



Australian Capital Territory

Budget

2015-16

Budget Statements

Education and Training Directorate
Canberra Institute of Technology
CIT Solutions Pty Ltd

For Canberra

Guide to the Budget Papers

Structure and content of the 2015-16 Budget Papers

The 2015-16 Budget is presented in three papers and a series of agency Budget Statements.

Budget Paper 1: Budget Speech

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategies and key features of the Budget.

Budget Paper 2: Budget in Brief

A summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

Budget Paper 3: Budget Outlook

Summarises the 2015-16 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2015-16 Budget results are provided, as well as background information on the development of the 2015-16 Budget, including economic conditions and federal financial relations.

Also provides an overview of the Territory's infrastructure investment program and details of the 2015-16 expense, infrastructure and capital, and revenue initiatives.

Full accrual financial statements and notes are provided for all sectors.

Budget Statements

Information on each directorate and Territory authority and corporation is broken up into several smaller documents. This includes output classes (where relevant), descriptions of functions, roles and responsibilities, together with major strategic priorities.

ISSN 1327-581X

© Australian Capital Territory, Canberra June 2015

Publication No 15/0231

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Produced for the Chief Minister, Treasury and Economic Development Directorate by Publishing Services.

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EDUCATION AND TRAINING DIRECTORATE

Purpose

The Education and Training Directorate (the Directorate) works in partnership with students, parents and the community to ensure that every child, young person and adult in the ACT will benefit from a high quality, accessible education, childcare and training system. The Directorate works closely with government agencies, education and training providers, business and industry to position the ACT as the *Education Capital: Leading the Nation*.

Services of the Directorate include the provision of public school education, regulation of education and care services, registration of non-government schools and home education, and the planning and coordination of vocational education and training.

The Directorate aims to lift student achievement through connected and inclusive learning across all sectors of the education system combined with a focus on quality learning; inspirational teaching and leadership; high expectations, high performance; connecting with families and the community; and business innovation and improvement.

2015-16 Priorities

The Directorate's 2015 Action Plan lists specific actions to be progressed during 2015-16. These actions target the following priorities:

- curriculum assessment and reporting;
- teaching and learning of literacy, numeracy and science;
- early years education and care services;
- vocational education and training reform;
- recruitment, development and retention of quality teachers;
- leadership capability;
- supporting learning and teaching;
- students at the centre of all we do;
- closing the achievement gap for Aboriginal and Torres Strait Islander students;
- needs based funding;
- families as partners;
- community and industry engagement;
- reducing red tape;
- monitoring and improving school performance;
- developing data for system improvement; and
- high quality learning environments.

Business and Corporate Strategies

To achieve its objectives, priorities and efficiency measures, and to manage business and finances, the Directorate will:

- connect with families and the community to build meaningful relationships and operate as a customer service orientated organisation;
- support innovation, improve business systems and be open and accountable for decisions;
- ensure high quality operating practices to safeguard the environment, and the health and safety of staff; and
- provide a productive and satisfying working environment for staff, and a commitment to high standards of human resource management based on the principles of equal employment opportunity, respect, equity and diversity.

Estimated Employment Level

Table 1: Estimated Employment Level

	2013-14 Actual Outcome	2014-15 Budget	2014-15 Estimated Outcome	2015-16 Budget
Staffing (FTE)	4,946	5,049 ^{1,2}	5,075 ³	5,113 ⁴

Notes:

1. In the 2014-15 Budget Papers this figure was 4,742. The 2014-15 Budget has been restated for comparative purposes to reflect improved FTE data collection.
2. The increase in the 2014-15 Budget from the 2013-14 actual outcome primarily relates to 2014 increased enrolments.
3. The increase in the 2014-15 estimated outcome from the 2014-15 budget mainly relates to 2015 increased enrolments.
4. The increase in the 2015-16 Budget from the 2014-15 estimated outcome is primarily due to increased 2015 enrolments and the opening of Coombs Primary School in 2016.

Strategic Objectives and Indicators

The strategic objectives of the Directorate are:

- quality learning;
- inspirational teaching and leadership; and
- high expectations, high performance.

Strategic Objective 1

Quality Learning

The Government has the objective of ensuring students succeed through quality learning that engages them and supports the development of capabilities for life.

Strategic Indicator 1.1: Mean achievement score of all year 5 public school students in reading in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
513	512	515	516	518	516

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.2: Mean achievement score of all year 5 public school students in numeracy in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
499	499	495	503	494	503

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.3: Mean achievement score of all year 9 public school students in reading in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
585	586	592	598	588	598

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.4: Mean achievement score of all year 9 public school students in numeracy in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
584	587	587	595	585	595

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.5: Mean achievement score of Aboriginal and Torres Strait Islander year 5 public school students in reading in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
456	445	476	451	453	451

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.6: Mean achievement score of Aboriginal and Torres Strait Islander year 5 public school students in numeracy in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
444	437	451	444	439	444

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.7: Mean achievement score of Aboriginal and Torres Strait Islander year 9 public school students in reading in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
547	531	542	556	546	556

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 1.8: Mean achievement score of Aboriginal and Torres Strait Islander year 9 public school students in numeracy in the National Assessment Program – Literacy and Numeracy

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
528	542	524	552	538	552

Source: ACT Education and Training Directorate, unpublished data.

Strategic Objective 2

Inspirational Teaching and Leadership

The Government has the objective of employing high performing teachers and leaders who ensure success for every learner in public schools.

Strategic Indicator 2.1: Overall student satisfaction with the education at their public school

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
80.4%	80.8%	75.4%	82.5%	76.4%	82.5%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 2.2: Overall satisfaction of parents and carers with the education provided at their public school

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
83.3%	86.0%	83.1%	88.0%	85.0%	88.0%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 2.3: Staff Retention Rate

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
93.1%	93.9%	94.7%	92.0%	94.5%	92.0%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Objective 3

High Expectations, High Performance

The Government's objective is to develop an educated and skilled workforce to support a high performing ACT economy.

Strategic Indicator 3.1: Percentage of year 12 public school students who received a Year 12 Certificate

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
88.0%	88.3%	88.7%	89.0%	88.4%	89.0%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 3.2: Percentage of year 12 Aboriginal and Torres Strait Islander public school students who received a Year 12 Certificate

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
80.4%	86.2%	70.9%	80.0%	59.0%	80.0%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 3.3: Percentage of public school year 12 graduates employed or studying six months after completing year 12

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
92.6%	93.5%	91.7%	92.8%	89.2%	92.8%

Source: ACT Education and Training Directorate, unpublished data.

Strategic Indicator 3.4: Percentage of apprentices satisfied with their training under Australian Apprenticeships

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
85.5%	76.7%	79.8%	80.0%	82.1%	80.0%

Source: National Centre for Vocational Education Research, Student Outcomes Survey.

Strategic Indicator 3.5: Proportion of graduates with improved employment status after training

2011 Actual	2012 Actual	2013 Actual	2014 Target	2014 Actual	2015 Target
69.6%	65.4%	65.0%	66.0%	68.5%	66.0%

Source: National Centre for Vocational Education Research, Student Outcomes Survey.

Output Classes

As reported in the February 2015 census, the ACT Government currently operates 86 public schools with a total enrolment of 43,427 students. Of these, 27,034 were enrolled in primary school (62.3%) including 4,592 preschool students, 9,947 were enrolled in high school (22.9%), and 6,446 students were enrolled in college (14.8%).

Output Class 1: Public School Education

Table 2: Output Class 1: Public School Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost ¹	670,871	725,955
Government Payment for Outputs	562,850	617,026

Note:

1. Total cost includes depreciation and amortisation of \$61.180 million in 2014-15 and \$65.795 million in 2015-16.

Output 1.1: Public Primary School Education

Public primary school education spans the eight years from preschool to year 6. Learning opportunities in the primary years are designed to allow each student to experience success and achieve high quality learning outcomes. Students in ACT public primary schools consistently achieve high academic results against national standards.

Each school maximises opportunities for students to develop knowledge, understanding, skills and values through the delivery of world class curriculum, assessment and reporting using the ACT Curriculum Framework, the Australian Curriculum and the Early Years Learning Framework. Schools partner with parents, carers and the community to enhance student outcomes.

The Directorate is responsible for the regulation of education and care services. Assessment and monitoring of education and care services contributes to ensuring quality education and care is provided to children accessing these services. Education and care services include ACT public preschools, independent preschools, family day care, long day care and school age care programs.

Table 3: Output 1.1: Public Primary School Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	324,456	354,764
Government Payment for Outputs	267,483	297,223

Output 1.2: Public High School Education

Public high school education covers years 7 to 10. Each school organises its curriculum to maximise opportunities for students to develop the knowledge, understanding, skills and values articulated in the ACT Curriculum Framework and the Australian Curriculum. ACT public high school students consistently achieve high academic results against national and international standards.

ACT public high schools offer a comprehensive education across all key learning areas. The focus is on providing challenging and engaging learning, building relationships based on mutual trust and respect, and connecting students to the outside world. School programs develop students' critical thinking, and problem solving, interpersonal and teamwork skills to empower students to contribute positively to their community. Schools partner with parents, carers and the community to enhance student outcomes.

Table 4: Output 1.2: Public High School Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	166,066	178,794
Government Payment for Outputs	141,084	153,667

Output 1.3: Public Secondary College Education

Public secondary college education covers years 11 and 12. ACT public secondary colleges offer courses catering for a broad range of student needs and interests. Courses are accredited by the ACT Board of Senior Secondary Studies (BSSS) to ensure they are educationally sound, lead to tertiary entrance qualifications and have sufficient rigour to meet the requirements of tertiary institutions throughout Australia. ACT public secondary colleges also offer vocational education and training programs designed around training packages endorsed by specific industry areas.

In ACT public colleges, students are able to receive dual accreditation towards an Australian Qualifications Framework qualification and the ACT Year 12 Certificate. Courses include:

- A courses – courses accredited as educationally sound and appropriate for students in years 11 and 12;
- T courses – accredited courses leading to higher education;
- M courses – accredited courses providing appropriate educational experiences for students who satisfy specific disability criteria;
- R courses – acknowledging community service and extra-curricular activity;
- H courses – accredited by an Australian university as contributing towards an undergraduate degree and recognised by the BSSS; and
- vocational programs – culminating in a vocational certificate or statement of attainment.

