# **27<sup>TH</sup> ANNUAL REPORT** Group Training Association of Victoria

# 2011-2012



113 Drummond Street Carlton South Victoria 3053

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www.gtavic.asn.au

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# CHAIRS REPORT

Welcome to the 2011/2012 GTAV Annual Report. This will be my last report after 6 years on the GTAV Association Board, 3 years as Chair. I am of the firm view that a dynamic and robust Board needs new ideas, generational change and skills that reflect the needs of the Association and the membership. I believe that the current Board is in a strong position albeit with a few challenges, and with new Directors the Association is well placed to oversee the development of the Association and the advocacy of Group Training with stakeholders and the wider community.

I have valued my role on the Board and am constantly reminded of the commitment of not only the Association staff but those of the Group Training companies that I have met at conferences and presentations. The contribution to our young people in training and in the workforce is second to none and is substantially why Group

Training continues to survive in sometimes a fragmented and challenging environment.

This has been a busy year with a Board performance review completed in April 2012 by a committee that included an independent member coopted for this role. This confirmed that the Board has a diverse set of skills amongst its Directors and that Corporate Governance is a priority and well understood by the Board. This report was particularly pleasing as the Board had highlighted this as an area of priority in the business plan over 3 years ago and there has been a systematic approach to reviewing the role of the Directors and reviewing Association Policy.

The selling of the Health and Safety Training On-Line company (HSTOL) – e-wise in June this year is a good example of the due diligence and excellent corporate governance of the Board. The sale went through with a good transition plan that ensured the member companies were not disadvantaged and existing arrangements were respected. Many thanks to Gary Workman and Dean Arundell the associations representative on the HSTOL Board for their hard work.

The State Government has thanked the Association and members for their patience and continued hard work

Changes to VET / TAFE funding in the second half of 2012 will be a new challenge and the Association has been very proactive in meeting with the Education Minister, Mr Peter Hall and the shadow Minister, Mr Stephen Herbert and other HESG/DEECD and State Treasury staff to promote the Group Training and raise the pressing issue of the lack of JGTP signed contracts. The State Government has thanked the Association and members for their patience and continued hard work in this and has supported the Group Training program.

> A very successful conference at Healesville earlier in the year highlighted to me the continued commitment of the membership to professional development and the industry. Good robust discussions and debate, excellent accommodation and food made the conference one of the best.

At the 2011 Annual Dinner in November the association awarded a number of service awards including;

- 25 years John Ackland : Skillinvest
- 20 years Mike Kirby : ATEL
- 15 years Peter Beasley : Workco

Congratulations to all.

Once again I would like to thank the staff for their outstanding contributions throughout the year and congratulate Gary on his continued hard work and vision for the Association. I thank the Board for their contribution throughout the year and the opportunity to Chair the Board on behalf of the Association. I am confident that the Association is in a good position to continue to represent our member companies effectively at the highest level. I wish Group Training continued success.

**Joan Williamson** GTAV Chair

# **EXECUTIVE DIRECTOR REPORT**

Welcome to the 27<sup>th</sup> Annual Report for the Group Training Association of Victoria.

It has been a busy and at times frustrating 12 months within the Group Training and wider VET sector, with the association responding to a number of government discussion papers on ways to improve outcomes for apprentices and trainees, and reforming the VET sector.

It has also been an anxious time for our sector with many government funded contracts and policies being reviewed, with substantial funding cuts to TAFE and many traineeship programs in 2012-13 and beyond, which will see GTO's operating in a far greater competitive environment in the future.

With support of the National and other State associations, GTAV have responded to a number of Government led discussion papers throughout the year, including:

- Victorian Governments Investment into Group Training
- Victorian Government Building Trade Pathways
- Victorian Essential Services Commission Review into VET funding
- GTAN A shared responsibility Apprenticeships for the 21<sup>st</sup> Century Report
- Skills Australia Skills for prosperity
- Skills Australia Creating a future direction for Australian vocational education and training

One pleasing aspect of these reviews in Victoria has demonstrated to government the important role GTO's have played over the past 10 years, and with little to no increase in government funding during this period, GTO's have increased apprenticeship commencements and completions by up to 30% since 2000. Also, the GTO industry has continued to support small business and provide a safe and flexible employment outcome that has real benefits (and employment outcomes) for industry and the wider community.

The challenge ahead for the association will be to capture information on our sector and participants, and to create innovative ways that the well established GTO network can continue to support government priorities, small businesses and employers.

As you will see from the 2011/12 financial report, membership fees account for approximately 8% of total revenue for the association, and to this point the association relies heavily on tendering and securing government projects. In 2011-12 the GTAV worked on a range of projects including;

- Out of Trade Apprentice Completion Program

   Higher Education & Skills Group DEECD
   www.needanapprentice.com.au (ongoing promotion and usage)
- Review of GTO Innovation Projects Skills Victoria DEECD
- Industry Skills Council (ISC) Prison Program Corrections Victoria
- GreenSkills Project-based Learning Sustainability Victoria (e-learning platform)
- Australian Youth Forum Australian Apprenticeships review
- Upgrading the e-wise OH&S online training resources to the new National Workplace Health and Safety (WHS) Harmonisation Act.
- Development of an association / member based (multi-use) e-learning platform and online resources library (professional development resources for GTO staff)

Many of these projects will continue in 2012-13

2012-13 will continue to be an interesting time with both Federal and Victoria State Governments continuing to develop strategies for the VET sector. The association will continue to focus our energies on promoting the benefits of the group training network, and how governments can better utilise this strong Victoria-wide (and National) resource.

I would like to take this opportunity to personally thank our members, the GTAV Board and staff for their support during the year, and I look forward to working with you as we implement new initiatives that support the network and promote the benefits of group training.

Gary Workman Executive Director

# NATIONAL REPORT

As the nominated director to the GTA National Board representing the Group Training Association of Victoria and its members, this is my first Annual Report.

On behalf of all Victorian GTOs I would like to thank Sue Kent for her 5 years of service on the GTAN Board – Sue has represented the Victorian Association and its members at the national board with vigour and determination, and it's with pleasure I have accepted the challenge to perform the same role.

As we all well know, the past year has presented many and varied challenges to GTOs, both at state and federal levels with policy changes, and with significant happenings such as the new AAC contracts and changes to state-funded government training throwing us direct and/or indirect "curve balls". Added to this is the general level of economic uncertainty in Victoria, impacting negatively on employer confidence and challenging us all to work harder and smarter to attract and retain our customers.

