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This report is available on the ACT Building and Construction Industry Training Fund Authority website at www.trainingfund.com.au

Canberra, Australian Capital Territory, September 2015.
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TRANSMITTAL CERTIFICATE

Ms Joy Burch MLA
Minister for Education and Training
ACT Legislative Assembly
London Circuit
CANBERRA ACT 2601

Dear Minister

This Report has been prepared under section 6(1) of the Annual Reports (Government Agencies) Act 2004 and in accordance with the requirements under the Annual Reports Directions.

It has been prepared in conformity with other legislation applicable to the preparation of the Annual Report by the Building and Construction Industry Training Fund Authority.

We certify that the attached Annual Report is an honest and accurate account and that all material information on the operations of the Building and Construction Industry Training Fund Authority during the period 1 July 2014 to 30 June 2015 has been included.

We hereby certify that fraud prevention has been managed in accordance with Public Sector Management Standards, Part 2.

Section 13 of the Annual Reports (Government Agencies) Act 2004 requires that you cause a copy of the Report to be laid before the Legislative Assembly within 3 months of the end of the financial year.

James Service
Chairman
l4-h September 2015

Glenn Carter
Chief Executive Officer
l4-h September 2015
Section B – Organisation Overview and Performance:

B.1 Organisation Overview

The Authority’s mission:

The ACT Building and Construction Industry Training Fund Authority (Authority) provides funding for the training of eligible workers and for the development of skills identified as being in short supply in the building and construction industry. It aims to improve the culture, level and access to training and to support the entry of new people into the building and construction industry.

The Authority’s objectives are:

- To promote, through training; increased productivity, career opportunities, personal satisfaction and work health and safety within the building and construction industry.
- To ensure an equitable distribution of funds to employers and employees in employment related training in the building and construction industry.
- To allocate funds against determined priorities and outcomes for training delivery, not capital or administrative costs.
- To encourage employment and skills development in the building and construction industry.

The Authority does this through five operational programs which are set out in the Annual Training Plan. These programs are:

1. Entry Level Training.
2. Existing Worker and Professional Development Training.
3. Promotion and Marketing.
4. Research and Development.
5. Access and Equity.

The Authority’s functions are:

- To administer the training fund, the income of which is obtained by a Training Levy of 0.2% on the value of work in respect of which the Training Levy is payable by the Project Owner.
- To make payments, or direct that payments be made, from the fund in accordance with the training plan.
- The Authority has the power to do all things necessary, or convenient to be done for, or in connection with, the performance of its functions.

Clients and stakeholders:

The following are the Authority’s clients and stakeholders:

- Industry Associations
- Statutory and Regulatory Authorities
- Group Training Organisations
- ACT Government Agencies
- Unions
- ACT Schools and Colleges
- Registered Training Organisations
- Industry Training Advisory Boards
- Individual business organisations within commercial, housing and civil sectors
- Employers and employees in the Building and Construction, Electrotechnology and Horticulture sectors
Structure of the Authority

Minister

Minister for Education and Training
ACT Government

Joy Burch MLA

Board Members

Board
ACT Building and Construction Industry
Training Fund Authority

Chairman
James Service

Members
Neville Betts  Employee Representative
Rod Mitton   Employer Representative
Jason O’Mara  Employee Representative
Stuart Sampson  Employer Representative
Glenn Carter  Non-voting Member

Administrative Staff

Chief Executive Officer
Glenn Carter

Compliance Manager
Ben Stokes

Industry Liaison Officer
Michael Doyle
Corporate Overview

The Authority is an independent statutory authority. The Authority has at all times acted within its legislation during the reporting period and did not undertake any activities not permitted by its legislation.

Overview

Objective 1 To maintain or increase the income of the fund to meet the annual training plan objectives

- The Authority’s total income for the financial year 2014-15 was $3,877,780. This figure is a decrease of $308,223 over the previous year of $4,186,003.

Objective 2 To increase the funding available to its approved training programs

The Authority provides funding to its training programs through:

- The continuation of on-the-job training incentives for employers of apprentices in trades identified as having a skills shortage.
- Providing annual apprenticeship, field officer and work health and safety funding to Group Training Organisations in the ACT.
- Sponsorship support to those Industry Associations who demonstrated and supported best practice.
- Providing training incentives to ACT Schools and Colleges whose students undertake Australian School-based Apprenticeships in Construction.

Objective 3 Improve the Authority’s profile among its stakeholders

As a key part of the Authority’s strategy for 2014-15, the marketing of the Authority’s activities was attained by:

- Increased compliance activity, providing the Authority access to a wider range of stakeholders.
- Widespread consultation with industry stakeholders and government contributors.
- Distribution of updated explanatory information by way of a bi-monthly newsletter.
- Regular and relevant up to date information on the Authority’s website.
- Providing relevant information on subsidies and funding available to stakeholders in the industry.
- Sponsorship of appropriate industry events, educational and training awards.
- Liaising with ACT Government Departments, Industry Organisations and individuals.
Objective 4  
Prepare the Authority’s Annual Training Plan for approval by the Minister

The Authority submitted the 2015 Training Plan to the Minister for approval. The Minister, under Section 5 of the Building and Construction Industry Training Levy Act 1999, approved the 2015 Training Plan.

**TABLE 1.1**

**Income & Expenditure, Year Ending June 2011 – 2015**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>$5,313,701</td>
<td>$3,425,468</td>
<td>$4,175,045</td>
<td>$4,186,003</td>
<td>$3,877,780</td>
</tr>
<tr>
<td>Expenditure</td>
<td>$3,278,483</td>
<td>$3,861,406</td>
<td>$3,354,810</td>
<td>$3,989,427</td>
<td>$5,082,390</td>
</tr>
</tbody>
</table>

**GRAPH 1.1**

The Authority’s income for the year ending 30 June 2015 was $3,877,780 which was $308,223 lower than the income of $4,186,003 for 2013-14.

This decrease in income was due to a decrease in the number of commercial building projects being undertaken during the year.

The Authority is anticipating that levy income in the financial year 2015-16 will be slightly lower than the income in 2014-15 mainly due to a reduction of activities in the commercial construction sector and residential developments. However, it is anticipated that activities associated with the civil construction (road works) sector will remain constant in 2015-16.
Achievements in Entry Level Training

The Authority provided funding totalling $1,453,836 to Group Training Organisations (ACT), employers of Australian Apprentices, Registered Training Organisations, ACT schools and colleges and other stakeholders from its Entry Level training program in 2014-15. This amount is an increase of $496,151 over the amount of $960,685 expended in 2013-14.

**TABLE 2.1**

Expenditure - Entry Level Program, Year Ending June 2011 – 2015

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td>$940,682</td>
<td>$973,055</td>
<td>$849,547</td>
<td>$960,685</td>
<td>$1,453,836</td>
</tr>
</tbody>
</table>

**GRAPH 2.1**

This is a very substantial investment in training for the current and future workforce of the ACT building and construction industry.

The Authority provided funding for 446 training places in the following areas:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of funded training places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian Apprenticeships employed by Group Training Organisations (ACT)</td>
<td>277</td>
</tr>
<tr>
<td>Australian School-based Apprenticeships</td>
<td>52</td>
</tr>
<tr>
<td>Skill Shortages</td>
<td>117</td>
</tr>
</tbody>
</table>
Examples of funded programs included:

- Annual Australian Apprenticeship funding to Group Training Organisations (ACT).
- Australian School-based Apprenticeships – Skills Enhancement Program.
- The continuation of on-the-job training incentives for employers of apprentices in trades identified as having a skills shortage.
- The continuation of the Teachers Assistance program at Marist and Dickson Colleges.
- Field Officer assistance program for seven Group Training Organisations (ACT).
- WH&S funding for seven Group Training Organisations (ACT).
- Certificate II in Construction for students at four ACT colleges.

With $1,453,836 in funding being expended in the entry level program, the Authority was able to support a total of 506 entry-level apprentices, trainees and Australian School-based Apprenticeships. Funding also supported school and college students to be employed and trained in courses associated with the building and construction industry across nine different vocations in the ACT.
Achievements in Existing Worker and Professional Development Training

The Authority expended a total of $2,636,028 in 2014-15 on the Existing Worker and Professional Development Training program. This amount is an increase of $593,561 compared to the amount of $2,042,467 expended in 2013-14.

**TABLE 3.1**

**Expenditure – Existing Worker and Professional Development Training Program, Year ending June 2011 – 2015**

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,606,019</td>
<td>$2,028,941</td>
<td>$1,677,500</td>
<td>$2,042,467</td>
<td>$2,636,028</td>
</tr>
</tbody>
</table>

**GRAPH 3.1**

The increase in funding indicates a higher number of stakeholders and applicants accessed funds from the Authority in 2014-15.

The following table shows the number of training places funded by the Authority and the importance the Authority places on Work Health and Safety training.

In comparison with the previous financial year The Authority provided funding for 17,280 training places an increase of 4,438 training places during 2014-15 in the following sectors:

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of funded training places</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Health and Safety</td>
<td>15,415</td>
</tr>
<tr>
<td>General Construction / Civil Engineering</td>
<td>842</td>
</tr>
<tr>
<td>Finance, Business and Management</td>
<td>456</td>
</tr>
<tr>
<td>Electrotechnology / Plumbing</td>
<td>567</td>
</tr>
</tbody>
</table>
Following are examples of training courses funded:

<table>
<thead>
<tr>
<th>Course</th>
<th>Course</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT Building Licence (6 modules)</td>
<td>Explosive Power Tools</td>
</tr>
<tr>
<td>ACT Construction Induction Card</td>
<td>Financial Management</td>
</tr>
<tr>
<td>Asbestos Awareness</td>
<td>First Aid – Training</td>
</tr>
<tr>
<td>Basic Rigging Training</td>
<td>Forklift Training</td>
</tr>
<tr>
<td>Basic Scaffolding Training</td>
<td>Heavy Rigid Truck Training</td>
</tr>
<tr>
<td>Building Legislation updates</td>
<td>Microsoft Project</td>
</tr>
<tr>
<td>Business Administration and Management</td>
<td>Open Cabler Registration</td>
</tr>
<tr>
<td>Certificate IV in Workplace Training and Assessment</td>
<td>Project Management</td>
</tr>
<tr>
<td>Computer Software Training</td>
<td>Restrictive Electrical Licence for Plumbers</td>
</tr>
<tr>
<td>Computerised Accounting (MYOB)</td>
<td>Teledata BCL Fibre Optics</td>
</tr>
<tr>
<td>Confined Space Training</td>
<td>Teledata BCL Category 5 and 6</td>
</tr>
<tr>
<td>Dangerous Goods</td>
<td>Test and Tagging of Electrical Equipment</td>
</tr>
<tr>
<td>Dispute Resolution / Conflict Management</td>
<td>Traffic Management</td>
</tr>
<tr>
<td>Elevated Work Platforms</td>
<td>Wet Area Waterproofing</td>
</tr>
<tr>
<td>Environmental Awareness</td>
<td>Working Safely at Heights</td>
</tr>
</tbody>
</table>
Achievements in Promotion and Marketing

The Authority expended $90,549 on the Promotion and Marketing program in 2014-15 to support a number of industry events, education and training awards and projects. This amount is a decrease of $891 expended in 2013-14.

**TABLE 4.1**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure</td>
<td>$77,587</td>
<td>$109,417</td>
<td>$95,930</td>
<td>$91,440</td>
<td>$90,549</td>
</tr>
</tbody>
</table>

**GRAPH 4.1**

Funds were allocated to sponsorship applications of the following Industry Association awards, apprenticeships awards and educational and training awards:

- ACT WorldSkills – Awards and Training.
- Australian Property Institute – Excellence in Property Awards – Young Property Professional.
- Housing Industry Association ACT/SNSW – Housing Industry and Apprenticeship Awards – Host Trainer of the Year.
- Master Plumbers Association of the ACT – Apprenticeship Awards – Apprentice of the Year.
- Master Builders Association of the ACT – Excellence in Building Awards – Apprentice and Cadet of the Year.
- Master Builders Group Training – Apprenticeship Awards - Apprentice of the Year.
- National Electrical and Communications Association – Excellence and Apprenticeship Awards – Apprentice of the Year.
- Joint promotional activities with ACT Government Education and Training Directorate to promote and increase Apprenticeships in those trades identified as having a skills shortage.
- The Authority’s bi-monthly newsletter and industry visits to stakeholders.
- Promoting and advertising the Authority’s programs through industry functions, union magazines, association journals, newsletters and trade exhibitions.
- Update a DVD promoting the programs and services provided by the Authority.
- Website link dedicated to ‘tradeswomen in building and construction’. The website address is: www.trainingfund.com.au/tradeswomen
- ACT CFMEU Delegates Awards
- The National Association for Women in Construction (NAWIC) – Tradeswomen Award
Achievements in Research and Development

The Authority expended $129,548 on the Research and Development program in 2014-15. This amount is an increase of $31,088 compared to the 2013-14 financial year.

**TABLE 5.1**

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure - Research &amp; Development Program, Year Ending June 2011 – 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$110,349</td>
<td>$129,694</td>
<td>$89,338</td>
<td>$98,460</td>
<td>$129,548</td>
<td></td>
</tr>
</tbody>
</table>

**GRAPH 5.1**

Funds were expended on the following Research and Development programs:

- Research, planning, development and production of the Authority’s Annual Training Plan.
- Provision of industry advice from the ACT Electrotechnology and Electricity Supply Sectors and the ACT Building and Construction Industry for the annual training plan.
- Development of new courses in relation to partnerships with Industry, focussing on workplace supervision to the Residential Construction sector.
Achievements in Access and Equity

The Authority provided $106,960 in funding in 2014-15 through the Access and Equity program. This amount is an increase of $86,712 over the 2013-14 financial year.

Funding provided additional training and support for apprentices, existing workers, employers and promotion and marketing of women in building and construction.

The ‘tradeswomen in building and construction’ campaign has continued throughout 2010 – 2015.

