

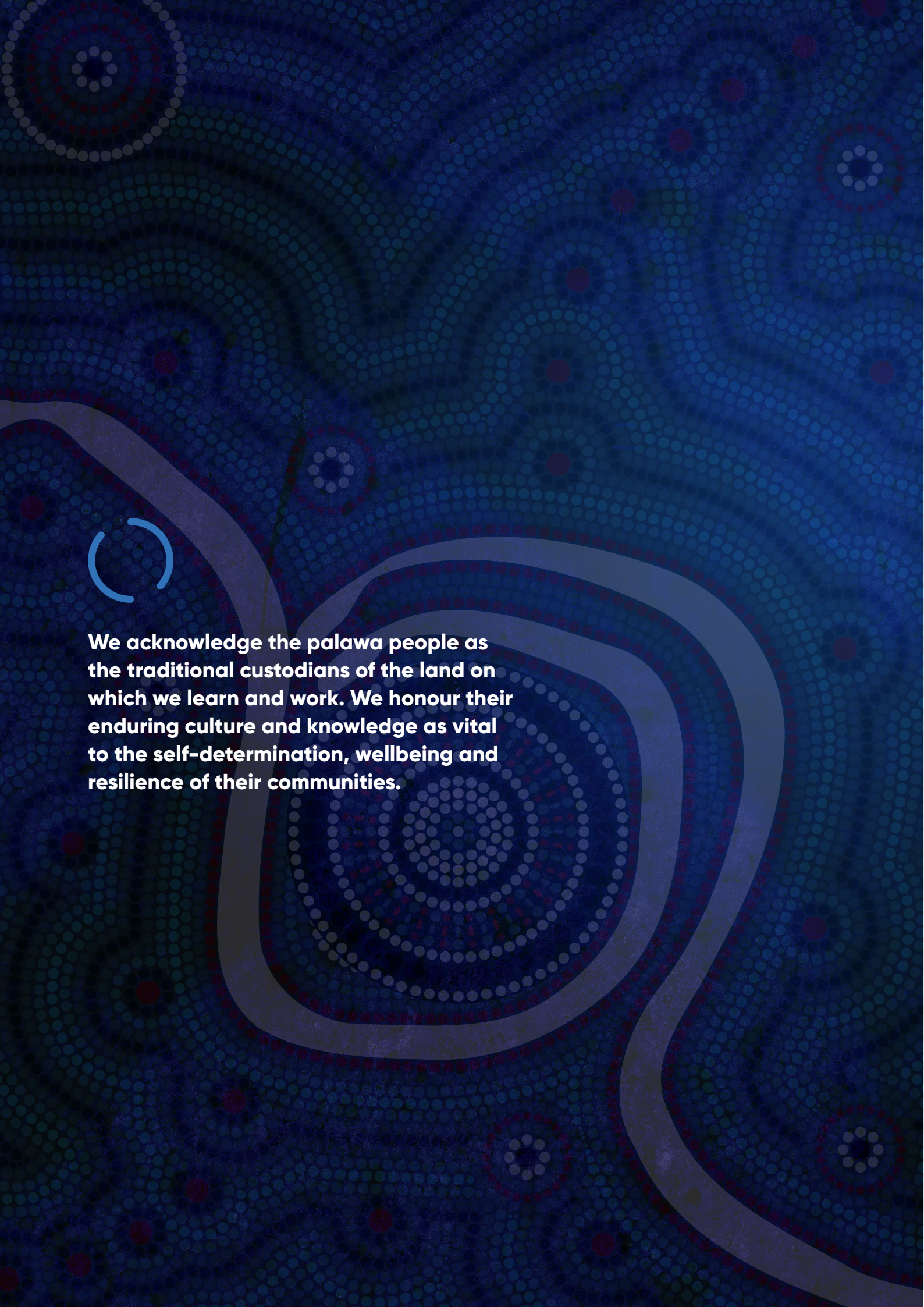


# Annual Report

2022-2023



Keystone  
TASMANIA



**We acknowledge the palawa people as the traditional custodians of the land on which we learn and work. We honour their enduring culture and knowledge as vital to the self-determination, wellbeing and resilience of their communities.**

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# Our Values

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## We Are Human

We see the people who make up this industry.  
We connect with them, understand their situation,  
and appreciate their needs.

We exist to serve our industry and  
we value our relationships.

We listen, we learn, and we respond.

## We Are Objective

We are impartial.

We respect and value all sectors of our industry.

We strive to be relevant to all stakeholders,  
regardless of size.

We are deeply committed to principles  
of equity and transparency.

## We Are Quality

We are prepared to work for the future of our industry.

Innovation drives us as much as it drives our industry.

Our strategy will be grounded in evidence  
and sensitive to experience.

We will measure our success by evaluating the  
capacity and sustainability of the Tasmanian  
building and construction industry.

# Keystone 2023 Plan

## Three-Year Goal

We are the go-to organisation for facilitating building and construction industry workforce development in Tasmania

## Thematic Goal Jan–Dec 2023

Evidence • Enable • Evolve • Engage

## Core business

Industry funding • Levy collection and administration  
Stakeholder engagement • Advice to Ministers  
HR • Operations • Finances • Reporting

### Evidence

#### Data-Informed Decision-Making

SOFIA labour market modelling  
Data analysis and targeted actions in response

#### Quality

Link quality assurance process to funding decisions  
Actively promote and facilitate continuous improvement in training

### Enable

#### Operations and Funding

New funding model and system implementation  
Rigorous audit

#### Staff

Staff professional development  
Staff wellbeing

### Evolve

#### Strategy Leadership Action

Education system and B&C industry intersection

School-based activities and apprenticeship pathways

Collaborate with and connect RTOs, GTOs, schools, and industry

### Engage

#### Stakeholder Engagement

Communication Strategy implementation

Industry careers promotion (BIG campaign)

Keystone awareness campaign

# 2022-2023 Highlights



**11,344**  
participants



**3,437**  
funded claims

Funding applications for training from eligible organisations reached more than  
**\$4.5 million**



