--	---	--	-----------------

**CIT 2018**

<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>58</b>	<b>2,064</b>	<b>88</b>	<b>2,210</b>
Additions <sup>(a)</sup>	–	4,126	71	4,197
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment <sup>(b)</sup>	(58)	(3,848)	–	(3,906)
Capital Works in Progress Completed and Transferred to Intangible Assets	–	–	(88)	(88)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>–</b>	<b>2,342</b>	<b>71</b>	<b>2,413</b>

**CIT 2017**

<b>Carrying Amount at the Beginning of the Reporting Period</b>	<b>–</b>	<b>2,467</b>	<b>55</b>	<b>2,522</b>
Additions	58	2,510	88	2,656
Capital Works in Progress Completed and Transferred to Property, Plant and Equipment	–	(2,913)	–	(2,913)
Capital Works in Progress Completed and Transferred to Intangible Assets	–	–	(55)	(55)
<b>Carrying Amount at the End of the Reporting Period</b>	<b>58</b>	<b>2,064</b>	<b>88</b>	<b>2,210</b>

(a) Capital works additions increased, as a result of expenditure relating to the Better Infrastructure Funds 17-18 as well as expenditure for the new Training Security Operations Centre for Cyber Security course delivery and the Carbon Neutral Project (LED Lighting Upgrade and Microgrid projects).

(b) Capital Works In Progress Completed and Transferred to Property, Plant and Equipment increased primarily due to the capitalisation of Better Infrastructure Funding works for buildings carried over from 2017 and the relocation of the Music Department from Woden Campus to Bruce Campus.

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**Notes to and Forming Part of the Financial Statements**  
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**NOTE 26 PAYABLES**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current Payables</b>				
Trade Payables <sup>(a)</sup>	382	919	382	919
Other Payables	126	118	126	118
	<b>508</b>	<b>1,037</b>	<b>508</b>	<b>1,037</b>
Accrued Expenses <sup>(b)</sup>	2,204	2,606	2,424	2,504
GST Payable	117	–	58	–
Inter-Entity Payable	–	–	–	180
<b>Total Current Payables</b>	<b>2,321</b>	<b>2,606</b>	<b>2,482</b>	<b>2,684</b>
<b>Total Payables</b>	<b>2,829</b>	<b>3,643</b>	<b>2,990</b>	<b>3,721</b>
<b>Payables are aged as follows:</b>				
Not Overdue	2,757	3,252	2,918	3,330
Overdue for Less than 30 Days	72	391	72	391
<b>Total Payables</b>	<b>2,829</b>	<b>3,643</b>	<b>2,990</b>	<b>3,721</b>
<b>Classification of ACT Government/Non-ACT Government Payables</b>				
<b>Payables with ACT Government Entities</b>				
Accrued Expenses	571	692	790	821
<b>Total Payables with ACT Government Entities</b>	<b>571</b>	<b>692</b>	<b>790</b>	<b>821</b>
<b>Payables with Non-ACT Government Entities</b>				
Trade Payables	382	919	382	919
Other Payables	126	124	127	124
Accrued Expenses	1,633	1,908	1,633	1,677
Inter-Entity Payable	–	–	–	180
GST Payable	117	–	58	–
<b>Total Payables with Non-ACT Government Entities</b>	<b>2,258</b>	<b>2,951</b>	<b>2,200</b>	<b>2,900</b>
<b>Total Payables</b>	<b>2,829</b>	<b>3,643</b>	<b>2,990</b>	<b>3,721</b>

(a) Trade Payables decreased due to the majority of invoices received in December 2018 having being settled. The prior year balance included invoices for utility expenditures, Goods and Services Procurement charges and CIT Solutions Pty Ltd intercompany charges outstanding at year-end.

(b) Accrued expenses has decreased from 2017 as quarterly payments to ACT Shared Services were settled before year end and therefore not accrued as in 2017.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 27 EMPLOYEE BENEFITS

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000

#### Current Employee Benefits

Annual Leave	6,866	6,605	6,340	5,969
Long Service Leave	12,805	12,541	12,200	11,896
Accrued Salaries	3,027	611	2,921	466
Other Benefits	288	235	111	77
<b>Total Current Employee Benefits</b>	<b>22,986</b>	<b>19,992</b>	<b>21,572</b>	<b>18,408</b>

#### Non-Current Employee Benefits

Long Service Leave	1,171	1,018	997	870
<b>Total Non-Current Employee Benefits</b>	<b>1,171</b>	<b>1,018</b>	<b>997</b>	<b>870</b>

<b>Total Employee Benefits</b>	<b>24,157</b>	<b>21,010</b>	<b>22,569</b>	<b>19,278</b>
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#### Estimate of when Leave is Payable

##### Estimated Amount Payable within 12 Months

Annual Leave	4,612	4,646	4,238	4,197
Long Service Leave	1,354	1,312	1,278	1,235
Accrued Salaries	3,026	611	2,921	466
Other Benefits	288	235	111	77
<b>Total Employee Benefits Payable within 12 Months</b>	<b>9,280</b>	<b>6,794</b>	<b>8,548</b>	<b>5,975</b>

##### Estimated Amount Payable after 12 Months

Long Service Leave	12,621	12,246	11,919	11,531
Annual Leave	2,278	1,961	2,103	1,773
<b>Total Employee Benefits Payable after 12 Months</b>	<b>14,899</b>	<b>14,217</b>	<b>14,022</b>	<b>13,304</b>
<b>Total Employee Benefits</b>	<b>24,179</b>	<b>21,011</b>	<b>22,570</b>	<b>19,279</b>

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 28 OTHER LIABILITIES

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Current Other Liabilities</b>				
Revenue Received in Advance - Student Fees <sup>(a)</sup>	1,688	2,002	1,688	2,003
Revenue Received in Advance - Grants	5	47	5	9
Other Current Liabilities <sup>(b)</sup>	491	288	298	140
<b>Total Current Other Liabilities</b>	<b>2,184</b>	<b>2,337</b>	<b>1,991</b>	<b>2,152</b>
<b>Non-Current Other Liabilities</b>				
Other <sup>(c)</sup>	1,281	499	1,230	452
<b>Total Non-Current Other Liabilities</b>	<b>1,281</b>	<b>499</b>	<b>1,230</b>	<b>452</b>
<b>Total Other Liabilities</b>	<b>3,465</b>	<b>2,836</b>	<b>3,221</b>	<b>2,604</b>

(a) Revenue Received in Advance – Student Fees has decreased over the prior year due to a decrease in overseas student registrations, fees and payments in advance for study in 2019.

(b) Other Current Liabilities increased primarily due to the addition of interest free borrowings from the ACT Carbon Neutral Government loan.

(c) Other Non-Current Other Liabilities consist of the non-current portion of the increased interest free borrowings from the ACT Government Carbon Neutral Government Loan Fund for the Carbon Neutral Project. This loan is repayable over eight years.

### NOTE 29 ASSET REVALUATION SURPLUS

#### Asset Revaluation Surplus

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

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Balance at the Beginning of the Reporting Period</b>	<b>93,475</b>	<b>73,235</b>	<b>93,475</b>	<b>73,237</b>
Increment in Land due to Revaluation	–	9,518	–	9,518
Increment in Buildings due to Revaluation	–	10,857	–	10,857
Increment in Plant and Equipment	–	2	–	2
Transfer to/(from) Asset Revaluation Surplus <sup>(a)</sup>	1,436	(137)	1,436	(139)
<b>Total Increase in the Asset Revaluation Surplus</b>	<b>1,436</b>	<b>20,240</b>	<b>1,436</b>	<b>20,238</b>
<b>Balance at the End of the Reporting Period</b>	<b>94,911</b>	<b>93,475</b>	<b>94,911</b>	<b>93,475</b>

(a) The 2018 amount is the result of the movement of asset reserve amounts from the asset reserve clearing account to accumulated funds due to the retirement of buildings and plant and equipment assets in the prior year.



Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 30 FINANCIAL INSTRUMENTS

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

CIT mitigates its credit risk by:

- the majority of revenue transactions taking place with ACT Government and Australian Government entities
- monitoring and collecting all financial assets not past due or impaired
- transactional risks are managed through internal processes which include sending reminder letters and referring to a debt collection agency. With regard to student debtors, CIT can limit their access to facilities, obtaining grades and graduating and deregistering overdue students.
- term deposits are held with the Illawarra Mutual Bank Limited, which is considered to be a high quality credit financial institution.

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

#### 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 2018

### NOTE 30 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:

	Consolidated			
	Carrying Amount	Fair Value Amount	Carrying Amount	Fair Value Amount
	2018 \$'000	2018 \$'000	2017 \$'000	2017 \$'000

#### Financial Assets

Cash and Cash Equivalents	12,204	12,204	13,119	13,119
Financial assets at amortised costs	5,627	5,627	–	–
Receivables	–	–	5,387	5,387
<b>Total Financial Assets</b>	<b>17,831</b>	<b>17,831</b>	<b>18,506</b>	<b>18,506</b>

#### Financial Liabilities

Payables	2,712	2,712	1,037	1,037
ACT Government Carbon Neutral Government Loan Fund	–	–	517	517
<b>Total Financial Liabilities</b>	<b>2,712</b>	<b>2,712</b>	<b>1,554</b>	<b>1,554</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 2018

**NOTE 30 FINANCIAL INSTRUMENTS – CONTINUED**

**Consolidated credit risk exposure**

The following table details the credit risk exposure on the Agency's trade receivables using a provision matrix.

	Total \$'0	Current \$'0	Days past due			
			<30 days \$'0	31-60 days \$'0	61-90 days \$'0	>91 days \$'0
31 December 2018						
Expected credit loss rate (a) (b)		0.00%	52%	29%	52%	4%
Estimated total gross carrying amount at default	5,627	3,263	1,740	159	63	402
Expected credit losses	130	–	83	13	18	15

(a) Applies to student debtors. Other debtors and accrued revenue have been reviewed individually and are not expected to default in 2019.

(b) The expected credit lost is estimated based on historical loss rates using historical monthly debtor ageing tables to calculate average roll over rates.

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**Notes to and Forming Part of the Financial Statements**  
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**NOTE 30 FINANCIAL INSTRUMENTS – CONTINUED**

	<b>Consolidated</b>	
	<b>2018 \$'000</b>	<b>2017 \$'000</b>

**Carrying Amount of Each Category of Financial Asset and Financial Liability**

**Financial Assets**

Loans and Receivables Measured at Amortised Cost	5,627	5,387
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**Financial Liabilities**

Financial Liabilities Measured at Amortised Cost	2,712	1,554
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**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 31 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>2018 \$'000</b>	<b>2017 \$'000</b>	<b>2018 \$'000</b>	<b>2017 \$'000</b>

**Capital Commitments – Property, Plant and Equipment**

Within one year <sup>(a)</sup>	3,711	1,977	3,711	1,977
<b>Total Capital Commitments – Property, Plant and Equipment</b>	<b>3,711</b>	<b>1,977</b>	<b>3,711</b>	<b>1,977</b>

**Other Commitments**

Other commitments contracted at reporting date that have not been recognised as liabilities, are payable as follows:

Within one year	871	661	842	638
Later than one year but not later than five years	1,643	964	1,591	951
Later than five years	80	105	80	105
<b>Total Other Commitments</b>	<b>2,594</b>	<b>1,730</b>	<b>2,513</b>	<b>1,694</b>

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

(a) The increase in 2018 is due primarily to the commitment to conduct capital upgrades to buildings as part of CIT's Campus Modernisation, Microgrid and Better Infrastructure Projects.

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 32 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

#### Contingent Liabilities

##### *Legal Claims*

In December 2018 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 \$193,000 (2017 \$194,000). The estimate contingent liability has not been provided for in CIT's accounts.

##### *Asbestos Containing Materials*

Asbestos Containing Materials have been identified at the Watson Facility, which require remediation. Cost estimates provided to CIT range from \$3,200,000 (to terminate existing leases and demolish the buildings to render the site available for sale/redevelopment) to \$7,250,000 (to remediate the buildings one at a time whilst maintaining tenancies in other buildings). ACT Government approval is required prior to undertaking any course of action. No approval had been sought or obtained at 31 December 2018.

#### Contingent Assets

At the reporting date an estimate of the potential insurance settlement receivable in relation to pending legal claims from third parties is \$183,000 (2017 \$179,000).



Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 33 CASH FLOW RECONCILIATION

**(a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Items in the Balance Sheet**

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Total Cash and Cash Equivalents Recorded in the Balance Sheet	12,404	13,119	9,915	10,018
<b>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement</b>	<b>12,404</b>	<b>13,119</b>	<b>9,915</b>	<b>10,018</b>

**(b) Reconciliation of Net Cash Inflows/(Outflows) from Operating Activities to the Operating Deficit**

Operating Deficit	(14,894)	(10,289)	(12,910)	(9,910)
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**Add/(Less) Non-Cash Items**

Depreciation of Property, Plant and Equipment	8,674	8,305	8,578	8,208
Amortisation of Intangibles	500	507	500	507

**Add/(Less) Items Classified as Investing or Financing**

Net Gain from the Sale of Assets	23	2	23	2
Net Loss on Disposal of Non-Current Assets	–	(13)	–	(13)
<b>Cash Outflows Before Changes in Operating Assets and Liabilities</b>	<b>(5,697)</b>	<b>(1,488)</b>	<b>(3,809)</b>	<b>(1,206)</b>

**Changes in Operating Assets and Liabilities**

Decrease/(Increase) in Receivables	2,611	(2,961)	1,337	(1,668)
Decrease/(Increase) in Other Assets	240	387	220	(1,341)
(Decrease) in Payables	(197)	(1,123)	(126)	(959)
Increase/(Decrease) in Provisions	3,136	(798)	3,290	(878)
Increase/(Decrease) in Other Liabilities	629	(193)	618	(163)
<b>Net Changes in Operating Assets and Liabilities</b>	<b>6,419</b>	<b>(4,688)</b>	<b>5,339</b>	<b>(5,009)</b>
<b>Net Cash Inflows/(Outflows) from Operating Activities</b>	<b>722</b>	<b>(6,176)</b>	<b>1,530</b>	<b>(6,215)</b>

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## NOTE 34 EVENTS OCCURRING AFTER BALANCE DATE

There were no events occurring after the balance date, which would affect the financial statements at 31 December 2018.

## NOTE 35 THIRD PARTY MONIES

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

	Consolidated		CIT	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Balance at the Beginning of the Reporting Period</b>	<b>48</b>	<b>64</b>	<b>48</b>	<b>64</b>
Receipts for Overseas Student Health Cover <sup>(a)</sup>	189	478	189	478
Payments for Overseas Student Health Cover <sup>(a)</sup>	(200)	(494)	(200)	(494)
<b>Balance at the End of the Reporting Period</b>	<b>37</b>	<b>48</b>	<b>37</b>	<b>48</b>

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

Overseas Student Health Cover	37	48	37	48
<b>Total Third Party Monies</b>	<b>37</b>	<b>48</b>	<b>37</b>	<b>48</b>

(a) Third party monies are funds received from primarily international students for the payment of Overseas Student Health Cover insurance.

## NOTE 36 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 2018.

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**  
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**NOTE 36 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.

	2018 \$'000	2017 \$'000
Short-term employee benefits	1,624	356
Post employment benefits	116	29
Board member fees	102	101
<b>Total Compensation by CIT to KMP <sup>(a)</sup></b>	<b>1,842</b>	<b>486</b>

(a) The increase from 2017 is due to a restructure of the executive resulting in the increase in the designation of key management personnel.

**B.2 Transactions with Key Management Personnel**

There were no transactions with KMP that were material to the financial statements of CIT.

**B.3 Transactions with parties related to Key Management Personnel**

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.

**(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 \$3,491,000 of expenses (\$4,015,000 in 2017) related to CIT Solutions Pty Ltd, mainly for management fees for the recruitment of international students.

CIT earned \$344,000 of revenue (\$979,000 in 2017) from CIT Solutions Pty Ltd, largely comprising payments for the lease of CIT's facilities and for administrative services.

CIT Solutions Pty Ltd did not pay a cash transfer to CIT in 2017 or 2018.

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 2018

### NOTE 37 BUDGETARY REPORTING

Operating Statement Line Items	Actual 2018 \$'000	Original Budget <sup>1</sup> 2018 \$'000	Variance \$'000	Variance %	Variance Explanation
No items fulfil the variance requirements	–	–	–	–%	–

Balance Sheet Line Items	Actual 2018 \$'000	Original Budget <sup>1</sup> 2018 \$'000	Variance \$'000	Variance %	Variance Explanation
Cash and Cash Equivalents	9,915	8,507	1,408	17%	The higher cash balance is a result of lower than expected payments for operating activities due to restraints in supplies and services expenditure.
Receivables	4,039	2,900	1,139	39%	Higher than budgeted due to unanticipated accrued revenue for User Choice Australian Apprentice funds and Skilling Australia Funds (Skills Canberra) Receivables at year end.
Assets Held for Distribution to Owners	16,198	–	16,198	100%	Land and Buildings at Woden and Watson Campuses, including the Woden Childcare Centre, were transferred to Assets Held for Distribution to Owners which was not budgeted for in 2018.
Property, Plant and Equipment	179,539	198,695	19,156	10%	Land and Buildings at Woden and Watson Campuses, including the Woden Childcare Centre, were transferred to Assets Held for Distribution to Owners which was not budgeted for in 2018.
Payables	2,990	1,403	1,587	113%	Higher than budgeted due to unanticipated accrued expenses (primarily for Ellucian Software, Marketing Advertising costs and Procurement Solutions).

Canberra Institute of Technology

## Notes to and Forming Part of the Financial Statements

For the Year Ended 31 December 2018

### NOTE 37 BUDGETARY REPORTING – CONTINUED

Balance Sheet Line Items	Actual 2018 \$'000	Original Budget <sup>1</sup> 2018 \$'000	Variance \$'000	Variance %	Variance Explanation
Employee Benefits – Current	21,572	18,978	2,594	14%	Above budget due to the accrual of back pay pending enterprise agreement negotiations being finalised. This was not anticipated in the 2018 budget.
Employee Benefits – Non-Current	997	1,277	(280)	22%	Below budget due to a reduction in long service leave obligations as more payments than expected were made to departing staff.

Cash Flow Statement Line Items	Actual 2018 \$'000	Original Budget <sup>1</sup> 2018 \$'000	Variance \$'000	Variance %	Variance Explanation
Supplies and Services	33,845	38,355	(4,510)	(12%)	Below budget due to lower accrued expenses and Prepaid CIT Solutions Management Fee balance paid in 2018.
Payments for Property, Plant and Equipment	6,565	5,569	996	18%	Asset purchases expected for 2017 that were delayed (Music and Media Department at CIT Reid) and capitalised during 2018.
Capital Injections	4,909	5,569	(660)	(12)%	Below budget due to delays with Modernisation Project – upgrading of CIT's campus buildings and facilities. (Payment being withheld pending resolution of a service issue with an external provider).

<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 2018-19). These amounts have not been adjusted to reflect supplementary appropriation or appropriation instruments.

Explanations for variations from budget for Controlled Recurrent Payments and Capital Injection are provided in the Statements of Appropriation.

## **Appendix A – Basis of Preparation of the Financial Statements Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2018

### **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 for the year;
- iii. a Statement of Changes in Equity for the year;
- iv. a Cash Flow Statement for the year;
- v. a Statement of Appropriation for the year;
- vi. 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 of the Canberra Institute of Technology 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 reporting entity.

#### **PRINCIPLES OF CONSOLIDATION**

The consolidated financial statements are for the group comprising CIT and CIT Solutions Pty Ltd (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 2018

### **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 2018 together with the financial position of CIT as at 31 December 2018.

#### **COMPARATIVE FIGURES**

##### *Budget Figures*

To facilitate a comparison with the Budget Papers, as required by the FMA, budget information for 2018 has been presented in the financial statements. Budget numbers in the financial statements are the original budget numbers that appear in the 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 “-” represents zero amounts or amounts rounded down to zero.

#### **GOING CONCERN**

As at 31 December 2018, CIT's current assets (\$33.28m) exceed its current liabilities (\$26.55m) by \$6.73m. Excluding the assets held for distribution to owners (\$16.2m), which is a non-cash transaction, the current liabilities exceed the current assets by \$9.12 million.

CIT's liquidity risk is managed through appropriation from the ACT Government on a cash-needs basis. This is consistent with the whole of government Cash Management Framework, which requires excess cash balances to be held centrally rather than within individual agency bank accounts. No liquidity issues are currently anticipated for CIT's wholly owned subsidiary, CIT Solutions Pty Ltd.

The 2018 financial statements have been prepared on a going concern basis as CIT has been funded in 2018-19 Budget and Budget Papers include forward estimates for CIT.

Canberra Institute of Technology

## **Appendix B – Significant Accounting Policies**

### **Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2018

## **APPENDIX B SIGNIFICANT ACCOUNTING POLICIES**

### **SIGNIFICANT ACCOUNTING POLICIES – INCOME**

Where significant accounting policies and other explanatory information is applicable it is provided in this Appendix. Additional information is not provided for all notes in the financial statements.

#### **REVENUE RECOGNITION**

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement.

#### **NOTE 4 – CONTROLLED RECURRENT PAYMENTS**

Controlled Recurrent Payments are recognised as revenues when CIT gains control over the funding. Control over appropriated funds is obtained upon the receipt of cash.

#### **NOTE 5 – USER CHARGES**

##### **User charges**

User-charge revenue is recognised upon delivery of the service to customers, or by reference to the stage of completion of contracts or agreements for the services involved. The stage of completion is estimated on the basis of the ratio of costs incurred to date to the estimated total costs of the contract or agreement.

##### **Sale of Goods**

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

##### **Rendering of Services**

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

#### **NOTE 6 – GOVERNMENT GRANTS**

Revenue is recognised when CIT controls the revenue.

#### **NOTE 7 – INTEREST**

Interest revenue is recognised using the effective interest rate.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

#### SIGNIFICANT ACCOUNTING POLICIES – INCOME – CONTINUED

##### NOTE 8 – RESOURCES RECEIVED AND PROVIDED FREE OF CHARGE

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

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

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

- (i) The CIT Student Association was provided with services and resources free of charge to an amount of \$464,953 in 2018 (2017 \$451,411) for its use of CIT's accommodation and utilities; and
- (ii) The Canberra City Band was provided with a benefit of rent to the value of \$69,784 in 2018 (2017 \$67,752).

#### SIGNIFICANT ACCOUNTING POLICIES – EXPENSES

##### NOTE 11 – 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 27 – *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 2018

#### **SIGNIFICANT ACCOUNTING POLICIES – EXPENSES – CONTINUED**

##### **NOTE 12 – 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 13 – SUPPLIES AND SERVICES**

###### **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**

Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

#### SIGNIFICANT ACCOUNTING POLICIES – EXPENSES – CONTINUED

##### NOTE 14 – 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

The aggregate amount of depreciation allocated for each class of asset during the reporting period is disclosed in **Note 14 – Depreciation and Amortisation**.

##### NOTE 16 – WAIVERS, IMPAIRMENT LOSSES AND WRITE-OFFS

###### WAIVERS

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

###### IMPAIRMENT OF ASSETS

Expensed impairment losses of assets include: land, buildings, and improvements to land, (refer **Appendix B – Note 23 – Impairment of Assets**).

###### Impairment Losses and Write-Offs – Receivables

Refer **Note 19 – Receivables - Impairment Loss Receivables** for CIT's allowance for impairment of receivables.

Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

#### 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.

##### NOTE 18 – 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 19 – RECEIVABLES

###### Accounts Receivables

Accounts receivable (including student receivables and other trade receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement (see **Appendix B – Note 16 – Waivers, Impairment Losses and Write-Offs**).

###### Allowance for Impaired Receivables

The allowance for impaired receivables represents the amount of trade receivables and student receivables that CIT estimates will not be repaid. CIT determines the allowance for impaired receivables based on expected credit losses (ECL). CIT considers the following is objective evidence of impairment:

- a. becoming aware of financial difficulties of debtors;
- b. default payments; or
- c. estimates based on historical loss rates using historical monthly debtor ageing tables to calculate average roll over rates.

The amount of the allowance is recognised in the Operating Statement (see **Appendix B – Note 16 – Waivers, Impairment Losses and Write-Offs**). The allowance for impaired receivables is 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.

##### NOTE 21 – INVESTMENTS

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



Canberra Institute of Technology

## Appendix B – Significant Accounting Policies

### Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS – CONTINUED

##### NOTE 22 – 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. An impairment loss is recognised for any initial or subsequent write down of the asset to fair value less cost to sell (see Appendix B – Note 16 – *Waivers, Impairment Losses and Write-offs*). Assets held for distribution to owners are not depreciated.

##### NOTE 23 – PROPERTY, PLANT AND EQUIPMENT

###### Acquisition and Recognition of Property, Plant and Equipment

All property, plant and equipment is 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.

###### 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 and plant and equipment are measured at cost.

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 valuers.

Land, buildings, and heritage assets are revalued every three years. As these assets were revalued in 2017, the next asset revaluation is scheduled for 2020. However, if at any time management considers that the carrying amount of an asset materially differs from its fair value, then the asset will be revalued regardless of when the last valuation took place. Any accumulated depreciation relating to buildings, plant and equipment and heritage assets, at the date of revaluation, is written-back against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

###### 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 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 2018

#### SIGNIFICANT ACCOUNTING POLICIES – ASSETS – CONTINUED

##### 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 2017. The useful lives are assessed on an annual basis and adjustments are made when necessary.

