



Annual Report

2023 - 2024



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 knowledges as vital to the self-determination, wellbeing and resilience of their communities.

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The Way We Work



We Value

Collaboration

Integrity

Humility

We Believe That



We can challenge each other

We find our greatest strength
in diversity of thought

We can always do better together

We should feel supported and valued



We Strive For

Excellence across all of our business

Flexibility, adaptability and openness
to change

Transparency in our business dealings

The Way We Deliver



We connect with the people in our industry and appreciate their needs

We exist to serve our industry and we value our relationships



We listen, we learn, and we take action

We are objective and impartial



We respect and value all of our industry

We are committed to equity and transparency

Our decisions are based on evidence





Message from Chair



On behalf of the Board of Keystone Tasmania, I am pleased to present the 2023/24 Annual Report.

As the custodian of the Tasmanian Building and Construction Industry Training Fund, Keystone Tasmania provides an invaluable service to the building and construction industry. The Board is responsible for ensuring that the Training Fund continues to play an important role in enabling the sector's success and long-term sustainability.

It is no secret that the 2023/24 financial year presented several significant challenges for Keystone Tasmania. Despite maintaining a high level of training support to the Tasmanian building and construction industry, declining revenues and cash reserves placed considerable pressure on our budget.

Keystone Tasmania had over recent years successfully raised the profile of the organisation, leading to increased demand for training funding. As a result, we found ourselves with the task of realigning these achievements with sustainable, resilient business fundamentals, leading to a decision in the short-term to readjust our business model.

As part of our readjustment strategy, Keystone Tasmania adopted an Interim Strategic Plan during the year. This strategic adjustment focuses on four key areas:

Prudent Fund Management: Ensuring that responsible stewardship of the Building and Construction Industry Training Fund remains a cornerstone of our strategy.

Strong Partnerships: Maintaining and cultivating robust partnerships with industry stakeholders and government entities.

Operational Efficiency: Refocusing our operational priorities to maximise cost-effectiveness and organisational efficiency.

Funding Policy Review: Reviewing our funding model to ensure alignment with training quality and financial sustainability outcomes.

The implementation of the Interim Strategic Plan in the latter half of 2023/24 has resulted in a more stabilised financial position and an improved outlook. Nevertheless, the Board remains committed to maintaining a conservative financial strategy in the short term to safeguard Keystone Tasmania's ability to support future initiatives.

On behalf of Keystone Tasmania, I acknowledge the encouragement and support of the Board from the Minister for Skills and Training, Hon Felix Ellis MP, and the Department of State Growth. This support has been instrumental in rebuilding the business and has provided us with the confidence to make the difficult decisions necessary for Keystone Tasmania's long-term sustainability.

I also extend my sincere gratitude to outgoing Director Ben Wilson for his significant contributions, both to Keystone Tasmania and to the broader Tasmanian building and construction industry over many years.

In June 2023, Keystone Tasmania welcomed Shona Arnold, Kim Barker, and David Gates as new Directors. I would particularly like to recognise Shona Arnold for her leadership as Chair of the Audit and Risk Committee, as well as long-serving Director and Deputy Chair Vonette Mead, who stepped up as Acting Chair before my appointment in August 2023.

A Board can only be successful if it has a strong and capable staff working with it. I would like to thank our CEO Martin Blake and his team for all the hard work they have contributed to Keystone Tasmania during the last year. In particular, the efforts of Jana Martin who filled the role of Acting CEO for several months is acknowledged and was sincerely appreciated.

Paul West
Chair

Message from CEO



Keystone Tasmania was founded on building and construction industry collaboration, and this heritage is central to our vision for the organisation's future.

Keystone Tasmania was established as a result of a shared building and construction industry vision to improve the quality of industry training more than 35 years ago. Today our partnerships with industry and government remain integral to our success and this was made especially clear in 2023/24.

Our Partnerships

2023/24 has been a watershed year for Keystone Tasmania. Initially contending with significant operational challenges, the organisation was then confronted with a deteriorating financial outlook that had the potential to disrupt the delivery of core business services.

While the Board and staff have worked together throughout the year to develop and implement effective strategy and policies that have delivered a remarkable recovery and strategic reset, this achievement would not have been possible without the assistance of our state government and industry partners.

I extend my sincere thanks to Skills Tasmania, Master Builders Tasmania, Housing Industry Association, Civil Contractors Federation (Tasmania), National Electrical and Communications Association and Master Plumbers Association of Tasmania for their trust, support and cooperation.

The environment for industry-wide collaboration to achieve a shared vision of success for Tasmanian building and construction industry training and workforce development could not be better.

The Tasmanian Building and Construction Industry Training Fund

The financial challenges confronting Keystone Tasmania in 2023/24 were the culmination of ongoing operational deficits over the previous four years, including the exhaustion of the Tasmanian Building and Construction Industry Training Fund cash reserves, increased level of training rebates and funding demand, and declining revenue. The decline in revenue in 2023/24 was significant, with income returning to pre-COVID pandemic levels.

The circumstances warranted an independent financial review undertaken in late 2023. Central to the findings and recommendations of the review were improvements to Keystone Tasmania's financial oversight, revenue forecasting and training funding budget management processes.

Consistent with these recommendations, Keystone Tasmania's Interim Strategic Plan has refocused the business on the sustainable governance and management of the Training Fund and maximising funding available to the building and construction industry. This has resulted in more than \$400,000 of operational budget savings, the review and divestment or cessation of secondary investments, restructure of business systems and initiating measures to address potentially significant Building and Construction Industry Training Levy revenue non-payment. Keystone Tasmania has adopted a conservative budget strategy, which includes starting to rebuild a cash reserve to manage the impact of revenue volatility, and an increased emphasis on Training Levy collection.

Keystone Tasmania's Training Plan development in recent years had prioritised increases in the scope of funded training, approved courses and approved training providers. This period also saw a change in the funding model, from a fixed daily rate to a percentage of total course costs (including one hundred per cent and above). However, financial constraints resulted in Keystone Tasmania recommending to the Minister a dramatic downward revision of training funding budgets for 2024/25, resulting in a reduced scope of supported training and level of training funding rebates.

These budget measures prioritised funding for technical building and construction industry skills and, while they will have an impact on some industry training funding and training providers in the short-term, they are nevertheless necessary for the ongoing sustainability of the Training Fund.

A Resilient and Efficient Business Model

The resilience of the Keystone Tasmania team in 2023/24 has been remarkable. Under the leadership of Acting CEO Jana Martin, the team successfully navigated a period of significant turbulence, emerging even stronger and more cohesive than before. The team has earned my admiration for their steadfast dedication and positive attitude during this challenging time.

Keystone Tasmania is committed to ensuring that our operations are as efficient as possible to maximise the benefits of the Training Levy for the industry. In 2023/24, we implemented a range of operational and budgetary changes, including:

- Changes to the funding application processing system to simplify funding application administration and enable tracking and financial reporting of training funding commitments throughout the year.
- A reduction in staff from 14 positions to eight.
- Substantially reducing website administrative overhead requirements.
- Changes to the Training Funding Policy to tighten eligibility criteria.
- Cessation of expenditure on and divestment of non-core assets.
- Reallocation of internal resources to maximising Training Levy income.
- Cross-skilling staff to future proof operations.