TABLE 6.1

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$47,735</td>
<td>$67,836</td>
<td>$90,300</td>
<td>$20,248</td>
<td>$106,960</td>
</tr>
</tbody>
</table>

GRAPH 6.1

Funds were expended on the following Access and Equity programs:

- Employers who employed Aboriginal and Torres Strait Islander Apprentices.
- Employers who employed women in non-traditional vocations.
- Promotion and Marketing of women in building and construction, including providing resource materials to ACT schools and colleges, Group Training Organisations, Registered Training Organisations, Industry Associations, Unions and Government Agencies.
Total funding provided to five operational programs

The following table and graph (7.1) is an indicative summary of the total funding provided to the five operational programs in 2014-15.

**TABLE 7.1**

<table>
<thead>
<tr>
<th>Program</th>
<th>Amount $</th>
<th>Percentage %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry Level</td>
<td>1,453,836</td>
<td>32.9</td>
</tr>
<tr>
<td>Existing Worker and Professional Development</td>
<td>2,636,028</td>
<td>59.7</td>
</tr>
<tr>
<td>Promotion and Marketing</td>
<td>90,549</td>
<td>2.1</td>
</tr>
<tr>
<td>Research and Development</td>
<td>129,548</td>
<td>2.9</td>
</tr>
<tr>
<td>Access and Equity</td>
<td>106,960</td>
<td>2.4</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,416,921</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**GRAPH 7.1**

Percentage of funding provided to five operational programs, Year ending June 2015
Program 1  ENTRY LEVEL TRAINING

Entry Level Training arrangements under this program only apply to persons who are under an ACT Contract of Training in an occupation or an activity considered relevant to the building and construction industry, or persons employed as entry level workers in general construction.

Future Priorities

- Continue to support apprentices and trainees employed in trades and vocations relevant to Schedule 1 of the Act.
- Continue to support, where possible, employers of apprentices and trainees who are undertaking entry level training under an ACT Contract of Training.
- Continue to search for alternative pathways for entry level persons to enter the building and construction industry.
- Continue to promote the building and construction industry as a rewarding career choice.

Program 2  EXISTING WORKER TRAINING AND PROFESSIONAL DEVELOPMENT

An existing worker is a person who works a minimum of 80% of their time in the building and construction industry in the ACT. The eligible person may or may not be under an ACT Contract of Training and undertakes an approved training program through a Registered Training Organisation which is funded by the Authority.

Future Priorities

- Continue to support and fund existing worker training and professional development for those persons employed within the ACT building and construction industry.
- Monitor the quality and effectiveness of training programs funded by the Authority.

Program 3  PROMOTION AND MARKETING

The promotion and marketing program supports a number of industry events, education and training awards and special projects.

Future Priorities

- Continue to review and revise promotional activities to support the Authority’s strategies.
- Implement cost effective promotional activities to encourage an increase in the uptake of training programs.
- In all promotional activity, emphasise the building and construction industry as a positive, rewarding, meaningful and worthwhile life-long career.
Program 4  RESEARCH AND DEVELOPMENT

The research and development program supports the development of new industry training programs, research for the Authority’s annual training plan and special projects.

Future Priorities

- Continue to support the development of new training programs and the extension of existing training programs.
- Continue the involvement of all building and construction industry organisations, stakeholders and individuals in the development of the annual training plan.

Program 5  ACCESS AND EQUITY

The access and equity program supports a number of funding initiatives that support the employment and training of entry level and existing workers.

Future Priorities

- The Authority continues to support the ‘tradeswomen in building and construction’ campaign.
- The Authority will continue to provide support to employers who employ Indigenous Australians, women and persons who have special training needs.
B.2 Performance Analysis

Actual annual performance against the projected performance.

- The Authority’s income for the year ending 30 June 2015 was $3,877,780 which was $326,780 higher than the budgeted amount of $3,551,000 for 2014-15. This was due to a continuing return from the civil construction (road works) sector and multi-unit developments commencing in 2014-15.

Comparison of Actual Operating Results for income and expenditure for 2013-14 and 2014-15 financial years.

**Income**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2013-14</th>
<th>2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>$4,186,003</td>
<td>$3,877,780</td>
</tr>
</tbody>
</table>

- The Authority’s total income for the financial year 2014-15 was $3,877,780. This figure is a decrease of $308,223 over the previous year of $4,186,003.
- The Authority is anticipating that levy income in the financial year 2015-16 will be slightly lower than the income in 2014-15, mainly due to a reduction of activities in the commercial construction sector and residential developments. However, it is anticipated that activities associated with the civil construction (road works) sector will remain consistent in 2015-16.

**Expenditure**

<table>
<thead>
<tr>
<th>Financial Year</th>
<th>2013-14</th>
<th>2014-2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expenditure</td>
<td>$3,989,427</td>
<td>$5,082,390</td>
</tr>
</tbody>
</table>

- An increase in expenditure of $1,092,963 was due to an increase in the number of applicants, organisations and stakeholders who sought and had funding approved for training, in particular the regulated asbestos awareness training.
- In addition, apart from a slight decrease under the Sponsorship and Marketing program, an increase of funding was provided to the Entry Level, Existing Worker and Professional Development, Access and Equity and Research and Development.
- The Authority is anticipating that expenditure on the Authority’s five operational programs in financial year 2015-16 will be similar to that of the previous financial year 2013-2014.

B.3 Scrutiny

There were no inquiries or reports conducted by ACT Legislative Assembly Committees relating to operations of the Authority.

The Authority has undergone both financial and performance auditing by the ACT Auditor-General’s Office during the reporting year, with no significant developments.
B.4 Risk Management

- The Authority has in place a Risk Management Plan that provides assurance that the Authority has identified and managed its risks.

- The Authority is committed to, and places high priority on, managing its risk strategically and systematically. Risk management is an activity that begins at the highest level and is applied consistently though all levels of management.

- All staff are therefore required to integrate risk management procedures and practices into their daily activities.

B.5 Internal Audit

As at 30 June 2015, the Authority’s staff comprised of the following three positions and their core functions:

<table>
<thead>
<tr>
<th>Position</th>
<th>Core functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive Officer</td>
<td>policy formulation and development, finance, accounts, administration and non-voting member of the Authority board</td>
</tr>
<tr>
<td>Compliance Manager</td>
<td>administration and compliance of levy collection, levy rebates, finance and rebate administration, development and management of training plan</td>
</tr>
<tr>
<td>Industry Liaison Officer</td>
<td>liaison with clients and stakeholders, promotion and marketing, advise on training programs, policy formulation, newsletter and annual report</td>
</tr>
</tbody>
</table>

All staff have extensive knowledge and experience in their positions, having previously worked in the public and private sectors in a wide cross-section of positions and levels.

The Authority’s administrative staff are full-time permanent employees engaged under individual employment contracts.

Staff are appointed by the Authority and are also appointed as inspectors under the Building and Construction Industry Training Levy Act 1999. In the reporting period, staff levels remained the same as the previous reporting year.

The Authority’s Chief Executive Officer has responsibility for the following role and functions:

- Provide advice and assistance to the Board on the strategic business direction.
- Provide leadership to staff to ensure effective, efficient and professional operations of the organisation.
- Undertake a major contribution to the formulation and implementation of strategic policy and programs for the organisation.
- Manage and coordinate the financial programs of the organisation, including the day-to-day management and reporting on income and expenditure.
- Prepare detailed reports and submissions to the Board.
- Responsibility for the completion of the Annual Report, Training Plan, Statement of Intent, financial statements and other reports and documents provided to the Board and Minister as required.
- Liaise with external organisations, key stakeholders and represent the Authority as required.
- Ensure the application of Workplace Diversity, Industrial Democracy, Work Health and Safety principles and guidelines in the workplace.
- Non-voting member of the Board.

The Authority’s board consists of an independent chairman, two members representing the interests of employers in the industry and two members representing the interests of employees in the industry.

The Minister for Education and Training appoints board members for a term of not longer than three years in accordance with the Building and Construction Industry Training Levy Act 1999.

**Attendance at Meetings**

The Authority conducted seven meetings during the reporting period. The number of meetings attended by the chairman and members of the Authority were as follows:

**Members of the Authority**

<table>
<thead>
<tr>
<th>Name of Board Members</th>
<th>Position</th>
<th>Duration Years</th>
<th>Meetings Attended</th>
</tr>
</thead>
<tbody>
<tr>
<td>James Service</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Managing Director of J G Service Pty Ltd.</td>
<td>Independent Chairman</td>
<td>16</td>
</tr>
<tr>
<td>Stuart Sampson</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director HIA ACT and Southern NSW</td>
<td>Member</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Proprietor Vogue Constructions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Neville Betts</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Board member of TransGrid.</td>
<td>Member</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Assistant Secretary of the Communications, Electrical and Plumbing Union, Electrical Division of Australia NSW branch.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jason O’Mara</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assistant Secretary of the ACT branch of the Construction, Forestry, Mining and Energy Union.</td>
<td>Member</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Director of the Canberra and Woden Tradesman Union Clubs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rod Mitton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Director Master Builders Association ACT</td>
<td>Member</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Director of Manteena Pty Ltd.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Glenn Carter</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Previous Director Canberra Institute of Technology.</td>
<td>Non-voting member</td>
<td>1.5</td>
</tr>
<tr>
<td></td>
<td>Previous Chairman Construction Industry Training Council</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The ACT Remuneration Tribunal determines procedures for establishing and revising remuneration paid to voting board members.

Due to the size of the entity, the Authority does not have any sub-committees. The board as a whole resolves all matters and has access to independent legal and professional advice as required. The board submits an annual Statement of Intent, Training Plan, Annual Report, and Financial Statements to the Minister outlining its corporate objectives, financial and operational plans.

B.6 Fraud Prevention

Fraud and Corruption Prevention Plan

- The Authority has in place a Fraud and Corruption Prevention Plan that provides assurance that the Authority has identified and manages any risk associated with fraud, corruption, operational activities and financial management.

- The awareness and managing the risk of fraud, corruption and operational activities is integral to achieving the Authority’s business outcomes, and reflects the corporate attitude to fraud, ethics and a code of conduct.

- The emphasis of the fraud and corruption prevention risk management program is on targeting and optimising the available resources to best manage the risks the Authority may be exposed to and efficiently meeting the Authority’s agreed objectives.

B.7 Work Health and Safety

The Authority has in place Work Health and Safety policies and procedures that identify manage and monitor safety risks within the workplace.

There were no workplace accidents or injuries reported to the Authority in the reporting period.

The Authority has in place workers compensation policy arrangements with the ACT Government Education and Training Directorate.

B.8 Human Resources Management

The Authority’s management is committed to implementing a 360-degree management style, which is consistent with the management principles of the ACT Education and Training Directorate. The principles include reviewing staff performance, informing staff on policy, group meetings and receiving feedback. These principles are taken into account when providing advice on policy issues to staff and board members.

Feedback to staff members allows for free-flow communication which contributes effectively to achieving the goals of the Authority. Management also encourage staff to undertake relevant professional development and training.

The Authority staff conducts regular staff meetings where they are encouraged to suggest improvements in the way work is performed. All staff of the Authority attend board meetings to provide a summary of work achieved since the previous board meeting and outline future planning activities.
The management also ensures integrity in the selection process of staff whereby EEO principles of equity and diversity are followed, ensuring the process is fair and equitable and equal opportunity and natural justice are observed.

**Learning and Development**

During the reporting period, the Authority continued to encourage staff to participate in appropriate professional development and training programs that would be beneficial to themselves and the Authority. Staff attended professional development and training programs that ensured skills and knowledge were current and enhanced.

**Workplace Relations**

The Authority’s administrative staff are employed under individual employment contracts.

**Staff Profile**

<table>
<thead>
<tr>
<th>Full Time Equivalent (FTE) &amp; Headcount:</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FTE by Gender</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Headcount by Gender</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>% of Workforce (headcount)</td>
<td>-</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Classification Group</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Contract</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Category by gender</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employment Category</td>
</tr>
<tr>
<td>Casual</td>
</tr>
<tr>
<td>Permanent Full-time</td>
</tr>
<tr>
<td>Permanent Part-time</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Employment Category</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Temporary Full-time</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Temporary Part-time</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>-</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>
### Average length of service by age-group by gender

<table>
<thead>
<tr>
<th>Average Length of Service</th>
<th>Pre-Baby Boomers</th>
<th>Baby Boomers</th>
<th>Generation X</th>
<th>Generation Y</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F</td>
<td>M</td>
<td>F</td>
<td>M</td>
<td>F</td>
</tr>
<tr>
<td>0-2</td>
<td></td>
<td></td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2-4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>1</td>
</tr>
<tr>
<td>4-6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6-8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8-10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10-12</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12-14</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14+ years</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Generation Birth years covered

<table>
<thead>
<tr>
<th>Generation</th>
<th>Birth years covered</th>
<th>Generation</th>
<th>Birth years covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre-Baby Boomers</td>
<td>prior to 1946</td>
<td>Generation X</td>
<td>1965 to 1979 inclusive</td>
</tr>
<tr>
<td>Baby Boomers</td>
<td>1946 to 1964 inclusive</td>
<td>Generation Y</td>
<td>from 1980 and onwards</td>
</tr>
</tbody>
</table>

### Total Average Length of Service by Gender

<table>
<thead>
<tr>
<th>Gender</th>
<th>Average length of service</th>
</tr>
</thead>
<tbody>
<tr>
<td>Female</td>
<td>-</td>
</tr>
<tr>
<td>Male</td>
<td>1.5</td>
</tr>
<tr>
<td>Total</td>
<td>4.5</td>
</tr>
</tbody>
</table>

### Age profile

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Female</th>
<th>Male</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;20</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20-24</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25-29</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30-34</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>35-39</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>40-44</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>45-49</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>50-54</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>55-59</td>
<td></td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>60-64</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>65-69</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>70+</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Agency profile

<table>
<thead>
<tr>
<th>Branch/Division</th>
<th>FTE</th>
<th>Headcount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Authority</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

Agency Profile by Employment Type

<table>
<thead>
<tr>
<th>Branch/Division</th>
<th>Permanent</th>
<th>Temporary</th>
<th>Casual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Statutory Authority</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total</td>
<td>3</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Equity & Workplace Diversity

<table>
<thead>
<tr>
<th>Category</th>
<th>Aboriginal and/or Torres Strait Islander</th>
<th>Culturally &amp; Linguistically Diverse</th>
<th>People with disability</th>
<th>Employees who identify in category A, B or C*</th>
<th>Women</th>
</tr>
</thead>
<tbody>
<tr>
<td>Headcount</td>
<td>1</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>% of Total Staff</td>
<td>33</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Note:
- **Staff profile statistics exclude board members**
- **Board members and Staff are paid not paid by ACT Government.**

B.9 Ecologically Sustainable Development

Ecological Sustainable Development is the effective integration of economic, social and environmental considerations taken in decision-making processes and achieved through the implementation of principles.