Table 5: Output 1.3: Public Secondary College Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	110,085	118,447
Government Payment for Outputs	92,186	100,296

Output 1.4: Disability Education in Public Schools

A range of programs are available in ACT public schools for students with a disability. These include access to specialist schools, specific classes or units in mainstream schools, and supported participation in mainstream classes.

Parents and schools work together in developing and reviewing each student's Individual Learning Plan (ILP), which identifies educational goals. Student progress against the ILP is reviewed annually or more frequently as required. The focus is on literacy and numeracy, health, self-management and interpersonal skills appropriate to the assessed needs of the individual student to enable realisation of individual potential.

This output includes National Disability Insurance Scheme services currently provided by the Directorate to public school students, including; special needs transport, vision support services and personal care services.

Table 6: Output 1.4: Disability Education in Public Schools

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	70,264	73,950
Government Payment for Outputs	62,097	65,840

Output Class 2: Non Government Education

Table 7: Output Class 2: Non Government Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost ¹	3,279	3,441
Government Payment for Outputs	2,685	2,851

Note:

1. Total cost includes depreciation and amortisation of \$0.183 million in 2014-15 and \$0.183 million in 2015-16.

Output 2.1: Non Government School Education

The Directorate contributes to the maintenance of standards in non-government schools and home education through compliance, registration and BSSS accreditation and certification of senior secondary courses. The Directorate also administers payment of Commonwealth and ACT Government grants to non-government schools.

In addition to the funds provided by the Directorate in Output Class 2, both the ACT and Commonwealth Governments provide funding to non-government schools through Territorial appropriation.

Table 8: Output 2.1: Non Government School Education

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	3,279	3,441
Government Payment for Outputs	2,685	2,851

Table 9: Grants paid to Non Government Schools

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Commonwealth Government ¹	176,775	186,052
ACT Government ²	60,128	60,460
Total	236,903	246,512

Notes:

1. The increase in Commonwealth Government Grants in the 2015-16 Budget compared to the 2014-15 estimated outcome mainly relates to indexation of recurrent grants.
2. The increase in ACT Government Grants in the 2015-16 Budget compared to the 2014-15 estimated outcome mainly relates to indexation of recurrent grants partially offset by the impact of rollovers.

Output Class 3: Vocational Education and Training

Table 10: Output 3: Vocational Education and Training

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost ¹	35,231	36,773
Government Payment for Outputs	35,059	36,288

Note:

1. Total cost includes depreciation and amortisation of \$0.001 million in 2014-15 and \$0.362 million in 2015-16.

Output 3.1: Planning and Coordination of Vocational Education and Training Services

The vocational education and training system in the ACT responds to the demands and requirements of students, industry and the community. The Directorate is responsible and accountable for the provision of strategic advice and overall management of vocational education and training in the Territory. This includes monitoring and auditing the provision of publicly funded vocational education and training, and the research and gathering of advice from key stakeholders to assess industry trends and identify future training requirements.

The Directorate administers Territory and Commonwealth funds for a variety of skill development programs and adult community education programs. The Directorate manages all aspects of Australian Apprenticeship delivery and the Skilled Capital initiative which is designed to improve access to high quality training in areas of skills need and lead to improved employment outcomes.

Table 11: Output 3.1: Planning and Coordination of Vocational Education and Training Services

	2014-15 Estimated Outcome \$'000	2015-16 Budget \$'000
Total Cost	35,231	36,773
Government Payment for Outputs	35,059	36,288

Accountability Indicators

Output Class 1: Public School Education

Table 12: Accountability Indicators

Output Class 1: Public School Education	2014-15 Targets	2014-15 Estimated Outcome	2015-16 Targets
Early Intervention¹			
a. Number of eligible children with developmental delays and disabilities who attended an early intervention program	400	279	n/a
b. Individual Learning Plans commenced within one month of the student's first attendance at an early intervention program	100%	100%	n/a
c. Parent satisfaction with their children's progress in early intervention placement as measured by annual survey	90%	90%	n/a
d. Average cost (\$) per child attending an early intervention program	4,843	3,550	n/a
Early Childhood Education			
a. Number of enrolments in preschool in public schools	4,500	4,873	4,650
b. Number of enrolments of Aboriginal and Torres Strait Islander students in preschool in public schools	225	267	231
School Participation			
a. Attendance rate of public school students in year 1 to year 10	91.5%	91.5%	91.5%
Education and Care Services			
a. Number of visits to approved education and care services to administer the Education and Care Services National Law (ACT) Act 2011 and the Children and Young People Act 2008 ²	504	504	n/a
b. Education and care services satisfaction with assessment and monitoring functions	85%	85%	85%
c. Investigations and complaints commenced within stated policy timeframes ³	n/a	n/a	95%
d. Assessment and ratings completed within legislated timeframes ³	n/a	n/a	100%
Disability Education			
a. Individual Learning Plans completed for students in special and mainstream schools who access special education services	100%	100%	100%

Output Class 1: Public School Education	2014-15 Targets	2014-15 Estimated Outcome	2015-16 Targets
Senior Secondary Education			
a. Percentage of year 10 students who proceed to public secondary college education	85%	93%	85%
b. Percentage of year 10 Aboriginal and Torres Strait Islander students who proceed to public secondary college education	80%	85%	80%
c. Apparent retention of public school students from year 7 to year 12	100%	113%	100%
d. Apparent retention of Aboriginal and Torres Strait Islander public school students from year 7 to year 12	75%	81%	75%
e. Percentage of year 12 students who receive a Tertiary Entrance Statement	50%	48%	50%
f. Percentage of year 12 Aboriginal and Torres Strait Islander students who receive a tertiary Entrance Statement	20%	11%	20%
g. Percentage of year 12 students who receive a nationally recognised vocational qualification	60%	58%	60%
h. Percentage of year 12 Aboriginal and Torres Strait Islander students who receive a national recognised vocational qualification	50%	52%	50%
Regulatory and process reform initiative			
a. Commenced implementation of red tape reduction initiatives	30 June 2015	1	30 June 2016
Average cost (\$) per student per annum in public			
a. Preschool ⁴	5,846	6,641	6,740
b. Primary Schools ⁵	14,498	14,268	15,012
c. High Schools	18,176	18,015	19,202
d. Secondary Colleges	18,329	18,196	19,120
e. Special Schools	56,807	57,326	66,207
f. Mainstream Schools' student with a disability	25,844	26,080	28,598

Notes:

1. Early intervention services transitioned to the National Disability Insurance Scheme from 1 January 2015. As a result, these indicators will cease from 2015-16.
2. The 2015-16 target for this indicator is 'Not Applicable' as the indicator has been discontinued.
3. The targets for 2014-15 and the 2014-15 estimated outcomes for these indicators are 'Not Applicable' as they are new accountability indicators.
4. The increase in the 2014-15 estimated outcome and the 2015-16 Budget is primarily due to the provision of full year funding from the Commonwealth for the Universal Access National Partnership Program.
5. For this measure, primary school students are defined as kindergarten to year 6 to enable cross-jurisdiction comparisons.

Output Class 2: Non Government School Education and Early Education and Care Services

Output 2.1: Non Government School Education

Table 13: Accountability Indicators Output 2.1

Output Class 2: Non Government School Education and Early Education and Care Services	2014-15 Targets	2014-15 Estimated Outcome	2015-16 Targets
Output 2.1: Non Government School Education			
a. Non-government school registration reviews completed within period required under the Education Act 2004 ¹	100%	100%	n/a
b. All non-government schools operating in the ACT during the reporting period are registered ²	n/a	n/a	100%
c. The provisional registration of home educated students is completed within ten school days of receipt of the application ³	96%	100%	100%
d. Grants paid within the required period of receiving funds from the Commonwealth Government	100%	100%	100%

Notes:

1. The 2015-16 target for this indicator is 'Not Applicable' as the indicator has been discontinued and replaced with Output Class 2.1.b. The Education and Training Directorate is responsible for the management of the registration process pertaining to new and existing ACT non-government schools. Whilst the *Education Act 2004* does not prescribe a period for the completion of registration/reviews it requires non-government schools to be registered before any student is educated. This significant wording change more accurately captures the quality of the functions of the Directorate.
2. This indicator replaces Output Class 2.1.a. The target for 2014-15 and the 2014-15 estimated outcome for this indicator are 'Not Applicable' as it is a new accountability indicator which more accurately captures the quality of the functions of the Directorate.
3. To improve clarity and to more accurately capture the quality of the functions of the Directorate, the description of this indicator has been changed from 'Home education registration reviews for provisionally registered children be completed within three months'.

Output Class 3: Vocational Education and Training

Output 3.1: Planning and Coordination of Vocational Education and Training Services

Table 14: Accountability Indicators Output 3.1

Output Class 3: Vocational Education and Training	2014-15 Targets	2014-15 Estimated Outcome	2015-16 Targets
Output 3.1: Planning and Coordination of Vocational Education and Training Services			
a. Funded training initiative allocation rounds administered within published timeframes	100%	100%	100%
b. Registered training organisation audit reports provided within 30 days of completion of on-site audit	100%	100%	100%
c. Total number of students undertaking vocational qualifications:			
i. All students	30,100	28,473	30,100
ii. Aboriginal and Torres Strait Islander students	755	948	755
iii. Students with a disability	1,940	2,071	1,940
d. Participation in vocational education and training			
i. All students (percentage)	8.2%	7.5%	8.2%
ii. Aboriginal and Torres Strait Islander students (percentage)	15.5%	14.5%	15.5%