Refer **Appendix B – Note 14 – 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, buildings and improvements 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.

#### NOTE 24 – 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 26 – 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.

Canberra Institute of Technology

## **Appendix B – Significant Accounting Policies**

### **Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2018

#### **SIGNIFICANT ACCOUNTING POLICIES – LIABILITIES – CONTINUED**

##### **NOTE 27 – 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, experience of 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 2018 the rate used to estimate the present value of future

- annual leave payments is 99.7% (101.0% in 2017);
- payments for long service leave is 103.7% (103.1% in 2017).

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 has been taken into account in estimating the provision for long service leave and applicable on-costs.

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

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there 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 future wage and salary levels, experience of 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 May 2014. The assessment by an actuary is performed every 5 years. However, it may be performed more frequently if there is a significant contextual change in the parameters underlying the 2014 report. The next actuarial review is expected to be undertaken by May 2019.

##### **NOTE 28 – 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, otherwise all are recorded as revenue.

Canberra Institute of Technology

## **Appendix B – Significant Accounting Policies**

### **Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2018

#### **SIGNIFICANT ACCOUNTING POLICIES – EQUITY**

##### **NOTE 29 – EQUITY**

Contributions made by the ACT Government, through its role as owner of CIT, are treated as contributions of equity.

Increases or decreases in net assets as a result of Administrative Restructures are also recognised in equity.

#### **SIGNIFICANT ACCOUNTING POLICIES – BUDGETARY REPORTING**

##### **NOTE 37 – 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 (-) 10% of the budget for the financial statement line item.

## **Appendix C – Impact of Accounting Standards Issued But Yet to be Applied Forms Part of Note 2 of the Financial Statements**

For the Year Ended 31 December 2018

### **APPENDIX C IMPACT OF ACCOUNTING STANDARDS ISSUED BUT YET TO BE APPLIED**

#### *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 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 15 Revenue from Contracts with Customers (application date 1 January 2018 for for-profit entities, 1 January 2019 for not-for-profit entities);

AASB 15 is the new standard for revenue recognition. It establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces AASB 111 Construction Contracts and AASB 118 Revenue. CIT is currently assessing the impact of this standard and has identified there could be a potential impact on the timing of the recognition of revenue. Some revenue may need to be deferred to a future reporting period if CIT has received cash and has not met its associated performance obligations (this would create a liability until the performance obligations are met).

CIT has reviewed its revenue categories and expects no significant impact at this time of this new standard on its financial statements, however, CIT will continue to assess revenue contracts arising in the future.

AASB 2016-7 Amendments to Australian Accounting Standards – Deferral of AASB for Not-for-Profit Entities defers the effective date of AASB 15 for not-for-profit entities to 1 January 2019.

- AASB 16 Leases (application date 1 January 2019).

AASB 16 is the new standard for leases. It introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset value is low. This will result in CIT recognising a number of its operating leases as assets alongside the associated liability, rather than accounting for these as operating lease expenditure. The right-of-use asset will initially be recognised at cost and will give rise to a depreciation expense. The lease liability will initially be recognised as the present value of the lease payments during the term of the lease. Lease payments made will reduce this liability over time and will also result in an interest expense.

CIT estimates the net impact of these changes as a net \$0.24 million increase to the profit and loss result and a net \$0.24 million increase to equity (balance sheet).

## Appendix D – Initial Application of Australian Accounting Standards Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

### APPENDIX D INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS

AASB 9 *Financial instruments* replaces AASB 139 *Financial instruments: Recognition and Measurements* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

CIT applied AASB 9 prospectively, with an initial application date of 1 January 2018. The adoption of AASB 9 has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements. In accordance with AASB 9.7.2.15, CIT has not restated the comparative information which continues to be reported under AASB 139. Differences arising from adoption have been recognised directly in Accumulated surplus/(deficit).

The effect of adopting AASB 9 as at 1 January 2018 was, as follows:

	Adjustment	1 January 2018 \$'000
<b>Asset</b>		
Trade receivables	(a), (b)	83
<b>Total assets</b>		<b>83</b>
<b>Total adjustments on Equity</b>		
Accumulated surplus/(deficit)	(a), (b)	83
		<b>83</b>

The nature of these adjustments are described below:

#### (a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss. The classification is based on two criteria: CIT's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of CIT's business model was made as of the date of initial application, 1 January 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact for CIT. The following are the changes in the classification of the Agency's financial assets:

- *Trade, student and other receivables* classified as Receivables as at 31 December 2017 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 January 2018.
- CIT did not designate any financial assets as fair value through other comprehensive income or fair value through profit or loss.



## Appendix D – Initial Application of Australian Accounting Standards Forms Part of Note 2 of the Financial Statements

For the Year Ended 31 December 2018

### APPENDIX D INITIAL APPLICATION OF AUSTRALIAN ACCOUNTING STANDARDS – CONTINUED

In summary, upon the adoption of AASB 9, CIT had the following required (or elected) reclassifications as at 1 January 2018:

	AASB 9 category		
	Amortised Cost \$'000	Fair value through OCI \$'000	Fair value through P/L \$'000
<b>AASB 139 category (\$'000)</b>			
Loans and receivables	5,627	–	–
	<b>5,627</b>	<b>–</b>	<b>–</b>

\* The change in carrying amount is a result of additional impairment allowance. See the discussion on impairment below.

#### (b) Impairment

The adoption of AASB 9 has fundamentally changed CIT's accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach. AASB 9 requires CIT to recognise an allowance for ECLs for all financial assets not held at fair value through P/L.

Upon adoption of AASB 9, CIT recognised an additional impairment on CIT's *Trade receivables* of \$10,000 which resulted in a decrease in *Accumulated surplus/(deficit)* of \$10,000 as at 1 January 2018.

Set out below is the reconciliation of the ending impairment allowances in accordance with AASB 139 to the opening loss allowances determined in accordance with AASB 9:

	Impairment under AASB 139 as at 31 Dec 2017 \$'000	Re-measurement \$'000	ECL under AASB 9 as at 1 Jan 2018 \$'000
Loans and receivables under AASB 139/Financial assets at amortised cost under AASB 9	233	(83)	150
	<b>233</b>	<b>(83)</b>	<b>150</b>

Canberra Institute of Technology

## **Appendix E – Change in Accounting Estimates**

### **Forms Part of Note 3 of the Financial Statements**

For the Year Ended 31 December 2018

#### **APPENDIX E CHANGE IN ACCOUNTING ESTIMATES**

As disclosed in **Note 27 – Employee Benefits**, annual leave and long service leave, including applicable on costs that do not fall due in the next 12 months are measured at the present value of estimated payments to be made in respect of services provided by employees up to the reporting date. The present value of future payments is estimated from an assessment made by the Australian Government Actuary.

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#### **For more information:**

Executive Director, Corporate Services  
(02) 6207 8960

## C.3 CAPITAL WORKS

In 2018, the CIT capital works program consisted of campus renewal projects and minor capital upgrades to enhance education delivery including equipment replacement and software upgrades.

### COMPLETED PROJECTS

The following projects were completed:

- > upgrade of lift G block – CIT Bruce
- > upgrade heating and ventilation building A – CIT Bruce
- > upgrade of building management system – CIT Bruce
- > upgrade of landscaping – CIT Bruce
- > upgrade lighting – CIT Fyshawick
- > upgrade of electrical switchboards building C and D – CIT Fyshawick
- > installation of evaporative cooling for C21 – CIT Fyshawick
- > construction of disabled access ramp to S block – CIT Bruce
- > refurbishment of lower ground floor D block – CIT Bruce
- > refurbishment of E block – CIT Bruce
- > replacement of boiler – CIT Fyshawick
- > replacement of steam boilers E block – CIT Bruce
- > storm water drainage upgrade – CIT Bruce
- > replacement of waterproof membrane plant room building A – CIT Bruce
- > upgrade fire detection system A block – CIT Bruce
- > refurbishment of G block for Cyber Security computing facility – CIT Reid
- > refurbishment of ground floor A block – CIT Fyshawick
- > refurbishment and heating and ventilation upgrade H block – CIT Fyshawick
- > installation of 100kW solar system – CIT Fyshawick

### WORKS STILL IN PROGRESS

- > Campus modernisation project – CIT Reid
- > Upgrade sawdust extraction and ventilation G block – CIT Bruce
- > New lift D block – CIT Fyshawick
- > Upgrade fire detection systems A, B and C block – CIT Fyshawick
- > Replacement of Chiller – CIT Bruce
- > Refurbishment of toilets J block – CIT Bruce
- > Refurbishment of ground floor building A – CIT Bruce
- > Refurbishment of L block for music department – CIT Reid
- > Digitisation Project – All campuses



The new state-of-the art dental clinic opening at CIT Bruce.

## Statement of Capital Works Income and Expenditure

			Prior Years		Current Year						Completion Date	
Project	Original Project Value \$'000	Revised Project Value \$'000	Prior Year's Expenditure \$'000	Prior Year's Financing \$'000	Budgeted Financing \$'000	Revised Financing \$'000	Budgeted Expenditure \$'000	Actual Expenditure \$'000	Total Financing to date \$'000	Total Expenditure to Date \$'000	Original	Revised
<b>NEW WORKS and WORKS IN PROGRESS</b>												
Better Infrastructure Funds 2018-19	2,708	2,708	0	0	1,461	1,325	1,461	1,461	1,325	1,461	Jun-19	Jun-19
CIT Modernisation	1,000	1,000			136	39	136	136	39	136	Jun-19	Jun-19
<b>Total New Works</b>	<b>3,708</b>	<b>3,708</b>	<b>0</b>	<b>0</b>	<b>1,597</b>	<b>1,364</b>	<b>1,597</b>	<b>1,597</b>	<b>1,364</b>	<b>1,597</b>		
<b>COMPLETED PROJECTS</b>												
Better Infrastructure Funds 2017-18	2,642	3,535	1,749	1,366	1,785	2,169	1,785	1,785	3,535	3,535	Jun-18	Jun-18
<b>Total Completed Projects</b>	<b>2,642</b>	<b>3,535</b>	<b>1,749</b>	<b>1,366</b>	<b>1,785</b>	<b>2,169</b>	<b>1,785</b>	<b>1,785</b>	<b>3,535</b>	<b>3,535</b>		
<b>GRAND TOTAL</b>	<b>6,350</b>	<b>7,243</b>	<b>1,749</b>	<b>1,366</b>	<b>3,382</b>	<b>3,533</b>	<b>3,382</b>	<b>3,382</b>	<b>4,899</b>	<b>5,132</b>		

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

## C.4 ASSET MANAGEMENT

CIT manages land and building assets with a land area of 47.25ha, a total floor area of 138,963m<sup>2</sup> and a total value of \$664,714 million.

CIT's infrastructure assets are located on four operational campuses:

- > Reid
- > Bruce
- > Woden
- > Fyshwick Trade Skills Centre.

Additional assets include:

- > Gungahlin Learning Centre (leased asset)
- > Tuggeranong Learning Centre (leased asset)
- > Watson campus, sub-leased to Academy of Interactive Entertainment
- > Monterey Student Residences
- > Woden Childcare Centre

The infrastructure assets comprised a diverse range of buildings, grounds and building services of varying age and condition ranging from CIT's first building constructed in 1960 at Reid, to the Learning Centre at Gungahlin Town Centre completed in early 2011.

CIT buildings incorporate a mix of function types including specialist facilities, workshops, general-purpose classrooms and ancillary office areas. The average age of all CIT buildings is 36 years.

No new buildings were added to the asset register during 2018.

The CIT vehicle fleet consisted of 22 passenger vehicles.

CIT Community Development students worked in partnership with the ACT Government Suburban Land Authority (SLA) on community consultation, planning and evaluation of community events in the new suburb of Lawson. Students worked with the SLA and residents to run a barbeque, a vertical gardening workshop and an outdoor cinema night as part of their assessment. The experience has cemented a great relationship with the SLA, which will continue to partner with CIT community work student groups.



CIT Community Development students Saskia R Healey, Jose Aldemar Ochoa Quiceno, Alejandra Fearon Carbajal, Chloe Rees, Larissa Gonzalez Quaresma, Rhiannon Sorenson, John Mark



Student breakout area at CIT Tuggeranong.

## ASSET MAINTENANCE AND UPGRADE

Results of regular asset condition audits are incorporated in CIT's Capital Upgrades and Minor New Works programs.

Minor works outside the capital works program totaled \$220,340 in 2018.

Expenditure on repairs and maintenance, including grounds maintenance and cleaning, was \$ 4.9 million.

