



TAFE DIRECTORS AUSTRALIA

2007

ANNUAL
REPORT

TAFE DIRECTORS AUSTRALIA

National Secretariat

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Our vision is – TAFE: Australia's
provider of choice
in vocational education.

2007 ANNUAL REPORT:
TAFE DIRECTORS
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2007 LAUNCH TAFE AUSTRALIA ALUMNI



Christine Nixon
Chief Commissioner
Victoria Police:

**“Studying at
TAFE gave me a
great insight into
people”**

The organisation

TAFE Directors Australian Inc (TDA) is the peak body representing Australia's educational network of TAFE institutes, and includes universities of technology and institutes of technology.

TAFE Directors Australia was established by TAFE directors in 1998, and incorporated as a not-for-profit educational organisation. The TDA mission is to provide leadership at a national level the 'public provider voice' for Australia's vocational education. Our vision is **TAFE: Australia's provider of choice in vocational education**, and is guided by a three-year strategic plan to engage effective advocacy for the TAFE Institute sector and its Members, and our key stakeholders.

TDA, as an organisation, complements the state and territory governments which operate agencies to manage accreditation of Registered Training Organisations (RTOs) and hold overarching jurisdictional responsibilities for TAFE.

Governance varies across Australia for TAFE:

- in Victoria, TAFE institutes are individually incorporated, with four Victorian TAFE institutes operating as 'dual sector' institutions – offering both higher education and vocational education courses;
- in Canberra, Tasmania and Western Australia, TAFE colleges/institutes operate as statutory authorities, along with new governance legislated for Queensland institutes effective 2008; and
- in other states, TAFE institutes operate under governance arrangements operating under departments of training.

The TDA Board comprises TAFE CEO representation from institutes across Australian states and territories.

TDA liaises across Australian, state and territory governments, and its agencies.



The website www.tda.edu.au scored a rapid increase in viewers, with some 6,000 hits weekly.

We enjoy strong relationships with key stakeholders, including:

- Department of Employment, Education and Workplace Relations (formerly DEST), the Australian Government agency with carriage for managing the National Training Framework and the Skilling Australia legislation,
- Australian Education International (AEI), managing the ESOS legislation and the international education counsellor network
- Australia's 10 Industry Skill Councils, which develop competency-based Training Packages for TAFE Qualifications, and advise government on skill needs

Beyond direct sector policy, related agencies have close contact with TDA, including Immigration (eg student visas), DFAT and AusAID, Austrade, while TDA

promotes relationships with major sector stakeholders to promote wider networks and collaboration with TAFE, and to assist with emerging policy activities.

As the national voice of public provider vocational education, TDA commissions research and independent reviews on vocational education, and stages regular professional development programs for executive membership. Membership incorporates TAFE institutes, universities of technology, and institutes of technology, from every state and territory.

In 2007, TDA relocated to establish its National Secretariat to Canberra Institute of Technology, Canberra and has extended a network of representations on policy committees – at a domestic and international level.

Our vision is – TAFE: Australia's provider of choice in vocational education.

Report from the Chair

Calendar year 2007 provided a sea change at a national political level, with skills and vocational education policy centre stage in Australia.

The political climate has challenged TAFE to respond to skills and the industry-led training system and far reaching changes seem likely across our vocational education sector.

My election to Chair the “TDA” organization, succeeding Barry Peddle after our 2007 AGM, was a great honour, and I welcome several newly elected Board members and other long-serving members to what is a fast-changing paradigm for Australian TAFE Institutes – and TDA itself.

Business pressures faced by TAFE Institutes increased markedly, and required a timely re-focusing of TDA support to member Institutes.

TAFE Institutes reported high enrolments across a broader scope of courses in most city, suburban and regional campuses, yet this business demand came with cost pressures: Australian government investment in TAFE continued to fall, and skill shortages prompted further industry demand for skilled migration.

Despite this pressure, growth has been recorded across many of our TAFE Institutes, with TAFE executive teams working closely with their industry clients to lift domestic enterprise and non-publicly funded training. TAFE Institutes also experienced a surge in international student enrolments and increased offshore delivery by TAFE Institutes through Asia-Pacific and beyond.

Satisfaction with TAFE for accredited and non-accredited training rose again, with NCVER data confirming TAFE overtaking private RTOs for satisfaction for non-accredited training.

Amid this dynamic business and political environment, the TAFE Directors Australia (TDA) strategic mission to establish itself as a public provider advocacy leader on skills began to deliver dividends.

At a policy level, we welcomed media and political interest in TDA policy and advocacy on skills. TDA received a good reception to its contribution to the Council of Australian Governments (COAG) in our *White Paper, Investing in Productivity!* This substantive policy statement prompted a year-long review at National Senior Officer (NSOC) level, with wider VET stakeholder acknowledgement that TAFE Institutes hold a unique key to unlocking solutions to skill development, workplace participation and improving Australia’s productivity.

Internally, TDA responded to improve its own flexibility by strengthening its National Secretariat policy executive. At a financial level, the organization intensified its focus on more effective professional development events to support the changing paradigm for Institute member executives, and achieved steady growth across its policy contracts and allied incomes.

This improved business focus has started to allow a more professional approach to growing Member services – internally with improved systems and resources, and externally with strengthened stakeholder engagement strategies. However, our goal remains to achieve a strengthened balance sheet, with strategies to match member fees with professional and policy initiatives – especially as we approach our 10th anniversary year in 2008.

The renewal taking place across both business and member services at TDA has already created pleasing outcomes: evaluations showing improved networking and information sharing across our broad geographic TAFE Institute network.

I was really delighted to see growth in TDA membership. Clearly a highlight was the addition of the Australian Pacific Technical College, and several regional Institutes in Queensland and Tasmania either returning or coming on line.

These gains from 2007 have created in TAFE Directors Australia an exciting national peak body for Australia’s vocational education “public provider” – covering TAFE border to border – across all states and territories..!

Yet these TDA gains remain in the backdrop to a stepped-up competitive environment for member TAFE Institutes – and to TDA as its peak representative body. Several examples came to mind through 2007:–

The beginning of 2007 saw the roll-out of the \$837M *Skill Voucher Scheme*, with intensified competitive funding to TAFE Institutes. This was accompanied by multi-million dollar national TV advertising which completely ignored TAFE as Australia’s educational brand leader in Australia – registering 1.4M students a year.

Quickly following was the Federal Budget 2007, legislating for the establishment of the \$6B *Higher Education Endowment Fund*. This new Fund was quarantined against public TAFE Institutes – even those of whom which are higher education providers.

The outgoing Australian Government and various business consulting reports toward the close of 2007 presented even greater challenges: A discussion paper to NSOC, based on these consulting reports authored by the Australian Government, advocated policy to “neutralize” TAFE across Australia



Deb Daly, Chair, and Institute Director, Gold Coast Institute of TAFE; Wayne Collyer, Deputy Chair, and Managing Director Swan TAFE; Bruce Mackenzie, Deputy Chair, and Chair of Finance & Audit Committee, CEO, Holmesglen Institute of TAFE.



Board Members 2007–08, from top, left to right:

Dr. Colin Adrian, Canberra Institute of Technology; Martina Buckley, TAFE SA – Regional; Pam Christie, TAFE NSW – Sydney Institute; Deb Daly (Chair), Gold Coast Institute of TAFE; Aaron Devine, Charles Darwin University; Steve Ghost, SkillsTech Australia; Kevin Harris, TAFE NSW – Northern Sydney Institute; Virginia Simmons, Chisholm Institute of TAFE; Malcolm White, TAFE Tasmania



into the 21st Century, and flagged options toward a revised funding policy model without regard to TAFE infrastructure, systems – nor even the brand attraction of TAFE Institutes as a public educational facility across equity groups for students and industry to deliver a quality and trusted skills platform.

By year end, these policy uncertainties were inherited by the incoming Rudd Government, and TDA welcomed the early meeting granted by the Deputy Prime Minister, the Hon. Julia Gillard MP, in her role as Minister for Employment, Education and Workplace Relations.

I know our TDA Board will be vigilant to re-energise commitment to TAFE Institutes, with policy and advocacy discussions with Australian, state and territory governments, and officials.

TDA has worked hard to earn its status as the peak national body representing Australia's TAFE Institutes.

I want to pay tribute to Board members serving on major national and educational

policy bodies, including the National Quality Council, the COAG Resource Action Group, and a range of vocational education bodies – across all borders and time zones!