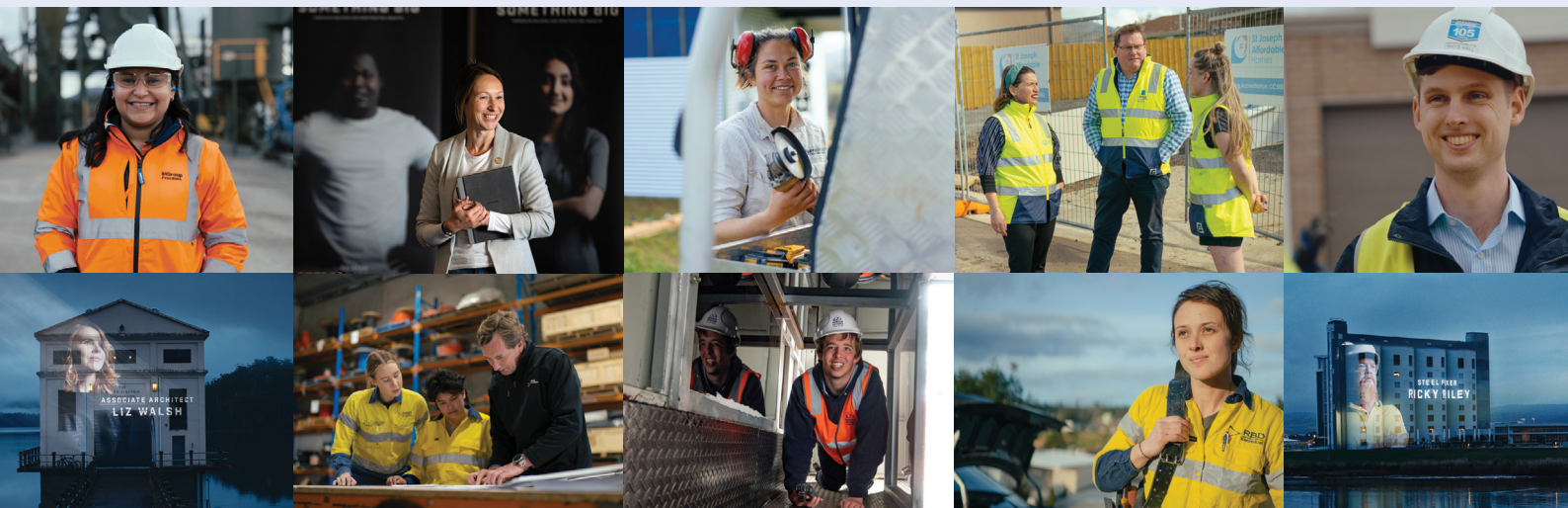
**135** training providers  
offering **796** courses

Civil **\$1.87M** Residential **\$2.84M**



Non-residential  
**\$1.88M**

Levy payable on State and privately-funded civil projects only



In previous years, Keystone collected information on the number of contact hours for courses. When systems were updated in 2022 to streamline claims applications and processing, the collection of contact hours was removed. We recognise that reporting contact hours is an important measure of the length of training and gives an indication of the complexity of training courses. It is intended to reinstate this data element in future years.

# 2022-2023 Highlights

## SOFIA: Labour Market Analysis

Keystone engaged Deloitte Access Economics to develop SOFIA (Statistical Optimisation for Industry Advancement) – a labour market analysis tool to help identify skills demands and supply issues, mapped against the projected pipeline of work in residential, commercial and civil sectors. The tool is designed to model local labour market needs for priority occupations. It also seeks to map the capacity of providers to meet this demand. The intent of SOFIA is to inform the sector and enable Keystone to target funding. Phase 3 of the project is underway.

## A Woman's Place: Campaign Empowering Women in the Building Industry

While Tasmania leads the nation in female apprentice numbers, women make up less than three per cent of trade qualified workers and account for only 10.2 per cent of the workforce. A growing number of new workers is needed across every trade to meet projected demand in 2030.

In August 2022, Keystone launched a new campaign aimed at increasing awareness of career opportunities and pathways for women, as well as increasing diversity in the building and construction sector. The TV, social media, and online campaign tells the stories of women across a range of ages, backgrounds, and trades who are thriving in the industry. The campaign includes an interactive website where people can directly connect with women in the industry and with employers actively working to recruit a more diverse workforce.

## Career Sphere: Virtual Reality Experience

As part of building our suite of industry career resources, the Career Sphere Virtual Reality Experience helps to inspire students, job seekers, parents, and educators to become enthusiastic about the building and construction industry, and to view it as an attractive and rewarding career pathway. The Career Sphere experience is designed for use at schools, career expos, and large events (such as Agfest). Participants can wear a virtual reality headset to complete a simple questionnaire that guides some resulting career options. They will be welcomed 'virtually' by someone 'on site' and are immersed in 360 degree scenes featuring different construction sites and stories. Different trade experiences are planned including carpentry, crane, civil, roadways, plumbing, bricklaying, and finishing trades.



# From the Chair and Acting CEO



On behalf of the Board of Keystone Tasmania, I am pleased to present our 2022/23 Annual Report.

At the outset, I want to thank Norm McIlpatrick for his commitment to Keystone during his term as Chair. For three years, Norm led the Board through a period of growth and expansion. Tasmania's building and construction industry has grown significantly in recent years, with Keystone providing an increased focus on the delivery of vital training and development opportunities.

Following Norm's resignation, Deputy Chair Vonette Mead stepped up to provide strong and decisive leadership during what can only be described as a turbulent period. Vonette's determination and strength in navigating the challenges faced by Keystone were sincerely appreciated by her Board colleagues.

During the year, the Board also farewelled directors Michael Rogers and Ian Johnston, as well as CEO Dr Karin Mathison. Towards the end of the year, Shona Arnold, Kim Barker and David Gates joined the Board as Directors.

I was appointed to the Board in August 2023. I am looking forward to working with the building and construction industry in the pursuit of high-quality training activities that will help increase the level of skills in the workforce. The Board is currently reviewing its future direction with the aim of ensuring the right balance going forward.

*Paul West*

**Paul West**  
Chair



As we reflect on a remarkable year, I take this opportunity to share our journey and achievements.

Firstly, I would like to acknowledge the contributions of our former CEO, Dr Karin Mathison, who led the team during the year. Her accomplishments had a significant impact on the organisation's growth, culture, and strategic goals.

The Keystone team has made significant progress. We have achieved numerous milestones during the year, including the finalisation of the 2023-2026 Strategic Plan. Our commitment to the Building and Construction Industry Workforce Action Plan 2021 is embedded within the Board's Strategic Plan, and I am delighted to report on our highlights during the year.

## Evidence

- Driven by our commitment to evidence-based decisions, we continued our work with Deloitte Access Economics on stage 3 of SOFIA, which is our labour market modelling program.
- We focused on improving quality assurance in our funding processes.
- Our new applications and claims system provided enhanced information and data about training courses, claims, and participants. This will inform future policy and funding decisions.