More effective risk management, improving our ability to forecast, track and audit Training Levy income and ongoing operational improvements are current priorities to continue to increase the resilience and effectiveness of Keystone Tasmania's operations.

Looking Forward

Despite the \$1.8 million loss realised in 2023/24, the outlook for Keystone Tasmania is very positive. We are budgeting to deliver a surplus in 2024/25 and are on track to provide a solid financial foundation for future training investments.

We look forward to continuing to build on our partnerships with state government and industry stakeholders to develop a shared vision of success for workforce development and training quality in Tasmania's building and construction industry. With the Training Fund's sustainability ensured, Keystone Tasmania is excited by the prospect of supporting our industry with strategic funding initiatives that will enable its long-term success.



Martin Blake
Chief Executive Officer

Interim Strategic Plan 2024 – 2025

Context

Keystone Tasmania is an independent statutory authority dedicated to supporting the Tasmanian building and construction industry through the management of the Building and Construction Industry Training Fund.

Over the past four years, Keystone Tasmania has undergone a major business transformation.

This transformation was driven by a need to move to a more contemporary business model, supporting industry revitalisation in response to COVID-19 challenges, and industry concerns about conservative management of the Training Fund. However, the pace and extent of this transformation and increased demand for services has exposed limitations in the current business model.

As a result of these challenges, Keystone Tasmania has reviewed its Strategic Plan, resulting in a recalibration of priorities focusing on fundamental aspects of our operations.

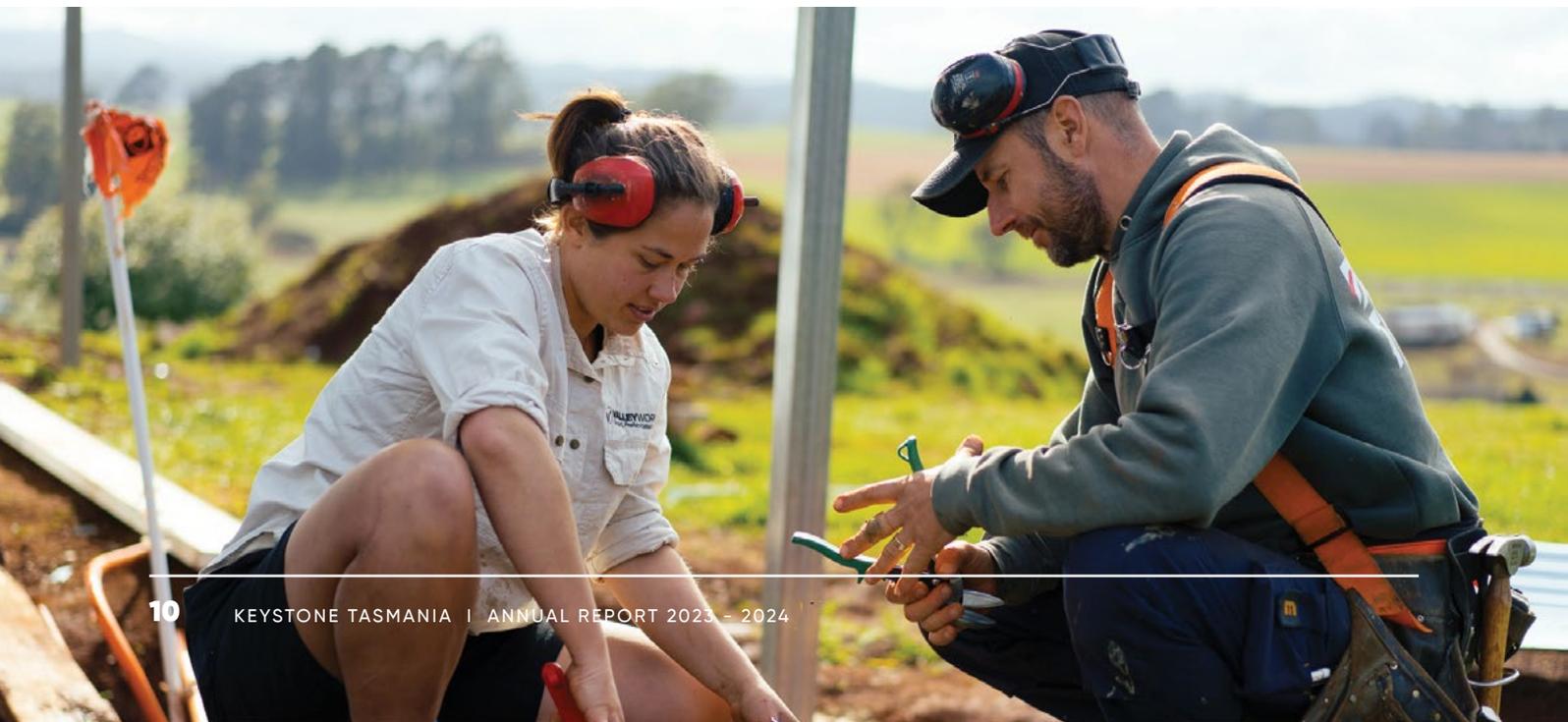
This recalibration emphasises:

- **Prudent Fund Management:** Ensuring that responsible stewardship of the Building and Construction Industry Training Fund remains a cornerstone of our strategy.

- **Strong Partnerships:** Maintaining and cultivating robust partnerships with industry stakeholders and government entities.
- **Operational Efficiency:** Refocusing our operational priorities to maximise cost-effectiveness and organisational efficiency.
- **Funding Policy Review:** Reviewing our funding model to ensure alignment with training quality and financial sustainability outcomes.

Keystone Tasmania has achieved considerable success in elevating the profile of the Tasmanian building and construction industry and the training and career pathways that are available. This Strategic Plan recalibration aims to ensure these marketing achievements are a foundation for successful facilitation of high quality and sustainable training for the building and construction industry.

As the manager of an independently resourced Training Fund, Keystone Tasmania is the custodian of an invaluable industry and State asset. It is therefore incumbent on Keystone Tasmania to ensure that the Training Fund continues to be an important enabler of the building and construction industry's success and sustainability.