I take seriously our mission to work in an impartial manner to support the business and educational endeavours of TAFE Institutes. It will be important to re-double our efforts to improve resources required to support TAFE industry clients, teachers and students across all our diverse membership in all Australian states and territories.

I also know that more effective engagement across our members will be crucial if we are to properly harness the talents and ideas of our people, and cultivate this in a new open culture across TDA.

It is important at this time to acknowledge the work of the past Chair, Barry Peddle. Barry was a foundation member of TDA, and resigned to work internationally late in 2007, before returning as Director to South Western Sydney institute of TAFE NSW. Many of our organisation's values and strengths were built on Barry's commitment and time

over the years to TDA, and my thanks for his dedication.

Congratulations should go to the National Secretariat. This has been a dedicated team who through Canberra storm and flood damage, relocated operations to our new home at Canberra Institute of Technology Southside Campus. These much improved facilities provide a great chance for Members to make use of "their" offices if visiting the national capital.

With skills centre stage, I am sure 2008 will be an exciting year for TAFE Institutes, with TDA well placed to deliver the support needed by our Institutes and their teams.

Deb Daly

Deb Daly
Chairperson
TAFE Directors Australia

Report from the Chief Executive Officer



The severity of skill shortages in Australia was an enduring theme for operations at TAFE Directors Australia in 2007. This dynamic was made more pressing with an overall decline registered for a further year in public and industry investment in vocational education.

Our directions sought to support TAFE Institutes in this challenging economic environment. It continued against a backdrop of the changing political settings in the lead up to Federal Election 2007.

The 2007 TDA National Convention staged at Melbourne Exhibition and Convention Centre made these challenges a key theme **'Reframe ~ Refresh ~ Fresh Start'** and led national discussion on the role of TAFE in the 21st century.

TAFE Institutes remain Australia's largest educational brand, enrolling some 1.4 million public financed students – yet with an estimated 2 million nationally enrolled in wider courses. Three out of five Australians have contact with a TAFE Institute sometime

during their lifetime – supporting a great tradition for lifelong learning which remains such a key part to so many living and working in Australia – and increasingly in regional countries and beyond, experiencing TAFE teaching and learning.

Yet the booming economies – concentrated in Queensland and Western Australia – created the unique vortex for Institutes: juggling demands to respond to skill shortages, while frequently managing operations with an overall decline in public and business training investment.

Our 57 Member Institutes are diverse – as diverse as public funding for training. TDA members include burgeoning city campuses with developed branding, sophisticated enrolment systems, extensive international operations, and executive teams focused to their own boards of governors, to Institutes under different governance across states and territories, with many Institutes delivering excellence focused on local industry and community outcomes in regional and remote communities.

In this context, we congratulate Western Institute of TAFE NSW, awarded the National Large Provider of the Year 2007 for its indigenous community focus, and we acknowledge a consortia of TAFE supporting the newly launched AusAID-funded Australian Pacific Technical College, and Australia's five new Offshore Assessment Centres for skilled immigration – each illustrative of the diversity and commitment TAFE brings as a resilient domestic and regional leader in vocational education.

The hectic 2007 calendar was a success

due to exceptional work from a devoted team at TDA. I pay tribute to the support of the Board, led by Barry Peddle (Director, South Western Institute of TAFE NSW) and following the AGM, Ms. Deb Daly (Institute Director, Gold Coast Institute of TAFE Qld) – both providing counsel as Chairs to TDA and its team.

We owe much to our two directors Pam Caven (Director, Stakeholder Engagement) and Rebecca Biazos (Director, International Engagement), who worked with our administrative team Jenna Walter and Daria Teodorowych, and a strong team of external finance advisers and several exceptional specialist consultants to bring the mission together.

As operational directors, Pam Caven, Rebecca Biazos and I look forward to an exciting agenda for 2008 as we celebrate the 10th anniversary year for TDA, and engagement with Members toward the renewal of a new Strategic Plan beyond 2006–08.

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

MARTIN RIORDAN
CEO

Operations Report – Australia

Policy Renewal –

Investing in Productivity! Submission to COAG

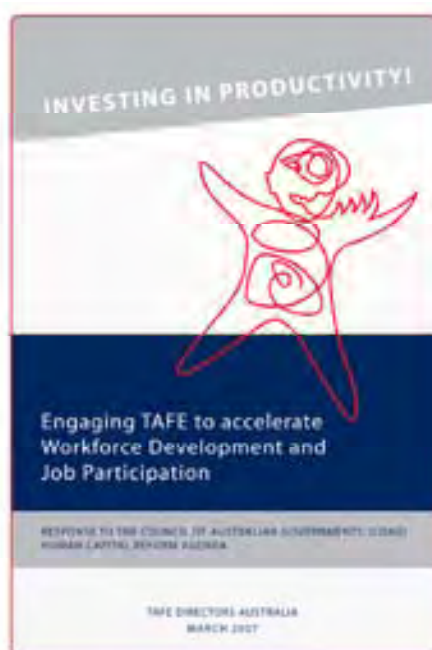
TDA began 2007 with a focus on reform and policy articulating renewal for TAFE Institutes, and for students, teachers and industry partners to TAFE.

In March we launched a White Paper to the COAG reference on skills, *Investing in Productivity! Engaging TAFE in Workforce Development and Job Participation*. The report was both contentious and refreshing.

Investing in Productivity! advocated a series of reforms to bring flexibility across three platforms: internally the governance and operations of TAFE Institutes, a consumer focus to widen the current apprenticeship system by creating more options for those younger and mature aged students wishing to pursue skills courses, and at a policy level to support stepped up investment with more sophisticated funding models, and investment in literacy and numeracy.

Our strategy was designed to build a more sustainable VET public funding system than currently applies. The Board believed the recommendations if adopted would be crucial if TAFE Institutes continue to deliver effectively in Australian public vocational education, and industry demands for enterprise training.

The platform for a renewal in governance to accommodate this growth was informed by the review conducted by the Queensland Government, which commissioned Boston Consulting Group to review TAFE, and the report *'Up-skilling NSW'* led by Dr. Michael Keating, Chairman of the Independent Pricing and Regulatory Tribunal (iPART NSW). Dr. Keating later spoke at a 'TAFE Bloggers' Lecture hosted by TDA, explaining how lifting Australia's productivity by widening workplace participation was possible



TDA launched *Investing in Productivity!* as its policy 'White Paper' to the COAG reference on skills (March, 2007)

if integrated government and industry investment strategies could be pursued by investment in and engagement with TAFE.

Together these NSW and Queensland policy reviews were indicative of the size of change required across the TAFE system, and the opportunities if governance reform is pursued.

We pay tribute to the work of Martha Kinsman, formerly Director, The Gordon Institute of TAFE (Vic), for developing the preparatory Green Paper to COAG. Our thanks to Sue Slavin, Managing Director of West Coast Institute of TAFE (WA), who with her West Coast team led the White Paper consultations, bringing enthusiasm and focus on how TAFE Institutes could drive innovation, and with the TDA National Secretariat as counsel, produced an innovative and well received White Paper – on time, and on budget. Truly a TAFE Directors Australia team effort !

Our advancing sustainable and innovative advocacy prompted multiple invitations for TDA to address the major Australian sector conferences, the 10 Industry Skill Councils, and key sector agencies – and conferences in Berlin, China, India, and South East Asia. This was a collaborative response – the former Chair, Barry Peddle, incoming Chair Deb Daly, the CEO, deputy chairs, and many of our Board directors each sharing platforms across cities and regional centres.

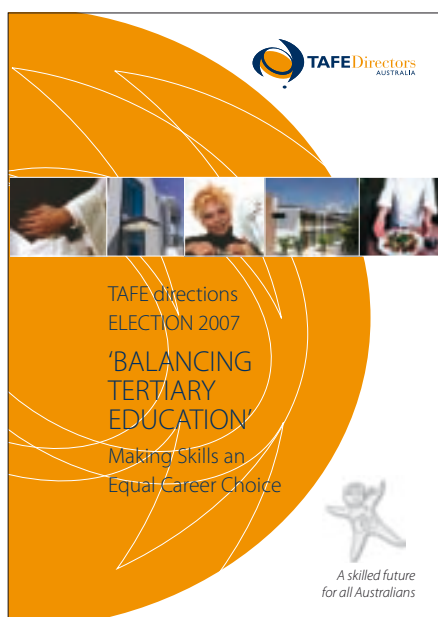
Virginia Simmons was appointed during the year to succeed Barry Peddle as the TDA representative on the National Quality Council, and was aided with support from the Victorian TAFE Association to attend to the NQC's committee structure. Virginia Simmons' input was especially important with the implementation under NQC of the quality platform for VET, AQTF 2007, renewal of Training Packages, and endorsement of the Excellence Framework effective 2008.

