



ANNUAL REPORT

2021-2022



TasTAFE
DRYSDALE
Business Hospitality
Centre of Excellence
Jasmie

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MESSAGE FROM THE BOARD CHAIR AND CEO

It is with great pleasure we present TasTAFE's 2021-22 Annual Report.

This report highlights TasTAFE's achievements and performance over the past financial year, one that has seen major changes in TasTAFE's governance structure. We thank our Ministers, the Honourable Sarah Courtney MP and the Honourable Roger Jaensch MP and the State Government for their support and for providing policy direction that enables TasTAFE to continue to lead in the provision of vocational education and training (VET) and the development of Tasmania's skilled workforce.

We acknowledge the efforts of all TasTAFE staff for their continued commitment in a challenging year. We especially acknowledge our students and their successes in many industry, training and international awards throughout the year. The success of our organisation requires a strong commitment from all and this has been clearly demonstrated over the past 12 months.

TasTAFE is very grateful for the strong support of industry and communities as we prepared to transition to become a not-for-profit government business. This change maximises our opportunity to service these industry partners with the type of products and delivery models that will be needed into the future to skill Tasmania's workforce.

In an eventful year we make particular mention of the following:

COVID-19: The global pandemic continued to challenge TasTAFE's training delivery during 2021-22. From February 2022 TasTAFE mandated all teachers, and staff, students and visitors to its training facilities be vaccinated against COVID-19 or have a valid medical exemption. This was in addition to other safety measures such as wearing facemasks and maintaining appropriate social/physical distancing. The vaccination mandate was in effect until 20 May 2022 for students and remains in effect for all staff. "As a result of our combined COVID-19 safety measures, only some classes were affected and

TasTAFE was able to continue to provide on campus training without needing to close any of its facilities.

PESRAC: The Premier's Economic and Social Recovery Advisory Council (PESRAC) final report, released in March 2021, recommended TasTAFE be established as a government business under the control and accountability of its Board of Directors, with authority and power to employ its workforce under the *Fair Work Act 2009*. The Government accepted this recommendation and in November 2021 Parliament passed legislation, *TasTAFE (Skills and Training Business) Bill 2021*, to enable TasTAFE to transition to a government business effective from 1 July 2022. During 2021-22 TasTAFE established a transition project team to facilitate the move to a not-for-profit Government Business and deal with technical transition issues. With the transition now complete, TasTAFE will soon launch its 10 Year Strategic Plan – Reimagining TasTAFE 2022-2032.

Centres of Excellence: During 2021-22 TasTAFE continued developing its Centres of Excellence, working with industry stakeholders and employers to ensure these centres reflect their needs and provide training that is contemporary and high-quality. Details are in the Performance and Operations section of this report. We take this opportunity to thank those members of industry and community for their valuable contribution to the advisory committees established for these projects and strong support of TasTAFE and its staff.

Reimagining TasTAFE 10-Year Strategic Plan:

During 2021-22, TasTAFE commenced work on the development of a 10-year strategic plan to provide the organisation with a long term vision and clear strategic direction. This plan will drive the development of an innovative and cohesive culture within TasTAFE and provide a common sense of purpose, shared values, and a clear direction. The Strategic Plan will also identify the types of training that must be undertaken to develop Tasmania's current and future workforce. The Strategic Plan will be released in the second half of 2022.

MESSAGE FROM THE BOARD CHAIR AND CEO, CONT'D

Acknowledgement and thanks: 2021-22 has been another challenging year for TasTAFE and we acknowledge this and would like to thank:

- Our students for their enthusiasm and application;
- Our staff for the innovation and altered workload required during COVID-19 and for consultation on developing the Strategic Plan;
- Our stakeholders for their willingness to engage with TasTAFE;
- Ray Mostogl for over six years on the TasTAFE Board; and Mike Blake for his three years on the TasTAFE Board as Chair; and
- The Tasmanian Government for their continued support.



A handwritten signature in black ink, appearing to read 'TG'.

Tim Gardner
Chair, TasTAFE Board



A handwritten signature in black ink, appearing to read 'GD'.

Grant Dreher
CEO, TasTAFE

“

TasTAFE is very grateful for the strong support of industry and communities as we prepared to transition to become a not-for-profit government business. This change maximises our opportunity to service these industry partners with the type of products and delivery models that will be needed into the future to skill Tasmania's workforce.

ACKNOWLEDGEMENT OF COUNTRY

We pay respect to the traditional and original owners of this island, Iutruwita Tasmania, we pay respects to those that have passed before us and to acknowledge today's Tasmanian Aboriginal community, the palawa people, who are the continuing custodians of this land.



WELCOME

Welcome to the TasTAFE Annual Report 2021–22.

TasTAFE is required to provide an Annual Report to the Minister for Skills, Training and Workforce Growth, under Sections 83 and 84, of the *Training and Workforce Development Act 2013*.

This is a report on the operations of TasTAFE during the period 1 July 2021 to 30 June 2022, and includes the audited financial statements and other information required under Section 83 (a) of the *Training and Workforce Development Act 2013*.

The Annual Report is also an opportunity to acknowledge key organisational outcomes and achievements and note challenges that have marked the year.

All financial information presented in this report is consistent with the audited financial report for TasTAFE.

Queries in relation to this report should be addressed to:

The Chief Executive Officer
TasTAFE
GPO Box 2015
Hobart TAS 7001

or

ceo@tastafe.tas.edu.au

Further information about TasTAFE can be obtained from our public website: www.tastafe.tas.edu.au

We hope you enjoy reading about the 2021-22 year and we thank the Tasmanian Government, our students, staff, industry, business and community for their continued support and direction.



SECTION 01.

ABOUT TASTAFE

01

ABOUT TASTAFE

PROUDLY GOVERNMENT OWNED AND OPERATED, TASTAFE IS THE LARGEST REGISTERED PROVIDER OF VOCATIONAL EDUCATION AND TRAINING IN TASMANIA.

With a focus on practical, real-life learning, we work closely with industry to produce job-ready and highly valued graduates. We stay connected with business and industry in Tasmania and we work hard to ensure the vocational education and training students receive is industry-relevant and provide real industry skills that are highly valued by employers.

TasTAFE offers over 200 nationally accredited qualifications. We deliver qualifications from Certificate I through to Advanced Diploma level as well as short course and skill sets across 30 industries.

On average we support the training of 20,000 students annually including 6,500 apprentices equating to approximately 60% of Tasmania's apprenticeship market.

Training is delivered across priority industries for Tasmania such as health, aged care and community services, construction, automotive and electrotechnology. Training is delivered at our 16 campuses and training facilities as well as online and in the workplace.




**VET IN 30
INDUSTRY SECTORS**

800 EFT STAFFING LEVELS

200 NATIONALLY ACCREDITED QUALIFICATIONS



 **92%**
STUDENT SATISFACTION

 **24,557**
STUDENTS

 **88%** EMPLOYER SATISFACTION

 **86%**
OF EMPLOYERS WOULD RECOMMEND TASTAFE

CENTRES OF EXCELLENCE & TRAINING HUBS

WATER AND ENERGY TRADES CENTRE

TasTAFE's Water and Energy Trades Centre of Excellence, or WET Centre as it is known as, is being developed in collaboration with industry to ensure that Tasmania has a skilled workforce to fully maximise the state's competitive advantage in water, energy and related sectors.

The Centre of Excellence building will have a floor area of over 5000 square metres spread across two levels and is being built on land adjacent to existing construction and allied trades workshops, creating a trades training hub at TasTAFE's Clarence Campus.

It will include a three-storey stack to replicate the pipes and inner workings of a multi-storey building. It will include a structural design and learning spaces that are flexible and able to be reconfigured as needs change.

The Water and Energy Trades Centre of Excellence will house TasTAFE's southern-based plumbing, gas, refrigeration, air conditioning and electrotechnology training in a fit-for purpose building. It will use contemporary learning resources and technology to deliver modern, authentic training that is aligned to industry.

AGRICULTURAL TRAINING CENTRE

Tasmania has a vibrant agriculture sector that is growing in success and confidence. Building a future workforce that is skilled up and innovative is vital to address skills shortages and support further growth. TasTAFE's \$5 million Agricultural Training Centre of Excellence will support the sector through the right skills and training and foster collaboration with industry.

Developed in consultation with an industry steering committee, it will include a contemporary farm-based learning centre, coupled with an education plan to build industry-relevant skills for now and into the future.

The construction design is complete, with a range of site preparation works underway.

Construction commenced at the end of May 2022, with stage one expected to be completed in early 2023.

DRYSDALE TOURISM AND HOSPITALITY CENTRES

During 2021-22 work commenced on refurbishing the cafeteria located on Level 2 of the Drysdale Hobart Campus from a service kitchen into a commercial cookery-training kitchen and upgrading the obsolete commercial equipment. This refurbishment will assist in building a skilled workforce for the Tasmanian hospitality industry. This refurbishment is on track to be completed in the second half of 2022.

For over 40 years TasTAFE's Butchery training was delivered from premises at the Hobart Showgrounds leased from the Royal Agricultural Society of Tasmania. Due to the lease agreement expiring mid-2022 a new Butchery training kitchen in the Drysdale Hobart Campus is being developed to allow Butchery training to continue. The design has been finalised and construction works will be completed in time to allow for training to commence from the new location in semester one, 2023.



CENTRES OF EXCELLENCE & TRAINING HUBS, CONT'D

HEALTH AND COMMUNITY SERVICE HUB

The Health and Community Service Health Hub core focus is on Community Services in the areas of mental health, alcohol and other drugs, and youth work.

TasTAFE has been working in collaboration with key stakeholders in the Community sector: Primary Health Tasmania; The Mental Health Council of Tasmania; Alcohol, Tobacco and Other Drugs Council; Drug Education Network; and TASCROSS to identify workforce needs and training requirements.

Space for the Health and Community Service Health Hub has been identified at TasTAFE's Alanvale Campus and the next step of the project will be developing this physical space.

CYBER INNOVATION TRAINING HUB

TasTAFE has received federal funding through the Cyber Security Skills Partnership Innovation Fund to develop and deliver training specifically for the cyber security sector in Australia.

Funding received will be directed to a purpose-built Security Operations Centre at the Campbell Street Campus, Hobart. The facility is due for completion in February 2023.



SECTION 02.

2021-22
HIGHLIGHTS

02



HIGHLIGHTS

PREPARATION FOR TRANSITION TO A NOT-FOR-PROFIT GOVERNMENT BUSINESS

In March 2021, the Premier's Economic and Social Recovery Advisory Council (PESRAC) released its final report which included recommendations for TasTAFE to be established as a not-for-profit government business with the power to employ its workforce under the *Fair Work Act 2009*. This recommendation supported the need for TasTAFE to be more like the businesses it serves.

The Government committed to implementing this recommendation and in November 2021 Parliament passed new legislation, *TasTAFE (Skills and Training Business) Act 2021*, to enable TasTAFE to transition to a not-for-profit government business effective from 1 July 2022.

TasTAFE convened a project team to facilitate the move to the new model.

REIMAGINING TASTAFE: A 10 YEAR STRATEGIC PLAN PROCESS

With TasTAFE transitioning to its new business model, a Strategic Plan was required to provide a long-term vision and to position the organisation to be responsive; future-focussed and industry aligned.

Outcomes from the consultation process along with how TasTAFE is to respond to external forces were used to inform the development of a draft Strategic Plan. The Plan is titled *Reimagining TasTAFE*.

The TasTAFE strategic planning process commenced early in 2021 with consultation of key stakeholders. This included:

- Student survey and focus groups;
- Staff information sessions, workshops and surveys;
- Unions;
- Industry stakeholder feedback sessions and reference groups;
- Meetings with Government stakeholders; and
- Meetings with secondary schools and local government representatives.

Early in 2022, the Draft Strategic Plan was road tested to ensure that the plan was headed in the right direction. Further consultation was undertaken through in-person and virtual workshops with staff as well as survey and email feedback from staff.

Over 175 comments relating to the draft document were received with a consistent theme on the need to focus on TasTAFE being accessible to all and the need to upskill the digital competency of our teachers. The consultation also highlighted that staff are eager to be empowered to take calculated risks, be creative and aspirational, and have greater connection with industry and employers.

The feedback from the final consultation has been collated and will be considered prior to the finalisation of the plan which is due to be released in October 2022.

HIGHLIGHTS, CONT'D

TASMANIAN TRAINING AWARDS 2021

TasTAFE-trained students enjoyed significant success at the 2021 Tasmanian Training Awards.

Winners included:

- **CLAIRE DRAAYERS** (Certificate II in General Education for Adults) Equity Vocational Student of the Year.
- **ASHLING CANNELL** (Certificate III in Education Support) Trainee of the Year.
- **SOPHIE RUSSELL** (Certificate III in Carpentry) the Apprentice of the Year.
- **MICHAEL TAYLOR** (Certificate III in Heavy Vehicle Mechanical Technology) Equity Apprentice of the Year.
- **DAVID LOWERY** (Certificate IV in Forestry Operations) Aboriginal and Torres Strait Student of the Year.
- **GYPSY ROSE BLACKBERRY** (Diploma of Early Childhood Education and Care) Vocational Student of the Year.



SOPHIE RUSSELL
(Certificate III in Carpentry)
Apprentice of the Year.

MASTER BUILDERS TASMANIA AWARDS FOR EXCELLENCE 2021

TasTAFE-trained apprentices also enjoyed success at the Master Builders Tasmania Awards for Excellence 2021 with Scott Vucetic winning State Apprentice of the Year and Bradley Young named Hands-on Skills Apprentice of the Year.

WORLDSKILLS AUSTRALIA NATIONAL CHAMPIONSHIPS 2021

TasTAFE-trained apprentices successfully competed against apprentices from all over Australia at the WorldSkills Australia National Championships in Western Australia during August 2021 winning the following medals:

- **CARLY BIRD** - Gold Medal in Cabinet Making.
- **BENJAMIN JAMES** - Gold Medal in Carpentry.
- **DOUGLAS SCOTT** - Gold Medal in Retail Butchery.
- **EVAN CRIPPS** - Silver Medal in Auto-Electrical.
- **JAKE SCOTT** - Bronze Medal in Bricklaying.



DOUGLAS SCOTT
Gold Medal in Retail Butchery.



HIGHLIGHTS, CONT'D

MORE AWARDS SUCCESS

The award wins kept on coming in recognising the talents of TasTAFE students including:

- TasTAFE Drysdale bakery apprentice, **LUKE WILLIAMS** winning the Silver Medal at the LA Judge national baking competition held in Sydney against apprentice bakers from Australia and New Zealand.
- TasTAFE Drysdale Commercial Cookery apprentice, **SEMRA PEACH**, winning a Silver Medal in the Nestle Golden Hat Chef of the Year Awards for Australia-wide apprentice chefs.
- TasTAFE Drysdale Cookery student, **THANUTYA (YAYA) WAITE** winning the Australian Institute of Technical Chefs' Best of the Best Future Chef Award. This is an Australian-wide award for emerging potential leaders from students who have successfully completed a Certificate III in Commercial Cookery.

Students Against Racism, a group made up of current and former TasTAFE students also won the Tasprint Community Group of the year at the Tasmanian Community Achievement Awards in December 2021.

We also had staff and student winners at the Study Tasmania International Education Awards in September 2021:

- **HUYNH VAN PHUONG NGUYEN** (TasTAFE Cookery graduate) - International Graduate of the Year.
- **MANDEEP JAIMAN** (TasTAFE Engineering student) - International Student of the Year for VET.
- TasTAFE's International Student Advisor Team - **ANGIE WU, JAMES FIELD, and EDGAR HO** - International Education Staff Member of the Year for exceptional commitment to enhancing the study and living experience and future aspirations of Tasmanian international students.

HIGHLIGHTS, CONT'D

STUDENT OUTCOMES SURVEY

The annual National Centre for Vocational Education Research (NCVER) Student Outcomes Survey measures student satisfaction levels. The 2021 and 2020 results, gathered from over 1,000 students who completed qualifications with TasTAFE, show TasTAFE students have better outcomes than the Australian average:

Student Outcomes Survey	TasTAFE 2021	Australian Ave 2021	TasTAFE 2020	Australian Ave 2020
Satisfied with teaching	87.7%	87.4%	89.0%	87.1%
Satisfied with assessment	90.2%	89.3%	90.3%	89.1%
Satisfied with the overall quality of training	88.2%	89.1%	89.4%	88.4%
Recommend training	87.8%	85.9%	86.8%	85.4%
Recommend training provider	86.3%	84.7%	86.9%	84.3%
Found the training relevant to their current job	80.1%	73.7%	81.4%	75.8%

LEARNER ENGAGEMENT SURVEY 2021

As a Registered Training Organisation, TasTAFE measures current learners' satisfaction levels with TasTAFE's training. The results of the 2021 survey of over 2,600 learners enrolled at TasTAFE for the prior year show the high levels of satisfaction with TasTAFE's training have been maintained.

Learner Engagement Survey	2021	2020	2019
Were satisfied with the training	90%	90%	89%
The training assisted learner to progress in their workplace	72%	74%	73%
The training focused on relevant skills	93%	94%	92%
Would recommend TasTAFE to others	92%	92%	91%
The training provided learner with the confidence to secure employment	78%	80%	77%



SECTION 03.