Our Purpose

Keystone Tasmania was established to improve the quality of training in the Tasmanian building and construction industry

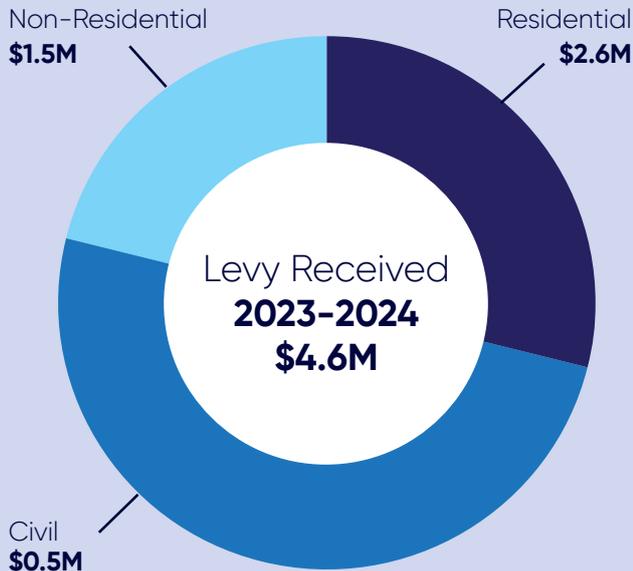
Our Strategic Goals

- Ensure ongoing sustainability of the Training Fund
- Facilitate a shared vision of success for industry workforce training and development in Tasmania
- Maximise available funding to improve industry training quality
- Ensure that the business model is resilient and efficient

Our Vision

To be an acknowledged leader enabling successful training and workforce development outcomes for the Tasmanian building and construction industry

2023 - 2024 Highlights



¹ Excludes funding applications submitted by training providers on behalf of eligible businesses
² Refers to the number of completed enrolments, not necessarily the number of individuals trained during the year

Projects Funded

Keystone project funding for pathways and capacity building programs exceeded

\$740K



11,033

Funded Participants²



559

Businesses¹



4,306

Funded Applications



195 approved training providers offering **1150** courses

Keystone Board

The Tasmanian Building & Construction Industry Training Board (trading as Keystone Tasmania) was established by the Tasmanian *Building and Construction Industry Training Fund Act 1990*. The purpose of the Act is to improve the quality of training in the Tasmanian building and construction industry.

In accordance with the Act, the Board has established and maintains the Building and Construction Training Industry Fund and collects the Building and Construction Industry Training Levy on all building and construction projects with an estimated value over \$20,000. The Training Levy is collected by Tasmanian local government councils where a building or plumbing permit is required and is paid directly to Keystone Tasmania in all other instances.

The Board is also responsible for the development of an annual Training Plan for each financial year, which allocates funding for training grants and training course rebates from the Training Fund. Training Plans must be approved by the Minister for Skills and Training.

Other Keystone Tasmania Functions

The Board is also 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.

The Board has the following additional 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

Pursuant to Section 5 of the *Building and Construction Industry Training Fund Act 1990*, the following Directors have been appointed by the Minister:

Mr Paul West (Chairperson)

Term commenced August 2023

Ms Vonette Mead (Deputy Chairperson)

Term extended August 2023

Mr Ben Wilson

Resigned February 2024

Mrs Traycee Di Virgilio

Ms Neridene Bracken

Mr Neil Armstrong

Mr David Gates

Ms Kim Baker

Ms Shona Arnold

Board Attendance

The Board met 10 times in 2023/24 and held its Annual General Meeting in October 2023. Disclosure of interests and other provisions relating to meetings of the Board, as outlined in Schedule 5 of the Act, were adhered to.

Board member	Meetings attended
Mr Paul West	8 of 9
Ms Vonette Mead	8 of 10
Mr Ben Wilson	3 of 4
Mrs Traycee Di Virgilio	8 of 10
Ms Neridene Bracken	9 of 10
Mr Neil Armstrong	9 of 10
Mr David Gates	10 of 10
Ms Kim Baker	10 of 10
Ms Shona Arnold	10 of 10



Public meeting

In accordance with Section 8A of the *Building and Construction Training Fund Act 1990*, Keystone Tasmania is required to hold public meetings for stakeholders and interested members of the building and construction industry.

In early December 2023, Keystone convened its annual Public Meeting in Devonport which marked a new chapter for the organisation with the introduction of the new Keystone Chair and Chief Executive Officer. This gathering commenced the strategic realignment process and reaffirmed Keystone's commitment to the sustainability of the Building and Construction Industry Training Fund.

The event attracted a diverse audience, including business owners, employees, education providers and representatives of our industry associations.

This collaborative environment fostered meaningful dialogue, allowing attendees to share their insights and experiences, and of most note, their pressing concerns.

Key discussion points included the urgent need for enhanced coordination, transparency and strategic planning to address industry challenges, attract new talent and secure sustainable funding for training initiatives. Moreover, the conversations highlighted the industry's forthcoming training requirements, which helped shape the 2024-25 Training Plan and will continue to influence future strategies and initiatives.



Training Plan and Funding Forecast

In its 2024/25 Training Plan, Keystone Tasmania has allocated \$3,050,000 for training rebate and workforce development funding for eligible industry members.

The 2024/25 Training Plan allocation includes:

- › Upskilling current workers in the building and construction sector through training rebates for accredited and non-accredited training: \$2,600,000.
- › Funding for strategic projects that advance workforce development in the areas of pathways, capacity building, innovation and diversity and inclusion: \$450,000.

The budget allocation for the 2024/25 Training Plan is significantly less than that provided for 2023/24 to ensure that the Tasmanian Building and Construction Industry Training Fund returns to a surplus operating position. This reduction has been achieved through a reduction of Training Plan scope, the prioritisation of building and construction industry-specific technical skills training, maintenance of support for high-risk licensing and a reduction in the level of training rebates.

Rebates are generally offered at 50 per cent of the advertised training course cost for applicants eligible for funding under Keystone Tasmania's Training Funding Policy, down from the 60-80 per cent generally being offered at the end of 2023/24.

The 2024/25 Training Plan allocation is estimated at approximately 65 per cent of forecast 2024-25 Building and Construction Industry Training Levy income.

The remaining 2024/25 budget allocations are four per cent, or a minimum of \$200,000, towards rebuilding a strategic cash reserve as a contingency and to minimise the impact of future revenue volatility on budgeted training and workforce development expenditure, and less than 31 per cent for operational costs.

Keystone Tasmania is committed to reducing its operational expenditure over time to maximise Training Levy revenue available for training and workforce development budgets.



Training Priorities and Funding Allocations

Partnerships

Keystone Tasmania has committed to working with Skills Tasmania, Master Builders Tasmania, Housing Industry Association, Civil Contractors Federation (Tasmania), National Electrical and Communications Association and Master Plumbers Association of Tasmania on a range of workforce development initiatives.

These commitments have been formalised in the *Building and Construction Industry Skills Compact* and the *Building the Workforce to Build Tasmania MOU* (Hi-Vis Army Agreement).

As existing workforce development pathway project commitments expire, Keystone Tasmania will be working with its partners and stakeholders, also including the Air Conditioning and Mechanical Contractors Association, Brick and Block Careers, the Department of Education, Children and Young People, TasTAFE, and Consumer Building and Occupational Services, to determine how Keystone Tasmania can best invest in workforce development in the Tasmanian building and construction sector consistent with these agreements.