In October, we staged the TDA 2007 National Convention in Melbourne with a strong agenda, and attracted much media and sector interest. The theme *'Reframe, Refresh, Fresh Start'* focussed on the role of TAFE and how needed was its capacity and engagement on Australian skills. The Convention attracted the Government and Opposition training ministers, Victoria's Minister for Skills and Workplace Participation, the Hon. Jacinta Allen MP, and Victoria also sponsored a leading identity from the Scottish College system, Dr. Craig Thomson, with all speakers contributing to the dynamic issues facing public providers

of vocational education in a contestable marketplace. In the context of higher level skilling and qualifications sought to 'skill Australia', Deputy Chair Bruce Mackenzie, CEO of Holmesglen Institute of TAFE (VIC), pointed to difficulty in pursuing this objective when articulation between higher and vocational education remains mixed, with success largely reliant on relationships between executives of institutions rather than transparent under consumer regulation – a key issue for students and firms in the system.

The Convention was preceded by a Directors' Retreat hosted by Kangan Batman Institute of TAFE at its Automotive Centre of Excellence, at Docklands Melbourne. Directors' welcomed the networking opportunity and especially how these gatherings were increasingly important as TDA developed policy as a peak body for TAFE Institutes.

The Federal election in November was a factor contributing to delays for further VET



Balancing Tertiary Education: Making Skills an Equal Career Choice was launched to provide TDA positions to Australia's political candidates through the 2008 Federal election

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Jamie Durrie
Landscape designer,
Television presenter:

"I found Ryde TAFE to have the highest standards of horticulture"

agencies. However the focus by TDA on policy renewal positioned the organization strongly, with progress across stakeholder contacts, and an unprecedented 25,000 hits a week on the corporate website – www.tda.edu.au – to step up to its strategic mission as an advocacy leader in vocational education.

This amazing response through the Convention enhanced our vision of TAFE: Australia's provider of choice in vocational education, and TDA operations continued to deliver on this message.

Engagement with TDA Members and top teams – and across our stakeholders – has risen steadily.

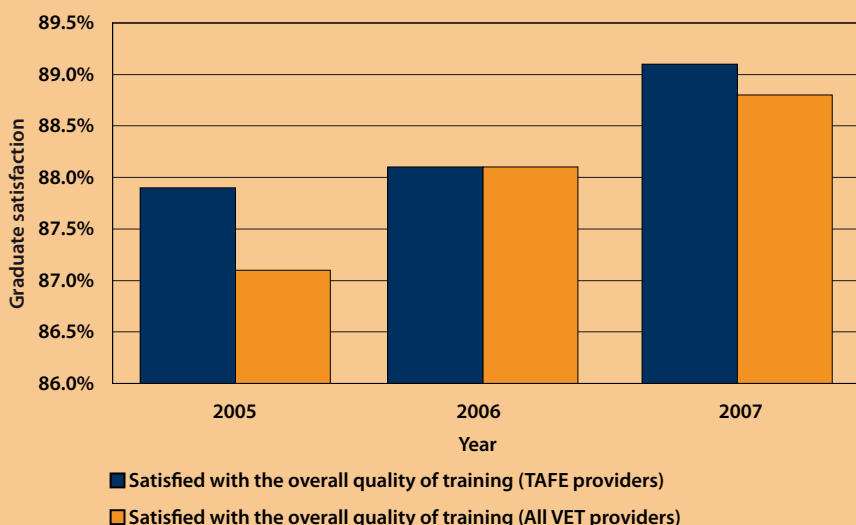
Evaluations from our Monday National e-Newsletter, and the www.tda.edu.au website hits, show enormous interest in our news style, and format. Records for an average week show in excess of 6,000 users make contact with our website – with some 20 to 40 percent international stakeholders. A special TDA intranet is planned for launch in 2008, to widen sharing of information across our membership.

TAFE satisfaction

Client satisfaction with TAFE Institutes has shown a steady increase over the past five years. TDA congratulates its Member

reform being embraced across Australian, state and territory governments and their

TAFE satisfaction outperforms sector



(Source: NCVER 2007. Courtesy: CURVE CIT Research, Canberra)

Institutes on this marked increase in student, industry and employee satisfaction rankings, as measured by the independent National Centre for Vocational Education and Research (NCVER).

Employer's level of satisfaction with unaccredited TAFE training was even higher, with 98.2% indicating that they were satisfied with the quality of the training delivered (trending upwards from 96.2% satisfied in 2005).

The upward trend for satisfaction levels with TAFE is also highlighted in the outcomes for the 2007 NCVER Employer's Use and Views of the VET system survey, where 85.4% of employers indicated that they were satisfied with the quality of the delivery of nationally recognised TAFE training (trending upwards from 85.2% satisfied in 2005).

Employers' level of satisfaction with unaccredited TAFE training was even higher, with 96.2% indicating that they were satisfied with the quality of the training delivered (trending upwards from 96.2% satisfied in 2005).

Strategic Partnerships – Australia's 10 Industry Skill Councils

During 2007, TDA has worked closely with Industry Skills Councils (ISCs), and has considered ISCs important within the Australian VET Framework. TDA advocated for their retention through two Federal enquiries, especially to maintain an independent expert body to develop and support Training Packages under our industry-led training system.

TDA continues to work closely with ISCs especially with many Training Packages being 'refreshed' or reviewed, as further refinements are sought by industry and teachers in TAFE.

Over the course of 2007, TDA facilitated a number of key meetings with the ISC CEO group as well as working closely with individual Councils. This built on initiatives

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Shannon Bennet
Chef, *Vue de Monde*:

“TAFE allowed me to take a definite step towards my goal – to be a chef”

through 2005 when together across key provider groups with ISCs, a Joint Protocols Agreement officially linked ISCs, TDA, ACPET and ERTOA.

Setting the scene for further engagement, a number of TDA Board members met with several ISC CEOs in late May 2007 to identify challenges to better engagement and to the full implementation of the national training framework. The meeting identified two key areas of concern. The first centred on difficulties TAFE teachers and assessors face in keeping track of revisions to Training Packages, including issues around the effectiveness of the current National Training Information Service (NTIS). The second related to a clear need on the part of TAFE Institutes for greater support for teachers in quickly translating these



Top: Former Minister the Hon. Andrew Robb MP, with Bruce Mackenzie.



Below: The Hon. Stephen Smith MP, then Shadow Minister for Education and Training

changes into their training programs and associated assessment arrangements. The meeting agreed that the ISCs and TDA Secretariat would work towards developing a Business Case for the production of a more comprehensive set of resources to better prepare and support TAFE teachers and assessors in individual Institutes in the delivery of Training Packages.

The ISC/TDA meeting also reviewed the effectiveness of current arrangements for TDA representation and liaison with ISCs, agreeing to maintain TDA Board Member representation on ISC committees. The meeting also agreed that TDA would continue to collaborate with ISCs at a working level eg through contributions to

their respective TDA and ISC conferences/ meetings and quarterly ISC CEO network meetings, and through the inclusion of relevant information on ISC developments in the TDA weekly newsletter to members (for example, publicity concerning ISC annual conferences and Training Package workshops).