GTA National has had the same challenges in terms of its core business – advocating on behalf of its members in what is often a difficult political climate with ministers and department officials holding contradictory views on Group Training and the value it offers government – and representing the often very diverse and sometimes conflicting interests of its members, in order to engender the best outcomes for the majority. As we are all watching our pennies these days, and want to ensure that our membership fees are being put to best use, the GTAN Board, CEO Jim Barron, and the staff at GTAN have been focussed on achieving this in a number of different ways, including:

- Strenuous opposition to adverse government policy decisions such as the deferral of the Commencement Incentive to 6 months
- The 18 month pilot study of Workforce Development options for SMEs headed up by 2 GTOs and the Nous Group with significant funding from DIIRSTE
- Promotion of and support for reforms to the Apprenticeship system which would see government funding more appropriately directed
- The proposed National Trade Cadetship program

- The review into apprenticeship wages
- Determined follow-up on the federal contribution to the JGTPF program – an issue of serious concern to most, if not all, Victorian GTOs
- The Today's Skills Tomorrow's Leaders program
- The 2011 National Conference "Looking Ahead"
- GTAN has represented the interests of members on panels and advisory groups and developed many submissions and discussion papers. The main areas of involvement of these activities include indigenous employment, the National Trade Cadetships, the national Mentoring Program, the National Apprenticeship Program, submissions to Fair Work Australia and in relation to the Apprenticeships for the 21<sup>st</sup> Century report.
- Brokerage of the ACCESS and IEP programs
- A study commissioned to review the benefits of Preapprenticeships on jobs and training
- The MOU Working Partnerships signed by all states and GTAN to reinforce the importance of all constituent associations working collaboratively towards the interests of all members.

For the first time in 7 years GTAN conducted a network-wide member satisfaction survey in order to better understand the needs and wants of the members. I think the positive way in which GTAN has responded to the survey feedback is a credit to all at GTAN, and will better enable the association and the Board to represent the members, and advance our mutual interests.

The staff of GTA National do a great job with limited resources and funding, and don't give up easily when it comes to pursuing members' interests. Chair Iain McDougall ensures that the board runs smoothly and meets its corporate governance and strategic planning objectives and all of my fellow directors who contribute time, energy and expertise to the association are as committed to positive outcomes for the association and its members as is CEO Jim Barron and all the staff at GTAN.

2012/2013 will be at least as full, if not more so, of challenges, threats and opportunities for Group Training as was this past year. With a committed national association, executive and board GTAN is as well-positioned as it can be to meet them head on.

**Janette Etherington** GTA Victorian Representative for GTAN

During the 2011/12 period the GTAV Board met on eight (8) occasions.

Director Name	Total number of GTAV Board meetings	Total number of attendances
Joan Williamson (Chair) Independent Director	8	7
Dean Luciani Chair Audit Committee	8	8
Robert Birch	8	7
Janette Etherington National GTA Representative	8	7
Gary Workman GTAV Executive Director - GTAV Public Officer	8	8
Sue Kent	8	7
Anna Hancock Independent Director	8	7
Franklin O'Carroll Independent Director	8	7

# BOARD OF DIRECTORS

### GTAV Board of Directors

Name & Contact Details	Position	Term
Joan Williamson Email: joanwilliamson@hotkey.net.au	Chair Independent Director	November 2009 - 2012
Gary Workman Tel: 03 9639 3955 M: 0425 736 036 Email: gary@gtavic.asn.au	Executive Director GTAV Public Officer	n/a
Dean Luciani <i>Workco</i> Tel: (03) 53 816 200 Email: dean.luciani@workco.com.au	Director	November 2010 - 2013
Robert Birch <i>G-Force</i> Tel: 03 5226 2223 Email: rbirch@gforce.org.au	Director	November 2010 - 2013
Sue Kent <i>MEGT</i> Tel: 03 9879 5222 Email: sue_kent@megt.com.au	Director	November 2009 - 2012
Franklin O'Carroll <i>RMIT University – Business Development</i> Tel: 03 9925 5699 Email: franklin.ocarroll@rmit.edu.au	Independent Director	November 2012 - 2014
Anna Hancock <i>Energy Australia – Market Development Manager</i> Email: anna.hancock@energyaustralia.com.au	Independent Director	November 2012 - 2014
Janette Etherington <i>Aplus</i> Tel: 03 9481 5999 Email: janette.e@aplus.org.au	Director	November 2009 – 2012

# COMMITTEES

#### GTAV Audit Committee

Name	Position	Term
Dean Luciani	Chair	1 year term
Gary Workman	Director	n/a
Robert Birch	Director	1 year term

The Audit Committee met a total of ten (10) times. The role of the Audit Committee includes risk management in addition to standard corporate and financial compliance. As well as a detailed monthly analysis of financial reports the Committee maintains a scheduled review of all risks identified in the Risk Management Framework. As a matter of course the Audit Committee has met with the Association's auditors and discussed the process of the 2011-12 audit and financial reporting.

#### GTAV Nominations Committee

Name	Position	Term
Anna Hancock	Chair (1 year term) Independent Director	1 year term
Gary Workman	Director	n/a
Mark Dunphy	Independent Committee Member	1 year term
Franklin O'Carroll	Independent Director	1 year term

GTA National Board Representatives		
Name	Position	Term
Janette Etherington	Victorian State Representative	1 year term
John Ackland	National Representative (independent)	n/a

HSTOL Board (Health and Safety Training On Line) GTAV Representative				
Name	Position	Term		
Dean Arundell	GTAV Representative	1 year term		
Gary Workman	GTAV Representative	n/a		

GTAV Communications & Marketing Committee				
Name	Position	Term		
Joan Williamson	Chair (1 year term)	1 year term		
Gary Workman	Director	n/a		
Janette Etherington	Independent Director	1 year term		

#### GTAV BOARD PERFORMANCE REVIEW

During the early part of 2012 the GTAV nominations committee & GTAV Board actively participated in a review into the overall performance of the Board. As part of this review the association has now developed a framework and yearly calendar of priorities and activities to ensure the Board continues to provide leadership to our members and industry stakeholders.

The review included:

- Allocation of Board attention across strategic planning, risk management, financial reporting and current industry/ stakeholder issues.
- Allocation of Board attention to issues relevant to members and government at both a National and State level.
- Role and contribution of sub-committees (Audit, Nominations and Marketing/communication committees).
- Board contribution to GTAV Business Plan and key objectives
- The extent and relative importance of Board director's individual skills and contribution (Financial, Business development, Governance, Government, IT, HR, Safety and Legal)

to ensure the Board continues to provide leadership to our members and industry stakeholders

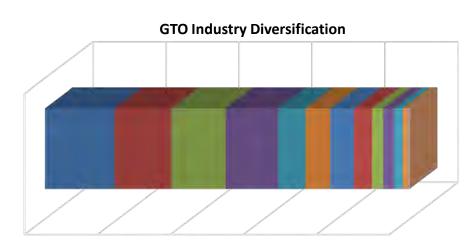
The review also highlighted the current board composition and diversity of knowledge and skills from member/GTO and independent directors.

