
2018 - 2019

ANNUAL REPORT

Tasmanian Building and
Construction Industry
Training Board



Funding quality training for the industry



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HIGHLIGHTS OF 2018-19

Facilitation of 1,445 training courses for 8,325 participants resulting in 119,627 contact hours of training.

Direct applications for funding for training from companies reached 1,935.

CENTRE FOR EXCELLENCE PROGRAMS

- Continuation of the Board's upskilling incentive program for experienced and mature aged industry members. A total of 39 industry members are still active in the program as at 30 June 2019.
 - Continuation of the Certificate III Apprentice Completion Bonus Program to help address concerns about apprenticeship retention. A total of 8 industry participants are in the program as at 30 June 2019.
 - Commencement of the Small Business Apprenticeship Incentive Program
 - Continued support for the Bachelor of Building Degree students.
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INDUSTRY/GOVERNMENT PARTNERSHIP ARRANGEMENTS

- Promotion of careers in the building and construction industry to 2,210 school students throughout the state through funding provided to Master Builders Tasmania for the Building and Construction Pathways Program and the Housing Industry Association youthBUILD Program
- Working with the Department of Education regarding the promotion of construction careers in schools.
- Working with Skills Tasmania and other partners on the City Deal – Building Launceston’s Apprenticeship Pipeline Project.
- Continuation of the Board’s Memorandum of Understanding with the Department of State Growth.
- Implementation of a Memorandum of Understanding with the Macquarie Point Development Corporation for building information modelling and training opportunities.
- Implementation of a Memorandum of Understanding with the Oatlands Heritage Education and Skills Centre.
- Continuation of a Memorandum of Understanding with St John for the provision of First Aid courses to the industry.
- Convening of an Industry Forum in accordance with Section 8A of the *Building and Construction Industry Training Fund Act*.
- Membership participation in the Australian Forum of Construction Industry Training Funds (AFCITF).

PROJECTS AND PUBLICATIONS

- Conduct of industry consultations including through industry associations about the changes to the building regulatory framework introduced by the Tasmanian Government.
- Ongoing development of workforce development plans for building surveying, civil construction, fire protection services and plumbing sectors as well as heritage construction, middle management training and women in construction.
- Collaboration with the University of Newcastle and other industry partners on research to better understand the industry capabilities relevant to the uptake of new technologies such as Building Information Modelling.
- Facilitation of industry feedback and contributing to the redevelopment of the national Construction Training Package.
- Consultation with the Tasmanian Government regarding building and construction apprenticeship issues.
- Continued work on Mentoring for Building and Construction Apprentices and Trainees including exploring the role of industry associations in work placement through their members, e.g., Tasmanian Independent Builders Association.
- Submission of the Training Plan for 2019-2020 in accordance with Section 34 of the *Building and Construction Industry Training Fund Act*.
- Published the State of the Industry Report 2019.
- Upgraded the TBCITB website to provide information on career pathways, heritage construction, and building information modelling as well as include a training calendar.

MESSAGE FROM THE CHAIRPERSON

The year 2018-19 has been another eventful year for the Board. As the Minister's principal adviser on all matters relating to workforce development in the building and construction industry, the Board has been working with a wide range of industry stakeholders to develop and implement specific workforce development plans. This year, the Board has made progress on those plans for building surveying, civil construction, fire protection services and plumbing sectors as well as heritage construction, middle management training and women in construction.

In addition, the Board has collaborated with various partners including the Department of State Growth and Macquarie Point Development Corporation for specific projects. Among those projects are the Launceston Apprentice Pipeline Project which is designed to maximise the opportunities available to local people by improving their job readiness and placing them into apprenticeships; and the Application of Building/Precinct Information Modelling Project which will hopefully generate support for a Tasmanian Government Construction Technology Policy.

In 2018-19, the Board facilitated near record levels of training - 1,445 courses for 8,325 participants, an overall investment of \$2.14 million for courses and related expenses.

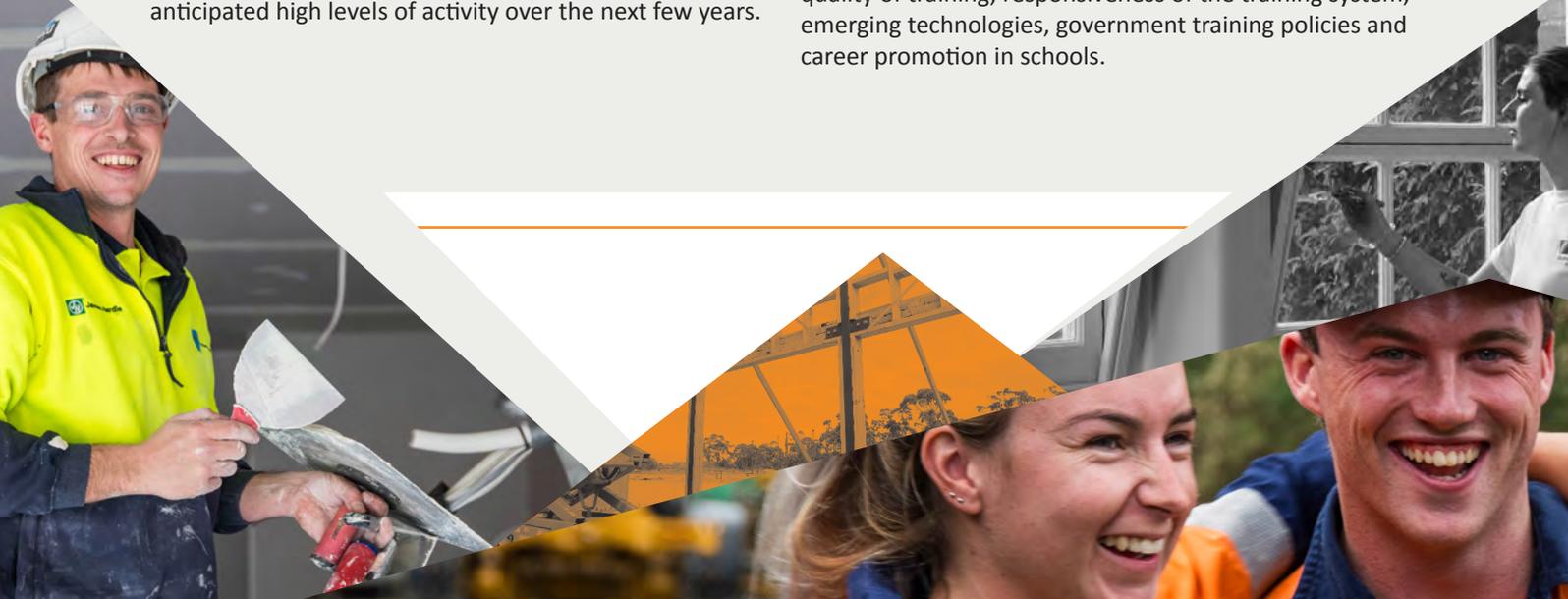
As at 30 June 2019, the Board has forward commitments and contingent liabilities of \$1,498,400 for apprenticeship programs through to 30 June 2024. These commitments and liabilities are fully funded.

The recent state of the industry has meant that numbers of apprenticeships, the highest priority entry point to industry, have remained strong. The Board, however, continued to offer carefully targeted incentive programs to encourage apprenticeships, particularly to respond to anticipated high levels of activity over the next few years.

Through consultation, the Board has identified the following major issues for the industry:

- The Tasmanian building and construction industry continues to experience high activity levels expected to be around \$2.8 billion for at least the next two years.
- More major projects in the north of the state are expected to happen within the next two years coinciding with the completion of significant projects in southern Tasmania.
- The industry employed 22,300 as at May 2019, six per cent more than in August 2018 (21,000). Because employment generally follows the trend in construction activity, the demand for workers statewide is expected to be relatively strong in the next two years.
- Industry's capacity to train is directly linked to the availability of building and construction work. Preliminary figures indicate that the industry employed 1,712 apprentices during 2018-2019. Numbers in traditional apprenticeships as well as other building and construction apprenticeships (mainly in civil construction) remain high.
- Non-completions of apprenticeships can still be improved (13 per cent of the numbers in training in 2017-2018).
- While trends are improving, work safety continues to be a key focus with building and construction accounting for 8.8 per cent of Tasmania's lost time injuries at an average cost of over \$10,934 per incident in 2018.