Section 158A of the *Environment Protection Act 1997* requires agencies and authorities to report on their actions and initiatives taken during the reporting year to support ecologically sustainable development.

<table>
<thead>
<tr>
<th>Indicator as at 30 June</th>
<th>Unit</th>
<th>2013-14</th>
<th>2014-15</th>
<th>Percentage change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agency staff and area</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Agency staff</td>
<td>FTE</td>
<td>3</td>
<td>3</td>
<td>Nil</td>
</tr>
<tr>
<td>Workplace floor area</td>
<td>Area (m²)</td>
<td>50</td>
<td>50</td>
<td>Nil</td>
</tr>
<tr>
<td>Stationary energy usage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity use</td>
<td>Kilowatt hours</td>
<td>15.921</td>
<td>8.365</td>
<td>-47.5%</td>
</tr>
<tr>
<td>Renewable electricity use</td>
<td>Kilowatt hours</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Natural gas use</td>
<td>Megajoules</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transport fuel usage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total number of vehicles</td>
<td>Number</td>
<td>3</td>
<td>3</td>
<td>Nil</td>
</tr>
<tr>
<td>Total kilometres travelled</td>
<td>Kilometres</td>
<td>64,015</td>
<td>70,100</td>
<td>9.5%</td>
</tr>
<tr>
<td>Fuel use – Petrol</td>
<td>Kilolitres</td>
<td>6.048</td>
<td>5.870</td>
<td>-2.94%</td>
</tr>
<tr>
<td>Fuel use – Diesel</td>
<td>Kilolitres</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel use – Liquid Petroleum Gas (LPG)</td>
<td>Kilolitres</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fuel use – Compressed Natural Gas (CNG)</td>
<td>Kilolitres</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water usage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water use</td>
<td>Kilolitres</td>
<td>24</td>
<td>24</td>
<td>Nil</td>
</tr>
<tr>
<td>Resource efficiency and waste</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reams of paper purchased</td>
<td>Reams</td>
<td>30</td>
<td>29</td>
<td>-3.3%</td>
</tr>
<tr>
<td>Recycled content of paper purchased</td>
<td>Percentage</td>
<td>50</td>
<td>50</td>
<td>N/A</td>
</tr>
<tr>
<td>Waste to landfill</td>
<td>Litres</td>
<td>180</td>
<td>178</td>
<td>-1.1%</td>
</tr>
<tr>
<td>Co-mingled material recycled</td>
<td>Litres</td>
<td>60</td>
<td>62</td>
<td>3.3%</td>
</tr>
<tr>
<td>Paper &amp; Cardboard recycled (incl. secure paper)</td>
<td>Litres</td>
<td>60</td>
<td>62</td>
<td>3.3%</td>
</tr>
<tr>
<td>Organic material recycled</td>
<td>Litres</td>
<td>0</td>
<td>0</td>
<td>Nil</td>
</tr>
<tr>
<td>Greenhouse gas emissions</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emissions from stationary energy use</td>
<td>Tonnes CO₂-e</td>
<td>0.02</td>
<td>0.01</td>
<td>-50%</td>
</tr>
<tr>
<td>Emissions from transport</td>
<td>Tonnes CO₂-e</td>
<td>15.49</td>
<td>15.04</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Total emissions</td>
<td>Tonnes CO₂-e</td>
<td>15.49</td>
<td>15.05</td>
<td>-2.8%</td>
</tr>
</tbody>
</table>

Waste paper and cardboard products are recycled where possible and used ink cartridges are also recycled. Paper is further limited by use of electronic record management.

The Authority supports the principles of Ecologically Sustainable Development where possible in the operational activities of the organisation.
The Authority supports the *Climate Change and Greenhouse Gas Reduction Act 2010*, section 25 by implementing the following procedures and guidelines:

- Energy saving lighting;
- All lighting and standby information and technology systems switched off during office closure; and
- Fuel usage decreased when compared to previous report period.

The Authority will develop further procedures to reduce the Authority’s greenhouse gas emissions during the next reporting period to actively support the ACT Government Carbon Neutral Framework commitment to be achieved by 2020.
Section C – Financial Management Reporting:

C.1 Financial Management Analysis

The Authority’s Mission and Objectives

The Building and Construction Industry Training Fund Authority (Authority) provides funding for the training of entry-level and eligible existing workers and for the development of skills identified as being in short supply in the building and construction industry. It aims to improve the culture of the industry, level and access to training and to support the entry of new people into the building and construction industry. This is achieved by:

- promoting training as an advantage that will increase the productivity of workers in the industry;
- providing career opportunities and personal satisfaction for workers in the industry;
- providing funding for Workplace Health and Safety training that will encourage a safer working environment for workers within the industry;
- ensuring an equitable distribution of the Authority’s funds to employers and employees for relevant training in the industry;
- allocating funds against determined priorities and outcomes for training delivery, non-capital or administrative costs; and
- encouraging the employment of entry-level employees and skills development in the industry.

Business Continuity Plan

The Authority has in place a Disaster Recovery Plan and an Information Technology (IT) and Business Continuity Plan that provides assurance that the Authority meets its overall objectives. It ensures that critical processes delivered by the Authority to the Minister, business partners, service providers, stakeholders, clients and the community continue in the event of a minor or major disruption or an emergency. The Business Continuity Plan identifies critical processes, alternate processes, contact lists and the recovery and resumption procedures for each business area. The Authority will identify, prepare, test and govern these critical and alternate processes.

Financial Performance

The following financial information is based on audited Financial Statements for 2013-14 and 2014-15 and the forward estimates contained in the 2015-16 Statement of Intent.

Total Expenditure

1. Components of Expenditure

The Authority’s total expenditure in 2014-15 was $5,082,390. This expenditure was distributed between the Authority’s five expense items which include; training programs, employee, superannuation, supplies and services and depreciation.
2. Comparison to Budget

The Authority’s total expenditure in 2014-15 was $1,534,390 (43.2%) higher than budgeted. The additional expenditure was due to eligible training rebates, an increase in the numbers of applications and increased numbers of applicants who, successfully completed programs, in particular the mandated ‘Asbestos Awareness NAT10314 training program. The regulation required all construction occupations to complete asbestos awareness training by 30 September 2014 and the rebate was funded by the Authority from existing cash assets.

3. Comparison to 2013-14 Actual Expenditure

The Authority’s total expenditure in 2014-15 was $1,092,963 (27.4%) higher than the prior year. The Authority’s expenditure on training programs is dependent on the number of applications received and the amount of funding requested. While the Authority encourages and invites applications, it has no control over the number of applications presented or the training programs requested. This year the amount of funding provided per application and the number of applicants was higher than the previous year mainly as a result of the mandated Asbestos Awareness training mentioned above.

4. Future Trends

The Authority is anticipating that expenditure on the Authority’s five expenditure items in the financial year 2015-16 will be lower than that of this year. The regulated asbestos awareness NAT10314 program required all existing ACT industry workers be trained by 30 September 2014. Future ongoing training rebate costs for asbestos awareness will now apply only to new entrant workers in the industry.

Total Income

1. Components of Income

The Authority’s total income in 2014-15 was $3,877,780. This income was derived from levy income charged on building and construction projects and bank interest.

2. Comparison to Budget

The Authority’s income for the year ending 30 June 2015 of $3,877,780 which was $326,780 (9.2%) higher than the budgeted amount of $3,551,000 for 2014-15. This was due to higher than expected levies received from the civil construction (road works) sector and for housing development construction commencing in 2014-15.

3. Comparison to 2013-14 Actual Income

The Authority’s income for the year ending 30 June 2015 of $3,877,780 was $308,223 (7.4%) lower than the income of $4,186,003 for 2013-14. This decrease in income was due to a decrease in the number of and value of commercial construction projects being undertaken during the year 2014-15 when compared to 2013-14.

4. Future Trends

The Authority is anticipating that levy income in the financial year 2015-16 will be similar to the income in 2014-15, mainly based on the known projects that will commence in the
period 2015-16 and continuing projects in the commercial construction sector and multi-unit and residential developments.

**Financial Position of the Authority**

**Total Assets**

1. Components of Total Assets

The Authority's assets as at 30 June 2015 were $3,974,255 which is made up of cash and cash equivalents, receivables, other current assets and plant and equipment.

2. Comparison to Budget

The Authority's total assets as at 30 June 2015 were $1,229,745 (23.6%) lower than the budgeted amount of $5,204,000. This was due to higher than anticipated cash outflows related to payments for eligible workers participation in training programs, namely the regulated training program ‘Asbestos Awareness NAT10314’ and a higher number of incentive payments provided to employers, employing apprentices identified as skill shortage trades.

3. Comparison to 2013-14 Actual

The Authority's total assets as at 30 June 2015 were $1,184,506 (23.0%) lower than the 2013-14 actual result of $5,158,761. This was due to lower cash and cash equivalents as previously mentioned.

4. Liquidity

Liquidity is the ability of the Authority to satisfy its short and long term debts as they fall due. The Authority has a short-term liquidity ratio of 47.7:1 which indicates that it is in a strong position to meet its liabilities as they fall due.

**Total Liabilities**

1. Components of Total Liabilities

The Authority's total liabilities for the year ending 30 June 2015 totalled $97,144 which is made up of payables and employee benefits.

2. Comparison to Budget

The Authority’s total liabilities are $20,856 (17.7%) lower than the budgeted amount of $118,000 in 2014-15. This is mainly due to employee benefits being lower than budgeted due to new staff having lower leave balances and lower payables remaining unpaid at 30 June 2015.

3. Comparison to 2013-14 Actual

The Authority’s actual liabilities are $20,104 (26.1 %) higher than the actual liabilities of $77,040 in 2013-14. The increase has arisen mainly because of invoices being received from training providers after 30 June 2015. All invoices for training programs had been received and processed prior to 30 June in 2013-14.
Building and Construction Industry Training Fund Authority
ABN 72 484 134 864

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2015
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF RESPONSIBILITY

In my opinion, the financial statements are in agreement with the Authority's accounts and records and fairly reflect the financial operations of the Authority for the year ended 30 June 2015 and the financial position of the Authority on that date.

James Service
Chairman
Building and Construction Industry Training Fund Authority

31 July 2015
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT BY THE CHIEF EXECUTIVE OFFICER

In my opinion, the financial statements have been prepared in accordance with generally accepted accounting principles and are in agreement with the Authority's accounts and records and fairly reflect the financial operations of the Authority for the year ended 30 June 2015, and the financial position of the Authority on that date.

Glenn Carter
Chief Executive Officer
Building and Construction Industry Training Fund Authority

\[31st\] July 2015
INDEPENDENT AUDIT REPORT

BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AUTHORITY

To the Members of the ACT Legislative Assembly

Report on the financial statements

The financial statements of the Building Industry Training Fund Authority (the Authority) for the year ended 30 June 2015 have been audited. These comprise the operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes.

Responsibility for the financial statements

The Governing Board of the Authority is responsible for the preparation and fair presentation of the financial statements in accordance with the Financial Management Act 1996. This includes responsibility for maintaining adequate accounting records and internal controls that are designed to prevent and detect fraud and error, and the accounting policies and estimates used in the preparation of the financial statements.

The auditor’s responsibility

Under the Financial Management Act 1996, I am responsible for expressing an independent audit opinion on the financial statements of the Authority.

The audit was conducted in accordance with Australian Auditing Standards to obtain reasonable assurance that the financial statements are free of material misstatement.

I formed the audit opinion following the use of audit procedures to obtain evidence about the amounts and disclosures in the financial statements. As these procedures are influenced by the use of professional judgement, selective testing of evidence supporting the amounts and other disclosures in the financial statements, inherent limitations of internal control and the availability of persuasive rather than conclusive evidence, an audit cannot guarantee that all material misstatements have been detected.

Although the effectiveness of internal controls is considered when determining the nature and extent of audit procedures, the audit was not designed to provide assurance on internal controls.
The audit is not designed to provide assurance on the appropriateness of budget information included in the financial statements or to evaluate the prudence of decisions made by the Authority.

**Electronic presentation of the audited financial statements**

Those viewing an electronic presentation of these financial statements should note that the audit does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from these financial statements. If users of these statements are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the audited financial statements to confirm the accuracy of this electronically presented information.

**Independence**

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the audit.

**Audit opinion**

In my opinion, the financial statements of the Authority for the year ended 30 June 2015:

(i) are presented in accordance with the *Financial Management Act 1996*, Australian Accounting Standards and other mandatory financial reporting requirements in Australia; and

(ii) present fairly the financial position of the Authority as at 30 June 2015 and results of its operations and cash flows for the year then ended.

The audit opinion should be read in conjunction with other information disclosed in this report.

