

CANBERRA INSTITUTE OF TECHNOLOGY

Objectives

The Canberra Institute of Technology (CIT) seeks to develop a skilled community by providing skilled graduates, innovative workforce development solutions for businesses and strong vocational education outcomes for students. CIT is committed to being a leader in sustainable practices.

CIT is committed to creating a learning community providing practical, relevant and affordable tertiary education and training where students and staff can reach their full potential for education, work and life. CIT is an inclusive organisation that provides diverse learning opportunities for all individuals, regardless of their backgrounds.

2010-11 Priorities

Strategic and operational issues to be pursued in 2010-11 include:

- promoting quality education and learning by integrating the use of e-learning as a core teaching strategy in CIT and establishing CIT facilities at the Gungahlin Learning Centre to meet unmet demand in the Gungahlin community by providing locally based vocational training opportunities and local access to CIT facilities and courses;
- growing and developing the business by expanding training activities in productivity places, international and other contestable areas;
- extending and improving contemporary client services and facilities through the construction of a new Electrotechnology building at the Fyshwick Trade Skills Centre and finalising CIT Online to provide improved online services to clients and examining the feasibility of expanding the range of learning services and options that CIT provides to the Tuggeranong community;
- pursuing industry, community and government partnerships by enhancing industry representation on CIT advisory committees and program reference groups and further developing and strengthening partnerships with the School sector and partnering with industry to model sustainability training for the ACT community;
- expanding organisational capability by developing staff digital literacy skills and skills in sustainable practices across the Institute; and
- design the upgrade of the training and administrative facilities of the Canberra Raiders at the Bruce Campus.

Estimated Employment Level

2008-09 Actual Outcome	2009-10 Budget	2009-10 Est. Outcome	2010-11 Budget
801 Staffing (FTE) ¹	781	861	866

Note:

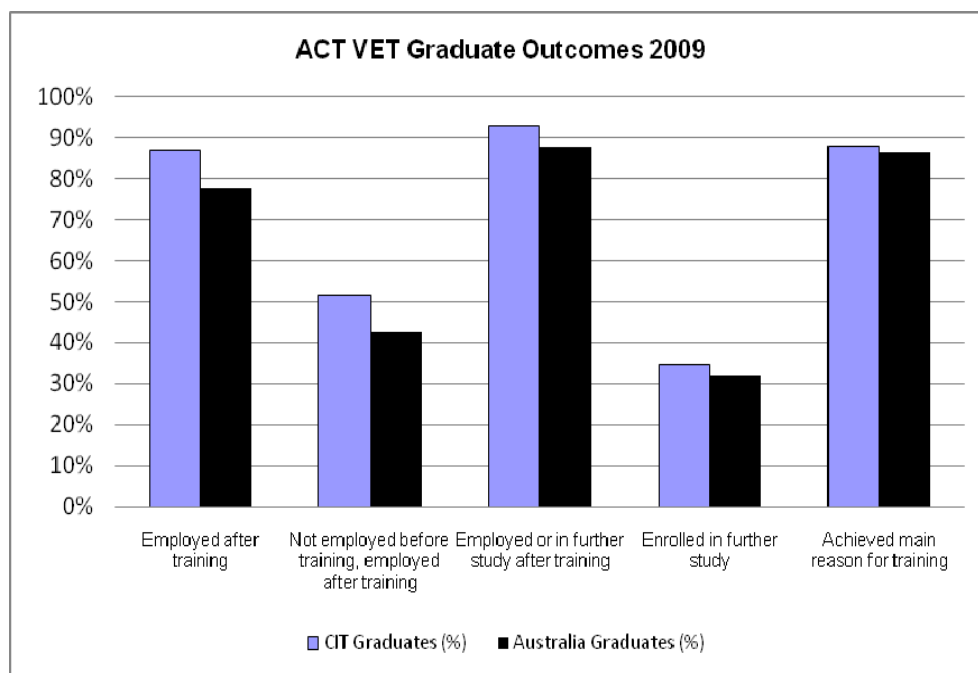
1. The increase of 80 FTE in the 2009-10 estimated outcome from the original budget is due to increases in student numbers requiring additional staffing resources (59) and more casuals being counted on the census date (April 2010) than the previous period (21).

Strategic Indicators

Strategic Indicator 1 Student Outcomes

The strategic indicators used by CIT to measure success are student employment outcomes measured through the annual Student Outcomes Survey. By focusing on student employment outcomes and their satisfaction with vocational education and training, the Student Outcomes Survey gauges how well CIT serves individuals and the community.