The Board continues to provide advice to the Government about the policies which impact upon construction regulatory frameworks, capital works and the industry more generally. Issues which have been discussed with the Minister and the Department of State Growth include activity levels, funding for training, quality of training, responsiveness of the training system, emerging technologies, government training policies and career promotion in schools.



The Board has been implementing its strategic plan for 2016-19. Also, the Board submits an Industry Training Plan to the Minister prior to each financial year for approval. These plans are based on the state of the industry (as described in the Board's annual State of the Industry Report), stakeholder consultation and the Board's assessment of the industry's future and propose recommended allocations to a range of skill and knowledge areas. The Minister approved the Board's 2019-20 Training Plan in June 2019.

The Board continues to support youth focused programs including the Building and Construction Pathways Program and youthBUILD. It also continues to offer programs designed to assist with specific industry need. A heritage skills transfer program provides assistance for the delivery of training to transfer knowledge and skills from experts or experienced practitioners to people working in the building and construction industry who are maintaining Tasmania's built heritage estate. The Board also created a Workplace Diversity Support and Sponsorship Program to promote diversity of employment (Aboriginal and Torres Strait Islanders, women, of non-English speaking backgrounds or have a disability) in the building and construction sector. The Board has produced support materials and videos to promote building and construction careers focused on senior high school students and heritage construction skills.

The Board also continues to assist industry prepare for emerging technologies. The Board and the Australian Institute of Building are continuing to work together through BIMHub to help Tasmanian practitioners prepare for the uptake of high level information and communication technologies including building information modelling.

For the future, the Board will be reviewing its strategic plan for the next three years. The Board's commitment to consultation and communication with industry participants continues to have a high priority including through regional workshops, public meetings and direct contact with all industry stakeholders. The Board will continue to develop its website and enhance its engagement with industry.

On behalf of the Board, I would like to thank Minister Rockliff for his support, and approval of the Board's Training Plan.

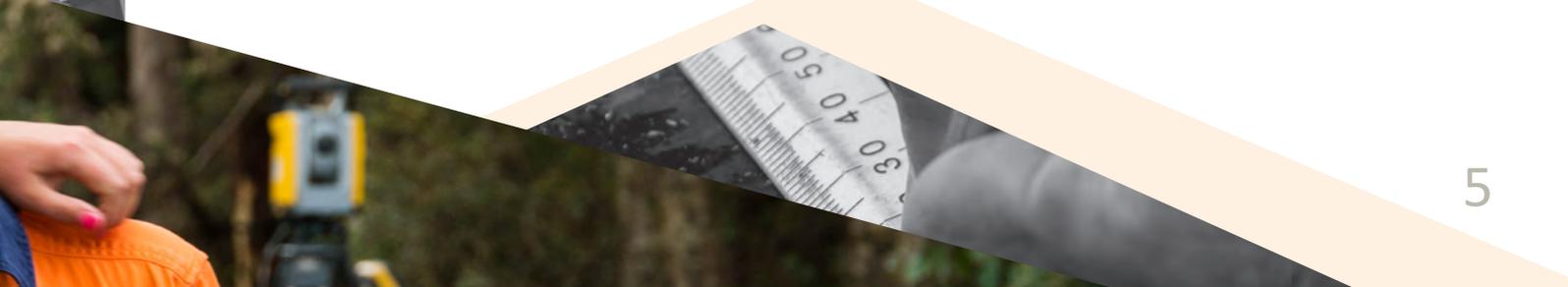
I also thank all Board members for their contribution. Special thanks to outgoing Board member Richard Lowrie who served for two terms on the Board. I wish him well for the future. We also welcome Traycee Di Virgilio on her appointment to the Board.

I would also like to thank the Board staff for their excellent work in supporting the Board and delivering its programs. Special recognition to our outgoing CEO, Simon Cocker, for successfully leading the organisation for nine years and a warm welcome to our new CEO, Dr Karin Mathison, who will start on 1 November 2019.

The Board would also like to thank the building and construction industry associations and practitioners for their continued support, collaboration and participation.



Tracy Matthews
Chairperson
TBCITB





THE TBCITB

The Tasmanian Building and Construction Industry Training Board is a statutory authority established under the *Tasmanian Building and Construction Industry Training Fund Act 1990*. The Board's vision is to ensure the Tasmanian community has a sustainable and highly skilled, innovative, safe and healthy building and construction workforce.



TBCITB PURPOSE

To advance workforce development in the building and construction industry through the provision of:

- Advice
- Funding
- Leadership
- Review
- Promotion
- Advocacy

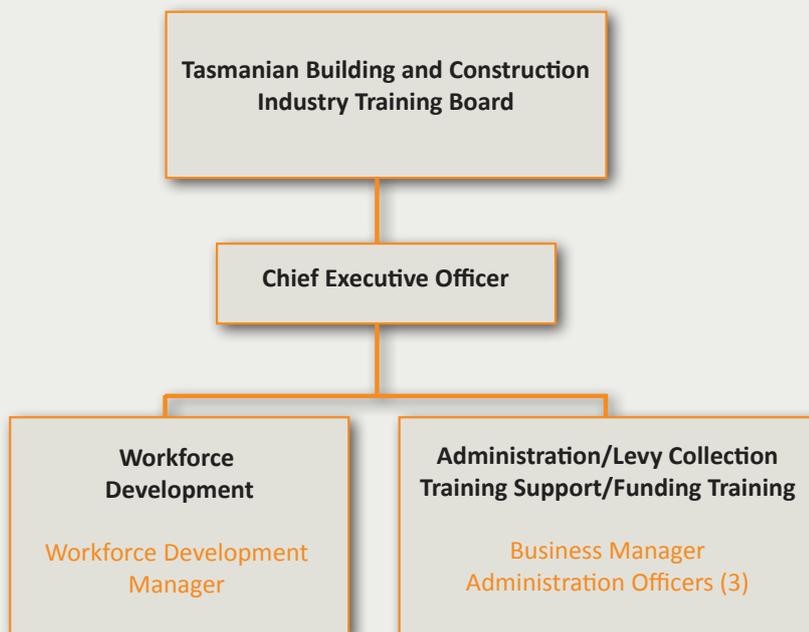
The Board holds these values to be fundamentally important:

- Industry focused
- Respectful
- Ethical
- Transparent
- Consultative
- Collaborative

The Board recognises that there are many stakeholders who make contributions to workforce development in the building and construction industry. The Board cooperates with all stakeholders to achieve the following objectives:

- To advise and advocate to the Minister and demonstrate independence on behalf of the industry.
- To lead workforce development for the building and construction industry.
- To maintain and develop relationships with targeted groups
- To meet the highest possible standards of prudent governance and administration.

TBCITB STRUCTURE





TBCITB FUNCTIONS

The Board is the principal adviser to the Minister on all matters relating to workforce development in the building and construction industry and, in particular, is to advise the Minister in relation to skill requirements for the building and construction industry and the training arrangements to meet those requirements.

In addition, the Board has the following functions:

- To promote training, and training pathways, in the building and construction industry.
- To promote the Board, and its aims and activities, to the building and construction industry.
- To liaise with appropriate training organisations and other bodies.
- To advise on, and provide input into, the development of training, and training pathways, within the building and construction industry.
- To review and evaluate existing training, and training pathways, within the building and construction industry.
- To promote equality of access to training, and training pathways, within the building and construction industry.
- To promote productivity, career opportunities and work safety within the building and construction industry through training and workforce development planning and pathways.
- To facilitate access to employer-provided training in the building and construction industry.
- To facilitate the equitable distribution, amongst employers in the building and construction industry, of resources relating to employment-related training.
- To facilitate the training of builders to improve skills and knowledge within the building and construction industry.