Malcolm Prentice  
Acting Director, Financial Audits  
3 August 2015
### BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AUTHORITY

#### OPERATING STATEMENT
FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Income</th>
<th>Actual 2015 $</th>
<th>Original Budget 2015 $</th>
<th>Actual 2014 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Levy Income</td>
<td>3 3,740,568</td>
<td>3,420,000</td>
<td>4,021,319</td>
</tr>
<tr>
<td></td>
<td>Interest</td>
<td>4 137,212</td>
<td>131,000</td>
<td>164,684</td>
</tr>
<tr>
<td></td>
<td>Total Income</td>
<td>3,877,780</td>
<td>3,551,000</td>
<td>4,186,003</td>
</tr>
<tr>
<td></td>
<td>Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Training Program Expenses</td>
<td>5 4,416,921</td>
<td>2,860,000</td>
<td>3,213,300</td>
</tr>
<tr>
<td></td>
<td>Employee Expenses</td>
<td>6 338,464</td>
<td>357,000</td>
<td>389,101</td>
</tr>
<tr>
<td></td>
<td>Superannuation Expenses</td>
<td>7 62,320</td>
<td>33,000</td>
<td>83,731</td>
</tr>
<tr>
<td></td>
<td>Supplies and Services</td>
<td>8 263,420</td>
<td>216,000</td>
<td>293,115</td>
</tr>
<tr>
<td></td>
<td>Depreciation</td>
<td>9 1,265</td>
<td>2,000</td>
<td>10,080</td>
</tr>
<tr>
<td></td>
<td>Total Expenses</td>
<td>5,082,390</td>
<td>3,548,000</td>
<td>3,989,427</td>
</tr>
<tr>
<td></td>
<td>Operating (Deficit)/Surplus</td>
<td>(1,204,610)</td>
<td>93,000</td>
<td>196,576</td>
</tr>
<tr>
<td></td>
<td>Total Comprehensive (Deficit)/Income</td>
<td>(1,204,610)</td>
<td>93,000</td>
<td>196,576</td>
</tr>
</tbody>
</table>

The above Operating Statement should be read in conjunction with the accompanying notes.
<table>
<thead>
<tr>
<th>Note No.</th>
<th>Description</th>
<th>Actual 2015</th>
<th>Original Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>12</td>
<td>Cash and Cash Equivalents</td>
<td>3,637,602</td>
<td>5,074,000</td>
<td>5,052,017</td>
</tr>
<tr>
<td>13</td>
<td>Receivables</td>
<td>424,734</td>
<td>98,000</td>
<td>102,081</td>
</tr>
<tr>
<td>14</td>
<td>Other Assets</td>
<td>7,404</td>
<td>3,000</td>
<td>4,487</td>
</tr>
<tr>
<td></td>
<td>Total Current Assets</td>
<td><strong>3,969,740</strong></td>
<td><strong>5,175,000</strong></td>
<td><strong>5,158,585</strong></td>
</tr>
<tr>
<td>15</td>
<td>Plant and Equipment</td>
<td>4,515</td>
<td>29,000</td>
<td>176</td>
</tr>
<tr>
<td></td>
<td>Total Non-Current Assets</td>
<td><strong>4,515</strong></td>
<td><strong>29,000</strong></td>
<td><strong>176</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Assets</strong></td>
<td><strong>3,974,255</strong></td>
<td><strong>5,204,000</strong></td>
<td><strong>5,158,761</strong></td>
</tr>
<tr>
<td>16</td>
<td>Payables</td>
<td>34,540</td>
<td>4,000</td>
<td>7,617</td>
</tr>
<tr>
<td>17</td>
<td>Finance Leases</td>
<td></td>
<td>26,000</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Employee Benefits</td>
<td>48,550</td>
<td>88,000</td>
<td>65,685</td>
</tr>
<tr>
<td></td>
<td>Total Current Liabilities</td>
<td><strong>83,090</strong></td>
<td><strong>118,000</strong></td>
<td><strong>73,302</strong></td>
</tr>
<tr>
<td>17</td>
<td>Employee Benefits</td>
<td>14,054</td>
<td>-</td>
<td>3,738</td>
</tr>
<tr>
<td></td>
<td>Total Non-Current Liabilities</td>
<td><strong>14,054</strong></td>
<td>-</td>
<td><strong>3,738</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Total Liabilities</strong></td>
<td><strong>97,144</strong></td>
<td><strong>118,000</strong></td>
<td><strong>77,040</strong></td>
</tr>
<tr>
<td></td>
<td><strong>Net Assets</strong></td>
<td><strong>3,877,111</strong></td>
<td><strong>5,086,000</strong></td>
<td><strong>5,081,721</strong></td>
</tr>
<tr>
<td>18</td>
<td>Accumulated Funds</td>
<td>3,877,111</td>
<td>5,086,000</td>
<td>5,081,721</td>
</tr>
<tr>
<td></td>
<td><strong>Total Equity</strong></td>
<td><strong>3,877,111</strong></td>
<td><strong>5,086,000</strong></td>
<td><strong>5,081,721</strong></td>
</tr>
</tbody>
</table>

The above Balance Sheet should be read in conjunction with the accompanying notes.
## BUILDING AND CONSTRUCTION INDUSTRY
### TRAINING FUND AUTHORITY

### STATEMENT OF CHANGES IN EQUITY
#### FOR THE YEAR ENDED 30 JUNE 2015

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Accumulated Funds Actual $</th>
<th>Total Equity Actual $</th>
<th>Original Budget 2015 $</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 July 2013</td>
<td>4,885,145</td>
<td>4,885,145</td>
<td></td>
</tr>
<tr>
<td>Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Surplus</td>
<td>196,576</td>
<td>196,576</td>
<td></td>
</tr>
<tr>
<td>Total Comprehensive Income</td>
<td>196,576</td>
<td>196,576</td>
<td></td>
</tr>
<tr>
<td>Balance at 30 June 2014</td>
<td>5,081,721</td>
<td>5081,721</td>
<td>4,993,000</td>
</tr>
<tr>
<td>Comprehensive Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating (Deficit)/Surplus</td>
<td>(1,204,610)</td>
<td>(1,204,610)</td>
<td>93,000</td>
</tr>
<tr>
<td>Total Comprehensive (Deficit)/Income</td>
<td>(1,204,610)</td>
<td>(1,204,610)</td>
<td>93,000</td>
</tr>
<tr>
<td>Balance at 30 June 2015</td>
<td>3,877,111</td>
<td>3,877,111</td>
<td>5,086,000</td>
</tr>
</tbody>
</table>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.
Cash Flows from Operating Activities

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Receipts</th>
<th>Original Budget 2015</th>
<th>Actual Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Levies</td>
<td>3,417,915</td>
<td>3,420,000</td>
<td>4,016,851</td>
</tr>
<tr>
<td></td>
<td>Interest Received</td>
<td>137,213</td>
<td>131,000</td>
<td>164,884</td>
</tr>
<tr>
<td></td>
<td>Goods and Services Tax Input Tax Credits from the Australian Taxation Office</td>
<td>319,384</td>
<td>250,000</td>
<td>240,669</td>
</tr>
<tr>
<td></td>
<td><strong>Total Receipts from Operating Activities</strong></td>
<td><strong>3,874,512</strong></td>
<td><strong>3,801,000</strong></td>
<td><strong>4,422,204</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Payments</th>
<th>Original Budget 2015</th>
<th>Actual Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Payments to Employees</td>
<td>390,284</td>
<td>388,000</td>
<td>523,115</td>
</tr>
<tr>
<td></td>
<td>Payments to Suppliers</td>
<td>4,662,143</td>
<td>3,098,000</td>
<td>3,511,863</td>
</tr>
<tr>
<td></td>
<td>Goods and Services Tax Paid to Suppliers</td>
<td>330,896</td>
<td>250,000</td>
<td>232,844</td>
</tr>
<tr>
<td></td>
<td><strong>Total Payments from Operating Activities</strong></td>
<td><strong>5,383,323</strong></td>
<td><strong>3,706,000</strong></td>
<td><strong>4,267,822</strong></td>
</tr>
</tbody>
</table>

Net Cash (Outflows)/Inflows from Operating Activities 21 (1,508,811) 95,000 154,382

Cash Flows from Investing Activities

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Receipts</th>
<th>Original Budget 2015</th>
<th>Actual Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Proceeds from sale of Plant and Equipment</td>
<td>-</td>
<td>-</td>
<td>22,214</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Payments</th>
<th>Original Budget 2015</th>
<th>Actual Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Purchase of Plant and Equipment</td>
<td>5,605</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Net Cash (Outflows)/Inflows from Investing Activities (5,605) 22,214

Cash Flows from Financing Activities

<table>
<thead>
<tr>
<th>Note No.</th>
<th>Payments</th>
<th>Original Budget 2015</th>
<th>Actual Budget 2015</th>
<th>Actual 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Re-payment of Finance Lease Liabilities</td>
<td>-</td>
<td>-</td>
<td>26,797</td>
</tr>
</tbody>
</table>

Net Cash (Outflows)/Inflows from Financing Activities - - (26,797)

Net (Decrease)/Increase in Cash and Cash Equivalents (1,514,416) 95,000 149,800

Cash and Cash Equivalents at the Beginning of the Reporting Period 5,052,018 4,979,000 4,902,218

Cash and Cash Equivalents at the End of the Reporting Period 21 3,537,602 5,074,000 5,052,018

The above Cash Flow Statement should be read in conjunction with the accompanying notes.
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

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Note 2  Summary of Significant Accounting Policies

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Note 4  Interest Revenue

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Note 9  Depreciation
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1 OBJECTIVES OF THE AUTHORITY

The objectives of the Building and Construction Industry Training Fund Authority (the Authority) are to:

- Promote increased productivity, career opportunities, personal satisfaction and Workplace Health and Safety (WHS) culture within the building and construction industry;
- Ensure an equitable distribution of training funds to employers and employees in employment related training in the building and construction industry;
- Allocate funds against priorities and outcomes for training delivery, not capital or administrative costs; and
- Encourage employment and skills development in the building and construction industry.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The Financial Management Act 1996 (FMA) requires the preparation of annual financial statements for Territory Authorities.

The FMA and the Financial Management Guidelines issued under the Act, requires that a Territory Authority's financial statements include:

(i) an Operating Statement for the year;
(ii) a Balance Sheet at the end of the year;
(iii) a Statement of Changes in Equity for the year;
(iv) a Cash Flow Statement for the year;
(v) a summary of the significant accounting policies adopted for the year; and
(vi) such other statements as are necessary to fairly reflect the financial operations of the Territory Authority during the year and its financial position at the end of the year.

These general-purpose financial statements have been prepared to comply with 'Generally Accepted Accounting Principles' (GAAP) as required by the FMA. The financial statements have been prepared in accordance with:

(i) Australian Accounting Standards; and
(ii) ACT Accounting and Disclosure Policies.

The financial statements have been prepared using the accrual basis of accounting, which recognises the effects of transactions and events when they occur. The financial statements have also been prepared according to the historical cost convention.

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

The Authority is an individual reporting entity.

(b) The Reporting Period

These financial statements state the financial performance, changes in equity and cash flows of the Authority for the year ending 30 June 2015 together with the financial position of the Authority as at 30 June 2015.
2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Comparative Figures

Budget Figures
To facilitate a comparison with the Statement of Intent of the Authority, as required by the Financial Management Act 1996, budget information for 2014-15 has been presented in the financial statements. The budget numbers in the financial statements are the original budget numbers that appear in the Statement of Intent.

Prior Year Comparatives
Comparative information has been disclosed in respect of the previous period for amounts reported in the financial statements except where an Australian Accounting Standard does not require comparative information to be disclosed.

Where the presentation or classification of items in the financial statements is amended, the comparative amounts have been reclassified where practical. Where a reclassification has occurred, the nature, amount and reason for the reclassification is provided.

(d) Revenue Recognition

Revenue is recognised at the fair value of the consideration received or receivable in the Operating Statement. All revenue is recognised to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured. In addition, the following specific recognition criteria must also be met before revenue is recognised:

Interest
Interest revenue is recognised using the effective interest method.

Levy Income
Levy income consists of the Building and Construction Industry Training Levy, collected by the Environment and Planning Directorate on behalf of the Authority, from project owners in regards to building approvals. The amount received by the Authority, and the timing of the receipt is dependent upon the planning and development application process and the building approval being granted. The Authority has no control over these processes.

The amount of training levy payable is ascertained by multiplying the estimated value of the work by the rate of the levy, which for this reporting period is 0.2% (2013-14: 0.2%).

Levy income is recognised at fair value when received.

(e) Taxation

As a Territory Authority constituted under a law of the Australian Capital Territory, the income of the Authority is exempt from income tax under section 50-25 of the Income Tax Assessment Act 1997.

The Authority pays Goods and Services Tax and Fringe Benefits Tax.

(f) Current and Non-Current Items

Assets and liabilities are classified as current or non-current in the Balance Sheet and in the relevant notes. Assets are classified as current where they are expected to be realised within twelve months after the reporting date. Liabilities are classified as current when they are due to be settled within twelve months after the reporting date or the Authority does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Assets or liabilities which do not fall within the classification of current are classified as non-current.
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(g) Impairment of Assets

The Authority assesses at each reporting date whether there is any indication that an asset may be impaired. Assets are also reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is the amount by which the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's 'fair value less costs of disposal' and its 'value in use'. An asset's 'value in use' is its depreciated replacement cost, where the asset would be replaced if the Authority were deprived of it.

Impairment losses for plant and equipment, which are carried at cost, are recognised in the Operating Statement and the carrying amount of the asset is reduced to its recoverable amount.

(h) Cash and Cash Equivalents

For the purposes of the Cash Flow Statement and the Balance Sheet, cash includes cash at bank and cash on hand.

Any bank overdrafts are included in cash and cash equivalents in the Cash Flow Statement but not in cash and cash equivalents on the Balance Sheet.

(i) Receivables

Accounts receivable (including other receivables) are initially recognised at fair value and are subsequently measured at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement.

Other receivables, which arise outside the normal course of providing funding for training to other agencies or to the public, includes refunds of goods and services tax receivable in accordance with taxation law.

The allowance for impairment losses represents the amount of receivables the Authority estimates will not be repaid. The allowance for impairment losses is based on objective evidence and a review of overdue balances. The Authority considers the following is objective evidence of impairment:

- becoming aware of financial difficulties of debtors;
- default payments; or
- debts being more than 90 days overdue.