PERFORMANCE REPORTING

03

3.1 CORPORATE PLAN 2021-2025

TASTAFE: LEADING THE DEVELOPMENT OF TASMANIA'S SKILLED WORKFORCE

Endorsed by the Minister for Skills, Training and Workforce Growth, the TasTAFE Corporate Plan (August 2021) identified four key goals:

STUDENT SUPPORT

TasTAFE will capture and retain the flexible approaches to training delivery that were implemented as a result of COVID-19. This will ensure that we continue to deliver consistent, high quality vocational education and training across the State and continue to provide high standards of client service to students across all our major campuses.

To support contemporary and future-focused training models, TasTAFE has taken a pro-active approach to engage its teaching teams, support services and learners to review current practice and to align development activity to future needs. The first stage in the Virtual Campus project commenced with the prototype-pilot phase centred on developing a learner-centred evidence base for guiding and driving 'How we Learn at TasTAFE' into 2023 and beyond.

This has been accompanied by a plan to prototype new working processes and associated tools to support the design and implementation of Virtual Campus VET products.

TasTAFE also acknowledges the importance of vocational education and training to disadvantaged student cohorts and is proud to have a suite of support services to help students who may have various barriers to accessing and participating in education.

TasTAFE Student Counsellors are based at Hobart, Launceston, Devonport and Burnie campuses and provide career/course counselling to prospective and enrolled students including personal counselling, financial and welfare information and support,

and study support. In 2021-22 Student Counsellors provided support to over 1,480 students and prospective students.

TasTAFE Disability Liaison Officers are based at Hobart, Launceston, Devonport and Burnie campuses and provide information and assistance to students with a diagnosed disability, including apprentices and trainees, and work collaboratively with students and teachers to identify what support requirements are needed for them to successfully undertake a course of study at TasTAFE. In 2021-22 Disability Liaison Officers provided support to over 760 students and prospective students.

TasTAFE's Aboriginal Support Officers are based at Hobart, Launceston, Devonport and Burnie campuses and provide support, advice and assistance to Aboriginal students, including apprentices and trainees, who wish to enrol, or are already enrolled, at TasTAFE. This assistance includes helping students to overcome barriers to successful learning, assisting students in determining career/study pathways and providing supporting course information, arranging tutorial/study support, providing referrals to other internal support services, providing referrals to external providers, transport support, and support with TasTAFE course/material costs. In 2021-22 Aboriginal Support Officers provided support to over 730 students and prospective students.

DEMAND-DRIVEN MARKETS AND CUSTOMERS

TasTAFE will strive to provide vocational education and training that is responsive to Tasmanian industry needs and that benefits students.

In April 2021 two managers were appointed to the newly created Industry Relationships and Business Growth positions. Immediate priorities were centred on a consolidation approach to industry and community stakeholder engagement. Such engagement also extended to connecting with internal staff to better understand the organisation and its capacity to engage in commercial and project-based activities.

3.1 CORPORATE PLAN 2021-2025 CONT'D

Engagement activities have evolved to encompass various activities and responsibilities pertinent to the strategic direction/priorities of the organisation. This includes, but is not limited to:

- Accessing Tasmanian and Australian Government funding to lead and support training and workforce development-oriented projects;
- Where there is identified capacity, supporting delivery teams with coordinating commercial activity;
- Membership of various industry, regional and community workforce advisory groups (or equivalent);
- Coordination of industry engagement relative to Centres of Excellence;
- Establishing consistent engagement with key industry and community stakeholders whose priorities align with the services of TasTAFE; and
- Developing meaningful relationships with delivery teams to provide industry advice and be a source of truth with respect to project-based activities, standard training offerings and commercial opportunities.

PEOPLE AND CULTURE

TasTAFE will attract and retain staff to deliver and support quality vocational education and training and demonstrate responsiveness to industry stakeholders.

To support teaching staff to be prepared for future-focused training models, capability development programs have had over 3,900 attendances at digital skills development sessions focusing on building capability to embrace contemporary approaches and using technology to engage students on their learning journey.

OPERATING ENVIRONMENT

TasTAFE will, in the context of existing funding arrangements, remain financially stable meeting the expectations of the Tasmanian Government, and provide efficient, effective and contemporary environments and experiences for our students.

WATER AND ENERGY TRADES CENTRE OF EXCELLENCE

Construction has commenced on TasTAFE's \$27.5m Water and Energy Trades Centre of Excellence at its Clarence Campus. The State Government has contributed \$19m towards the project and the Federal Government has contributed \$7m.

An open tender process for the construction works was released in September 2021 with a contract being awarded in December 2021. Works on the new Water and Energy Trade Centre of Excellence at Clarence commenced on site in January 2022 and are progressing well.

The Centre of Excellence will invigorate trade training with contemporary equipment and consolidate TasTAFE's trade delivery in one location providing better support for students. It will bring together building and construction, plumbing and water, refrigeration and air conditioning, and smart building technologies, along with access to upskilling in renewables and hydrogen technologies.

TasTAFE is working closely with peak industry bodies including the Master Plumbers Association, Keystone, the Air-Conditioning and Mechanical Services Association, and the National Electrical and Communications Association to develop the Centre of Excellence, ensuring there is strong industry input on how training is delivered.

The project has an expected completion date of the end of 2023.

3.1 CORPORATE PLAN 2021-2025 CONT'D

AGRICULTURAL TRAINING CENTRE OF EXCELLENCE - FREER FARM

The Government committed \$5m to establish an Agricultural Training Centre of Excellence centred around TasTAFE's Freer Farm, located at Burnie.

The development will include a contemporary learning centre and significant investment in irrigation, livestock management, biosecurity and effluent management infrastructure. This will enable the demonstration of current best practice, industry collaboration and increased learning resources in those areas.

The Agricultural Training Centre of Excellence will provide a much-needed facility and equipment upgrades at Freer Farm, as well as product development and regional delivery models in conjunction with UTAS and industry partners.

In addition to the investment in the learning centre and equipment, the Centre of Excellence is developing a partnership model with UTAS to ensure program alignment, pathways and credit between UTAS and Facilities/infrastructure alignment with minimal duplication.

Following a Request for Tender process a construction contract was awarded in early 2022. TasNetworks completed installation of new power poles on site prior to the builder commencing. Main construction works, including the demolition of existing buildings commenced on site in May 2022.

This development will allow for the Agricultural Training Centre of Excellence to provide the best outcomes for industry and students. This work is aligned with a modern education plan focused on building industry relevant skills for now and into the future.

The project is expected to be completed by the end of 2023.

BRICKLAYING AND PLASTERING REFURBISHMENT - CLARENCE

The trade training facility at Clarence is being upgraded to provide increased space for the bricklaying and plastering teams. An open area has been enclosed into the main building to create the increased space. In addition to being able to cater for increased student numbers and courses the works produced a more functional space including air extraction for plastering.

The upgrade is on schedule to be completed by the end of September 2022.

3.2 MINISTER'S POLICY EXPECTATIONS

As part of the *Training and Workforce Development Act 2013*, TasTAFE is required to comply with the Minister's Policy Expectations.

In 2021-22, TasTAFE was to support Tasmania's economic recovery from COVID-19 as outlined in the six policy expectations below.

3.2.1 MAINTAIN ACTIVITY LEVELS AND A HIGH QUALITY OF SERVICE DELIVERY

The Government is committed to TasTAFE delivering a significant proportion of government-funded vocational education and training in Tasmania. TasTAFE aimed to maintain the overall level of activity delivered for student numbers, hours and enrolments.

In 2021-22 to 2019-20 student activity levels were:

	2021	2020	2019
Students	20,346	18,059	21,189
Activity Hours	4,278,445	3,726,702	4,676,969
Enrolments	24,552	21,192	26,448

Source: AVETMISS data

Vocational Education and Training	2021 Calendar Year	2020 Calendar Year	Jan-Jun 2022	Jan-Jun 2021
Students	20,346	18,059	12,300	13,111
Total Enrolments	24,552	21,192	13,828	14,594
Apprentices and Trainees	6,523	5,349	5,272	4,947
Activity Hours (Deed Funding)	3,149,319	3,098,928	919,949	1,042,495
Activity Hours (Non-Deed Funding)	1,129,126	627,774	284,072	316,599
Unit Completion Rate	82.4%	80.2%	83.9%	83.5%
Qualifications Completed (i.e. Certificate issued)	3,726	3,453	777	963
Other Accredited Outcomes (i.e. Statements of Attainment where students have not completed a qualification)	4,189	1,911	1,490	1,359

Source: AVETMISS data collection

Enrolments, student numbers, and activity hours have been recovering and approaching pre-COVID-19 levels during 2020 and 2021.

3.2 MINISTER'S POLICY EXPECTATIONS, CONT'D

3.2.2 DELIVER IN CORE INDUSTRY AREAS OF COMPARATIVE OR DIFFERENTIAL STRENGTH AND HIGH GOVERNMENT PRIORITY

TasTAFE focuses training delivery activity on foundation skills, qualifications and skill sets linked to the following core industry areas:

- Agriculture.
- Arts and recreation.
- Automotive.
- Building and construction.
- Hair and beauty.
- Health services, aged care and disability services.
- Manufacturing.
- Information and communications technology.
- Tourism, travel and hospitality.

In 2021-22 TasTAFE was expected to maintain the total training hours it delivered in these core industry areas. Activity hours in the above core industry areas were as follows:

	2021	2020	2019
Activity Hours: Hours	3,173,594	2,679,519	3,296,864
Activity Hours: %	74.2%	71.9%	70.5%

Source: AVETMISS data

3.2.3 PROMOTE AND SUPPORT APPRENTICESHIPS AND TRAINEESHIPS AND UPSKILL WORKERS

The Government set a target of a 40% increase in apprentices and trainees by 2025. TasTAFE was expected to maintain its capacity to meet industry demand for apprentices and trainees and support growth in the number of apprentices and trainees during Tasmania's economic recovery from the COVID-19 pandemic.

TasTAFE is the largest provider of training for apprentices and trainees in Tasmania and has experienced a significant increase in apprentice and trainee numbers from 5,414 in 2019 and 5,349 in 2020 to 6,523 in 2021*. New apprentice and trainee commencements rose from 1,732 in 2019 and 1,411 in 2020 to 2,435 in 2021. The increase in demand for apprentice and trainee training has continued in 2022** with 5,272 apprentices and trainees enrolled as at 30 June 2022 compared with 4,947 in 2021 and 4,191 in 2020. Growth has been particularly strong in construction and allied trades, electro-technology, plumbing, automotive, and agriculture.

* AVETMISS figures for the calendar years

** AVETMISS figures for the financial years

3.2.4 DELIVER FOUNDATION SKILLS

Consistent with section 57(2) b. of the *Training and Workforce Development Act 2013* TasTAFE was to continue to focus on providing foundation skills (including language, literacy, numeracy and general education skills) to students who have not successfully navigated the school system or who have difficulties arising from access or other barriers to participation in education.

TasTAFE has a range of re-engagement and pathway training products available to students to assist them achieve their educational, professional, and personal goals.

TasTAFE offers both specialised learning programs and support to meet the needs of students who are re-engaging with study or developing their language, literacy, and numeracy skills.

These programs include:

- Skills for Education and Employment (SEE) Program;
- Vocational Preparation Teams;
- Work Pathways Programs; and
- Literacy and Numeracy Support.

3.2 MINISTER'S POLICY EXPECTATIONS, CONT'D

3.2.5 DELIVER IN RURAL AND REGIONAL AREAS AND TO DISADVANTAGED STUDENT COHORTS

TasTAFE continued to provide programs and service delivery models to promote and support participation of disadvantaged groups in training.

Section 57(2)(e) of the *Training and Workforce Development Act 2013* states TasTAFE's function is to provide vocational education and training in (i) rural and isolated communities; and (ii) other communities where other providers of vocational education and training cannot, or are not, effectively meeting demand for it.

During 2021, TasTAFE delivered training to the following disadvantaged student cohorts:

- 1,508 Aboriginal and Torres Strait Islander enrolments (1,289 in 2020);
- 2,640 students with a disability (2,447 in 2020);
- 10,907 students from low socio-economic status backgrounds (9,622 in 2020);
- 514 students living in remote areas (464 in 2020); and
- 2,418 students from a non-English speaking background (2,118 in 2020).

TasTAFE has support programs targeting specific disadvantaged student cohorts including:

- Support for Aboriginal students.
- Disability Support Officers.
- English Language Services Teams.
- Adult Migrant English Program (AMEP).
- Young Migrant Education Program (YMEP).
- ELICOS (English Language Intensive Courses for Overseas Students).

3.2.6 MAINTAIN STRONG COMMUNITY AND INDUSTRY RELATIONSHIPS

Section 57(2)(c) of the *Training and Workforce Development Act 2013* states TasTAFE's function is to develop, in consultation with relevant industry associations, models for the provision of vocational education and training to employed persons for the purposes of developing skills, including developing skills needed to alleviate or prevent skill shortages in the Tasmanian workforce.

TasTAFE has strong industry engagement through its Centres of Excellence: Water and Energy Trades; Agricultural Training at Freer Farm; and Drysdale. These are typically in the form of structured industry advisory groups who provide advice on its engagement with TasTAFE in the context of vocational education and training.

TasTAFE has also activated an industry advisory group for its Cyber Innovation Training Hub.

TasTAFE is a member of a number of industry, community and regional groups that have a focus on training, skills and workforce development. Some examples include:

- Tasmanian Government's Tasmanian Energy and Infrastructure Workforce Advisory Committee;
- Tasmanian Government's Tasmanian ICT Workforce Advisory Group;
- Circular Head Education and Training Consultative Committee;
- West Coast Education and Training Consultative Committee; and
- Tasmanian Minerals, Manufacturing and Energy Council (TMEC) Advanced Manufacturing Advisory Committee.

3.2 MINISTER'S POLICY EXPECTATIONS, CONT'D

TasTAFE has also established a number of Memorandums of Understanding with key industry stakeholders as a signal of commitment to training and skills activity pertinent to their respective sectors. Examples include:

- Keystone Tasmania;
- Master Builders Tasmania;
- Tasmanian Institute of Agriculture; and
- Tasmanian Council of Social Services.

TasTAFE's engagement with industry and community has increased to extend across a number of projects, TasTAFE-led and partnered, that align with complementing existing services and value adding with respect to ensuring that there is strong alignment with TasTAFE training and priority industry demand.

TasTAFE continues to work with key industry stakeholders in establishing a consistent method of engagement to ensure that it understands the training and skills needs of priority industries in Tasmania. As a means of formalising this in 2022/2023, TasTAFE will seek to develop an Industry Engagement Framework. The Framework, referenced in TasTAFE's 10-year Strategic Plan, will seek to promote a consistent, accountable, and meaningful representation for how the organisation is committed to working with industry moving forward.

TasTAFE has and will continue to engage with Skills Tasmania as it develops the Tasmanian Government's Industry Compacts Framework. The premise of this commitment is to ensure that our respective industry engagement processes are complementary and align to the needs of the Tasmanian economy.

The 2021 Employers' Satisfaction Survey results indicated that employers continue to be satisfied with training delivered by TasTAFE. Of particular note:

- Overall, employer are satisfied with the training – 90% (90% in 2020);
- Employer would recommend TasTAFE to others – 92% (92% in 2020); and
- The training focused on relevant skills – 93% (94% in 2020).

TasTAFE continues to work closely with the University of Tasmania (UTAS) across alignment of products and services for Tasmanian priority industries. Some examples of this activity include:

- Articulation of pathways pertinent to agriculture education and training in North-West Tasmania;
- Articulation of pathways and exploration of blended products for the Tasmanian cyber security industry; and
- Development of a blended and integrated industry training model for engineering paraprofessionals in the Tasmanian energy sector.

3.2.7 MINISTERIAL DIRECTIVES

For the period 1 July 2021 – 30 June 2022, no Ministerial Directives were received.



SECTION 04.

GOVERNANCE AND ORGANISATIONAL STRUCTURE

04+

TASTAFE BOARD

During 2021-22, TasTAFE operated under the *Training and Workforce Development Act 2013* and had a board consisting of seven members appointed by the Minister for Skills, Training and Workforce Growth.

The Board is responsible to the Minister for meeting the expectations of the State Government. The Board performs this role by:

- clearly identifying and articulating TasTAFE's strategic direction through its Corporate Plan;
- identifying and addressing TasTAFE's principal risks;
- monitoring TasTAFE's conduct and performance through an integrated framework of controls;
- ensuring all of TasTAFE's business is conducted in an honest, open and ethical manner;
- recommending the appointment of, and monitoring the performance of, the Chief Executive Officer; and
- ensuring adequate succession planning is undertaken.

BOARD MEMBERSHIP CHANGES

- On 1 July 2021, Tim Gardner was appointed to the Board.
- On 30 November 2021, Mike Blake's term expired.
- On 8 December 2021, Anna Reid was appointed to the Board.
- On 8 December 2021, Kym Goodes was appointed to the Board.
- On 8 December 2021, John Maddock was appointed to the Board.
- On 31 December 2021, Ray Mostogl's term expired.

BOARD MEMBERS



TIM GARDNER: Chair
(from 1 December 2021)

(Appointed to Board
1 July 2021 – Present)

Tim has more than 30 years' experience in business leadership, management and strategic development with a focus on public infrastructure.