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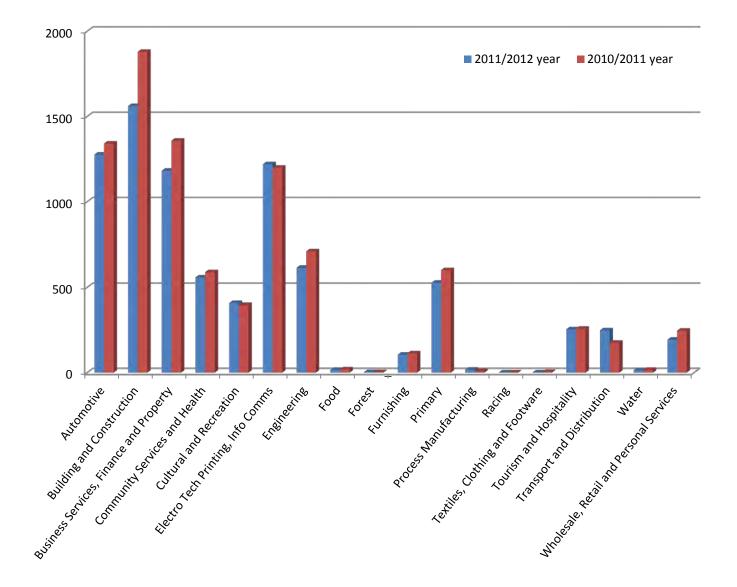
#### GROUP TRAINING INDUSTRY STATISTICS 2011-12

2011/2012	GTO	Non GTO	GTO market %
Automotive	1276	6415	19.89
Building and Construction	1561	18617	8.38
Business Services, Finance and Property	1182	29139	4.06
Community Services and Health	558	8663	6.44
Cultural and Recreation	408	2397	17.02
Electro Tech Printing, Info Comms	1220	8828	13.82
Engineering	615	4637	13.26
Food	16	4967	0.32
Forest	3	323	0.93
Furnishing	105	1771	5.93
Primary	527	4292	12.28
Process Manufacturing	17	13053	0.13
Racing	1	283	0.35
Textiles, Clothing and Footware	1	116	0.86
Tourism and Hospitality	254	13336	1.90
Transport and Distribution	248	7119	3.48
Water	14	165	8.48
Wholesale, Retail and Personal Services	193	19921	0.97
Sub Total:	8199	144042	5.69

Source: Statistics provided by Skills Victoria (Department of Education and Early Childhood Development)



- Building and Construction
- Automotive
- Electro Tech Printing, Info Comms
- Business Services, Finance and Property
- Engineering
- Community Services and Health
- Primary
- Cultural and Recreation
- Tourism and Hospitality
- Transport and Distribution
- Wholesale, Retail and Personal Services
- Furnishing



#### **GROUP TRAINING - 2 YEAR COMPARISON**

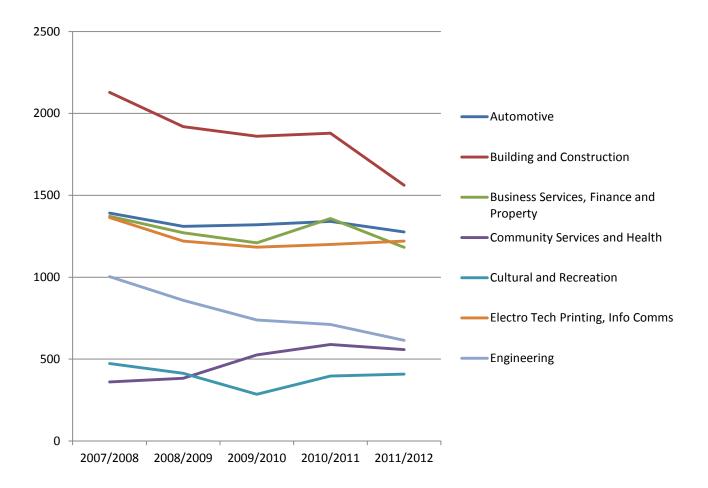
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### GROUP TRAINING INDUSTRY STATISTICS (5 YEAR TREND)

	2011/ 2012	2010/ 2011	2009/ 2010	2008/ 2009	2007/ 2008
GTO					
Automotive	1276	1341	1320	1310	1391
Building and Construction	1561	1879	1860	1919	2128
Business Services, Finance and Property	1182	1358	1210	1271	1372
Community Services and Health	558	589	526	383	361
Cultural and Recreation	408	397	285	413	473
Electro Tech Printing, Info Comms	1220	1200	1183	1220	1364
Engineering	615	711	739	859	1004
Food	16	19	36	71	151
Forest	3	3	7	10	6
Furnishing	105	113	120	128	152
Primary	527	601	559	565	575
Process Manufacturing	17	9	20	19	20
Racing	1	1	0	1	1
Textiles, Clothing and Footware	1	4	5	3	3
Tourism and Hospitality	254	257	221	250	320
Transport and Distribution	248	175	174	182	228
Water	14	16	20	13	13
Wholesale, Retail and Personal Services	193	246	443	394	363
GTO Sub Total:	8199	8919	8728	9011	9925
NON GTO Sub Total:	144042	132950	122763	119447	121547
TOTAL:	152241	141869	131491	128458	131472

Source: Statistics provided by Skills Victoria (Department of Education and Early Childhood Development)

#### **GROUP TRAINING - 5 YEAR TREND**



Non GTO comparison	2011/2012	2010/2011	2009/2010	2008/2009	2007/2008
Automotive	6415	6532	6590	6937	8163
Building and Construction	18617	19938	18912	17686	17428
Business Services, Finance and Property	29139	20578	13559	11020	8370
Community Services and Health	8663	9273	9919	9517	10333
Cultural and Recreation	2397	2209	1809	1550	1060
Electro Tech Printing, Info Comms	8828	9289	9169	9975	10845
Engineering	4637	5696	6797	7536	8156

Source: Statistics provided by Skills Victoria (Department of Education and Early Childhood Development)

# **GTAV** PRIORITIES

# 1. Strengthen the capacity of members and the GTO network

- Identify current and new member services
- Facilitate professional development
- Identify and encourage communication & marketing

# 2. Strengthen the profile of group training

- Continue to develop group training policy and position with Governments
- Develop new communication tools
- Establish wider network groups

## 3. Strengthen the financial position and reporting of GTA

- Identify and tender for new projects
- Strengthen partnerships with government
- Develop corporate partner offer (affiliate membership and sponsorship)



# **KEY ACHIEVEMENTS**

#### OUT OF TRADE APPRENTICE PROGRAM - WWW.NEEDANAPPRENTICE.COM.AU

Department of Education & Early Childhood Development (DEECD)

Over the past 3 years GTAV has worked with the Department of Education & Early Childhood Development (Higher Education and Skills Group – HESG) to deliver an apprentice Out of Trade program, and to assist "out of trade" apprentices back into full time employment.