## Enable

- We continued to streamline our funding processes, making it easier for businesses to make claims.
- We made improvements to the online claims system in response to received feedback.
- We improved our internal capacity to support the industry (Customer Relationship Team).



# From the Chair and Acting CEO

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## Evolve

- › In response to consistent feedback from the industry that candidates need to be work-ready for apprenticeships and jobs, we developed and funded a new three-weeks full-time work experience program, 'Boots On'.
- › We launched six new virtual reality trades experiences.

## Engage

- › We delivered on many items in our 2022 communications strategy. This included building an email subscription list aimed at reaching every Tasmanian worker and business in the industry.
- › We continued to collaborate with relevant industry associations, while also representing Keystone at industry events and forums.
- › We increased Keystone's social media presence to promote the fund.
- › We continued to promote industry careers, including through our Building Something Big Campaign and A Woman's Place Campaign.

## Financial Performance

Keystone's 2023 financial performance posted several records in the 33 years since the Tasmanian Building and Construction Training Board was established.

- › The levy revenue of almost \$6.6 million is the highest ever recorded. A major contributing factor was the Bridgewater Bridge project, which commenced towards the end of 2022.
- › More of the building and construction industry benefitted from the training fund, with \$5.6 million spent on training reimbursement and projects.
- › Training reimbursement was the highest on record at \$4.5 million (68% of revenue). This was influenced by the launch of Keystone's new funding model and increased awareness of the fund.
- › Funding for industry capacity building, pathways, and diversity projects of \$1.1 million (17% of levy revenue) was also the highest recorded. 18 major projects were funded.
- › Increased expenditure contributed to a net loss of \$1.6 million, which resulted in our equity position being reduced to \$3.4 million.

Our plan in 2023-24 is to allocate 75% of the levy revenue towards course training subsidies and project funding. Our focus will be on supporting the long-term sustainability of the fund. We also look forward to engaging more broadly with industry stakeholders, including those smaller organisations whose workforces can benefit more from subsidies and project funding.

## Our People

I am privileged to be part of our small yet passionate team. Sharing an open office with the Customer Relationship Team gives me the opportunity to feel and hear the voices of the industry we serve.

The volume of our work this year has more than doubled, as our new online system expanded to training provider registrations nationwide. As with any new system, there have been teething challenges. However, the Keystone team has navigated this process with commitment, resilience, and passion in service of the industry. I could not be prouder of my colleagues, past and present, and I am especially grateful for the leadership and guidance of former CEO Dr Karin Mathison.

In conclusion, on behalf of the staff of Keystone, I would like to express my sincere appreciation to our industry members and all stakeholders. I am grateful for their trust and partnership through this journey of transformation, growth, and innovation. Looking ahead, I recognise that there is still much work to be done. I am confident that Keystone's solid foundations and compassionate culture will continue to support the Board's strategic and operational plans into the future.



**Jana Martin**  
Acting CEO

# Keystone Board

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The **Tasmanian Building & Construction Industry Training Board** (trading as **Keystone Tasmania**) is established under Tasmania's *Building and Construction Industry Training Fund Act 1990*.

The Act's purpose is to improve the quality of training in the building and construction industry. It outlines the Board's functions and details the collection of the Training Levy. The Board is the principal adviser to the Minister on all matters relating to workforce development in the building and construction industry. In particular, the Board advises the Minister in relation to skill requirements for the industry and the training arrangements to meet those requirements.

## Keystone Functions

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.
- › 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.

## Governance

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

**Mr Norm Mcilfattrick** (Chairperson)  
*Chair until June 2023*

**Ms Vonette Mead** (Deputy Chairperson)

**Mr Ian Johnston**  
*Term concluded March 2023*

**Mr Michael Rogers**  
*Term concluded June 2023*

**Mr Ben Wilson**  
**Mrs Traycee Di Virgilio**  
*Term commenced June 2023*

**Ms Neridene Bracken**

**Mr Neil Armstrong**  
**Mr David Gates**  
*Term commenced June 2023*

**Ms Kim Baker**  
*Term commenced June 2023*

**Ms Shona Arnold**  
*Term commenced June 2023*



## Board Attendance

The Board met seven times this year and held its Annual General Meeting in October 2022. Disclosure of interests and other provisions, as outlined in the Act, were adhered to.

Board member	Meetings attended
Mr Norm Mcilpatrick	5 of 5
Ms Vonette Mead	6 of 6
Mr Ian Johnston	4 of 4
Mr Michael Rogers	4 of 4
Mr Ben Wilson	6 of 6
Mrs Traycee Di Virgilio	6 of 6
Ms Neridene Bracken	5 of 6
Mr Neil Armstrong	6 of 6
Mr David Gates	1 of 1
Ms Kim Baker	1 of 1
Ms Shona Arnold	1 of 1

## Public Meetings

The Board delivered two successful public meetings in November this year, held in Launceston and Hobart.

In accordance with Section 8A of the Act, the Board convened public meetings for interested members of the building and construction industry. We heard directly from business owners, member organisations, government representatives, education and job placement providers.

Our purpose was to consider current and future workforce training priorities. The Board presented an overview of Keystone’s activity during 2022, including the funding model and application/claims system. Among the topics discussed were workforce literacy and numeracy, future jobs and skills, and work readiness, as well as culture and mental health.

More than 152 people attended from a variety of stakeholder groups, including TasTAFE, Employer Associations, Employee Associations, and Registered Training Organisations, along with Board Members and Keystone staff.

Participants in the meeting discussed attracting new people to the sector, while building resilience and productivity.



*Pictured left: guest panel speakers TasTAFE CEO, Grant Dreher, DCEYP Manager, Apprenticeships and Traineeships for School-Aged Learners, Ruth Batge, and Director Jobs Tasmania, Stuart Hollingsworth.*

# Training Plan and Funding Forecast

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In its Training Plan for 2023–24, Keystone has allocated \$5,095,693 for the training and workforce development of eligible industry members.

The Training Plan allocation for 2023–24 includes:

- › Upskilling current workers in the building and construction sector through subsidies for accredited and non-accredited training: \$4,000,000.
- › Funding for strategic projects that advance workforce development in the areas of: pathways, capacity building, innovation, and diversity and inclusion: \$1,095,693.