BOARD MEMBERSHIP

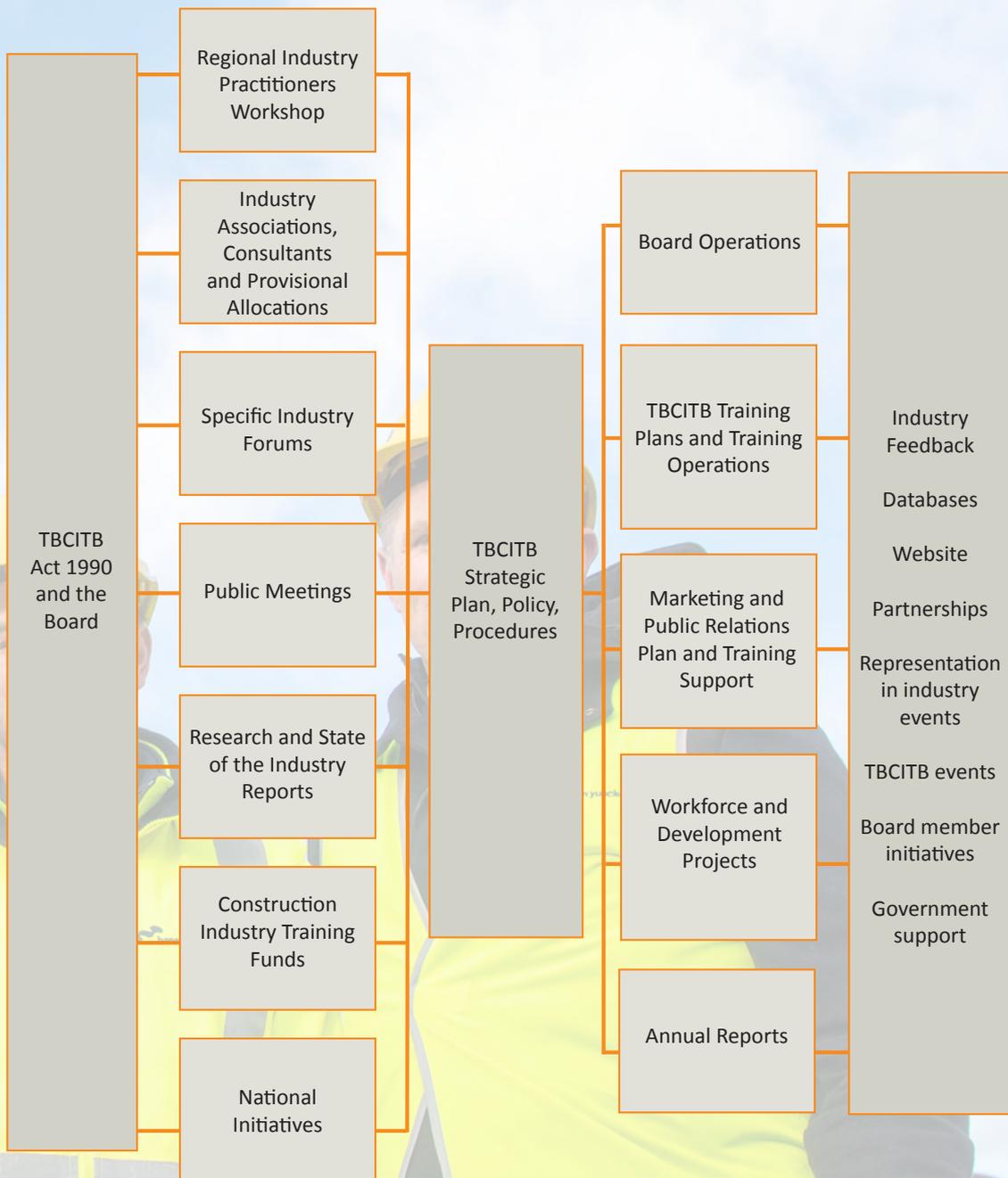
As per Section 5 of the *Building and Construction Industry Training Fund Act 1990*, the Minister appointed the following members:

- Ms Tracy Matthews (Chairperson)
- Ms Vonette Mead (Deputy Chairperson)
- Mr Ted Bell
- Mr Ian Johnston
- Ms Naomi Walsh
- Dr Karin Mathison
- Mr Michael Rogers
- Mr Ben Wilson (commenced 01/09/2018)
- Mr Richard Lowrie (resigned 30/06/2019)





TBCITB COMMUNICATION AND PLANNING PROCESS





ACHIEVEMENTS AGAINST TBCITB STRATEGIC OBJECTIVES

TO ADVISE AND ADVOCATE TO THE MINISTER AND DEMONSTRATE INDEPENDENCE ON BEHALF OF INDUSTRY

The Board has provided input to the **Australian and Tasmanian Governments** regarding building and construction industry training issues, workforce development and industry skill requirements.

The Board has published the **State of the Industry Report, 2019**. Copies of the report have been provided to the Minister, all Members of Parliament, relevant government agencies, industry associations, skills councils and construction industry training funds.

The Board has received feedback from industry that apprenticeship incentives remain a key issue. The Board has continued discussions with the State Government about its decision to reintroduce the **payroll tax rebate for apprentices and trainees and incentives for small to medium size businesses**.

The Board also **advised the Tasmanian Government** on the following:

- *Tasmanian Building and Construction Industry Training Fund Act 1990* requirements.
- Building and construction apprenticeship issues.
- Career pathways promotion
- My Education, school pathways, subject choices, packages of learning.
- Building Information Modelling with a view to the adoption of a Tasmanian Government Construction Technology Policy.
- National Construction Training Packages.
- National industry training advisory issues.



The Board has participated in a **strategic partnership with Skills Tasmania** with a memorandum of understanding establishing regular consultation and flow of industry information between the two bodies.

Where required, the Board provides advice to the **Artibus Innovation and PwC** regarding the improvements to the construction Training Packages. CEO Simon Cocker had been a member of the Construction Industry Reference Committee, nominated by the Australian Forum of Construction Industry Training Funds.

To support careers promotion, the Board has provided funding to Master Builders Tasmania for the **Building and Construction Pathways Program**. The aim of the project was to promote careers in the building and construction industry to school students throughout the state. A total of 56 schools and 2,210 students attended the careers presentations statewide. The Board has also continued its funding support to the Housing Industry Association for the **youthBUILD Program**. The Program involves the provision of structured training for school students and promotional activities.

The Board is a keen supporter of the **WorldSkills Competitions**. WorldSkills is Australia's largest and most prestigious trade and skills competition. It involves a series of regional, national and international competitions held over a two-year cycle, designed to develop and nurture the vocational skills of young people. The Board supports the Tasmanian regional WorldSkills competitions. The Board promoted WorldSkills to industry members and encouraged employers or their employees to nominate for the 2018 competitions. Categories included bricklaying, cabinetmaking, carpentry, electrical installation, joinery, painting and decorating, plastering, plumbing, and wall and floor tiling.

The **Apprentice of the Year Award** forms part of the Tasmanian Training Awards, which promote and encourage quality in vocational education and training. The Awards are held annually and are open to apprentices and trainees in any area of the construction industry. The Board has been encouraging employers to nominate their

apprentices and trainees for the Awards.

The Board worked with various organisations including the Australian Manufacturing Workers' Union, Civil Contractors Federation, Housing Industry Association and National Association of Women in Construction to implement promotional and professional development **programs for women in the industry**.

The Board continues to explore opportunities for **Mentoring Building and Construction Apprentices and Trainees**. It is working with industry stakeholders such as the Tasmanian Independent Builders Association to address identified the gaps in the provision of mentoring and other support services. The Board wants to improve the completion rate of apprentices and trainees.

The Board has updated its **Heritage Building and Construction Skills Report** to understand the key changes and emerging trends that can impact on the demand and supply of such skills in the industry. It has also produced case studies of specialist skills which are accessible through the TBCITB website.

The Board is continuing to develop a **Careers Website** to assist in promoting careers, jobs and training in the building and construction industry by providing information on apprenticeships, learning pathways and career advice. This includes a Pathways website targeting senior high school students, their parents and teachers to provide detailed information on the career training pathway through the many trades para-professions and professional roles in the industry.

As a new initiative, the Board has developed an online Training Calendar and encourages all Tasmanian to post training courses both scheduled and on demand to facilitate access for practitioners.

The Board's website at www.tbcitb.com.au has been designed to ensure industry members have access to information relevant to their needs and the activities of the Board.