Changes to Appropriation

Table 15: Changes to appropriation—Government Payment for Outputs, Controlled

Government Payment for Outputs	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2014-15 Budget	608,242	604,860	625,126	648,609	648,609
FMA s16B Rollovers from 2013-14					
Commonwealth Grants - Smarter Schools - Improving Teacher Quality NP	1,870	-	-	-	-
Commonwealth Grants - Smarter Schools - Literacy and Numeracy NP	1,420	-	-	-	-
Professional Development Funds	656	-	-	-	-
Commonwealth Grants - Youth Attainment and Transitions NP	648	-	-	-	-
Commonwealth Grants - More Support for Students with Disability NP - Government Schools	633	-	-	-	-
Children's Services Scholarship Program	455	-	-	-	-
Commonwealth Grants - Productivity Places Program NP	424	-	-	-	-
Commonwealth Grants - Commonwealth / State and Territory Joint Group Training Program NP	353	-	-	-	-
Commonwealth Grants - Training Places for Single and Teenage Parents NP	231	-	-	-	-
Commonwealth Grants - Reward for Great Teachers NP	134	-	-	-	-
Commonwealth Grants - Smarter Schools - Low Socio-Economic Status School Communities NP	118	-	-	-	-
Commonwealth Grants - National Quality Agenda for Early Childhood Education and Care NP	69	-	-	-	-
ACT Contribution - National Quality Agenda for Early Childhood Education and Care NP	69	-	-	-	-
ACT Contribution - Productivity Places Program NP	58	-	-	-	-
Commonwealth Grants - Helping our Kids Understand Finances - Money Smart Schools NP	45	-	-	-	-
Commonwealth Grants - Industry and Indigenous Skills Centre NP	16	-	-	-	-
ACT Contribution - Youth Attainment and Transitions NP	7	-	-	-	-
Commonwealth Grants - VET Training - Skills Reform NP	(263)	-	-	-	-
2015-16 Budget Policy Adjustments					
ACT Teacher Quality Institute - Digital Service Delivery Phase 2	-	-	211	177	182
Schools for the Future - Caroline Chisholm School - Centre for Innovation and Learning	-	-	-	284	284
Schools for the Future - Coombs Primary	-	1,691	1,764	1,833	1,856
Schools for the Future - Modernising Belconnen High	-	-	100	316	356
Schools for the Future - North Gungahlin and Molonglo	-	-	-	-	1,702
Support for Students with Disability - Special Needs Transport	-	925	-	-	-
Support for Students with Disability - Extra Resources	-	2,000	1,000	-	-
Supporting our School System - Improving ICT	-	2,564	3,653	3,744	3,838
Contribution to Urban Renewal and Access Canberra	-	(120)	(109)	(126)	(163)
General Savings	-	(1,103)	(858)	(832)	(744)
2015-16 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	16,342
Public Pre-School Enrolment Adjustment 2015-16	-	121	124	127	130

Government Payment for Outputs	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2015-16 Budget Technical Adjustments - Continued					
Public School Enrolment Adjustment 2015-16	-	5,447	5,611	5,723	5,838
Revised Employee Entitlement Parameters	(8,162)	9,495	1,415	78	262
Transfer - Childcare Centres to CMTEDD	(285)	(584)	(600)	(613)	(630)
Transfer - Schools for the Future - Coombs Primary to North Gungahlin and Molonglo Schools	-	1,000	-	-	-
Transfer - Schools for the Future - Coombs Primary to Sustainable Delivery of Public School Facilities project	-	500	-	-	-
Schools for the Future - Coombs Primary - Repairs and maintenance	-	194	388	388	388
Revised Funding Profile - Early Childhood Scholarships - Certificate III in Children's Services	(681)	681	-	-	-
Revised Funding Profile - Independent Public Schools Initiative NP	(96)	96	-	-	-
Revised Funding Profile - Joint Group Training Program (ACT Contribution)	(100)	100	-	-	-
Revised Funding Profile - School ICT System Project	(3,135)	3,135	-	-	-
Revised Funding Profile - More Support for Students with Disability NP	(440)	440	-	-	-
Revised Funding Profile - National Quality Agenda for Early Childhood Education and Care NP	(59)	59	-	-	-
Revised Funding Profile - National Quality Agenda for Early Childhood Education and Care NP (ACT Contribution)	(217)	217	-	-	-
Revised Funding Profile - Professional Development Funds	(1,600)	1,600	-	-	-
Revised Funding Profile - Productivity Places Program NP	(2,940)	2,940	-	-	-
Revised Funding Profile - Smarter Schools - Literacy and Numeracy NP	(1,342)	1,342	-	-	-
Revised Funding Profile - Productivity Places Program NP (ACT Contribution)	(2,061)	2,061	-	-	-
Revised Funding Profile - Smarter Schools - Improving Teacher Quality NP	(1,870)	1,870	-	-	-
Revised Funding Profile - School Chaplaincy Program NP	(158)	158	-	-	-
Revised Funding Profile - Youth Attainment and Transitions NP	(478)	478	-	-	-
Commonwealth Grants - Commonwealth / State and Territory Joint Group Training Program NP	234	-	-	-	-
Commonwealth Grants - Early Childhood Education - Universal Access NP	3,311	6,849	7,150	5,089	-
Commonwealth Grants - Independent Public Schools Initiative NP	20	20	20	-	-
Commonwealth Grants - More Support for Students with Disability NP	(194)	-	-	-	-
Commonwealth Grants - National Education Reform Funding (Students First) - Government Schools Component	4,623	6,226	8,515	(1,758)	3,872
Commonwealth Grants - National Quality Agenda for Early Childhood Education and Care NP	106	-	-	-	-
Commonwealth Grants - National Skills and Workforce Development SPP	(33)	(63)	(85)	(108)	6
Commonwealth Grants - School Chaplaincy Program NP	966	966	966	966	-
2015-16 Budget	600,594	656,165	654,391	663,897	682,128

Table 16: Changes to appropriation—Territorial

Territorial	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2014-15 Budget	252,356	265,425	281,593	290,970	290,970
FMA s16B Rollovers from 2013-14					
Interest Subsidy Scheme	474	-	-	-	-
Supporting Non Government Pre Schools Initiative	700	-	-	-	-
2015-16 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	1,984
Commonwealth Grants - More Support for Students with Disability NP	213	-	-	-	-
Commonwealth Grants - National Education Reform Funding (Students First)	1,232	506	42	348	10,457
Commonwealth Grants - Schools Security Programme NP	39	3	-	-	-
Commonwealth Grants - Trade Training Centres NP - Non Government Schools	365	-	-	-	-
2015-16 Budget	255,379	265,934	281,635	291,318	303,411

Table 17: Changes to appropriation—Capital Injections, Controlled

Capital Injection	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2014-15 Budget	100,089	35,529	16,639	15,404	15,404
FMA s16B Rollovers from 2013-14					
Trade Training Centres Schools NP - Government Schools	6,624	-	-	-	-
Sustaining Smart Schools - Digital Infrastructure for our Schools	5,597	-	-	-	-
Coombs P-6 (Primary) School Construction	3,481	-	-	-	-
School Infrastructure for the Future	1,256	-	-	-	-
Upgrade of Early Childhood Facilities	918	-	-	-	-
COAG Universal Access to Preschools - Stage 1 Expansion Works	827	-	-	-	-
Canberra College Cares (CC Cares) - New Building at Phillip Campus	747	-	-	-	-
Carbon Neutral Schools - Stage 1	744	-	-	-	-
North Watson Development - Majura Primary School Expansion	598	-	-	-	-
Franklin Early Childhood School	592	-	-	-	-
School Capital Upgrades	583	-	-	-	-
West Macgregor Development - Macgregor Primary School Expansion	513	-	-	-	-
Belconnen High School Modernisation - Stage 1	373	-	-	-	-
Childcare Centre Capital Upgrades - Stage 2 and Childcare Centre Improvements	358	-	-	-	-
Gungahlin College	297	-	-	-	-
Childcare Capital Upgrades	213	-	-	-	-
Duffy Primary School Expansion	198	-	-	-	-

Capital Injection	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
FMA s16B Rollovers from 2013-14 - Continued					
ACT Teacher Quality Institute	51	-	-	-	-
Replacement of ACT Vocational Education Management System	25	-	-	-	-
Coombs Primary (Finalisation of Design)	18	-	-	-	-
Tuggeranong Introductory English Centre	(26)	-	-	-	-
Namadgi P-10 School	(76)	-	-	-	-
Holder Early Childhood Centre	(292)	-	-	-	-
Neville Bonner Primary School	(309)	-	-	-	-
2015-16 Budget Policy Adjustments					
ACT Teacher Quality Institute - Digital Service Delivery Phase 2	-	297	198	139	79
Schools for the Future - Modernising Belconnen High	-	4,950	10,697	1,980	-
Schools for the Future - Caroline Chisholm School - Centre for innovation and learning	-	495	1,980	3,421	-
Schools for the Future - North Gungahlin and Molonglo	-	-	9,108	13,161	5,940
Supporting our School System - Improving ICT	-	5,307	7,235	5,626	5,861
2015-16 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	385
Transfer - Childcare Centres to CMTEDD	(3,038)	(1,711)	(457)	(468)	(480)
Transfer - Schools for the Future - Coombs Primary to Schools for the Future - North Gungahlin and Molonglo	(1,000)				
Transfer - Schools for the Future - Coombs Primary to Schools for the Future - North Gungahlin and Molonglo	(400)	400	-	-	-
Transfer - Schools for the Future - Coombs Primary to Sustainable Delivery of Public Schools Project	(500)	-	-	-	-
Schools for the Future - Coombs Primary - Repairs and Maintenance	(1,940)	-	-	-	-
Revised Funding Profile - Neville Bonner Primary School	(1,900)	1,900	-	-	-
Revised Funding Profile - Canberra College Cares - New Building at Phillip Campus	(650)	650	-	-	-
Revised Funding Profile - Childcare Centre Upgrades - Stage 2	(400)	400	-	-	-
Revised Funding Profile - Franklin Early Childhood School	(400)	400	-	-	-
Revised Funding Profile - Hazardous Material Removal Program - Stage 3	(250)	750	(500)	-	-
Revised Funding Profile - Holder Early Childhood Centre	(400)	-	-	-	-
Revised Funding Profile - School Staffing Integrated Management System	(325)	325	-	-	-
Revised Funding Profile - Schools for the Future - Coombs Primary	(11,231)	10,841	390	-	-
Revised Funding Profile - Sustaining Smart Schools - Digital infrastructure for our schools	(1,500)	1,500	-	-	-
Revised Funding Profile - Upgrade of Early Childhood Facilities	(200)	200	-	-	-
Commonwealth Grants - Trade Training Centres Schools NP - Government Schools	(935)	(2,676)	-	-	-
2015-16 Budget	98,330	59,557	45,290	39,263	27,189