After undertaking various government roles early in his career, Tim joined his family's business, Stornoway, in 1998. Tim led the business as CEO and then Managing Director for 12 years before stepping into the role of Chair. Stornoway provides civil asset services nationally to all levels of government, as well as to a wide range of private sector clients.

Tim currently chairs the Board of Metro Tasmania and is a director of Football Tasmania.



MIKE BLAKE: Chair
(until 30 November 2021)

(Appointed to Board
30 November 2018 –
30 November 2021)

Mike has over 40 years' experience in the audit and accounting professions in both the public and private sectors, as well as four years as a line manager in the health sector.

In early 2016, after almost 12 years in the role, Mike retired as Tasmania's Auditor General and now focuses on board work. Mike remains active in setting standards through his membership of the Australian Accounting Standards Board and he is Australia's representative on the International Public Sector Accounting Standards Board.

TASTAFE BOARD. CONT'D

Mike's contribution to his profession included some years as a member of the Board of Chartered Accountants Australia and New Zealand, where he chaired its Audit and Risk Committee. Mike joined the Institute of Chartered Accountants in Australia in 1991, advancing to Fellowship in 1997 and was appointed a Director in January 2011. He has also been an active member of CPA Australia and he chairs the Tasmanian Electoral Commission.



RAY MOSTOGL

(Appointed to Board
6 October 2015 –
31 December 2021)

Ray's career spans over 39 years in the minerals processing arm of resource majors BHP and Rio Tinto. He has experienced a full range of disciplines from Maintenance, Engineering, and Project Management to Operations and Finance throughout the peaks and troughs of the resource industry.

Ray was appointed as the General Manager Operations – Bell Bay Aluminium at Pacific Aluminium in 2011. He successfully led the site through a period of significant change in the global aluminium industry. Bell Bay's transformation has been an inspiration to many in the industry as well as within the Tasmanian business community. In 2014, Ray won The CEO Magazine's Manufacturing Executive of the Year Award, on the back of the smelter's business transformation. Ray left Bell Bay Aluminium in 2018 and he is now CEO of the Tasmanian Minerals, Manufacturing and Energy Council (TMEC) and Executive Director of KEEN Partners. In 2018, Ray was inducted into the Launceston Chamber of Commerce Hall of Fame. Ray has played a key role as a member of the State Government task forces on freight and energy. He is a graduate of the Australian Institute of Company Directors.



YVONNE RUNDLE: Chair, Audit and Risk Management Committee

(Appointed to Board
12 November 2018 – Present)

Yvonne is passionate about the positive impact education has on the student, the community and the State. Her passion for education was triggered with her appointment to the University of Tasmania Council in 2005 and her subsequent appointment as Deputy Chancellor in 2008 through to 2011.

Yvonne is a Fellow of Chartered Accountants Australia and New Zealand, the Australian Institute of Company Directors and the University of Tasmania. Yvonne is a former owner and director of a state-wide chartered accounting practice and has over 30 years of experience in public practice, consulting in areas such as succession planning, strategic planning, corporate governance, risk management, business and taxation advice.

Yvonne has experience in a range of board roles with her current roles including Director of Aurora Energy Pty Ltd and Chair of its Board Audit and Risk Committee, as well as the Director of TT-Line Company Pty Ltd and Chair of its Audit and Risk Committee and Remuneration Committee. Yvonne is also a Non-Executive Director on the Boards of Metro Coaches (Tas) Pty Ltd and Metro Tasmania Pty Ltd and a committee member of Metro's Audit and Risk Committee.

In addition to her roles on various state-owned companies, Yvonne is also a Director of Action Against Homelessness Limited a not-for-profit charity seeking to find solutions for homelessness in the Devonport community and a number of privately owned companies

TASTAFE BOARD. CONT'D



LEE ASTHEIMER: Chair, People Safety and Culture Committee

(Appointed to Board
8 April 2020 – Present)

Lee has a strong interest in the role vocational education plays in the spectrum of tertiary training and industry capability in Australia. Lee has previously been a member of the Board of Melbourne Polytechnic TAFE (2016-2020), with a focus on education quality and academic governance.

Previously, she was Deputy Vice-Chancellor Research at Deakin University (2009-16) where she managed the growth and development of Deakin's research portfolio, including research training, infrastructure, engagement with business and industry, and international research partnerships.

Lee has a BSc (Biology, Hons) from Lakehead University, Canada and a PhD in Ecology from the University of California, USA and has held research and academic positions at University of Washington in Seattle, USA, Rutgers University USA, the University of Tasmania and the University of Wollongong.



NAOMI WALSH

(Appointed to Board
1 January 2021 – Present)

Naomi has a strong interest in workforce development, industry engagement and skills for the future with experience in industry sectors employing trainees and apprentices. She believes that industry-relevant skills are critical for students to succeed in their careers.

Naomi has 30 years' experience in finance and commercial management roles including 13 years with a private company with operations in

construction, manufacturing, tourism and hospitality sectors. In 2014 she was awarded the Telstra Business Women's Award, Tasmania Corporate sector recognising her leadership in the Tasmanian construction industry.

Naomi's qualifications include Master of Business, Fellow Chartered Accountant, Graduate Australian Institute of Company Directors and alumni of the Tasmania Leaders program. She is deputy chair of the Chartered Accountants (CAANZ) Tasmanian regional council and Tasmanian representative on the CAANZ National Council.

Naomi is a non-executive director of Motor Accidents Insurance Board (Tas), Commissioner for Tasmanian Legal Aid, Tasmanian Development and Resources Board, Mental Health Council of Tasmania and Launceston Chamber of Commerce. She is Academic Lead Employability in the College of Business and Economics at the University of Tasmania.



ANNA REID

(Appointed to Board
8 December 2021 – Present)

Anna joined the Board in January 2022 and is passionate about equity in education and the role education plays in providing the future leaders, creators and workforce of Tasmania.

Anna has over 20 years of marketing experience across a diverse set of industries and geographies. As an award winning and experienced CMO Anna specialises in brand and digital transformation that is customer led and commercially oriented.

Anna is a Director in EY's Consulting practice specialising in customer led transformation and is focussed on the education sector. Prior to joining EY, Anna led the brand and digital transformation of the Sydney Opera House, winning awards globally and locally.

TASTAFE BOARD. CONT'D



KYM GOODES

(Appointed to Board
8 December 2021 – Present)

Kym, the principal of 3P, is a recognised leader and change maker. She has two decades of experience working in government and the not-for-profit sector in social and economic public policy fields as diverse as education, employment, transport, energy, digital inclusion, health, housing, and human services.

She has worked across both the public and private sectors as an adviser specialising in public engagement and evidence-informed policy and program responses. As the previous CEO of TasCOSS, Kym was recognised for her work to challenge and change the systems, behaviours and attitudes that lead to inequality and disadvantage.

Kym is committed to ensuring all Tasmanians have access to the education and training they need to take up employment options. This is critical to ensuring the opportunity for Tasmanians to participate in the economic and social elements of life on our beautiful island.



JOHN MADDOCK, AM

(Appointed to Board
8 December 2021 – Present)

John has extensive governance and senior executive leadership experience in the tertiary and adult education sectors, including serving in Chief Executive Officer positions at Box Hill Institute Group, the Gordon Institute of TAFE and the CAE.

John currently serves as a non-executive director with Adult, Community and Further Education (ACFE) and is Chair Finance and member of its

Audit and Risk Committee. He is also Chair of the Melbourne Central Basketball Association Board.

John's previous governance experience as a non-executive director within the education sector includes Victorian Curriculum & Assessment Authority (VCAA) and its Audit and Risk Committee, VTAC Board of Trustees, Deakin University Council and its Audit Risk Committee. John has also served on the Monash University Faculty of Education Board, Innovation and Business Skills Australia (IBSA), Australian Training Products and eCoach Boards and as a member of the Victoria Polytechnic Vice Chancellor's Advisory Committee at Victoria University. John is a Fellow of the Australian Institute of Company Directors.

John was awarded the Australia Sports Medal for volunteer services with the Sydney 2000 Olympics. In 2013, John was made a Member in the General Division of the Order of Australia for significant service to vocational education and training, and to the sport of basketball.

COMMITTEES

The Board meets regularly and is supported by its Audit and Risk Management Committee and its People, Safety and Culture Committee.

AUDIT AND RISK MANAGEMENT COMMITTEE

The Audit and Risk Management Committee is appointed as part of the governance structure of TasTAFE and pursuant to the requirements of the *Training and Workforce Development Act 2013*. The Auditor-General of Tasmania is the external auditor of TasTAFE. The committee is chaired by Yvonne Rundle with other members being Naomi Walsh, Mike Blake (until 31 November 2021), Anna Reid (from January 2022) and John Maddock (from January 2022).

The Audit and Risk Management Committee's functions are to:

1. Recommend to the Board for approval, the appointment of internal auditors and associated matters;
2. Oversee Management's approach to risk identification and management including implementing risk-based internal and external audit programs;
3. Monitor auditors and management, and advise the Board of the results of that monitoring in relation to:
 - a) financial reporting processes
 - b) systems for internal control and management of risks
 - c) processes for monitoring of compliance with legislation and regulation, and internal controls
 - d) audit scopes, outcomes and actions, and
 - e) performance of auditors; and
4. Make recommendations to the Board as appropriate.

PEOPLE, SAFETY AND CULTURE COMMITTEE

The People, Safety and Culture Committee assisted the Board in fulfilling its corporate governance responsibilities relating to organisational culture, health, safety, and wellbeing. In 2021, the committee was chaired by Lee Astheimer, with other members being Ray Mostogl (until 31 December 2021) and Tim Gardner. In February 2022, the committee was disbanded.

MEETINGS OF DIRECTORS

The table below sets out the number of Directors' meetings (including meetings of Board Committees) held during the financial year and the number of meetings attended by each Director (while they were a Director or Committee Member).

	Board of Director Meetings	Audit and Risk Management Committee	People, Safety and Culture Committee
	14 Meetings Held	5 Meetings Held	2 Meetings Held
Tim Gardner	14	N/A	2
Yvonne Rundle	14	5	N/A
Lee Astheimer	14	N/A	2
Naomi Walsh	13	5	N/A
Mike Blake	8 (of 8)	2 (of 2)	N/A
Ray Mostogl	9 (of 9)	N/A	2
Anna Reid	5 (of 5)	2 (of 2)	N/A
Kym Goodes	5 (of 5)	N/A	N/A
John Maddock AM	5 (of 5)	2 (of 2)	N/A

EXECUTIVE TEAM



GRANT DREHER
Chief Executive Officer

Grant joined TasTAFE after more than 20 years in the Victorian TAFE sector, most recently, as Deputy Vice-Chancellor, Vocational Education and Pathways

at Victoria University and Executive Director, Victoria Polytechnic.

He led the establishment of the renewed TAFE Division of VU, now known as VU Polytechnic, and the development of its multi-award winning blended and online learning model.

During almost 12 years with VU, Grant championed the organisation's relationship and relevance with industry. He was instrumental in the development of VU's first cross-university school, School for the Visitor Economy, and was also responsible for the cross-university School for Transport Systems and Civic Infrastructure. He developed VU's Cyber Security Centre in partnership with CISCO and other industry partners and reopened the Werribee East campus to respond to Victoria's training needs in infrastructure development, working with CPB John Holland (Westgate Tunnel builders).

Grant has many years' experience working in regional areas, including as General Manager Education and Training at Bendigo Regional Institute of TAFE.



SCOTT ADAMS
Chief Operating Officer

Scott joined TasTAFE as Chief Financial Officer in March 2018 and became Chief Operating Officer on 1 July 2020. Scott is responsible for overseeing TasTAFE's

financial management, human resources, facilities management, ICT, corporate governance, procurement, and Board secretariat. Prior to joining TasTAFE, Scott worked for the Tasmanian Health Service for four years as the Executive Director of Corporate Services covering facilities management, house services, ICT and procurement.

Prior to this, Scott was CEO of an IT consultancy company and was associated in various capacities with Aurora Energy. Scott held a number of Board positions for not for profit entities including the no interest loans scheme, Lady Gowrie Tasmania, and the Cancer Council of Tasmania. Scott is a Certified Practicing Accountant, holds a Bachelor of Commerce from UTAS, an MBA from Deakin University and is currently studying a Master in Public Administration with Flinders University.



KERRY MEREDITH-SOTIRIS
Executive Director Students and Education

Kerry has an extensive history in vocational education in Tasmania, including leading TasTAFE's Technology and Trade Division. Kerry

has been a vocational education and training teacher which provides a solid basis from which she provides educational leadership in her current position. Kerry's focus in this Executive Director role is to provide strategic direction and leadership of TasTAFE's delivery of vocational education and training, leading the development and implementation of strategies, systems and processes that contribute to continuous improvement, innovation and excellent student and employer outcomes.



BRENDAN HOLLAND
Director Education – Operations

Brendan has extensive experience in vocational education and training having undertaken a range of senior roles with TasTAFE dating

back to 2005. Since 2015, Brendan's roles have had a strong operational focus working with Education Managers on various team related matters such as timetables, administrative support, productivity, business planning, and HR liaison.

EXECUTIVE TEAM, CONT'D



LYNDENE BOWEN
Director Quality and
Academic Services

Lyndene has been employed at TasTAFE since 2002, commencing as a teacher and moving to management positions in 2010. She

oversees the functions of registration, client services, academic services, curriculum, student enrolment and employer contracts of training administration, libraries and student services, and student awards. She also manages Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS) registration and is responsible for international student attendance and progression.



FIONA LE GASSICK
Director Future Students
and Industry

Fiona has led a rich career across a number of organisations and sectors. Prior to joining TasTAFE she held Director and

Management roles at Greater Shepparton City Council, GOTAFE - one of the largest vocational education and training providers in regional Victoria, Berry Street Victoria and the Victorian Department of Human Services. Key areas of responsibility have included business and commercial development, stakeholder and community engagement, strategic marketing and communications, brand management, digital media and design, and customer service.



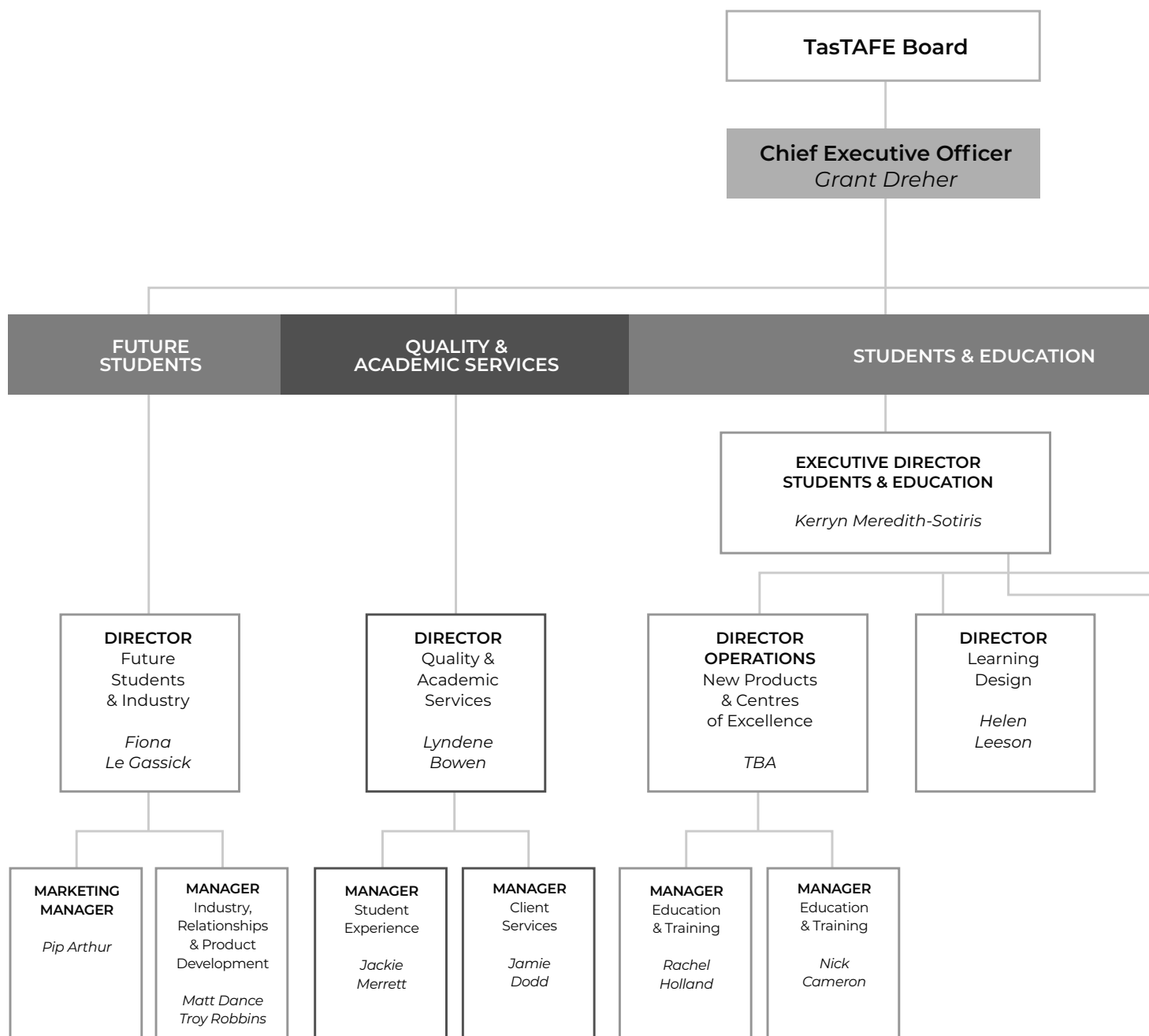
HELEN LEESON
Director Learning Design

Helen Leeson has over 25 years' leadership experience in vocational education and training including director and executive director positions with TAFE Queensland. As

Chief Academic Officer of the Australian Pacific Training Coalition, Helen was responsible for leading academic directions and educational teams to design and implement the quality delivery of Australian standard qualifications in Pacific Island countries. An experienced academic leader, Helen oversees education design and capability for TasTAFE to ensure quality education and training outcomes and viable innovative solutions. Helen is chair of the TasTAFE Education and Training Committee and lead for Virtual Campus, Cyber Innovation and educational projects.