The following studies were carried out at CIT Reid Campus during 2018:

- > Stage 1 Site Investigation
- > tree survey
- > geotech assessment
- > environmental assessment
- > non-intrusive hazardous materials survey
- > non-intrusive asbestos re-inspection.

## ASSET UTILISATION

Due to the diverse nature of operations throughout CIT, most buildings have multiple uses including as classrooms, specialist teaching rooms (workshops, laboratories etc), support areas (stores and preparation rooms) and offices.

CIT compares utilisation rates with similar state and territory education institutions annually. The dynamic nature of CIT functions makes it difficult to determine the exact quantum of office space and usage at any one time. Utilisation of office space was close to 100% as office space was created or removed subject to demand.

CIT's space allocation rate for office accommodation was estimated to be about 13m<sup>2</sup> of floor space per office employee.

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960



## C.5 GOVERNMENT CONTRACTING

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.

Details of CIT contracts on the ACT Government Contracts Register with a value of \$25,000 or more executed between 1 January and 31 December 2018 are provided below in Table 1.

Details of CIT contracts on the ACT Government Contracts Register with a value of \$25,000 or more not executed during 2018 but remaining current are provided below in Table 2.

### **Evan Street** | 2018 ACT VET Teacher/Trainer of the Year

Evan is a qualified metal fabricator and trainer and assessor in metal fabrication and welding trades at CIT. He did his apprenticeship with a local Sheetmetal workshop and worked mainly on duct work and general fabrication and moved up the ranks to foreman before moving into a teaching role at CIT.

He has a range of qualifications, including Certificate III and IV in Engineering (fabrication), Certificate IV Training and Assessment and Advanced Diploma of Adult Vocational Education.

As a teacher at CIT he has had the opportunity to develop skills in eLearning and has the ability to modify online course content quickly to ensure training is up to date and industry focused for his students.

Evan delivers a range of classes at CIT to a range of students including light metal fabrication classes to apprentices, night welding classes to the community and welding skills to heavy vehicle apprentices. He delivers training mostly to apprentices, who have a broad range of learning abilities and come from various age groups including mature age students. He has also had the opportunity to deliver programs to non-apprentice students including from Defence Personnel and EvoEnergy.



**TTable 1 – New CIT Contracts– continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
C180261	Office desks and associated equipment	Quotation	Services (Non-consultancy)	The Trustee for Aurora Office Furniture Trust trading as Aurora Office Furniture	\$28,963.00	1/01/18	31/12/18		
C180104	Bus Advertising	Single Select	Services (Non-consultancy)	GoTransit Media Group Pty Limited trading as Go Transit Australia	\$25,740.00	1/01/18	31/12/18		Yes
2018.17896.210	Provision of Cleaning Services to CIT Bruce Campus	Single Select	Services (Non-consultancy)	Millennium Hi-Tech Group Pty Ltd	\$925,819.60	1/01/18	31/12/18		Yes
2018.19291.210	Provision of Cleaning Services to CIT Fyshwick Campus	Single Select	Services (Non-consultancy)	Millennium Hi-Tech Group Pty Ltd	\$326,690.48	1/01/18	31/12/18		Yes
2018.20462.210	Provision of Cleaning Services to CIT Reid Campus (Excluding M&K Blocks)	Single Select	Services (Non-consultancy)	Millennium Hi-Tech Group Pty Ltd	\$730,339.99	1/01/18	31/12/18		Yes
C180425	Australian Standards Learning Resources	Single Select	Services (Non-consultancy)	SAI Global Pty Limited	\$50,000.00	1/01/18	31/12/18		Yes
C180426	Purchase print subscriptions, electronic databases and eBooks	Single Select	Services (Non-consultancy)	EBSCO International Inc.	\$85,899.50	1/01/18	31/12/18		Yes
C180228	Studiosity Services Agreement	Quotation	Services (Non-consultancy)	Studiosity Pty Limited trading as Tutoring Australasia	\$77,275.00	19/01/18	31/12/18		
C180358	2018 TV Advertising - Nine	Single Select	Services (Non-consultancy)	SOUTHERN CROSS AUSTEREO PTY LTD	\$100,000.00	23/01/18	31/12/18		Yes
C180374	2018 Radio Advertising	Single Select	Services (Non-consultancy)	AUSTEREO CAPITAL FM PTY LTD & CAPITAL CITY BROADCASTERS PTY LTD	\$150,000.00	23/01/18	31/12/18		Yes
C180342	2018 Print & Digital Advertising	Single Select	Services (Non-consultancy)	FAIRFAX MEDIA PUBLICATIONS PTY LIMITED	\$100,000.00	23/01/18	31/12/18		Yes
C180347	2018 TV Advertising - Prime	Single Select	Services (Non-consultancy)	PRIME MEDIA GROUP LIMITED	\$100,000.00	23/01/18	31/12/18		Yes
C180346	2018 TV Advertising - WIN	Single Select	Services (Non-consultancy)	WIN TELEVISION NSW PTY LIMITED	\$100,000.00	23/01/18	31/12/18		Yes

**Table 1 – New CIT Contracts – continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
C180373	2018 Print Advertising Canberra Weekly	Single Select	Services (Non-consultancy)	NEWSTATE MEDIA PTY LTD trading as Canberra Weekly	\$50,000.01	23/01/18	31/12/18		Yes
C180372	2018 Cinema Advertising	Single Select	Services (Non-consultancy)	VAL MORGAN & CO. (AUST.) PTY. LTD.	\$50,000.01	23/01/18	31/12/18		Yes
C180276	Maintenance Services to CIT's BMS	Quotation	Services (Non-consultancy)	Complete Control Pty Ltd	\$195,000.00	29/01/18	31/12/18		
C180279	Carpet Laying Services	Quotation	Services (Non-consultancy)	Parcweij Pty Limited trading as Carpet One Canberra	\$99,000.00	29/01/18	31/12/18		
C180286	2018 Vehicle Hire	Single Select	Services (Non-consultancy)	Custom Service Leasing Pty Ltd	\$365,000.00	29/01/18	31/12/18		Yes
C180298	Electrical Maintenance and Repairs - 2018	Single Select	Services (Non-consultancy)	Simeco Pty Ltd trading as Simeco Electrical	\$199,000.00	29/01/18	31/12/18		Yes
C180289	2018 Cleaning K Block Reid	Single Select	Services (Non-consultancy)	Canberra Institute of Technology Student Association	\$99,000.00	29/01/18	31/12/18		Yes
C170752	Micro Focus/Zenworks Academic License Renewal	Single Select	Services (Non-consultancy)	Nextgen Distribution Pty Ltd	\$105,782.20	16/02/18	31/12/18		Yes
C170738	VerveEd Enterprise Teacher Training Platform	Quotation	Services (Non-consultancy)	VerveEd Pty Ltd	\$49,500.00	16/02/18	31/12/18	Yes	
Q-111287	Marketing Automation Tool	Quotation	Services (Non-consultancy)	Marketo EMEA Ltd	\$52,076.20	17/02/18	16/02/20		
C180447	Workforce Plan Strategic Compass - 2020	Single Select	Consultancy	The Trustee for TAILORED HR SOLUTIONS UNIT TRUST	\$99,670.42	2/03/18	31/12/18	Yes	Yes
C180444	Support Students at CIT	Single Select	Services (Non-consultancy)	Canberra Institute of Technology Student Association	\$660,000.00	2/03/18	31/12/18		Yes
C180451	Ground Maintenance - 2018	Quotation	Services (Non-consultancy)	The Trustee for Gehrig Family Trust trading as CJ Gardens & Maintenance	\$74,877.45	5/03/18	31/12/18	Yes	
C180472	Red Hat Enterprise Linux Software Assurance	Quotation	Goods	Red Hat Asia-Pacific Pty Ltd	\$32,760.20	14/03/18	22/03/19		
C170750	Provide Office Furniture	Quotation	Goods	Design Systems Office Interiors Pty Ltd trading as Dizzy Office Furniture	\$58,450.00	16/03/18	15/11/18		

**Table 1 – New CIT Contracts– continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
C180510	Data#3 Creative Cloud Master Collection	Quotation	Goods	Data#3 Limited	\$189,288.00	29/03/18	22/05/19		
C180516	Fire Alarm Monitoring & Maintenance- 2018	Single Select	Services (Non-consultancy)	Tyco Australia Group Pty Limited trading as ADT Security	\$68,828.39	3/04/18	31/12/18		Yes
CIT2018/783	VET Quality & Training Activities	Single Select	Services (Non-consultancy)	Barrack St Compliance Co Pty Ltd	\$200,000.00	4/04/18	30/11/19	Yes	Yes
C180532	Provide Mechanical & General Building Maintenance Services to CIT	Quotation	Services (Non-consultancy)	Air Plant Sales Pty Ltd	\$166,763.40	9/04/18	31/12/18		
C180533	Funding for Dept. Apprentice	Single Select	Services (Non-consultancy)	SYDNEY TRAINING AND EMPLOYMENT LTD	\$42,900.00	10/04/18	31/12/18		Yes
C180540	Hairdressing Professional & Retail Products	Single Select	Services (Non-consultancy)	HENKEL AUSTRALIA PTY LTD	\$55,000.00	11/04/18	31/12/18		Yes
C180545	Hitachi Software Assurance	Single Select	Goods	Hitachi Vantara Australia Pty Limited trading as Hitachi Data Systems Pty Ltd	\$34,389.08	12/04/18	31/05/19		Yes
C180538	Camera Bodies, Lenses and Accessories	Quotation	Goods	TED'S CAMERA STORES (VIC.) Pty. Limited	\$59,180.00	19/04/18	11/04/20		
C180555	Support Services for Open Source Software	Quotation	Goods	EDALEX PTY LTD	\$154,660.00	20/04/18	1/04/20		
C180585	Assist with Travel Payments and Fees	Single Select	Services (Non-consultancy)	Canberra Institute of Technology Student Association	\$189,000.00	9/05/18	1/03/19	Yes	Yes
C180594	Joinery Bruce Campus Dental Lab	Quotation	Services (Non-consultancy)	Cassin and Sons (Aust) Pty Ltd	\$43,219.00	18/05/18	31/12/18	Yes	
C180596	Hire Vixtro CISCO equipment and software	Quotation	Services (Non-consultancy)	De Lage Landen Pty Limited	\$146,005.80	21/05/18	21/05/23		
C180614	Studio Lighting Fixtures	Quotation	Services (Non-consultancy)	Lemac Films (Australia) PTY LTD	\$41,296.86	30/05/18	31/12/18		
C180615	Studio Cameras	Quotation	Services (Non-consultancy)	Lemac Films (Australia) PTY LTD	\$38,274.50	30/05/18	31/12/18		

**Table 1 – New CIT Contracts – continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
C180613	Supply and Install Electric Steam Boiler	Quotation	Goods	ACT BOILER & BURNER SERVICES PTY. LIMITED	\$44,660.00	30/05/18	31/12/18	Yes	
C180639	Provide a Heavy Vehicle Brake Roller and Shaker	Quotation	Goods	National Automotive Equipment Services Pty Ltd	\$60,148.00	13/06/18	13/06/19		
C180655	Purchase and Install a Rotel Bakers Oven	Quotation	Goods	A C & R Company Group	\$37,884.00	21/06/18	31/12/18	Yes	
CIT 2017/2144	Provision of Cooling Tower and Chiller Maintenance Services	Quotation	Services (Non-consultancy)	Carrier Australia Pty Ltd	\$200,000.00	29/06/18	1/01/21	Yes	
CIT2018/1593	Provision of Transformational Consultancy Services	Single Select	Consultancy	Redrouge Nominees Pty Ltd	\$151,250.00	1/07/18	30/09/18		Yes
C180705	Purchase a Dental Orthopantomogram	Quotation	Goods	Ivoclar Vivadent Pty. Ltd.	\$33,819.50	11/07/18	31/12/18		
C180730	Purchase Sport Equipment and Accessories	Quotation	Goods	Australian Barbell Company Pty Ltd	\$30,046.03	25/07/18	5/09/18		
C180731	Purchase Sport Equipment and Accessories	Quotation	Goods	International Fitness Pty Ltd	\$34,608.20	25/07/18	29/08/18		
C180741	Purchase Dental Equipment	Quotation	Goods	The Trustee for The Henry Schein Regional Trust trading as Henry Schein Halas	\$41,800.00	30/07/18	31/12/18		
C180744	Purchase of Specialised Dental Chair	Quotation	Goods	The Trustee for The Henry Schein Regional Trust trading as Henry Schein Halas	\$27,170.00	1/08/18	31/12/18	Yes	
C180791	Oracle Service Support & Maintenance	Quotation	Goods	ORACLE CORPORATION AUSTRALIA PTY LIMITED	\$181,395.53	19/08/18	18/08/19		
C180832	Commvault Backup and Recovery	Quotation	Goods	Datacom Systems (AU) Pty Ltd	\$34,386.00	5/09/18	30/09/19		
C180830	Linux Premier Support	Quotation	Goods	ORACLE CORPORATION AUSTRALIA PTY LIMITED	\$47,852.64	5/09/18	30/09/19		
C180853	Computer Lab Furniture and Equipment	Quotation	Goods	Ninetwofive Interiors Pty Ltd	\$38,761.80	14/09/18	31/12/18	Yes	