This OOT program has identified over 800 apprentices and found new employment for 500+. Many OOT apprentices have recommenced through the support of Group Training Organisations.

As part of the Government's exit strategy in 2011, GTAV continued to provide an online website to assist OOT apprentices list their experience and to register their interest to continue in their trade.

The website **www.needanapprenice.com.au** aims to match employer vacancies with OOT participants and will automatically find matches based on location, trade sector and year level.



#### CERTIFICATE IV BUSINESS – GROUP TRAINING CERTIFICATE IV OCCUPATIONAL HEALTH AND SAFETY NATIONAL WORKFORCE DEVELOPMENT FUNDING

GTAV with support from RMIT University, MEGT, Sys-tec and Maxima (RTO partners) delivered a number of training programs for field officers and other GTO staff during 2011-12.

These programs have been fully customised to reflect the work and knowledge required to work effectively within the Group Training sector, with feedback from the groups being extremely positive. GTAV believe these course's will become the industry standard for working within the industry over the coming years, and will continue to seek government assistance to support the further participation of GTO staff, and increasing the capacity of our industry.



### GTAV E-LEARNING PLATFORM (MOODLE) & ONLINE RESOURCES LIBRARY

GTAV has developed an association and member based (multi-use) e-learning platform and online resources library (professional development resources for GTO staff/industry) for use by members.

This moodle platform (free – open source platform) is widely used within the VET / RTO sector. The platform found at **www.gttraining.com.au**, can be easily recreated and rebranded so members can access the content and manage their online training requirements, whilst sharing content and other online resources from a centralised location.

#### Current GTAV online training content available.

- OH&S / WHS induction training (updated to WHS Act April 2012)
- Certificate IV OH&S (updated to WHS Act April 2012)
- 12 Sustainability training units linked to over 270 units of competency (from a variety of training packages)

The online platform can also be accessible on a variety of mobile devices, and will provide future GTO staff and apprentices 24/7 access to resources.

#### GTAV WEBSITE - WWW.GTAVIC.ASN.AU FRIDAY FILE E-NEWSLETTER

There were a number of improvements made to the GTAV website over the past 12 months. The aim of the website is to provide information on the benefits of Group Training, and to provide up to date information to members.

The website provides information to prospective employers and job seekers on the benefits of working with a Group Training Member, and provides a searchable database for the wider community to search for a member by location and industry sector.

The website also promotes all of the association's events and services.

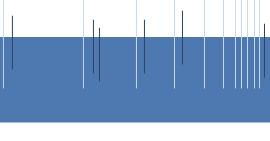
GTAV Members are encouraged to forward good news stories for both the weekly e-newsletter and website to assist in the wider promotion of group training and other member services.

#### GTAV SOCIAL MEDIA

GTAV continued to promote group training and members through a range of social media platforms during 2011-12. GTAV members are encouraged to build linkages with these sites and share good news stories as we continue to build a greater online presence.







#### **INDUSTRY SKILLS CENTRES - CORRECTIONS VICTORIA**

GTAV continued to work with Corrections Victoria (Department of Justice) through the Industry Skills Centres in 2011/12.

Barry Rickard worked within 5 Prison locations across Regional Victoria, to assist "soon to be released" participants with in-house training and finding employment once released. The program found employment/ further training placements for over 60% of participants during 2011/12. GTAV would like to thank CVGT Australia and Work solutions for their support in the program.

#### HEALTH AND SAFETY TRAINING ON LINE PTY LTD. (HSTOL)

HSTOL was a separate company from GTAV where a number of GTO's and GTAV developed online OH&S training resources specifically for the GTO environment. In June 2012 HSTOL was formally sold to FinPa New Media, and the original OH&S resources provided to GTAV to be able to continue to provide the service.

- HSTOL and OH&S content sold to FinPa New Media
- Shareholders to receive 50% discount on current and any new OH&S content developed Shareholders to receive 20% discount on any other FinPa training content usage.
- GTAV to continue to service customers.
- Customers are able to continue to use FinPa online site or have their own online site with content available from GTAV.

In November 2012 GTAV will launch a new OH&S website and a range of complimentary services to support members with their OH&S requirements - www.safetyfirst.org.au

- Training
- OH&S compliance
- GTAV OH&S network meetings
- OH&S / GTO Benchmarking statistics Quarterly
- GTAV OH&S recognition awards

GTAV would like to thank the HSTOL Board members and shareholders / members for their support over the past 5 years and to be able to provide a range of up-to-date online OH&S (and WHS) resources.



#### AUSTRALIAN YOUTH FORUM - AUSTRALIAN APPRENTICESHIPS REVIEW

The aim for GTAV was to provide a safe environment where forum participants could openly contribute to a discussion around a variety of questions on apprenticeships. Participants were encouraged to discuss the questions openly, and/or write specific comments on the questionnaire.

The questions covered 3 main topics:

- 1. Strengthening the pathways from schools into Australian Apprenticeships
- 2. Support for Australian Apprentices
- 3. Ways to improve the status of the Australian Apprenticeships system

GTAV surveyed 92 apprentices as part of this review, with a project report and recommendations sent to Department of Education, Employment and Workplace Relations (DEEWR)



Thank you to MEGT, RMIT, Riverina Institute, Wodonga Tafe and the ACT Government for hosting the youth forums during 2011.



# MEMBER SERVICES

#### MEMBER SERVICES IN 2011-12

The continued support and ongoing membership of Group Training Organisations in Victoria assists the association in supporting the Group Training network and in providing a voice to Government.

Throughout 2011-2012, the following services were available to member organisation.