Subsequently the TDA Secretariat arranged a half-day forum involving TDA Directors and ISC CEOs in November 2007 to build on this work, using an external facilitator. A key outcome was agreement on progressing a number of shared priorities to improve Australia's workforce participation and productivity. The three main areas on which TDA agreed to collaborate with ISCs included:

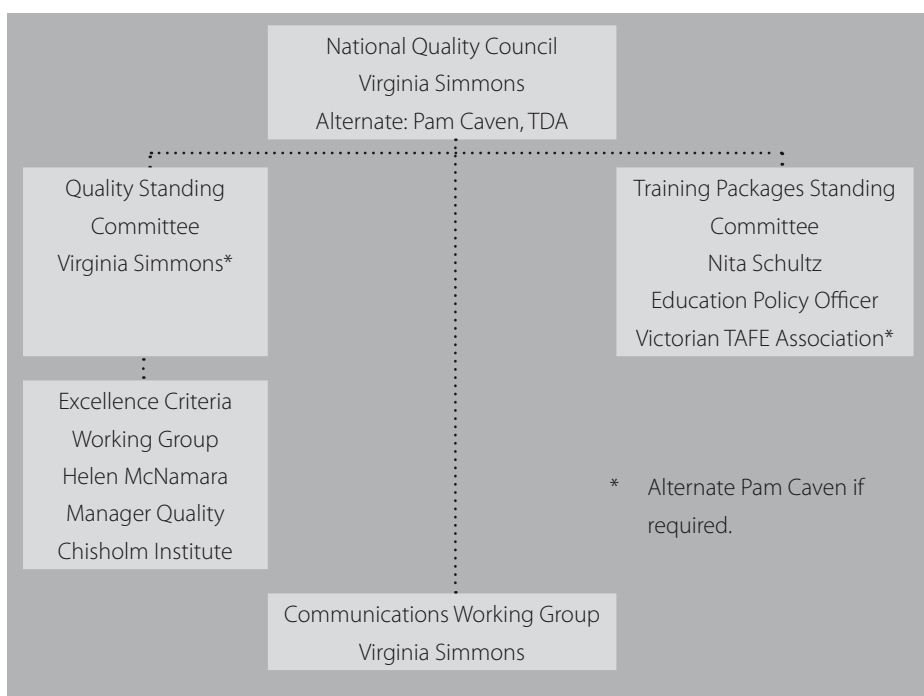
- Investment in the quality of Australia's workforce skills
- Building VET workforce capacity and capability
- Securing a seamless national system

TDA intends to continue working closely with the ISCs, in conjunction with TDA members and industry, to put forward proposals to government in relation to progressing these priorities.

On a project basis, TDA has also been working closely with the Construction and Property ISC to explore opportunities for better support materials to address skill shortages in several parts of that industry (eg building, plumbing, carpentry).

National Quality Council representation

Virginia Simmons was appointed during the year to succeed Barry Peddle as the TDA representative on the National Quality Council. During 2007, the NQC focused on a wide range of issues, including the following



initiatives with the introduction of the new quality standard, AQTF 2007. These included:

- implementation and evaluation;
- quality indicators: learner engagement, employer satisfaction and competency completion;
- excellence criteria;
- publications and resources;
- Skill Sets;
- Employability Skills;
- Offshore Skills Assessment; and
- Transnational Quality Strategy.

Virginia Simmons put in place a representational strategy, across the range of NQC committees, and we pay tribute to the work involved in this commitment from those involved (See table 1 above).

TDA involvement across ISCs extended to a wide range of activities, including:

Conference speakers (Steve Ghost, keynote speaker to the **CPSISC Annual Conference**), and Innovation & Business Skills Australia (IBSA), in its committee work – focused on Training Packages focused on the VET workforce

Denise O'Brien, CEO of Wodonga Institute of TAFE (VIC), sat on the **IBSA Education Sector Advisory Committee**, which was

chaired by Paul Byrne from the IBSA Board. Other Education SAC work throughout 2007 involved input into the Vocational Graduate Certificate and Diploma: Organisational Learning and Capability Development project and the International Education Qualifications project. Ongoing environmental scanning is a regular feature of the group.

John Maddock (CEO, Box Hill Institute of TAFE), was again the industry representative on the **IBSA Board**.

The National Quality Council workplan includes Training Packages as a major area of focus. TDA is a member of the National Quality Council Training Packages Steering Committee, has contributed to projects to explore and scope the next generation of Training Packages and the review of the construction of units of competency to meet contemporary Australian requirements. In 2007 the four key projects were:

- Rationalisation of Training Packages;
- Training Packages Design;
- Qualification Packaging Rules; and
- Construction of Units of Competency.

The Standing Committee provided guidance to the projects and has engaged further expertise on these matters. TDA members

have actively participated in consultations attached to these projects.

TDA played an additional role with representation on The Excellence Working Group, established by the NQC Quality Standing Committee to advise on the development of the Excellence Criteria within AQTF 2007. This included arrangements for the future administration and operation of the new quality platform, the “Excellence Criteria”.

TDA is represented on this Working Group by Helen McNamara, Manager Strategic Planning, Chisholm Institute of TAFE (VIC).

The Excellence Criteria Working Group was established to guide the development of:

- the Excellence Criteria against which RTOs wishing to be recognised as performing at higher levels will be evaluated;
- the supporting documentation to assist RTOs in their preparation for evaluation; and
- the competencies required of evaluators, along with a national program for the training of evaluators.

An indication of the extent of the commitment at NQC level is the activity at committee level. For instance, the Excellence Criteria Working Group met on 11 occasions from March 2007 to January 2008 inclusive. Nine of these were face to face meetings whilst a further two teleconferences were held.

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Kelly Lewis
Fashion student of the year
South Australia 2006:

**“TAFE paved
the way for my
career in Fashion
Design”**

AIIA

Kevin Harris is an industry-elected member of the AIIA NSW Management Committee. In this role, he chairs the NSW AIIA Special Industry Group for Education and Employment, established to support members on workplace development and skill issues. In 2007, Kevin was invited by the AIIA National Board to join their Industry Leadership Group, and in particular to represent Australian TAFE Institutes, providing an important link between AIIA and TDA.

The AIIA Industry Leadership Group steered a number of national actions and research. These included developing a workforce demand model for the ICT industry; surveying existing members for their requirements in retaining, retraining and up-skilling existing workers, and researching the teaching of ICT in schools. The Group also lobbied national and state government representatives on matters relating to workforce development and skill shortages across the ICT industry.



TAFE Directors Australia 2007 National Convention

With the theme for the 2007 TDA National Convention of *Reframe, Refresh, Fresh Start*, the Convention was well attended by more than 300 delegates from across Australia. Fifty five high profile speakers from TAFE Institutes, industry, the Commonwealth and State and Territory governments presented to this audience through addresses, panel discussions, lounge chair discussions and interactive sessions. An initiative of the Convention was a Tertiary – Industry Round Table.

The Hon Jacinta Allan MP, Victorian Minister for Skills and Workforce Participation welcomed delegates to Melbourne and opened the Convention. The Federal Minister for Vocational and Further Education, The Hon Andrew Robb MP gave the Ministerial address. Stephen Smith, MP, Shadow Minister for Education and Training addressed the delegates on Day 2 of the Convention.

The Convention featured eight change management sessions:

- Skilling Collaboration with industry partners;
- Governance & change management;
- International growth and new horizons;
- Refreshing the TAFE Brand;
- Reframing the focus on youth;
- Reframing university and TAFE collaboration;
- Financial management and asset portfolio; and
- The COAG agenda: fresh start for TAFE.

A highlight of the Convention was the presentation by Dr Craig Thomson, Principal



The TDA 2007 National Convention featured the largest commitment to date from industry suppliers and consultants, showcasing to TAFE Institutes.



Top: The Audience Award! Dr. Craig Thomson, CEO of Adam Smith Institute, Scottish Colleges, was highly commended by Convention delegates for the quality and content of his presentation.

Bottom: Patricia Neden, Deputy Secretary, Victorian Department of Innovation, Industry and Regional Development, welcomes delegates to the pre-Convention cocktail reception

and Chief Executive Officer of Adam Smith College, Fife Scotland – “Transforming Lives, Transforming Scotland: The True Value of Leadership”. Dr Thomson’s participation in the Convention was sponsored by the Victorian Office of Training and Tertiary Education.

The findings in the evaluation report of the Convention were that 88% of delegates found that the Convention met or exceeded their expectations and 83% found the quality of the Convention sessions was extremely high. Delegates felt that the speakers were informative and engaging (80%) and the Convention topics were of great relevance (93%).

An initiative of the Convention was a photographic exhibition of five high profile TAFE alumni. The Alumni will be expanded with domestic and international student contributions for profiling opportunities from TAFE education.

Our appreciation goes to Pam Caven, Director Stakeholder Engagement, and the Steering Committee, for this successful outcome.



Left: The Hon. Jacinta Allan MP, Victorian Minister for Skills & Workplace Participation formally opens the Convention.

Top right: Brian Wexham, CEO of the Institute of Trade Skills Excellence, at the Convention dinner with Wayne Collyer, Managing Director Swan TAFE (WA).

Second left: Pam Caven, (TDA) and Fran Thorn (Secretary, Victorian Department of Human Services).

Second right: Suppliers and delegates making contact during the event.

Third left: Dr. Brian Pudney, TAFE SA.

Third right: Deputy Chair Bruce Mackenzie with delegates.

Bottom: TAFE suppliers, led by major sponsor Electroboard, made presentations to 2007 National Convention delegates – looking to the domestic and international marketplace.