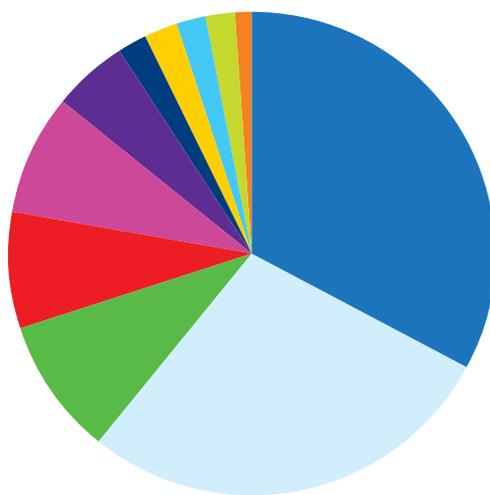


Training Rebates 2023-2024

During the 2023-2024 financial year, Keystone Tasmania provided \$4.5 million in training funding to eligible Tasmanian building and construction businesses. Of this amount, approximately \$4.4 million was allocated to training course rebates, while \$109,000 was invested

in apprenticeship incentive programs. The training courses offered included both accredited and non-accredited programs delivered by Keystone Tasmania-approved training providers through in-person, online, or hybrid methods.

Rebates for Short Courses **\$2,957,789**



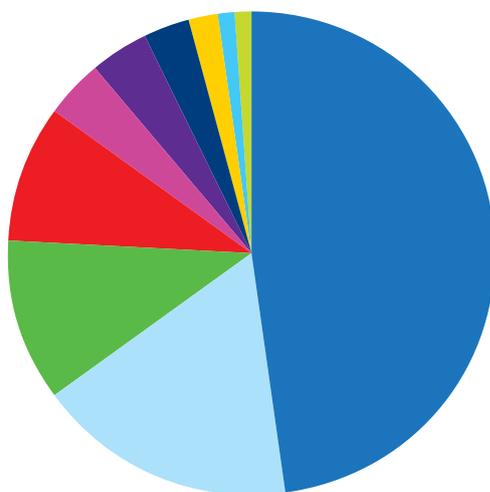
Short Course Subcategories

WHS
High Risk Work
Business Skills
Civil Construction
Electrical & Mechanical
Vehicle Skills & Licensing
Environment
Building & Construction
ICT
Codes & Regulations
Plumbing & Gas Fitting
Other

Rebates

973,912	33%
829,075	28%
280,043	9%
230,784	8%
229,336	8%
152,269	5%
68,527	2%
56,036	2%
51,178	2%
49,823	2%
30,861	1%
5,944	0%
2,957,789	

Rebates for VET Qualifications **\$1,410,329**

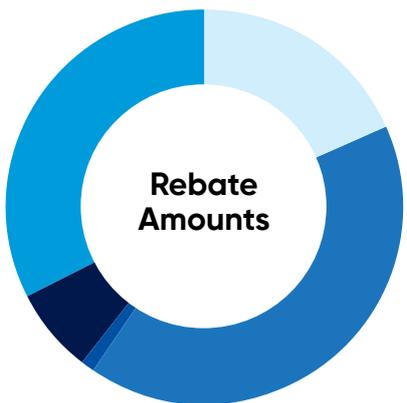
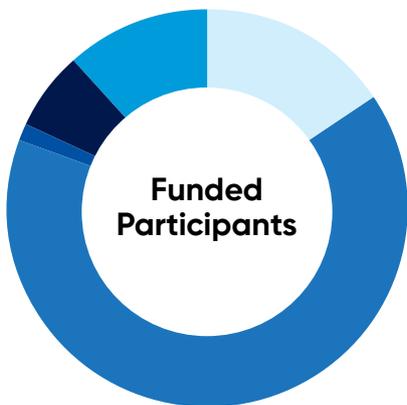
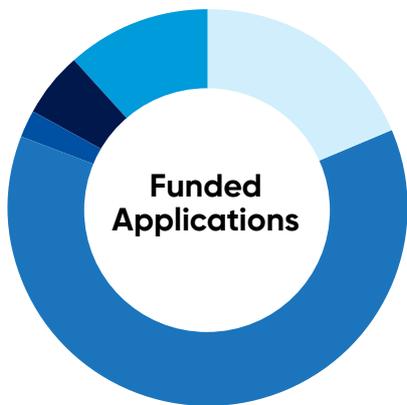


VET Qualifications

Certificate IV in Building & Construction
Certificate IV in Plumbing & Services
Cert II in Split AC & Heat Pump Systems
Certificate III in Construction Waterproofing
Other
Certificate IV in Leadership & Management
Certificate IV in Work Health & Safety
Diploma of Construction Management
Diploma of Project Management
Certificate IV in Training & Assessment

Rebates

675,291	48%
243,673	17%
161,218	11%
122,100	9%
61,770	4%
51,855	4%
39,674	3%
22,500	2%
21,094	1%
1,156	1%
1,410,329	



Upskilling and Multiskilling

**808 funded applications for 1,727 participants
Totalled \$801,583**

These courses covered training on existing practices, as well as new standards and regulations to help workers stay current and competitive in their roles.

Workplace Health and Safety, First Aid and High-Risk Training

**2,663 funded applications for 7,163 participants
Totalled \$1,802,987**

These courses focused 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

**94 funded applications for 159 participants
Totalled \$51,178**

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

**237 funded applications for 703 participants
Totalled \$302,040**

These courses were 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

**489 funded applications for 1,266 participants
Totalled \$1,410,329**

These courses cover a variety of sub areas aimed at improving the qualifications and skills of industry entrants and members.

In previous years, Keystone collected information on the number of contact hours for courses. When systems were updated in 2022 to streamline applications 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.

Major Funded Projects 2023–2024

Capacity

Mentoring Program

HIA

In August 2023, the Housing Industry Association (HIA) and Savant Australia successfully completed the second iteration of their mentoring course proof of concept.

This year's program featured two intensive two-day workshops held in Launceston and Hobart, followed by two one-on-one coaching sessions for each participant. Participation more than doubled, with the number of mentees increasing from 23 to 58.

Based on feedback from the 2022 pilot program, mentees were divided into two groups: one focused on business owners and senior-level employees and the other on emerging industry talent.

The course covered the following topics, with content tailored to each group's needs:

- › Understanding business finance and cash flow
- › Business growth and mindset.
- › Productivity improvement through LEAN methodologies.
- › Sales and marketing strategies.
- › Leadership and communication skills.
- › Supporting diversity and inclusion.
- › Time management techniques.

Funding Duration: Two years

Total Keystone Funding: \$218,500

Keystone Funding FY24: \$53,500

Financial Literacy

HIA

HIA, in collaboration with Collins SBA, has created six half-hour modules. These will be offered through HIA's online on-demand platform, designed to equip apprentices, VET construction students and young workers with essential financial literacy skills.

The modules cover crucial topics such as

- › Personal cashflow – how to manage your money, now you're earning
- › Tax – key points to note for an apprentice
- › Financial protection – the need for insurances
- › Building wealth – investing and the benefits of superannuation
- › Business management – the key to making profit in the building industry
- › Employee to self-employed – pros and cons of each

The initiative aims to bridge the gap in financial education for individuals entering the workforce, ensuring they have the knowledge and confidence to manage their finances effectively. Participants can access these modules at their convenience, making it easier for them to fit learning into their busy schedules. HIA intends to make the course available free of charge to non-HIA members.