- Various fuel card service providers
- Business credit reporting service
- Extended insurance products
  - > Apprentices / trainee accident and illness policy
  - > Public liability policy
  - > GTO activities
  - > Motor vehicle policy
- Example policies for RTO's, GTO's and OH&S
- Online / SMS, email, fax service
- Professional Development
  - > Certificate IV Business Group Training
  - > Certificate IV OH&S
  - > Auditing training
  - > Vet Track
- CareerOne online advertising
- Website and graphic design
- IR / HR support Worksight
- Software solutions
  - > GTAV E-learning platform
  - > Job Ready
  - > Novacore



# MAJOR EVENTS

#### FIELD OFFICER CONFERENCE - Ballarat, August 2011



The Panel - Discussion of case studies with experienced GTO field officers



Participants surrounded by the old-school charm of Sovereign Hill

#### END OF YEAR STATE CONFERENCE - Melbourne Zoo, November 2011



MC – Peter Treseder with "Today's Skills, Tomorrow's Leaders" participant - Victoria



Service Awards Recipients Mike Kirby, John Ackland & Peter Beasley

#### MID YEAR STATE CONFERENCE - Healesville, 31 May - 1 June 2012



Gary Workman welcomes delegates and opens the conference



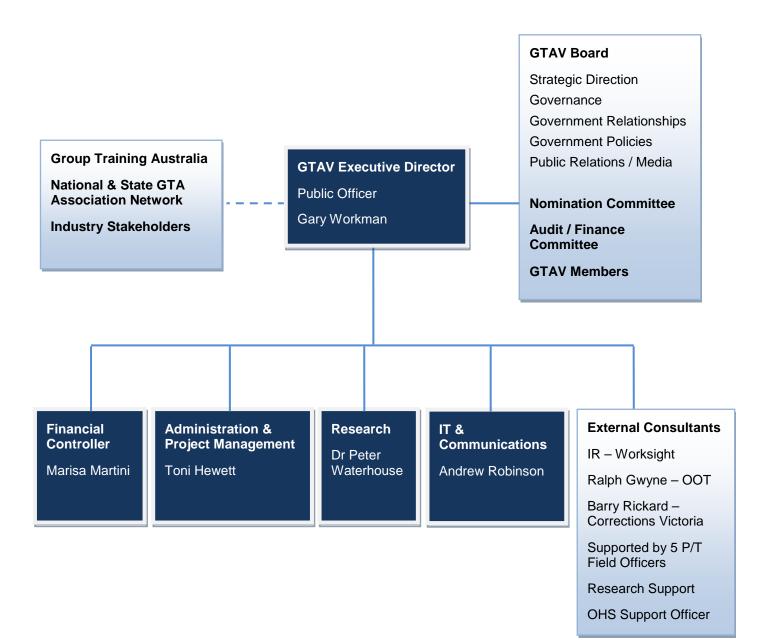
Networking - Everyone enjoys a break, thanks to the great catering at the RACV Club

# **FELLOWSHIPS**

GTAV Register of Fellows	Company	Year
John Ackland	Workco Limited	2008
Kevin Kennedy	Gippsland Group Training (GGT) (AGA)	2008
David Windridge	Melbourne Eastern Group Training (MEGT)	2008
Miles Coverdale	Westvic Staffing Solutions	2009
John Glover	Group Training Association of Victoria Inc.	2009
Geoffrey Foster	Department of Education & Early Childhood Development (Skills Victoria)	2010
Mike O'Brien	G-Force	2010

A GTAV Fellowship is the highest recognition that can be bestowed by the association, on an individual, for their contribution to vocational education and training and the advancement of Group Training in Victoria.

# **ORGANISATIONAL CHART**



# STAFF PROFILES

Name	Experience
Mr Gary Workman Executive Director Tel: 03 9639 3966 Email: <u>gary@gtavic.asn.au</u>	<ul> <li>Gary assumed the role in December 2009 and leads GTAV and its members on public policy and research activities, including overseeing relationships with a wide range of industry and government stakeholders.</li> <li>He also served as director on the Health and Safety Training On Line (HSTOL) board, which developed a range of OH&amp;S training resources.</li> <li>Gary brings over 15 years experience in the Vocational Education and Training sector, and has worked on numerous government and industry projects including in the areas of workforce development, OH&amp;S and the environment.</li> </ul>
Dr Peter Waterhouse Research consultant Tel: 03 9639 3966 Email: <u>peter@gtavic.asn.au</u>	With over 15 years experience working in various training, education and LL&N projects. Peter has also worked on various projects including the development and delivery of the Certificate IV in Business customised specifically for the group training environment.
Mr Andrew Robinson IT & Communications Officer Tel: 03 9639 3966 Email: <u>andrew@gtavic.asn.au</u>	Andrew joined GTAV in February 2012. During this time he has worked on a number of training resource development projects and brings with him extensive experience in the design and implementation of web-based platforms, and successful learning and assessment strategies.
Ms Marisa Martini Financial Controller Tel: 03 9639 3966 Email: <u>marisa@gtavic.asn.au</u>	Marisa brings 12 years experience in finance, financial reporting, budgetary and cash management, acquisition, post-acquisition integration, commercial debt facilities, corporate asset/liability management, taxation, insurance, accounting, software conversions, human resources and IT.
Ms Toni Hewett Administration and Project Manager Tel: 03 9639 3966 Email: <u>admin@gtavic.asn.au</u> <u>toni@gtavic.asn.au</u>	Toni oversees many of the Association's projects and member network meetings / conferences as well as the administration of member services. Toni has worked in events and project management for the past 8 years.
Barry Rickard ISC Project coordinator Tel: 03 9639 3966 Email: <u>barry@gtavic.asn.au</u>	Corrections Victoria ISC - Employment Liaison Officer Barry has a wealth of experience both within the group training (employment) and correctional services industries. Barry has worked for GTAV over the past 2 years on the Industry skills centre (ISC) project across 5 regional Victoria prisons.
Ralph Gwynne Out of Trade Project Coordinator Tel: 03 9639 3966 Email: <u>ralph@gtavic.asn.au</u>	Ralph has over 20 years experience working within the group training industry, and has worked as a consultant with GTAV on the Out of Trade apprentice program. This program is supported by Skills Victoria (DEECD) with the primary aim of contacting apprentices that have been cancelled out of their training and employment contracts and assisting them back into their apprenticeship.