**Table 1 – New CIT Contracts– continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
C180878	Demolition and construction of rehearsal rooms	Quotation	Works	The trustee for Zakman Family Trust trading as Gridline Constructions ACT	\$93,487.90	26/09/18	31/12/18	Yes	
CIT2018/2289	Study on the Contribution of CIT to the ACT Economy and Community	Single Select	Consultancy	KPMG	\$59,860.00	2/10/18	30/10/18		Yes
C180151	Consumable IT Items	Quotation	Goods	ENIGMA BUSINESS PRODUCTS PTY LIMITED	\$132,000.00	10/10/18	31/12/18		
C180931	Purchase New TVs & Tilt Mounts	Quotation	Goods	THE TRUSTEE FOR FYSHWICK SUPERSTORE NO 2 TRUST trading as Harvey Norman AV/IT Superstore Fyshwick	\$27,000.00	20/10/18	31/12/18		
RFQ2018/61	Provision of Maintenance, Alteration and Installation Services on Intruder Alarm Systems and CIT Card Access System	Quotation	Services (Non-consultancy)	CONTROL BY INTEGRATION (CXI) PTY LTD	\$80,000.00	1/11/18	1/11/19	Yes	
2018.31001.220	Provision of Organisational Transformation Strategic Guidance and Mentoring Services to CIT	Public	Services (Non-consultancy)	Redrouge Nominees Pty Ltd	\$825,000.00	9/11/18	8/11/19		
C181007	Career Central Pilot	Single Select	Services (Non-consultancy)	JobReady Tech Pty Ltd	\$29,700.00	20/11/18	19/11/19		Yes
2018.29922.210	Student Information Management System - Banner	Single Select	Services (Non-consultancy)	Ellucian Australia Pty Limited	\$5,000,000.00	1/12/18	1/12/23		Yes



**Table 2 – CIT Contracts Current in 2018**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
2012.17903.210	Provision of Fire Protection Equipment Services	Public	Services (Non-consultancy)	Hirotec Maintenance Pty Ltd	\$500,000.00	10/01/13	10/01/18		
2012.19219.210	Provision of Cleaning Services to CIT Fyshwick Campus	Public	Services (Non-consultancy)	National Cleaning Services Australia Pty Ltd	\$1,081,860.00	14/01/13	10/01/18		
2014/00655	Provision of Back to Base Alarm Monitoring Services	Select	Services (Non-consultancy)	The Trustee for DSN Investments & The Trustee for PJN Investments trading as Security 1 Partnership	\$42,409.36	21/03/14	21/03/18	Yes	
2014.19856.230	Panel for the Provision of Plumbing Maintenance Services for CIT	Public	Services (Non-consultancy)	Don't Panic Plumbing Pty Ltd	\$0.00	7/07/14	7/07/19	Yes	
2014.19856.210	Panel for the Provision of Plumbing Maintenance Services for CIT	Public	Services (Non-consultancy)	Di Iulio Enterprises Pty Ltd & Larobina Investments Pty Ltd trading as DL Earthworks and Plumbing	\$0.00	7/07/14	7/07/19	Yes	
2014.19856.240	Panel for the Provision of Plumbing Maintenance Services for CIT	Public	Services (Non-consultancy)	Dalmaso, Adrian D trading as Adrian Dalmaso Plumbing Drainage & Gas	\$0.00	7/07/14	7/07/19	Yes	
2014.24521.210	Maintenance, Alteration and Installation Services on Intruder Alarm Systems, CIT Access Card System and CCTV Systems	Public	Services (Non-consultancy)	The Trustee for Shipway Family Trust trading as VAST Security	\$320,000.01	25/09/14	24/09/18		
2014.23446.210	Panel for the Provision of Maintenance and Repairs of Refrigeration Equipment for CIT	Public	Services (Non-consultancy)	BRS Commercial Refrigeration Pty Limited	\$80,000.00	17/10/14	17/10/19	Yes	
2016/1768	Delivery of the Bachelor of Games and Virtual Worlds	Single Select	Services (Non-consultancy)	The Academy of Interactive Entertainment Limited	\$3,977,132.00	1/01/15	31/12/19	Yes	Yes
ME_15381211_3	Copyright TAFE Monitoring Agreement	Single Select	Services (Non-consultancy)	Copyright Agency Ltd	\$388,119.79	22/01/15	31/12/18		Yes
2015.25059.210	2018 Waste Disposal Services	Public	Services (Non-consultancy)	J.J. Richards & Sons Pty Ltd	\$337,500.00	20/02/15	22/04/20		

**Table 2 – CIT Contracts Current in 2018 – continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
CIT16/19198	VMware ELA License & Financing Agreement	Quotation	Goods	UNICARD SYSTEMS PTY. LIMITED	\$160,505.40	5/10/15	5/10/19		Yes
2015/2669	Testing & Tagging Services for CIT	Quotation	Services (Non-consultancy)	Electrical Testing Services Pty Ltd	\$104,535.00	6/11/15	5/11/19		
RN2071687	Lease of Block 19, Section 19, Division Greenway	Single Select	Services (Non-consultancy)	Australiagen Office Portfolio Sub TC Pty Ltd c/Jones Lang Lasalle ACT Pty Ltd	\$7,506,900.00	24/11/15	30/04/26		Yes
AP 27.11.2015	Electronic System for the CIT Board	Single Select	Services (Non-consultancy)	Diligent Board Services Australia Pty Ltd	\$120,246.59	2/12/15	27/11/19		Yes
2016/1435	Provision of Cleaning Services to CIT Tuggeranong	Public	Community-based Services	Canberra Institute of Technology Student Association	\$36,913.26	1/07/16	30/06/19	Yes	
2016/994	Provision of Cleaning Services to CIT Woden E and J Blocks	Quotation	Services (Non-consultancy)	Canberra Institute of Technology Student Association	\$38,133.57	1/07/16	1/07/18	Yes	
27470.210	CIT Managed Print Room Services	Public	Goods	Fuji Xerox Australia Pty Limited	\$0.00	16/01/17	31/12/19		
C180248	Toilet Consumables for all CIT Campuses - 2018	Quotation	Goods	Bunzl Outsourcing Services Limited	\$52,459.55	24/01/17	31/12/19		
C170395	Purchase Microscopes	Single Select	Goods	Leica Microsystems Pty Ltd	\$32,969.20	14/03/17	7/02/19		Yes
C170442	Provision of a Practical Training Space for PV and Battery Storage Training	Single Select	Services (Non-consultancy)	E P C SOLAR PTY LTD	\$71,500.00	19/04/17	30/06/18		Yes
CIT17 31303	Provide a Timetabling, Scheduling and Staff Management System for CIT	Quotation	Services (Non-consultancy)	Cyon Knowledge Computing Pty Ltd	\$187,789.00	28/04/17	29/05/20		
C170467	Purchase Thermo Scientific HistoStar Embedding Centre	Single Select	Goods	Thermo Fisher Scientific Australia Pty Ltd	\$37,431.90	5/05/17	23/02/19		Yes
C170520	Annual License for Labster's Virtual Labs	Single Select	Services (Non-consultancy)	Labster Virtual Labs	\$27,700.00	14/06/17	14/06/18		Yes

**Table 2 – CIT Contracts Current in 2018 – continued**

Contract No	Contract Title	Procurement Methodology	Procurement Type	Contractor Name	Contract Amount	Execution Date	Expiry Date	SME	Exemption Sought
CIT2017/1614	Transformation of CIT Strategic Compass 2020	Single Select	Consultancy	The Trustee for The Patrick Hollingworth Family Trust	\$198,000.00	27/07/17	28/04/18	Yes	Yes
C170633	Purchase of CIT Fit & Well Gym Equipment	Quotation	Goods	LIFE FITNESS AUSTRALIA PTY LTD	\$66,891.00	11/09/17	13/07/19		
C170681	Provide Diploma of Nursing Accreditation	Single Select	Consultancy	Australian Nursing and Midwifery Accreditation Council Limited	\$41,910.00	15/10/17	6/10/19		Yes
CIT2017/2353	Provision of Lift Maintenance Services	Quotation	Works	Schindler Lifts Australia Pty. Ltd.	\$200,000.00	27/10/17	1/11/20	Yes	
C170700	Microsoft OVM Software Renewal	Quotation	Goods	Data#3 Limited.	\$106,818.02	31/10/17	30/11/18		
C170730	Provide Lockers for Human Services Bruce Campus	Quotation	Goods	EXCEL LOCKERS PTY LTD	\$37,743.20	22/11/17	21/11/18		
C170733	Firmware Upgrade	Quotation	Services (Non-consultancy)	Hitachi Vantara Australia Pty Limited trading as Hitachi Data Systems Pty Ltd	\$27,835.52	22/11/17	31/05/18		
CIT2017/1856	Provision of Automatic Closing Door Services	Quotation	Goods	KONE Elevators Pty Ltd	\$200,000.00	29/11/17	1/12/20	Yes	
CIT 2017/1864	Provision of Security Guard and Patrol Services	Quotation	Services (Non-consultancy)	Wilson Security Pty Ltd	\$200,000.00	1/12/17	1/12/20	Yes	
C170754	Refurbishment for Health Science Block at Bruce	Quotation	Works	The trustee for Zakman Family Trust trading as Gridline Constructions ACT	\$76,714.00	5/12/17	13/10/19		
CIT 2017/2143	Provision of Fire Protection Equipment and Services	Quotation	Goods	Wormald Australia Pty Ltd	\$200,000.00	8/12/17	10/01/19	Yes	

**For more information:**

Executive Director, Corporate Services  
(02) 6207 8960

# C.6 STATEMENT OF PERFORMANCE



AUDITOR-GENERAL AN OFFICER  
OF THE ACT LEGISLATIVE ASSEMBLY 

## REPORT OF FACTUAL FINDINGS

### 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 2018.

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 2018 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 2017*; 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 2017*, the Auditor-General is responsible for issuing a report of factual findings 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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Level 4, 11 Moore Street Canberra City ACT 2601    PO Box 275 Civic Square ACT 2608  
T 02 6207 0833 F 02 6207 0826 E [actauditorgeneral@act.gov.au](mailto:actauditorgeneral@act.gov.au) W [www.audit.act.gov.au](http://www.audit.act.gov.au)

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 the 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.



Michael Harris  
Auditor-General

26 March 2019

Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2018

**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 2018 and also fairly reflects the judgements exercised in preparing it.

A handwritten signature in black ink, appearing to read 'Craig Sloan', with a large loop at the end.

Craig Sloan  
Chair  
Canberra Institute of Technology Board  
22 March 2019



Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2018

**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 2018 and also fairly reflects the judgements exercised in preparing it.



Gregory Tong  
Senior Director Finance  
Canberra Institute of Technology  
22 March 2019

Canberra Institute of Technology  
**Statement of Performance**  
 For the Year Ended 31 December 2018

<b>OUTPUT CLASS 1: CANBERRA INSTITUTE OF TECHNOLOGY</b>				
Output 1.1: Provision of Vocational Education and Training Services				
<b>1 January 2018 to 31 December 2018</b>				
	<b>Notes</b>	<b>31 December 2018 Target \$'000</b>	<b>31 December 2018 Actual Result \$'000</b>	<b>Variance %*</b>
Total Cost	1	122,871	120,547	(2)
Controlled Recurrent Payments	1	71,779	71,779	0

<b>1 July 2017 to 30 June 2018</b>				
	<b>Notes</b>	<b>30 June 2018 Target \$'000</b>	<b>30 June 2018 Actual Result \$'000</b>	<b>Variance %*</b>
Total Cost	1	114,690	114,780	0
Controlled Recurrent Payments	1	70,913	70,831	0

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.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Payment for Expenses on Behalf of the Territory measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*.

Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2018

Accountability Indicators included in the Institute's 2018-19 Statement of Intent	Notes	31 December 2018 Target	31 December 2018 Actual Result	Variance %*
a) Nominal Hours	1	3,227,000	3,016,402	(7)
b) Achieve key output targets.				
i) Program Enrolments	1	11,700	11,686	(0)
ii) Module Pass Rates	2	75%	81%	8
iii) Program Completions	1	4,500	4,247	(6)
iv) Learner Satisfaction Rate	3	85%	89%	5
v) Employer Satisfaction Rate	3	80%	94%	18
c) Average Controlled Recurrent Payments per Nominal Hour	1	\$22.24	\$23.80	7

Accountability Indicators included in the Institute's 2017-18 Budget	Notes	30 June 2018 Target	30 June 2018 Actual Result	Variance %*
a) Nominal Hours		3,229,000	2,989,335	(7)
b) Achieve key output targets.				
i) Program Enrolments	1	13,300	11,214	(16)
ii) Module Pass Rates	2	75%	81%	8
iii) Program Completions	2	5,500	4,558	(17)
iv) Learner Satisfaction Rate	3	85%	89%	5
v) Employer Satisfaction Rate	3	80%	94%	18
c) Average Controlled Recurrent Payments per Nominal Hour	1	\$21.96	\$23.69	8

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.

The above Accountability Indicators were examined by the ACT Audit Office in accordance with the *Financial Management Act 1996*. The Total Cost and Payment for Expenses on Behalf of the Territory measures were not examined by the ACT Audit Office in accordance with the *Financial Management (Statement of Performance Scrutiny) Guidelines 2017*.

Canberra Institute of Technology  
**Statement of Performance**  
For the Year Ended 31 December 2018

## NOTES – EXPLANATION OF MATERIAL VARIANCES

- 1 Nominal Hours and Program Completions at 2018 were lower than target due to the carry-over effects of low enrolments in 2017. Nevertheless, performance figures for 2018 reflect a continued year-on-year increase in students.
- 2 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 2018 Learner Engagement Survey results.
- 3 The 2018 surveys of learner engagement and employer satisfaction showed overall levels of satisfaction with the training of 89% (2,638 responses, 24.6% response rate) and 94% (560 responses, 37.3% response rate) respectively, reflecting employers' and students' positive view of their experience of CIT training. Learner Satisfaction Rate results were based on the survey of students enrolled in nationally accredited programs. CIT has continued to improve its responsiveness to customers and effectiveness in skilling students with contemporary training methods which have been positively received by industry and students.

## Accountability Indicator Definitions

- a) Student activity data reported here (Nominal Hours, Program Enrolments, Module Pass Rates and Program Completions) only includes CIT's Profile activity, where '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 (Australasian Apprenticeships) and Skilled Capital programs is not included in these figures, and it should be noted that CIT's total student activity is much greater than the Profile figures alone might suggest.
- b) Nominal Hours is the nationally accepted quantitative output measure for the Vocational Education and Training sector. It measures the anticipated hours of supervised learning or training provided by 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.
- c) 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.
- d) 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.

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## For more information:

Executive Director, Corporate Services  
(02) 6207 8960



# PART D

PART D  
**NOTICES OF  
NON COMPLIANCE**

## D.1 DANGEROUS SUBSTANCES

Section 200 of the *Dangerous Substances Act 2004* requires CIT to provide a statement on the number of notices of non-compliance served and the matter to which each notice related.

CIT did not receive any notices of non-compliance during 2018.

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### **For more information:**

Executive Director, Corporate Services  
(02) 6207 8960

## D.2 MEDICINES, POISONS AND THERAPEUTIC GOODS

Section 177 of the *Medicines, Poisons and Therapeutic Goods Act 2008* requires CIT to provide a statement on the number of notices of non-compliance served and the matter to which each notice related.

CIT did not receive any notices of non-compliance during 2018.

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### **For more information:**

Executive Director, Corporate Services  
(02) 6207 8960

## E-M

These sections are not applicable to CIT.





# PART N

PART N  
**COMMUNITY  
ENGAGEMENT  
AND SUPPORT**

# N.1 COMMUNITY ENGAGEMENT AND 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.

## Open Day

CIT held its open day on Saturday 25 August 2018 at CIT Reid. Over 3,000 people attended this important event on the CIT annual calendar, promoting career opportunities through vocational education and training. The event was promoted through social media (Facebook, LinkedIn, Instagram, Twitter), radio advertising (including a live FM 104.7 radio outside broadcast at the Open Day), road signage, letterbox mail out (postcards sent to 134,918 Canberra households), Whole of Government messaging and a dedicated webpage on the CIT website.

## School Visits

CIT teachers, along with CIT marketing, visit schools across the ACT to discuss post-school options in vocational education and training. In 2018, CIT visited 48 schools (compared with 39 in 2017) and interacted with approximately 25,000 students (compared with 19,400 in 2017). CIT promotes school visits through the Monthly Careers Newsletters, Social Media (Facebook, Instagram) and a dedicated schools webpage on the CIT website.

## Studio18: Creative Industries

CIT creative industries held an open house in September 2018 for students to meet staff, trial CIT's first class industry standard facilities to find out what it is like to be a CIT student for a day. Over 200 Year 11-12 college students attended this event visiting Visual Arts, Graphic Design, Photography, Interior Design, Fashion, Building Design, Screen & Media, and Sound Production.

## Forensic Science Day

CIT Health, Community and Science hosted two separate Forensic Science open days. An estimated 200 Year 10-12 students from 12 schools attended over the two days. The open days included tours of the forensic science facilities as well as a series of workshops.

## ApprenticeLink

ApprenticeLink is an event open to the public to help apprentices find potential employers and for employers to meet apprentices. Two separate events were held during 2018. The first event was held in February at CIT Bruce and CIT Fyshwick. Over 160 people attended, including 52 employers, apprentice network providers and representatives from Skills Canberra. The second event was held as part of the CIT Open Day in August and attracted over 200 people. The ApprenticeLink event was promoted through radio and social media, including Facebook and Instagram.

## Drought Support

CIT partnered with the CIT Student Association (CITSA) to raise money for farmers in drought affected areas. The Buy a Bale fundraiser was launched at CIT Open Day with a BBQ and donation tins. Through this initiative and CIT's Parma for Farmer event (where funds were raised through the sales of Parmigiana from the CIT café) CIT and the CITSA raised over \$8,500 for this cause.



CIT Health and Community Day.

## 2018 Learner Engagement Survey (LES) and Employer Satisfaction Survey (ESS)

The LES and ESS are undertaken in line with the Australian Skills Quality Authority (ASQA) *Data Provision Requirements 2012* statutory requirements and the *National Vocational Education and Training Regulator Act 2011* provisions. Registered Training Organisations (RTOs) are required to use mandatory tools to collect learner engagement and employer satisfaction quality indicator data.

The 2018 surveys were 'live' from 20 August to 14 September 2018 and extended for two weeks to increase response rates. In 2018, survey software invited students and employers to participate in the LES and ESS respectively, and CIT staff phoned employers who were non-responders to email invitations to participate in the ESS. CIT previously engaged a third party to contact employers. This dual process was successful and will be continued and extended to the LES in 2019.

Survey participation rates in 2018 were above 2017 rates: 2,638 respondents of 10,714 students (24.6%) in the LES and 560 respondents of 1,502 employers (37.3%) in the ESS. The results of the surveys were analysed and suitable strategies for improvement were developed where deficiencies were identified. The results of the LES and ESS are discussed in B.2.

## Industry Advisory Groups

Industry Advisory Groups (IAGs) are established by CIT Teaching Colleges to share industry and training knowledge. IAGs are strategic networks to keep CIT at the forefront of industry trends and developments to ensure currency of CIT offerings and services. Membership consists of industry representatives with specific knowledge relating to training and skills development. IAGs ensure industry and community perspectives are taken into consideration when CIT promotes new learning and development needs or new consultancy services. Members are from industry, employer groups, and local and national business where there is a representative based in the ACT or local region. Members also come from community, government, university, schools and colleges, past CIT students and the CIT Student Association.

## Mental Health Month

Mental Health Month, aimed at raising awareness of mental health issues, was celebrated at CIT by staff and students at four campuses. Organised by the

CIT Student Support Counselling Service and CITSA, students and staff enjoyed a variety of food, games, dogs to pat and art activities. Students with personal experiences of mental health issues expressed their appreciation of the information shared and awareness raised. Approximately 400 students and 60 staff engaged with the events.

## Careers Expo – Try a Trade

CIT attended the Careers Expo facilitated by the ACT Government Education Directorate. The event, aimed at students from Years 10 to 12, provided information about potential careers and an opportunity to try or talk to someone about careers. In 2018, CIT hosted a collaborative stand including Hair, Beauty, Photography, Media, Fashion and Floristry where students participated in a progression across the stage to try out the different services. This innovative approach was well received by the participants with over 60 potential students participating.

## Health and Community Day

On Tuesday 15 May, more than 300 high school and college students attended CIT's inaugural Healthy Day Out, a new event designed to showcase the range of vocational education courses in the growing health, fitness and community services sectors. Students explored possible career paths within these sectors with workshops, practical activities and information pop-ups on the day, offering hands-on fun and a taste of the diversity of careers on offer. Sponsors for the day included Icon Water, Canberra Milk and Hesta Superannuation. Community participation, with Hockey ACT hosting hockey drills with students on the day, and Heart Foundation, Marymead ACT and the Cancer Council ACT pop-up stalls, contributed to the success.

## Bridge Challenge

The CIT Construction and Engineering Bridge Challenge is a hands-on activity where students compete to create the strongest bridge possible using 12 metres of timber, PVC glue and panel pins. The challenge helps showcase career opportunities in the construction and engineering fields. This year's bridge challenge was the biggest yet, with 50 teams competing from various schools across the ACT in semi-finals. The event saw a first for 2018, with six women-only teams participating in the challenge.





CIT teachers, James Hall and Doug Lang, at the CIT Construction and Engineering Bridge Challenge.

## Photographic Exhibition at the High Court

CIT hosts an annual photographic exhibition at the High Court to showcase the work of graduating photography students, CIT Ideas Brewery students, Year 12 students who participated in the CIT Year 12 Photography Challenge and staff and students from CIT partner, the Indonesian Institute of the Arts, Yogyakarta. Marketing was largely through social media and emails, with invitations sent to existing contacts, industry and graduates. In 2018, approximately 350 people attended the exhibition including representatives from major industry partners Sun Studios, Canon Australia, Australian Institute of Professional Photography, PhotoAccess, Scott Ogilvie Photography and Mac1.

## Homeless Connect

CIT hairdressing department supported the “Homeless Connect Canberra” event in August, organised and hosted by the Early Morning Centre at the Canberra City Uniting Church. This was a winter event based on a one-stop-shop model of service provision where private, public and community sector organisations were brought together to provide free services and products to people experiencing

homelessness. Five CIT staff and 10 students from the CIT hairdressing and barbering courses attended at various times during the day. Following this event, CIT now offers free haircuts to homeless people on a Monday or Thursday in our CIT Salon with vouchers provided at the Early Morning Centre.

## Disability Access Network Canberra Region

The Disability Access Network of the Canberra Region consists of approximately 18 members from across the TAFE and university sectors including CIT, the Australian National University, University of Canberra, Australian Catholic University, and the National Disability Coordination Officer. The Network enables practitioners to share information and ideas while discussing disability issues and new practices. The Australian Tertiary Education Network on Disability (ATEND) is the peak professional body for Disability Practitioners in the tertiary education and training sector. The ATEND National Committee, made up of a representative of the Training & University Sector within each state, organises the biennial Pathways Conference. In 2018, representatives from CIT and UC attended Pathways 14 held in Sydney.

## 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 to reward them for outstanding performance in their studies.

### Grants and Sponsorship 2018

Recipient(s)	Sponsor	Support Purpose	Amount
128 recipients	CIT Aboriginal and Torres Strait Islander Scholarships	To support Aboriginal and Torres Strait Islander students with their training costs.	\$70,975
2 recipients	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.	\$2,500 each
1 recipient	CIT and UC Equity Scholarship	A jointly funded scholarship to assist with education costs for students transitioning from CIT to UC.	\$2,500
1 recipient	The Len Barratt Award	This prize is awarded to an Aboriginal and Torres Strait Islander student graduate who has completed a Certificate III or higher program of study at CIT. Recipients need to have demonstrated a positive work ethic and consistent effort toward their studies and gained the respect of their peers.	\$2,000
2 recipients	Rotary Club of Canberra City Prize	Prizes are awarded to one male and one female student who have completed any trade program. Recipients need to have demonstrated a high standard of craftsmanship and personal conduct.	\$250 each
1 recipient	Rotary Club of Canberra – Weston Creek Prize	This prize is awarded to a student graduating from any CIT program who has made a valuable contribution to the community during their studies (related to their studies at CIT).	\$500
2 recipients	University of Canberra Prize (ACT Year 12 Certificate)	This prize is awarded in recognition of the pathways which students were able to access in pursuit of their educational needs. This prize is awarded to the student who achieved an ACT Year 12 Certificate with either a mature entry pathway or a tertiary rank that qualified them for entry to UC; and managed personal challenges so that they participated actively and positively in their Year 12 course at CIT.	\$250 each



CIT Nursing students at CIT Bruce.



CIT student Kayla Miller at the High Risk Training facility.