The Board website features:

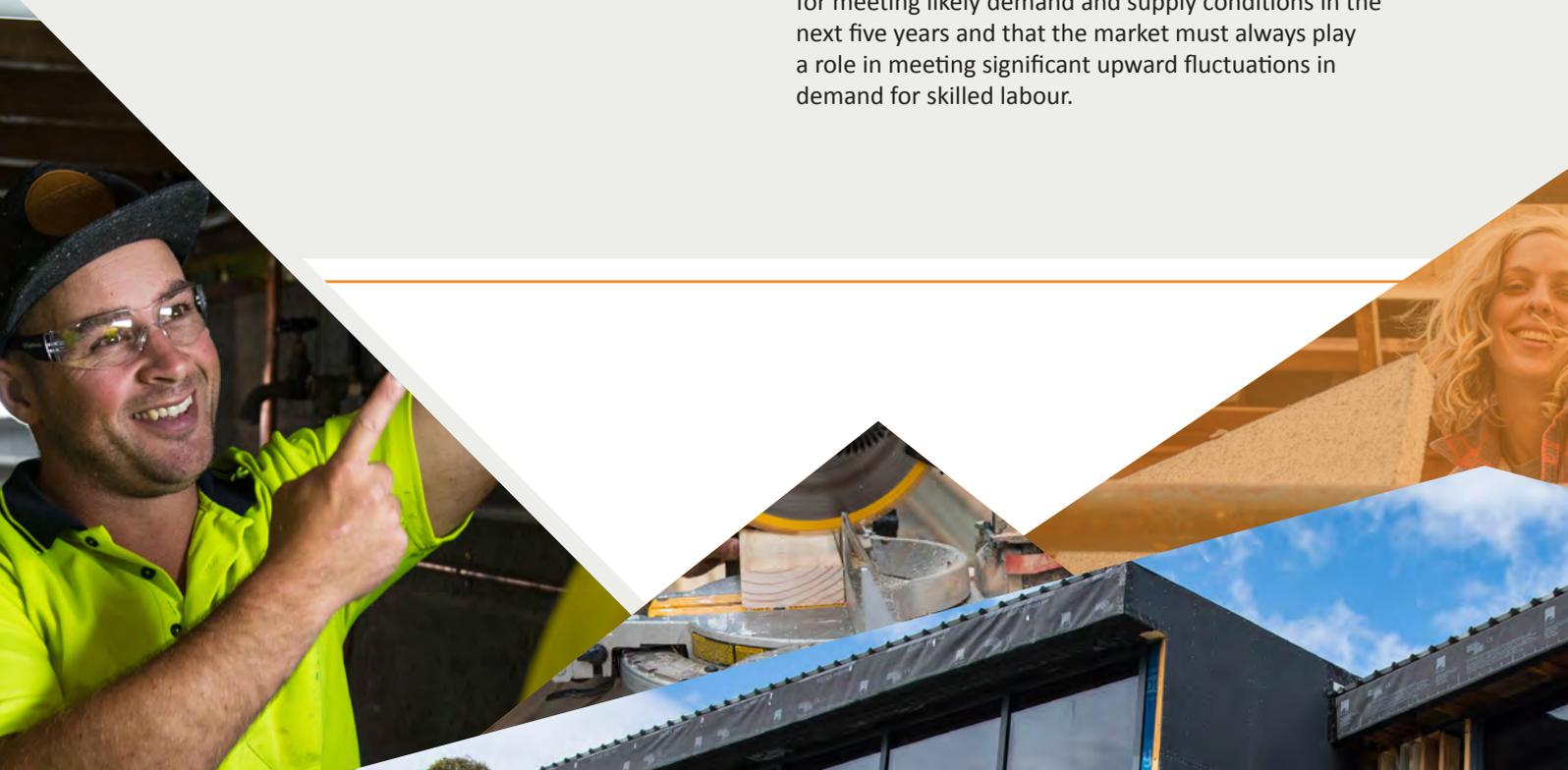
- Information about the Board.
- A Funding Assistance Applications page.
- Training Calendar.
- Information on the Act and the training fund.
- Building a career page that includes a pathways website, apprenticeship page and Launceston Apprenticeship Pipeline Project information.
- Heritage skills page featuring case study videos
- BIMHub page that includes information about building information modelling, BIMHub events, government BIM policies and links.
- News and copies of Board publications.

TO LEAD WORKFORCE DEVELOPMENT FOR THE BUILDING AND CONSTRUCTION INDUSTRY

The Board has been implementing a rolling five-year **Workforce Development Plan**. Workforce development includes workforce planning and constant review of recruitment retention and staff development. It evaluates skills and training needs at an industry level by making judgements on the skill and training levels required by and available to the workforce and by constant review and evaluation of the training packages in use and assessment of future needs.

The plan advises the Board in making decisions and providing evidence based advice on when, where and how intervention may be necessary or desirable to maintain the skilled workforce, primarily through targeted advice, incentives, training subsidies and promotion of training pathways, but also through other aspects of workforce development.

Among other things, the plan uses a model that focuses on maintaining a well trained core workforce set at the 10-year average of employment levels. It assumes that the industry has a mature set of skill and knowledge-based occupational categories that will remain adequate for meeting likely demand and supply conditions in the next five years and that the market must always play a role in meeting significant upward fluctuations in demand for skilled labour.



In accordance with this broad plan, the Board has been working with stakeholders to develop and implement more specific workforce development plans for their sectors. In that regard, work is ongoing for the building surveying, civil construction, fire protection services and plumbing sectors as well as heritage construction, middle management training and women in construction.

With funding from Skills Tasmania, the Board is implementing the **Launceston Apprenticeship Pipeline Program** to grow the supply of building and construction trade apprentices over the next two years to support small to medium size enterprises to participate in the opportunities that the Launceston City Deal in particular has and will create; and support a cohort of apprentices or pre-apprentices who have the skills and attributes that those employers need and will support their future careers in the building and construction industry. The Board has also made a commitment to implement the **North West Region Building Futures Project** in cooperation with Skills Tasmania and the Tasmanian Building Group Apprenticeship Scheme.

The Board has entered into a **Memorandum of Understanding with the Macquarie Point Development Corporation** to investigate the feasibility of the development project being deemed a BIM project. This could include a precinct model and a requirement that all infrastructure developments utilise BIM. This will make Macquarie Point a demonstration project for the use of technology in construction and further the Board's aim of having the Government adopt a Construction Technology Policy. Consultants have been engaged to apply BIM/PIM to the Macquarie Point Development Project.

The Board has implemented a **Workplace Diversity Support and Sponsorship Program** to provide financial support to eligible organisations for conducting certain events that may not be eligible for support under the TBCITB Training Plan. The events will be educational, inspirational or awareness raising in nature and contribute to increasing the diversity of employment in the building and construction sector. Increasing diversity means increasing the numbers employed in the building and construction sector of people who are Aboriginal and Torres Strait Islanders, women, of non-English speaking backgrounds or have a disability.

In accordance with Section 34 of the Act, the Board prepared and submitted its **Training Plan 2019-2020** to the Minister for Education and Training. Highlights of the plan include:

- A training budget of \$2.74 million had been allocated to implement the plan.
- The plan targets some 10,750 eligible industry participants.
- Allocation for industry training priorities in the following programs:
 - Upskilling and multiskilling,
 - Workplace health and safety, first aid and high risk training,
 - Industry innovation and information technology training,
 - Business skills training, and
 - Vocational and tertiary education.

The Minister for Education and Training has approved the Plan.



The Training Plan has been specifically designed to ensure priorities for training and workforce development identified by the industry can be accommodated within the above five program areas. Given the diverse nature of the industry, including a very large number of small businesses located throughout the State, it is not practicable to specifically prioritise individual training needs. The Board's training demand driven model, as detailed in the plan, suits the needs of both small and large building and construction enterprises. The flexibility in the Board's Training Plan has proven effective in meeting those industry needs.

In accordance with its Training Plan 2018-2019, the Board has facilitated **1,445 courses for 8,325 participants** or **119,627 contact hours** from the industry training fund during the year.

The Board has been encouraging building and construction enterprises to negotiate with training providers to ensure their business needs are met. Often the result of this negotiation is a more enterprise specific training course, reducing the duration and cost of the training delivered.

The Board has worked hard at having an industry driven training system rather than a training provider driven system. This has led to more enterprises wanting to participate in training programs with the training fund providing the catalyst and incentive to participate.