# MEMBER COMPANIES

#### **GTO MEMBERS**

Member Company Name	Address Details
AFL SportsReady	GPO Box 4337, Melbourne VIC 3001
Apprenticeships Group Australia	PO Box 627, Morwell VIC 3840
ATEL Employment Services	2 Michael Drive, Wodonga VIC 3690
Apprenticeships Plus	Level 1 192-198 High Street, Northcote VIC 3070
Australian Industry Group Training Services	PO Box 7622, Melbourne VIC 8004
BGT Employment	PO Box 308, Ballarat VIC 3353
CVGT Australia	PO Box 473, Bendigo VIC 3550
G-Force Recruitment	PO Box 1987, Geelong VIC 3220
Link Employment & Training	PO Box 234, Dandenong VIC 3175
MEGT Australia	29 Ringwood Street, Ringwood VIC 3134
Murray Mallee Training Company	PO Box 254, Swan Hill VIC 3585
Independence Australia	208 Wellington Street, Collingwood VIC 3066
Apprentice Trainee Employment Partners (ATEP)	Suite 2 / 12 Jamieson St, Cheltenham VIC 3192
Brotherhood of St Laurence	288 Brunswick St, Fitzroy VIC 3065
Sunraysia Murray Group Training	146a Eighth Street, Mildura VIC 3500
The Apprenticeship Factory	PO Box 6092, Shepparton VIC 3632
370 Degrees Group	PO Box 187, Carlton VIC 3053
HTN	PO Box 328, Flinders Lane VIC 8009
Westvic Staffing Solutions	PO Box 933, Warrnambool VIC 3280
Workco Ltd.	PO Box 930, Horsham VIC 3402
WPC Group	440 William Street, West Melbourne VIC 3003

### AFFILIATE MEMBERS

Affiliate Member Company	Address Details
Box Hill Institute of TAFE	853 Whitehorse Road, Box Hill Victoria 3128
Kestrel Recruitment	9 Stanley Street, Wodonga Victoria 3690
RMIT TAFE	Swanston & LaTrobe Streets, Melbourne Victoria 3000
Skilled Group	Level 15, 380 St Kilda Road, Melbourne 3004
Careers Australia	196 Flinders Street, Melbourne VIC 3000

# FINANCIAL REPORT 2011-12

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# STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 30 June 2012

	Note	2012 \$	2011 \$
Revenue	2	2,210,034	2,069,408
Cost of member sales	3	(1,297,844)	(1,166,755)
Employee expenses		(420,998)	(429,915)
Project expenses		(267,053)	(281,086)
Other expenses from ordinary activities		(35,239)	(51,857)
National Membership Levy		(58,710)	(57,000)
Occupancy expenses		(57,947)	(56,129)
Depreciation and amortisation expenses	9	(14,296)	(11,308)
Audit fees		(7,165)	(5,400)
Motor vehicle costs		(7,812)	(5,968)
Profit for the year		42,970	3,990
Other comprehensive income			
Other		-	-
Total comprehensive income for the year attributable to members of the entity		42,970	3,990

The accompanying notes form part of these financial statements.

# STATEMENT OF FINANCIAL POSITION

AS AT 30 June 2012

	Note	2012 \$	2011 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	652,903	530,455
Trade and other receivables	6	286,225	112,653
Other current assets	7	55,356	43,013
TOTAL CURRENT ASSETS		994,484	686,121
NON-CURRENT ASSETS			
Other receivables	8	2,000	2,000
Property, plant and equipment	9	39,805	52,330
TOTAL NON-CURRENT ASSETS		41,805	54,330
TOTAL ASSETS		1,036,289	740,451
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	10	121,615	123,097
Provisions for employee entitlements	11	30,386	24,489
Other liabilities	12	521,679	273,226
TOTAL CURRENT LIABILITIES		673,680	420,812
TOTAL LIABILITIES		673,680	420,812
NET ASSETS		362,609	319,639
EQUITY			
Reserves	15	40,921	40,921
Retained earnings	14	321,688	278,718
TOTAL EQUITY		362,609	319,639

The accompanying notes form part of these financial statements.

# STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 June 2012

	Retained Earnings \$	Association Reserve \$	Total \$
Balance at 1 July 2010	274,728	40,921	315,649
Profit attributable to members	3,990	-	3,990
Balance at 30 June 2011	278,718	40,921	319,639
Balance at 1 July 2011	278,718	40,921	319,639
Profit attributable to members	42,970	-	42,970
Balance at 30 June 2012	321,688	40,921	362,609

The accompanying notes form part of these financial statements.

### STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 June 2012

	Note	2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from members		1,666,895	1,476,363
Operating grants receipts		100,000	100,000
Receipts from project funding		491,184	439,367
Payments to suppliers and employees		(2,160,696)	(2,079,636)
Interest received		26,836	27,063
Net cash provided by operating activities	19	124,219	(36,843)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		-	6,794
Purchase of property, plant and equipment		(1,771)	(41,867)
Net cash used in investing activities		(1,771)	(35,073)
Net increase in cash held		122,448	(71,916)
Cash and cash equivalents at beginning of financial year		530,455	602,371
Cash and cash equivalents at end of financial year	19	652,903	530,455

The accompanying notes form part of these financial statements.

#### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 June 2012

The financial statements cover Group Training Association of Victoria Inc as an individual entity. Group Training Association of Victoria Inc is an association incorporated in Victoria under the *Associations Incorporation Act 1981*.

#### NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### **Basis of Preparation**

Group Training Association of Victoria Inc has elected to early adopt the pronouncements AASB 1053: Application of Tiers of Australian Accounting Standards and AASB 2010–2: Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements to the annual reporting period beginning 1 July 2010.

The financial statements are general purpose financial statements that have been prepared in accordance with Australian Accounting Standards – Reduced Disclosure Requirements of the Australian Accounting Standards Board and the *Associations Incorporation Act 1981*.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless otherwise stated.

The financial statements were authorised for issue on 24 October 2012 by the members of the association.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

The amounts presented in the financial statements have been rounded to the nearest dollar.

#### **Accounting Policies**

#### a. Income Tax

The association is an eligible Group Apprenticeship scheme and is exempt from income tax under Section 23g (III) of the Income Tax Assessment Act.

#### b. Plant and Equipment

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

The carrying amount of plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the assets' employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the association and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

#### Depreciation

The depreciable amount of all fixed assets, including buildings and capitalised lease assets, is depreciated on a straight-line basis over the asset's useful life commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	Depreciation Rate
Motor Vehicles	33%
Office equipment	50%

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of comprehensive income. When revalued assets are sold, amounts included in the revaluation relating to that asset are transferred to retained earnings.

#### c. Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses on a straight-line basis over the lease term.

Lease incentives under operating leases are recognised as a liability and amortised on a straight-line basis over the life of the lease term.

#### d. Financial instruments

#### Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the association commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs except where the instrument is classified "at fair value through profit or loss' in which case transaction costs are expensed to profit or loss immediately.

#### Classification and subsequent measurement

Financial instruments are subsequently measured at either fair value, amortised cost using the effective interest rate method or cost. *Fair value* represents the amount for which an asset could be exchanged or a liability settled, between knowledgeable, willing parties. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as:

the amount at which the financial asset or financial liability is measured at initial recognition;

less principal repayments;

plus or minus the cumulative amortisation of the difference, if any, between the amount initially recognised and the maturity amount calculated using the effective interest method; and

less any reduction for impairment.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

#### Fair value

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

Financial assets are classified at "fair value through profit or loss" when they are held for trading for the purpose of short-term profit taking, where they are derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

#### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

Loans and receivables are included in current assets, except for those which are not expected to mature within 12 months after the end of the reporting period, which will be classified as non-current assets.