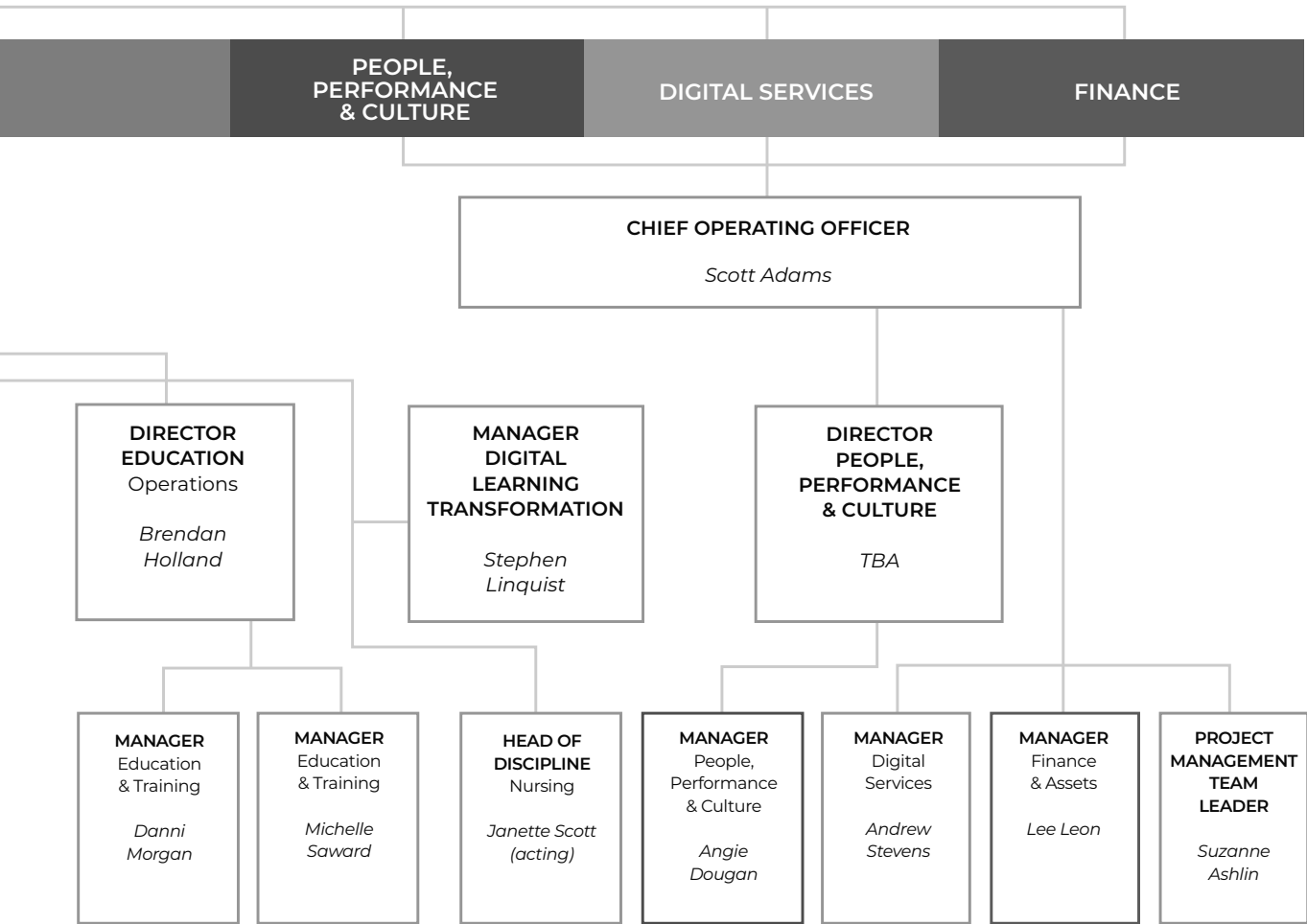
ORGANISATIONAL STRUCTURE

AS AT 30 JUNE 2022





15 June 2022



EMPLOYEES

As at 30 June 2022, TasTAFE's workforce consisted of:

Teaching Staff	Full Time Equivalent	Headcount
Permanent - Full Time	264.30	265
Permanent - Part Time	98.74	148
Fixed Term	46.30	53
Sessional Employee	2.61	16
Teaching Totals	411.95	482
Non-Teaching Staff:	Full Time Equivalent	Headcount
Permanent - Full Time	262	262
Permanent - Part Time	83.79	131
Fixed Term	49.26	55
Casual Employee	1.86	14
Non-Teaching Totals	396.91	462
Grand Totals	808.86	944

HEALTH, SAFETY AND WELLBEING

TasTAFE is committed to providing and maintaining a workplace and learning environment that is free from risk to the health, safety, and wellbeing (HSW) of all employees, students, contractors, visitors, members of the public and others attending a TasTAFE campus or training facility.

TasTAFE addresses this commitment by developing and implementing a HSW management system that leads industry standards; embedding a workplace culture, programs and work practices that promote a healthy and safe workplace and learning environment; supporting the physical and mental health, safety, and wellbeing of employees; and eliminating as far as reasonably practicable, work-related injury, illness, and disease.

The TasTAFE Board and Executive regularly monitor and review HSW performance with a holistic focus on effective safety management which includes personally meeting with employees and conducting

workplace inspections; review of incident and hazard reporting, hazard management, implementation of corrective actions; monitoring progress on injury management, return to work, and analysis of safety performance trends.

TasTAFE provides a range of wellbeing information, training and services including an Employee Assistance Program service and Mental Health First Aid Officers to support employees with work and non-work-related injuries, illnesses, or other medical conditions.

TASTAFESAFE: WORK, HEALTH AND SAFETY MANAGEMENT SYSTEM

TasTAFESAFE is our HSW management system. It provides TasTAFE's Board, Executive, management, employees, students, contractors and visitors with tools and processes that support a safe and healthy work environment. TasTAFE seeks to stay abreast of industry standards and best practice strategies applicable across all operational and study areas through teacher competency training, return-to-industry, and involvement in regular industry forums. TasTAFESAFE is proactively managed through continuous improvement to ensure it meets TasTAFE's evolving needs.

TasTAFE seeks to ensure compliance is maintained with all relevant legislation including the *Work Health and Safety Act 2012*, the *Worker's Rehabilitation and Compensation Act 1988*, and applicable Codes of Practice, Guides and Australian Standards.

NOTIFIABLE INCIDENTS

TasTAFE had no notifiable incidents to report in the period 1 July 2021 to 30 June 2022.



EMPLOYEES, CONT'D

WORKERS COMPENSATION CLAIMS

During the 2021-22 financial year while employment numbers remained stable, TasTAFE was able to achieve a significant decrease in the number of new claims for workers compensation compared to 2020-21 results. While claim numbers are low the effective management of all existing claims remains a priority.

Analysis of claims shows injuries are predominantly related to slips, trips and falls, musculoskeletal/overuse, and psychological injuries. The following table provides a summary of workers compensation information for the last three financial years.

Summary of workers compensation data

	2021-22	2020-21	2019-20
New Claims	13	28	25
Open Claims (at 30 June)	21	27	10
Lost Time Injury Frequency Rate	6.4	15.36	9.58
Lost Time Injury Severity Rate	133.05	115.49	61.71
Workers Compensation Total Lost Work Hours ¹	11,735	10,186	5,317
Average Cost Per Claim ¹	\$10,363	\$8,046	\$9,059

¹ Total costs paid on all open/closed claims ÷ number of new claims received by 30 June of the relevant year: Source, Jardine Lloyd Thompson, Tasmanian Risk Management Fund, fund administration agents.

HEALTH AND WELLBEING INITIATIVES

During 2021-22, TasTAFE provided a range of health and wellbeing initiatives which included:

- Conducting a range of health monitoring processes, including personal noise monitoring, silica dust assessment and wood dust assessments.
- Promotion of the TasTAFE Employee Assistance Program and services available including CoronaCare Awareness and available support services.
- Change management support for Managers.
- Chief Warden information sessions for updated fire plans and refresher training.
- Managers WHSMS information sessions for new and existing managers.
- The uptake of seasonal influenza vaccinations off-site was promoted to all employees through GPs and local pharmacies.
- Regular Health and Wellbeing articles posted in the staff newsletter (TasTAFE Talk) covering: the promotion of TasTAFE as a smoke free workplace; mental health and wellbeing when working from home; hearing and hearing loss awareness; and COVID-19 support tips.
- Active promotion of national and international days such as: RUOK Day, World Suicide Prevention Day, World Day for Safety and Health at Work, Human Rights Week, World Kidney Day, Mental Health Week, Wear it Purple Day (raising awareness about the impact of bullying and harassment on LGBTIQ+ youth), and World No Tobacco Day.
- Promotion of training services available such as; Mental Health Awareness Training, Diversity and Inclusion; Aboriginal Cultural Respect; Managing stress for positive change; Mental Health tools to support students; and eLearning course developed by the Australian Network on Disability (AND) to support disability-confident workforces.

EMPLOYEES, CONT'D

- TasTAFESAFE Work Health and Safety month activities included mental health awareness, and 'Walk the Talk' safety walk events were promoted in conjunction with WorkSafe Tasmania's and Safe Work Australia's Work Safe Month.

The TasTAFE Board, Executive and regional HSW Committees receive and consider monthly reports on health, safety, and wellbeing, including the latest HSW performance statistics, injury/hazard trends, emerging issues and areas of concern and actions being taken to address these.

COVID-19 RESPONSE AND RECOVERY


TasTAFE continued to proactively manage COVID-19 during the 2021-22 financial year. A key initiative was convening a dedicated COVID-19 Response Taskforce. The Taskforce saw a cross-organisational working group come together weekly to assess the current COVID-19 situation and introduce or reduce mitigations as required.

While decisions and actions were based on the advice of Public Health Tasmania and the State Government, with the COVID-19 situation being dynamic, the Taskforce enabled TasTAFE to take preventative and responsive action.

Being able to continue to safely deliver education and training was paramount. This saw TasTAFE continuing to provide training in more flexible ways, while also introducing safety measures such as mandatory vaccination and mask wearing for staff and students, as well as continued classroom density limits and hygiene measures.

- The decision to introduce mandatory vaccination for staff, students, apprentices and trainees was critical in minimising the spread of COVID-19 within and across campuses. The mandate was to ensure the safety of TasTAFE's students and staff, to prevent campus lockdowns, and for continuity of training on and off TasTAFE training sites.

- In December 2021 TasTAFE Executive implemented, as part of its COVID-19 risk mitigation strategy, that all students, including apprentices and trainees, accessing TasTAFE facilities in 2022 must be fully vaccinated against COVID-19 or have a valid medical exemption. This mandate was effective from the start of 2022 and ended on 20 May 2022 due to the high percentage of Tasmanians aged 16 and over having completed two doses of a COVID-19 vaccine.
- During the student vaccination mandate period TasTAFE worked with unvaccinated students and their employers to ensure their training was able to continue despite not being able to come onto campus. This included development of individual learning plans for students who elected to not comply with the mandate, and specialised capstone activities for apprentices in their final year of study.
- A decision was undertaken to mandate vaccination of all TasTAFE employees. This mandate remained in effect as at 30 June 2022.
- The five-month vaccination mandate for students was effective as there were no campus lockdowns, minimal furloughing of staff, and students were able to continue their education and training with limited disruption.



DISCLOSURES & COMPLIANCE

05

DISCLOSURES & COMPLIANCE

RIGHT TO INFORMATION

TasTAFE has implemented a policy, which subject to privacy and confidentiality provisions, facilitates all reasonable requests for information from students, staff and the general public without recourse to the *Right to Information Act 2009*.

TasTAFE may levy a charge for information provided that is subject to a Right to Information (RTI) request in accordance with the *Right to Information Act 2009*.

During the period 1 July 2021 – 30 June 2022, TasTAFE received two RTI requests with the information being requested released in full.

PUBLIC INTEREST DISCLOSURES

TasTAFE has implemented a policy and procedural framework to encourage and facilitate the making of protected disclosures of improper conduct by TasTAFE's officers and employees.

TasTAFE's procedure provides protection and support for persons who made a disclosure and establishes a system for matters to be investigated and, where necessary, corrective actions to be taken. A copy of TasTAFE's public interest disclosures procedures is available by phoning the Office of the CEO on 6232 7694 or emailing rti.enquiries@tastafe.tas.edu.au.

During the period 1 July 2021 – 30 June 2022:

1. There were no matters raised with TasTAFE under the *Public Interest Disclosures Act 2002*. There were no matters referred to TasTAFE for investigation by the Ombudsman in the 2021-2022 period. There were no matters referred to TasTAFE which we declined to investigate.

DISCLOSURES & COMPLIANCE, CONT'D

COMPLIANCE

The following table describes the information TasTAFE is required to include in its Annual Report, the legislation that requires this information be included, and the section of the Annual Report in which the information can be found:

What is required	To comply with	Where is this information in the annual report?
Financial Statements	Section 83 (a) of the Training and Workforce Development Act 2013 (TWD Act)	Financial Statements
Auditor-general's report	Section 83 (b) TWD Act	Financial Statements
Directions from Minister	Section 83 (c) TWD Act	Minister's Policy Expectations
Minister's policy expectations	Section 83 (d) TWD Act	Minister's Policy Expectations
Summary of TasTAFE Corporate Plan	Section 83 (e) TWD Act	Corporate Plan 2020-2023
Report on performance of TasTAFE	Section 83 (f) TWD Act	Performance and Operations
Minister's Policy Expectations		
Report on operation of TasTAFE	Section 83 (g) TWD Act	Performance and Operations
Minister's Policy Expectations		
Information relating to TasTAFE directors, TasTAFE CEO and TasTAFE staff	Section 83 (h) TWD Act	Board, Executive and Employees
Any other information the Minister requires	Section 83 (i) TWD Act	The Annual Report in its entirety
Any information the TasTAFE Board considers appropriate or necessary to properly inform the Minister and Parliament as to the performance and progress of TasTAFE	Section 83 (j) TWD Act	The Annual Report in its entirety
Public Interest Disclosures Information	Section 86 of the <i>Public Interest Disclosures Act 2002</i>	Disclosures and Compliance section
Right to Information Statistics	Section 53 of the <i>Right to Information Act 2009</i>	Disclosures and Compliance section
Information on contracts awarded and procurement processes	Purchasing and Property Treasurer's Instructions	Consultants and Contractors section

DISCLOSURES & COMPLIANCE, CONT'D

CONSULTANTS AND CONTRACTORS

Support for local business

TasTAFE undertakes procurement in a manner that is consistent with the Government's Buy Local Policy, which provides Tasmanian businesses with opportunities to compete for business.

For the period 1 July 2021 to 30 June 2022:

Summary of Participation by Local Businesses for contracts, tenders and/or quotation processes with a value of \$50,000 or over (ex GST)

Total number of contracts awarded	25
Total number of contracts awarded to Tasmanian businesses ¹	18
Total Value of all contracts awarded ²	\$30,428,134
Total Value of contracts awarded to Tasmanian businesses ¹	\$28,439,421
Total number of tenders called and/or quotation processes run	24
Number of bids and/or written quotations received	
· Total bids received	49
· Number from local Tasmanian businesses	40

1. A 'Tasmanian business' is a business operating in Tasmania that has a permanent office or presence in Tasmania and which employs Tasmanian workers.

2. Total Values do not include options to extend nor GST. Contract values may be estimates.

Contracts with a value of \$50,000 or over (ex GST) and excluding consultancy contracts

Name of contractor	Location of contractor	Description of contract	Period of contract	Option to extend	Total value of contract ²
Mercer	Victoria	Remuneration Benchmarking Support	28/03/2022 to 15/04/2022	N/A	\$62,000
KPMG	Tasmania	Information System Review	9/02/2022 to 31/03/2022	N/A	\$57,683
Komatsu	Tasmania	Supply of One Articulated Steer Wheeled Loader for use in heavy vehicle automotive training	30/08/2021	N/A	\$113,990
3 Tier Technologies	Tasmania	Software Development Services to produce a teacher competency recording system	1/11/2021 to 30/03/2022	N/A	\$168,000
Vos Construction and Joinery Pty Ltd	Tasmania	Wall rectification works at Devonport Campus	1/11/2021 to 30/03/2022	N/A	\$79,982

DISCLOSURES & COMPLIANCE, CONT'D

Contracts with a value of \$50,000 or over (ex GST) and excluding consultancy contracts, continued.