Financial Statements

Table 18: Education and Training Directorate: Operating Statement

2014-15 Budget \$'000		2014-15 Est Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
608,242	Government Payment for Outputs	600,594	656,165	9	654,391	663,897	682,128
15,928	User Charges - Non ACT Government	16,928	16,328	-4	16,766	17,153	17,191
557	User Charges - ACT Government	557	570	2	436	436	436
1,250	Interest	1,252	1,252	-	1,252	1,252	1,252
118	Distribution from Investments with the Territory Banking Account	116	116	-	116	116	116
20,011	Other Revenue	20,411	21,413	5	21,415	21,415	21,415
385	Resources Received Free of Charge	485	485	-	485	485	485
646,491	Total Revenue	640,343	696,329	9	694,861	704,754	723,023
Expenses							
420,853	Employee Expenses	424,647	460,503	8	465,321	479,735	494,120
62,454	Superannuation Expenses	62,092	69,216	11	69,946	70,568	73,031
69,717	Supplies and Services	68,401	73,559	8	68,926	70,492	70,878
67,847	Depreciation and Amortisation	61,364	66,340	8	68,435	70,461	72,267
12	Borrowing Costs	12	12	-	12	12	12
31,902	Grants and Purchased Services	28,725	31,474	10	27,054	19,461	18,878
63,695	Other Expenses	64,140	65,065	1	65,551	66,465	68,113
716,480	Total Expenses	709,381	766,169	8	765,245	777,194	797,299
-69,989	Operating Result	-69,038	-69,840	-1	-70,384	-72,440	-74,276
-69,989	Total Comprehensive Income	-69,038	-69,840	-1	-70,384	-72,440	-74,276

Table 19: Education and Training Directorate: Balance Sheet

Budget At 30/6/15 \$'000		Est'd Outcome At 30/6/15 \$'000	Budget At 30/6/16 \$'000	Var %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Current Assets							
79,835	Cash and Cash Equivalents	89,034	70,627	-21	70,673	70,719	70,765
4,732	Receivables	4,303	4,301	..	4,299	4,297	4,295
260	Investments	259	259	-	259	259	259
2,098	Other Current Assets	1,045	1,045	-	1,045	1,045	1,045
86,925	Total Current Assets	94,641	76,232	-19	76,276	76,320	76,364
Non Current Assets							
1,831	Investments	1,846	1,846	-	1,846	1,846	1,846
1,983,950	Property, Plant and Equipment	1,787,398	1,753,926	-2	1,757,652	1,709,137	1,711,496
391	Intangibles	613	468	-24	342	216	90
42,287	Capital Works in Progress	35,808	63,760	78	38,134	56,696	10,504
2,028,459	Total Non Current Assets	1,825,665	1,820,000	..	1,797,974	1,767,895	1,723,936
2,115,384	TOTAL ASSETS	1,920,306	1,896,232	-1	1,874,250	1,844,215	1,800,300
Current Liabilities							
4,059	Payables	4,666	4,666	-	4,666	4,666	4,666
44	Finance Leases	75	75	-	75	75	75
123,596	Employee Benefits	140,611	126,957	-10	130,207	133,487	136,797
4,171	Other Liabilities	5,706	5,706	-	5,706	5,706	5,706
131,870	Total Current Liabilities	151,058	137,404	-9	140,654	143,934	147,244
Non Current Liabilities							
73	Interest-Bearing Liabilities	2,473	2,050	-17	1,625	1,200	775
11	Finance Leases	70	69	-1	68	67	66
12,728	Employee Benefits	13,607	13,894	2	14,182	14,470	14,758
12,812	Total Non Current Liabilities	16,150	16,013	-1	15,875	15,737	15,599
144,682	TOTAL LIABILITIES	167,208	153,417	-8	156,529	159,671	162,843
1,970,702	NET ASSETS	1,753,098	1,742,815	-1	1,717,721	1,684,544	1,637,457
REPRESENTED BY FUNDS EMPLOYED							
958,097	Accumulated Funds	886,463	876,180	-1	851,086	817,909	770,822
1,012,605	Reserves	866,635	866,635	-	866,635	866,635	866,635
1,970,702	TOTAL FUNDS EMPLOYED	1,753,098	1,742,815	-1	1,717,721	1,684,544	1,637,457

Table 20: Education and Training Directorate: Statement of Changes in Equity

Budget At 30/6/15 \$'000		Est'd Outcome At 30/6/15 \$'000	Budget At 30/6/16 \$'000	Var %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Opening Equity							
927,997	Opening Accumulated Funds	900,172	886,463	-2	876,180	851,086	817,909
1,012,605	Opening Asset Revaluation Reserve	866,635	866,635	-	866,635	866,635	866,635
1,940,602	Balance at the Start of the Reporting Period	1,766,807	1,753,098	-1	1,742,815	1,717,721	1,684,544
Comprehensive Income							
-69,989	Operating Result for the Period	-69,038	-69,840	-1	-70,384	-72,440	-74,276
-69,989	Total Comprehensive Income	-69,038	-69,840	-1	-70,384	-72,440	-74,276
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
100,089	Capital Injections	98,330	59,557	-39	45,290	39,263	27,189
0	Inc/Dec in Net Assets due to Admin Restructure	-43,001	0	100	0	0	0
100,089	Total Transactions Involving Owners Affecting Accumulated Funds	55,329	59,557	8	45,290	39,263	27,189
Closing Equity							
958,097	Closing Accumulated Funds	886,463	876,180	-1	851,086	817,909	770,822
1,012,605	Closing Asset Revaluation Reserve	866,635	866,635	-	866,635	866,635	866,635
1,970,702	Balance at the End of the Reporting Period	1,753,098	1,742,815	-1	1,717,721	1,684,544	1,637,457

Table 21: Education and Training Directorate: Cash Flow Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
608,242	Cash from Government for Outputs	600,594	656,165	9	654,391	663,897	682,128
16,485	User Charges	17,485	16,898	-3	17,202	17,589	17,627
1,250	Interest Received	1,252	1,252	-	1,252	1,252	1,252
118	Distribution from Investments with the Territory Banking Account	116	116	-	116	116	116
41,138	Other Receipts	44,594	41,100	-8	39,043	37,458	36,528
667,233	Operating Receipts	664,041	715,531	8	712,004	720,312	737,651
Payments							
417,122	Related to Employees	415,386	472,261	14	461,785	476,169	490,524
62,456	Related to Superannuation	62,092	70,826	14	69,946	70,568	73,031
68,985	Related to Supplies and Services	67,569	72,727	8	68,094	69,660	70,046
12	Borrowing Costs	12	12	-	12	12	12
31,902	Grants and Purchased Services	28,725	31,474	10	27,054	19,461	18,878
85,020	Other	88,521	84,950	-4	83,377	82,706	83,424
665,497	Operating Payments	662,305	732,250	11	710,268	718,576	735,915
1,736	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	1,736	-16,719	>1000	1,736	1,736	1,736
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
82,849	Purchase of Property, Plant and Equipment and Capital Works	81,090	60,772	-25	46,505	40,478	28,404
82,849	Investing Payments	81,090	60,772	-25	46,505	40,478	28,404
-82,849	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-81,090	-60,772	25	-46,505	-40,478	-28,404
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
100,089	Capital Injections from Government	98,330	59,557	-39	45,290	39,263	27,189
100,089	Financing Receipts	98,330	59,557	-39	45,290	39,263	27,189
Payments							
0	Repayment of Borrowings	116	423	265	425	425	425
50	Repayment of Finance Leases	50	50	-	50	50	50
50	Financing Payments	166	473	185	475	475	475
100,039	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	98,164	59,084	-40	44,815	38,788	26,714
18,926	NET INCREASE/(DECREASE) IN CASH HELD	18,810	-18,407	-198	46	46	46
60,909	CASH AT THE BEGINNING OF REPORTING PERIOD	70,224	89,034	27	70,627	70,673	70,719
79,835	CASH AT THE END OF REPORTING PERIOD	89,034	70,627	-21	70,673	70,719	70,765

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the decrease of \$7.648 million in the 2014-15 estimated outcome from the original budget is primarily due to rollovers (\$16.396 million), partially offset by increased Commonwealth Government Grants (\$9.033 million); and
 - the increase of \$55.571 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to the impact of rollovers (\$24.752 million), indexation (\$21.274 million), new and continuing initiatives (\$6.947 million), increases in enrolment numbers (\$5.953 million), and revised superannuation parameters (\$1.571 million). The increase is partially offset by reduced Commonwealth Government Grants (\$2.092 million) and savings initiatives (\$2.878 million).
- user charges – non ACT Government:
 - the increase of \$1.000 million in the 2014-15 estimated outcome from the original budget is primarily due to increased revenue from International Students.
- other revenue:
 - the increase of \$1.002 million in the 2015-16 budget from the 2014-15 estimated outcome is primarily due to increased schools revenue.
- employee expenses:
 - the increase of \$3.794 million in the 2014-15 estimated outcome from the original budget is primarily due to increased Commonwealth Government Grants (\$6.446 million) and revised parameters for calculation of long service leave benefits (\$5.532 million), partially offset by rollovers (\$8.554 million); and
 - the increase of \$35.856 million in the 2015-16 budget from the 2014-15 estimated outcome is mainly due to the impact of rollovers (\$18.957 million), indexation (\$16.905 million), increases in enrolment numbers (\$5.167 million), and new and continuing initiatives (\$1.749 million). The increase is partially offset by reduced Commonwealth Government Grants (\$1.171 million), revised parameters for calculation of long service leave benefits in 2014-15 (\$3.554 million), and savings initiatives (\$1.385 million).