The amount of the allowance is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. The amount of the allowance is recognised in the Operating Statement. The allowance for impairment losses are written off against the allowance account when the Authority ceases debt collection efforts because it considers it will cost more to recover the debt than the debt is worth.

Receivables that have been renegotiated because they are past due or impaired are accounted for based on the renegotiated terms.
2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(j) Acquisition and Recognition of Plant and Equipment

Plant and equipment is initially recorded at cost. Cost includes the purchase price, directly attributable costs and the estimated cost of dismantling and removing the item (where, upon acquisition, there is an obligation to remove the item).

Where plant and equipment is acquired at no cost, or minimal cost, cost is its fair value as at the date of acquisition.

The Authority capitalises purchases of plant and equipment costing more than $300.

(k) Measurement of Plant and Equipment after Initial Recognition

Subsequent to initial recognition, the Authority measures its office furniture and equipment at cost.

(l) Depreciation of Non-Current Assets

Non-current assets, with a limited useful life, are systematically depreciated over their useful lives in a manner that reflects the consumption of their service potential. The useful life commences when an asset is ready for use. Depreciation is applied to physical assets such as office furniture and equipment.

Depreciation for non-current assets is determined as follows:

<table>
<thead>
<tr>
<th>Class of Asset</th>
<th>Depreciation Method</th>
<th>Useful Life (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Furniture and Equipment</td>
<td>Straight line</td>
<td>3 – 6</td>
</tr>
</tbody>
</table>

(m) Payables

Payables are a financial liability and are initially recognised at fair value based on the transaction cost and subsequent to initial recognition at amortised cost, with any adjustments to the carrying amount being recorded in the Operating Statement. All amounts are normally settled within 30 days after an invoice is received.

Payables include Trade Payables and Accrued Expenses.

Trade Payables represent the amounts owing for goods and services received prior to the end of the reporting period which are unpaid at the end of the reporting period and relate to the normal operations of the Authority.

Accrued Expenses represent goods and services provided by other parties during the period, that are unpaid at the end of the reporting period, and where an invoice has not been received by the end of the reporting period.
2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(n) Leases

The Authority has entered into operating leases.

Operating leases do not effectively transfer to the Authority substantially all the risks and rewards incidental to ownership of the asset under an operating lease. Operating lease payments are recorded as an expense in the Operating Statement on a straight-line basis over the term of the lease.

(o) Employee Benefits

Employee benefits include:

(i) short-term employee benefits, such as wages and salaries, annual leave loading, and applicable on-costs, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services;
(ii) other long-term benefits, such as long service leave and annual leave; and
(iii) termination benefits.

On-costs include annual leave, long service leave, superannuation and other costs that are incurred when employees take annual leave and long service leave.

Wages and Salaries

Accrued salaries are measured at the amount that remains unpaid to employees at the end of the reporting period.

Annual Leave

Annual leave is required to be taken within six months of the leave becoming due. Subsequently, all annual leave will be wholly settled before twelve months after the end of the reporting period when the employees render the related service.

Long Service Leave

Long service leave, including applicable on-costs, that is not expected to be wholly settled before twelve months after the end of the reporting period when the employees render the related service are measured at the present value of estimated future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to the future wage and salary levels, experience of employee departures and periods of service. At the end of each reporting period, the present value of future long service leave payments are estimated using market yields on Commonwealth Government Bonds with terms to maturity that match, as closely as possible, the estimated future cash flows.

The long service leave liability is estimated with reference to the minimum period of qualifying service. For employees with less than the required minimum period of seven years of qualifying service, the probability that employees will reach the required minimum period has been taken into account in estimating the provision for long service leave and the applicable on-costs.

The provision for annual leave and long service leave includes estimated on-costs. As these on-costs only become payable if the employee takes annual and long service leave while in service, the probability that employees will take annual and long service leave while in service has been taken into account in estimating the liability for on-costs.

Annual leave and long service leave liabilities are classified as current liabilities in the Balance Sheet where there are no unconditional rights to defer the settlement of the liability for at least 12 months. Conditional long service leave liabilities are classified as non-current because the Authority has an unconditional right to defer the settlement of the liability until the employee has completed the requisite years of service.
2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Superannuation

Staff superannuation entitlements are paid directly to fund of choice superannuation accumulation schemes, which provide benefits to employees on retirement, death or disability.

During 2015 the Authority contributed 9.5% of the employees’ gross salaries in accordance with a legally enforceable obligation on the Authority to contribute to the superannuation funds.

The respective superannuation funds recognise the superannuation liability of each employee.

(q) Insurance

Major risks are insured through the ACT Insurance Authority. The excess payable, under this arrangement, varies depending on each class of insurance held.

(r) Budgetary Reporting

Explanations of major variances between the 2014-15 Statement of Intent and the 30 June 2015 actual results are discussed in Note 22 Budgetary Reporting. The definition of ‘major variances’ is provided in Note 2(s) Significant Accounting Judgements and Estimates – Budgetary Reporting.

Original budget refers to the original budgeted financial statements presented to the Legislative Assembly in a form that is consistent with the Authority’s annual financial statements. The 2014-15 budget numbers have not been audited.

Budgetary reporting is disclosed for all financial statements with the exception of the Statement of Changes in Equity as relevant line items are included in other financial statements.

(s) Significant Accounting Judgements and Estimates

In the process of applying the accounting policies listed in this note, the Authority has made the following estimates that have the most significant impact on the amounts recorded in the financial statements:

Employee Benefits

Significant judgements have been applied in estimating the liability for employee benefits. The estimated liability for long service leave requires a consideration of the future wage and salary levels, experience of employee departures and periods of service. The estimate also includes an assessment of the probability that employees will meet the minimum service period required to qualify for long service leave and that on-costs will become payable. Further information on this estimate is provided in Note 2 (o) Employee Benefits.

Estimation of the Useful Lives of Plant and Equipment

The Authority has made a significant estimate in determining the useful lives of plant and equipment. The estimation of the useful life of plant and equipment has been based on the historical experience of similar assets. The useful lives are assessed on an annual basis and any adjustments are made when considered necessary. Further disclosures concerning an asset’s useful life can be found at Note 2(l) Depreciation of Non-Current Assets.
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Significant Accounting Judgements and Estimates (Continued)

Budgetary Reporting
Significant judgements have been applied in determining what variances are considered as 'major variances' requiring explanations in Note 22 Budgetary Reporting. Variances are considered to be major variances if both of the following criteria are met:

- The line item is a significant line item: the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or sub-element (eg Current Liabilities and Receipts from Operating Activities totals) of the financial statements; and
- The variances (original budget to actual) are greater than plus (+) or minus (-) 10% for the budget for the financial statement line item.

Further information on this is provided in Note 2(r) Budgetary Reporting.

(t) Impact of Accounting Standards Issued but yet to be Applied

New and revised accounting standards and interpretations that have been issued by the Australian Accounting Standards Board but do not apply to the current reporting period and are applicable to future reporting periods have been reviewed and it has been assessed that none will have a material effect on the Authority.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

3 LEVY INCOME

Collected from the Following Sectors:
ACT Government Construction Projects
  Territory Directorates 160,638 424,381
  Territory Authorities 280,718 369,815
Non-Government Construction Projects
  Private Sector 3,304,227 3,237,770
  Less: Levies Refunded (5,013) (647)
Total Levy Income 3,740,568 4,021,319

Levy income is collected in accordance with the Building and Construction Industry Training Levy Act 1999. Levy income has reduced due to lower levies being received from works associated with commercial construction projects and for residential housing construction.

4 INTEREST REVENUE

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest Revenue -- Bank</td>
<td>137,212</td>
<td>164,683</td>
</tr>
<tr>
<td>Interest Revenue -- Australian Taxation Office</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Total Interest Revenue</td>
<td>137,212</td>
<td>164,684</td>
</tr>
</tbody>
</table>
5 TRAINING PROGRAM EXPENSES

<table>
<thead>
<tr>
<th>Training Program</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up-Skilling and Cross-Skilling</td>
<td>2,636,028</td>
<td>2,042,467</td>
</tr>
<tr>
<td>Entry Level Training</td>
<td>1,453,836</td>
<td>960,685</td>
</tr>
<tr>
<td>Research and Development</td>
<td>129,548</td>
<td>98,460</td>
</tr>
<tr>
<td>Access and Equity</td>
<td>106,880</td>
<td>20,248</td>
</tr>
<tr>
<td>Promotion and Marketing</td>
<td>90,549</td>
<td>91,440</td>
</tr>
<tr>
<td><strong>Total Training Program Expenses</strong></td>
<td><strong>4,416,921</strong></td>
<td><strong>3,213,300</strong></td>
</tr>
</tbody>
</table>

Up-Skilling and Cross-Skilling costs increased due to Section 445 of the Work Health and Safety Regulations mandating Asbestos Awareness training for all construction occupations. As a result a higher number of applications for completed training outcomes were received and rebated.
Entry Level training program costs increased due to an increase in the number of incentive payments provided to employers of apprentices in identified skill shortage trades.
Access and Equity program expenses are higher than 2013-14 due to additional incentive payments to employers of ACT apprentices in the identified groups, including Women in Non-traditional Trades, Indigenous, and Injured Workers Returning to Work.

6 EMPLOYEE EXPENSES

<table>
<thead>
<tr>
<th>Expense</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries</td>
<td>346,388</td>
<td>386,140</td>
</tr>
<tr>
<td>Termination Payments</td>
<td>-</td>
<td>53,045</td>
</tr>
<tr>
<td>Annual Leave Expense</td>
<td>16,722</td>
<td>(18,689)</td>
</tr>
<tr>
<td>Long Service Leave Expense</td>
<td>(17,946)</td>
<td>(37,307)</td>
</tr>
<tr>
<td>Workers Compensation Insurance Premiums</td>
<td>(5,700)</td>
<td>6,002</td>
</tr>
<tr>
<td><strong>Total Employee Expenses</strong></td>
<td><strong>338,464</strong></td>
<td><strong>389,191</strong></td>
</tr>
</tbody>
</table>

7 SUPERANNUATION EXPENSES

<table>
<thead>
<tr>
<th>Superannuation Paid to External Providers</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Superannuation Paid to External Providers</td>
<td>62,320</td>
<td>83,731</td>
</tr>
</tbody>
</table>
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

8 SUPPLIES AND SERVICES

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fees</td>
<td>19,648</td>
<td>18,343</td>
</tr>
<tr>
<td>Accounting Assistance</td>
<td>33,290</td>
<td>39,903</td>
</tr>
<tr>
<td>Communications</td>
<td>6,698</td>
<td>7,474</td>
</tr>
<tr>
<td>Computing Costs</td>
<td>7,003</td>
<td>11,573</td>
</tr>
<tr>
<td>Consultants' Fees</td>
<td>20,872</td>
<td>73,644</td>
</tr>
<tr>
<td>Fees – Environment and Planning Directorate</td>
<td>37,081</td>
<td>12,364</td>
</tr>
<tr>
<td>Finance Lease Charges</td>
<td>-</td>
<td>1,055</td>
</tr>
<tr>
<td>Insurance</td>
<td>3,545</td>
<td>3,545</td>
</tr>
<tr>
<td>Legal expenses</td>
<td>11,915</td>
<td>2,120</td>
</tr>
<tr>
<td>Motor Vehicle Operating Expenses</td>
<td>7,940</td>
<td>11,423</td>
</tr>
<tr>
<td>Operating Lease Rentals:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Office Premises</td>
<td>32,218</td>
<td>31,492</td>
</tr>
<tr>
<td>Motor Vehicles</td>
<td>33,297</td>
<td>26,775</td>
</tr>
<tr>
<td>Postage</td>
<td>843</td>
<td>662</td>
</tr>
<tr>
<td>Printing and Stationery</td>
<td>6,745</td>
<td>6,800</td>
</tr>
<tr>
<td>Sitting Fees Paid to Board Members</td>
<td>28,277</td>
<td>24,205</td>
</tr>
<tr>
<td>Staff Development</td>
<td>2,599</td>
<td>2,208</td>
</tr>
<tr>
<td>Subscriptions</td>
<td>4,530</td>
<td>3,272</td>
</tr>
<tr>
<td>Travel</td>
<td>2,242</td>
<td>7,606</td>
</tr>
<tr>
<td>Utilities</td>
<td>2,236</td>
<td>4,119</td>
</tr>
<tr>
<td>Other</td>
<td>3,441</td>
<td>4,534</td>
</tr>
<tr>
<td><strong>Total Supplies and Services</strong></td>
<td>263,420</td>
<td>293,115</td>
</tr>
</tbody>
</table>

Consultant Fees decreased as no recruitment services were required during the year.
Environment and Planning Directorate Fees increased due to biannual payment invoice and payment being received late and not accrued in 2014.
Legal Fees increased due to advice required for clarifications related to works subject to the Act, and work exempt under other related legislation.

9 DEPRECIATION

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Furniture and Equipment</td>
<td>1,265</td>
<td>1,146</td>
</tr>
<tr>
<td>Motor Vehicle under Finance Lease</td>
<td>-</td>
<td>8,944</td>
</tr>
<tr>
<td><strong>Total Depreciation</strong></td>
<td>1,265</td>
<td>10,090</td>
</tr>
</tbody>
</table>

10 WAIVERS, IMPAIRMENT LOSSES AND WRITE-OFFS

There were nil waivers, impairment losses and write-offs during the 2014-15 reporting period (Nil in 2013-14).

11 AUDITOR'S REMUNERATION

Auditor’s remuneration consists of financial audit services provided to the Authority by the ACT Audit Office.