Funding Duration: One year (delayed by a year)

Total Keystone Funding: \$56,800

Keystone Funding FY24: \$36,800

Pathways

Boots On

Keystone Tasmania

In response to industry demand for work-ready individuals, Boots On - a building and construction work experience program - was developed in collaboration with industry and delivered by qualified and experienced program managers. The initiative aims to create a meaningful work experience model for school-aged learners, job seekers, career shifters, women and migrants, suitable for businesses of all sizes across all sectors of the building and construction industry.

Boots On seeks to address the longstanding challenges of coordinating work experience placements by connecting job seekers, schools and local businesses through a structured, well-supported and fully insured program.

In 2023, Keystone Tasmania collaborated with Beacon Foundation, South-Central Workforce Network,

TAS TAFE and Transtegic to deliver the program for the first two pilot groups with a total of 23 participants. The program included one week of induction and training (contributing toward a Certificate II in Civil Construction qualification) and two weeks of full-time onsite work experience with host businesses. Twenty participants successfully completed the program. Twelve participants were students from New Norfolk High School, Montrose Bay High School, Oatlands District School and Jordan River Learning Federation. Both pilot groups achieved diverse participation, with eight women and four palawa individuals.

The positive and constructive feedback received during this pilot round was invaluable and experience with this program will contribute towards the success of future industry pathway programs.

Funding Duration: Nine months

Total Keystone Funding: \$130,492 ¹

Keystone Funding FY24: \$79,435 ¹

¹ Includes Keystone's internal project administration costs



Build Up Tassie Centacare Evolve Housing

Build Up Tassie is a unique pre-employment and training program designed for individuals aged 15 to 33, with a particular focus on those who experience barriers to employment or who are disengaged from education. The program also promotes diversity in the construction industry by encouraging women and people from culturally and linguistically diverse backgrounds to join, helping them gain access to training, work experience and employment opportunities.

Offered three times per year, each cycle of the Build Up Tassie program spans nine weeks and includes construction-related work readiness workshops, one-on-one coaching and access to necessary equipment, tools and licenses. After completing the program, participants can apply for an eight-week work placement. Throughout the program, a dedicated counselor provides consistent support, offering both scheduled and impromptu guidance on essential skills such as workplace communication, financial literacy, health and well-being and job preparation.

In the financial year 2023-24, 42 young people participated in the Build Up Tassie program, comprising 26 males and 16 females, with 17 participants successfully securing employment.

Funding Duration: Three-and-a-half-years
Total Keystone Funding: \$263,500
Keystone Funding FY24: \$82,755



Build Up Tassie Civil Centacare Evolve Housing

The Build Up Tassie Civils program was launched as a follow-up to the successful Build Up Tassie initiative. Its main goal is to enhance school-aged students' awareness of career opportunities and pathways in civil construction, including those who have disengaged from school.

In the 2023-24 financial year, 24 young people participated in the Civil program, including nine females and two individuals from culturally and linguistically diverse backgrounds. Of these participants, 19 completed the entire program, with four securing employment. Additionally, more than 350 students gained increased exposure to civil construction pathways and opportunities through information sessions led by coaching teams and supported by industry partners such as CCF, Hazell Brothers, Glenorchy City Council and McConnell Dowell.

Funding Duration: Two years
Total Keystone Funding: \$200,000
Keystone Funding FY24: \$100,000



Youthbuild

HIA

HIA's YouthBuild program offers young people the opportunity to learn about the building industry and gain hands-on experience while completing their secondary education. Targeted at year 9 and 10 students, the program promotes career diversity and serves as a pathway into the industry, primarily leading to Vocational Education and Training (VET) qualifications and apprenticeships. It also equips students with 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.

In 2023, over 300 Year 9 and 10 students from 20 schools participated in YouthBuild classes, with 33% of participants being female. A number of students applied for apprenticeships as a result.

Funding and support were provided to schools to complete YouthBuild projects, such as:

- › Kingston High School completed a landscaping project, creating wheelchair-accessible pathways and an Indigenous flora garden.
- › Kings Meadows High School produced custom-designed student creations, such as coffee tables, chests, and cutting boards.
- › Student Works Launceston extended their kitchen into a fully functional café and store, enabling direct sales to the public.

Funding Duration: Four years

Keystone Funding to Date: \$227,000

Keystone Funding FY24: \$72,000

Building Careers in Tasmania

Beacon Foundation

Launched in 2022, this initiative aims to enhance students' understanding of career diversity within the building and construction sector, targeting students in Years 9 to 12. The program focuses on secondary schools in North and North-West Tasmania, particularly those with an Index of Community Socio-Educational Advantage (ICSEA) below 1000. It offers students real-world experiences on job sites and fosters connections with local employers in the building industry. The program emphasises the development of work readiness skills, such as interview techniques, communication and self-presentation. Through a series of engaging small group discussions, students also learn about various career paths within the industry while practicing networking with industry professionals.

Activities include:

- › Speed Careering workshops for conversations with industry professionals, including young female tradespeople.
- › Polish High Impact program for practicing work readiness skills through mock interviews and personal branding.
- › Site Tours providing insights into various roles in the industry, helping students explore potential career pathways.

Participating schools across 2022, 2023 and 2024 are: Bayview Secondary College, Prospect High School, Burnie High School, Penguin District High School, Cressy District High School, Devonport High School, Newstead College, Parklands High School, Latrobe High School, Ulverstone Secondary College, Brooks High School, and Kings Meadows High School.

In 2023, 216 students and 51 industry volunteers participated in the program. Female student participation across the programs was 27 per cent.

Funding Duration: Three years

Keystone Funding to Date: \$234,000

Keystone Funding FY24: \$89,100

Construction Safe

MBT

This program provides students with the opportunity to learn about work health and safety in the building and construction industry through face-to-face training, delivered over two full school days (12 hours). The training ensures that all safety aspects are thoroughly explained and understood, with the aim of instilling a strong safety culture in participants as they prepare for careers in the construction industry. Successful participants receive the accreditation CPCWHS1001 - Prepare to Work Safely in the Construction Industry.

In 2023, Master Builders engaged with 23 schools, with 252 students attending the sessions, all of whom successfully achieved accreditation.

Funding Duration: One year
Keystone Funding FY2024: \$27,720



Building Futures (ASBAS) TASBGAS

Building Futures provides school-based traineeship opportunities for secondary students across Tasmania in the building and construction industry. Students complete a Certificate II in Construction (CPC20120) over two-years, which includes a minimum of 10 weeks of on-the-job work with host employers. Building Futures creates clear career pathways for students into apprenticeships, enhances students' knowledge of industry work expectations – including work readiness, language, literacy and numeracy skills, knowledge and practical skills – and addresses the current and future skill gaps in the industry.

Building Futures also offers one on one training and mentoring support, with regular visits to students every two weeks. This approach helps monitor student behaviors and track their progress against training requirements.

The program has received strong employer engagement, as it presents a valuable opportunity for employers to develop talent for the industry and potentially secure future apprentices. With no associated costs, employers can invest their time in supporting this development.

Outcomes achieved in 2023:

- › Thirty-nine total students.
- › Twenty-one per cent of students are female or aboriginal.
- › Over nine per cent per cent of students trained in allied trades.
- › Eighty-two per cent of students have secured an apprenticeship or have remained in the program for their second year.