#### (iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the association's intention to hold these investments to maturity. They are subsequently measured at amortised cost using the effective interest rate method.

Held-to-maturity investments are included in non-current assets, except for those which are expected to mature within 12 months after the end of the reporting period, which will be classified as current assets.

If during the period the association sold or reclassified more than an insignificant amount of the held-to-maturity investments before maturity, the entire category of held-to-maturity investments would be tainted and would be reclassified as available-for-sale.

#### (iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either not capable of being classified into other categories of financial assets due to their nature, or they are designated as such by management. They comprise investments in the equity of other entities where there is neither a fixed maturity nor fixed or determinable payments.

Available-for-sale financial assets are included in non-current assets, except for those which are expected to be disposed of within 12 months after the end of the reporting period, which will be classified as current assets.

#### (v) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

#### Impairment

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument has been impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence that impairment as a result of one or more events (a 'loss event') has occurred, which has an impact on the estimated future cash flow of the financial assets(s).

In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to constitute a loss event. Impairment losses are recognised in the statement of comprehensive income immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified to profit or loss at this point.

#### Derecognition

Financial assets are derecognised where the contractual right to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expire. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

#### e. Impairment of Assets

At the end of each reporting period, the association assesses whether there is objective evidence that a financial instrument may be impaired. 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 to sell and value-in-use, to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised immediately in profit or loss, unless the asset is carried at a revalued amount in accordance with another Standard (eg in accordance with the revaluation model in AASB 116). Any impairment loss of a revalued asset is treated as a revaluation decrease in accordance with that other Standard.

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

#### f. Employee Benefits

Provision is made for the association's liability for employee benefits arising from services rendered by employees to the end of the reporting period. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. In determining the liability, consideration is given to employee wage increases and the probability that the employee may not satisfy vesting requirements. Those cash outflows are discounted using market yields on national government bonds with terms to maturity that match the expected timing of cash flows.

# g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

#### h. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Revenue from the sale of goods is recognised at the point of delivery as this corresponds to the transfer of significant risks and rewards of ownership of the goods and the cessation of all involvement in those goods.

Interest revenue is recognised using the effective interest rate method, which for floating rate financial assets is the rate inherent in the instrument. Dividend revenue is recognised when the right to receive a dividend has been established.

Revenue from the provision of membership subscriptions is recognised on a straightline basis over the financial year.

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

#### i. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing and financing activities which is recoverable from, or payable to, the ATO are presented as operating cash flows included in the receipts from customers or payments to suppliers.

# j. Trade and Other Payables

Trade and other payables represent the liability outstanding at the end of the reporting period for goods and services received by the association during the reporting period, which remain unpaid. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

#### k. Provisions

Provisions are recognised when the association has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. Provisions recognised represent the best estimate of the amounts required to settle the obligation at the end of the reporting period.

#### I. Key Judgments

#### (i) Provision for impairment of receivables

Included in trade receivables and other receivables at the end of the reporting period are amounts receivable from members in relation to unpaid subscriptions from 2012 amounting to \$0. Therefore no provision for impairment has been deemed necessary.

### m. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

# NOTE 2: REVENUE AND OTHER INCOME

		2012 \$	2011 \$
Rev	enue		
Sale	s revenue:		
-	Project Income	448,095	439,367
-	Member Sales	1,374,581	1,233,577
-	Member Fees	201,812	195,316
-	National Fees	58,710	57,000
-	Operating Grants	100,000	100,000
-	Interest received	26,836	27,063
-	Try-a-Trade	-	16,608
-	Profit/loss on sale of assets	-	477
	Total revenue	2,210,034	2,069,408

## NOTE 3: COST OF MEMBER SALES

	2012 \$	2011 \$
Fuel cost	987,886	794,486
Insurance cost	153,833	177,029
Meeting/conference costs	74,686	107,393
Other costs	81,439	87,847
	1,297,844	1,166,755

### NOTE 4: KEY MANAGEMENT PERSONNEL COMPENSATION

The totals of remuneration paid to key management personnel (KMP) of the association during the year are as follows:

	2012 \$	2011 \$
Key management personnel compensation	169,464	168,861

# NOTE 5: CASH AND CASH EQUIVALENTS

	2012 \$	2011 \$
Cash at bank and in hand	483,377	369,172
Short-term bank deposits	169,526	161,283
	652,903	530,455

The effective interest rate on short-term bank deposits was 4.65% (2011: 5.18%); These deposits have an average maturity of 90 days.

# NOTE 6: TRADE AND OTHER RECEIVABLES

	2012 \$	2011 \$
CURRENT		
Trade Debtors	286,225	112,653
Total current trade and other receivables	286,225	112,653

# NOTE 7: OTHER CURRENT ASSETS

	2012 \$	2011 \$
CURRENT		
Prepayments	55,356	43,013
Total current other assets	55,356	43,013

### NOTE 8: OTHER RECEIVABLES

	2012 \$	2011 \$
NON CURRENT		
Bond - Office Property Lease	2,000	2,000
Total other financial assets	2,000	2,000

# NOTE 9: PROPERTY, PLANT AND EQUIPMENT

	2012 \$	2011 \$
Office equipment:		
At cost	2,861	5,509
Accumulated depreciation	(1,385)	(5,019)
	1,476	490
Motor Vehicle:		
At cost	66,718	66,718
Less accumulated depreciation	(28,389)	(14,878)
Total Motor Vehicle	38,329	51,840
Total plant and equipment	39,805	52,330

### Movements in carrying amounts

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

2011/12	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at 1 June 2011	490	51,840	52,330
Additions	1,771	-	1,771
Disposals	-	-	-
Depreciation expense	785	13,511	14,296
Carrying amount at 30 June 2012	1,476	38,329	39,805

2010/11	Office Equipment \$	Motor Vehicles \$	Total \$
Balance at 1 June 2010	104	28,938	29,042
Additions	1,269	40,598	41,867
Disposals	-	(7,271)	(7,271)
Depreciation expense	883	10,425	11,308
Carrying amount at 30 June 2011	490	51,840	52,330

# NOTE 10: TRADE AND OTHER PAYABLES

	2012 \$	2011 \$
Trade creditors and accruals	121,615	123,097
Total trade and other payables	121,615	123,097

# NOTE 11: PROVISION FOR EMPLOYEE ENTITLEMENTS

	2012 \$	2011 \$
CURRENT		
Provision for employee entitlements (Annual Leave)	30,386	24,489
Total current provision for employee entitlements	30,386	24,489
Number of employees at year end	6	5