The Training Plan allocation is estimated at approximately 75% of projected levy income for 2023–24. Keystone subsidises advertised course costs for applicants eligible under the *Building and Construction Industry Training Fund Act 1990*. The Training Plan is designed to ensure funding can be made available to meet emerging training requirements identified by employers during the year.

Through this Training Plan, Keystone seeks to create an environment where industry actively participates in and fully appreciates the benefits of training.

There is support from the industry for a demand-driven funding approach. This approach is consistent with the policy direction adopted by the State and Federal Governments for training entitlements and outcome-based funding. We continue to support a large number and range of courses, while continuing to promote high levels of industry participation in training.



# Training Priorities and Funding Allocations

Keystone has continued its collaboration with Skills Tasmania on building and construction industry training issues. In 2022-23, we worked with other industry peaks on an industry compact to document the collaborative partnership on skills, training, and workforce development in the building and construction industry. The compact, once agreed, will include an action plan to guide government and industry investment and action.

Keystone's training priorities and funding allocations for 2022-23 were outlined in the Training Plan for the year.

**Keystone continues to work with Skills Tasmania to provide strategic advice to the Department and the Minister on:**

- Ministerial Priorities for Training and Workforce Development.
- Specific building and construction industry training issues.

Keystone leads a number of significant initiatives arising from the Building and Construction Industry Workforce Action Plan.

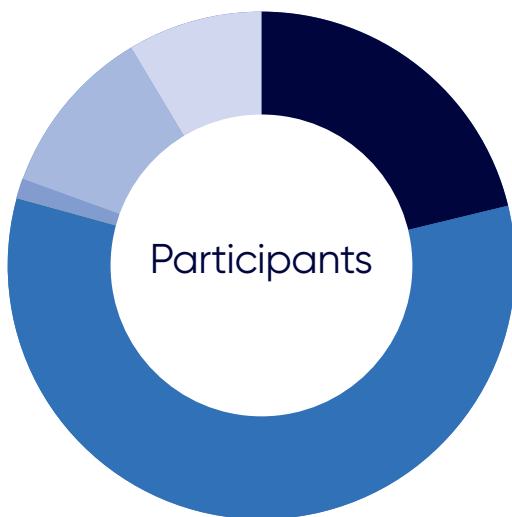
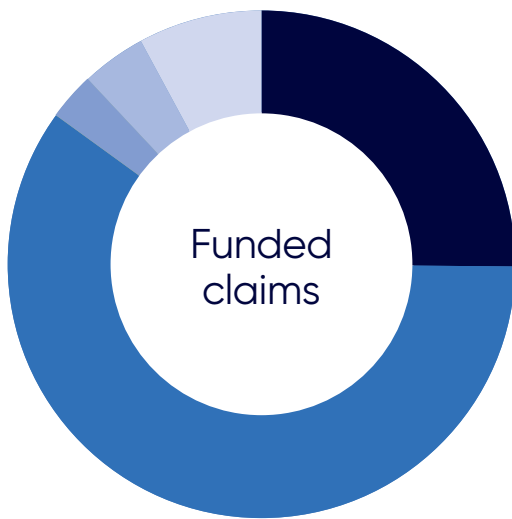
**Keystone identified three areas of strategic activity for industry training provision in 2022-2023:**

- Promote quality pathways to employment.
- Support those in employment to develop their skills, obtain accreditation, and pursue career opportunities.
- Champion industry-wide initiatives that build pathways into the industry and build capacity, while promoting innovation, diversity, and inclusion.

The demand-driven model as detailed in the Training Plan is designed to meet the needs of both small and large building and construction enterprises.



# Training Funded by Keystone in 2022–2023



In previous years, Keystone collected information on the number of contact hours for courses. When systems were updated in 2022 to streamline claims applications and processing, the collection of contact hours was removed. We recognise that reporting contact hours is an important measure of the length of training and gives an indication of the complexity of training courses. It is intended to reinstate this data element in future years.

- Upskilling and Multiskilling**  
**867 funded claims for 2,214 participants**  
 These courses covered training on existing practices, as well as new standards, regulations, technologies, and products.
- Workplace Health and Safety, First Aid and High Risk Training**  
**993 funded claims for 5,053 participants**  
 These courses focus on safety training for employers, employees, and self-employed contractors in a continuing drive to develop a safety culture in the building and construction industry.
- Industry Innovation and Information Technology Training**  
**19 funded claims for 70 participants**  
 These courses encourage industry members to access and use information technologies, as well as a range of industry innovation tools to meet their business needs. Training was also prepared for new developments and emerging trends that could impact business practices.
- Business Skills Training**  
**95 funded claims for 776 participants**  
 These courses are designed to improve industry's capabilities to respond to market opportunities and develop skills required for quality, reliable, and cost-effective business operations.
- Vocational and Tertiary Education**  
**150 funded claims for 620 participants**  
 These courses cover a variety of sub areas aimed at improving the qualifications and skills of industry entrants and members.

# Major Funded Projects 2022-2023

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## Pathways

### Housing Industry Association (HIA) YouthBuild

HIA's YouthBuild initiative supports young people to learn about, and gain practical experience in, the building industry while they complete their secondary school studies. Currently aimed at Year 9 and 10 students, it promotes career diversity and provides a pathway into industry, primarily leading to Vocational Education and Training (VET) qualifications and apprenticeships. It also provides basic skill sets and industry experience. The program has been integrated into the Department for Education, Children and Young People's Architecture and Construction Package of Learning, offering students practical electives. A total of 223 year 9 and 10 students participated in YouthBuild classes across 11 schools in 2022. 25% of participants were female. A number of students applied for apprenticeships as a result. Funding and support were provided to schools to complete YouthBuild projects, such as constructing tables for MONA and a vegetable garden/landscaping project.

**Project duration: 48 months**  
**Keystone funding: \$200,000**

### Master Builders Tasmania Construction Safe

This program enabled school-aged people to participate in work experience in the building and construction sector, with the goal of preparing them for employment. The program included qualifications and face-to-face safety training that allowed school-aged people to enter work sites (White Card).

**Project duration: 12 months**  
**Keystone funding: \$180,000**

### TasBGAS Building Futures

Building Futures provides school-based traineeship opportunities for secondary students across Tasmania in building and construction. Students complete a Cert II in Construction and a minimum of 10 weeks on-the-job work with host employers. Building Futures provides clear career pathways for students into apprenticeships, supports government commitments in Australian School Based Apprenticeships (ASBA) and addresses the current and future skill gap in the industry.