Funding Duration: Four years

Keystone Funding to Date: \$306,643

Keystone Funding FY24: \$186,500



Financial Statements

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Keystone Tasmania

Certification of Financial Statements

In the opinion of the CEO and Board of the Tasmanian Building & Construction Industry Training Board (Keystone Tasmania):

The financial statements present a true and fair view of the financial position of the entity and its performance, as represented by the results of the operations and the cash flows, for the year ended 30 June 2024 and comply with Australian Accounting Standards - Simplified Disclosures.

In addition, at the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate. Signed in accordance with a resolution of Keystone Tasmania.

Dated 30 September 2024



Martin Blake
Chief Executive Officer



Paul West
Chair

Statement of Profit and Loss

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
REVENUE			
Industry Training Levy		4,624,526	6,594,506
TOTAL REVENUE		4,624,526	6,594,506
EXPENSES			
Administration		(460,737)	(465,801)
Disposal of Intellectual Property		(404,187)	-
Executive		(283,608)	(490,957)
Finance and Accounting		(160,394)	(116,356)
Industry Capacity Building		(116,573)	(818,716)
Levy and Funding		(517,573)	(419,368)
Pathways		(596,156)	(705,013)
Stakeholder Engagement		(70,388)	(759,505)
Training Reimbursement Paid		(4,493,260)	(4,515,800)
TOTAL EXPENSES	12	(7,102,876)	(8,291,515)
LOSS FROM OPERATIONS		(2,478,351)	(1,697,009)
OTHER INCOME			
Grants Received		500,000	-
Other Income		183,594	91
Interest Received		36,933	74,196
TOTAL OTHER INCOME		720,527	74,287
LOSS FOR THE YEAR		(1,757,824)	(1,622,722)

These statements should be read in conjunction with the accompanying notes.

Statement of Financial Position

For the year ended 30 June 2024

	Note	2024 \$	2023 \$
ASSETS			
CURRENT ASSETS			
Cash and Cash Equivalents	2	1,781,996	1,509,752
Financial Assets	3	-	1,500,000
Receivables	4	421,713	569,056
Prepayments	5	29,976	35,533
TOTAL CURRENT ASSETS		2,233,685	3,614,341
NON CURRENT ASSETS			
Property, Plant and Equipment	6	11,974	19,326
Intangibles	7	249,810	651,359
Right of Use Assets	8	234,440	272,619
TOTAL NON CURRENT ASSETS		496,225	943,304
TOTAL ASSETS		2,729,909	4,557,645
LIABILITIES			
CURRENT LIABILITIES			
Lease Liability	8	54,634	50,717
Employee Benefits	13	48,196	47,979
Corporate Credit Card	18	-	262
Payables	9	789,141	828,263
TOTAL CURRENT LIABILITIES		891,971	927,221
NON CURRENT LIABILITIES			
Lease Liability	8	217,898	249,516
Employee Benefits	13	8,621	11,665
TOTAL NON CURRENT LIABILITIES		226,519	261,181
TOTAL LIABILITIES		1,118,490	1,188,402
NET ASSETS		1,611,419	3,369,243
EQUITY			
Retained Earnings	10	1,611,419	3,369,243
TOTAL EQUITY		1,611,419	3,369,243

These statements should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the year ended 30 June 2024

	Retained Earnings	Total Equity
	\$	\$
BALANCE AT 1 JULY 2022	4,991,965	4,991,965
Loss for the Year	(1,622,722)	(1,622,722)
BALANCE AT 30 JUNE 2023	3,369,243	3,369,243
Loss for the Year	(1,757,824)	(1,757,824)
BALANCE AT 30 JUNE 2024	1,611,419	1,611,419

These statements should be read in conjunction with the accompanying notes.

Cash Flow Statement

For the year ended 30 June 2024

	2024	2023
Note	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash Receipts from Customers	6,035,652	6,663,195
Cash Paid to Suppliers and Employees	(7,178,930)	(7,565,081)
Interest Received	39,803	74,900
NET CASH USED IN OPERATING ACTIVITIES	11 (1,103,475)	(826,986)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of Property, Plant and Equipment	(72,740)	(184,684)
Proceeds from Financial Assets	1,500,000	2,000,000
NET CASH FROM INVESTING ACTIVITIES	1,427,260	1,815,316
CASH FLOWS FROM FINANCING ACTIVITIES		
Payments of Lease Liabilities	(51,542)	(48,610)
NET CASH USED IN FINANCING ACTIVITIES	(51,542)	(48,610)
NET INCREASE IN CASH AND CASH EQUIVALENTS	272,243	939,720
Cash and Cash Equivalents at the Beginning of the Year	1,509,752	570,032
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	11 1,781,996	1,509,752

These statements should be read in conjunction with the accompanying notes.

Notes to the Financial Statements

For the year ended 30 June 2024

Note 1 Accounting Policies

Reporting Entity

Tasmanian Building & Construction Industry Training Board ('Keystone Tasmania') is domiciled in Australia. Keystone Tasmania's registered office is at Level 5, 85 Macquarie Street, Hobart, TAS, 7000.

Keystone Tasmania is a not-for-profit entity and is primarily involved in workforce development funding.

Basis of Preparation

a) Statement of compliance

These financial statements are general purpose financial statements for distribution to the members and for the purpose of fulfilling the requirements of the Tasmanian Building and Construction Industry Training Fund Act 1990 (the Act).

The financial statements comply with the recognition and measurement requirements of Australian Accounting Standards, the presentation requirements in those Standards as modified by AASB 1060 *General Purpose Financial Statements - Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities* (AASB 1060) and the disclosure requirements in AASB 1060. Accordingly, the financial statements comply with Australian Accounting Standards - Simplified Disclosures.

These financial statements are the first general purpose financial statements prepared in accordance with Australian Accounting Standards - Simplified Disclosures. In the prior year the financial statements were special purpose financial statements. There was no impact on the recognition and measurement of amounts recognised in the statements of financial position, profit and loss and other comprehensive income and cash flows of the Company as a result of the change in the basis of preparation.

These financial statements were authorised for issue by the Board of Directors as of the date of signing.

b) Basis of measurement

The financial statements have been prepared on an accruals basis unless otherwise stated in the notes.

The financial statements have been prepared on a going concern basis. Together with the implementation of recommendations of an independent financial review, the Board's 2024/25 Interim Strategic Plan and 2024/45 Training Plan aim to ensure that the Board returns to a surplus operating position in the future.

The financial statements have been prepared on the basis of historical cost, except for certain properties and financial instruments that are measured at revalued amounts or fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair values of the consideration given in exchange for goods and services.

c) Functional and presentation currency

These financial statements are presented in Australian dollars, which is Keystone Tasmania's functional currency. Amounts in the financial statements have been rounded to the nearest Australian dollar, unless otherwise indicated.

Notes to the Financial Statements

For the year ended 30 June 2024

Critical Accounting Estimates & 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 Board.

Changes in Significant Accounting Policies

Keystone Tasmania has initially adopted the following standard and amendments from 1 July 2023.