- superannuation expenses:
 - the decrease of \$0.362 million in the 2014-15 estimated outcome from the original budget is primarily due to rollovers (\$1.159 million), partially offset by increased Commonwealth Government Grants (\$0.745 million); and
 - the increase of \$7.124 million in the 2015-16 budget from the 2014-15 estimated outcome is mainly due to the impact of rollovers (\$2.499 million), indexation (\$2.468 million), revised superannuation parameters (\$1.571 million), and increases in enrolment numbers (\$0.786 million). The increase is partially offset by reduced Commonwealth Government Grants (\$0.114 million).
- supplies and services:
 - the decrease of \$1.316 million in the 2014-15 estimated outcome from the original budget is primarily due to rollovers (\$2.481 million), partially offset by an increase in Commonwealth Government Grants (\$0.772 million) and legal services provided by the ACT Government Solicitor's Office (\$0.100 million); and
 - the increase of \$5.158 million in the 2015-16 budget from the 2014-15 estimated outcome is primarily due to new and continuing initiatives (\$4.192 million), the impact of rollovers (\$1.645 million) and indexation (\$0.920 million). The increase is partially offset by reduced Commonwealth Government Grants (\$1.525 million).
- depreciation and amortisation:
 - the decrease of \$6.483 million in the 2014-15 estimated outcome from the original budget primarily reflects the revaluation of the Directorate's assets during the 2013-14 financial year; and
 - the increase of \$4.976 million in the 2015-16 budget from the 2014-15 estimated outcome is mainly due to completion of capital projects.
- grants and purchased services:
 - the decrease of \$3.177 million in the 2014-15 estimated outcome from the original budget is primarily due to rollovers (\$4.247 million) including Commonwealth National Partnership Programs partially offset by a new Commonwealth Grant for the School Chaplaincy National Partnership (\$0.938 million); and
 - the increase of \$2.749 million in the 2015-16 budget from the 2014-15 estimated outcome is mainly due to rollovers (\$2.687 million) predominantly associated with the Productivity Places Program National Partnership.

- other expenses:
 - the increase of \$0.925 million in the 2015-16 budget from the 2014-15 estimated outcome primarily relates to new and continuing initiatives (\$0.812 million) with the main item being the operating costs associated with the opening of the Coombs P-6 School in 2016.

Balance Sheet

- current assets:
 - the increase of \$7.716 million in the 2014-15 estimated outcome from the original budget is primarily due to cash held for environmentally sustainable projects and increased payables; and
 - the decrease of \$18.409 million in the 2015-16 Budget from the 2014-15 estimated outcome is primarily due to the 27th salary payment in 2015-16 (\$18.455 million).
- non current assets:
 - the decrease of \$202.794 million in the 2014-15 estimated outcome from the original budget is primarily due to the revaluation of the Directorate's assets during the 2013-14 financial year and the transfer of childcare centres to the Chief Minister Treasury and Economic Development Directorate (\$43.034 million).
- total liabilities:
 - the increase of \$22.526 million in the 2014-15 estimated outcome from the original budget is primarily due to revised parameters to calculate long service leave benefits and a higher number of salary and wages accrual days; and
 - the decrease of \$13.791 million in the 2015-16 Budget from the 2014-15 estimated outcome is primarily due to a lower number of salary and wages accrual days at the end of the 2015-16 financial year.

Statement of Changes in Equity

- capital injection:
 - the decrease of \$38.773 million in the 2015-16 Budget from the 2014-15 estimated outcome is primarily due to capital project funding (\$38.168 million) and one-off funding provided for the 27th fortnightly salary payment in 2014-15 (\$18.455 million), partially offset by new capital works (\$11.049 million) and rollovers (\$6.801 million).

Cash Flow Statement

- Variations in the cash flow statement are explained in the notes above.

Table 22: Education and Training Directorate: Statement of Income and Expenses on Behalf of the Territory

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
234,844	Payment for Expenses on Behalf of the Territory	237,699	247,328	4	261,867	270,844	282,018
234,844	Total Revenue	237,699	247,328	4	261,867	270,844	282,018
Expenses							
234,844	Grants and Purchased Services	237,699	247,328	4	261,867	270,844	282,018
234,844	Total Expenses	237,699	247,328	4	261,867	270,844	282,018
0	Operating Result	0	0	-	0	0	0
0	Total Comprehensive Income	0	0	-	0	0	0

Table 23: Education and Training Directorate: Statement of Assets and Liabilities on Behalf of the Territory

Budget At 30/6/15 \$'000		Est'd Outcome At 30/6/15 \$'000	Budget At 30/6/16 \$'000	Var %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Current Assets							
261	Cash and Cash Equivalents	80	80	-	80	80	80
261	Total Current Assets	80	80	-	80	80	80
261	TOTAL ASSETS	80	80	-	80	80	80
Current Liabilities							
261	Other Liabilities	80	80	-	80	80	80
261	Total Current Liabilities	80	80	-	80	80	80
261	TOTAL LIABILITIES	80	80	-	80	80	80
0	NET ASSETS	0	0	-	0	0	0
REPRESENTED BY FUNDS EMPLOYED							
0	TOTAL FUNDS EMPLOYED	0	0	-	0	0	0

Table 24: Education and Training Directorate: Statement of Cash Flows on Behalf of the Territory

Budget At 30/6/15 \$'000		Est'd Outcome At 30/6/15 \$'000	Budget At 30/6/16 \$'000	Var %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
252,356	Cash from Government for EBT	255,379	265,934	4	281,635	291,318	303,411
5,911	Other Receipts	6,013	6,046	1	6,336	6,527	6,723
258,267	Operating Receipts	261,392	271,980	4	287,971	297,845	310,134
Payments							
252,465	Grants and Purchased Services	255,379	265,934	4	281,635	291,318	303,411
5,802	Other	6,013	6,046	1	6,336	6,527	6,723
258,267	Operating Payments	261,392	271,980	4	287,971	297,845	310,134
0	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	0	0	-	0	0	0
261	CASH AT THE BEGINNING OF REPORTING PERIOD	80	80	-	80	80	80
261	CASH AT THE END OF REPORTING PERIOD	80	80	-	80	80	80

Notes to the Territorial Budget Statements

Statement of Income and Expenses on Behalf of the Territory

- payment for expenses on behalf of the Territory and grants and purchased services:
 - the increase of \$2.855 million in the 2014-15 estimated outcome from the original budget is due to increased Commonwealth Government Grants (\$1.681 million) and rollovers (\$1.174 million) associated with the Interest Subsidy Scheme and the Supporting Preschools Initiative; and
 - the increase of \$9.629 million in the 2015-16 Budget from the 2014-15 estimated outcome is due to increased non government schools funding from the Commonwealth Government (\$9.277 million) and additional non government schools funding from the ACT Government (\$2.326 million), partially offset by the impact of rollovers (\$1.974 million).

Statement of Assets and Liabilities on Behalf of the Territory

Variations in the statement are explained in the notes above.

Statement of Cash Flows on Behalf of the Territory

Variations in the statement are explained in the notes above.

Table 25: Education and Training Directorate: Public School Education Operating Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
566,922	Government Payment for Outputs	562,850	617,026	10	618,009	635,242	653,321
15,919	User Charges - Non ACT Government	16,897	16,296	-4	16,720	17,093	17,117
556	User Charges - ACT Government	557	570	2	436	436	436
1,250	Interest	1,250	1,250	-	1,250	1,250	1,250
115	Distribution from Investments with the Territory Banking Account	115	115	-	115	115	115
19,622	Other Revenue	20,022	21,024	5	21,026	21,026	21,026
384	Resources Received Free of Charge	479	479	-	479	479	479
604,768	Total Revenue	602,170	656,760	9	658,035	675,641	693,744
Expenses							
413,301	Employee Expenses	416,986	453,178	9	457,884	472,412	486,651
61,316	Superannuation Expenses	60,949	68,095	12	68,810	69,472	71,921
66,575	Supplies and Services	65,292	70,942	9	65,975	67,489	67,830
67,657	Depreciation and Amortisation	61,180	65,795	8	67,890	69,903	71,696
12	Borrowing Costs	12	12	-	12	12	12
2,051	Grants and Purchased Services	2,424	2,981	23	1,786	1,804	1,264
63,580	Other Expenses	64,028	64,952	1	65,436	66,349	67,995
674,492	Total Ordinary Expenses	670,871	725,955	8	727,793	747,441	767,369
-69,724	Operating Result	-68,701	-69,195	-1	-69,758	-71,800	-73,625

Table 26: Education and Training Directorate: Non Government Education Operating Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
2,357	Government Payment for Outputs	2,685	2,851	6	2,910	2,936	2,579
9	User Charges - Non ACT Government	31	32	3	46	60	74
1	Distribution from Investments with the Territory Banking Account	1	1	-	1	1	1
360	Other Revenue	360	360	-	360	360	360
0	Resources Received Free of Charge	3	3	-	3	3	3
2,727	Total Revenue	3,080	3,247	5	3,320	3,360	3,017
Expenses							
1,436	Employee Expenses	1,455	1,468	1	1,512	1,527	1,552
241	Superannuation Expenses	241	247	2	253	253	254
1,044	Supplies and Services	1,080	1,093	1	1,170	1,195	1,211
183	Depreciation and Amortisation	183	183	-	183	196	209
0	Grants and Purchased Services	320	450	41	385	385	0
3	Other Expenses	0	0	-	0	0	0
2,907	Total Ordinary Expenses	3,279	3,441	5	3,503	3,556	3,226
-180	Operating Result	-199	-194	3	-183	-196	-209

Table 27: Education and Training Directorate: Vocational Education and Training Operating Statement

	2014-15 Budget \$'000	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Var %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
38,963	Government Payment for Outputs	35,059	36,288	4	33,472	25,719	26,228
1	User Charges - ACT Government	0	0	-	0	0	0
0	Interest	2	2	-	2	2	2
2	Distribution from Investments with the Territory Banking Account	0	0	-	0	0	0
29	Other Revenue	29	29	-	29	29	29
1	Resources Received Free of Charge	3	3	-	3	3	3
38,996	Total Revenue	35,093	36,322	4	33,506	25,753	26,262
Expenses							
6,116	Employee Expenses	6,206	5,857	-6	5,925	5,796	5,917
897	Superannuation Expenses	902	874	-3	883	843	856
2,098	Supplies and Services	2,029	1,524	-25	1,781	1,808	1,837
7	Depreciation and Amortisation	1	362	>1000	362	362	362
29,851	Grants and Purchased Services	25,981	28,043	8	24,883	17,272	17,614
112	Other Expenses	112	113	1	115	116	118
39,081	Total Ordinary Expenses	35,231	36,773	4	33,949	26,197	26,704
-85	Operating Result	-138	-451	-227	-443	-444	-442

CANBERRA INSTITUTE OF TECHNOLOGY

Purpose

The Canberra Institute of Technology's (CIT) mission is changing lives through quality education and skills development for individuals, industry and the community. CIT's three strategic drivers: Learners, People and Partners will enable CIT to strengthen its position as a leader of vocational education and training and to be successful in a more demand driven market going forward.