**Audit Services**

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Fees Paid or Payable to the ACT Audit Office</td>
<td>18,648</td>
<td>18,343</td>
</tr>
</tbody>
</table>

No other services were provided by the ACT Audit Office.
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

12 CASH AND CASH EQUIVALENTS

The Authority holds two bank accounts with Westpac Banking Corporation, separate to the whole-of
government banking arrangements. The Authority receives interest on these accounts.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Account</td>
<td>312,394</td>
<td>1,439,071</td>
</tr>
<tr>
<td>Reserve Fund</td>
<td>3,224,988</td>
<td>3,612,946</td>
</tr>
<tr>
<td>Petty Cash</td>
<td>220</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Cash and Cash Equivalents</strong></td>
<td><strong>3,537,602</strong></td>
<td><strong>5,052,017</strong></td>
</tr>
</tbody>
</table>

13 RECEIVABLES

**Current Receivables**

Net Goods and Services Tax Receivable | 88,879 | 77,634 |
Accrued Revenue                      | 335,855 | -     |
Trade Debtors                        | -      | 24,447 |

**Total Current Receivables** | 424,734 | 102,081 |

**Ageing of Receivables**

Not Impaired and Not Overdue | 424,734 | 102,081 |

**Classification of ACT Government/Non-ACT Government Receivables:**

Receivables with ACT Government Entities | 335,855 | -     |
Receivables with Non-ACT Government Entities | 88,879 | 102,081 |

**Total Receivables** | 424,734 | 102,081 |

14 OTHER ASSETS

Prepayments | 7,404 | 4,487 |

15 PLANT AND EQUIPMENT

Plant and Equipment consists of Office Furniture and Equipment, including computer equipment and
office fittings.

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Office Furniture and Equipment - at Cost</td>
<td>30,359</td>
<td>29,151</td>
</tr>
<tr>
<td>Less: Accumulated Depreciation</td>
<td>(25,844)</td>
<td>(28,975)</td>
</tr>
<tr>
<td><strong>Total Written Down Value of Office Furniture and Equipment</strong></td>
<td>4,515</td>
<td>176</td>
</tr>
<tr>
<td><strong>Total Written Down Value of Plant and Equipment</strong></td>
<td>4,515</td>
<td>176</td>
</tr>
</tbody>
</table>
15 PLANT AND EQUIPMENT (CONTINUED)

Movements in Carrying Amounts

Office Furniture and Equipment
Carrying Amount at the Beginning of the Reporting Period 176 1,322
Additions 5,604 -
Disposals - -
Depreciation (1,265) (1,146)
Carrying Amount at the End of the Reporting Period 4,515 176

Motor Vehicle under a Finance Lease
Carrying Amount at the Beginning of the Reporting Period - 31,159
Additions - -
Disposals - (22,215)
Depreciation - (8,944)
Carrying Amount at the End of the Reporting Period - -

16 PAYABLES

Current Payables

Trade Payables 33,968 7,102
Accrued Expenses 582 515
Total Payables 34,540 7,617

Payables are aged as follows:

Not Overdue 34,540 7,617

Payables with ACT Government Agencies
Trade Payables - -
Total Payables ACT Government Agencies - -

Payables with Non-ACT Government Entities
Trade Payables 33,968 7,102
Accrued Expenses 582 515
Total Payables with Non-ACT Government Entities 34,540 7,617

Total Payables 34,540 7,617
## BUILDING AND CONSTRUCTION INDUSTRY
### TRAINING FUND AUTHORITY

### NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
#### FOR THE YEAR ENDED 30 JUNE 2015

### 17 EMPLOYEE BENEFITS

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Employee Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Leave</td>
<td>27,927</td>
<td>12,205</td>
</tr>
<tr>
<td>Long Service Leave</td>
<td></td>
<td>28,262</td>
</tr>
<tr>
<td>Accrued Salaries</td>
<td>5,065</td>
<td>3,621</td>
</tr>
<tr>
<td>Accrued Superannuation</td>
<td>481</td>
<td>-</td>
</tr>
<tr>
<td>PAYG Withholding Payable</td>
<td>7,704</td>
<td>6,879</td>
</tr>
<tr>
<td>Superannuation Payable</td>
<td>2,850</td>
<td>4,458</td>
</tr>
<tr>
<td>Workers' Compensation Insurance Premiums</td>
<td>-</td>
<td>5,700</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>4,523</td>
<td>4,559</td>
</tr>
<tr>
<td><strong>Total Current Employee Benefits</strong></td>
<td><strong>48,550</strong></td>
<td><strong>65,684</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current Employee Benefits</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long Service Leave</td>
<td>14,054</td>
<td>3,738</td>
</tr>
<tr>
<td><strong>Total Non-Current Employee Benefits</strong></td>
<td><strong>14,054</strong></td>
<td><strong>3,738</strong></td>
</tr>
</tbody>
</table>

**Total Employee Benefits**

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62,604</td>
<td>69,422</td>
</tr>
</tbody>
</table>

All Current Employee Benefits are expected to be paid in the next twelve months.

No staff are eligible for Long Service Leave in the next twelve months.

The Non-Current Long Service Liability has been calculated at a present value percentage of 3.06%, being the yield rate on 10 year Australian Government Bonds.

As at 30 June 2015, the Authority employed 3 full time equivalent staff. There was 3 full time equivalent staff as at 30 June 2014.

### 18 ACCUMULATED FUNDS

<table>
<thead>
<tr>
<th></th>
<th>5,081,721</th>
<th>4,885,145</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at the Beginning of the Reporting Period</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating (Deficit)/Surplus</td>
<td>(1,204,610)</td>
<td>196,576</td>
</tr>
<tr>
<td><strong>Balance at the End of the Reporting Period</strong></td>
<td><strong>3,877,111</strong></td>
<td><strong>5,081,721</strong></td>
</tr>
</tbody>
</table>
19 FINANCIAL INSTRUMENTS

Details of the significant policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset and financial liability are disclosed in Note 2 Summary of Significant Accounting Policies.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

A significantly greater proportion of financial assets are held in floating interest rate arrangements, compared to financial liabilities that are non-interest bearing. This means that the Authority is not significantly exposed to movements in interest payable; however, it is exposed to movements in interest receivable.

Interest rate risk for financial assets is managed by the Authority by only investing in floating interest rate investments that are low risk. Interest rate risk for financial liabilities is not actively managed by the Authority as there are no financial liabilities which are exposed to a floating interest rate. There have been no changes in risk exposure or processes for managing risk since last financial reporting period.

Sensitivity Analysis
A sensitivity analysis has not been undertaken for the interest rate risk of the Authority as it has been determined that the possible impact on income and expenses or total equity from fluctuations in interest rates is immaterial.

Credit Risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

The Authority has credit risk exposure from its cash and cash equivalents and receivables balance.

Credit risk is managed by the Authority by only investing cash and cash equivalents with the Westpac Banking Corporation. The risk from this arrangement is considered to be minimal as Westpac Banking Corporation has a Standard & Poor’s rating of AA-.

The Authority has exposure to credit risk from potential late payment or loss of revenue from levies. As levy income is the major source of revenue for the Authority the risk is material. The Building and Construction Industry Training Levy Act 1999 provides that levies are payable by project owners and stipulates when the payment becomes due, but does not provide the Authority with procedures to collect the levies without recourse to legal action. Penalties can be imposed on project owners for non-payment. The risk is managed by arrangements whereby the Environment and Planning Directorate collects the levy on building and construction projects when a building approval is issued. Projects cannot commence until the levy is paid. The Authority collects levies from estate developers for civil and infrastructure activities and if the levy is not paid, the Authority can undertake legal action to collect the debt.

There have been no changes in credit risk exposure since the last reporting period.
19  FINANCIAL INSTRUMENTS (CONTINUED)

Liquidity Risk

Liquidity risk is the risk that the Authority will encounter difficulties in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To limit its exposure to liquidity risk, the Authority ensures that, at any particular point in time, it has a sufficient amount of current financial assets to meet its current financial liabilities.

This ensures the Authority has enough liquidity to meet its emerging financial liabilities. See the maturity analysis below for further details of when financial assets and liabilities mature.

The Authority's exposure to liquidity risk and the management of this risk has not changed since the previous reporting period. The following tables set out the Authority's maturity analysis for financial assets and liabilities as well as the exposure to interest rates, including the weighted average interest rates by maturity period as at 30 June 2015 and 30 June 2014.

Financial assets and liabilities which have a floating interest rate or are non-interest bearing will mature in 1 year or less. All amounts appearing in the following maturity analysis are shown on an undiscounted cash flow basis.

<table>
<thead>
<tr>
<th>Maturity Analysis</th>
<th>Note No.</th>
<th>Weighted Average Interest Rate %</th>
<th>Fixed Interest Rate</th>
<th>Floating Interest Rate</th>
<th>Non-Interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 June 2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>12</td>
<td>3.211</td>
<td>-</td>
<td>3,537,382</td>
<td>220</td>
<td>3,537,602</td>
</tr>
<tr>
<td>Receivables</td>
<td>13</td>
<td></td>
<td>-</td>
<td>-</td>
<td>335,855</td>
<td>335,855</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td></td>
<td></td>
<td>-</td>
<td>3,537,382</td>
<td>336,075</td>
<td>3,873,457</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>16</td>
<td></td>
<td>-</td>
<td>-</td>
<td>34,540</td>
<td>34,540</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td></td>
<td></td>
<td>-</td>
<td>-</td>
<td>34,540</td>
<td>34,540</td>
</tr>
<tr>
<td>Net Financial Assets</td>
<td></td>
<td></td>
<td>-</td>
<td>3,537,382</td>
<td>301,535</td>
<td>3,838,917</td>
</tr>
</tbody>
</table>
19 FINANCIAL INSTRUMENTS (CONTINUED)

Maturity Analysis continued:

<table>
<thead>
<tr>
<th>Maturity</th>
<th>Note No.</th>
<th>Weighted Average Interest Rate %</th>
<th>Fixed Interest Rate</th>
<th>Floating Interest Rate</th>
<th>Non-Interest Bearing</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 June 2014 Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>12</td>
<td>3.27</td>
<td>-</td>
<td>5,052,017</td>
<td>-</td>
<td>5,052,017</td>
</tr>
<tr>
<td>Receivables</td>
<td>13</td>
<td>-</td>
<td>-</td>
<td>24,447</td>
<td>24,447</td>
<td></td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>12</td>
<td>-</td>
<td>-</td>
<td>5,052,017</td>
<td>24,447</td>
<td>5,076,464</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>7,617</td>
<td>7,617</td>
<td></td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>16</td>
<td>-</td>
<td>-</td>
<td>7,617</td>
<td>7,617</td>
<td></td>
</tr>
<tr>
<td>Net Financial Assets</td>
<td>16</td>
<td>-</td>
<td>16,830</td>
<td>5,068,847</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Carrying Amount of Each Category of Financial Asset and Financial Liability

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Loans and Receivables at Amortised Cost</td>
<td>335,855</td>
<td>24,447</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>Payables at Amortised Cost</td>
<td>34,540</td>
<td>7,617</td>
</tr>
</tbody>
</table>

Fair Value of Financial Assets and Liabilities
The carrying amounts and fair value of financial assets and liabilities at the end of the reporting period are:

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and Cash Equivalents</td>
<td>12</td>
<td>3,537,602</td>
<td>3,537,602</td>
<td>5,052,017</td>
</tr>
<tr>
<td>Receivables</td>
<td>13</td>
<td>335,855</td>
<td>335,855</td>
<td>24,447</td>
</tr>
<tr>
<td>Total Financial Assets</td>
<td>12</td>
<td>3,873,457</td>
<td>3,873,457</td>
<td>5,076,474</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>16</td>
<td>34,540</td>
<td>34,540</td>
<td>7,617</td>
</tr>
<tr>
<td>Total Financial Liabilities</td>
<td>16</td>
<td>34,540</td>
<td>34,540</td>
<td>7,617</td>
</tr>
</tbody>
</table>

All financial assets and liabilities are measured subsequent to initial recognition at amortised cost. As such, no fair value hierarchy disclosures have been made.
20 COMMITMENTS

Motor Vehicle Leases
The Authority has three non-cancellable operating leases for motor vehicles. The leases, each for a period of 24 months, expire on the following dates: 3 December 2015, 17 March 2016 and 2 June 2016. The leases are not renewed at the end of the lease period and where appropriate, new leases are entered into.

Office Premises Lease
The Authority has entered into a non-cancellable operating lease for its office premises. The lease is for three years from 1 July 2013. The lease contains a condition that the premises are returned to the same condition as before the lease commenced. The cost to restore the premises is estimated to be minor, as no renovations or alterations have been made, therefore no provision for make good expenses has been made.

Non-cancellable operating lease commitments are payable as follows:

<table>
<thead>
<tr>
<th></th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within one year</td>
<td>53,658</td>
<td>64,832</td>
</tr>
<tr>
<td>Later than one year and not later than five years</td>
<td>-</td>
<td>51,510</td>
</tr>
<tr>
<td><strong>Total Operating Lease Commitments</strong></td>
<td>53,658</td>
<td>116,342</td>
</tr>
</tbody>
</table>

All amounts shown in the Commitments note are inclusive of GST.

21 CASH FLOW RECONCILIATION

a) Reconciliation of Cash and Cash Equivalents at the End of the Reporting Period in the Cash Flow Statement to the Equivalent Items in the Balance Sheet:

Cash and Cash Equivalents recorded in the Balance Sheet:

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Account</td>
<td>1,439,071</td>
<td>312,394</td>
</tr>
<tr>
<td>Reserve Fund</td>
<td>3,612,946</td>
<td>3,224,988</td>
</tr>
<tr>
<td>Petty Cash</td>
<td>-</td>
<td>220</td>
</tr>
<tr>
<td><strong>Cash and Cash Equivalents at the End of the Reporting Period as Recorded in the Cash Flow Statement</strong></td>
<td>5,052,017</td>
<td>3,537,602</td>
</tr>
</tbody>
</table>

b) Reconciliation of Net Cash (Outflows)/Inflows from Operating Activities to the Operating Surplus

Operating (Deficit)/Surplus: (1,204,610) 196,576

Add: Non-Cash Items:
Depreciation 1,265 10,090

Changes in Operating Assets and Liabilities:
Decrease/(Increase) in Receivables 13,201 (4,469)
Increase in Accrued Income (335,854) -
Increase/(Decrease) in Other Assets (2,917) (841)
Increase in Payables 26,923 3,219
Decrease in Employee Benefits (6,819) (50,193)

Net Cash (Outflows)/Inflows from Operating Activities (1,508,811) 154,382
22 BUDGETARY REPORTING

The following are brief explanations of major line item variances between budget estimates and actual outcomes. Variances are considered to be major variances if both of the following criteria are met:

(a) The line item is a significant line item: the line item actual amount accounts for more than 10% of the relevant associated category (Income, Expenses and Equity totals) or sub-element (e.g. Current Liabilities and Receipts from Operating Activities totals) of the financial statements: and

(b) The variances (original budget to actual) are greater than plus (+) or minus(-) 10% of the budget for the financial statement line item.