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



Note:

1. The most recently reported figures are from 3 December 2009, as published in the National Centre for Vocational Education Research report: Student Outcomes 2009.

Output Classes

	Total Cost ¹		Government Payment for Outputs	
	2009-10 Est. Outcome (\$'000)	Budget 2010-11 (\$'000)	2009-10 Est. Outcome (\$'000)	Budget 2010-11 (\$'000)
Output Class 1:				
Canberra Institute of Technology	103,195	105,218	65,229	67,336
Output 1.1: Provision of Vocational Education and Training Services	103,195	105,218	65,229	67,336

Note:

1. Total cost includes depreciation and amortisation of \$5.943 million in 2009-10 and \$6.238 million in 2010-11.

Output Description

Provision of places in publicly funded programs at the CIT, consistent with training needs identified in the CIT's Statement of Intent.

Accountability Indicators

	2009-10 Target	2009-10 Est. Outcome	2010-11 Target
Output Class 1: Canberra Institute of Technology			
Output 1.1: Provision of Vocational Education and Training Services			
a. Nominal Hours ¹	3,770,000	3,994,810	3,795,000
b. Achieve key output targets.			
– Program Enrolments ²	17,500	19,766	19,000
– Module Pass Rates	75%	76%	75%
– Program Completions ³	5,000	5,777	9,000
– Graduate Satisfaction Rate	85%	92%	85%
– Employer Satisfaction Rate	80%	89%	80%
c. Average Government Payment per Nominal Hour ⁴	\$17.18	\$16.33	\$17.74

Notes:

- The increase in 2009-10 estimated outcome from the 2009-10 target is due to large increases in demand for training, particularly in longer duration programs. The training hours delivered above the targeted level have been funded from a one-off injection of CIT cash reserves to meet the demands of industry and the community. The decrease in the 2010-11 target from the 2009-10 estimated outcome is due to targeted activity returning to funded levels and an increase of 25,000 Nominal Hours in new activity for the Gungahlin Learning Centre.
- The increase in 2009-10 estimated outcome from the 2009-10 target and the increase in the 2010-11 target are due to sustained increased demand for training.
- The increase in 2009-10 estimated outcome from the 2009-10 target is due to a higher number of enrolments and a continued focus on quality support services for CIT's students. In addition, CIT has provided improved pastoral care provision for students, which has resulted in increased positive completions of their studies. The increase in the 2010-11 target is due to higher number of enrolments and the inclusion of all accredited training outcomes for students. Statement of Attainment qualifications were previously excluded from this measure.
- The Average Government Payment per Nominal Hour is calculated by dividing the total Government Payment for Output by the Nominal Hours.

Changes to Appropriation

Changes to Appropriation - Departmental

	2009-10 Est. Out. \$'000	2010-11 Budget \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
Government Payment for Outputs					
2009-10 Budget	64,769	64,510	64,879	65,604	65,604
2010-11 Budget Policy Adjustments					
Vocational Education Delivery at Gungahlin	-	851	792	812	833
New CIT Learning Centre Tuggeranong (Feasibility)	-	250	-	-	-
2010-11 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	1,105
CIT Teachers Certified Agreement	-	699	708	717	726
National Partnership - TAFE Fee Waivers for Childcare Qualifications	460	661	673	688	688
Revised Wage Parameters	-	365	635	642	642
Efficiency Dividend	-	-	(661)	(1,007)	(1,377)
2010-11 Budget	65,229	67,336	67,026	67,456	68,221

Changes to Appropriation - Departmental

	2009-10 Est. Out. \$'000	2010-11 Budget \$'000	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
Capital Injections					
2009-10 Budget	13,967	14,221	6,065	4,843	4,843
2010-11 Budget Policy Adjustment					
Bruce - Refurbishment of Canberra Raiders Training Facility (Design)	-	65	-	-	-
2010-11 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	58
National Partnership - Better TAFE Facilities	3,015	159	-	-	-
Revised Funding Profile - Electrotechnology Program Relocation	-	1,000	(1,000)	-	-
Cessation - Technology Upgrade Program	-	-	-	-	(1,250)
2010-11 Budget	16,982	15,445	5,065	4,843	3,651