CIT is committed to enriching learners with skills and knowledge for now and the future, cultivating our workforce to embody a culture of passion, innovation and high performance, and collaborating with industry, community and government to diversify and grow CIT partnerships and revenue sources.

2015-16 Priorities

Strategic and operational initiatives to be pursued in 2015-16 include:

- providing quality, accessible vocational education and training (VET) which is industry relevant and produces skilled, work-ready graduates for the economy as well as access to further learning pathways and to continue to achieve high levels of learner and employer satisfaction by providing a quality technical and further education experience;
- delivering a new CIT campus at Tuggeranong and upgrading the Bruce and Reid campuses (as part of the CIT Campus Modernisation Strategy) to ensure greater utilisation of existing facilities and to accommodate an increased range of courses at campuses with greatest demand;
- establishing new international, national and local markets to increase commercial and contestable revenue;
- fostering innovation and building staff capability in all aspects of the business and promoting a collaborative team based culture to drive performance, organisational sustainability and business growth;
- improving online and face-to-face service options for all students, increase flexibility of how and where learning occurs and increase opportunities for lifelong learning and educational pathways;
- nurturing existing and developing new education and training, business and community partnerships to strengthen CIT's role in the ACT;

2015-16 Priorities – Cont.

- working collaboratively with the ACT Education and Training Directorate (ETD) to ensure the ACT Government's commitments to structural reforms through the *National Partnership Agreement on Skills Reform* (the NP) are met. This includes:
 - implementing new governance arrangements for CIT through the establishment of a CIT Governing Board with an independent Chair with significant business and industry expertise and experience;
 - developing, trialling and implementing an enhanced model for the delivery and administration of Australian Apprenticeships;
 - investigating system and policy changes required to enable CIT to operate effectively in an environment of greater competition; and
 - embedding systems and processes to assist the ACT's Implementation Plan for the National Partnership Agreement on Skills Reform, including providing Income Contingent Loans for Diploma/Advanced Diploma students to promote access to vocational education and training and the introduction of the Unique Student Identifier (USI).
- embedding respect and integrity in the workplace through continuing leadership development, promoting the ACTPS values and signature behaviours, building staff capability in all parts of the business and enhancing opportunities for professional and personal growth of staff; and
- collaborating with ETD and the Chief Minister, Treasury and Economic Development Directorate to ensure optimal training outcomes for ACT VET students, the productivity of the ACT workforce and the reputation of the ACT VET sector.

Estimated Employment Level

Table 28: Estimated Employment Level

	2013-14 Actual Outcome	2014-15 Budget	2014-15 Estimated Outcome	2015-16 Budget
Staffing (FTE)	750	742	751 ¹	751

Note:

1. The increase of 9 FTE in the 2014-15 Estimated Outcome from 2014-15 Budget is due an increase in teaching staff resulting from increased commercial training activities

Strategic Objectives and Indicators

Strategic Objective 1

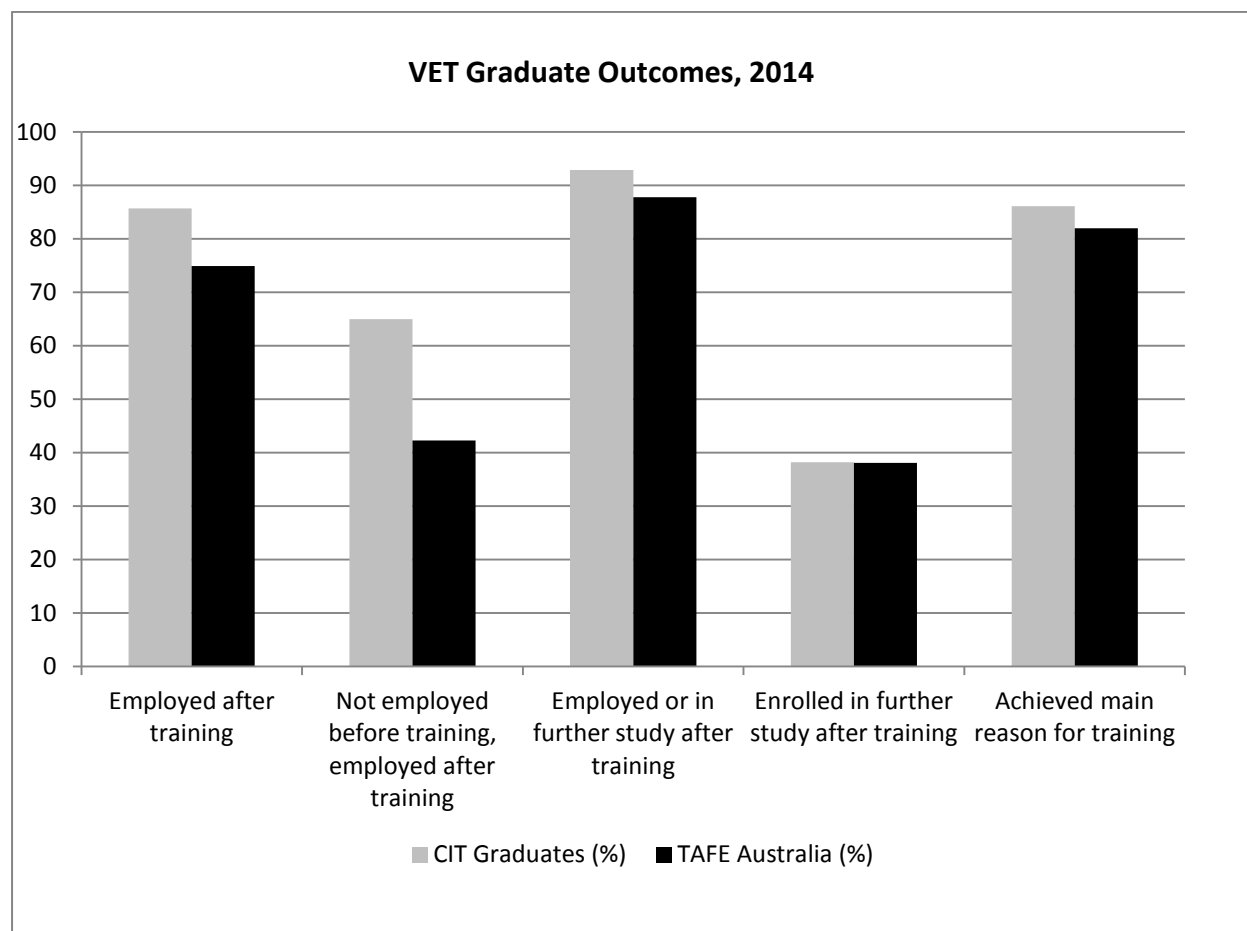
Student Outcomes

CIT's objective is to provide training that meets student needs.

Strategic Indicator 1: Student Outcomes Survey

The key strategic indicator used by CIT to measure its success is students' employment outcomes as measured through the annual Student Outcomes Survey. By focusing on students' employment outcomes and satisfaction with VET, the Student Outcomes Survey gauges how well CIT serves individuals and the community.

Quality and effectiveness can be measured through student outcomes against national performance. When compared against national TAFE performance, CIT students consistently achieve high levels of employment or are undertaking further study after training. The 2014 performance of CIT graduates against national performance for Australian TAFE Graduates is highlighted in the table below. CIT graduates are shown in grey and have exceeded the national performance on virtually all measures indicating a strong performance across all strategic indicators.



Output Classes

Output Class 1: Canberra Institute of Technology

Table 29: Output Class 1: Canberra Institute of Technology

	2014-15	2015-16
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost ¹	110,251	110,442
Government Payment for Outputs	68,578	69,148

Note:

1. Total cost includes depreciation and amortisation of \$8.690 million in 2014-15 and \$8.707 million in 2015-16.

Output 1.1: Provision of Vocational Education and Training Services

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

Table 30: Output 1.1: Canberra Institute of Technology

	2014-15	2015-16
	Estimated Outcome	Budget
	\$'000	\$'000
Total Cost	110,251	110,442
Government Payment for Outputs	68,578	69,148

Accountability Indicators

Output Class 1: Canberra Institute of Technology

Output 1.1: Provision of Vocational Education and Training Services

Table 31: Accountability Indicators Output 1.1

	2014-15 Targets	2014-15 Estimated Outcome	2015-16 Targets
a. Nominal Hours	3,648,000	3,756,000	3,434,000
b. Achieve key output targets:			
I. Program Enrolments	15,000	15,300	14,800
II. Module Pass Rates	75%	82%	75%
III. Program Completions	6,200	6,500	6,200
IV. Learner Satisfaction Rate	85%	91%	85%
V. Employer Satisfaction Rate	80%	85%	80%
c. Average Government Payment per Nominal Hour	\$18.87	\$18.26	\$20.14

Changes to Appropriation

Table 32: Changes to appropriation—Government Payment for Outputs, Controlled

	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2014-15 Budget	68,848	67,909	69,719	71,121	71,121
2015-16 Budget Policy Adjustments					
CIT Modernisation - Tuggeranong, Bruce and Reid campuses	-	1,071	1,607	1,607	1,607
Contribution to Urban Renewal and Access Canberra	-	(11)	(17)	(17)	(17)
General Savings	-	(516)	(171)	(162)	(129)
2015-16 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	1,177
Revised Superannuation Parameters	-	841	694	614	397
Commonwealth Grants - National Skills and Workforce Development SPP	(78)	(146)	(199)	(251)	(15)
Commonwealth Grants - TAFE Fee Waivers for Childcare Qualifications NP	(192)	-	-	-	-
2015-16 Budget	68,578	69,148	71,633	72,912	74,141

Table 33: Changes to appropriation—Capital Injections, Controlled

	2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
2014-15 Budget	6,134	3,772	3,835	3,899	3,899
2015-16 Budget Policy Adjustments					
CIT Modernisation - Tuggeranong, Bruce and Reid campuses	-	4,950	2,475	-	-
2015-16 Budget Technical Adjustments					
Revised Indexation Parameters	-	-	-	-	66
2015-16 Budget	6,134	8,722	6,310	3,899	3,965