<table>
<thead>
<tr>
<th>Operating Statement Line Items</th>
<th>Actual 2014-15 $</th>
<th>Original Budget 2014-15 $</th>
<th>Variance $</th>
<th>Variance %</th>
<th>Variance Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Training Program Expenses</td>
<td>4,416,921</td>
<td>2,850,000</td>
<td>1,566,921</td>
<td>54.98</td>
<td>Asbestos Awareness training was mandated under ACT WHS regulation after the budget was approved. As a result there was a significantly higher number of requests for training funding. The additional costs were not anticipated in the original budget.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Sheet Line Items</th>
<th>Actual 2014-15 $</th>
<th>Original Budget 2014-15 $</th>
<th>Variance $</th>
<th>Variance %</th>
<th>Variance Explanation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash &amp; Cash Equivalents</td>
<td>3,537,602</td>
<td>5,074,000</td>
<td>(1,536,398)</td>
<td>30.28</td>
<td>Asbestos Awareness training was mandated under ACT WHS regulation after the budget was approved. As a result there was a significantly higher number of requests for training funding, which was funded from cash reserves.</td>
</tr>
<tr>
<td>Receivables</td>
<td>424,734</td>
<td>98,000</td>
<td>326,734</td>
<td>333.40</td>
<td>Training Levies have historically been remitted to the Authority in the period in which they have been collected. Levy income for June was not received by the Authority until July. As a result an unbudgeted Receivables balance existed at the end of the reporting period.</td>
</tr>
</tbody>
</table>

\(^1\) Original budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect to the reporting period (2014-15 Statement of Intent).
## 22 BUDGETARY REPORTING (CONTINUED)

<table>
<thead>
<tr>
<th>Balance Sheet Line Items (continued)</th>
<th>Actual 2014-15 $</th>
<th>Original Budget(^1) 2014-15 $</th>
<th>Variance $</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payables</td>
<td>34,540</td>
<td>4,000</td>
<td>30,540</td>
<td>763.50</td>
</tr>
</tbody>
</table>

Training Program Expenses have historically been paid by the Authority in the period in which the expense has been incurred and invoiced. Training expenses incurred during the reporting period had not been invoiced to the Authority until July. As a result an unbudgeted Payables balance existed at the end of the reporting period.

| Employee Benefits (Aggregated)     | 62,604         | 88,000                          | (25,396)    | 28.86      |

Long Service Leave paid due to the resignation of a long term staff member during the reporting period was not included in the budget.

### Statement of Changes in Equity

<table>
<thead>
<tr>
<th>Cash Flow Statement Line Items</th>
<th>Actual 2014-15 $</th>
<th>Original Budget(^1) 2014-15 $</th>
<th>Variance $</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments to Suppliers</td>
<td>4,662,143</td>
<td>3,068,000</td>
<td>1,594,143</td>
<td>51.96</td>
</tr>
</tbody>
</table>

Asbestos Awareness training was mandated under ACT WHS regulation after the budget was approved. As a result there was a higher number of requests for training funding and as a result there was an increased unbudgeted cash flow to training providers.

\(^1\) Original budget refers to the amounts presented to the Legislative Assembly in the original budgeted financial statements in respect to the reporting period (2014-15 Statement of Intent).
BUILDING AND CONSTRUCTION INDUSTRY
TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2015

23 RELATED PARTY TRANSACTIONS

The following organisations, which are represented on the Board (see Note 24 Key Management Personnel), received funding from the Authority for training programs. The funding was provided in accordance with the training plan and was paid in accordance with normal terms and conditions. The Board members representing relevant organisations did not participate in the funding decisions.

<table>
<thead>
<tr>
<th>Organisation</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electrotechnology Energy Advisory Board</td>
<td>22,700</td>
<td>16,500</td>
</tr>
<tr>
<td>Electro Group Training</td>
<td>442,736</td>
<td>241,450</td>
</tr>
<tr>
<td>ACT Regional Building and Construction Industry Training Council</td>
<td>123,589</td>
<td>87,128</td>
</tr>
<tr>
<td>Creative Safety Initiatives</td>
<td>-</td>
<td>442,886</td>
</tr>
<tr>
<td>Housing Industry Association of the ACT/NSW</td>
<td>373,157</td>
<td>200,418</td>
</tr>
<tr>
<td>Master Builders Association of the ACT</td>
<td>883,339</td>
<td>579,766</td>
</tr>
<tr>
<td>CIC Australia Ltd</td>
<td>720</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,846,221</td>
<td>1,568,148</td>
</tr>
</tbody>
</table>

Variances in the amounts funded from year to year reflect the amounts applied for by the relevant associations.

24 KEY MANAGEMENT PERSONNEL

Governing Board Members Appointed by the Minister

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Representing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr James Service</td>
<td>Chairman</td>
<td>Independent</td>
</tr>
<tr>
<td>Mr Stuart Sampson</td>
<td>Member</td>
<td>Housing Industry Association ACT/NSW</td>
</tr>
<tr>
<td>Mr Rod Milton</td>
<td>Member</td>
<td>Master Builders Association of the ACT</td>
</tr>
<tr>
<td>Mr Jason O'Mara</td>
<td>Member</td>
<td>Construction, Forestry, Mining and Energy Union (ACT Branch)</td>
</tr>
<tr>
<td>Mr Neville Betts</td>
<td>Member</td>
<td>Electrical Trades Union</td>
</tr>
</tbody>
</table>

Specified Executives

Mr Glenn Carter        | Chief Executive Officer

Total Compensation Payable to Key Management Personnel

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Board sitting fees</td>
<td>28,276</td>
<td>24,205</td>
</tr>
<tr>
<td>Short-term employee benefits, consisting of salary, fringe benefits and annual leave expense</td>
<td>152,933</td>
<td>194,225</td>
</tr>
<tr>
<td>Post-employment benefits, consisting of contributions to superannuation funds</td>
<td>16,430</td>
<td>40,541</td>
</tr>
<tr>
<td>Other long term employee benefits, consisting of provision for long service leave expense</td>
<td>4,755</td>
<td>16,078</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>202,394</td>
<td>275,049</td>
</tr>
</tbody>
</table>
BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AUTHORITY

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2015

25 PRINCIPAL PLACE OF BUSINESS

The registered office and principal place of business of the Authority is:

Suite 6, National Associations Centre
71 Constitution Avenue
CAMPBELL  ACT

The Authority operates solely within the Australian Capital Territory.
C.3 Capital Works

The Authority did not carry out any capital works in the reporting period.

C.4 Asset Management

1. Assets Managed

The assets managed by the Authority are:

- leased office accommodation.
- furniture and fittings.
- information technology resources and equipment which includes:
  - HP ProLiant ML330 G6 server;
  - three printers;
  - three computer workstations; and
  - one laptop computer.

2. Assets Maintenance and Upgrade

The Authority replaced three PC and monitors in accordance with its Risk Management and Business Continuity plan that proposes upgrades to PC equipment are carried out every five years.

3. Office Accommodation

The Authority’s staff are located in leased office accommodation at Suite 6, National Associations Centre, 71 Constitution Avenue, Campbell, ACT.

Total office area is 50m², with the three administrative staff members located in an open plan arrangement with individual workstations complying with the minimum requirement of 15m² per office employee.

There are no future accommodation plans in place as the Authority does not anticipate any increase in its current staffing level.

C.5 Government Contracting

The Authority did not engage any contractors or consultants during the reporting period.
STATEMENT OF PERFORMANCE
FOR THE YEAR ENDED 30 JUNE 2015

STATEMENT OF RESPONSIBILITY

To the best of my knowledge the Statement of Performance is in agreement with the Building and Construction Industry Training Fund Authority records and fairly reflects the services performance of the Authority for the year ended 30 June 2015 and also fairly reflects the judgements exercised in preparing it.

James G Service
Chairman
Building and Construction Industry Training Fund Authority

September 2015
REPORT OF FACTUAL FINDINGS

BUILDING AND CONSTRUCTION INDUSTRY TRAINING FUND AUTHORITY

To the Members of the ACT Legislative Assembly

Report on the statement of performance

The statement of performance of the Building and Construction Industry Training Fund Authority (the Authority) for the year ended 30 June 2015 has been reviewed.

Responsibility for the statement of performance

The Governing Board of the Authority is responsible for the preparation and fair presentation of the statement of performance in accordance with the Financial Management Act 1996. This includes responsibility for maintaining adequate records and internal controls that are designed to prevent and detect fraud and error, and the systems and procedures used to measure the results of the accountability indicators reported in the statement of performance.

The auditor’s responsibility


The review was conducted in accordance with Australian Auditing Standards applicable to review engagements, to provide assurance that the results of the accountability indicators reported in statement of performance have been fairly presented in accordance with the Financial Management Act 1996.

A review is primarily limited to making inquiries with representatives of the Authority, performing analytical and other review procedures and examining other available evidence. These review procedures do not provide all of the evidence that would be required in an audit, therefore, the level of assurance provided is less than that given in an audit. An audit has not been performed and no audit opinion is being expressed on the statement of performance.
The review did not include an assessment of the relevance or appropriateness of the accountability indicators reported in the statement of performance or the related performance targets.

No opinion is expressed on the accuracy of explanations provided for variations between actual and targeted performance due to the often subjective nature of such explanations.

**Electronic presentation of the statement of performance**

Those viewing an electronic presentation of this statement of performance should note that the review does not provide assurance on the integrity of information presented electronically, and does not provide an opinion on any other information which may have been hyperlinked to or from the statement of performance. If users of the statement of performance are concerned with the inherent risks arising from the electronic presentation of information, they are advised to refer to the printed copy of the reviewed statement of performance to confirm the accuracy of this electronically presented information.

**Independence**

Applicable independence requirements of Australian professional ethical pronouncements were followed in conducting the review.

**Review opinion**

Based on the review procedures, no matters have come to my attention which indicate that the results of the accountability indicators, reported in the statement of performance of the Authority for the year ended 30 June 2015, are not fairly presented in accordance with the Financial Management Act 1996.

This review opinion should be read in conjunction with the other information disclosed in this report.

Malcolm Prentice  
Acting Director, Financial Audits  
4 September 2015
## Building and Construction Industry Training Fund Authority
### Statement of Performance
#### For the Year Ended 30 June 2015

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>Original Target 2014-15</th>
<th>Actual Result 2014-15</th>
<th>% Variance from Original Target</th>
<th>Explanatory Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure that the training programs funded by the Authority are conducted in accordance with the functions of the Authority and the Authority’s funding agreements.</td>
<td>The Authority will conduct audits of Authority funded training programs.</td>
<td>Conduct 25 audits.</td>
<td>The Authority conducted 87 audits of Authority funded training programs.</td>
<td>248.0%</td>
<td>1</td>
</tr>
<tr>
<td>Ensure the funding available for its approved training programs is sufficiently budgeted.</td>
<td>The Authority will have the funds available to fund its approved training programs.</td>
<td>The Authority expects to fund $2.850 million in training program expenses consistent with the approved training program.</td>
<td>The Authority funded $4.416 million in approved training program expenses.</td>
<td>54.9%</td>
<td>2</td>
</tr>
<tr>
<td>Ensure the ongoing funding of entry-level apprentices at Group Training Organisations.</td>
<td>The Authority will continue to fund entry-level placements each year at Group Training Organisations.</td>
<td>The Authority will provide funding for 350 entry-level placements at Group Training Organisations each year.</td>
<td>The Authority funded 328 entry-level placements at Group Training Organisations.</td>
<td>(6.2 %)</td>
<td>3</td>
</tr>
<tr>
<td>Prepare and submit the Authority’s annual Training Plan for approval by the Minister by the legislated date.</td>
<td>Obtain approval of the Training Plan from the Minister for Education and Training by the legislated date.</td>
<td>Training Plan to be approved by the Minister for Education and Training by 31 October 2014.</td>
<td>The Training Plan was approved by the Minister for Education and Training on 30 October 2014.</td>
<td>–</td>
<td></td>
</tr>
<tr>
<td>Ensure the Authority provides on the job training incentives to employers of first year apprentices in trades nominated as skill shortage trades by the Authority.</td>
<td>Provide funding to employers of first year apprentices in trades nominated as skill shortage trades by the Authority.</td>
<td>Provide funding of $50,000 to employers of first year apprentices in trades nominated as skill shortage trades by the Authority.</td>
<td>The Authority provided $317,000 to employers of first year apprentices in trades nominated as trades with a skill shortage.</td>
<td>534.0%</td>
<td>4</td>
</tr>
</tbody>
</table>
# Building and Construction Industry Training Fund Authority

## Statement of Performance
For the Year Ended 30 June 2015

<table>
<thead>
<tr>
<th>Objective</th>
<th>Activity</th>
<th>Original Target 2014-15</th>
<th>Actual Result 2014-15</th>
<th>% Variance from Original Target</th>
<th>Explanatory Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure funding of training positions for existing workers in accordance with the approved training programs.</td>
<td>The allocation of funding is provided in accordance with the approved training programs.</td>
<td>Provide funding for 6,000 existing worker positions in accordance with the approved training programs.</td>
<td>The Authority funded approved training positions for 17,280 existing workers.</td>
<td>188.0%</td>
<td>5</td>
</tr>
<tr>
<td>Manage the Training Fund Authority’s resources to achieve the budgeted financial result.</td>
<td>Maintain a healthy current ratio over the budget and forward years.</td>
<td>A current ratio of greater than 43.9:1</td>
<td>47.7:1</td>
<td>8.6%</td>
<td>6</td>
</tr>
</tbody>
</table>

**NOTES:** The above accountability indicators should be read in conjunction with the accompanying notes.

1. The Training Fund Authority determined that it was timely to conduct additional audits of training programs provided by Registered Training Organisations, as a result of a higher number of additional training programs funded and participants completing training as a result of the regulated mandating of asbestos awareness training for all construction occupations.