UPSKILLING AND MULTISKILLING

558 courses for 1980 participants totalling 33,968 contact hours. This program covered training on existing practices as well as new standards, regulations, technologies and products. Courses include:

- Asbestos Management
- Building Code of Australia
- Cabling and Instrumentation
- Concreting, Earthworks and Pavements
- Dogging
- Electrical Licensing, Wiring and Testing
- Elevated Work Platforms
- Energy, Environments and Conservation
- Forklift
- Gas and Refrigerants
- Heating and Air Conditioning
- Heritage
- Plant Operator
- Plumbing Including Backflow
- Rigging
- Scaffolding
- Waterproofing

WORKPLACE HEALTH AND SAFETY, FIRST AID AND HIGH RISK TRAINING

628 courses for 4,494 participants totalling 29,272 contact hours. The Board has been facilitating safety training for employers, employees and self-employed contractors in a continuing drive to develop a safety culture in the building and construction industry. Courses include:

- Alcohol and Drug Program
- Confined Space
- Driver Training
- Fire Safety
- First Aid
- Hazardous Areas
- Life Skills
- Manual Handling
- OHS General
- OHS Manager, Supervisor and Safety Representative
- Traffic and Rail Management
- Work Safely Induction White Card
- Working at Heights

INDUSTRY INNOVATION AND INFORMATION TECHNOLOGY TRAINING

31 courses for 232 participants totalling 2730 contact hours. This program was designed to enable industry members to assess and use information technologies and a range of industry innovation to meet their business needs. Training was also aimed at preparing industry for new developments that could change business practices at large. Courses include:

- Basic Computer Training
- Building Information Modelling
- MYOB
- Project Management
- Spreadsheets
- Word Processing

BUSINESS SKILLS TRAINING

93 courses for 830 participants totalling 6,885 contact hours. This program was designed to improve industry's capabilities to respond to market opportunities and develop skills required for quality, reliable and cost effective business operations. Courses include:

- Contracts and Security of Payments
- Estimating
- Finance, Tax and Estimating
- Management Contractors
- Management General
- Sales and Marketing

VOCATIONAL AND TERTIARY EDUCATION

135 courses for 789 participants totalling 46,772 contact hours. The Board has facilitated funding for the following courses to improve qualifications and skills of industry entrants and members:

- Building Degree
- Certificate Electrical, Air Conditioning, Lights
- Certificate IV Building
- Certificate IV/Diploma Accounting and Business
- Certificate IV/Diploma Building
- Certificate IV/Diploma Design and Drafting
- Certificate IV/Diploma Project Management
- Certificate IV/Diploma WHS
- Certificate IV Training and Assessment
- Completion Bonus
- Upskilling Program





Apprenticeship training continues to be the main priority for the Board. The Board's initiatives included specific programs that provide incentives to employers taking on apprentices.

The Board has implemented a **Small Business Incentive** targeted at building and construction businesses that are under the payroll tax threshold. The Board will pay a grant of \$2,000 to employers of the first 500 building and construction apprentices approved by Skills Tasmania under its Targeted Apprentice and Trainee Grant for Small Business program. The TBCITB Small Business Incentive program started from 1 June 2019.

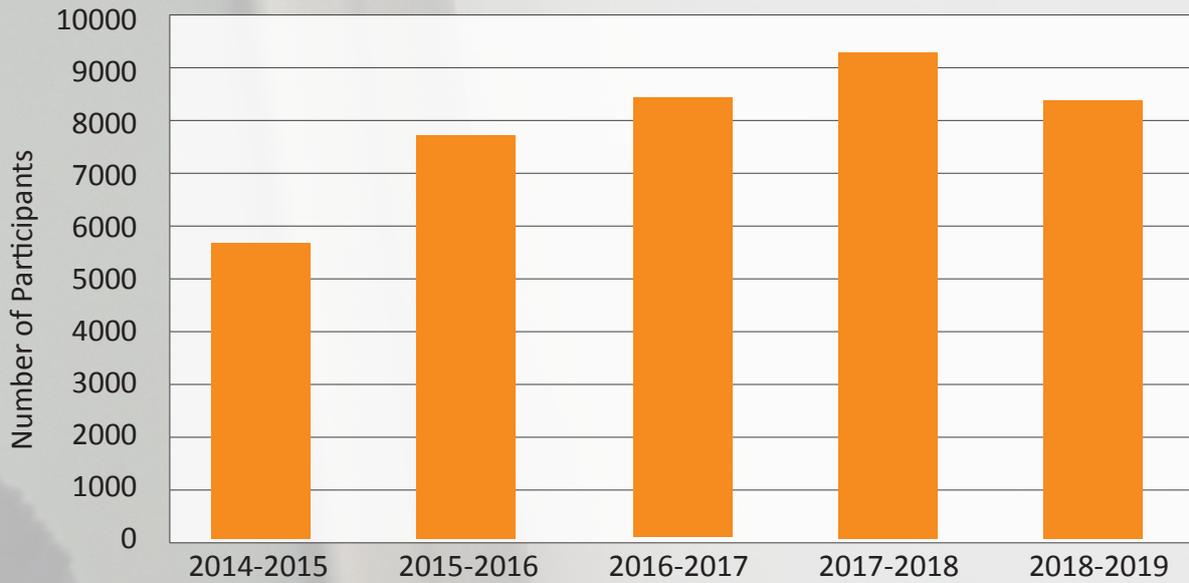
The Board continued to implement its **Upskilling Program**. Under the Program, the Board pays \$6,000 to employers who sign up a mature or experienced existing employee who has worked for at least six years in the apprenticeships (listed by the Board). Eleven new participants started training between 1 July 2018 and 30 June 2019. A total of 39 participants are still active in the program as at 30 June 2019.

The Board continued to implement the **Certificate III Apprentice Completion Bonus** that pays a bonus to employers as soon as enrolled apprentices demonstrate competency to industry standards. The Board offered a completion bonus to encourage employers to sign up an apprentice who has been out of work between January 2017 and March 2019. The bonus program was designed to help address concerns about apprenticeship retention. A total of 8 apprentices are in the program as at 30 June 2019.

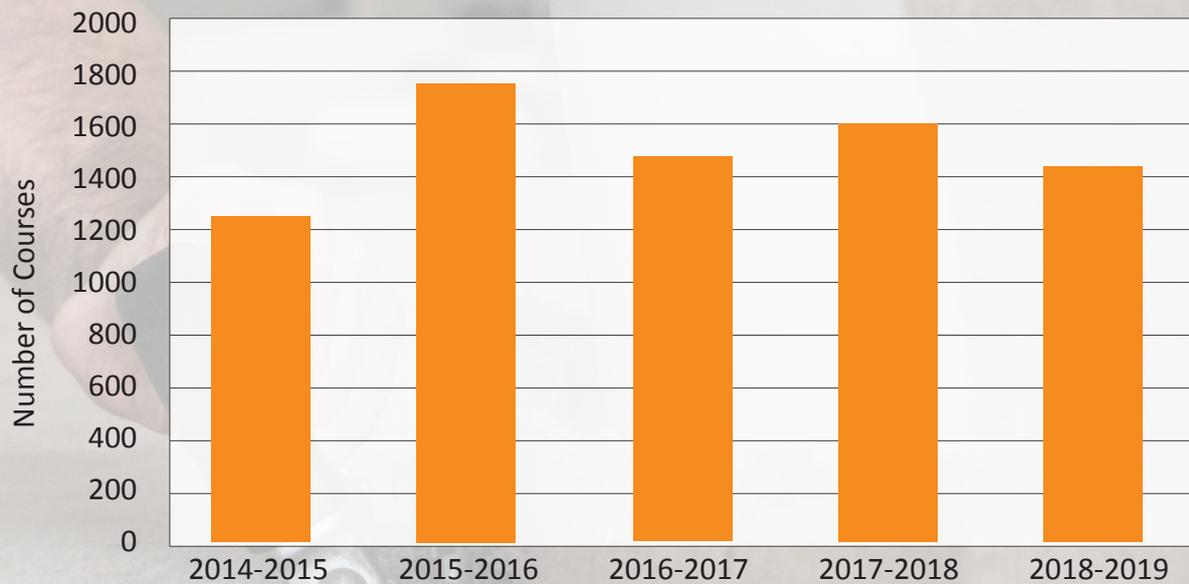
The Board supported industry members in **Advanced Qualifications in Building and Construction** such as Certificate IV and Diploma courses. The funding assistance by the Board has enabled the maintenance of strong participation in these courses. The courses are delivered by a range of providers using different methods including distance learning.

The Board is in discussions with the University of Newcastle regarding future support for the **Bachelor of Construction Management Degree Program**.

PARTICIPATION IN TRAINING FUNDED BY THE TBCITB



COURSES FUNDED BY THE TBCITB



TO MAINTAIN AND DEVELOP RELATIONSHIPS WITH TARGETED GROUPS

In accordance with Section 8A of the Act, the Board convened a **public meeting in Devonport in October 2018** for interested members of the building and construction industry to consider issues that relate to the development of skills within the industry and to provide advice on those issues to the Board. Topics discussed include the changes to the infrastructure project pipeline, TasTAFE response to that pipeline and dealing with millennials.

In addition to public meetings, the Board held **biennial regional industry practitioner's workshops in May 2018** to give practitioners a say about training in the Tasmanian building and construction industry.