# NOTE 12: OTHER LIABILITIES

	2012 \$	2011 \$
UNEARNED PROJECT INCOME		
Industry Skills Project- Corrections Victoria	72,567	37,412
National Workforce Devt Fund	80,054	-
e-wise	10,600	-
OOT Completion	-	47,379
Sustainability Victoria 101 Project	-	16,342
DEEWR Youth Project	-	19,000
Total Unearned Project Income	163,221	120,133
Advances Member Services	358,458	155,143
Try a Trade	-	-
Total other liabilities	521,679	273,226

### NOTE 13: OPERATING LEASE COMMITMENTS

	2012 \$	2011 \$
Operating Lease Commitments		
Non-cancellable operating leases contracted for but not capitalised in the financial statements		
Payable – minimum lease payments:		
not later than 12 months	26,004	26,004
between 12 months and five years	26,004	52,008
greater than five years		
	52,008	78,012

The property lease commitment is a non-cancellable operating lease with a four (4) year term, with rent payable monthly in advance. The lease expires 30 June 2014.

Contingent rental provisions within the lease agreement require that the minimum lease payments shall be increased by the Consumer Price Index, unless this calculation results in a rental decrease, in which case the per annum adjustment will not occur.

There is no option to renew the lease at the end of the four-year term. The lease allows for subletting of all lease areas.

#### NOTE 14: RETAINED EARNINGS

	2012 \$	2011 \$
Retained Earnings		
Opening balance at the beginning of the financial year	278,718	274,728
Profit for the year attributable to members	42,970	3,990
Closing balance at the end of financial year	321,688	278,718

### NOTE 15: ASSOCIATION RESERVES

	2012 \$	2011 \$
Association Reserve		
Opening balance at the beginning of the financial year	40,921	40,921
Transfer to/from reserves	-	-
Closing balance at the end of financial year	40,921	40,921

The Association Reserve is to be used to specifically highlight key issues to policy makers, government and other key stakeholders.

#### NOTE 16: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets as at 30/06/2012.

#### NOTE 17: EVENTS AFTER THE REPORTING PERIOD

Refer note 18.

#### NOTE 18: RELATED PARTY TRANSACTIONS

From 2007 - 2012 GTAV held a 20% interest in Health & Safety Training Online Pty Ltd. (HSTOL).

On the 27 June 2012, GTAV and other shareholders in HSTOL agreed to sell their shares in HSTOL to existing shareholder, FinPa New Media Australia. Ferrier Hodgson completed an independent valuation of HSTOL which valued GTAV's shareholding of 20% at \$3,000.

The transfer of shares was completed through ASIC on 29 June 2012. The remaining transactions relating to the sale occurred in the current financial year, 2012-13. A summary of transactions and dates is as follows:

July 2012: HSTOL assets and liabilities were transferred to GTAV. This included cash at bank of \$76,913, and unexpended units (liability) totalling \$47,940. This activity will be reported in the 2012-13 GTAV Annual Report.

As part of the Agreement, GTAV will continue to maintain and provide customer service to existing and new users.

# NOTE 19: NET CASH INFORMATION

		2012 \$	2011 \$
(a)	Reconciliation of Cash		
	Cash at bank	483,377	369,172
	Cash on deposit	169,526	161,283
		652,903	530,455
(b)	Reconciliation of Net Cash provided by Operating		
	Activities to Profit for year		
	Profit for year from ordinary activities	42,970	3,990
	Non cash flows in profit from ordinary activities:		
	Depreciation	14,296	11,308
	Loss on sale of assets	-	477
	Changes in assets and liabilities		
	(Increase)/Decrease in receivables	(173,572)	(26,615)
	(Increase)/Decrease in prepayments	(12,344)	15,883
	(Increase)/Decrease in other assets	-	-
	Increase/(Decrease) in payables	(1,482)	11,623
	Increase/(Decrease) in other liabilities	248,453	(53,833)
	Increase/(Decrease) in Employee Entitlements	5,898	324
		124,219	(36,843)

### NOTE 20: FINANCIAL RISK MANAGEMENT

The association's financial instruments consist mainly of deposits with banks, local money market instruments, short-term investments, accounts receivable and payable, and leases.

The totals for each category of financial instruments, measured in accordance with AASB 139 as detailed in the accounting policies to these financial statements, are as follows:

	Note	2012 \$	2011 \$
Financial assets			
Cash and cash equivalents	5	652,603	530,455
Trade and receivables	6	286,225	112,653
Other current assets			
other	8	2,000	2,000
Total financial assets		940,828	645,108
Financial liabilities			
Financial liabilities at amortised cost:			
trade and other payables	10	121,615	123,097
Total financial liabilities		121,615	123,097

#### NOTE 21: ASSOCIATION INFORMATION

The registered office of the association is 113 Drummond Street Carlton Victoria 3053

The principal place of business is: 113 Drummond Street Carlton Victoria 3053

### STATEMENT BY MEMBERS OF THE COMMITTEE

In the opinion of the committee the financial report as set out on pages twenty five (25) to forty one (41):

1. Presents a true and fair view of the financial position of Group Training Association of Victoria Inc as at 30 June 2012 and its performance for the year ended on that date in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) of the Australian Accounting Standards Board.

2. At the date of this statement, there are reasonable grounds to believe that Group Training Association of Victoria Inc will be able to pay its debts as and when they fall due.

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

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Chairperson

Joan Williamson

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Audit Committee Chair

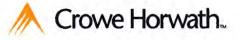
Dean Luciani

**Executive Director** 

Gary Workman

Dated this 24<sup>th</sup> day of October 2012

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GTAV



#### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GROUP TRAINING ASSOCIATION OF VICTORIA INC.

#### **Report on the Financial Report**

We have audited the accompanying financial report of Group Training Association of Victoria Inc. (the association), which comprises the statement of financial position as at 30 June 2012, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the statement by members of the committee.

Committee's Responsibility for the Financial Report

The committee of the association is responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards – Reduced Disclosure Requirements and the Associations Incorporation Act 1981, and for such internal control as the committee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the association's preparation of the financial report that gives a true and fair view 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 association's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the committee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Opinion

In our opinion the financial report of Group Training Association of Victoria Inc is in accordance with the Associations Incorporations Act 1981, including:

- giving a true and fair view of the association's financial position as at 30 June 2012 and of its financial performance for the year ended on that date; and
- (ii) complying with Australian Accounting Standards Reduced Disclosure Requirements..

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dean Margaret Crossley Partner

Melbourne Dated this 24K day of Detale 2012