**Project duration: 4 years**  
**Keystone Funding: \$600,000**

### Beacon Foundation Building Careers in Tasmania

This project provided a series of career readiness activities in four secondary schools across North and North-West Tasmania. Individual school programs (designed with the school and relevant industry partners) involved work-based learning activities. These included 'Speed Careering' workshops where students had conversations with industry representatives, including young female tradespeople. In addition, the Polish High Impact Program engaged industry participants from diverse roles and backgrounds to share their stories and host a networking lunch. 94% of participants indicated their awareness of careers has increased. 96% increased their transferable skills and capabilities, while 90% feel more confident about their futures.

**Project duration: 36 months**  
**Keystone funding: \$270,000**

# Major Funded Projects 2022-2023

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## **Centacare Evolve Housing**

### **Build Up Tassie and Build Up Tassie Civils**

Build Up Tassie is a unique employment and training program that supports young people. In particular, the program supports those disengaged from education and employment – as well as females and individuals with culturally and linguistically diverse backgrounds – into training, work experience and employment. 36 young people participated in the Build Up Tassie program in 2022.

The primary objective of the Build Up Tassie Civils program is to increase school aged students' understanding of employment opportunities and pathways into civil construction. This includes students who have disengaged from school. 350 students participated in school sessions facilitated by coaching teams. Of the 50 year 10 students who attended an information session, nine enrolled and seven completed the full program.

**Project duration: 42 months for Build Up Tassie and 24 months for Build Up Tassie Civils**

**Keystone funding: \$193,100 for Build Up Tassie and \$200,000 for Build Up Tassie Civils**

## **Capacity Building**

### **Australian Brick and Block Training Foundation (ABBTF) & TasTAFE Step out in Brick Program**

A hands-on introductory bricklaying program, Step Out in Brick was conducted by TasTAFE on behalf of the ABBTF. It was designed to inspire students about opportunities in the bricklaying trade and the construction industry. The program supported them to obtain qualifications and employment. Students gained first-hand experience of the bricklaying skills required to work in the construction industry. The program also offered students a taste of what attributes are required in this craft-based trade.

**Project duration: 12 months  
Keystone funding: \$13,000**

## **Housing Industry Association (HIA) & Savant Australia**

### **Growing and Training Mentors for Business and Building Women Success**

The HIA & Savant mentoring project spans all sectors of the Tasmanian building and construction industry. In the first part of the project, participants developed the fundamentals and skills needed to identify employees in need of mentoring. They learned about understanding behaviour, emotional intelligence, communication fundamentals, mental health first aid, and the foundations of coaching. The second part of the program applied these principles by delivering mentoring services to a broad cross section of industry, ranging from apprentices to professionals. The program has a diversity focus and aims to encourage new workplace practices.

Workshops were delivered in Launceston and Hobart, with 22 business leaders across sub-trades, residential, commercial, and civil construction attending. Participants learned about identifying staff that need mentoring and they also heard from guest experts. After the workshops, participants benefited from one-on-one coaching sessions. Feedback was very positive, with participants reporting their plans to apply learnings to their businesses.

**Project duration: 24 months  
Keystone funding: \$186,000**



# Major Funded Projects 2022-2023

## Diversity and Inclusion

### **Tradeswomen Australia Diverse Employment Strategies and Develop and Implement Diverse Recruitment Culture**

Tradeswomen Australia (TWA) provided diversity recruitment training for organisational leaders, HR and senior site managers across several construction businesses.

Seven construction trade employers in Northwest Tasmania underwent a 12-month diversity change program. The online program, incorporating bias, bystander and cultural awareness workshops, was supported by monthly meetings with a Workplace Diversity Officer to introduce diversity and inclusion into strategic planning, operations and workplace culture.

Graduating participants learned how to distinguish unconscious and conscious bias, how it is developed, and how to prevent it. The project was specifically designed for workplaces that are experiencing barriers to recruiting a diverse workforce and want to improve their candidate pool. Participants included representatives from one business that had recently added two women apprentices.

In addition, 68 women attended Remade for Trades Workshops. They experienced a variety of trades roles, met the women occupying them, and were involved in hands-on activities. Mentors from across the industry were on hand to meet with participants. 82% of participants agreed or strongly agreed that they were interested in a trades career.

The projects included developing an Inclusive Recruitment Guide which has been widely distributed across TWA's networks.

**Project duration: 12 months for Diverse Employment Strategies and 12 months for Develop and Implement Diverse Recruitment Culture**

**Keystone funding: \$50,000 for Diverse Employment Strategies and \$35,000 for Develop and Implement Diverse Recruitment Culture**



# Financial Statements

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## Keystone Tasmania

# Certification of Financial Statements

The attached Statements and notes thereon, to the best of our knowledge and belief, present fairly the state of the Tasmanian Building and Construction Industry Training Board's affairs as at 30 June 2023 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 20 October 2023



**Jana Martin**  
Acting CEO



**Paul West**  
Chair

# Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2023

	2023 \$	2022 \$
<b>REVENUE</b>		
Industry Training Levy	6,594,506	5,314,027
Communities Tasmania Grant	-	65,000
Interest Received	74,196	11,822
Other Income	91	-
<b>TOTAL REVENUE</b>	<b>6,668,793</b>	<b>5,390,849</b>
<b>EXPENSES</b>		
Administration	(465,801)	(281,335)
Executive	(490,957)	(520,700)
Finance and Accounting	(116,356)	(244,425)
Industry Capacity Building	(818,716)	(439,392)
Levy and Funding	(419,368)	(167,241)
Pathways	(705,013)	(688,378)
Stakeholder Engagement	(759,505)	(806,777)
Training Reimbursement Paid	(4,515,800)	(2,810,509)
<b>TOTAL EXPENSES</b>	<b>(8,291,515)</b>	<b>(5,958,757)</b>
<b>LOSS FROM OPERATIONS</b>	<b>(1,622,722)</b>	<b>(567,908)</b>