Australia – Gold at World Skills – Japan

The principal WorldSkills event in 2007 was the 39th International WorldSkills Competition, held in Shizuoka, Japan. The Australian team, known as the Skillaroos, raised Australia's ranking to 5th in the world in skills and trades, claiming one gold medal, three silver medals and one bronze medal during the competition.

Western Australian youth Dale McMullen achieved gold in Automobile Technology, Silver medalists included John Rudge (NSW) for Electrical Installations, Jewellery competitor Joel Drew (VIC), and Stuart Aisbett for Car Painting (VIC), and Suwanna

Rattananikom (NSW) achieved bronze in Cooking.

TDA would like to acknowledge the work of Kevin Harris (Director, NSI TAFE NSW) who represents TDA on the WorldSkills Board.

Australia's Skillaroos -- A winning combination in Japan 2007.



Skillaroo Dale McMullen, Gold medalist, Automobile Technology, WorldSkills International Competition Japan 2007

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Akira Isogawa
International Fashion Designer:

“TAFE taught me solid knowledge for my career in Fashion Design”



Skillaroo, Suwanna Rattananikom, Bronze Medalist, Cooking, WorldSkills International Competition Japan 2007

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Julie Smith-Massara
Founder Australian Mine
Services:

**“I found my
time at TAFE
stimulating and
rewarding”**

International Engagement

Market Growth

The national VET sector grew with exceptional speed and size – showing increases in excess of 40% over the past 12 months. Since 2004, VET onshore enrolments have more than doubled. This growth has recorded impressive growth rates, with NSW, VIC and WA achieving 34%, 29% and 41% growth respectively. Other states and territories continue to consolidate growth of inbound students and further internationalize their offerings through growth in transnational education programs, offshore industry development and been fueled by high demand from India and China, and continued enrolments from mature markets such as South Korea, Taiwan and Japan.

Over the same period of time (Sept 06–Sept 07) the ELICOS sector grew by 31%, schools by 11% and the Higher Education sector grew by 4% (see opposite).

TAFE, representing the ‘public provider’ recorded impressive growth rates, with NSW, VIC and WA achieving 34%, 29% and 41% growth respectively. Other states and territories continue to consolidate growth of inbound students and further internationalize their offerings through growth in transnational education programs, offshore industry development and government to government consultancies.

Our international mission is to act as support agents under our Strategic Plan 2006–08.

For this reason, TDA's involvement has been to support business development – especially focused on networking and policy development. International students and projects contribute both economically and culturally to our institutes, teachers, students and administrators, while also driving advocacy and input through the review of the ESOS Act 2007.

International engagement has centred around four strategic areas, including:

- Profiling and Positioning;
- Policy and Advocacy;
- Marketing and market intelligence; and
- Marketing.

Sector	2004	2005	2006	2007	% Change 2006–07
ELICOS	53,424	54,036	62,952	82,343	31%
Schools	26,257	24,234	23,349	25,826	11%
VET	52,572	59,461	74,281	107,212	44%
Higher Education	149,394	161,501	168,659	175,459	4%
Other	24,641	24,639	24,530	25,713	5%
Grand Total	306,288	323,871	353,771	416,553	18%

China Engagement

In December 2007 TAFE Institutes and the CEAIE completed the second leadership exchange between Australian and Chinese Institute heads under a three-year MoU, funded by the Strategic National Initiatives project operated by the Australian, state and territory governments.

In February 2008 TAFE Directors Australia and the China Education Association for International Exchange (CEAIE) finalised a new MoU over an extended five year period. Under the agreement Australia's TAFE Institutes and China's major vocational and technical Institutes have agreed to move to a new level of cooperation with industry linkages and senior staff exchanges to support growing challenges meeting China's increasing human skill needs.

The agreement is in the backdrop to China emerging as one of Australia's leading trading partners, and as both countries work toward a Free Trade Agreement. TDA would like to acknowledge the contribution of member institutes involved in the program including – Southbank Institute of Technology, West Coast TAFE, Kangan Bateman TAFE and Holmesglen.

The new agreement was toasted as part of an industry networking event to celebrate Chinese New Year, with the Hon. John Dela Bosca MLC NSW Minister for Education and Training, guest speaker at the event.

Development of TAFE Australia National Capability Report 2007

The TAFE Australia National Capability Report was launched in September 2007, to support the VET missions to India (TDA representative Deb Daly, Gold Coast TAFE) and South East Asia (TDA representative Phil Cox, Hunter Institute of TAFE NSW) – both conducted by DEEWR in Q4. The National Capability Report



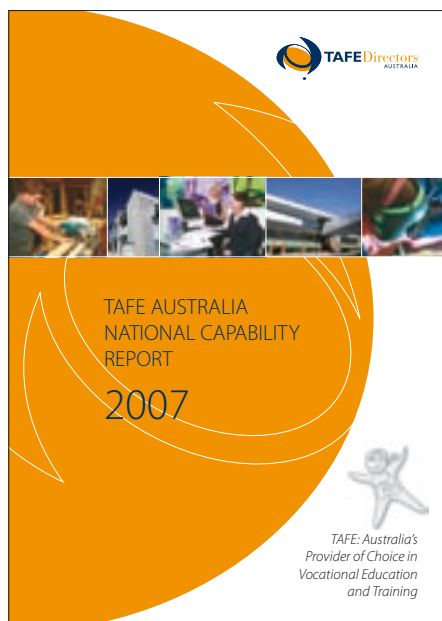
Mr John Young (Principal Clarkson Community High School), Mrs Sue Slavin (Managing Director West Coast TAFE), Professor Wang Yimin (President Zhejiang institute of Communications), His Worship Troy Pickard (Mayor, City of Joondalup), the Honourable Tony O'Gorman (Member of Parliament for Joondalup), Associate Professor Huang Yahui (President Minbei Technical College), Dr Russell Perry (Chairman Governing Council of West Coast TAFE), Mr Pan Guoqiang (Zhejiang institute of Communications), Mr Jeff Gunningham (Managing Director Western Australian Education and Training International).



Signing MoU: Mrs Sue Slavin, Managing Director West Coast TAFE (WA) with CEAIE visiting guest, Associate Professor Huang Yahui, President, Minbei Technical College.

L to R: Ms. Feng Junying, Deputy Director Asia & Oceanic Programs CEAIE, Mr Quentin Stevenson-Perks, Education Counsellor Australian Embassy Beijing, Mr Lin Zuoping, Deputy Secretary-General, CEAIE, Martin Riordan, CEO TDA, Ms Li Yang, Deputy Program Director, Asia & Oceanic Programs CEAIE.





TAFE Australia Capability Report 2008 was launched for the VET Mission to India, with Chair Deb Daly the TDA representative.

has been distributed to key allies nationally and internationally and will be expanded to strengthen business development domestically and internationally.

India Australia VET Leadership Mission (Sept, 2007)

In September 2007 Ms Deb Daly, Chair TAFE Directors Australia took part in the Australian Education International VET Mission to India. The program involved representatives from peak industry bodies, state and territory agencies and providers. TDA is pursuing several partnership opportunities from this Australian India VET Mission, including a relationship with the Indian Confederation of Industry.

iMOVE German Conference features TDA & ACPET to Berlin (Oct, 2007)

TDA was invited to present at the iMOVE Export Education Conference in Berlin, Germany late last year.

Martin Riordan (CEO, TDA) addressed the iMOVE Education Export Conference, and iMOVE also invited Barry Peddle, the

2007 LAUNCH TAFE AUSTRALIA ALUMNI



Andrew Gaze International Basketballer:

“TAFE prepared me for a Bachelor of Applied Science”

Barry Peddle (SW Sydney Institute, TAFE NSW) and Martin Riordan (CEO, TDA) were hosted to the iMOVE Export Education Conference, Berlin, by Sabine Gummersbach-Majoroh, Director iMOVE, Germany's Federal Institute for Vocational Education and Training, with UK and USA delegates.



director of South Western Sydney, who was also managing the Abu Dhabi vocational education college, to speak, and Michael Hall, represented private provider agency, ACPET.

Martin Riordan invited wider joint venture collaboration with German providers for international VET projects, and raised backpacker tourism as an innovative area where European and Australian training institutes could collaborate to address skill shortages. He also participated in a new inter-country workshop to lift interest in skilling.