Name of contractor	Location of contractor	Description of contract	Period of contract	Option to extend	Total value of contract ²
Degree C	Tasmania	Devonport Campus - B Block extraction system upgrade	24/05/2022 to 30/08/2022	N/A	\$120,000
Gaffney machinery	Tasmania	Supply of one 100-130 HP tractor with front loader for Freer Farm, Burnie	2/05/2022 to 31/08/2022	N/A	\$165,000
AJR Construct Pty Ltd	Tasmania	Agricultural Training Centre of Excellence, Freer Farm (Learning Centre Building)	17/01/2022 to 20/02/2023	N/A	\$2,995,436
Fairbrother Pty Ltd	Tasmania	TasTAFE Clarence Campus – C Block office upgrade	22/09/2021 to 30/11/2021	N/A	\$270,880
Hansen Yuncken	Tasmania	Construction of TasTAFE Water and Energy Trades Centre of Excellence	15/12/2021 to 3/02/2023	N/A	\$20,045,000
Lifestyle Solutions (Aust) Ltd H 1 Healthcare	Tasmania	Provision of Personal Disability Support Services	1/01/2022 to 31/12/2024	1/01/2025 to 31/12/2026	\$1,199,100 Option value \$799 400
Maveric Builders Pty Ltd	Tasmania	Facility Redevelopment for plastering and bricklaying training – Clarence Campus	15/12/2021 to 31/05/2022	N/A	\$561,254
ERA-co Pty Ltd	Tasmania	Review of the fit-for-purpose of TasTAFE infrastructure	22/11/2021 to 30/03/2022	N/A	\$320,460
WLF Accounting and Advisory Services	Tasmania	Provision of Internal Audit Services	1/07/2022 to 30/06/2025	1/07/2025 to 30/06/2027	\$296,400
Philp Lighton Architects	Tasmania	Architectural and Contract Management Services - TasTAFE Statewide Learning Hubs	11/04/2022 to 31/01/2023	N/A	\$544,040
Tascon Constructions Pty Ltd	Tasmania	Drysdale South Kitchen Refurbishment	30/05/2022 to 29/08/2022	N/A	\$934,246

Consultancy contracts with a value of \$50,000 or over (ex GST)

Name of contractor	Location of contractor	Description of contract	Period of contract	Option to extend	Total value of contract ²
Deloitte Touche Tohmatsu	Tasmania	Design Consultancy Services - Virtual Campus Solution	8/10/2021 to 30/06/2022	N/A	\$500,000
CyberCX Pty Ltd	Tasmania	Supply of Consulting Services to Develop an Information Governance Framework	22/04/2022 to 30/06/2022	N/A	\$67,950

DISCLOSURES & COMPLIANCE, CONT'D

Contracts awarded as a result of a direct/limited submission sourcing process approved in accordance with Treasurer's Instruction PP-2

Name of contractor	Location of contractor	Description of contract	Period of contract	Option to extend	Total value of contract
BSH Electrical	Tasmania	Replacement of Fire Panels	25 May 2021 to 30 June 2022	N/A	\$292,000

Contracts awarded as a result of a contract extension process approved in accordance with Treasurer's Instruction PP-6

Name of contractor	Location of contractor	Description of contract	Period of contract	Option to extend	Total value of contract
PageUP People Limited	Victoria	System to manage recruitment and talent management lifecycle	23/02/2022 to 31/12/2025	N/A	\$96,000
Fresenius-Kabi	NSW	Supply of industry standard infusion pumps for simulated workplace nursing training	21/02/2022 to 31/12/2022	N/A	\$66,000
Energy Skills Australia	ACT	Supply of a complete suite of products to support learning and assessment and workplace profiling for students	8/02/2022 to 31/12/2025	1/01/2026 to 31/12/2027	\$390,000 Option value \$260,000
Instructure Global Ltd	NSW	Provision of Learning Management System for TasTAFE	2/05/2022 to 31/03/2025	1/04/2025 to 31/03/2027	\$1,022,713 Option value \$749,990
Cengage	Victoria	Provision of teaching and learning tools for Plumbing students	15/03/2022 to 31/12/2025	N/A	\$180,000
Smartfleet Management Pty Ltd	Victoria	Vehicle Fleet Management System	8/07/2021 to 30/06/2024	N/A	\$172,000

Source: TasTAFE data

Contracts awarded as a result of a contract extension process approved in accordance with Treasurer's Instruction PP-6

Nil



DISCUSSION OF FINANCIAL POSITION

06

DISCUSSION OF FINANCIAL POSITION

The 2021-22 financial year saw a solid financial performance from TasTAFE as the organisation continued to recover from the COVID-19 pandemic.

Revenue for the year was largely in line with budget, with a small decline in sales offset by an increase in other revenue. Expenditure however was significantly underbudget. This reflected reduced staffing as well as delays in the progression of some major capital projects due to supply chain issues and workforce availability. The staffing budget includes funding for the government's commitment of 100 additional teachers over four years. Filling these positions was challenging in 2021-22 due to the tight labour market, however strategies are in place to ramp up recruitment in 2022-23.

The underlying net result (refer Note 2 in the Financial Statements), when excluding capital grants, is a loss of \$6.5 million, an improvement of just under \$3 million on the prior year, reflecting the ongoing recovery from COVID-19.

TasTAFE's financial position at 30 June 2022 reflected net equity of \$270.5 million. The increase over the previous year was driven mainly by a revaluation in the carrying value of TasTAFE assets due to increases in the value of land and buildings reflecting movements in the market.

TasTAFE's cash balance as at 30 June 2022 was \$45.6 million, a \$14.5 million increase on 2020-21. This cash balance is made up largely of capital grants for committed projects that will be expended over the coming years. Major project commitments include the Agricultural Training Centre of Excellence at Freer Farm, the Water and Energy Trades Centre of Excellence development at Clarence, the redevelopment of TasTAFE Learning Hubs, the expansion of the Alanvale Health Hub, and the progression of the TasTAFE Virtual Campus.



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

DIRECTORS' STATEMENT OF CERTIFICATION

Directors' Statement of Certification

In the opinion of the directors of TasTAFE:

- the financial statements are drawn up so as to give a true and fair view of the results and cash flows for the year ended 30 June 2022 and the state of affairs of the Authority at this date;
- the financial statements have been made out in accordance with the provisions of the Training and Workforce Development Act 2013; and
- at the date of this certification there are reasonable grounds to believe that the Authority will be able to pay its debts as and when they fall due on the assumption of continued support from the Tasmanian State Government.

The financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and in accordance with Treasurer's Instructions issued under the provisions of the Financial Management Act 2016.

At the date of signing, we are not aware of any circumstances, which would render the particulars included in the financial statements misleading or inaccurate.

Signed in accordance with a resolution of the directors:



.....
Tim Gardner
Chair

Dated: 10 August 2022



.....
Yvonne Rundle
Audit and Risk Management
Committee Chair

Dated: 10 August 2022

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



TasTAFE

Statement of Comprehensive Income for the year ended 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Income from continuing operations				
Grants/Deed of Purchasing Agreement	3.1	88,807	89,164	84,268
Capital grants	3.2	24,550	24,550	9,967
Sales of goods and services	3.3	24,750	24,302	24,528
Other revenue	1.1, 3.4	66	1,508	1,124
Total revenue from continuing operations		138,173	139,524	119,887
Net gain/(loss) on non-financial assets	4.1	...	2	(21)
Net gain/(loss) on financial instruments and statutory receivables/payables	4.2	...	105	(45)
Total income from continuing operations		138,173	139,631	119,821
Expenses from continuing operations				
Employee benefits	5.1	88,259	81,794	81,970
Depreciation and amortisation	5.2	9,767	9,774	9,389
Supplies and consumables	1.1, 5.3	33,050	28,800	24,532
Grants, concessions and subsidies	5.4	2,000	2,757	2,832
Finance costs	5.5	...	12	13
Other expenses	5.6	1,000	1,100	830
Total expenses from continuing operations		134,076	124,237	119,566
Net result from continuing operations		4,097	15,394	255

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Other comprehensive income				
Items that will not be reclassified to net result in subsequent periods				
Changes in property revaluation reserve	1.1, 9	...	24,399	68,031
Total other comprehensive income		...	24,399	68,031
Comprehensive result		4,097	39,793	68,286

This Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in note 1 of the accompanying notes.

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



TasTAFE

Statement of Financial Position as at 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Assets				
Current assets				
Cash	1.2, 10.1	9,715	45,606	31,041
Receivables and contract assets	1.2, 6.1	6,802	5,504	10,465
Other current assets	6.2	815	705	472
Total current assets		17,332	51,815	41,978
Non-current assets				
Property, plant and equipment	1.2, 6.3	170,844	243,481	221,492
Right-of-use assets	6.4	...	282	341
Intangible assets	1.2, 6.5	...	2,184	1,600
Total non-current assets		170,844	245,947	223,433
Total assets		188,176	297,762	265,411
Liabilities				
Current liabilities				
Payables	7.1	1,468	2,387	3,001
Borrowings	7.2	...	...	5,000
Contract liabilities	1.2, 7.3	2,749	4,236	4,469
Employee benefits	1.2, 7.4	6,924	7,917	7,328
Lease liabilities	7.6	...	46	53
Other current liabilities	7.7	...	63	63
Total current liabilities		11,141	14,649	19,914

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Non-current liabilities				
Employee benefits	1.2, 7.4	11,000	12,138	14,247
Lease liabilities	7.6	...	251	297
Other non-current liabilities	7.7	...	143	165
Total non-current liabilities		11,000	12,532	14,709
Total liabilities		22,141	27,181	34,623
Net assets		166,035	270,581	230,788
Equity				
Contributed capital		224,589	224,589	224,589
Asset revaluation reserve	1.2, 9	23,732	116,162	91,763
Accumulated funds/(deficit)		(82,286)	(70,170)	(85,564)
Total equity		166,035	270,581	230,788

This Statement of Financial Position should be read in conjunction with the accompanying notes.

Budget information refers to the Tasmanian Government's original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in note 1 of the accompanying notes.

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



TasTAFE

Statement of Cash Flows for the year ended 30 June 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Cash flows from operating activities				
Cash inflows				
Grants/Deed of Purchasing Agreement		88,807	89,334	84,268
Sales of goods and services		22,650	20,815	23,047
Interest received		66	157	106
GST receipts		4,801	4,083	3,477
Other cash receipts	1.3	...	1,351	977
Total cash inflows		116,324	115,740	111,875
Cash outflows				
Employee benefits		(87,958)	(83,314)	(79,614)
GST payments		(4,950)	(4,295)	(3,440)
Supplies and consumables	1.3	(33,600)	(30,185)	(26,319)
Grants		...	(643)	(561)
Finance costs		...	(12)	(13)
Other cash payments	1.3	...	(1,121)	(816)
Total cash outflows		(126,508)	(119,570)	(110,763)
Net cash from/(used by) operating activities	10.2	(10,184)	(3,830)	1,112
Cash flows from investing activities				
Cash inflows				
Proceeds from the sale of non-financial assets	1.3	7,500	6,387	1,200
Receipts from non-operational capital funding – Grants		24,550	24,550	9,967
Total cash inflows		32,050	30,937	11,167

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Notes	2022 Budget \$'000	2022 Actual \$'000	2021 Actual \$'000
Cash outflows				
Payments for acquisition of non-financial assets	1.3	(29,110)	(7,489)	(7,219)
Total cash outflows		(29,110)	(7,489)	(7,219)
Net cash from/(used by) investing activities		2,940	23,448	3,948
Cash flows from financing activities				
Cash inflows				
Borrowings		...	...	2,531
Total cash inflows		...	...	2,531
Cash outflows				
Repayment of borrowings		(5,000)	(5,000)	...
Repayment of lease liabilities (excluding interest)		...	(53)	(91)
Total cash outflows		(5,000)	(5,053)	(91)
Net cash from/(used by) financing activities		(5,000)	(5,053)	2,440
Net increase (decrease) in cash and cash equivalents held		(12,244)	14,565	7,500
Cash and cash equivalents at the beginning of the reporting period		21,959	31,041	23,541
Cash and cash equivalents at the end of the reporting period		9,715	45,606	31,041

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

Budget information refers to original estimates and has not been subject to audit.

Explanations of material variances between budget and actual outcomes are provided in note 1 of the accompanying notes.

TASTAFE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



TasTAFE

Statement of Changes in Equity for the year ended 30 June 2022

	Notes	Contributed Capital \$'000	Reserves \$'000	Accumulated Funds/(Deficit) \$'000	Total Equity \$'000
Balance as at 30 June 2020		224,589	23,732	(85,819)	162,502
Net result from continuing operations		...	...	255	255
Other comprehensive income					
Changes in physical asset revaluation reserve	9	...	68,031	...	68,031
Total comprehensive result		...	68,031	255	68,286
Balance as at 30 June 2021		224,589	91,763	(85,564)	230,788

	Notes	Contributed Capital \$'000	Reserves \$'000	Accumulated Funds/(Deficit) \$'000	Total Equity \$'000
Balance as at 30 June 2021		224,589	91,763	(85,564)	230,788
Net result from continuing operations		...	...	15,394	15,394
Other comprehensive income					
Changes in physical asset revaluation reserve	9	...	24,399	...	24,399
Total comprehensive result		...	24,399	15,394	39,793
Balance as at 30 June 2022		224,589	116,162	(70,170)	270,581

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

TasTAFE

Notes to and forming part of the financial statements for the year ended 30 June 2022

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FOR THE YEAR ENDED 30 JUNE 2022

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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 1: Explanation of Material Variances between Budget and Actual Outcomes

1.1 Statement of Comprehensive Income

	Note	Budget	2022 Actual \$'000	2021 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Other Revenue	1	66	1,508	1,124	1,442	384
Supplies and consumables	2	33,050	28,800	24,532	4,250	(4,268)
Changes in property revaluation reserve	3	...	24,399	68,031	24,399	(43,632)

The following are brief explanations of material variances between budget estimates and actual outcomes. Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and is not subject to audit. Variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$1.000M.

Notes to Statement of Comprehensive Income variances

1. The variance in Other Revenue is due to increased revenue associated with Workers Compensation salary reimbursements and rent.
2. The variance is due to delays in expenditure associated with the development of the Virtual Campus and implementation of a partnership model with Libraries Tasmanian for remote access.
3. Changes in property revaluation reserve associated with indexation on revalued TasTAFE land and buildings as provided by the Office of the Valuer General and adopted by the Board.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1.2 Statement of Financial Position

	Note	Budget	2022 Actual \$'000	2021 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Cash	1	9,715	45,606	31,041	35,891	14,565
Receivables	2	6,802	5,504	10,465	(1,298)	(4,961)
Property, plant and equipment	3	170,844	243,481	221,492	72,637	21,989
Intangible assets	4	...	2,184	1,600	2,184	584
Contract liabilities	5	2,749	4,143	4,417	(1,394)	274
Employee Benefits	6	17,924	20,055	21,575	(2,131)	1,520
Asset Revaluation reserve	7	23,732	116,162	91,763	92,430	24,399

Budget estimates for the 2021-22 Statement of Financial Position were compiled prior to the completion of the actual outcomes for 2020-21. As a result, the actual variance from the Original Budget estimate will be impacted by the difference between estimated and actual opening balances for 2021-22. The following variance analysis therefore includes major movements between the 30 June 2021 and 30 June 2022 actual balances. Variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$1.000M.

Notes to the Statement of Financial Position Variances

1. The increase in cash can be attributed to delays in major capital projects. Funds have been received but not fully expended as was expected at the time of preparing the budget.
2. Receivables have decreased due to proceeds received from sale of Launceston Campus, reduction in student numbers and better than expected recovery in debt collection after the impact of COVID-19.
3. The increase in property, plant and equipment is due to indexation associated with TasTAFE land and building assets provided by the Office of the Valuer General and adopted by the Board.
4. The increase in intangible assets is due to the extension of the useful life of the Student Management System, the timetabling project and work associated with the virtual campus.
5. The increase in contract liabilities is due to an increase in course fees and charges received in advance.
6. The impact of COVID-19 and travel restrictions resulted in less leave being taken, and secondly there were more workdays this year resulting in an increase in wage accrual.
7. The increase in asset revaluation reserve is due to indexation associated with TasTAFE land and building assets provided by the Office of the Valuer General and adopted by the Board.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

1.3 Statement of Cash Flows

	Note	Budget	2022 Actual \$'000	2021 Actual \$'000	Budget Variance \$'000	Actual Variance \$'000
Other cash receipts	1	...	1,351	977	1,351	374
Supplies and consumables	2	(33,600)	(30,185)	(26,319)	3,415	(3,866)
Other cash payments	3	...	(1,121)	(816)	(1,121)	(305)
Proceeds from the sale of non-financial assets	4	7,500	6,387	1,200	(1,113)	5,187
Payments for acquisition of non-financial assets	5	(29,110)	(7,489)	(7,219)	21,621	(270)

The following are brief explanations of material variances between budget estimates and actual outcomes. Budget information refers to original estimates as disclosed in the 2021-22 Budget Papers and is not subject to audit. Variances are considered material where the variance exceeds 10 per cent of Budget estimate and \$1.000M.