# Statement of Financial Position

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and Cash Equivalents	2	1,509,752	570,032
Financial Assets	3	1,500,000	3,500,000
Receivables	4	569,056	530,163
Prepayments	5	35,533	44,364
<b>TOTAL CURRENT ASSETS</b>		<b>3,614,341</b>	<b>4,644,559</b>
<b>NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	6	19,326	34,057
Intangibles	7	651,359	549,724
Right of Use Assets	8	272,619	311,239
<b>TOTAL NON-CURRENT ASSETS</b>		<b>943,304</b>	<b>895,019</b>
<b>TOTAL ASSETS</b>		<b>4,557,645</b>	<b>5,539,579</b>
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Lease Liability		50,717	47,800
Employee Entitlements		47,979	60,568
Corporate Credit Card		262	-
Payables	9	828,263	134,318
<b>TOTAL CURRENT LIABILITIES</b>		<b>927,221</b>	<b>242,687</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease Liability	8	249,516	280,536
Employee Entitlements		11,665	24,391
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>261,181</b>	<b>304,927</b>
<b>TOTAL LIABILITIES</b>		<b>1,188,402</b>	<b>547,614</b>
<b>NET ASSETS</b>		<b>3,369,243</b>	<b>4,991,965</b>
<b>EQUITY</b>			
Retained Earnings	10	3,369,243	4,991,965
<b>TOTAL EQUITY</b>		<b>3,369,243</b>	<b>4,991,965</b>

# Statement of Changes in Equity

For the year ended 30 June 2023

	Retained Earnings \$	Total Earnings \$
<b>BALANCE AT 1 JULY 2021</b>	<b>5,559,873</b>	<b>5,559,873</b>
Loss for the Year	(567,908)	(567,908)
<b>BALANCE AT 30 JUNE 2022</b>	<b>4,991,965</b>	<b>4,991,965</b>
Loss for the Year	(1,622,722)	(1,622,722)
<b>BALANCE AT 30 JUNE 2023</b>	<b>3,369,243</b>	<b>3,369,243</b>

## Cash Flow Statement

For the year ended 30 June 2023

	Note	2023 \$	2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash Receipts from Customers		6,663,195	5,403,585
Cash Paid to Suppliers and Employees		(7,565,081)	(5,705,207)
Interest Received		74,900	13,976
<b>CASH USED IN OPERATIONS</b>	11	<b>(826,986)</b>	<b>(287,647)</b>
<b>NET CASH USED IN OPERATING ACTIVITIES</b>		<b>(826,986)</b>	<b>(287,647)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Acquisition of Property, Plant, and Equipment		(184,684)	(351,347)
Payments for Other Assets		-	(1,500,000)
Proceeds from Other Assets		2,000,000	-
<b>NET CASH FROM/(USED IN) INVESTING ACTIVITIES</b>		<b>1,815,316</b>	<b>(1,851,347)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Payments of Lease Liabilities		(48,610)	(65,813)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>		<b>(48,610)</b>	<b>(65,813)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>			
Cash and Cash Equivalents at the Beginning of the Year		570,032	2,774,839
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR</b>	11	<b>1,509,752</b>	<b>570,032</b>

# Notes to the Financial Statements

For the year ended 30 June 2023

## Note 1: Accounting Policies

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

### Basis of Accounting

In the opinion of the Board, Keystone is a non-reporting entity and prepares a Special Purpose Financial Report to meet the information needs of members and the requirements of Tasmania's *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 noted, the Special Purpose Financial Statements have been prepared in accordance with the recognition, measurement, and classification aspects of all applicable Australian Accounting Standards (AASBs) adopted by the Australian Accounting Standards Board (AASB).

The Financial Statements do not include the disclosure requirements of applicable AASB's, except for the following:

- AASB 15: Revenue from Contracts with Customers
- AASB 16: Leases
- AASB 101: Presentation of Financial Statements
- AASB 107: Statement of Cash Flows
- AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors
- AASB 116: Property, Plant and Equipment
- AASB 119: Employee Benefits
- AASB 1048: Interpretation of Standards
- AASB 1054: Australian Additional Disclosures
- AASB 1057: Application of Australian Accounting Standards

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.

The Financial Statements were approved by the Directors on the same date as the signing of the Directors' declaration.

### Insurance

Keystone 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.

### 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.



# Notes to the Financial Statements

For the year ended 30 June 2023

## Depreciation and Amortisation

Items of office furniture and 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 & Equipment – 3–20 years
- Software and Website – 8 years

## 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.

## Industry Training Levy

The Industry Training Levy is payable under the under Tasmania's *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 Keystone, it is recognised as revenue when collected by the agency.

## 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 Keystone. The Board has decided not to early adopt any of the new and amended pronouncements.

## Revenues and Expenses

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

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

Interest on invested funds is recognised as it accrues.

## Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the Financial Statements based on historical knowledge and best available current information.

Estimates assume a reasonable expectation of future events, and are based on current trends and economic data, obtained both externally and within the Company.

## Income Tax

The activities of Keystone are exempt from income tax under the Income Tax Assessment Act 1997.

Keystone is subject to Fringe Benefits Tax and Goods and Services Tax.

# Notes to the Financial Statements

For the year ended 30 June 2023

## Leases

Initially, the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, Keystone uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- fixed lease payments less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options;
- lease payments under extension options if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The right-of-use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date, as well as any initial direct costs. The subsequent measurement of the right-of-use assets is at cost, less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the lease term or useful life of the underlying asset, whichever is the shortest. Where a lease transfers ownership of the underlying asset, or the cost of the right-of-use asset reflects that Keystone anticipates to exercise a purchase option, the specific asset is depreciated over the useful life of the underlying asset.

Right-of-use assets relate to building leases for Level 5, 85 Macquarie Street, Hobart, Tasmania from 1 November 2020 to 31 July 2024.

## Employee Benefits

Keystone 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 are 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 Keystone 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.

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

## Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except:

- where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

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.

# Notes to the Financial Statements

For the year ended 30 June 2023

## Comparative amounts

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

<b>Note 2: Cash and Cash Equivalents</b>	2023 \$	2022 \$
Cash at Bank	1,490,476	45,002
Call Account	19,077	524,530
Petty Cash	200	500
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>1,509,752</b>	<b>570,032</b>

<b>Note 3: Financial Assets</b>	2023 \$	2022 \$
Term Deposits > 3 months	1,500,000	3,500,000
<b>TOTAL FINANCIAL ASSETS</b>	<b>1,500,000</b>	<b>3,500,000</b>

<b>Note 4: Receivables</b>	2023 \$	2022 \$
GST Receivable	207,760	101,565
Industry Training Levy Receivable	356,426	425,024
Accrued Interest	2,869	3,573
Car Deposit	2,000	-
<b>TOTAL RECEIVABLES</b>	<b>569,056</b>	<b>530,163</b>

<b>Note 5: Prepayments</b>	2023 \$	2022 \$
Rental Bond	11,250	11,250
Prepayments	24,283	33,114
<b>TOTAL PREPAYMENTS</b>	<b>35,533</b>	<b>44,364</b>