South East Asia VET Mission (Nov, 2007)

Mr Phil Cox, Institute Director Hunter Institute, represented TDA in the VET mission to South East Asia (Malaysia, Singapore and Indonesia). The mission was designed to showcase Australia's VET system to a range of audiences (including government, industry and providers) in Malaysia, Singapore and Indonesia. Advocacy has consequently followed to the incoming Australian Government, for focus in neighbouring country aid programs in education and skills.

VET International Marketing Brief

TAFE Directors Australia, in partnership with research firm Synovate, and brand communications group, DYDX, were successful with a tender from DEEWR/AEI in December 2007, to develop a marketing brief for the VET sector in international markets. Project outputs will include the development of a range of tools to promote the sector in the international market place. A report is expected by June 2008.

ATIN

Australian TAFE International Network (ATIN) comprise representatives from all states and territories, and has continued to meet on a regular basis to discuss issues and opportunities specific to the TAFE sector in international engagement. TDA gives recognition to Ross Furness, who resigned as Chair of ATIN after two years leading the group.

ATIN members and TDA would like to formally thank Ross for his leadership and welcome incoming chair, Mr Craig Sherrin, CEO Southbank Institute of Technology. A review of the ATIN governance structure is planned for 2008, with the purpose to widen opportunities for TAFE Institutes to network across international issues.

International – Support for Business Development

(i) FTA negotiations – TDA has continued to input Members' issues and comments into the ongoing Free Trade Agreement negotiations underway. Australia currently has successfully concluded, or in negotiation with several countries regarding FTAs. The following table outlines the existing FTAs, those under negotiation and those in pre-feasibility.

Existing	Under Negotiation	Pre-feasibility
New Zealand, the United States, Thailand and Singapore	Chile, China, Gulf Cooperation Council, Japan, Malaysia, ASEAN (inc Aust and NZ)	South Korea, Mexico and Indonesia, India

(ii) Student Mobility – TAFE Directors Australia has contributed to a national steering committee to encourage the



Members of the Australian TAFE International Network (ATIN) farewell Ross Furness as Chair, with Craig Sherrin (CEO, Southbank Institute of Technology) taking over from 2008, and Judith Vincent (TAFE NSW) continuing as Deputy Chair. Rebecca Biazos joins TDA as Director, International Engagement, with fellow ATIN members gearing up for the 2009 International VET Sector Summit.

update of outward mobility for Australian VET students to gain an international experience. Through funds from AEI five pilot projects have been funded. Four of the five projects funded are within the TAFE sector including Sunshine Coast Institute of TAFE, Gordon Institute, Education and Training International (WA) and Sydney Institute. The project will conclude with a national outward mobility forum for the sector planned for June 2008 where pilot program outcomes and learnings will be shared with the sector. A number of TAFE institutes have also taken part in industry pilot projects to further enhance mobility and exchange with the European Union (February 2008)

(iii) National Code – In July 2007 the new National Code took effect under amended regulation. TDA delivered on a contract to implement a guide for TAFE institutes in responding to the changes under the new national code. Institutes have responded well and developed a range of tools and new processes to support the introduction of the changes and to provide the best service to international students. TDA continues to advocate for greater information sharing and discussion between providers and regulators and consistency across jurisdictions in the implementation and interpretation of National Code requirements.

(iv) Transnational Quality Strategy

– The delivery of Australian courses and qualifications in other countries has undergone significant growth in recent years and will face greater opportunities in the future as education and training becomes increasingly globalised. TAFE Directors Australia has been represented on various task forces and working parties by Mr David Endean, Director International Holmesglen Institute of TAFE. A key outcome from the Strategy will be the launch of AusLIST (The Australian list of institutions and courses in other countries) in 2nd quarter 2008. AusLIST is a directory of:

- Australian education and training providers;
- The Australian courses that they deliver offshore; and
- The locations (country, city) in which those courses are delivered.

World Federation of Polytechnics and Colleges

TDA has continued to support the WFPC. This involved promotion of the World Federation of Polytechnics and Colleges World Congress, held in New York from 18–20 February 2008, at which three TDA Member Institutes were represented.

During the WFPC Annual General meeting on 18 February 2008, TAFE Directors Australia CEO, Martin Riordan was nominated as the Deputy Chair of the association. The role will enable Australia to engage on a world stage with likeminded organizations supporting their national vocational systems in broadening international engagement.

The WFPC is interested in hosting its 2009 event in Australia – watch this space.

TDA and its Community

North Queensland Floods

TDA congratulates the role TAFE Institute and its teams played during the emergencies experienced during 2007 in North Queensland.

The facilities team at Barrier Reef TAFE donated supplies to Innisfail following on from Cyclone Larry. The donated food stuffs were taken up two days after the cyclone by the SES crew. Regional Safety Officer John Winn who is also the Ayr Group Leader for

Cyclone Larry caused major damage across north Queensland. Congratulations to TAFE Tropic North and their staff, for providing volunteer shelter to scores of those affected.



Burdekin SES, in conjunction with Ingham SES in a combined task force, delivered the water and food items on behalf of Barrier Reef TAFE to Innisfail TAFE where it was distributed to evacuees who camped at the Innisfail Campus. The team had previously attempted to take a generator but were unfortunately unable to drive through Cardwell as the road was blocked due to the flooding.

The task force ultimately had two successful visits to Innisfail where they assisted in roof tarping and the removal of trees and debris. A fantastic effort !

Later during the 2007–08 Christmas/New Year holiday season, Burdekin SES has assisted with local flooding in the Burdekin Region which saw Burdekin TAFE closed due to flooding. Well done TAFE!

Charity promotion

TDA regularly assists Member Institutes promote their staff and lecturers' major charities. At TDA, we supported a special fundraiser event in Sydney for the Garvan Institute of Medical Science.

In Canberra, TDA joined with Canberra Institute of Technology for their hospitality school catering for the launch of the Cystic Fibrosis Foundation in Canberra.

TAFE DIRECTORS AUSTRALIA INCORPORATED

FINANCIAL REPORT

FOR THE YEAR ENDED 31 DECEMBER 2007

NATIONAL BOARD REPORT

Your members of the National Board submit the financial report of the TAFE Directors Australia, Inc. for the financial year ended 31 December 2007.

Members of the National Board

The names of members of the National Board at the date of this report are:

Ms D Daly	Mr B Peddle
Mr W Collyer	Mr B Mackenzie
Ms P Christie	Ms M Buckley
Mr K Harris	Mr S Ghost
Mr M White	Ms V Simmons
Mr C Adrian	Mr A Devine

The names of members of the National Board whose terms expired or who resigned during the year are:

Mr S Conway	Mr B Peddle
-------------	-------------

Principal Activities

The principal activities of the association during the financial year were:

- To provide national leadership in relation to vocational education and training, and to promote the role of TAFE institutes, and the contribution they make to the development of Australian society, culture and economic achievement
- To provide a forum for TAFE Directors to consider matters of common concern, formulate advice for TAFE institutes collectively, and take other appropriate action whenever this is seen to be useful
- To undertake or commission research or information collection relating to the needs and development of TAFE institutes and their relationship with government, industry, other educational institutions and organisations, and the community; and to publish or otherwise disseminate the results of such research
- To promote international cooperation and to assist in the development of relationships with a variety of countries on vocational education and training matters
- To promote the representation of TAFE Directors on committees and the like which are set up to undertake work of significance affecting vocational education and training nationally or internationally. As appropriate, to undertake or arrange such representation
- To consult with other sectors of education including schools and higher education on matters of mutual interest
- To facilitate the development of TAFE staff through a variety of means including staff exchange programs
- To promote the welfare of students, staff and graduates of TAFE institutes
- To facilitate opportunities for Members to develop their knowledge and skills
- To receive and manage fees, donations, bequests and other contributions from individuals or organisations and apply these to pursuing the objects of the Association

Significant Changes

No significant change in the nature of these activities occurred during the year.

Operating Result

The profit/(Loss) from ordinary activities amounted to \$(40,364)

Signed in accordance with a resolution of the Members of the National Board

Bruce Maclezie

[Signature]

Dated this 17th day of April 2008

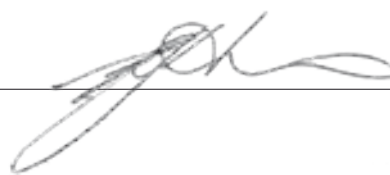
STATEMENT BY MEMBERS OF THE NATIONAL BOARD

In the opinion of the National Board the financial report as set out on pages 3 to 12

1. Presents fairly the financial position of TAFE Directors Australia, Inc. as at 31 December 2007 and its performance for the year ended on that date in accordance with Australian Accounting Standards, mandatory professional reporting requirements and other authoritative pronouncements of the Australian Accounting Standards Board.
2. At the date of this statement, there are reasonable grounds to believe that TAFE Directors Australia, Inc. will be able to pay its debts as and when they fall due.

