

CANBERRA INSTITUTE OF TECHNOLOGY

Objectives

The Canberra Institute of Technology (CIT) aims to train a workforce with skills appropriate to the current and forecast needs of industry in the ACT and region, and with enhanced career prospects and quality of life.

Five key themes are identified in the *CIT Strategic Plan 2005-2009* that demonstrate CIT's commitment to create a learning community providing practical, relevant and affordable post-secondary education and training where students and staff can reach their full potential for education, work and life.

The five themes are:

- teaching and learning;
- relationships;
- resources and systems;
- organisational culture; and
- global networks.

2005-06 Highlights

Strategic and operational issues that will be pursued in 2005-06 include:

- building stronger relationships with schools and colleges to provide alternative vocational education and training (VET) opportunities;
- collaborating to combine the VET research capabilities of CIT and the Department of Education and Training (DET);
- improving course delivery to address industry's skill requirements and unmet demand in the ACT and region through developing a cooperative understanding with stakeholders;
- expanding national and global education networks to provide staff and students with access to global knowledge and international educational experiences;
- promoting CIT as an attractive and desirable destination for international students to study, enabling the expansion of international student enrolments through the development of new markets;
- developing a strategy to upgrade the Reid Campus with the preparation of a master plan under the Department of Education, Science and Training (DEST) Strategic Infrastructure Management Plan;
- creating 'smart classrooms' with the introduction of the latest educational technology; and
- researching leading-edge approaches to education and training.

2005-06 Capital Works Program

Departmental

	Estimated Total Cost ¹ \$'000	Estimated Expenditure Pre 2005-06 \$'000	2005-06 Financing \$'000	2006-07 Financing \$'000	2007-08 Financing \$'000	Expected Completion Date
New Capital Works						
Capital Upgrades						
Buildings Improvements	2 000	-	2 000	-	-	
Total Capital Upgrades	2 000	-	2 000	-	-	
Total Departmental Capital Works	2 000	-	2 000	-	-	

Canberra Institute of Technology Operating Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
Income							
Revenue							
12 293	User Charges - Non ACT Government	12 293	12 470	1	12 782	13 101	13 429
59 657	User Charges - ACT Government	64 606	64 777	..	65 685	66 802	67 923
319	Interest	355	292	-18	257	223	188
218	Dividend Revenue	200	218	9	218	218	218
3 279	Other Revenue	4 340	3 361	-23	3 445	3 532	3 619
35	Resources Received free of charge	52	35	-33	35	35	35
75 801	Total Revenue	81 846	81 153	-1	82 422	83 911	85 412
Gains							
0	Total Gains	0	0	-	0	0	0
75 801	Total Income	81 846	81 153	-1	82 422	83 911	85 412
Expenses							
44 542	Employee Expenses	50 272	50 270	..	50 532	51 147	51 752
7 771	Superannuation Expenses	7 519	7 618	1	7 716	7 827	7 931
23 574	Supplies and Services	21 763	22 737	4	23 254	23 865	24 499
3 655	Depreciation and Amortisation	3 655	3 755	3	3 805	3 855	3 905
841	Other Expenses	2 481	1 360	-45	1 382	1 405	1 428
80 383	Total Ordinary Expenses	85 690	85 740	..	86 689	88 099	89 515
-4 582	Operating Result	-3 844	-4 587	-19	-4 267	-4 188	-4 103