2. The Training Fund Authority expended $1,566,921 more than its target on training programs. This was due to a higher amount of funding provided for WH&S training programs rebates as a result of new regulations mandating asbestos awareness training for all construction occupations effective from 1 July 2014, and an increased amount of training incentives provided for skills shortages trades.

3. The Training Fund Authority funded 328 entry-level placements at Group Training Organisations, 22 places lower than the target. Group Training Organisations employed fewer apprentices in 2014-15, due to a lower demand from host employers as a result of lower volume of construction in residential and commercial building work being undertaken in 2014-15. The actual result is the average of the quarterly entry level placement figures provided to the Training Fund Authority by Group Training Organisations.

4. Due to the Training Fund Authority’s Skill Shortage Incentive for first year apprentices, employers in the building and construction industry employed additional first year apprentices in bricklaying, glass and glazing, solid plastering, wall and floor tiling, refrigeration and air-conditioning, wall and ceiling lining, roof tiling, painting and decorating and metal fabrication – light and heavy. These additional apprentices will assist the future skill shortage problem in the industry.
5. The Training Fund Authority funded an additional 11,280 approved training positions for existing workers. The variance from target was due to the Training Fund Authority funding a higher number of training programs and higher number of participants completing programs, in particular, the mandated asbestos awareness training from 1 July 2014, requiring all construction occupations to be trained in the VET course Asbestos Awareness.

6. Current Ratio = Current Assets / Current Liabilities. (The actual result was higher than target due to higher current assets. Cash and cash equivalents held by the Authority at 30 June 2015 were higher than expected in the budget as a result of higher levy income received. Current liabilities as at 30 June 2015 were lower than expected due to a lower employee benefit provision).
Section D – Community Engagement and Support

During the reporting period the Authority consulted with relevant industry sectors and stakeholders for the collection of data for the development of the 2015 Training Plan.

The consultation process applied at three levels including:

1. ACT Regional Building and Construction Industry Training Council provided reports to the Authority on building and construction training issues.

2. The Electrotechnology and Energy Advisory Board provided training needs advice to the Authority from the electrotechnology and electricity supply sectors.

3. The Authority also undertook industry consultation with other industry stakeholders.

Following are samples of stakeholders consulted:

Organisations

<table>
<thead>
<tr>
<th>ACT &amp; Region Chamber of Commerce &amp; Industry</th>
<th>Master Builders Association of the ACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTewAGL</td>
<td>Master Plumbers Association of the ACT</td>
</tr>
<tr>
<td>Construction Forestry Mining &amp; Energy Union</td>
<td>Master Painters Association – ACT</td>
</tr>
<tr>
<td>Communication, Electrical and Plumbing Union – ACT</td>
<td>National Association for Women in Construction</td>
</tr>
<tr>
<td>Civil Contractors Federation</td>
<td>Communications Electrical Plumbing Union / Electrical Trades Union</td>
</tr>
<tr>
<td>Housing Industry Association – ACT and Southern NSW Region</td>
<td></td>
</tr>
</tbody>
</table>

Registered Training Organisations and Group Training Organisations

<table>
<thead>
<tr>
<th>1300 Apprentice</th>
<th>Housing Industry Association Group Training</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACTEW</td>
<td>Lemke Timber Training</td>
</tr>
<tr>
<td>Australian Training Company</td>
<td>Master Builders Group Training</td>
</tr>
<tr>
<td>Canberra Institute of Technology</td>
<td>National Electrical Contractors Association</td>
</tr>
<tr>
<td>Capital Training Institute</td>
<td>Southern Training Organisation</td>
</tr>
<tr>
<td>Creative Safety Initiatives</td>
<td>YC Industry Link</td>
</tr>
<tr>
<td>Electro Group Training</td>
<td>Loadwise</td>
</tr>
</tbody>
</table>

Regulatory Bodies

<table>
<thead>
<tr>
<th>ACT Planning and Land Authority</th>
<th>ACT Government - Office of Regulatory Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT Government - Education and Training Directorate</td>
<td>ACT Land Development Agency</td>
</tr>
</tbody>
</table>
Also consulted were organisations within the commercial, housing and civil sectors in the ACT.

The ACT Regional Building and Construction Industry Training Council, Electrotechnology and Energy Advisory Board and the Authority used the following tools to engage stakeholders and the community in the development of the 2015 Training Plan:

- Formal surveys
- Newsletters
- Direct mail
- Industry functions
- Direct contact interviews
- Electronic
- Industry magazines & journals
- Workshops

Through extensive research and consultation with the abovementioned industry participants and stakeholders, the Authority produced the 2015 Training Plan which reflects training priorities identified during this process.

**Community Grants / Assistance / Sponsorship**

The Authority provided the following sponsorship to support community activities associated with the building and construction industry. It also provided sponsorship funding to encourage and promote quality in apprenticeships and excellence in the building and construction industry in the ACT.

<table>
<thead>
<tr>
<th>Organisation / Recipient</th>
<th>Project Description / Sponsorship</th>
<th>Amount $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Industry Training Council</td>
<td>Graduating Apprentice and Industry Encouragement Awards</td>
<td>5,000</td>
</tr>
<tr>
<td>Construction Charitable Works</td>
<td>Drug and Alcohol Education Program</td>
<td>6,250</td>
</tr>
<tr>
<td>Housing Industry Association ACT/SNSW</td>
<td>Housing Industry Awards and Apprenticeship Award</td>
<td>4,500</td>
</tr>
<tr>
<td>Master Plumbers Association</td>
<td>Apprenticeship Awards</td>
<td>4,500</td>
</tr>
<tr>
<td>Master Builders Association of the ACT</td>
<td>Excellence in Building Awards</td>
<td>4,000</td>
</tr>
<tr>
<td>Master Builders Group Training</td>
<td>Apprenticeship Award</td>
<td>700</td>
</tr>
<tr>
<td>NAWIC</td>
<td>Awards of Excellence</td>
<td>4,000</td>
</tr>
<tr>
<td>National Electrical Contractors Association</td>
<td>Excellence and Apprentice Awards</td>
<td>4,000</td>
</tr>
<tr>
<td>Australian Property Institute, ACT Division</td>
<td>Young Achiever Award</td>
<td>4,000</td>
</tr>
<tr>
<td>ACT Government - Education and Training Directorate</td>
<td>ACT Training Excellence Awards</td>
<td>2,000</td>
</tr>
<tr>
<td>Worldskills Australia</td>
<td>Regional Worldskills Competition</td>
<td>4,000</td>
</tr>
</tbody>
</table>
Section E – Justice and Community Safety

E.1 Bushfire Risk Management

The Authority is neither a manager of unleased Territory Land nor the owner (i.e. lessee or occupier) of Territory Land, therefore has no reporting requirements under the Emergencies Act 2004 (Section 85).

E.2 Freedom of Information

During the reporting period there were no requests made to the Authority from members of the public for information under Sections 7, 8 and 79 of the Freedom of Information Act 1989.

Section 7 Statement

The functions and operations of the Authority are detailed in Part B.1 – Organisation Overview.

All sectors within the building and construction industry (employers and employees) are represented on the board of the Authority by members who have equal representation. The staff of the Authority formulates policy and administers procedures.

The Authority’s website contains information on all programs which the Authority administers. It also advises eligible persons how they can obtain training funds for professional development training.

The Authority is centrally located on the ground floor of the National Associations Centre, 71 Constitution Avenue, Campbell, ACT, where there is adequate parking and reasonable disabled access.

Section 8 Statement

The Authority carries documents and information brochures for the purpose of informing the community of its statutory responsibilities, governance and powers.

Information available includes:

- Australian Apprenticeships in the ACT Building and Construction, Electrical and Horticultural Industries brochure.
- Australian Forum of Construction Industry Training Funds brochure.
- Annual Training Plans.
- Annual Reports.
- Professional Development Information brochure.
- Additional On-the-Job Training Incentives Flyer – Skill Shortage Trades.
- Funding for Industry Training brochure and applications forms.
- ‘Women in Building and Construction’ brochure, posters and DVD.
- Bi-monthly newsletters.

Additional information can be downloaded from the website and all hard copies are freely available. All of the Authority’s information material, including it’s website, is regularly amended or updated to ensure it contains up-to-date and relevant information.

- The Authority’s website address is: www.trainingfund.com.au

Section 79 Statement

During the reporting period there were no requests made to the Authority from members of the public for information under Section 79 or requests under the Freedom of Information Act 1989.

E.3 Human Rights

The Authority supports and works to the principles outlined in the Human Rights Act 2004 to respect, protect and promote human rights.

In its commitment to ensure human rights standards are incorporated into the Authority’s operation, the following measures have been taken to respect, protect and promote human rights:

- All employees were provided with a copy of the Human Rights Act 2004;
- All employees were provided with a copy of the Discrimination Act 1991;
- An EEO / Harassment Policy was formulated and promulgated to all staff;
- The Authority operates in an environment of open communication;
- Staff members are encouraged to attend regular staff meetings and corporate planning workshops; and
- All existing and potential clients as well as staff are treated with respect, dignity and equality.

E.4 Legal Services Directions

This report is prepared in accordance with section 15 of the Law Officer Act 2011.

The Chief Executive Officer has the following procedures in place to ensure that the Authority is aware of and complying with the Guidelines.

(1) All instructions in relation to disputes are passed to the Chief Executive Officer and a report is available to the board of the Authority in relation to the progress of matters;

(2) The Authority’s legal services are provided by Bradley Allen Love Lawyers, which reviews the Authority’s instructions to ensure compliance with the guidelines. The Authority is able to rely upon Bradley Allen Love Lawyers to identify those matters where a question arises as to compliance with the Model Litigant Guidelines and to address it or elevate it within the Authority as appropriate; and
No breaches of the Model Litigant Guidelines by the Authority occurred during the financial year.

Section F – Public Sector Standards and Workforce Profile

F.1 Culture and Behaviour

The Authority’s staff are aware of and adhere to the Government’s ethical standards and guidelines and appropriate behaviour through staff meetings, in-house training sessions, ongoing staff feedback and regular performance appraisals. All staff adhere to the values and standards of the Australian Capital Territory Public Service Code of Conduct.

F.2 Public Interest Disclosure

The purpose of the Public Interest Disclosure Act 2012 is to encourage the disclosure of improper conduct. The Act requires the Authority, as a Statutory Authority of the ACT Government, to establish and maintain procedures to facilitate the making of public interest disclosures.

The Authority’s Public Interest Disclosure guidelines advises persons interested in making a disclosure to do so to the Authority’s Chief Executive Officer, the Authority’s board or the ACT Ombudsman. No public interest disclosures were reported during the reporting period.

F.3 Workforce Profile

The Authority has completed and provided the workforce profile data at B.8 Human Resource Management.

Section G – Territory Records

The Authority is aware of its statutory responsibilities under the Territory Record Act 2002 and retains all records (electronically or hard copy format) relating to the collection of the training levy and the programs it administers.

The Authority has taken steps to ensure compliance with the Territory Records Act 2002. The Authority’s records management program is accurate and accountable to the Act.

The public are able to inspect the records management program at the Training Fund Authority’s registered office.
## Attachment 1

### Compliance Index

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<tr>
<td>Transmittal Certificate:</td>
<td>5</td>
</tr>
<tr>
<td>Workforce profile</td>
<td>75</td>
</tr>
<tr>
<td>Work Health and Safety</td>
<td>25</td>
</tr>
</tbody>
</table>
COMPLIANCE STATEMENT


The Compliance Statement indicated the subsections, under the five parts of the Directions, which are applicable to the Authority and the location of information that satisfies these requirements:

PART 1 – DIRECTIONS OVERVIEW

The requirements under part 1 of the 2015 Directions relate to the purpose, timing and distribution, and records keeping of annual reports. The 2014-2015 Authority Annual Report complies with all subsections of Part 1 under the Directions.

In compliance with section 13 Feedback, Part 1 of the Directions, contact details for the Authority are provided within the 2014-2015 Authority’s Annual Report to provide readers with the opportunity to provide feedback.

PART 2 – AGENCY ANNUAL REPORT REQUIREMENTS

The requirements within Part 2 of the Directions are mandatory for all agencies and the Authority complies with all subsections. The information that satisfies the requirements of Part 2 is found in the 2014-2015 Authority Annual Report as follows:

- Transmittal Certificate, see page 5.
- Organisational Overview and Performance, inclusive of all subsections, see pages 7-30.
- Financial Management Reporting, inclusive of all subsections, see pages 31-70.

PART 3 – REPORTING BY EXCEPTION

The Authority has nil information to report by exception under Part 3 of the Directions for the 2014-15 Reporting Period.

PART 4 – AGENCY SPECIFIC ANNUAL REPORT REQUIREMENTS

The Authority has no agency specific reporting obligation under the Directions.
PART 5 – WHOLE OF GOVERNMENT ANNUAL REPORTING

The Authority does not participate in whole of Government reporting. Consistent with the Directions, the information in relevant sub-sections that satisfy requirements in Part 5 are reported as follows:

- Community Engagement and Support, see pages 71-72
- Justice and Community Safety, including all subsections E.1 – E.4, see pages 73-75.
- Public Sector Standards and Workforce Profile including all subsections F.1 – F.3 see pages 75.
- Territory Records page 75