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 6: Property, Plant and Equipment

	Furniture & Equipment	Motor Vehicles	Total
<b>RECONCILIATION OF CARRYING AMOUNT</b>			
Gross Carrying Amount	53,573	57,839	111,412
Accumulated Depreciation and Impairment Losses	(37,011)	(40,344)	(77,355)
<b>NET CARRYING AMOUNT AT 1 JULY 2022</b>	<b>16,562</b>	<b>17,495</b>	<b>34,057</b>
Additions	10,743	-	10,743
Increases/(Decreases) From Revaluations	-	-	-
Depreciation	(7,980)	(4,952)	(12,932)
Disposals Gross Carrying Amount	-	(29,788)	(29,788)
Disposals: Depreciation Offset	-	17,245	17,245
<b>NET CARRYING AMOUNT AT 30 JUNE 2023</b>	<b>19,325</b>	<b>-</b>	<b>19,325</b>
<b>BALANCE AT 30 JUNE 2023</b>			
Gross Carrying Amount	60,877	28,051	88,928
Accumulated Depreciation and Impairment Losses	(41,552)	(28,051)	(69,603)
<b>NET CARRYING AMOUNT AT 30 JUNE 2023</b>	<b>19,325</b>	<b>-</b>	<b>19,325</b>

### Note 7: Intangibles Assets and Goodwill

	Website	Software	Work in Progress	Total
<b>RECONCILIATION OF CARRYING AMOUNT</b>				
<b>COST</b>				
Balance at 1 July 2022	571,094	-	56,753	627,847
Acquisitions				
- Internally Developed		47,068		47,068
- Work in Progress: Website			225,803	225,803
- Work in Progress: Move to Expenses			(51,863)	(51,863)
- Work in Progress: Move to Intangible Assets			(47,068)	(47,068)
<b>BALANCE AT 30 JUNE 2023</b>	<b>571,094</b>	<b>47,068</b>	<b>183,625</b>	<b>801,787</b>
<b>RECONCILIATION OF CARRYING AMOUNT</b>				
Balance at 1 July 2022	492,971	-	56,753	549,724
Acquisitions				
- Internally Generated		47,068		47,068
- Work in Progress: Purchase			225,803	225,803
Amortisation	(72,257)	(48)	-	(72,305)
Work in Progress: Move to Intangible Assets			(47,068)	(47,068)
Work in Progress: Move to Expenses			(51,863)	(51,863)
Disposals	-	-	-	-
<b>BALANCE AT 30 JUNE 2023</b>	<b>420,714</b>	<b>47,020</b>	<b>183,625</b>	<b>651,359</b>

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 8: Leases

#### i. Right-of-Use Assets

	2023 \$	2022 \$
Building Leases	380,920	373,487
Less Accumulated Amortisation	(108,301)	(62,248)
<b>TOTAL AT NET BOOK VALUE</b>	<b>272,619</b>	<b>311,239</b>

#### ii. Reconciliation of Carrying Amount

	2023 \$	2022 \$
Building Leases		
Carrying Amount at Beginning of Year	311,239	372,374
Additions	-	-
Lease Modifications	7,433	937
Depreciation	(46,053)	(62,072)
<b>CARRYING AMOUNT AT END OF YEAR</b>	<b>272,619</b>	<b>311,239</b>

#### iii. Lease Liability

	2023 \$	2022 \$
Balance at 1 July 2022	280,536	313,751
Lease Modifications	7,433	983
Interest	13,089	11,942
Lease Repayment	(51,542)	(46,140)
<b>BALANCE AT 30 JUNE 2023</b>	<b>249,516</b>	<b>280,536</b>

### Note 9: Payables

	2023 \$	2022 \$
Trade Creditors	717,907	86,574
Super Liability and Union Fees	14,572	9,924
PAYG Withholding	39,674	29,465
Accrued Expense	51,277	8,354
Payroll Tax Liability	4,832	-
<b>TOTAL PAYABLES</b>	<b>828,263</b>	<b>134,318</b>

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 10: Retained Earnings

	2023 \$	2022 \$
Opening Balance	4,991,965	5,559,873
Current Year Earnings	(1,622,722)	(567,908)
<b>TOTAL RETAINED EARNINGS</b>	<b>3,369,243</b>	<b>4,991,965</b>

### Note 11: Cash and Cash Equivalents

#### RECONCILIATION OF CASH

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period, as shown in the statement of cash flows, can be reconciled to the related items in the statement of financial position as follows:

	2023 \$	2022 \$
Cash and Bank Balances	1,509,752	570,032
	<b>1,509,752</b>	<b>570,032</b>

Keystone holds \$1,500,000 in term deposits (maturity date 30/11/2023) that are held for periods greater than three months and therefore do not meet the classification requirements for cash and cash equivalents.

#### RECONCILIATION OF NET PROFIT AFTER TAX TO NET CASH FLOWS FROM OPERATIONS

	2023 \$	2022 \$
Loss for the Year	(1,622,722)	(567,908)
<b>Adjustments for:</b>		
Interest Expense	13,073	13,823
Depreciation	131,290	132,764
Gain/Loss on Sale of Equipment	12,543	-
Movement in Employee Liabilities	(25,315)	(12,745)
<b>OPERATING CASH FLOWS BEFORE MOVEMENTS IN WORKING CAPITAL</b>	<b>(1,491,132)</b>	<b>(434,066)</b>
Movement in Trade and Other Receivables	69,302	75,343
Movement in Prepayments	8,832	(11,342)
Movement in Trade and Other Payables	586,012	82,419
<b>CASH GENERATED USED IN OPERATIONS</b>	<b>(826,986)</b>	<b>(287,647)</b>