### Grants and Sponsorship 2018 – continued

Recipient(s)	Sponsor	Support Purpose	Amount
1 recipient	Open Gardens Canberra Scholarship	This scholarship is provided over two years and goes towards CIT tuition fees, textbooks and equipment. The scholarship recipient will also be encouraged to assist Canberra gardeners through the Open Gardens Canberra scheme.	\$2,000
1 recipient	Justin Alfred (Jake) Keller	For students in their final year of any certificate III program within the CIT Department of Horticulture and considering further studies in horticulture at CIT. The Jake Keller Scholarship is worth \$1,000 as a contribution towards the CIT tuition fees.	\$1,000
2 recipients	ACT Health Nursing and Midwifery Office and CIT Aboriginal and Torres Strait Islander Enrolled Nurse Scholarship	Fees paid up to one calendar year to provide financial assistance to Aboriginal and Torres Strait Islanders to undertake a Diploma of Nursing course at CIT to support the education and retaining of enrolled nurses within the ACT public health system.	Cost of course for one calendar year
8 recipients	ACT Mental Health Consumer Scholarship Scheme	This scholarship supports mental health consumers to gain qualifications in human services. The two-stage scholarship cover Statement of Attainment and Certificate IV in the community work program.	Course fees

### For more information:

Executive Director, Industry Engagement and Strategic Relations  
(02) 6207 4955





# PART O

PART O  
**JUSTICE AND  
COMMUNITY  
SAFETY**

## O.1 BUSHFIRE RISK MANAGEMENT

The Canberra Institute of Technology has an evacuation plan for bushfire management as required by the Emergency Services Agency. This plan is only required for the CIT Bruce campus. The Bushfire/Local Disaster Evacuation Plan is included in Emergency Procedures available on the CIT Staff Information Site.

## O.2 FREEDOM OF INFORMATION

The object of the *Freedom of Information Act 1989* was to extend as far as possible the right of the Australian community and, in particular, the citizens of the ACT, to access information in the possession of the ACT Government.

CIT information is included in the Justice and Community Safety Directorate Annual Report 2017–18.

## O.3 HUMAN RIGHTS

The ACT was the first jurisdiction in Australia to enact human rights legislation with the *Human Rights Act 2004* (HR Act). The Act provides an explicit statutory basis for respecting, protecting and promoting human rights in the ACT.

CIT is committed to ensuring the human rights of all its students and staff. To this end, CIT invited the ACT Human Rights Commission to deliver a workshop to executive staff in December 2017 to understand its responsibilities and compliance with the HR Act.

CIT information is included in the Justice and Community Safety Directorate Annual Report 2017–18.

## O.4 LEGAL SERVICES DIRECTIONS

Under section 15 of the *Law Officer Act 2011* agencies are required to report the measures taken to ensure compliance with legal services directions issued under section 11 of the Act.

CIT information is included in the Justice and Community Safety Directorate Annual Report 2017–18.

---

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960



# PART P

PART P  
**PUBLIC SECTOR  
STANDARDS AND  
WORKFORCE  
PROFILE**

# P.1 CULTURE AND BEHAVIOUR

CIT cultivates its workforce to embody a culture of passion, innovation and high performance. As a public provider of VET, all CIT staff demonstrate the values (respect, integrity, collaboration and innovation) and the CIT cultural traits:

- > Customer Centric
- > Professionalism
- > Collaborative
- > Trusted
- > Adaptable
- > Accountable
- > Inspirational.

As a member of the ACT tertiary education community, CIT carries out its activities in a competitive environment where quality education provides a competitive advantage. The CIT Board's vision for CIT is: for staff to collectively raise our ambitions to meet new expectations; adapt our offerings to provide skills for the future; contribute to the new economy and position CIT for prosperity; and invest in our business for viability and value.

The identification of cultural traits for CIT grew from a series of leadership forums conducted in 2016 and 2017. This work was progressed by a CIT Cultural Working Group, made up of the CIT CEO and a diverse group of staff from across CIT, who met during 2018 to develop strategies to embed and amplify the cultural traits. Staff have embraced the cultural traits which are now incorporated in all internal communications, CIT induction and recruitment processes. The cultural traits are consistent with the directions of the *Strategic Compass 2020 – Evolving Together*.

## Respect, Equity and Diversity (RED) Framework

Under the RED Framework, CIT has in place a network of nine RED Contact Officers (REDCOs) available to assist staff seeking a solution to improve or resolve a workplace issue or situation. All REDCOs receive initial training and refresher training where necessary.

The REDCOs participate in CIT meetings managed by the CIT RED Contact Officer Coordinator who also attends the ACTPS RED Network.

In 2018, RED Framework activities included:

- > updating RED content in the 2018 'Working Together @ CIT' online mandatory training module
- > holding a one day REDCO refresher training session for all nine CIT REDCOs
- > periodic promotion of RED via CIT newsfeeds and at CIT HR Advisor College and Division Management meetings
- > ongoing promotion and discussion of the RED Framework at team meetings
- > ongoing REDCO status in email signature blocks to encourage CIT staff awareness.

---

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960

## P.2 PUBLIC INTEREST DISCLOSURE

---

The CIT Public Interest Disclosure Policy outlines the mechanisms for reporting possible wrongdoing at CIT or any other ACT Government agency by staff or people engaged by or on behalf of CIT or other ACT Government agencies. The policy is available on the staff intranet.

In 2018, CIT did not receive any public interest disclosure requests under the ACT *Public Interest Disclosure Act 2012*.

---

### **For more information:**

Executive Director, Corporate Services  
(02) 6207 8960

## P.3 WORKFORCE PROFILE

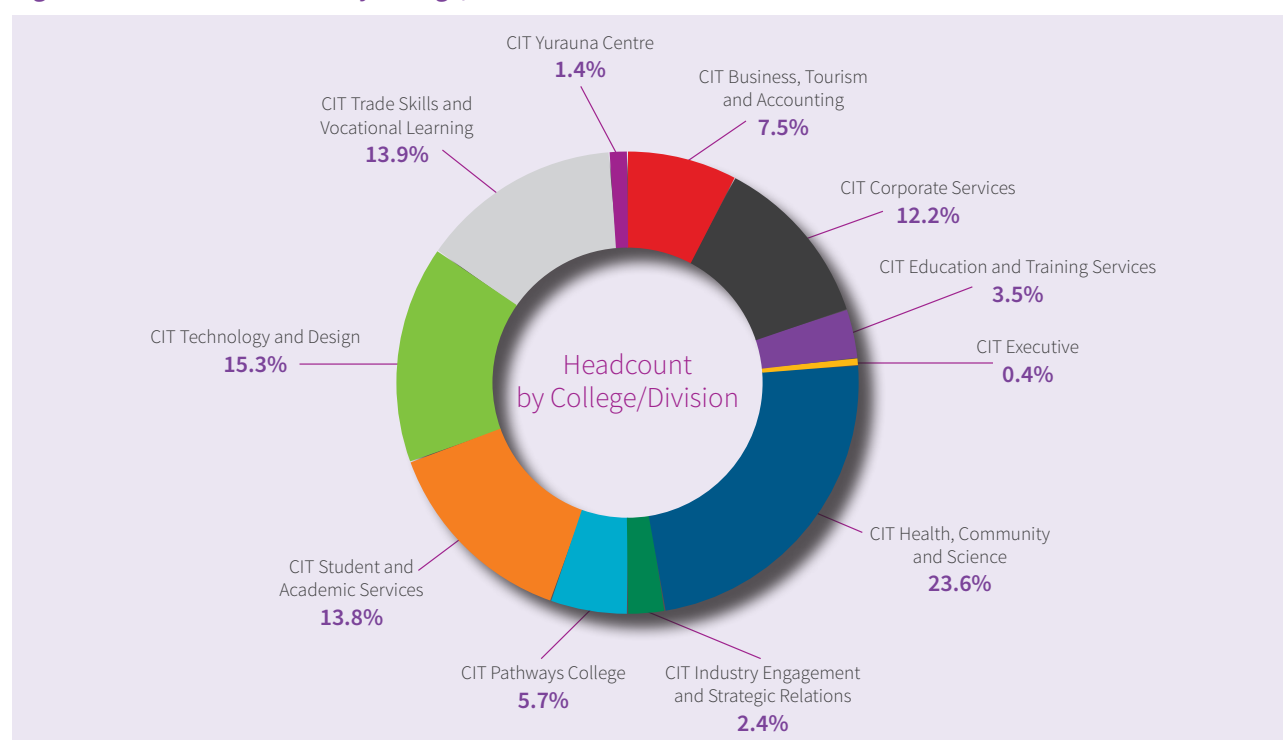
The following data provided by ACT Shared Services reflects CIT staff information as at payday 13 December 2018. The data excludes CIT Board members; staff not paid by the ACT Public Service and staff on leave without pay.

It should be noted, that due to the way teaching is delivered in the VET sector, staffing levels at CIT can vary considerably from pay period to pay period, and at any point in time data may not accurately reflect staffing levels (other than for that pay period).

### FTE and Headcount by College/Division

College/Division	FTE	Headcount
CIT Business, Tourism and Accounting	47.6	69
CIT Corporate Services	110.1	113
CIT Education and Training Services	24.9	33
CIT Executive	3.1	4
CIT Health, Community and Science	148.8	217
CIT Industry Engagement and Strategic Relations	20.6	22
CIT Pathways College	38.1	53
CIT Student and Academic Services	112.8	127
CIT Technology and Design	100.9	141
CIT Trade Skills and Vocational Learning	110.9	128
CIT Yurauna Centre	10.9	13
<b>Total</b>	<b>728.6</b>	<b>920</b>

Figure 5: FTE and Headcount by College/Division

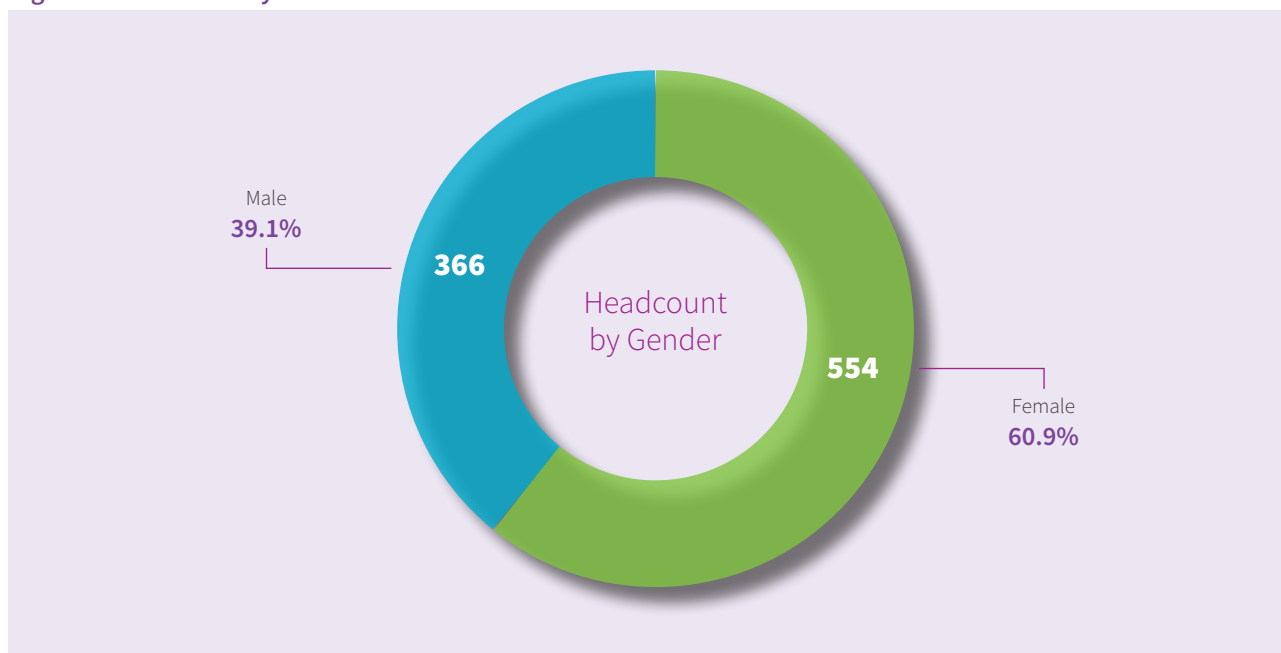




### FTE and Headcount by Gender

	Female	Male	Total
Full Time Equivalent	436.7	292.0	728.6
Headcount	554	366	920
Percentage of Workforce (Based on Headcount)	60.2%	39.8%	100%