This statement is made in accordance with a resolution of the National Board and is signed for and on behalf of the National Board by:





Dated this 17th day of April 2008

INCOME STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007	2006
		\$	\$
Revenue	2	1,179,599	836,370
Depreciation and amortisation expenses		(9,394)	(6,822)
Employee expenses		(264,361)	(322,823)
Administration Expenses		(87,038)	(89,285)
Occupancy Expenses		(39,112)	(51,146)
Project Expenses		(820,058)	(289,578)
		<hr/>	<hr/>
		(1,219,963)	(759,654)
		<hr/>	<hr/>
Net operating surplus/(deficit)		(40,364)	76,716
		<hr/>	<hr/>

The accompanying notes form part of these financial statements

BALANCE SHEET

AS AT 31 DECEMBER 2007

	Note	2007 \$	2006 \$
ASSETS			
Current Assets			
Cash & Cash Equivalent Assets	4	926,921	937,553
Receivables		352,122	278,442
Other assets	5	55,296	4,126
Total Current Assets		1,334,339	1,220,121
Non-Current Assets			
Plant & Equipment	6	13,498	13,713
Total Non-Current Assets		13,498	13,713
TOTAL ASSETS		1,347,837	1,233,834
Current Liabilities			
Payables	7	217,342	100,161
Subscriptions in Advance		511,286	463,617
Grants and Projects Income in Advance	8	39,183	43,746
Provision for Employee Entitlements		5,600	11,520
Total Current Liabilities		773,411	619,044
Non-Current Liabilities			
Total Non-current Liabilities		-	-
TOTAL LIABILITIES		773,411	619,044
NET ASSETS		574,426	614,790
MEMBERS' FUNDS			
Accumulated Surplus		574,426	614,790
TOTAL MEMBERS' FUNDS		574,426	614,790

The accompanying notes form part of these financial statements

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2007

	Note	2007 \$	2006 \$
Cash flows from operating activities			
Grants and Projects Income received (GST inclusive)		309,560	500,333
Receipts from members (GST inclusive)		495,010	489,201
Interest received		39,854	34,320
TDA Conference (GST inclusive)		344,332	-
Payments to suppliers and employees (GST inclusive)		(1,190,210)	(758,738)
Net cash provided by operating activities	10 (b)	<u>(1,454)</u>	<u>265,116</u>
Cash flows from investing activities			
Payments for plant & equipment		(9,178)	(7,863)
Net cash (used by) investing activities		<u>(9,178)</u>	<u>(7,863)</u>
Net (Decrease)/Increase in cash held		(10,632)	257,253
Cash at the beginning of the year		937,553	680,300
Cash at the end of the year	10(a)	<u>926,921</u>	<u>937,553</u>

STATEMENT OF RECOGNISED INCOME & EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2007

	Accumulated Surplus \$	Total \$
Balance at 31 December 2005	538,074	538,074
Net Operating Surplus	76,716	76,716
Balance at 31 December 2006	<u>614,790</u>	<u>614,790</u>
Net Operating Surplus/(Deficit)	(40,364)	(40,364)
Balance at 31 December 2007	<u>574,426</u>	<u>574,426</u>

The accompanying notes form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

This financial report is a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Urgent Issues Group Consensus Views and other authoritative pronouncements of the Australian Accounting Standards Board and the requirements of the Associations Incorporation Act (ACT).

The following is a summary of the material accounting policies adopted by the Association in the preparation of the financial report. The accounting policies have been consistently applied, unless otherwise stated.

Basis of Preparation

TAFE DIRECTORS AUSTRALIA INC has prepared financial statements in accordance with Australian International Financial Reporting Standards (AIFRS).

The financial report has been prepared on an accruals basis and is based on historical costs and financial assets and financial liabilities for which the fair value basis of accounting has been applied. Cost is based on the fair values of the consideration given in exchange for assets.

Accounting Policies

(a) Income Tax

The Association is exempt from income tax under section 50-5 of the Income Tax Assessment Act 1997.

(b) Plant & Equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Association to ensure it is not in excess of the recoverable amount from those assets. The recoverable amount is assessed on the basis of the depreciated replacement cost of the asset.

Plant and equipment that have been contributed at no cost, or for nominal cost, are valued at the fair value of the asset at the date it is acquired.

Impairment

At each reporting date, the Association reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the assets, being the assets depreciated replacement costs, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed in the income statement.

Depreciation

The depreciable amount of all fixed assets are depreciated on a straight line basis, over the useful lives of the assets to the Association commencing from the time the asset is held ready for use.

The depreciation rates used for each class of depreciable asset are:-

Class of Fixed Asset	Depreciation Rate
Computer Equipment	40%
Leased Copier	20%
Office Equipment	20%

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

(c) Grants and Projects

Grants and Projects income is recognised as revenue in the year to which the associated expenditure relates. Accordingly, grants and projects income received in the current year for expenditure in future years are treated as grants and projects income in advance. Unexpended specific grants and projects income at 31 December each year is carried forward, to be matched against future expenditure in accordance with Australian Accounting Standards.

(d) Cash & Cash Equivalents

Cash includes cash on hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(e) Leases

Leases of fixed assets, where substantially all the risks and benefits incidental to the ownership of the asset, but not the legal ownership, are transferred to the association are classified as finance leases. Finance leases are capitalised recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual values. Leased assets are depreciated on a straight line basis over their estimated useful lives where it is likely that the association will obtain ownership of the asset or over the term of the lease. Lease payments are allocated between the reduction of the lease liability and the lease interest expense for the period.

(f) Membership Income

Membership income is recognised as revenue in the year to which the subscription relates. Accordingly, subscriptions received in the current year for future years are treated as subscriptions in advance.

(g) Employee Benefits

Provision is made for the Association's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits expected to be settled within one year have been measured at their nominal amount.

Contributions are made by the Association to an employee superannuation fund and are charged as expenses when incurred.

(h) Revenue

Interest revenue is recognised on a proportional basis taking into account the interest applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(i) Goods & Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST.

Cash Flows are presented in the cash flow statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(j) Critical accounting estimates and judgements

The Committee members evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the organisation.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 2: REVENUE

	2007	2006
	\$	\$
Operating activities		
– Membership fees	464,034	418,211
– Grants and Projects income	337,151	383,839
– TDA Conference	338,560	-
– Interest received	39,854	34,320
TOTAL REVENUE	1,179,599	836,370

NOTE 3: PROFIT FROM ORDINARY ACTIVITIES

Profit from ordinary activities before income tax expense has been determined after:

(a) Expenses		
Depreciation of plant & equipment	9,394	6,822
Remuneration of auditor: – audit services	2,500	800
– other services	-	-
Rental expense on operating leases	40,166	42,563
Bad Debts	-	-

NOTE 4: CASH & CASH EQUIVALENT ASSETS

Cheque account	293,942	292,854
Cash management accounts	120,991	162,486
Term Deposit	511,588	481,813
Cash on hand	400	400
	926,921	937,553

NOTE 5: OTHER ASSETS

Grant & Project Expenses in Advance	41,546	-
Prepayments & Sundry Debtors	13,750	4,126
	55,296	4,126

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 6: PLANT & EQUIPMENT

	2007	2006
	\$	\$
Computer equipment at cost	53,659	45,152
Less: Accumulated depreciation	(45,167)	(37,181)
	8,492	7,971
Office equipment at cost	17,884	17,212
Less: Accumulated depreciation	(12,878)	(11,470)
	5,006	5,742
Total plant & equipment	13,498	13,713

Movements in carrying amounts

Movement in the carrying amounts for each class of plant & equipment between the beginning and the end of the current financial year

	Computer Equipment	Office Equipment	Total
Balance at the beginning of the year	7,971	5,743	13,714
Additions	8,507	671	9,178
Disposals / Write offs	-	-	-
Depreciation expense	(7,986)	(1,408)	(9,394)
Carrying amount at the end of the year	8,492	5,006	13,498

NOTE 7: PAYABLES

	2007	2006
	\$	\$
Trade creditors and accruals	180,995	43,185
GST liability	32,632	52,014
PAYG payable	2,312	4,134
Superannuation payable	1,403	828
	217,342	100,161

NOTE 8: GRANTS AND PROJECTS INCOME IN ADVANCE

Grant & Project Income	39,183	43,746
	39,183	43,746

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 9: RELATED PARTIES

Members of the National Board do not receive any remuneration for services provided to the Association.