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 12: Expenses

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

	2023 \$	2022 \$
Accommodation and Travel	30,139	26,803
Accounting Expense	47,443	-
Amortisation	118,358	107,922
Audit and Legal Fees	19,180	23,155
Bank Fees and Charges	898	502
Board Development	-	17,500
Board Member Remuneration	104,537	105,487
Collection Charges	32,066	35,282
Consultants' Fees	35,783	12,595
Depreciation	12,932	24,843
Diversity Program	68,775	98,624
Employee Health and Wellbeing	6,231	5,168
Fringe Benefits Tax	17,054	16,747
Heat, Light and Power	710	367
Industry Capacity Building Projects	563,653	204,159
Innovation	-	26,318
Insurance	20,695	16,761
Lease Interest	15,271	13,825
Office Expenses	94,425	50,635
Pathways Projects	509,012	479,298
Postage and Phone	15,069	18,611
Printing and Stationery	1,705	1,410
Redundancies	46,170	11,360
Repairs and Minor Equipment	30,552	24,502
Salaries	1,102,810	883,981
Scholarships	1,008	3,000
Staff Car Parking	40,803	30,355
Staff Development	39,215	19,592
Stakeholder Engagement	580,733	779,176
Superannuation	134,456	102,094
Training Reimbursements	4,515,800	2,810,509
Vehicle Expenses	7,567	8,180
Website Maintenance	65,921	-
Loss on Disposal	12,543	-
<b>TOTAL</b>	<b>8,291,515</b>	<b>5,958,761</b>

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 13: Employee Benefits

	2023 \$	2022 \$
Annual Leave	41,904	53,744
Long Service Leave	11,665	24,391
Superannuation	6,076	6,824
<b>Total Employee Benefits</b>	<b>59,645</b>	<b>84,959</b>
Current	47,980	60,568
Non-Current	11,665	24,391
	<b>59,645</b>	<b>84,959</b>

### Note 14: Commitments

#### TRAINING FEES

Under the Building and Construction Training and Upskilling Programs, Keystone has commitments for training fees payable to employers and host employers of apprentices employed under training agreements during 2018–2023. The expected payments could be made up to 30 June 2026 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 2023 is \$272,000 (30 June 2022, \$584,000). This assumes an apprenticeship attrition rate of twenty (20) percent. These programs were closed on 30 April 2022. Therefore, no new commitments have been made during the 2023 financial year.

### Note 15: Related Parties

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 Keystone'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 Keystone. 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 Keystone's normal activities, are not included in this note.

The total value of related party transactions with key management personnel (KMP) is as follows:

	2023 \$	2022 \$
Apprentice Employment Opportunities	-	50,155
Training Reimbursements	-	21,345
<b>TOTAL RELATED PARTY TRANSACTIONS</b>	<b>-</b>	<b>71,500</b>

Vonette Mead is a current director and her business, Mead Con, received payments as part of normal training reimbursements. Ben Wilson is a current director of Keystone and CEO of Centacare Evolve Housing. Keystone and Centacare Evolve Housing have a formal funding agreement to support apprentice employment opportunities. These transactions were completed on normal commercial terms. No related party transactions were received by Vonette or Ben during the 2023 financial year. No other KMP's entered into a material contract with Keystone since the end of the previous financial period, and there were no material contracts involving KMP's interests existing at the end of the period.



## Notes to the Financial Statements

For the year ended 30 June 2023

### RELATED PARTY (2023)

	Salary (1)	Allowance (1)	Vehicles (1)	Superannuation (2)	Redundancy (2)	LSL & A/L Movement (2)	Total Compensation
<b>BOARD MEMBERS</b>							
Chairperson (1)	18,554	756	-	1,948	-	-	21,258
Directors (10)	76,910	509	-	8,076	-	-	85,494
<b>Total Board</b>	<b>95,463</b>	<b>1,265</b>	<b>-</b>	<b>10,024</b>	<b>-</b>	<b>-</b>	<b>106,752</b>
<b>SENIOR MANAGEMENT</b>							
\$160,000-\$220,000 (1)	218,037	2,132	10,499	19,337	-	(17,510)	232,495
\$50,000-\$120,000 (4)	287,551	2,631	-	37,451	9,160	21,291	358,084
<b>Total Senior Management</b>	<b>505,588</b>	<b>4,763</b>	<b>10,499</b>	<b>56,788</b>	<b>9,160</b>	<b>3,781</b>	<b>590,579</b>

### RELATED PARTY (2022)

	Salary (1)	Allowance (1)	Vehicles (1)	Superannuation (2)	Redundancy (2)	LSL & A/L Movement (2)	Total Compensation
<b>BOARD MEMBERS</b>							
Chairperson (1)	19,938	697	-	1,994	-	-	22,629
Directors (9)	75,960	896	-	7,596	-	-	84,452
<b>Total Board</b>	<b>95,898</b>	<b>1,593</b>	<b>-</b>	<b>9,590</b>	<b>-</b>	<b>-</b>	<b>107,081</b>
<b>SENIOR MANAGEMENT</b>							
\$160,000-\$220,000 (1)	178,615	2,647	11,271	17,862	-	395	210,790
\$50,000-\$120,000 (5)	375,852	3,013	-	42,256	6,235	(33,267)	394,089
<b>Total Senior Management</b>	<b>554,467</b>	<b>5,660</b>	<b>11,271</b>	<b>60,118</b>	<b>6,235</b>	<b>(32,872)</b>	<b>604,879</b>

(1) Short-Term Employees Benefits

(2) Post-Employment Benefits

## Notes to the Financial Statements

For the year ended 30 June 2023

### Note 16: Auditor's Remuneration

The Statements of Keystone are audited by the Auditor-General in accordance with the Audit Act 2008. The fee for the Keystone's 30 June 2023 audit is \$14,600 (30 June 2022, \$14,160) excluding GST.

### Note 17: Subsequent Events

There has not been any matter or circumstance that has arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of Keystone, the results of those operations, or the state of affairs of the Board in financial years subsequent to this financial year.

### Note 18: Credit Standby Arrangements with Banks

	2023 \$	2022 \$
Credit Card Facility	15,000	15,000
Amount Utilised	(262)	-
<b>TOTAL CREDIT STANDBY ARRANGEMENTS WITH BANKS</b>	<b>14,738</b>	<b>15,000</b>



## Independent Auditor's Report

To the Members of Tasmanian Building  
and Construction Industry Training Board

### Report on the Audit of the Special Purpose Financial Report

#### Opinion

I have audited the 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 2023 and the statements of profit or loss and other 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 the Statement of Certification signed by management.

In my opinion, the accompanying Financial Report presents fairly, in all material respects, the financial position of the Board as at 30 June 2023, 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 (including Independence Standards) (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.



### **Emphasis of Matter – Basis of Accounting**

I draw attention to Note 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 the 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 determined 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 management intend to cease operations, or have no realistic alternative but to do so.

The Members of the Board are responsible for overseeing 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.
- 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.

**Helen Grube**  
Senior Manager

Delegate of the Auditor-General  
Tasmanian Audit Office

23 October 2023 Hobart



Building Capacity.

Building Tasmania.



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