Canberra Institute of Technology Balance Sheet

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
Current Assets							
2 149	Cash	1 893	1 941	3	2 109	2 405	2 832
4 979	Receivables	6 113	6 113	-	6 113	6 113	6 113
5 486	Investments	4 622	3 994	-14	3 366	2 738	2 110
340	Other	42	42	-	42	42	42
12 954	Total Current Assets	12 670	12 090	-5	11 630	11 298	11 097
Non Current Assets							
20	Investments	20	20	-	20	20	20
126 213	Property, Plant and Equipment	125 828	128 013	2	130 108	132 153	134 148
211	Intangibles	572	532	-7	532	532	532
1 824	Capital Works in Progress	2 248	2 048	-9	1 848	1 648	1 448
128 268	Total Non Current Assets	128 668	130 613	2	132 508	134 353	136 148
141 222	TOTAL ASSETS	141 338	142 703	1	144 138	145 651	147 245
Current Liabilities							
2 573	Payables	2 280	2 280	-	2 280	2 280	2 280
5 197	Employee Benefits	5 823	6 373	9	6 865	7 357	7 845
7 685	Other	6 287	6 287	-	6 287	6 287	6 287
15 455	Total Current Liabilities	14 390	14 940	4	15 432	15 924	16 412
Non Current Liabilities							
6 920	Employee Benefits	7 182	7 414	3	7 454	7 493	7 532
6 920	Total Non Current Liabilities	7 182	7 414	3	7 454	7 493	7 532
22 375	TOTAL LIABILITIES	21 572	22 354	4	22 886	23 417	23 944
118 847	NET ASSETS	119 766	120 349	..	121 252	122 234	123 301
REPRESENTED BY FUNDS EMPLOYED							
117 957	Accumulated Funds	118 876	119 459	..	120 362	121 344	122 411
890	Reserves	890	890	-	890	890	890
118 847	TOTAL FUNDS EMPLOYED	119 766	120 349	..	121 252	122 234	123 301

Canberra Institute of Technology Cash Flow Statement

2004-05 Budget \$'000		2004-05 Est.Outcome \$'000	2005-06 Budget \$'000	Var %	2006-07 Estimate \$'000	2007-08 Estimate \$'000	2008-09 Estimate \$'000
	CASH FLOWS FROM OPERATING ACTIVITIES						
	Receipts						
71 950	User Charges	76 855	77 247	1	78 467	79 903	81 352
319	Interest Received	355	292	-18	257	223	188
6 631	Other Revenue	7 631	6 803	-11	6 971	7 147	7 325
78 900	Operating Receipts	84 841	84 342	-1	85 695	87 273	88 865
	Payments						
51 747	Related to Employees	57 204	57 106	..	57 716	58 443	59 156
23 539	Related to Supplies and Services	23 755	22 702	-4	23 219	23 830	24 464
4 223	Other	5 823	4 832	-17	4 938	5 050	5 164
79 509	Operating Payments	86 782	84 640	-2	85 873	87 323	88 784
-609	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	-1 941	-298	85	-178	-50	81
	CASH FLOWS FROM INVESTING ACTIVITIES						
	Receipts						
678	Proceeds from Sale/Maturities of Investments	2 678	628	-77	628	628	628
218	Dividends	200	218	9	218	218	218
896	Investing Receipts	2 878	846	-71	846	846	846
	Payments						
5 670	Purchase of Property, Plant and Equipment	6 110	5 670	-7	5 670	5 670	5 670
5 670	Investing Payments	6 110	5 670	-7	5 670	5 670	5 670
-4 774	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-3 232	-4 824	-49	-4 824	-4 824	-4 824
	CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts						
5 410	Capital Injection from Government	5 170	5 170	-	5 170	5 170	5 170
5 410	Financing Receipts	5 170	5 170	-	5 170	5 170	5 170
5 410	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	5 170	5 170	-	5 170	5 170	5 170
27	NET INCREASE/(DECREASE) IN CASH HELD	-3	48	#	168	296	427
2 122	CASH AT BEGINNING OF REPORTING PERIOD	1 896	1 893	..	1 941	2 109	2 405
2 149	CASH AT THE END OF THE REPORTING PERIOD	1 893	1 941	3	2 109	2 405	2 832