In consultation with industry stakeholders, the Board has been developing **workforce development plans** for specific sectors including building surveying, civil construction, fire protection services and plumbing sectors as well as heritage construction, middle management training and women in construction. Corresponding action plans will be implemented to address the issues identified.

Through various activities described in its **Marketing and Public Relations Plan**, the Board has increased participation in Board funded training programs and has raised awareness of and support for the Board. Those activities include the publication of the Board's newsletter "Training News", news releases via print and electronic media, public events, direct marketing, and other information kits, as well as upgrading the TBCITB website.

The Board maintains an **industry database of building and construction stakeholders** that presently contains 4,298 records, an important resource providing access to training. The Board ensures that this resource is effective and current.

The Board has worked to a **Memorandum of Understanding with Skills Tasmania** for the development and approval processes of the Building and Construction Industry Training Plan in accordance with sections 34 and 36 of the Act.

The Board is represented on the **Australian Forum of Construction Industry Training Funds, Master Plumbers Association of Tasmania Education Committee, OzHelp Tasmania Board, and WorldSkills Tasmania Management Committee.**



TO MEET THE HIGHEST POSSIBLE STANDARDS OF PRUDENT GOVERNANCE AND ADMINISTRATION

The Board applies its **Training Policy and Funding Procedures** to process applications for funding for defined industry members. The Procedures provide guidelines for funding applicants and are available on the Board's website.

The procedures ensure defined industry members are able to access funding for training. Those procedures are reviewed continuously to maintain credibility, fairness, transparency and accountability.

Application for Funding. Under the Board's Training Policy and Funding Procedures, businesses in the building and construction industry covered by the Act can make an application for funding to send their personnel to attend training courses.

Year	Direct Applications from Industry
2014-15	1,232
2015-16	1,535
2016-17	1,279
2017-18	1,685
2018-19	1,935

To ensure maximum impact of the benefits of the training fund across all sectors of the building and construction industry, the Board reviews its eligibility criteria regularly.

The Board has initiated and funded training programs for industry members by making **funds available to assist payment of course fees**. In addition, employers contributed to the total cost of the training through wages of participants while on training courses and, in some cases, transport and accommodation costs.

To ensure equitable distribution of the training fund, the Board has put in place a **system of allocations** to ensure budgets can be achieved.

Every training course attendee is required to complete a **course evaluation form**. The evaluation form serves three purposes. First, the attendee's details are checked to ensure that they are industry participants as defined by the Act and hence able to access funding. Second, to ensure the course is appropriate to the needs of those attending, training courses that receive poor evaluations will not be funded and are removed from the Board's course database. Third, data on the evaluation forms are analysed to assist the Board with its operational objective of ensuring a more equitable distribution of effort among employers in relation to employment related training in the building and construction industry.





The Board maintains a **database of businesses operating in the building and construction industry as defined in the Act**. The Board can make the database available to proponents and training providers to assist in the marketing of approved courses.

The Board has developed an **industry training calendar** to provide information to practitioners for their training needs. Training providers are post details of courses that they run and calendar entries for upcoming courses that they have scheduled. Practitioners are able to search for courses and view course details on the Board's website.

The accounts of the Board met the requirements of the ***Financial Management and Audit Act 1990*** (refer to the *Auditor General's Report and the Financial Statements*).

The Act requires a levy of 0.2 percent of the estimated value of building and construction work costing more than \$20,000. This levy is paid into a fund that is controlled and administered by the Board. The Board applies established **procedures for levy collection and verification**.



Timely **information and advice** have been provided to the Board and industry constituents on administrative matters/issues affecting industry training.

The provisions of the **Archives Act** have been met.

In accordance with requirements under Schedule 5 of the Act, the Board met six times this year. The Board held its annual general meeting in September 2017. Disclosure of interests and other provisions as outlined in the Act were adhered to. In this regard, the Board's attendance record is as follows:

Board Member	Meetings Attended (Out of 5 Board Meetings including the Annual General Meeting)
Ms Tracy Matthews	5 out of 5
Ms Vonette Mead	5 out of 5
Mr Richard Lowrie	5 out of 5
Mr Ted Bell	4 out of 5
Dr Karin Mathison	5 out of 5
Ms Naomi Walsh	5 out of 5
Mr Michael Rogers	5 out of 5
Mr Ian Johnston	5 out of 5
Mr Ben Wilson (commenced 01/09/2018)	3 out of 4

The Board prepares its **strategic and training plans** based on, among other things, the outcomes of its regional industry workshops and annual public meeting.

The Board has developed procedures to meet the requirements of the **Public Interest Disclosures Act 2002** and the **Right to Information Act 2009**.

The Board is part of the **Australian Forum of Construction Industry Training Funds** and has applied the knowledge and experience of the Forum in its operations including the provision of advisory services.



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2019



TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Certification of Financial Statements

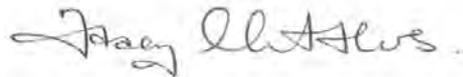
The attached Statements and notes thereon, to the best of our knowledge and belief presents fairly the state of the Tasmanian Building and Construction Industry Training Board's affairs as at 30 June 2019 and the results of operations for the year then ended.

The financial statements have been prepared on a going concern basis and funds are available to pay creditors as accounts fall due.

Dated 26th September 2019



Simon Cocker
Chief Executive Officer



Tracy Matthews
Chairperson

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Statement of Comprehensive Income for the Year ended 30 June 2019

	Notes	2019 \$	2018 \$
REVENUES	1.3		
Industry training levy	1.4	4,654,531	4,097,906
Interest		105,363	79,118
Other		-	75
Grants		90,000	-
TOTAL REVENUES		4,849,894	4,177,099
EXPENSES	1.3		
Administration		175,913	181,274
Customer service		116,510	118,548
Communication & workforce development		310,532	174,097
Executive		340,558	328,771
Finance & accounting		123,120	126,070
Levy collection		73,280	73,547
Research & development		156,452	170,391
Training reimbursement		2,137,345	1,991,867
TOTAL EXPENSES	2	3,433,710	3,164,565
PROFIT/(LOSS) FOR THE YEAR		1,416,184	1,012,534
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME		1,416,184	1,012,534

The accompanying notes form part of these financial statements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Statement of Financial Position as at 30 June 2019

	Notes	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash & cash equivalents	1.5, 9	795,524	306,497
Financial Assets	9	4,500,000	3,700,000
Receivables	1.5, 3	560,658	375,624
Prepayments		13,692	13,654
TOTAL CURRENT ASSETS		5,869,874	4,395,775
NON-CURRENT ASSETS			
Furniture, equipment, and vehicles	1.5,1.6, 4	22,926	38,960
Intangibles	1.5,1.6, 5	40,816	48,016
TOTAL NON-CURRENT ASSETS		63,742	86,976
TOTAL ASSETS		5,933,616	4,482,751
LIABILITIES			
CURRENT LIABILITIES			
Payables	1.7, 6	99,216	91,740
Employee benefits	1.8, 7	156,466	113,082
TOTAL CURRENT LIABILITIES		255,682	204,822
NON-CURRENT LIABILITIES			
Employee benefits	1.8, 7	15,217	31,396
TOTAL NON-CURRENT LIABILITIES		15,217	31,396
TOTAL LIABILITIES		270,899	236,218
NET ASSETS		5,662,717	4,246,533
EQUITY			
Accumulated Profits		5,662,717	4,246,533

The accompanying notes form part of these financial statements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Statement of Changes in Equity for Year ended 30 June 2019

	Notes	2019 \$	2018 \$
Balance at beginning of financial year		4,246,533	3,233,999
Total comprehensive income for the year		1,416,184	1,012,534
Balance at the end of the financial year		5,662,717	4,246,533

The accompanying notes form part of these financial statements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Statement of Cash Flows for the Year ended 30 June 2019

	Notes	2019 \$	2018 \$
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Receipts			
Industry training levy		4,440,488	4,069,064
Interest		125,557	90,670
Other		-	75
Goods and services tax received		269,593	221,154
Grants		90,000	-
		4,925,638	4,380,963
Payments			
Administration		(162,732)	(123,693)
Customer service		(114,330)	(119,494)
Communication & workforce development		(310,532)	(174,097)
Executive		(322,010)	(329,661)
Finance & accounting		(115,520)	(116,366)
Levy collection		(51,192)	(73,547)
Research & development		(159,322)	(168,444)
Training reimbursement		(2,137,345)	(1,991,867)
Goods and services tax paid		(260,778)	(227,754)
		(3,633,761)	(3,324,923)
Net cash used in operating activities	10	1,291,877	1,056,040
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Proceeds from maturing term deposits		3,700,000	2,700,000
Payments for investments in long term deposits		(4,500,000)	(3,700,000)
Payments for purchase of furniture, equipment, and vehicles		(2,850)	(7,848)
Net cash used in investing activities		(802,850)	(1,007,848)
Net increase (decrease) in cash held		489,027	48,192
Cash at the beginning of the year		306,497	258,305
Cash at end of reporting year	9	795,524	306,497

The accompanying notes form part of these financial statements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

1 ACCOUNTING POLICIES

The following is a summary of the material policies adopted by the Tasmanian Building and Construction Industry Training Board in the preparation of the Special Purpose Financial Report.