Notes to the Statement of Cash Flows variances

1. The increase in other cash receipts is for cash received from workers compensation wage reimbursements and rent. The amount was not separated from supplies and consumables at the time of completing budget estimates.
2. The variance is due to workers compensation payments being shown in other cash payments, delays in expenditure associated with the development of the Virtual Campus and implementation of a partnership model with Libraries Tasmanian for remote access.
3. The increase in other cash payments is for workers compensation insurance payments. The amount was not separated from sales of goods and services at the time of completing budget estimates.
4. The decrease in proceeds from sale of non-financial assets is the result of timing of funds received from the sale of the two properties in Launceston.
5. The decrease in payments for acquisition of non-financial assets can be attributed to delays in the major capital projects.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



Note 2: Underlying Net Result from Continuing Operations

Non-operational capital funding is the income from continuing operations relating to funding for capital projects. This is classified as revenue from continuing operations and included in the Net result from continuing operations. However, the corresponding capital expenditure is not included in the Net result from continuing operations. Accordingly, the Net result from continuing operations will portray a position that is better than the true underlying financial result.

For this reason, the Net result from continuing operations is adjusted to remove the effects of funding for capital projects.

	2022 \$'000	2021 \$'000
Net result from continuing operations	15,394	255
Less impact of:		
Non-operational capital funding		
Water and Energy Trades Centre of Excellence	(7,000)	(7,000)
Public building maintenance - Department of Treasury and Finance	...	(1,906)
Critical IT/Infrastructure Investment – Skills Tasmania	(1,549)	(695)
Critical TasTAFE Facility Upgrades	(9,378)	...
TasTAFE and Libraries Tasmania	(2,000)	...
Regional TAFE Virtual Campus	(2,000)	...
Underlying net result from continuing operations	(6,533)	(9,346)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 3: Income

Income is recognised in the Statement of Comprehensive Income when an increase in future economic benefits related to an increase in an asset or a decrease of a liability has arisen that can be measured reliably.

Income is recognised in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* or AASB 1058 *Income of Not-for-Profit Entities*, dependent on whether there is a contract with a customer as defined by AASB 15.

3.1 Grants/Deed of Purchasing Agreement

Grants revenue, where there is a sufficiently specific performance obligation attached, is recognised when TasTAFE satisfies the performance obligation and transfers the promised goods or services. Grants revenue without a sufficiently specific performance obligation are recognised when TasTAFE gains control of the asset (typically cash). The Deed of Purchasing Agreement with Skills Tasmania is the funding mechanism to support TasTAFE to achieve its functions under the *Training and Workforce Development Act 2013*. Other grants received from Skills Tasmania are for fixed-term commitments administered through additional agreements under the direction of the Minister for Skills Training and Workforce Growth.

	2022 \$'000	2021 \$'000
Grants from Government		
Grants with sufficiently specific performance obligations		
Destination Australia Scholarships	92	189
Renewable Energy Pathways - Department of State Growth (Skills Tasmania)	224	69
Tasmanian Infrastructure Sector Grant	63	...
Learning Technology Resource Development – Agriculture	68	86
26Ten Program	149	90
Regional Development Pilot	...	46
Service Level Agreement – Department of Justice	508	372
Energising Tasmania- TasTAFE Industry Trainers Project	2	...
Workplace Language, Literacy, Numeracy, and Digital (LLND) Skills Builder Project (Stage 1)	40	...
Cyber Security Skills Infrastructure	10	...
Total grants with sufficiently specific performance obligations	1,156	852

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$'000	2021 \$'000
Grants without sufficiently specific performance obligations		
Deed of Purchasing Agreement – Skills Tasmania	82,507	80,420
Skilled Workforce to Meet Industry Demand – Skills Tasmania	1,000	2,950
TasTAFE Transition Commitment - Non-Capital	200	...
Additional Teachers (first instalment - 25 teachers)	3,800	...
Skill Up - more options for IT and digital skills	500	...
Other	1	46
Total Grants without sufficiently specific performance obligations	88,008	83,416
Total	89,164	84,268

3.2 Capital Grants

Grants to acquire/construct a recognisable non-financial asset to be controlled by TasTAFE with sufficiently specific performance obligations are recognised when TasTAFE satisfies its obligations under the transfer. Grants revenue without a sufficiently specific performance obligation are recognised when TasTAFE gains control of the asset (typically cash).

	2022 \$'000	2021 \$'000
Grants from the Tasmanian Government		
Grants without sufficiently specific performance obligations		
Water and Energy Trades Centre of Excellence	7,000	7,000
Public building maintenance - Department of Treasury and Finance	300	1,967
Regional TAFE Virtual Campus	2,000	...
TasTAFE and Libraries Tasmania	2,000	...
Critical TasTAFE Facility Upgrades	10,250	...
Critical IT/Infrastructure Investment – Skills Tasmania	3,000	1,000
Total	24,550	9,967

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

3.3 Sales of goods and services

Revenue from Sales of goods are recognised when TasTAFE satisfies a performance obligation by transferring the goods to the customer. Revenue from the provision of services is recognised when TasTAFE satisfies its performance obligation by transferring the promised services. TasTAFE typically satisfies its performance obligations when it provides vocational education and training. TasTAFE recognises revenue associated with performance obligations using the output method.

	2022 \$'000	2021 \$'000
Training related sales	4,666	4,960
Australian government contracts	4,466	4,647
State government contracts	1,841	3,080
Overseas student fees	2,541	2,241
Student fees and charges	10,723	9,553
Other sales of goods and services	65	47
Total	24,302	24,528

3.4 Other revenue

Revenue from other sources, is recognised as revenue when TasTAFE obtains control over the assets.

	2022 \$'000	2021 \$'000
Interest received	190	101
Workers' compensation and other salary reimbursements	809	407
Rent received	454	373
Miscellaneous recoveries	55	243
Total	1,508	1,124

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 4: Net Gains/(Losses)

4.1 Net gain/(loss) on non-financial assets

Gains or losses from the sale of non-financial assets are recognised when control of the assets has passed to the buyer. A gain or loss on a non-financial asset can also arise when an asset has been reclassified as held for sale.

- Key Judgement

All non-financial assets are assessed to determine whether any impairment exists, with impairment losses recognised in the Statement of Comprehensive Income. Impairment exists when the recoverable amount of an asset is less than its carrying amount. Recoverable amount is the higher of fair value less costs to sell and value in use. TasTAFE's assets are not used for the purpose of generating cash flows; therefore, their recoverable amount is expected to be materially the same as fair value, as determined under AASB 13 *Fair Value Measurement*.

	2022 \$'000	2021 \$'000
Net gain/(loss) on disposal of Launceston City Campus	...	(15)
Net gain/(loss) on disposal of plant and equipment	2	(6)
Total	2	(21)

4.2 Net gain/(loss) on financial instruments and receivables/payables

Financial assets are impaired under the expected credit loss approach required under AASB 9 *Financial Instruments*. The expected credit loss is recognised for all debt instruments not held at fair value through profit or loss.

- Key Judgement

An impairment loss using the expected credit loss method for all trade debtors uses a lifetime expected loss allowance. The expected loss rates are based upon historical observed loss rates that are adjusted to reflect forward looking macroeconomic factors.

	Notes	2022 \$'000	2021 \$'000
Impairment of receivables	6.1	105	(45)
Total net gain/(loss) on financial instruments		105	(45)

For ageing analysis of the financial assets past due but not impaired, refer to note 11.1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 5: Expenses

Expenses are recognised in the Statement of Comprehensive Income when a decrease in future economic benefits related to a decrease in a net asset or an increase of a liability has arisen that can be measured reliably.

5.1 Employee benefits

Employee benefits include, where applicable, entitlements to wages and salaries, annual leave, sick leave, long service leave, superannuation and other post-employment benefits.

- Employee Expenses

	2022 \$'000	2021 \$'000
Wages and salaries	59,868	61,590
Termination payments	94	174
Annual leave payments	7,501	7,312
Long service leave payments	2,213	1,723
Sick leave payments	2,490	2,245
Superannuation – defined benefit scheme	846	989
Superannuation – defined contribution scheme	8,782	7,937
Total	81,794	81,970

Superannuation expenses relating to defined benefits schemes are payments into the Consolidated Fund. The amount of the payment is based on an employer contribution rate determined by the Treasurer, on the advice of the State Actuary. The current employer contribution is 12.95 per cent (2021: 12.95 per cent) of salary.

Superannuation expenses relating to defined contribution schemes are paid directly to superannuation funds at a rate of 10 per cent (2021: 9.5 per cent) of salary. In addition, TasTAFE is also required to pay into the Consolidated Fund a “gap” payment equivalent to 3.45 per cent (2021: 3.45 per cent) of salary in respect of employees who are members of contribution schemes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- Remuneration of key management personnel

2022	Short-term benefits		Long-term benefits		Termination Benefits	Total Executive
	Salary	Other Benefits	Superannuation	Other Benefits and Long Service Leave		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Executive Key management personnel						
Dreher, Grant, Chief Executive Officer	325	19	32	22	...	398
Adams, Scott, Chief Operating Officer	203	19	20	(3)	...	239
Meredith-Sotiris, Kerry, Executive Director Students and Education	200	19	20	22	...	261
Total Remuneration for Executive	728	57	72	41	...	898

2022	Short-term benefits		Long-term benefits		Termination Benefits	Total Directors' Fees
	Directors' Fees	Other Benefits	Superannuation	Other Benefits and Long Service Leave		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Non-Executive Directors' Remuneration						
Blake, Mike, Chairperson TasTAFE Board, departure date 30 November 2021	21	...	2	...	...	23
Gardner, Timothy, Chairperson TasTAFE Board, appointment date to the board 1 July 2021 and became Chair of the Board on 1 December 2021	38	...	4	...	...	42

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

2022	Short-term benefits		Long-term benefits		Termination Benefits	Total Directors' Fees
	Directors' Fees	Other Benefits	Superannuation	Other Benefits and Long Service Leave		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Astheimer, Lee, Board Director	27	...	3	...	...	30
Goodes, Kym, appointment date 8 December 2021	15	...	1	...	...	16
Mostogl, Ray, Board Director, departure date 31 December 2021	14	...	1	...	...	15
Maddock, John, Board Director, appointment date 8 December 2021	15	...	1	...	...	16
Rundle, Yvonne, Board Director	27	...	3	...	...	30
Reid, Anna, Board Director, appointment date 8 December 2021	15	...	1	...	...	16
Walsh, Naomi, Board Director	27	...	3	...	...	30
Total Directors' Remuneration	199	...	19	...	...	218
Total for Key Management Personnel	927	57	91	41	...	1,116

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

2021	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total Executive \$'000
	Salary \$000	Other Benefits \$'000	Superannuation \$'000	Other Benefits and Long Service Leave \$'000		
Executive Key management personnel						
Dreher, Grant, Chief Executive Officer, appointment date 1 February 2021	131	8	12	9	...	160
Dodd, Jenny, Chief Executive Officer, departure date 4 December 2020	153	8	16	(45)	20	152
Adams, Scott, Chief Operating Officer	197	19	19	14	...	249
Meredith-Sotiris, Kerryn, Executive Director Students and Education	164	18	15	8	...	205
Total Remuneration for Executive	645	53	62	(14)	20	766

2021	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total Directors' Fees \$'000
	Directors' Fees \$000	Other Benefits \$'000	Superannuation \$'000	Other Benefits and Long Service Leave \$'000		
Non-Executive Directors' Remuneration						
Blake, Mike, Chairperson TasTAFE Board	48	...	4	...	...	52
Morris, Nicola, Board Director, departure date 23 June 2021	27	...	3	...	...	30

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

2021	Short-term benefits		Long-term benefits		Termination Benefits \$'000	Total Directors' Fees \$'000
	Directors' Fees \$'000	Other Benefits \$'000	Superannuation \$'000	Other Benefits and Long Service Leave \$'000		
Swallow, Michelle, Board Director, departure date 31 December 2020	14	...	1	...	...	15
Mostogl, Ray, Board Director	27	...	3	...	...	30
Rundle, Yvonne, Board Director	27	...	3	...	...	30
Astheimer, Lee, Board Director	27	...	3	...	...	30
Walsh, Naomi, Board Director, appointment date 1 January 2021	12	...	1	...	...	13
Total Directors' Remuneration	182	...	18	...	...	200
Total for Key Management Personnel	827	53	80	(14)	20	966

Note: Other benefits includes motor vehicles and car parking

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Authority, directly or indirectly.

Remuneration during 2021-22 for key management personnel is set by the *State Service Act 2000*. Remuneration and other terms of employment are specified in employment contracts. Remuneration includes salary, motor vehicle and other non-monetary benefits. Long-term employee expenses include long service leave, superannuation obligations and termination payments.

TasTAFE Directors are entitled to be paid such remuneration and allowances as the Minister for Skills Training and Workforce Growth determines. The Department of Premier and Cabinet advises TasTAFE of the Directors' entitlement.

- Related party transactions

There are no material related party transactions requiring disclosure.

5.2 Depreciation and amortisation

All applicable non-financial assets having a limited useful life are systematically depreciated over their useful lives in a manner which reflects the consumption of their service potential. Land, being an asset with an unlimited useful life, is not depreciated. Heritage assets are also not depreciated as it is considered that their value does not diminish.

The depreciable amount of improvements to or on leaseholds is allocated progressively over the estimated useful lives of the improvements or the unexpired period of the lease, whichever is the shorter. The unexpired period of a lease includes any option period where exercise of the option is reasonably certain.

- Key estimate and judgement

Depreciation is provided for on a straight-line basis, using rates which are reviewed annually.

All intangible assets having a limited useful life are systematically amortised over their useful lives reflecting the pattern in which the asset's future economic benefits are expected to be consumed by TasTAFE.

Amortisation of Leasehold improvements is provided on a straight-line basis over the term of the lease.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

a) Depreciation

	Major depreciation period	2022 \$'000	2021 \$'000
Buildings	50 years	8,768	8,420
Plant and equipment	3 - 20 years	498	501
Leasehold Improvements	10.0 per cent	187	124
Right-of-use assets	2 - 10 years	59	82
Total Depreciation		9,512	9,127

b) Amortisation

	Major amortisation rate	2022 \$'000	2021 \$'000
Software – Student Information Management System	10.0 per cent	262	262
Total Amortisation		262	262
Total Depreciation and Amortisation		9,774	9,389

5.3 Supplies and consumables

	2022 \$'000	2021 \$'000
Advertising and promotion	675	415
Audit fees – external financial audit	61	59
Audit fees – internal and other	54	71
Communications	579	597
Consultants	663	230
Contractors	1,050	987
Contractors – GETI	1,087	745
Corporate services: Shared services contribution*	3,109	3,040
Information technology	5,849	3,817
Maintenance	2,923	2,556

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$'000	2021 \$'000
Materials and supplies	4,622	3,809
Property services	5,257	5,720
Travel and transport	1,299	1,197
Other supplies and consumables	1,572	1,289
Total	28,800	24,532

*These expenses represent the costs of the provision of financial, human resource, information communication technology and services by the Department of Education to TasTAFE. Other reimbursements to the Department of Education of discrete costs incurred on behalf of TasTAFE have been allocated against the relevant category under Supplies and consumables. The costs are managed through a formal Business Partnership Agreement.

5.4 Grants, concessions and subsidies

Grants, concessions and subsidies expenditure is recognised to the extent that:

- the services required to be performed by the grantee have been performed; or
- the grant/concessional eligibility criteria have been satisfied.

A liability is recorded when TasTAFE has a binding agreement to make the grants, but services have not been performed or criteria satisfied. Where grant monies are paid in advance of performance or eligibility, a prepayment is recognised.

	2022 \$'000	2021 \$'000
Grants – Childcare subsidies	565	361
Grants – Destinations Australia Scholarships	71	189
Concessions – Student fees and charges	2,116	2,282
Subsidies	5	...
Total	2,757	2,832

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

5.5 Finance costs

All finance costs are expensed as incurred using the effective interest method.

	2022 \$'000	2021 \$'000
Interest on lease liabilities	12	13
Total	12	13

5.6 Other expenses

Other expenses are recognised when the associated service or supply has been provided.

	2022 \$'000	2021 \$'000
Salary on-costs – workers compensation premiums	1,100	830
Total	1,100	830

Note 6: Assets

Assets are recognised in the Statement of Financial Position when it is probable that future economic benefits will flow to TasTAFE and the asset has a cost or a value that can be measured reliably.

6.1 Receivables and contract assets

Receivables are initially recognised at fair value plus any directly attributable transaction costs. Trade receivables that do not contain a significant financing component are measured at the transaction price.

Receivables are held with the objective to collect the contractual cash flows and are subsequently measured at amortised cost using the effective interest method. Any subsequent changes are recognised in the net result for the year when impaired, derecognised or through the amortisation process. An allowance for expected credit losses is recognised for all debt financial assets not held at fair value through profit and loss. The expected credit loss is based on the difference between the contractual cash flows and the cash flows that TasTAFE expects to receive, discounted at the original effective interest rate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

For trade receivables, a simplified approach in calculating expected credit losses is applied, with a loss allowance based on lifetime expected credit losses recognised at each reporting date. TasTAFE has established a provision matrix based on its historical credit loss experience for trade receivables, adjusted for forward-looking factors specific to the receivable.