2010-11 Capital Works Program

	Estimated Total Cost \$'000	Estimated Expenditure Pre 2010-11 \$'000	2010-11 Financing \$'000	2011-12 Financing \$'000	2012-13 Financing \$'000	Physical Completion Date
New Capital Works						
New CIT Learning Centre Tuggeranong (Feasibility Study)	250	-	250	-	-	Dec 2010
Bruce – Refurbishment of Canberra Raiders Training Facility (Design)	65	-	65	-	-	Dec 2010
Total New Capital Works	315	-	315	-	-	
Capital Upgrades						
Health and Safety Improvements	470	-	470			
Energy Management/Educational Improvements	880	-	880			
Building Improvements	874	-	874			
Total Capital Upgrades	2,224	-	2,224			
Total New Capital Works	2,539	-	2,539	-	-	
Works in Progress						
Electrotechnology Program Relocation	9,943	2,000	7,943	-	-	Mar 2011
Total Works in Progress	9,943	2,000	7,943	-	-	
Total Capital Works Program	12,482	2,000	10,482	-	-	

Canberra Institute of Technology Operating Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
Income							
Revenue							
64,769	Government Payment for Outputs	65,229	67,336	3	67,026	67,456	68,221
14,306	User Charges - Non ACT Government	18,689	18,603	..	16,475	17,161	18,086
7,954	User Charges - ACT Government	7,954	8,153	3	8,165	8,165	8,165
139	Interest	583	615	5	647	678	710
900	Dividend Revenue	900	900	-	900	900	900
5,243	Other Revenue	11,427	4,836	-58	3,836	3,836	3,836
35	Resources Received Free of Charge	35	35	-	35	35	35
93,346	Total Revenue	104,817	100,478	-4	97,084	98,231	99,953
Gains							
30	Other Gains	30	30	-	30	30	30
30	Total Gains	30	30	-	30	30	30
93,376	Total Income	104,847	100,508	-4	97,114	98,261	99,983
Expenses							
53,962	Employee Expenses	57,475	58,453	2	57,323	58,550	59,395
7,570	Superannuation Expenses	8,008	7,781	-3	7,306	6,995	7,103
28,219	Supplies and Services	31,439	32,375	3	31,532	31,754	32,525
4,792	Depreciation and Amortisation	5,943	6,238	5	7,579	7,656	7,656
66	Grants and Purchased Services	66	66	-	33	0	0
1,636	Other Expenses	264	305	16	305	346	346
96,245	Total Ordinary Expenses	103,195	105,218	2	104,078	105,301	107,025
-2,869	Operating Result	1,652	-4,710	-385	-6,964	-7,040	-7,042
-2,869	Total Comprehensive Income	1,652	-4,710	-385	-6,964	-7,040	-7,042

Canberra Institute of Technology
Balance Sheet

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
Current Assets							
6,389	Cash and Cash Equivalents	7,912	5,895	-25	6,533	7,171	7,809
4,743	Receivables	6,351	6,351	-	6,351	6,351	6,351
4,000	Investments	0	0	-	0	0	0
372	Other	65	65	-	65	65	65
15,504	Total Current Assets	14,328	12,311	-14	12,949	13,587	14,225
Non Current Assets							
20	Investments	20	20	-	20	20	20
350,034	Property, Plant and Equipment	348,377	363,131	4	375,229	373,846	370,088
0	Intangibles	0	0	-	3,600	2,700	1,800
17,534	Capital Works in Progress	26,917	21,900	-19	4,218	4,218	5,401
11	Other	0	0	-	0	0	0
367,599	Total Non Current Assets	375,314	385,051	3	383,067	380,784	377,309
383,103	TOTAL ASSETS	389,642	397,362	2	396,016	394,371	391,534
Current Liabilities							
398	Payables	697	697	-	697	697	697
0	Interest Bearing Liabilities	75	75	-	75	75	75
13,336	Employee Benefits	15,733	16,275	3	16,730	17,184	17,640
5,224	Other	7,122	3,467	-51	3,467	3,467	3,467
18,958	Total Current Liabilities	23,627	20,514	-13	20,969	21,423	21,879
Non Current Liabilities							
1,058	Employee Benefits	1,720	1,818	6	1,916	2,014	2,112
1,058	Total Non Current Liabilities	1,720	1,818	6	1,916	2,014	2,112
20,016	TOTAL LIABILITIES	25,347	22,332	-12	22,885	23,437	23,991
363,087	NET ASSETS	364,295	375,030	3	373,131	370,934	367,543
REPRESENTED BY FUNDS EMPLOYED							
120,571	Accumulated Funds	121,953	132,688	9	130,789	128,592	125,201
242,516	Reserves	242,342	242,342	-	242,342	242,342	242,342
363,087	TOTAL FUNDS EMPLOYED	364,295	375,030	3	373,131	370,934	367,543