1.1 BASIS OF ACCOUNTING

In the opinion of the Board, the Tasmanian Building and Construction Industry Training Board is a non-reporting entity and prepares a Special Purpose Financial Report to meet the information needs of members and the requirements of the *Tasmanian Building and Construction Industry Training Fund Act 1990* (the Act). This Special Purpose Financial Report has been prepared on an accruals basis and is based on historical costs and, except where stated, does not take into account changing money values, or fair values of non-current assets.

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year.

This Special Purpose Financial Report has been prepared in accordance with the requirements of the following Australian Accounting Standards:

AASB 101	<i>Presentation of Financial Statements</i>
AASB 107	<i>Statement of Cash Flows</i>
AASB 108	<i>Accounting Policies, Changes in Accounting Estimates and Errors</i>
AASB 110	<i>Events after Balance Sheet Date</i>
AASB 116	<i>Property, Plant and Equipment</i>
AASB 119	<i>Employee Benefits</i>
AASB 124	<i>Related Party Disclosures</i>
AASB 137	<i>Provisions, Contingent Liabilities and Contingent Assets</i>
AASB 1004	<i>Contributions</i>
AASB 1048	<i>Interpretation of Standards</i>
AASB 1054	<i>Australian Additional Disclosures</i>

Where appropriate, these accounts have applied the not-for-profit exemptions of these standards. No other applicable Accounting Standards, Interpretations or other authoritative pronouncements of the Australian Accounting Standards Board have been applied.

1.2 NEW AND REVISED AUSTRALIAN ACCOUNTING STANDARDS

The Australian Accounting Standards Board has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Board. The Board has decided not to early adopt any of the new and amended pronouncements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

1.3 REVENUES AND EXPENSES

Revenues and expenses are recognised when and only if it is probable the flow of economic benefit to or from the Board will occur and can be reliably measured.

Liability in relation to training fees is expensed when a claim has been received and validated by the Board.

Interest on invested funds is recognised as it accrues.

1.4 INDUSTRY TRAINING LEVY

The industry training levy is payable under the *Tasmanian Building and Construction Industry Training Fund Act 1990*. The rate of levy is 0.2% on the value of building and construction work as defined in the Act.

The levy is payable before obtaining a building permit or where a building permit is not required, before commencement of the building and construction work. If an approved agency collects the levy on behalf of the Board it is recognised as revenue when collected by the agency.

1.5 ASSETS

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

Cash and cash equivalents including bank and term deposits are recognised at their nominal amounts. Cash includes cash on hand, deposits held at call, other short-term highly liquid assets with original maturities of three months or less, and bank overdrafts.

Receivables in respect of accrued levy income and debtors are usually due for settlement within 30 days and are recorded at their recoverable amount. They are not discounted back to their present value.

Financial assets are assessed at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is considered to be impaired if one or more events have had a negative effect on the estimated future cash flows of that asset.

All non-financial assets are recorded at historic cost and are tested for impairment at each reporting date. Impairment is generally limited to where the asset's depreciation is materially understated.

Assets costing less than \$2,000 are included in expenses in the year of acquisition.

All impairment losses are recognised in the Statement of Comprehensive Income.

1.6 DEPRECIATION

Items of office furniture & equipment and motor vehicles are depreciated, and software are amortised, on a straight-line basis over their expected useful economic lives after taking into account residual values. The expected lives are:

Motor Vehicle	3 years
Office Furniture and Equipment	3 – 20 years
Software	8 years

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

1.7 LIABILITIES

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

Payables represent liabilities for goods and services received prior to the end of the financial year and which are unpaid. They are recognised at their nominal amounts and are usually paid within 30 days of recognition.

1.8 EMPLOYEE BENEFITS

The Board has made provision for employee benefits for long service leave, recreation leave, superannuation benefits and rostered days off accrued but not taken at year end. Long service and annual leave is recognised on a pro-rata basis in respect of services provided by employees up to the reporting date.

Liabilities in respect of employee benefits are assessed having regard to such factors as, period of service and departures. Sick leave is non-vesting and has not been provided for. Those liabilities expected to be paid within the next 12 months are measured at the amounts expected to be paid. The present value of the benefit at year end is used where payments are expected after 12 months.

An employee benefit liability is classified as a current liability if the Board does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

The Board contributes to superannuation funds on behalf of its employees to provide benefits on retirement, disability or death. Contributions are charged against revenues and the Board has no legal obligation to make up any shortfall in the funds' assets to meet payments due to employees.

1.9 INSURANCE

The Board has arranged through its brokers to insure all major insurable risks. The excesses payable under the policies vary depending on each class of insurance held.

1.10 COMPARATIVE FIGURES

Comparative figures are shown and have been adjusted, where necessary, to reflect changes in accounting policy, adoption of new standards or reclassifications.

1.11 TAX STATUS

The activities of the Board are exempt from income tax under the *Income Assessment Act*. The Board is subject to Fringe Benefits Tax and Goods and Services Tax.

1.12 ACCOUNTING FOR LEASES

The Board leases premises for its headquarters. The lease is an operating lease and the lease payments are included in expenses in equal instalments over the accounting periods covered by the lease term.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

1.13 GOODS AND SERVICES TAX

Revenue, expenses and assets are recognised net of the amount of Goods and Services Tax (GST), except where the GST incurred is not recoverable from the Australian Taxation Office (ATO). Receivables and payables are stated inclusive of GST. The net amount recoverable from, or payable to, the ATO is recognised as an asset or liability within the Statement of Financial Position.

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

1.14 JUDGEMENTS AND ASSUMPTIONS

In the application of Australian Accounting Standards, the Board is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

The areas where estimates of any material amount are made regularly relate to the recoverability of receivables and provision for employee entitlements.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

2 EXPENSES

Significant expenses are grouped in the Statement of Comprehensive Income by function. The same expenses are shown in natural account form.

	2019	2018
	\$	\$
Salaries	490,818	473,930
Board member remuneration	111,682	104,130
Contracted staff	33,187	44,831
Consultants' fees	29,335	45,296
Superannuation and redundancy	57,917	57,595
Advertising and promotion	150,645	144,978
Website service agreement	9,675	9,000
Website development	28,766	20,119
Repairs and minor equipment	8,381	5,437
Course fees and expenses	2,137,345	1,991,867
Accommodation and travel	5,994	7,785
Audit and legal fees	17,807	17,369
Printing and stationery	3,489	6,889
Bank fees and charges	1,074	1,442
Collection charges	31,494	28,716
Heat, light and power	6,070	6,380
Insurance	8,135	9,175
Fringe benefits tax	9,020	8,797
Employee health and wellbeing	3,127	2,196
Office expenses	98,249	93,184
Postage and phone	27,212	35,942
Staff development	2,256	1,617
Board development	192	412
Vehicle expenses	3,024	3,079
Depreciation	18,884	17,921
Amortisation	7,200	7,200
Research and development projects	132,732	19,278
Total Expenses	3,433,710	3,164,565

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

		2019 \$	2018 \$
3	RECEIVABLES		
	Interest	37,714	57,908
	Goods and services tax	66,003	74,818
	Industry training levy	456,941	242,898
	Total Receivables	560,658	375,624

4 FURNITURE, EQUIPMENT, AND VEHICLES

	Furniture and equipment at cost	1.5	33,924	31,074
	Less provision for depreciation	1.6	(18,111)	(11,241)
			15,813	19,833
	Motor vehicles at cost	1.5	36,045	36,045
	Less provision for depreciation	1.6	(28,932)	(16,918)
			7,113	19,127
	Total at net book value		22,926	38,960

Reconciliation of carrying amount:

	Furniture and Equipment			
	Carrying amount at beginning of year		19,833	17,892
	Additions		2,850	7,848
	Depreciation		(6,870)	(5,907)
	Carrying amount at end of year		15,813	19,833
	Motor Vehicle			
	Carrying amount at beginning of year		19,127	31,141
	Additions		-	-
	Disposals		-	-
	Depreciation		(12,014)	(12,014)
	Carrying amount at end of year		7,113	19,127
	Total		22,926	38,960

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

		2019 \$	2018 \$
5	INTANGIBLES		
	Software	1.5	57,603
	Less provision for amortisation	1.6	(16,787)
	Total at net book value	40,816	48,016
	Reconciliation of carrying amount:		
	Software		
	Carrying amount at beginning of year	48,016	55,216
	Additions	-	-
	Amortisation	(7,200)	(7,200)
	Carrying amount at end of year	40,816	48,016
6	PAYABLES		
	Creditors	74,407	66,272
	Accrued salaries	14,373	14,292
	PAYG Withholding	10,436	11,176
	Total Payables	99,216	91,740
7	EMPLOYEE BENEFITS		
	Annual leave	61,359	51,776
	Long service leave	102,655	76,650
	Superannuation	7,669	16,052
	Total Employee Benefits	171,683	144,478
	Current	156,466	113,082
	Non-Current	15,217	31,396
		171,683	144,478
8	COMMITMENTS		
8.1	TRAINING FEES		

8.1 TRAINING FEES

Under the Building and Construction Training and Upskilling Programs the Board has commitments for training fees payable to employers and host employers of apprentices employed under training agreements during 2015 to 2019. The expected payments could be made up to 30th June 2023 and are outcome based including continued employment for the term of the apprenticeships and the achievement of predetermined competencies. The commitment for these future payments as at the 30 June 2019 is \$1,498,400 (30 June 2018 \$989,200) and this assumes an apprenticeship attrition rate of twenty (20) percent.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

8.2 LEASES

The lease for the Board's headquarters was renewed from 1 October 2016 and will expire on 30 September 2021. Lease payments for the financial year totaled \$81,999 (2018, \$79,305). There is no provision in the lease to make good the premises at the end of the lease.

	2019 \$	2018 \$
Lease commitments at balance date:		
Due within 1 year	81,639	80,395
1 to 5 years	104,931	175,768
	186,570	256,163

9 RECONCILIATION OF CASH

For the purposes of the Statement of Cash Flows, the Board considers cash to include cash in hand and in banks and term deposits held that mature within three months. Cash at the end of the reporting period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

Cash & cash equivalents	295,524	306,497
Term deposits	500,000	-
Total cash & cash equivalents	795,524	306,497

The Board also holds \$4,500,000 in term deposits (30 June 2018, \$3,700,000) that are held for periods greater than three months and therefore do not meet the classification requirements for cash and cash equivalents. Therefore, they have not been included in the above balance.

10 RECONCILIATION OF NET CASH USED IN OPERATING ACTIVITIES TO PROFIT FOR THE YEAR

Comprehensive income for the year	1,416,184	1,012,534
Depreciation & amortisation	26,084	25,121
Increase (Decrease) in payables	7,476	29,970
Increase (Decrease) in employee benefits	27,205	11,537
(Increase) decrease in receivables	(185,034)	(23,890)
(Increase) decrease in prepayments	(38)	768
	1,291,877	1,056,040

11 CREDIT STANDBY ARRANGEMENT WITH BANKS

Credit card facility	6,000	6,000
Amount utilised	-	-
	6,000	6,000

12 AUDIT FEES

The Statements of the Board are audited by the Auditor-General in accordance with the *Audit Act 2008*. The fee for the Board's 30 June 2019 audit is \$16,940 (30 June 2018, \$16,280).

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

13 EVENTS OCCURRING AFTER BALANCE DATE

There have been no events subsequent to balance date which would have a material effect on the Board's Financial Statements as at 30 June 2019.

14 RELATED PARTY TRANSACTIONS

AASB 124 *Related Party Disclosures* requires related party disclosures to ensure that the financial statements contain disclosures necessary to draw attention to the possibility that Tasmanian Building and Construction Industry Training Board's financial results may have been affected by the existence of related parties and by transactions with such parties.

This note is not intended to disclose conflicts of interest for which there are administrative procedures in place.

The extent of information disclosed about related party transactions and balances is subject to the application of professional judgement by Tasmanian Building and Construction Industry Training Board. It is important to understand that the disclosures included in this note will vary depending on factors such as the nature of the transactions, the relationships between the parties to the transaction and the materiality of each transaction. Those transactions which are not materially significant by their nature, impact or value, in relation to Tasmanian Building and Construction Industry Training Board's normal activities, are not included in this note.

The total value of related party transactions is as follows:

	2019 Aggregate value of transactions \$	2018 Aggregate value of transactions \$
Course fees and expenses	17,997	9,207

These transactions were completed on normal commercial terms.

No other KMP's entered into a material contract with Tasmanian Building and Construction Industry Training Board since the end of the previous financial period and there were no material contracts involving KMP' interests existing at the end of the period.

TASMANIAN BUILDING AND CONSTRUCTION INDUSTRY TRAINING BOARD

Notes to and forming part of the Accounts for the Year ended 30 June 2019

14 RELATED PARTY TRANSACTIONS (CONT)

2019	Short Term Employee Benefits			Post Employment Benefits	LSL and A/L Movements	Total Compensation
	Salary	Travel Allowance	Vehicles	Superannuation		
Board Members						
Chairperson	18,623	84	-	1,769	-	20,476
Directors 8 Directors	83,370	1,048	-	7,920	-	92,338
Total Board Members	101,993	1,132	-	9,689	-	112,814
Senior Management						
\$160,000 - \$180,000 1 Employee	125,133	-	13,792	15,642	12,769	167,336
\$100,000 - \$120,000 2 Employees	206,805	-	-	25,851	1,417	234,073
Total Senior Management	331,938	-	13,792	41,493	14,186	401,409

2018	Short Term Employee Benefits			Post Employment Benefits	LSL and A/L Movements	Total Compensation
	Salary	Travel Allowance	Vehicles	Superannuation		
Board Members						
Chairperson	18,441	878	-	1,752	-	21,071
Directors 8 Directors	80,133	-	-	7,613	-	87,746
Total Board Members	98,574	878	-	9,365	-	108,817
Senior Management						
\$160,000 - \$180,000 1 Employee	136,188	-	14,383	17,024	(42)	167,553
\$100,000 - \$120,000 2 Employees	205,209	-	-	25,521	7,779	238,509
Total Senior Management	341,397	-	14,383	42,545	7,737	406,062

Independent Auditor's Report

To Members of the Tasmanian Building and Construction Industry Training Board

Report on the Audit of the Special Purpose Financial Report

Opinion

I have audited the accompanying financial report, being a special purpose financial report of the Tasmanian Building and Construction Industry Training Board (the Board), which comprises the statement of financial position as at 30 June 2019 and the statements of comprehensive income, changes in equity and cash flows for the year then ended, notes to the financial statements including a summary of significant accounting policies and other explanatory information and the statement of certification by the members of the Board.

In my opinion, the financial report presents fairly, in all material respects, the financial position of the board as at 30 June 2019, and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Section 10 of the *Building and Construction Industry Training Fund Act 1990*.

Basis for Opinion

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

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

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

...1 of 3

Emphasis of Matter - Basis of Accounting

I draw attention to Note 1.1 to the financial report, which describes the basis of accounting. The financial report has been prepared to assist the board to meet the financial reporting requirements of the *Building and Construction Industry Training Fund Act 1990*. As a result, the financial report may not be suitable for another purpose. My opinion is not modified in respect of this matter.

Responsibilities of Management and Members of the Board for the Financial Report

Management is responsible for the preparation and fair presentation of the financial report in accordance with the financial reporting requirements of the *Building and Construction Industry Training Fund Act 1990* and for such internal control as they determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, management is responsible for assessing the Board's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless the Board is to be dissolved by an Act of Parliament, or the members of the Board intend to cease operations, or have no realistic alternative but to do so.

The members of the Board are responsible for overseeing the Board's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Report

My objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Board's internal control.

...2 of 3

To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
Professionalism | Respect | Camaraderie | Continuous Improvement | Customer Focus

Strive | Lead | Excel | To Make a Difference

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusion is based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Board to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the members of the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Leigh Franklin
Assistant Auditor-General, Financial Audit Services
Delegate of the Auditor-General

Tasmanian Audit Office

26 September 2019
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To provide independent assurance to the Parliament and Community on the performance and accountability of the Tasmanian Public sector.
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