	2022 \$'000	2021 \$'000
Receivables	3,355	3,648
Receivable – Launceston City Campus	...	6,385
Less: Expected credit loss	(580)	(714)
Diplomas, incorporating VET Fee-Help and VET Student Loans	112	263
Tax Assets – Net GST reimbursement	351	139
	3,238	9,721
Contract assets		
Revenue earned but not received - Job Trainer	1,490	...
Revenue earned but not received - Australian Government Contracts	672	665
Revenue earned but not received - other	104	79
	2,266	744
Total	5,504	10,465
Settled within 12 months	5,504	10,465

- Reconciliation of movement in expected credit loss for receivables

	2022 \$'000	2021 \$'000
Carrying amount as at 1 July	714	921
Amounts written off during the year	(14)	(192)
2020/21 Write-off Reversal	15	...
Increase/(decrease) in provision for amounts recognised as revenue received in advance	(30)	(60)
Increase/(decrease) in provision recognised in profit or loss (note 4.2)	(105)	45
Carrying amount as at 30 June	580	714

For ageing analysis of the financial assets past due but not impaired, refer to note 11.1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

- Contract assets

A Contract Asset is TasTAFE's right to consideration in exchange for goods or services that TasTAFE has transferred to the customer, but not billed at the reporting date as all conditions have not been fulfilled or confirmed at the end of the financial year. Contract assets become receivable when the rights to receive payment become unconditional on satisfactory completion of performance obligations.

2022	Australian Government Funding \$'000	Other \$'000	Total \$'000
Contract assets			
Opening balance as at 1 July 2021	665	79	744
Add: Additional costs incurred that are recoverable from customer	2,162	104	2,266
Less: Transfer to receivables	(665)	(79)	(744)
Less: provision for impairment	...	...	...
Balance as at 30 June 2022	2,162	104	2,266

2021	Australian Government Funding \$'000	Other \$'000	Total \$'000
Contract assets			
Opening balance as at 1 July 2020	224	184	408
Add: Additional costs incurred that are recoverable from customer	665	79	744
Less: Transfer to receivables	(224)	(184)	(408)
Less: provision for impairment	...	...	...
Balance as at 30 June 2021	665	79	744

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

6.2 Other current assets

	2022 \$'000	2021 \$'000
Other current assets		
Prepayments	705	472
Total	705	472
Settled within 12 months	705	472

6.3 Property, plant and equipment

- Key estimate and judgement
 - Valuation basis

Land, which has an indefinite useful life, is recorded at fair value. Heritage assets are not depreciated and are recorded at fair value. Buildings are recorded at fair value less accumulated depreciation, whilst all other non-current physical assets are recorded at historic cost less accumulated depreciation and accumulated impairment losses. All assets within a class of assets are measured on the same basis.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The costs of self-constructed assets include the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Fair value is based on the highest and best use of the asset. Unless there is an explicit Government policy to the contrary, the highest and best use of an asset is the current purpose for which the asset is being used or building occupied.

The recognised fair value of non-financial assets is classified according to the fair value hierarchy that reflects the significance of the inputs used in making these measurements.

Level 1 the fair value is calculated using quoted prices in active markets;

Level 2 the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3 the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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- Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that future economic benefits embodied within the part will flow to TasTAFE and its costs can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

- Asset recognition threshold

The asset capitalisation thresholds adopted by TasTAFE are

Buildings	\$150,000
Heritage	\$10,000
Plant and Equipment	\$10,000

Assets valued at less than the threshold amounts are charged to the Statement of Comprehensive Income in the year of purchase (other than where they form part of a group of similar items which are material in total).

- Revaluations

Land and Buildings are revalued every five years to ensure they reflect fair value at balance date. See note 6.3 (a) for further detail. Assets are grouped on the basis of having a similar nature or function in the operations of TasTAFE.

a) Carrying amount

	2022 \$'000	2021 \$'000
Land		
At fair value	31,876	27,462
Total	31,876	27,462
Buildings		
At fair value	487,182	438,438
Less: Accumulated depreciation	(287,665)	(250,130)
Total	199,517	188,308
Work in progress (at cost) Buildings	8,299	1,560
Total land and buildings	239,692	217,330

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	2022 \$'000	2021 \$'000
Leasehold improvements		
At cost	1,871	1,871
Less: Accumulated depreciation	(391)	(204)
Total	1,480	1,667
Plant, equipment and vehicles		
At cost	10,141	9,842
Less: Accumulated depreciation	(7,869)	(7,375)
Total	2,272	2,467
Heritage		
At fair value	37	28
Total	37	28
Total property, plant and equipment	243,481	221,492

An independent valuation of land and building were completed by the Office of the Valuer General as at 31 December 2019 and received by TasTAFE on 17 December 2020 and adopted by the Board.

The valuations were based on current replacement cost or market basis. The majority of TasTAFE building assets are valued using depreciated current replacement cost. Specialised building assets such as TasTAFE buildings are valued using a depreciated current replacement cost method because there are no comparable sale transactions.

On 6 May 2022, the Office of the Valuer-General provided asset valuation indices for land and buildings in relation to the TasTAFE land and building portfolio. Based on a review of construction costs with appropriate allowance for regional influences across Tasmania it was the recommendation of the Office of the Valuer-General that application of the following indices would maintain currency in the fair value of land and building assets between 1 January 2020 and 30 June 2022: Buildings 15.00% and Land 30.00%. The recommendations have been adopted by TasTAFE.

Revaluations are shown on a gross basis where a current replacement cost basis of valuations has been used. Asset revaluations based on a market basis have been disclosed on a net basis.

TasTAFE undertook a valuation of Heritage assets as at 30 June 2022. The valuations were completed by Warwick Oakman Valuers.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

b) Reconciliation of movements (including fair value levels)

2022	Land Level 2 (vacant land in active markets \$'000	Land Level 3 (land with no active markets and/or significant restrictions) \$'000	Buildings Level 2 (general use/ residential buildings) \$'000	Buildings Level 3 (specific purpose/ use buildings) \$'000	WIP (at cost) \$'000	Leasehold Improvements \$'000	Plant and equipment \$'000	Heritage Level 2 (items in an active market) \$'000	Total \$'000
Carrying value as at 1 July	4,305	23,157	3,628	184,680	1,560	1,667	2,467	28	221,492
Additions	...	...	...	...	6,739	...	303	...	7,042
Disposals	...	...	...	...	...	...	...	...	...
Assets held for sale	...	...	...	...	...	...	...	...	...
Gains/(losses) recognised in other comprehensive income									
Revaluation increments/(decrements)	692	3,721	395	19,582	...	...	...	9	24,399
Depreciation/amortisation expense	...	...	(73)	(8,695)	...	(187)	(498)	...	(9,453)
Carrying value as at 30 June	4,997	26,878	3,950	195,567	8,299	1,480	2,272	37	243,480

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

2021	Land Level 2 (vacant land in active markets \$'000)	Land Level 3 (land with no active markets and/or significant restrictions) \$'000)	Buildings Level 2 (general use/ residential buildings) \$'000)	Buildings Level 3 (specific purpose/ use buildings) \$'000)	WIP (at cost) \$'000)	Leasehold Improvements \$'000)	Plant and equipment \$'000)	Heritage Level 2 (items in an active market) \$'000)	Total \$'000)
Carrying value as at 1 July	4,967	16,243	3,576	124,018	3,282	983	2,842	28	155,939
Additions	...	...	...	...	5,746	695	128	...	6,569
Disposals	...	...	...	...	...	...	(2)	...	(2)
WIP transfers	...	...	...	7,355	(7,468)	113	...	...	...
Gains/(losses) recognised in other comprehensive income									
Revaluation increments/(decrements)	(662)	6,914	123	61,656	...	...	...	...	68,031
Depreciation/amortisation expense	...	...	(71)	(8,349)	...	(124)	(501)	...	(9,045)
Carrying value as at 30 June	4,305	23,157	3,628	184,680	1,560	1,667	2,467	28	221,492

TasTAFE land, buildings and structures are Vocational Educational Training related and as such are mostly classified as specialist assets with no active markets against which to be valued. As a result, the majority of assets are valued as Level 3 inputs.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

c) Level 3 significant valuation inputs and relationship to fair value

Description	Fair value at 30 June 2022 \$'000	Significant unobservable inputs used in valuation	Possible alternative values for level 3 inputs	Sensitivity of fair value to changes in level 3 inputs
Land – with no active markets and/or significant restrictions	26,878	A – Economic conditions, B – Availability of and demand for similar assets for sale		Land values have increased over the last 12 months. As a result land values have been indexed at 16.07% based on assessment by the Office of the Valuer General
Buildings – specific purpose/use buildings	195,567	A – Construction costs B – Design life C – Age and condition of asset D – Remaining useful life	Note 1	Tasmanian construction indexes have increased over the last 12 months. As a result building values have been indexed at 11.11% based on assessment by the Office of the Valuer General

Note 1: When valuing these assets, their existing use, and unlikely alternative uses, are taken into account by valuers. As a result, it is most unlikely that alternative values will arise unless there are more changes in known inputs.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

6.4 Right-of-use assets

AASB 16 requires TasTAFE to recognise a right-of-use asset, where it has control of the underlying asset over the lease term. A right-of-use asset is measured at the present value of the initial lease liability, adjusted by any lease payments made at or before the commencement date and lease incentives, any initial direct costs incurred, and estimated costs of dismantling and removing the asset or restoring the site.

TasTAFE has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases for which the underlying asset is of low-value. An asset is considered low value when it is expected to cost less than \$10,000.

Right-of-use assets are depreciated over the shorter of the asset's useful life and the term of the lease.

2022	Note	Leasehold Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value as at 1 July		299	42	341
Depreciation		(37)	(22)	(59)
Carrying value as at 30 June		262	20	282

2021	Note	Leasehold Buildings \$'000	Plant and Equipment \$'000	Total \$'000
Carrying value as at 1 July		355	87	442
Derecognition		(19)	...	(19)
Depreciation		(37)	(45)	(82)
Carrying value as at 30 June		299	42	341

6.5 Intangible assets

An intangible asset is recognised where it is probable that an expected future benefit attributable to the asset will flow to TasTAFE and the cost of the asset can be reliably measured.

Intangible assets held by TasTAFE are valued at fair value less any subsequent accumulated amortisation and any subsequent accumulated impairment losses where an active market exists. Where no active market exists, intangibles are valued at cost less any accumulated amortisation and any accumulated impairment losses.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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	2022 \$'000	2021 \$'000
Intangibles with a finite useful life		
At cost – Student Information Management System	5,539	5,539
At cost – Timetabling Project (work in progress)	381	145
At cost - Virtual Campus Project (work in progress)	610	...
Less: Accumulated amortisation	(4,346)	(4,084)
Total	2,184	1,600

- Reconciliation of movements (no change in fair value levels)

	2022 Level 2 \$'000	2022 Total \$'000	2021 Level 2 \$'000	2021 Total \$'000
Carrying value as at 1 July	1,600	1,600	1,717	1,717
At cost – Timetabling Project (work in progress)	236	236	145	145
At cost – Virtual Campus Project (work in progress)	610	610	...	...
Depreciation/amortisation expense	(262)	(262)	(262)	(262)
Carrying value as at 30 June	2,184	2,184	1,600	1,600

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 7: Liabilities

Liabilities are recognised in the Statement of Financial Position when it is probable that an outflow of resources embodying economic benefits will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

7.1 Payables

Payables, including goods received and services incurred but not yet invoiced, are recognised at amortised cost which due to the short settlement period, equates to face value, when TasTAFE becomes obliged to make future payments as a result of a purchase of assets or services.

	2022 \$'000	2021 \$'000
Creditors and accrued expenses	2,103	1,979
Business Partnership Agreement: Department of Education	284	1,022
Total	2,387	3,001
Settled within 12 months	2,387	3,001

Settlement is usually made within 30 days, or within the suppliers' terms of trade.

7.2 Borrowings

	2022 \$'000	2021 \$'000
Loan from the Department of Education	...	5,000
Total	...	5,000

TasTAFE had an immediate need to improve nursing facilities. The Department of Education agreed to loan TasTAFE \$5.000M. As at 30 June 2021 TasTAFE had accessed all funds under the agreed loan. The loan was for the refurbishment of nursing facilities at Alanvale and Clarence campuses, and other associated improvements. In 2021/22 the sale proceeds from the sale of the Launceston City Campus were used to repay the loan.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

7.3 Contract liabilities

A contract liability relates to TasTAFE's obligation to transfer goods or services to a customer for which TasTAFE has received consideration in advance.

	2022 \$'000	2021 \$'000
Revenue received in advance		
Tasmanian Infrastructure Sector Grant	...	200
Destination Australia Funding	...	142
Renewable Energy Pathway Program	...	191
Learning Technology Resource Development – Agriculture	...	164
Cyber Security Skills Infrastructure	522	...
Energising Tasmania- TasTAFE Industry Trainers Project	120	...
26Ten Program	49	149
Course fees and charges received in advance	3,865	4,426
Concessions on Course fees and charges received in advance	(702)	(895)
Other	382	92
Total	4,236	4,469

7.4 Employee benefits

- Key estimates and judgements

Liabilities for wages and salaries and annual leave are recognised when the employee becomes entitled to receive a benefit. Those liabilities expected to be realised within 12 months are measured as the amount expected to be paid. Other employee benefits are measured at the present value of the benefit as at 30 June where the impact of discounting is material, and at the amount expected to be paid if discounting is not material. Employee benefits are discounted back to present value using appropriate Reserve Bank of Australia national securities rates (indicative mid rates of selected Australian Government securities).

A liability for long service leave is recognised and is measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. A liability for long service leave is classified as current when TasTAFE expects to settle the liability in its normal operating cycle.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	2022 \$'000	2021 \$'000
Current employee benefits		
Accrued salaries	2,047	1,563
Annual leave	4,014	3,950
Long service leave	1,784	1,712
Termination Payment Provision	30	...
State service accumulated leave scheme	42	103
Total current employee benefits	7,917	7,328
Non-current employee benefits		
Long service leave	12,138	14,247
Total non-current employee benefits	12,138	14,247

7.5 Superannuation

a) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an expense when they fall due.

b) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

- Key estimate and judgement

TasTAFE does not recognise a liability for the accruing superannuation benefits of employees who are members of the defined benefits plan. This liability is held centrally and recognised within the Finance-General Division of the Department of Treasury and Finance.

7.6 Lease liabilities

Lease liabilities are measured at the present value of the lease payments that are not paid at that date. The discount rate used to calculate the present value of the lease liability is the rate implicit in the lease. Where the implicit rate is not known and cannot be determined the Tascorp indicative lending rate including the relevant administration margin is used.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

TasTAFE has elected not to recognise right-of-use assets and lease liabilities arising from short-term leases and leases for which the underlying assets is of low-value. An asset is considered low value when it is expected to cost less than \$10,000.

TasTAFE has entered the following leasing arrangements:

Class of right-of-use asset	Details of leasing arrangements
Plant and equipment	Regular quarterly fixed payments for a number of multifunctional devices and a multi card reader.
Leasehold buildings	A 10-year lease for Providore Place, Devonport. Rent is increased annually at the greater of the movement in the CPI or 2.0 per cent

	2022 \$'000	2021 \$'000
Current lease liabilities		
Plant and equipment	14	22
Leasehold buildings	32	31
Total current lease liabilities	46	53
Non-current lease liabilities		
Plant and equipment	7	21
Leasehold buildings	244	276
Total non-current lease liabilities	251	297
Total lease liabilities	297	350

Maturity analysis of lease liabilities

	2022 \$'000	2021 \$'000
One year or less	56	65
From two to three years	94	106
From four to five years	91	89
More than five years	106	153
Total	347	413

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

The lease liability in the maturity analysis is presented using undiscounted contractual amounts before deducting finance charges.

The following amounts are recognised in the Statement of Comprehensive Income

	2022 \$'000	2021 \$'000
Interest on lease liability included in note 5.5	12	13
Lease expenses included in note 5.3:		
Lease of short-term and/or low-value assets	106	136
Total expenses from leasing activities	118	149

7.7 Other liabilities

	2022 \$'000	2021 \$'000
Current other liabilities		
Provision for workers compensation	59	57
Bequests	4	6
Total current other liabilities	63	63
Non-current other liabilities		
Provision for workers compensation	121	142
Bequests	22	23
Total non-current other liabilities	143	165

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 8: Commitments and Contingencies

8.1 Schedule of commitments

Commitments represent those contractual arrangements entered by TasTAFE that are not reflected in the Statement of Financial Position.

Leases are recognised as right-of-use assets and lease liabilities in the Statement of Financial Position, excluding short term leases and leases for which the underlying asset is of low value, which are recognised as an expense in the Statement of Comprehensive Income.