- AASB 1060 General Purpose Financial Statements – Simplified Disclosures for For-Profit and Not-for-Profit Tier 2 Entities;
- AASB 2020-2 Amendments to Australian Accounting Standards – Removal of Special Purpose Financial Statements for Certain For-Profit Private Sector Entities.

The above standard and amendments did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

Income Tax

The activities of Keystone Tasmania are exempt from income tax under the Income Tax Assessment Act 1997. Keystone Tasmania is subject to Fringe Benefits Tax and Goods and Services Tax.

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 Tasmania 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 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.

Notes to the Financial Statements

For the year ended 30 June 2024

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 Tasmania 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 2023 to 31 July 2029.

Financial Instruments

a) Recognition and Initial Measurement

Financial assets and financial liabilities are recognised when Keystone Tasmania becomes a party to the contractual provisions of the financial instrument. Financial instruments are initially measured at fair value, adjusted for transaction costs, unless they are classified as fair value through profit or loss (FVTPL) in which case transaction costs are expensed in the statement of profit or loss immediately.

b) Classification and Subsequent Measurement

Keystone Tasmania's financial assets and financial liabilities comprise cash and cash equivalents, trade and other receivables, and trade and other payables.

Cash and cash equivalents, trade and other receivables constitute financial assets held at amortised cost, with cash and cash equivalents held at fair value through profit or loss.

Trade and other receivables are held at amortised cost less life time expected credit losses. Keystone Tasmania's receivables are short-term in nature and as such no discounting is performed for Keystone Tasmania's receivables.

Keystone Tasmania has adopted the simplified approach for all trade and other receivables, given Keystone Tasmania's receivables do not have a significant financing component. Keystone Tasmania's analyses its receivables by customer and applies historical default percentages adjusted for other current observable data as a means to estimate lifetime expected credit losses.

c) Derecognition of Financial Instruments

Financial assets are derecognised when the contractual rights to the cashflows from the financial asset expire or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is discharged, cancelled, or expired. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit and loss.

d) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when the Board currently has a legally enforceable right to set off the amounts and it intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the Financial Statements

For the year ended 30 June 2024

Employee Benefits

Keystone Tasmania 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 Keystone Tasmania 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 Tasmania contributes to superannuation funds on behalf of its employees to provide benefits on retirement, disability or death.

Impairment of Assets

At the end of each reporting period, Keystone Tasmania assesses whether there is any indication that an asset may be impaired. The assessment will include considering external sources of information and internal sources of information including dividends received from subsidiaries, associates or joint ventures deemed to be out of pre-acquisition profits. If such an indication exists, an impairment test is carried out on the asset by comparing the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, to the asset's carrying amount. Any excess of the asset's carrying amount over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease.

Where it is not possible to estimate the recoverable amount of an individual asset, Keystone Tasmania estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Impairment testing is performed annually for intangible assets with indefinite lives.

Insurance

Keystone Tasmania 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.

Notes to the Financial Statements

For the year ended 30 June 2024

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.

Depreciation and Amortisation

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 & 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 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 Keystone Tasmania it is recognised as revenue when collected by the agency.

Notes to the Financial Statements

For the year ended 30 June 2024

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. 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 Tasmania.

Interest on invested funds is recognised as it accrues.

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.

Comparative Amounts

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

Notes to the Financial Statements

For the year ended 30 June 2024

Note 2 Cash and Cash Equivalents

	2024	2023
	\$	\$
Cash at Bank	103,654	1,490,476
Online Saver	1,678,314	-
Call Account	-	19,077
Petty Cash	28	200
TOTAL CASH AND CASH EQUIVALENTS	1,781,996	1,509,752

Note 3 Financial Assets

	2024	2023
	\$	\$
Term Deposits > 3 months	-	1,500,000
TOTAL FINANCIAL ASSETS	-	1,500,000

Note 4 Receivables

	2024	2023
	\$	\$
GST Receivable	65,330	207,760
Industry Training Levy Receivable	356,383	356,426
Accrued Interest	-	2,869
Car Deposit	-	2,000
TOTAL RECEIVABLES	421,713	569,056

Note 5 Prepayments

	2024	2023
	\$	\$
Rental Bond	11,250	11,250
Prepayments	18,726	24,283
TOTAL PREPAYMENTS	29,976	35,533

Notes to the Financial Statements

For the year ended 30 June 2024

Note 6 Property, Plant and Equipment

	Furniture and Equipment	Motor Vehicles	Total
RECONCILIATION OF CARRYING AMOUNT			
Gross carrying amount	60,877	28,051	88,928
Accumulated depreciation and impairment losses	(41,551)	(28,051)	(69,602)
NET CARRYING AMOUNT AT 1 JULY 2023	19,326	-	19,326
Additions	-	-	-
Increases/(Decreases) from revaluations	-	-	-
Depreciation	(7,352)	-	(7,352)
NET CARRYING AMOUNT AT 30 JUNE 2024	11,974	-	11,974
BALANCE AT 30 JUNE 2024:			
Gross carrying amount	60,877	28,051	88,928
Accumulated depreciation and impairment losses	(48,903)	(28,051)	(76,954)
NET CARRYING AMOUNT AT 30 JUNE 2024	11,974	-	11,974

Note 7 Intangibles Assets

	Website	Software	Work in Progress	Total
COST				
Balance at 1 July 2023	571,094	47,068	183,625	801,787
Acquisitions	-	-	72,740	72,740
Disposals	(253,373)	(47,068)	(193,381)	(493,822)
BALANCE AT 30 JUNE 2024	317,721	-	62,984	380,705
ACCUMULATED AMORTISATION				
Balance at 1 July 2023	150,380	48	-	150,428
Amortisation	65,056	5,046	-	70,102
Disposals	(84,541)	(5,094)	-	(89,635)
BALANCE AT 30 JUNE 2024	130,895	-	-	130,895
CARRYING AMOUNT				
Balance at 1 July 2023	420,714	47,020	183,625	651,359
Acquisitions	-	-	72,740	72,740
Amortisation	(65,056)	(5,046)	-	(70,102)
Disposals	(168,832)	(41,974)	(193,381)	(404,187)
BALANCE AT 30 JUNE 2024	186,826	-	62,984	249,810

Notes to the Financial Statements

For the year ended 30 June 2024

Note 8 Leases

<i>i. Right-of-Use Assets</i>	2024	2023
	\$	\$
Building leases	392,014	380,920
Less accumulated amortisation	(157,574)	(108,301)
TOTAL AT NET BOOK VALUE	234,440	272,619
<i>ii. Reconciliation of Carrying Amount:</i>	2024	2023
	\$	\$
Building leases		
Carrying amount at beginning of year	272,619	311,239
Additions	-	-
Lease modifications	11,095	7,433
Depreciation	(49,274)	(46,053)
CARRYING AMOUNT AT END OF YEAR	234,440	272,619
<i>iii. Lease Liability</i>	2024	2023
	\$	\$
TOTAL LEASE LIABILITY		
Balance 01/07/2023	300,232	373,487
Lease modifications	11,095	7,433
Interest	12,746	13,073
Lease repayment made	(51,542)	(48,610)
BALANCE 30/06/2024	272,531	300,232
Current lease liability	54,634	50,716
Non current lease liability	217,898	249,516