Canberra Institute of Technology
Cash Flow Statement

2009-10 Budget \$'000		2009-10 Est.Outcome \$'000	2010-11 Budget \$'000	Var %	2011-12 Estimate \$'000	2012-13 Estimate \$'000	2013-14 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
64,769	Cash from Government for Outputs	65,229	67,336	3	67,026	67,456	68,221
22,260	User Charges	23,204	24,101	4	24,640	25,326	26,251
139	Interest Received	583	615	5	647	678	710
7,951	Other Revenue	14,135	8,139	-42	8,139	8,139	8,139
900	Dividends	900	900	-	900	900	900
96,019	Operating Receipts	104,051	101,091	-3	101,352	102,499	104,221
	Payments						
53,415	Related to Employees	56,737	57,813	2	56,771	57,998	58,841
7,570	Related to Superannuation	8,008	7,781	-3	7,305	6,995	7,103
28,285	Related to Supplies and Services	31,505	32,443	3	31,345	31,567	32,338
66	Grants and Purchased Services	66	66	-	33	0	0
5,743	Other	4,371	4,505	3	4,760	4,801	4,801
95,079	Operating Payments	100,687	102,608	2	100,214	101,361	103,083
940	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	3,364	-1,517	-145	1,138	1,138	1,138
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
0	Proceeds from Sale/Maturities of Investments	4,000	0	-100	0	0	0
0	Investing Receipts	4,000	0	-100	0	0	0
	Payments						
11,967	Purchase of Property, Plant and Equipment and Capital Works	21,166	13,945	-34	5,565	5,343	4,151
2,500	Purchase of Land and Intangibles	2,500	2,000	-20	0	0	0
14,467	Investing Payments	23,666	15,945	-33	5,565	5,343	4,151
-14,467	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-19,666	-15,945	19	-5,565	-5,343	-4,151
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
13,967	Capital Injection from Government	16,982	15,445	-9	5,065	4,843	3,651
13,967	Financing Receipts	16,982	15,445	-9	5,065	4,843	3,651
13,967	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	16,982	15,445	-9	5,065	4,843	3,651
440	NET INCREASE/ (DECREASE) IN CASH HELD	680	-2,017	-397	638	638	638
5,949	CASH AT BEGINNING OF REPORTING PERIOD	7,232	7,912	9	5,895	6,533	7,171
6,389	CASH AT THE END OF THE REPORTING PERIOD	7,912	5,895	-25	6,533	7,171	7,809

Canberra Institute of Technology Statement of Changes in Equity

Budget as at 30/6/10 \$'000		Est.Outcome as at 30/6/10 \$'000	Planned as at 30/6/11 \$'000	Var %	Planned as at 30/6/12 \$'000	Planned as at 30/6/13 \$'000	Planned as at 30/6/14 \$'000
	Opening Equity						
109,473	Opening Accumulated Funds	103,319	121,953	18	132,688	130,789	128,592
242,516	Opening Asset Revaluation Reserve	242,342	242,342	-	242,342	242,342	242,342
351,989	Balance at the Start of the Reporting Period	345,661	364,295	5	375,030	373,131	370,934
	Comprehensive Income						
-2,869	Operating Result for the Period	1,652	-4,710	-385	-6,964	-7,040	-7,042
-2,869	Total Comprehensive Income	1,652	-4,710	-385	-6,964	-7,040	-7,042
0	Total Movement in Reserves	0	0	-	0	0	0
	Transactions Involving Owners Affecting Accumulated Funds						
13,967	Capital Injections	16,982	15,445	-9	5,065	4,843	3,651
13,967	Total Transactions Involving Owners Affecting Accumulated Funds	16,982	15,445	-9	5,065	4,843	3,651
	Closing Equity						
120,571	Closing Accumulated Funds	121,953	132,688	9	130,789	128,592	125,201
242,516	Closing Asset Revaluation Reserve	242,342	242,342	-	242,342	242,342	242,342
363,087	Balance at the End of the Reporting Period	364,295	375,030	3	373,131	370,934	367,543

Notes to the Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$0.460 million in the 2009-10 estimated outcome from the original budget is due to additional Commonwealth Government funding for TAFE fee waivers for childcare qualifications; and
 - the increase of \$2.107 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to funding for new initiatives (\$1.101 million) and revised wage parameters (\$1.064 million).
- user charges — non ACT Government: the increase of \$4.383 million in the 2009-10 estimated outcome from the original budget is mainly due to an increase in international student tuition revenue (\$4.296 million) and domestic student fees associated with increased enrolments, and increased services fees revenue (\$0.087 million) from commercial activities and Commonwealth Government agencies.