By type:

	2022 \$'000	2021 \$'000
Capital commitments		
Property, plant and equipment	23,246	1,439
Total capital commitments	23,246	1,439
Lease commitments		
Short-term and/or low-value leases	946	1,012
Total lease commitments	946	1,012
Total	24,192	2,451

By maturity:

	2022 \$'000	2021 \$'000
Capital commitments		
One year or less	23,246	1,342
From one to five years	...	97
Total capital commitments	23,246	1,439
Lease commitments		
One year or less	515	498
From one to five years	431	514
Total lease commitments	946	1,012
Total	24,192	2,451

Commitments are GST inclusive where relevant.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

As at 30 June 2022 TasTAFE has capital commitments for the Water and Energy Trades Centre of Excellence, the refurbishment of the Drysdale Centre of Excellence in Hobart and the Centre of Excellence – Freer Farm.

TasTAFE also has a number of other operating arrangements for motor vehicles and multifunctional devices.

8.2 Contingent assets and liabilities

Contingent assets and liabilities are not recognised in the Statement of Financial Position due to uncertainty regarding any possible amount or timing of any possible underlying claim or obligation.

TasTAFE currently has a litigation claim against it in relation to an injury sustained by a student as part of a firearms course conducted in 2017. As at 30 June 2022, this matter is still unresolved with the potential liability (if any) yet to be determined.

Note 9: Asset Revaluation Reserve

The Asset revaluation reserve is used to record increments and decrements on the revaluation of non-financial assets.

2022	Land \$'000	Buildings \$'000	Heritage \$'000	Total \$'000
Asset revaluation reserve				
Balance at the beginning of financial year	15,439	76,316	8	91,763
Revaluation increments (decrements)	4,413	19,977	9	24,399
Balance at end of financial year	19,852	96,293	17	116,162

2021	Land \$'000	Buildings \$'000	Heritage \$'000	Total \$'000
Asset revaluation reserve				
Balance at the beginning of financial year	9,186	14,538	8	23,732
Revaluation increments (decrements)	6,253	61,778	...	68,031
Balance at end of financial year	15,439	76,316	8	91,763

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 10: Cash Flow Reconciliation

10.1 Cash

Cash means notes, coins and deposits held at call with a bank or financial institution, for TasTAFE. Deposits are recognised at amortised cost, being their face value. For the purpose of the Statement of Cash Flows and the Statement of Financial Position, cash included cash held in bank accounts.

Cash at the end of the year as shown in the Statement of Cash Flows and the Statement of Financial Position:

	2022 \$'000	2021 \$'000
Cash held		
TasTAFE Westpac operating account		
Cash	8,360	10,525
Cash held for Centre of Excellence – Freer Farm	4,036	4,597
Cash held for Critical IT/Infrastructure Investment	1,756	695
Cash held for Drysdale Centre of Excellence	679	2,060
Cash held for Education Architecture	...	353
Cash held for Water and Energy Trades Centre of Excellence	14,088	12,811
Cash held for Critical TasTAFE Facility Upgrades – excluding Learning Hubs	9,577	...
Cash held for Learning Hubs	3,209	...
Cash held for TasTAFE Virtual Campus	1,390	...
Cash held for TasTAFE and Libraries Tasmania	2,000	...
Cash held for Cyber Security Skills Infrastructure	511	...
Total cash	45,606	31,041

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022



10.2 Reconciliation of Net Result from Continuing Operations to Net Cash from Operating Activities

	2022 \$'000	2021 \$'000
Net result from continuing operations	15,394	255
Capital grants classified as cash inflows from investing activities	(24,550)	(9,967)
(Gain)/loss on disposal or reclassification of physical assets	(2)	21
(Gain)/loss on receivables	(105)	45
Depreciation and amortisation	9,774	9,389
Decrease/(increase) in receivables	(1,319)	(5,735)
Receivable – Launceston City Campus transferred from Held for Sale	...	6,385
Decrease/(increase) in other assets	(233)	(119)
Increase/(decrease) in employee benefits	(1,520)	2,337
Increase/(decrease) in payables	(614)	(2,558)
Payables capitalised as WIP	(400)	473
Increase/(decrease) in contract liabilities	(233)	535
Increase/(decrease) in other liabilities	(22)	51
Net cash from (used by) operating activities	(3,830)	1,112

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 11: Financial Instruments

11.1 Risk exposures

- Risk management policies

TasTAFE has exposure to the following risks from its use of financial instruments:

- credit risk;
- liquidity risk; and
- market risk.

The Board has overall responsibility for the oversight of TasTAFE's risk management framework. Management has the responsibility for designing and implementing an appropriate risk management framework. Risk management policies are established to identify and analyse risks faced by TasTAFE, to implement appropriate mitigation strategies and to monitor and report on risks.

a) Credit risk exposure

Credit risk is the risk of financial loss to TasTAFE if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents TasTAFE's maximum exposure to credit risk.

Student enrolment fees are due and payable at the commencement of their training or anniversary date, instalment payment plans may be negotiated for financially disadvantaged individuals.

TasTAFE has a debt management cycle which sees the analysis and investigation of all debts outstanding undertaken on a monthly basis. TasTAFE reviews all debts exceeding 3 months and writes off those considered uncollectible. TasTAFE's credit risk is minimised to the extent that it has transactions with a large number of customers.

i) Expected credit loss analysis of receivables

The simplified approach to measuring expected credit losses is applied, which uses a lifetime expected loss allowance for all trade receivables.

The expected loss rates are based on historical observed loss rates adjusted for forward looking factors that will have an impact on the ability to settle the receivables. The loss allowances for trade debtors as at 30 June are as follows.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Expected credit loss analysis of receivables as at 30 June 2022

	Due 0-30 days	Past due 31-60 days	Past due 61-90 days	Past due 91-180 days	Past due 181 + days	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Student Fees and Charges Debtors						
Expected credit loss rate	5.85%	10.25%	18.07%	25.41%	35.63%	
Total gross carrying amount	1,457	134	113	200	1,101	3,005
Expected credit loss	(85)	(14)	(20)	(51)	(392)	(562)
Other Debtors						
Expected credit loss rate	1.02%	3.69%	6.08%	12.14%	34.43%	
Total gross carrying amount	277	20	14	2	37	350
Expected credit loss	(3)	(1)	(1)	...	(13)	(18)
Total expected credit loss	(88)	(15)	(21)	(51)	(405)	(580)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Expected credit loss analysis of receivables as at 30 June 2021

	Due 0-30 days \$'000	Past due 31-60 days \$'000	Past due 61-90 days \$'000	Past due 91-180 days \$'000	Past due 181 + days \$'000	Total \$'000
Student Fees and Charges Debtors						
Expected credit loss rate	8.48%	13.73%	21.57%	26.76%	42.56%	
Total gross carrying amount	1,355	197	185	390	956	3,083
Expected credit loss	(115)	(27)	(40)	(104)	(407)	(693)
Other Debtors						
Expected credit loss rate	0.61%	6.65%	11.06%	16.51%	28.43%	
Total gross carrying amount	370	131	40	4	20	565
Expected credit loss	(2)	(9)	(4)	(1)	(5)	(21)
Total expected credit loss	(117)	(36)	(44)	(105)	(412)	(714)

b) Liquidity risk

Liquidity risk is the risk that TasTAFE will not be able to meet its financial obligations as they fall due. TasTAFE manages this risk through the following mechanisms:

- preparing forward looking cash flow analysis in relation to TasTAFE's operational, investing and financing activities;
- only investing short term surplus cash with reputable organisations;
- daily reconciliations of its operating bank account and analysis of upcoming accounts payable transactions;
- TasTAFE obtained a \$5.000M loan from the Department of Education of which \$5.000M has been received. In 2021/22 the sale proceeds from the sale of Launceston City Campus were used to repay the loan.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

TasTAFE operates within Australia and has minimal domestic debt.

i) Maturity analysis for financial liabilities

The following tables detail the undiscounted cash flows payable by TasTAFE by remaining contractual maturity for its financial liabilities. It should be noted that as these are undiscounted, consequently, totals may not reconcile to the carrying amounts presented in the Statement of Financial Position:

2022	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Carrying Amount
Financial liabilities							
Payables	2,386	...	...	...	...	...	2,386
Total	2,386	...	...	...	...	...	2,386

2021	1 year \$'000	2 years \$'000	3 years \$'000	4 years \$'000	5 years \$'000	5+ years \$'000	Carrying Amount
Financial liabilities							
Payables	3,001	...	...	...	...	...	3,001
Borrowings	5,000	...	...	...	...	...	5,000
Total	8,001	...	...	...	...	...	8,001

c) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The primary market risk, that TasTAFE is exposed to, is interest rate risk. Exposure to interest rate risk is limited to assets and liabilities bearing variable interest rates.

Variable rate instruments	2022 \$'000	2021 \$'000
Financial asset - Cash	45,606	31,041
Total	45,606	31,041

TasTAFE currently has its financial assets in variable interest rates and retains the interest earned on financial assets, and as such the interest rate sensitivity is as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

	Statement of Comprehensive Income		Equity	
	100 basis points increase \$'000	100 basis points decrease \$'000	100 basis points increase \$'000	100 basis points decrease \$'000
30 June 2022				
Financial assets	456	(456)	456	(456)
Net sensitivity	456	(456)	456	(456)
30 June 2021				
Financial assets	310	(310)	310	(310)
Net sensitivity	310	(310)	310	(310)

11.2 Categories of financial assets and liabilities

	2022 \$'000	2021 \$'000
Financial assets		
Amortised cost – Cash	45,606	31,041
Amortised cost – Receivables	5,504	10,465
Total	51,110	41,506
Financial liabilities		
Financial liabilities measured at amortised cost	2,387	8,001
Total	2,387	8,001

Financial Assets

The net fair value of cash and cash equivalent assets is based on their carrying amount. The net fair value of receivables is based on the net carrying amount of the asset.

Financial Liabilities

The net fair value of payables is based on the carrying amount of the liability.

11.3 Reclassification of financial assets

TasTAFE has made no reclassifications of any financial assets held for the financial year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

Note 12: Economic Dependencies

TasTAFE is reliant on the continued support of the Tasmanian State Government via income through the Deed of Purchasing Agreement and maintaining market share in a highly competitive commercial training industry.

Note 13: Events Occurring After Balance Date

On signing of the financial statements on 10 August 2022 there have been no events subsequent to balance date which would have a material effect on the TasTAFE Financial Statements as at 30 June 2022.

Although not having an impact on the financial statements, on the 1st of July 2022 TasTAFE transitioned to a not-for-profit government business under the *TasTAFE (Skills and Training Business) Act 2021* and the *Training and Workforce Development Act 2013* no longer applies.

Note 14: Other Significant Accounting Policies

14.1 Objectives and funding

TasTAFE is the public provider of vocational education and training for Tasmania.

TasTAFE operates under the auspices of its own legislative functions and powers and is governed by an independent Statutory Board who report to the Minister for Skills Training and Workforce Growth.

TasTAFE is a substantial provider of Vocational Education and Training (VET) services purchased by the Government through the Department of State Growth. The purchasing arrangement, governed by a Deed of Purchasing Agreement, assists TasTAFE in offering a broad range of products and services to individuals, industry sectors and enterprises.

TasTAFE services businesses located across Tasmania and provides economic and social benefits through the provision of accredited and non-accredited, vocationally based qualifications and skills sets. Clients include people already engaged in the workforce, those preparing to enter the workforce and employers.

TasTAFE operates within the broader Tasmanian educational system, as a commercially autonomous organisation, that has a specific role to:

- engage with individuals who require support to gain vocational ready skills,
- deliver vocational qualifications to individuals who wish to advance their career opportunities,
- create a more rewarding and sustainable future for the community,
- assist employers to lift the productivity of their workforces through skill development.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

14.2 Basis of accounting

The financial statements are a general purpose financial report and have been prepared in accordance with:

- Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board; and
- The Treasurer's Instructions issued under the provisions of *the Financial Management Act 2016*.

The financial statements were authorised for issue by the Board of Directors on 10 August 2022.

Compliance with the Australian Accounting Standards (AAS) may not result in compliance with International Financial Reporting Standards (IFRS) as the AAS include requirements and options available to not-for-profit organisations that are inconsistent with IFRS. TasTAFE is considered to be not-for-profit and has adopted some accounting policies under the AAS that do not comply with IFRS.

The financial statements have been prepared on an accrual basis and, except where stated, are in accordance with the historical cost convention. The accounting policies are generally consistent with the previous year.

The financial statements have been prepared on the basis that TasTAFE is a going concern. The continued existence of TasTAFE in its present form, undertaking its current activities, is dependent on Government policy and on continuing appropriations by Parliament for TasTAFE's administration and operational activities.

TasTAFE has made no assumptions concerning the future that may cause a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

14.3 Functional and presentation currency

The financial statements are presented in Australian dollars, which is TasTAFE's functional currency.

14.4 Changes in accounting policies

- Impact of new and revised Accounting Standards

In the current year, there are no new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to TasTAFE's operations and effective for the current annual reporting period.

TasTAFE has reviewed the pending Standards and Interpretations issued by the Australian Accounting Standards Board and conclude they will not have a material impact on TasTAFE's operations.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2022

14.5 Foreign currency

Transactions denominated in a foreign currency are converted at the exchange rate at the date of the transaction. Foreign currency receivables and payables are translated at the exchange rates current as at balance date.

14.6 Comparative figures

The comparative figures have been adjusted to reflect any changes in accounting policy or the adoption of new standards. Where amounts have been reclassified within the financial statements, the comparative statements have been restated.

14.7 Rounding

All amounts in the financial statements have been rounded to the nearest thousand dollars unless otherwise stated. Where the result of expressing amounts to the nearest thousand dollars would result in an amount of zero, the financial statement will contain a note expressing the amount to the nearest whole dollar. Due to rounding some figures may not exactly add to their total.

14.8 Taxation

TasTAFE is exempt from all forms of taxation except Fringe Benefits Tax and the Goods and Services Tax.

14.9 Goods and services tax

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax, except where the GST incurred is not recoverable from the Australian Taxation Office.

Receivables and payables are stated inclusive of GST. The net amount recoverable, or payable, to the Australian Taxation Office is recognised as an asset or liability within the Statement of Financial Position.

In the Statement of Cash Flows, the GST component of cash flows arising from operating, investing or financing activities which is recoverable from, or payable to, the Australian Taxation Office is, in accordance with the Australian Accounting Standards, classified as operating cash flows.

INDEPENDENT AUDITORS REPORT



**Independent Auditor's Report
To the Members of Parliament
TasTAFE
Report on the Audit of the Financial Statements**

Opinion

I have audited the financial statements of TasTAFE, which comprises the statement of financial position as at 30 June 2022 and statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements, including a summary of significant accounting policies, other explanatory notes and the statement of certification by the directors.

In my opinion, the accompanying financial statements:

- (a) present fairly, in all material respects, TasTAFE's financial position as at 30 June 2022 and its financial performance and its cash flows for the year then ended
- (b) are in accordance with the *Training and Workforce Development Act 2013*, the *Financial Management Act 2016* and Australian Accounting Standards.

Basis for Opinion

I conducted the audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of TasTAFE in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to my audit of the financial statements in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

The *Audit Act 2008* further promotes the independence of the Auditor-General. The Auditor-General is the auditor of all Tasmanian public sector entities and can only be removed by Parliament. The Auditor-General may conduct an audit in any way considered appropriate and is not subject to direction by any person about the way in which audit powers are to be exercised. The Auditor-General has for the purposes of conducting an audit, access to all documents and property and can report to Parliament matters which in the Auditor-General's opinion are significant.

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

My audit is not designed to provide assurance on the accuracy and appropriateness of the budget information in TasTAFE's financial statements.



INDEPENDENT AUDITORS REPORT

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Why this matter is considered to be one of the most significant matters in the audit	Audit procedures to address the matter included
Valuation of Property, Plant and Equipment <i>Refer to note 6.3</i>	
<p>TasTAFE’s Property, plant and equipment includes land and specialised non-market type buildings, totalling \$231.39 million recognised at fair value at 30 June 2022. The fair value of buildings is based on either a current replacement cost, comparable sales approach or an income approach. The fair value of land is based on a comparable sales approach.</p> <p>During the year, TasTAFE indexed land and buildings valuations using indices provided by the Valuer-General.</p> <p>The high dollar values involved, the use of multiple valuation methods and the inherent subjectivity involved in multiple judgements, assumptions and estimates, result in this area requiring particular attention.</p>	<ul style="list-style-type: none"> • Evaluating the appropriateness of the valuation models. • Assessing the scope, expertise and independence of the expert engaged in the valuation of land and buildings. • Assessing the accuracy of the application of indices provided by the expert. • Evaluating the adequacy of relevant disclosures in the financial statements for compliance with the Australian Accounting Standards.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Training and Workforce Development Act 2013* and Section 42 (1) of the *Financial Management Act 2016*. This responsibility includes such internal control as determined necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing TasTAFE’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless TasTAFE is to be dissolved by an Act of Parliament, or the directors intends to cease operations, or has no realistic alternative but to do so.

INDEPENDENT AUDITORS REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are 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 the 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 the 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 the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of TasTAFE's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on TasTAFE's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause TasTAFE to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the directors 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.

From the matters communicated with the directors, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare



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circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Stephen Morrison
Assistant Auditor-General
Delegate of the Auditor-General
Tasmanian Audit Office

16 August 2022
Hobart



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