Notes to the Financial Statements

For the year ended 30 June 2024

Note 9 Payables

	2024	2023
	\$	\$
Trade Creditors	19,618	717,907
Funds Held in Trust	727,490	-
Super Liability and Union Fees	-	14,572
PAYG Withholding	16,179	39,674
Accrued Expense	25,855	51,277
Payroll Tax Liability	-	4,832
TOTAL PAYABLES	789,141	828,263

Note 10 Retained Earnings

	2024	2023
	\$	\$
Opening Balance	3,369,243	4,991,965
Current Year Earnings	(1,757,824)	(1,622,722)
TOTAL RETAINED EARNINGS	1,611,419	3,369,243

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:

	2024	2023
	\$	\$
Cash and Bank Balances	1,781,996	1,509,752
	1,781,996	1,509,752

Notes to the Financial Statements

For the year ended 30 June 2024

Reconciliation of Net Loss to Net Cash Flows from Operations

	2024	2023
	\$	\$
Loss for the year	(1,757,824)	(1,622,722)
Adjustments for:		
Depreciation and amortisation	126,727	131,290
Interest expense	12,746	13,073
Loss on disposal of equipment	-	12,543
Loss on disposal of intangibles	404,187	-
Movement in accrued revenue	2,869	704
Movement in funds held in trust	727,490	-
	2024	2023
	\$	\$
Movement in trade receivables – industry training levy receivable	43	68,598
Movement in accrued expenses	(25,422)	42,923
Movement in prepayments	5,557	8,832
Movement in provisions	(2,827)	(25,315)
Movement in trade creditors	(698,290)	631,333
Movement in other payables	101,269	(88,245)
CASH USED IN OPERATIONS	(1,103,475)	(826,986)

Notes to the Financial Statements

For the year ended 30 June 2024

Note 12 Expenses

Significant expenses are grouped in the Statement of Profit or Loss by function. The same expenses are shown in natural account form.

	2024	2023
	\$	\$
Accommodation and travel	14,392	30,139
Accounting expense	28,116	47,443
Amortisation	119,375	118,358
Audit and legal fees	16,867	19,180
Bank fees and charges	1,208	898
Board member remuneration	113,034	104,537
Collection charges	29,822	32,066
Consultants' fees	105,318	35,783
Depreciation	7,352	12,932
Diversity program	3,198	68,775
Employee health and wellbeing	2,250	6,231
Fringe benefits tax	15,221	17,054
Heat, light and power	965	710
Industry capacity building projects	95,491	563,653
Innovation	80	-
Insurance	18,537	20,695
Lease interest	12,746	15,271
Office expenses	108,896	94,425
Pathways projects	577,306	509,012
Postage and phone	5,784	15,069
Printing and stationery	1,289	1,705
Redundancies	6,800	46,170
Recruitment	34,830	-
Repairs and minor equipment	858	30,552
Salaries	711,261	1,102,810
Scholarships	5,003	1,008
Staff car parking	24,296	40,803
Staff development	4,965	39,215
Stakeholder engagement	37,310	580,733
Superannuation	95,606	134,456
Training reimbursements	4,493,260	4,515,800
Vehicle expenses	5,534	7,568
Website maintenance	1,719	65,921
Loss on disposal	404,187	12,543
TOTAL	7,102,876	8,291,515

Notes to the Financial Statements

For the year ended 30 June 2024

Note 13 Employee Benefits

	2024	2023
	\$	\$
Annual leave	41,728	41,904
Long service leave	8,621	11,665
Superannuation	6,468	6,076
TOTAL EMPLOYEE BENEFITS	56,817	59,645
Current	48,196	47,980
Non-current	8,621	11,665
	56,817	59,645

Note 14 Commitments

Training Fees

Under the apprentice incentive programs, Keystone Tasmania has commitments for training fees payable to employers and host employers of apprentices employed under training agreements during 2020 to 2022. The expected payments could be made up to 30th 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 2024 is \$87,920 (30 June 2023 \$272,000), 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 2024 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 Tasmania'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 Tasmania. 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 Tasmania's normal activities, are not included in this note. Vonette Mead is a current director, and her business, Mead Con, received payments as part of normal training reimbursements. Ben Wilson was a director of Keystone Tasmania and is CEO of Centacare Evolve Housing. Keystone and Centacare Evolve Housing have a formal funding agreement to support apprentice employment opportunities. Neil Armstrong is a current director, and is GM for Gradco, Gradco received payments as part of normal training reimbursements. These transactions were completed on normal commercial terms.

No related party transactions were received by Vonette, Ben or Neil during the 2024 financial year.

No other KMP's entered into a material contract with Keystone Tasmania since the end of the previous financial period and there were no material contracts involving KMP' interests existing at the end of the period.

Notes to the Financial Statements

For the year ended 30 June 2024

Related Party (2024)

	Salary (1)	Allowance(1)	Vehicles (1)	Superannuation (2)	Redundancy (2)	LSL & A/L Movement (1)	Total Compensation
BOARD MEMBERS							
Chairperson (1)	17,121	2,876		1,883	-	-	21,880
Directors (8)	84,711	3,369	-	9,319	-	-	97,399
TOTAL BOARD	101,832	6,245	-	11,202	-	-	119,279
SENIOR MANAGEMENT							
\$120,000-\$160,000 (2)	208,767	8,652	8,647	27,606	-	9,954	263,625
\$50,000-\$120,000 (1)	51,053	728	-	7,207		3,150	62,137
TOTAL SENIOR MANAGEMENT	259,820	9,379	8,647	34,812	-	13,104	325,762

Related Party (2023)

BOARD MEMBERS							
Chairperson (1)	18,554	697	-	1,994	-	-	22,629
Directors (10)	76,910	896	-	7,596	-	-	84,452
TOTAL BOARD	95,463	1,593	-	9,590	-	-	107,081
SENIOR MANAGEMENT							
\$160,000-\$240,000 (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
TOTAL SENIOR MANAGEMENT	505,588	4,763	10,499	56,788	9,160	3,781	590,579

(1) Short Term Employees Benefits

(2) Post - Employment Benefits

Notes to the Financial Statements

For the year ended 30 June 2024

Note 16 Auditor's Remuneration

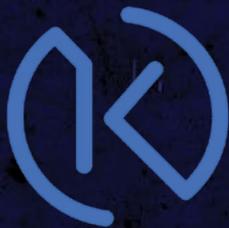
The Statements of Keystone Tasmania are audited by the Auditor-General in accordance with the Audit Act 2008. The fee for the Keystone Tasmania's 30 June 2024 audit is \$16,000 (30 June 2023, \$14,600) excluding GST.

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 Tasmania, 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

	2024	2023
	\$	\$
Credit card facility	15,000	15,000
Amount utilised	-	(262)
TOTAL CREDIT STANDBY ARRANGEMENTS WITH BANKS	15,000	14,738



Keystone
TASMANIA