Financial Statements

Table 34: Canberra Institute of Technology: Operating Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Variance %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Income							
Revenue							
68,848	Government Payment for Outputs	68,578	69,148	1	71,633	72,912	74,141
21,563	User Charges - Non ACT Government	21,563	21,952	2	22,533	23,096	23,962
7,679	User Charges - ACT Government	7,679	7,732	1	7,925	8,123	8,326
263	Interest	263	263	-	263	263	263
500	Dividend Revenue	250	500	100	500	500	500
2,160	Other Revenue	2,310	2,175	-6	2,265	2,357	2,434
35	Resources Received Free of Charge	35	35	-	35	35	35
101,048	Total Revenue	100,678	101,805	1	105,154	107,286	109,661
Gains							
64	Other Gains	64	64	-	64	64	64
64	Total Gains	64	64	-	64	64	64
101,112	Total Income	100,742	101,869	1	105,218	107,350	109,725
Expenses							
60,675	Employee Expenses	61,513	62,074	1	63,185	63,960	64,792
10,139	Superannuation Expenses	10,151	9,228	-9	9,236	9,110	9,004
29,817	Supplies and Services	29,547	30,078	2	31,839	33,003	34,466
8,690	Depreciation and Amortisation	8,690	8,707	..	8,792	8,485	8,462
350	Other Expenses	350	355	1	360	365	372
109,671	Total Expenses	110,251	110,442	..	113,412	114,923	117,096
-8,559	Operating Result	-9,509	-8,573	10	-8,194	-7,573	-7,371
Other Comprehensive Income							
<i>Items that will not be Reclassified Subsequently to Profit or Loss</i>							
1,648	Inc/Dec in Asset Revaluation Reserve Surpluses	-14,234	-2,101	85	-2,101	-2,101	-2,101
1,648	Total Other Comprehensive Income	-14,234	-2,101	85	-2,101	-2,101	-2,101
-6,911	Total Comprehensive Income	-23,743	-10,674	55	-10,295	-9,674	-9,472

Table 35: Canberra Institute of Technology: Balance Sheet

Budget at 30/6/15 \$'000		2014-15 At Est'd Outcome \$'000	Budget At 30/6/16 \$'000	Variance %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Current Assets							
8,832	Cash and Cash Equivalents	8,607	6,522	-24	7,244	8,226	9,387
7,863	Receivables	7,833	8,108	4	8,133	8,158	8,183
2,000	Investments	2,000	2,000	-	2,000	2,000	2,000
438	Other Current Assets	379	379	-	379	379	379
19,133	Total Current Assets	18,819	17,009	-10	17,756	18,763	19,949
Non Current Assets							
20	Investments	20	20	-	20	20	20
201,871	Property, Plant and Equipment	182,365	176,113	-3	177,261	170,999	164,737
1,272	Intangibles	653	338	-48	23	0	0
1,795	Capital Works in Progress	3,067	8,078	163	3,191	3,318	3,511
204,958	Total Non Current Assets	186,105	184,549	-1	180,495	174,337	168,268
224,091	TOTAL ASSETS	204,924	201,558	-2	198,251	193,100	188,217
Current Liabilities							
1,446	Payables	2,382	2,417	1	2,452	2,487	2,522
32	Interest-Bearing Liabilities	0	0	-	0	0	0
20,287	Employee Benefits	19,986	18,338	-8	18,766	19,193	19,620
9,508	Other Liabilities	8,220	8,274	1	8,328	8,382	8,436
31,273	Total Current Liabilities	30,588	29,029	-5	29,546	30,062	30,578
Non Current Liabilities							
2,931	Employee Benefits	1,989	2,134	7	2,295	2,403	2,511
2,931	Total Non Current Liabilities	1,989	2,134	7	2,295	2,403	2,511
34,204	TOTAL LIABILITIES	32,577	31,163	-4	31,841	32,465	33,089
189,887	NET ASSETS	172,347	170,395	-1	166,410	160,635	155,128
REPRESENTED BY FUNDS EMPLOYED							
100,796	Accumulated Funds	100,770	100,919	..	99,035	95,361	91,955
89,091	Reserves	71,577	69,476	-3	67,375	65,274	63,173
189,887	TOTAL FUNDS EMPLOYED	172,347	170,395	-1	166,410	160,635	155,128

Table 36: Canberra Institute of Technology: Statement of Changes in Equity

Budget at 30/6/15 \$'000		2014-15 At Est'd Outcome \$'000	Budget At 30/6/16 \$'000	Variance %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Opening Equity							
103,221	Opening Accumulated Funds	104,145	100,770	-3	100,919	99,035	95,361
87,443	Opening Asset Revaluation Reserve	85,811	71,577	-17	69,476	67,375	65,274
190,664	Balance at the Start of the Reporting Period	189,956	172,347	-9	170,395	166,410	160,635
Comprehensive Income							
-8,559	Operating Result for the Period	-9,509	-8,573	10	-8,194	-7,573	-7,371
1,648	Inc/Dec in Asset Revaluation Reserve Surpluses	-14,234	-2,101	85	-2,101	-2,101	-2,101
-6,911	Total Comprehensive Income	-23,743	-10,674	55	-10,295	-9,674	-9,472
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
6,134	Capital Injections	6,134	8,722	42	6,310	3,899	3,965
6,134	Total Transactions Involving Owners Affecting Accumulated Funds	6,134	8,722	42	6,310	3,899	3,965
Closing Equity							
100,796	Closing Accumulated Funds	100,770	100,919	..	99,035	95,361	91,955
89,091	Closing Asset Revaluation Reserve	71,577	69,476	-3	67,375	65,274	63,173
189,887	Balance at the End of the Reporting Period	172,347	170,395	-1	166,410	160,635	155,128

Table 37: Canberra Institute of Technology: Cash Flow Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Variance %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
68,848	Cash from Government for Outputs	68,578	69,148	1	71,633	72,912	74,141
29,286	User Charges	29,286	29,743	2	30,607	31,460	32,606
263	Interest Received	263	263	-	263	263	263
6,453	Other Receipts	6,603	6,453	-2	6,453	6,453	6,453
150	Dividends	150	250	67	500	500	500
105,000	Operating Receipts	104,880	105,857	1	109,456	111,588	113,963
Payments							
59,870	Related to Employees	60,008	63,238	5	62,596	63,425	64,257
10,139	Related to Superannuation	10,151	9,567	-6	9,236	9,110	9,004
29,567	Related to Supplies and Services	29,297	29,827	2	31,587	32,751	34,214
4,805	Other	4,805	4,810	..	4,815	4,820	4,827
104,381	Operating Payments	104,261	107,442	3	108,234	110,106	112,302
619	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	619	-1,585	-356	1,222	1,482	1,661
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
4,211	Purchase of Property, Plant and Equipment and Capital Works	4,211	9,222	119	6,810	4,399	4,465
4,211	Investing Payments	4,211	9,222	119	6,810	4,399	4,465
-4,211	NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	-4,211	-9,222	-119	-6,810	-4,399	-4,465
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts							
6,134	Capital Injections from Government	6,134	8,722	42	6,310	3,899	3,965
6,134	Financing Receipts	6,134	8,722	42	6,310	3,899	3,965
6,134	NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	6,134	8,722	42	6,310	3,899	3,965
2,542	NET INCREASE / (DECREASE) IN CASH HELD	2,542	-2,085	-182	722	982	1,161
6,290	CASH AT THE BEGINNING OF REPORTING PERIOD	6,065	8,607	42	6,522	7,244	8,226
8,832	CASH AT THE END OF REPORTING PERIOD	8,607	6,522	-24	7,244	8,226	9,387

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- government payment for outputs:
 - the increase of \$0.570 million in the 2015-16 Budget from the 2014-15 estimated outcomes is mainly due to recurrent funding for CIT Modernisation – Tuggeranong, Bruce and Reid Campuses (\$1.071 million) and revised superannuation parameters (\$0.841 million), partially offset by the whole of government savings initiatives (\$0.527 million).
- dividend revenue:
 - the decrease of \$0.250 million in the 2014-15 estimated outcome from the original budget is due to reduced profits from CIT Solutions for 2014-15, however profit expectations have improved for 2015-16 hence the increased dividend revenue for 2015-16.
- employee expenses:
 - the increase of \$0.838 million in the 2014-15 estimated outcome from the original budget is mainly due to the long service leave and annual leave liability adjustment which rebased the expenses based on updated present values (\$0.700 million).
- superannuation expenses:
 - the decrease of \$0.923 million in the 2015-16 Budget from the 2014-15 estimated outcome is due to revised superannuation parameters.
- supplies and services:
 - the increase of \$0.531 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to recurrent expenses for CIT Modernisation – Tuggeranong, Bruce and Reid Campuses (\$1.071 million), partially offset by the whole of government savings initiatives (\$0.527 million).

Balance Sheet

- cash and cash equivalents:
 - the decrease of \$2.085 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to an additional staff wages and salaries payment in 2015-16.
- property, plant and equipment:
 - the decrease of \$19.506 million in the 2014-15 estimated outcome from the original budget is mainly due to the result of an asset revaluation process.

- the decrease of \$6.252 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to the asset depreciation outpacing the addition of new assets.
- capital works in progress:
 - the increase of \$5.011 million in the 2015-16 Budget from the 2014-15 estimated outcome is due to the capital works relating to the CIT Modernisation – Tuggeranong, Bruce and Reid Campuses.
- employee benefits:
 - the decrease of \$1.648 million in the 2015-16 Budget from the 2014-15 estimated outcome is mainly due to the decrease in annual leave liability, resulting from staff with high annual leave balances leaving CIT (\$1.230 million).

Statement of Changes in Equity and Cash Flow Statement

Variations in the statements are explained in the notes above

CIT SOLUTIONS

Purpose

CIT Solutions Pty Ltd (CIT Solutions) is a wholly owned subsidiary of the Canberra Institute of Technology (CIT). CIT Solutions is able to issue a range of nationally recognised qualifications from the Australian Qualifications Framework under CIT's Registered Training Organisation status (RTO 0101) to individuals both in the government and corporate sectors. CIT Solutions has a proven capability of delivering its programs and consultancy services in the ACT, interstate and internationally. CIT Solutions provides training in a large range of foreign languages as well as marketing services to CIT for the recruitment of international students. The Company offers a diverse range of short courses, both in professional development and recreational interests, ensuring that people in the Canberra region have access to lifelong learning and opportunities to interact with their communities.