NOTE 10: CASH FLOW INFORMATION

	2007	2006 \$
(a) Reconciliation of Cash		
Cash at bank	926,521	937,153
Cash on hand	400	400
	<u>926,921</u>	<u>937,553</u>

(b) Reconciliation of the operating surplus to the net cash provided by operating activities:-

Operating surplus/(deficit)	(40,365)	76,716
Gain on disposal/write off of plant & equipment	-	-
Depreciation and amortisation	9,394	6,822
Movement in assets and liabilities:-		
Decrease/(Increase) in receivables	(73,681)	(156,773)
Decrease/(Increase) in prepayments	(51,170)	52,391
(Decrease)/Increase in creditors/accruals	117,181	24,671
Increase in subs in advance	47,669	235,681
(Decrease)/Increase in grants and projects income advance	(4,562)	18,618
(Decrease)/Increase in Employee liabilities	(5,920)	6,990
Net cash provided by operating activities	<u>(1,454)</u>	<u>265,116</u>

(c) The Association has no credit standby or financial facilities in place.

(d) There were no non-cash financing or investing activities during the period.

NOTE 11: FINANCIAL INSTRUMENTS

(a) Credit Risk

Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to members and customers, including outstanding receivables and committed transactions.

(b) Net Fair Values

The Association's financial assets and financial liabilities are carried in the Balance Sheet at amounts that approximate their net fair value. The carrying value of all assets and financial liabilities are reviewed to ensure they are not carried in excess of their net fair value.

Due to the short-term nature of the Receivables, their carrying value is assumed to approximate their fair value.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 11: FINANCIAL INSTRUMENTS (CONTINUED)

(c) Cash Flow & Fair Value Interest Rate Risk

The Association's main interest rate risk arises from cash at bank. Deposits lodged at variable rates expose the Association to cash flow interest rate risks. Term deposits lodged at fixed rates expose the Association to fair value interest rate risks.

At 31 December 2007, if interest rates had changed by 1% from the year-end rates, with all other variables held constant, the operating result for the year would have changed by \$9,000 (2006 – \$9,000).

	Floating Interest	Fixed Interest Maturing in 1 year or less	Fixed Interest Maturing in 1 – 5 years	Year End Interest Rate	
	\$	\$	\$	2007	2006
Financial Assets					
Cheque Acc.	293,942			4.90%	3.00%
Term Deposit		511,588		6.50%	6.00%
Cash Manage. Accts	120,991			6.50%	5.50%

NOTE 12: LEASING COMMITMENTS

Operating Lease	2007	2006
Operating Lease commitment,		
Being for rent of office		
Being for rent of photocopier		
Not later than one year	49,186	13,306
Later than one year but no later than five years	50,383	10,773
	<u>99,569</u>	<u>24,079</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2007

NOTE 13: ASSOCIATION DETAILS

TAFE Directors Australia, Inc. is an Association incorporated in the ACT, under the Association Incorporation Act 1991.

The principal place of business of the Association is:

TAFE Directors Australia Incorporated

E Block CIT Southside Campus

Ainsworth Street PHILLIP ACT 2606

The principal activity of the Association is to act as a national peak body representing TAFE directors within Australia.

The number of employees as at 31 December 2007 was 1 (2006 – 3).

TAFE ACROSS AUSTRALIA

TAFE Institutes and their campuses are located across Australia.

PACIFIC

Australia-Pacific Technical College
www.aptc.edu.au

ACT

Canberra Institute of Technology
www.cit.act.edu.au

NSW

TAFE NSW – South Western Sydney Institute
www.swsi.tafensw.edu.au

TAFE NSW – North Coast Institute
www.nci.tafensw.edu.au

TAFE NSW – Riverina Institute
www.rit.tafensw.edu.au

TAFE NSW – Northern Sydney Institute
www.tafensw.edu.au/nsit

TAFE NSW – Hunter Institute
www.hunter.tafensw.edu.au

TAFE NSW – Illawarra Institute
www.illawarra.tafensw.edu.au

TAFE NSW – Sydney Institute
www.sit.nsw.edu.au

TAFE NSW – New England Institute
www.newengland.tafensw.edu.au

TAFE NSW – Western Sydney Institute
www.wsi.tafensw.edu.au

TAFE NSW – Western Institute
www.wit.tafensw.edu.au

NORTHERN TERRITORY

Batchelor Institute of Indigenous Tertiary Education
www.batchelor.edu.au

Charles Darwin University (TAFE Division)
www.cdu.edu.au

QUEENSLAND

Metropolitan South Institute of TAFE
www.msit.tafe.qld.gov.au

Gold Coast Institute of TAFE
www.goldcoast.tafe.qld.gov.au

The Bremer Institute of TAFE
www.bremer.tafe.qld.gov.au

Southbank Institute
www.southbank.tafe.net

Southern Queensland Institute of TAFE
www.sqit.tafe.qld.gov.au

Tropical North Queensland TAFE
www.tnqit.tafe.qld.gov.au

Barrier Reef Institute of TAFE
www.barrierreef.tafe.qld.gov.au

Brisbane North Institute of TAFE
www.bn.tafe.qld.gov.au

Sunshine Coast TAFE
www.sunshinecoast.tafe.qld.gov.au

SkillsTech Australia
www.skillstech.tafe.qld.gov.au

Central Queensland TAFE
www.cq.tafe.qld.gov.au

Mount Isa Institute of TAFE
www.mtisa.tafe.qld.gov.au

Wide Bay Institute of TAFE
www.widebay.tafe.qld.gov.au

SOUTH AUSTRALIA

TAFE SA – Adelaide South
www.tafe.sa.edu.au

TAFE SA – Regional
www.tafe.sa.edu.au

TAFE SA – Adelaide North
www.tafe.sa.edu.au

VICTORIA

South West TAFE
www.swtafe.vic.edu.au

Swinburne TAFE
www.tafe.swin.edu.au

Victoria University of Technology (TAFE Division)
www.vu.edu.au/tafe

East Gippsland Institute of TAFE
www.egtafe.vic.edu.au

Bendigo Regional Institute of TAFE
www.britafe.vic.edu.au

Sunraysia Institute of TAFE
www.sunitafe.edu.au

William Angliss Institute of TAFE
www.angliss.vic.edu.au

Holmesglen Institute of TAFE
www.holmesglen.vic.edu.au

University of Ballarat
www.ballarat.edu.au/tafe

Box Hill Institute
www.bhtafe.edu.au

Wodonga TAFE
www.wodonga.tafe.edu.au

Goulbourn Ovens Institute of TAFE
www.gotafe.vic.edu.au

Chisholm Institute of TAFE
www.chisholm.vic.edu.au

Central Gippsland Institute of TAFE
www.gippstafe.vic.edu.au

Gordon Institute of TAFE
www.gordontafe.edu.au

Kangan Batman TAFE
www.kangan.edu.au

RMIT University
www.rmit.edu.au

North Melbourne Institute of TAFE
www.nmit.vic.edu.au

TASMANIA

TAFE Tasmania
www.tafe.tas.edu.au

WESTERN AUSTRALIA

TAFE WA – South West Regional
www.swrc.wa.edu.au

TAFE WA – Pilbara
www.pilbaratafe.wa.edu.au

TAFE WA – Kimberley
www.kimberley.tafe.wa.edu.au

TAFE WA – Swan
www.swantafe.wa.edu.au

Curtin University of Technology
www.curtin.edu.au

TAFE WA – Cy O'Connor
<http://cyoconnor.tafe.wa.edu.au>

TAFE WA – Great Southern
www.gstafe.wa.gov.au

TAFE WA – Challenger
www.challengertafe.wa.edu.au

TAFE WA Central West
www.centralwest.wa.edu.au

TAFE WA – West Coast
www.westcoast.wa.edu.au

TAFE WA – Central
www.central.wa.edu.au

TAFE Directors Australia – Peak Body for Australia's TAFE Institutes

TAFE Directors Australia is the peak body for Australia's TAFE Institutes. Its focus is to:

- Represent and act as the public provider voice for TAFE
- Provide leadership in the development of the National Training Framework
- Develop effective industry and community partnerships
- Promote public recognition of the strategic role of TAFE in Australia

For further details visit www.tda.edu.au

TAFE DIRECTORS AUSTRALIA

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CEO – Martin Riordan