- user charges — ACT Government: the increase of \$0.199 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to additional revenue for contracted commercial projects and the Productivity Places Program.
- interest: the increase of \$0.444 million in the 2009-10 estimated outcome from the original budget is due to increases in interest rates and higher cash and investment balances.
- other revenue: the increase of \$6.184 million in the 2009-10 estimated outcome from the original budget and the decrease of \$6.591 million in the 2010-11 Budget from the 2009-10 estimated outcome mainly relates to funding received in the 2009-10 financial year to deliver the Sustainable Skills Training Centre at Bruce Campus under the Commonwealth Government's Training Infrastructure Investment For Tomorrow program (\$6.184 million).
- employee expenses: the increase of \$3.513 million in the 2009-10 estimated outcome from the original budget and the increase of \$0.978 million in the 2010-11 Budget from the 2009-10 estimated outcome is mainly due to increased staffing levels to service additional students.
- supplies and services:
 - the increase of \$3.220 million in the 2009-10 estimated outcome from the original budget is mainly due to the reclassification of management fees for contracted services from other expenses (\$1.370 million), as well as an increase in the management fees as a result of increased international students (\$0.9 million). The balance relates to a combination of one-off planned increases in facilities and grounds upgrades, higher than expected prices for utilities based costs and increased contractors activity flowing from new printing arrangements (\$0.950 million); and
 - the increase of \$0.936 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to additional management fees for contracted services as a result of increased international students.
- depreciation and amortisation: the increase of \$1.151 million in the 2009-10 estimated outcome from the original budget primarily reflects an upward revision following a reassessment of depreciation charges on existing assets.
- other expenses: the decrease of \$1.372 million in the 2009-10 estimated outcome from the original budget and the increase of \$0.041 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to the rebasing of management fee payments for contracted services to supplies and services.

Balance Sheet

- cash and cash equivalents:
 - the increase of \$1.523 million in the 2009-10 estimated outcome from the original budget is due to a higher opening cash balance from the 2008-09 financial year; and
 - the decrease of \$2.017 million in the 2010-11 Budget from the 2009-10 estimated outcome reflects negative cash flows in the 2010-11 financial year.
- receivables: the increase of \$1.608 million in the 2009-10 estimated outcome from the original budget is mainly due to an increase in international student tuition, revenue and services fees revenue and GST recoverable from the ATO.

- other current assets: the decrease of \$0.307 million in the 2009-10 estimated outcome from the original budget is due to lower levels of prepayments for library resources and insurance fees.
- property, plant and equipment:
 - the decrease of \$1.657 million in the 2009-10 estimated outcome from the original budget is associated with the timing of capitalising assets and reflects a higher than anticipated level of capital works in progress; and
 - the increase of \$14.754 million in the 2010-11 Budget from the 2009-10 estimated outcome relates to the completion of projects in the capital works program.
- capital works in progress: the increase of \$9.383 million in the 2009-10 estimated outcome from the original budget and the decrease of \$5.017 million in the 2010-11 Budget from the 2009-10 estimated outcome relates to the capital works program as well as the Commonwealth Government funded Sustainable Skills Training Centre.
- payables: the increase of \$0.299 million in the 2009-10 estimated outcome from the original budget is due the timing of payments to suppliers.
- current and non current employee benefits:
 - the increase of \$3.059 million in the 2009-10 estimated outcome from the original budget relates mainly to the changes in accounting standards relating to employee benefits; and
 - the increase of \$0.640 million in the 2010-11 Budget from the 2009-10 estimated outcome is due to revised wage parameters.
- other current liabilities:
 - the increase of \$1.898 million in the 2009-10 estimated outcome from the original budget is due to additional revenue held in advance for Commonwealth Government contracts and student fees in 2009-10; and
 - the decrease of \$3.655 million in the 2010-11 Budget from the 2009-10 estimated outcome reflect a more conservative estimate of revenue held in advance.

Cash Flow Statement

Variations in the statement are explained in the notes above.

Statement of Changes in Equity

Variations in the statement are explained in the notes above.