2015-16 Priorities

Strategic and operational issues to be pursued in 2015-16 include:

- retaining and recruiting the best people with skills and experience to deliver excellent outcomes to clients;
- investing in the development of high quality learning solutions that meet a client's total needs;
- working closely with clients to ensure our services represent value and quality; and
- securing new opportunities locally, nationally and internationally to strengthen and diversify our revenue streams.

Estimated Employment Level

Table 38: Estimated Employment Level

	2013-14 Actual Outcome	2014-15 Budget	2014-15 Estimated Outcome	2015-16 Budget
Staffing (FTE) ¹	91	91	93	93

Note:

1. Increase of 2 FTE in 2014-15 Estimated Outcome relates to additional core staff employed to manage new major project activity.

Strategic Objectives and Indicators

Strategic Objective 1

To provide high quality complete learning solutions to clients

This will be achieved by:

- successfully winning contracts that comprise, analysis, design, development and delivery of complete learning solutions;
- continually meeting contracted deliverables and performance measures;
- receiving high satisfaction feedback from clients;
- gaining repeat business; and
- maintaining our reputation in the market place as a leading provider of integrated learning solutions.

Strategic Objective 2

To strengthen our business model with increased and diverse revenue sources

This will be achieved by:

- executing the approved Strategic Growth Plan;
- implementing an Off Shore Business Plan to expand services into the Asia Pacific region through partnerships in Australian Government funded projects;
- expanding the range of services offered to clients locally and nationally;
- increasing annual turnover and improving profitability; and
- maintaining a low risk business profile.

Financial Statements

Table 39: CIT Solutions Pty Ltd: Operating Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Variance %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
Revenue							
12,671	User Charges - Non ACT Government	13,671	13,896	2	14,124	14,365	14,614
4,154	User Charges - ACT Government	3,694	4,233	15	4,313	4,389	4,466
70	Interest	90	80	-11	80	84	86
137	Other Revenue	182	139	-24	142	144	146
17,032	Total Revenue	17,637	18,348	4	18,659	18,982	19,312
Expenses							
9,064	Employee Expenses	9,426	9,503	1	9,618	9,738	9,863
861	Superannuation Expenses	886	891	1	897	907	920
5,656	Supplies and Services	5,951	6,156	3	6,316	6,480	6,642
175	Depreciation and Amortisation	115	149	30	149	159	159
656	Other Expenses	701	672	-4	687	702	719
16,412	Total Expenses	17,079	17,371	2	17,667	17,986	18,303
620	Operating Result	558	977	75	992	996	1,009
620	Total Comprehensive Income	558	977	75	992	996	1,009

Table 40: CIT Solutions Pty Ltd: Balance Sheet

Budget at 30/6/15 \$'000		2014-15 At Est'd Outcome \$'000	Budget At 30/6/16 \$'000	Variance %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Current Assets							
2,222	Cash and Cash Equivalents	2,750	3,528	28	4,071	4,628	5,198
2,967	Receivables	2,407	2,458	2	2,509	2,560	2,611
213	Other Current Assets	214	222	4	230	238	246
5,402	Total Current Assets	5,371	6,208	16	6,810	7,426	8,055
Non Current Assets							
169	Property, Plant and Equipment	122	118	-3	114	100	86
169	Total Non Current Assets	122	118	-3	114	100	86
5,571	TOTAL ASSETS	5,493	6,326	15	6,924	7,526	8,141
Current Liabilities							
987	Payables	763	1,064	39	1,115	1,166	1,217
981	Employee Benefits	1,063	1,069	1	1,075	1,081	1,087
879	Other Liabilities	992	992	-	992	992	992
2,847	Total Current Liabilities	2,818	3,125	11	3,182	3,239	3,296
Non Current Liabilities							
278	Employee Benefits	291	340	17	389	438	487
42	Other	51	51	-	51	51	51
320	Total Non Current Liabilities	342	391	14	440	489	538
3,167	TOTAL LIABILITIES	3,160	3,516	11	3,622	3,728	3,834
2,404	NET ASSETS	2,333	2,810	20	3,302	3,798	4,307
REPRESENTED BY FUNDS EMPLOYED							
2,384	Accumulated Funds	2,313	2,790	21	3,282	3,778	4,287
20	Reserves	20	20	-	20	20	20
2,404	TOTAL FUNDS EMPLOYED	2,333	2,810	20	3,302	3,798	4,307

Table 41: CIT Solutions Pty Ltd: Statement of Changes in Equity

Budget at 30/6/15 \$'000		2014-15 At Est'd Outcome \$'000	Budget At 30/6/16 \$'000	Variance %	Estimate At 30/6/17 \$'000	Estimate At 30/6/18 \$'000	Estimate At 30/6/19 \$'000
Opening Equity							
2,264	Opening Accumulated Funds	2,005	2,313	15	2,790	3,282	3,778
20	Opening Other Reserve	20	20	-	20	20	20
2,284	Balance at the Start of the Reporting Period	2,025	2,333	15	2,810	3,302	3,798
Comprehensive Income							
620	Operating Result for the Period	558	977	75	992	996	1,009
620	Total Comprehensive Income	558	977	75	992	996	1,009
0	Total Movement in Reserves	0	0	-	0	0	0
Transactions Involving Owners Affecting Accumulated Funds							
-500	Transfer to Owner Approved	-250	-500	-100	-500	-500	-500
-500	Total Transactions Involving Owners Affecting Accumulated Funds	-250	-500	-100	-500	-500	-500
Closing Equity							
2,384	Closing Accumulated Funds	2,313	2,790	21	3,282	3,778	4,287
20	Closing Other Reserve	20	20	-	20	20	20
2,404	Balance at the End of the Reporting Period	2,333	2,810	20	3,302	3,798	4,307

Table 42: CIT Solutions Pty Ltd: Cash Flow Statement

2014-15 Budget \$'000		2014-15 Est'd Outcome \$'000	2015-16 Budget \$'000	Variance %	2016-17 Estimate \$'000	2017-18 Estimate \$'000	2018-19 Estimate \$'000
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts							
16,726	User Charges	17,266	18,030	4	18,338	18,655	18,981
70	Interest Received	90	80	-11	80	84	86
137	Other Receipts	182	139	-24	142	144	146
16,933	Operating Receipts	17,538	18,249	4	18,560	18,883	19,213
Payments							
8,685	Related to Employees	9,004	9,123	1	9,239	9,359	9,484
843	Related to Superannuation	868	872	..	878	888	900
5,552	Related to Supplies and Services	5,848	6,054	4	6,214	6,378	6,541
808	Other	853	825	-3	839	854	871
15,888	Operating Payments	16,573	16,874	2	17,170	17,479	17,796
1,045	NET CASH INFLOW/ (OUTFLOW) FROM OPERATING ACTIVITIES	965	1,375	42	1,390	1,404	1,417
CASH FLOWS FROM INVESTING ACTIVITIES							
Payments							
347	Purchase of Property, Plant and Equipment and Capital Works	237	347	46	347	347	347
347	Investing Payments	237	347	46	347	347	347
-347	NET CASH INFLOW/ (OUTFLOW) FROM INVESTING ACTIVITIES	-237	-347	-46	-347	-347	-347
CASH FLOWS FROM FINANCING ACTIVITIES							
Payments							
150	Transfer to Owner	150	250	67	500	500	500
150	Financing Payments	150	250	67	500	500	500
-150	NET CASH INFLOW/ (OUTFLOW) FROM FINANCING ACTIVITIES	-150	-250	-67	-500	-500	-500
548	NET INCREASE/(DECREASE) IN CASH HELD	578	778	35	543	557	570
1,674	CASH AT THE BEGINNING OF REPORTING PERIOD	2,172	2,750	27	3,528	4,071	4,628
2,222	CASH AT THE END OF REPORTING PERIOD	2,750	3,528	28	4,071	4,628	5,198

Notes to the Controlled Budget Statements

Significant variations are as follows:

Operating Statement

- user charges – non ACT Government:
 - the increase of \$1.000 million in the 2014-15 estimated outcome from the original budget is due to new major contracts to provide complete learning solutions over the past year with growth in this activity expected to continue into 2015-16 adding a further \$0.225 million in revenue.
- user charges – ACT Government:
 - the decrease of \$0.460 million in the 2014-15 estimated outcome from the original budget is due to reduced demand for training programs from ACT Government agencies. The 2015-16 Budget is expecting the level of training to ACT Government agencies to be restored to prior year levels through membership of the ACTPS panel of training providers.
- employee expenses:
 - the increase of \$0.362 million in the estimated outcome from the original budget is due to increased administrative costs and additional instructional designer staff to produce major contract deliverables.
- supplies and services:
 - the increase of \$0.295 million in the 2014-15 estimated outcome from the original budget is due to increased consultants and contractors expenses to assist in the development of major training programs and the increased administrative cost of managing these contracts.
 - The increase in the 2015-16 Budget from the 2014-15 estimated outcome is due to ongoing delivery of major project work and increased contractor costs to support an increase in demand for publicly advertised accredited training programs.

Balance Sheet

- cash and cash equivalents:
 - the increase in cash and equivalents of \$0.778 million in the 2015-16 Budget from the 2014-15 estimated outcome is due to the increased operating profit in 2015-16.

- payables:
 - the decrease of \$0.250 million in the 2014-15 estimated outcome from the original budget is due the transfer owed to the Company's owner (CIT), recommended by the Board in April 2015, being reduced from a budgeted amount of \$0.500 million to \$0.250 million to provide for the Company's current and future cashflow requirements. The 2015-16 Budget estimates a transfer to owner of \$0.500 million which contributes to the increase in payables of \$0.301 million.

Statement of Changes in Equity and Cash Flow Statement

- operating result for the period:
 - the increase of \$0.419 million in the 2015-16 Budget from the 2014-15 estimated outcome is the result of profit from increased major project activity during the year.
- transfer to owner:
 - The decrease of \$0.250 million in the 2014-15 estimated outcome from the original budget is due to the Board's decision to provide sufficient cash reserves to meet the cost of deliverables on current major contracts. The 2015-16 Budget has an increase in the transfer to owner of \$0.250 million after increased profit from trading during the year.