Canberra Institute of Technology Statement of Changes in Equity

Budget as at 30/6/05 \$'000		Est.Outcome as at 30/6/05 \$'000	Planned as at 30/6/06 \$'000	Var %	Planned as at 30/6/07 \$'000	Planned as at 30/6/08 \$'000	Planned as at 30/6/09 \$'000
118 019	Opening Balance	118 440	119 766	1	120 349	121 252	122 234
	Accumulated Funds						
-4 582	Operating Result for the Period	-3 844	-4 587	-19	-4 267	-4 188	-4 103
	Reserves						
-4 582	Total Income And Expense For The Period	-3 844	-4 587	-19	-4 267	-4 188	-4 103
	Transactions Involving Equity Holders Affecting Accumulated Funds						
5 410	Capital Injections	5 170	5 170	-	5 170	5 170	5 170
118 847	Closing Balance	119 766	120 349	..	121 252	122 234	123 301

Notes to the Budget Statements

Significant variation as are follows:

Operating Statement

- user charges – ACT Government:
 - the increase of \$4.949m in the 2004-05 estimated outcome from original budget relates to supplementation for the full year effect of wage increases (\$3.549m), additional revenue provided to the ACT under the User Choice program for increased numbers of apprentices and trainees (\$2m), offset by reduced transactions with the subsidiary company, CIT Solutions Pty Ltd (\$0.6m); and
 - the increase of \$0.171m in the 2005-06 Budget from the 2004-05 estimated outcome primarily relates to supplementation of wage increases for teaching and general staff, offset by savings due to reduced charges from InTACT for IT services (\$0.169m).
- other revenue: the increase of \$1.061m in the 2004-05 estimated outcome from the original budget, and the decrease of \$0.979m in the 2005-06 Budget from the 2004-05 estimated outcome relates to CIT management of the National Communication and Leadership program (under the Australian Flexible Learning Framework agreement with DEST) during 2004-05;
- employee and superannuation expenses: the increase of \$5.478m in the 2004-05 estimated outcome from the original budget is due to the wage increases awarded in 2004-05 under the CIT new Certified Agreements and increased delivery of training under the ACT User Choice program;
- supplies and services: the decrease of \$1.811m in the 2004-05 estimated outcome from the original budget is mainly due to reduced costs for IT services. The increase of

\$0.974m in the 2005-06 Budget from the 2004-05 estimated outcome is due to indexation, increased facilities based costs such as repairs and maintenance, and the expensing of capital funding on operating costs such as computer and equipment leases; and

- other expenses: the increase of \$1.640m in the 2004-05 estimated outcome from the original budget is due to the CIT management of the National Communication and Leadership program. The decrease of \$1.121m in the 2005-06 Budget from the 2004-05 estimated outcome is due to an expected reduction in funding associated with the completion of the program.

Balance Sheet

- current assets:
 - the decrease of \$0.284m in the 2004-05 estimated outcome from the original budget relates to lower levels of cash and investments through the reduction of cash held in advance for training programs and national projects (\$1.120m), higher levels of receivables through increased activities under the ACT User Choice Program (\$1.134m), and lower levels of other current assets due to lower levels of prepayments relating to IT maintenance agreements (\$0.298m); and
 - the decrease of \$0.580m in the 2005-06 Budget from the 2004-05 estimated outcome is mainly due to lower levels of investments through the reduction of cash held in advance for training programs and national projects (\$0.628m).
- non-current assets:
 - the increase of \$0.4m in the 2004-05 estimated outcome from the original budget is due to a higher level of capital works in progress expected at 30 June 2005; and
 - the increase of \$1.945m in the 2005-06 Budget from the 2004-05 estimated outcome is due to the upgrade of infrastructure under the capital works program.
- total liabilities:
 - the decrease of \$0.803m in the 2004-05 estimated outcome from the original budget mainly relates to a reduced level of funding held in advance for training programs and national projects (\$1.398m), and a lower level of creditors in relation to a reduction in InTACT charges (\$0.293m), offset by higher employee benefits arising from wage increases (\$0.888m); and
 - the increase of \$0.782m in the 2005-06 Budget from the 2004-05 estimated outcome relates to a higher level of employee benefits associated with wage increases.