**Figure 6: Headcount By Gender**



### Headcount by Classification and Gender

	Female	Male	Total
Administrative Officers	164	60	224
Executive Officers	4	3	7
General Service Officers and Equivalent	13	16	29
Professional Officers	16	8	24
Senior Officers	37	19	56
Technical Officers	6	16	22
Trainees and Apprentices	1	1	2
VET Teacher Managers	30	15	45
VET Teachers	283	228	511
<b>Total</b>	<b>554</b>	<b>366</b>	<b>920</b>

### Headcount by Employment Category and Gender

	Female	Male	Total
Casual	119	99	218
Permanent Full-time	228	164	392
Permanent Part-time	45	11	56
Temporary Full-time	107	74	181
Temporary Part-time	55	18	73
<b>Total</b>	<b>554</b>	<b>366</b>	<b>920</b>

### Headcount by Diversity Group

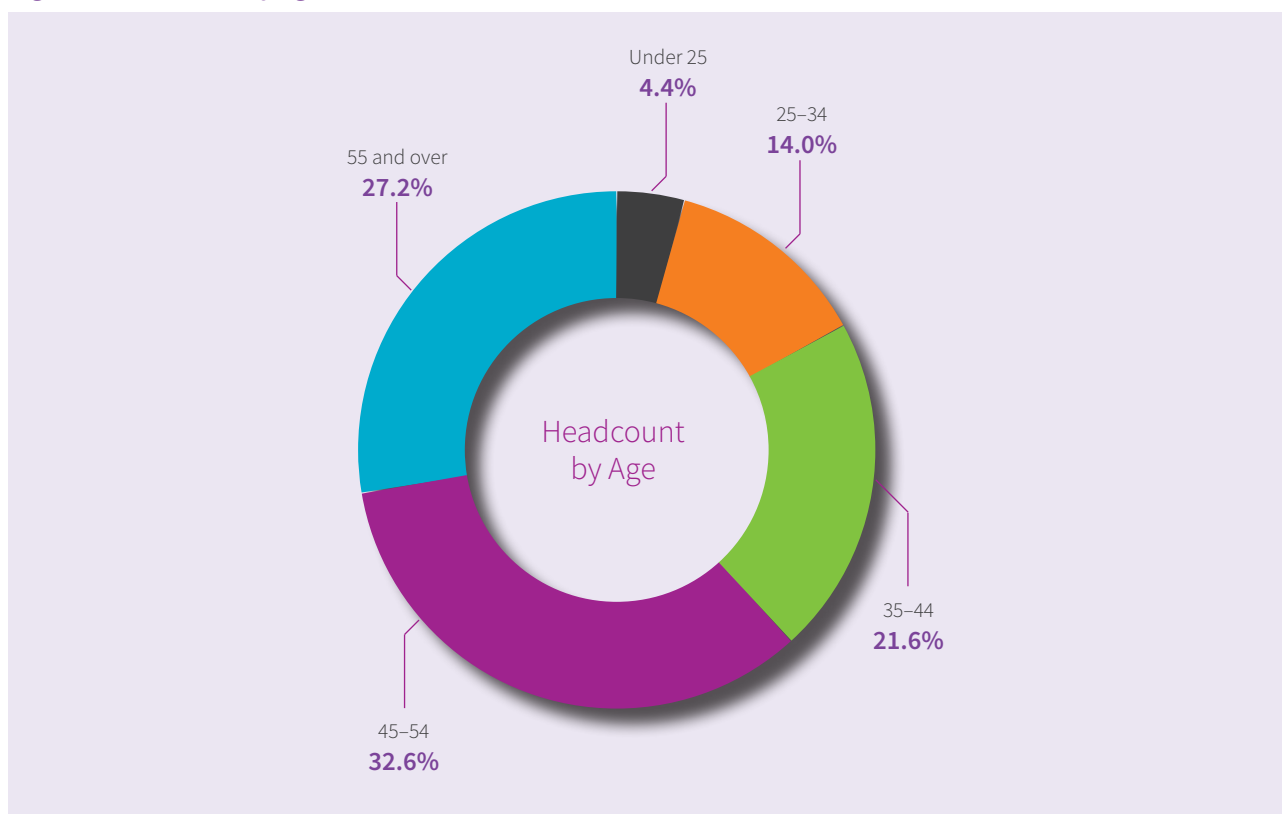
	Headcount	Percentage of CIT workforce
Aboriginal and/or Torres Strait Islander	20	2.0%
Culturally and Linguistically Diverse	154	16.7%
People with a Disability	30	3.3%

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

### Headcount by Age and Gender

	Female	Male	Total
Under 25	29	12	41
25-34	79	50	129
35-44	125	74	199
45-54	182	118	300
55 and over	139	112	251
<b>Total</b>	<b>554</b>	<b>366</b>	<b>920</b>

**Figure 7: Headcount By Age**



#### Average Length of Service by Gender

	Female	Male	Total
Average Years	8.0	8.2	8.1

The following data reflects CIT permanent staff turnover for the 2018 calendar year.

#### Recruitment and Separation Rates by Classification

Classification Group	Recruitment Rate	Separation Rate
Administrative Officers	13.1%	4.4%
General Service Officers and Equivalent	0.0%	8.5%
Professional Officers	25.4%	6.4%
Senior Officers	2.2%	4.5%
Technical Officers	0.0%	12.1%
VET Teacher Managers	0.0%	9.8%
VET Teachers	10.3%	6.3%
<b>Total</b>	<b>9.3%</b>	<b>6.1%</b>

## Recruitment and Separation Rates – Executive

Classification Group	Recruitment Rate	Separation Rate
Executive Officers	115.0%	46.0%

Note: As there was an increase in the number of Executive Officers employed at CIT, the Recruitment Rate was above 100%. This rate was calculated as the number of new entrants divided by average FTE for the year, (for 2018 this was 5 divided by 4.34).

## ATTRACTION AND RETENTION INCENTIVES (ARIns)

In 2018, CIT teaching staff were covered by the ACT Public Sector Canberra Institute of Technology (Teaching Staff) Enterprise Agreement 2013–2017. General staff were covered by the ACT Public Sector Canberra Institute of Technology Enterprise Agreement 2013–2017.

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

The following tables outline information pertaining to ARIns in place during 2018. Two ARIns ceased in the reporting year, which included staff who ceased their temporary employment contract and higher duties positions.

### Attraction and Retention Incentives 2018

Description	No. of Individual ARIns
Number of ARIns at 31 December	7
Number of employees who transferred from SEAs during the period	0
Number of ARIns entered into during period	1
Number of ARIns terminated during period	2
Number of ARIns providing for privately plated vehicles at 31 December	0

	Classification Range	Remuneration as at 31 December 2018
Individual and Group ARIns	SOG A	\$150,060–\$198,338
	SPO C	\$110,140
	PO 2	\$93,356
	TL 1	\$100,508

### For more information:

Executive Director, Corporate Services  
(02) 6207 8960



# PART Q

PART Q  
**TERRITORY  
RECORDS**

# Q TERRITORY RECORDS

## Records Management Program

The CIT Records Management Program outlines how CIT manages its records program in accordance with Section 16 of the *Territories Records Act 2002*. Public inspection of CIT policies and procedures is through open access information, available on the CIT Website.

CIT's record keeping procedures include details about record keeping compliance requirements and the management of records in both physical and digital domains. The procedures also detail how records are created, registered, managed and used, and how the access controls, security and retention and disposal requirements are applied.

CIT's policy and procedures include specific arrangements for preserving records containing information that may allow people to establish links with their Aboriginal and Torres Strait Islander heritage. Records are stored in the CIT Record Keeping System and are preserved in secure but readily available accessible facilities.

## Records Disposal Schedules

Records disposal schedules are issued under Section 19 of the *Territories Records Act 2002* to identify records that must be retained in accordance with the ACT Government Territories Archives and which others might be destroyed when they no longer have significant value to CIT, the Government or the community.

A core group of records disposal schedules are used which cover common functions undertaken by all government agencies and CIT has two disposal schedules relevant to specific business functions. CIT policies and procedures detail that business activity records cannot be destroyed unless a relevant disposal schedule has been issued and the schedule has been identified in the CIT records management program.

### Record Disposal Schedule for use by CIT – Student Records

Schedule Name	Date Effective	Instrument No.
Student Management Records	10 October 2016	NI2016-568
Tertiary Teaching and Research	4 October 2007	NI2007-314

### Record Disposal Schedule for use by CIT – Whole of Government

Schedule Name	Date Effective	Instrument No.
Finance and Treasury Management Records	27 February 2017	NI2017-83
Government and Stakeholder Relations	27 February 2017	NI2017-84
Information and Communications Technology Records	27 February 2017	NI2017-85
Property Equipment and Fleet Records	27 February 2017	NI2017-86
Records and information Management Records	27 February 2017	NI2017-87
Solicitor and Legal Service Records	27 February 2017	NI2017-88
Strategy and Governance Records	27 February 2017	NI2017-89

## For more information:

Executive Director, Corporate Services  
(02) 6207 8960



# ACRONYMS

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ACE	Adult and Community Education	ILR	Innovative learning Resources
ACT	Australian Capital Territory	ITE	Institute of Technical Education Singapore
ACTPS	ACT Public Service	LES	Learner Engagement Survey
ACU	Australian Catholic University	LLN	Language, Literacy and Numeracy
ASNZS	Australian/New Zealand Standard	MOU	Memorandum of Understanding
ANU	Australian National University	NCVER	National Centre for Vocational Education Research
APHEDA	Australian People for Health, Education and Development Abroad	NUHEP	Non-University Higher Education Provider
AQF	Australian Qualifications Framework	RAP	Reconciliation Action Plan
ARFC	Audit, Risk and Finance Committee	RED	Respect, Equity and Diversity
ARIn	Attraction and Retention Initiatives	REDCO	Respect, Equity Diversity Contact Officer
ASBA	Australian School Based Apprenticeship	RMP	records management program
ASQA	Australian Skills Quality Authority	RTO	Registered Training Organisation
ATEND	Australian Tertiary Education Network on Disability	SERBIR	Senior Executive Responsible for Business Integrity Risk
BSSS	Board of Senior Secondary Studies	SERREE	South East Region of Renewable Energy Excellence
CBRIN	Canberra Innovation Network	TAE	Training and Education
CIT	Canberra Institute of Technology	TAFE	Technical and Further Education
CMTEDD	Chief Minister, Treasury, Economic Development Directory	TEQSA	Tertiary Education Quality and Standards Agency
CITSA	CIT Student Association	TP	Temasek Polytechnic Singapore
CSU	Charles Sturt University	TSOC	Training Security Operations Centre
EAP	Employee Assistance Program	UC	University of Canberra
ESS	Employer Satisfaction Survey	UNEC	United Ngunnawal Elders Council
FMA	Financial Management Act 1996	UNSW	University of New South Wales
FTE	full-time equivalent	VET	Vocational Education and Training
GWO	Global Wind Organisation	WESP	Work Experience Support Program
HR	human resources	WFCP	World Federation of Colleges and Polytechnics
HSR	health safety representative	WHS	Work Health and Safety
IAG	Industry Advisory Group		
IAP	Indigenous Apprenticeship Program		
ICT	information and communication technology		

# COMPLIANCE INDEX

The Canberra Institute of Technology (CIT) must comply with the 2017 Annual Report Directions (the Directions). 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 the five Parts 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. CIT complies with all subsections of Part 1 under the Directions.

In compliance with Section 13 Feedback, Part 1 of the Directions, contact details for CIT are provided within the CIT 2018 Annual Report to provide readers with the opportunity to provide feedback.

## Part 2 Directorate and Public Sector Body Annual Report Requirements

The requirements within Part 2 of the Directions are mandatory for all directorates and public sector bodies and CIT complies with all subsections. The information that satisfies the requirements of Part 2 is found in the CIT 2018 Annual Report as follows:

- A. Transmittal Certificate, see page 7.
- B. Organisational Overview and Performance, inclusive of all subsections, see pages 13-62.
- C. Financial Management Reporting, inclusive of all subsections, see pages 63-154.

## Part 3 Reporting by Exception

CIT has nil information to report by exception under Part 3 of the Directions for the CIT 2018 Annual Report.

## 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. The information satisfying these requirements is reported as follows:

- N. Community Engagement and Support see pages 157-162.
- O. Justice and Community Safety – Subsection 01 see page 164, Subsections O.2 – O.4, see the Justice and Community Safety Directorate Annual Report 2017/18.
- P. Public Sector Standards and Workforce Profile see pages 165-172.
- Q. Territory Records see pages 173.

The CIT 2018 Annual Report can be found at <https://cit.edu.au>

As required by Australian Auditing Standards, the ACT Audit Office checks financial statements included in annual reports (and information accompanying financial statements) for consistency with previously audited financial statements. This includes checking the consistency of statements of performance with those statements previously reviewed (where a statement of performance is required by legislation).

# CONTACT OFFICER

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CANBERRA ACT 2601

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