



WODONGATAFE

# WODONGA INSTITUTE OF TAFE **ANNUAL REPORT 2021**

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**Wodonga TAFE**

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**WODONGATAFE**

Building success through learning

# Wodonga Institute of TAFE

**ABN 68 437 423 269**

## **Annual report**

**31 December 2021**





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## Board Chair and Chief Executive Officer Statement

It is with great pleasure that Wodonga Institute of TAFE submits its 2021 Annual Report.

2021 was a challenging but successful year for Wodonga Institute of TAFE. As with all organisations, challenges continued in response to COVID-19, however Wodonga Institute of TAFE achieved remarkable success across all facets of the organisation. The Institute continued to build upon its prior achievements and embarked on new initiatives that enabled it to contribute to and service the needs of its communities and industries. We continue to strengthen our relationships with our local Aboriginal and Torres Strait Islander community, we are proud to have signed a Memorandum of Understanding with Mungabareena Aboriginal Corporation, which will see us working together in strong partnership to improve Indigenous access and participation in culturally appropriate education and training. The Community Careers Connections, an employment service supporting Aboriginal and Torres Strait Islander job seekers opened in December 2021.

Despite the challenges of 2021 we have cause for optimism, as we look to future opportunities and reforms. Improving educational participation is also a key factor in strengthening our local community, ensuring that we are meeting the needs of local industry. However, we also need to position the TAFE to meet the future workforce needs of the economy. We are investing in our TAFE to ensure we are providing not only the skills for today, but also advocating for the role Wodonga TAFE can play in developing skills for the future. We continue to improve our campus services and facilities, such as, the bridge linking our McKoy Street campus, and excitingly the \$7m investment in the Trades Training Centre. The Kids on Campus Early Childhood Education Centre \$1.7m investment now also completed – an innovative concept which brings together our Early Childhood education capability with our commercial Early Childcare centre operations. We also invested significantly in the Shepparton campus providing upgrades to student and staff amenities.

Wodonga Institute of TAFE takes considerable pride in its training services, and on providing hands-on practical learning solutions, along with a learning model with educator assistance in-person and at the ready for students. Through investment in innovation for staff, clients and students, Wodonga Institute of TAFE maintained our student and staff connectivity throughout the pandemic, whilst also again achieving a rank #1 for student recommendation within the sector.

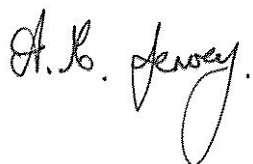
These innovations throughout 2021 continue to highlight Wodonga Institute of TAFE as a progressive, innovative, and resilient organisation.

Wodonga Institute of TAFE is proud to have many exemplary partners from across industry, its regional community, along with the schools and university networks who continue to work with the Institute to bring vocational education and training into all aspects of the communities they serve. The importance of quality vocational education and training in building the local region's workforce, overcoming unemployment, creating opportunities, and addressing tertiary participation challenges, continues to grow. Wodonga Institute of TAFE is proud to be working so closely with its partners in helping shape a prosperous future for this region.

Wodonga Institute of TAFE takes this opportunity to acknowledge and thank The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education for her support throughout 2021, and the ongoing commitment to removing barriers to education through the FreeTAFE initiative. The commitment shown by the Minister and the Victorian Government to Wodonga Institute of TAFE and the region's community is greatly appreciated. Wodonga Institute of TAFE also acknowledges the invaluable support of the Department of Education and Training, and the newly formed Office of TAFE Coordination and Delivery, the Victorian Skills Authority, and the Victorian TAFE Association (VTA).

We would like to thank our students for their efforts during 2021 through trying and challenging circumstances. We also want to acknowledge and thank our Board Directors and Leadership Team for their continued efforts to lead, support and steer the Institute through a successful year full of challenges and complexity, but one in which we were still able to achieve of growth, change and innovation. These results can only be sustained by a combined team effort across the whole Institute and its partners, and we thank all for their contribution throughout these historic times that we currently find ourselves in.

Finally, Wodonga Institute of TAFE thanks and acknowledges all Wodonga Institute of TAFE staff who continue to give so much of themselves - particularly in such a trying year - in helping shape what Wodonga Institute of TAFE and education means to its community, industry, and educational partners. The Institute's growing workforce is made up of incredibly passionate and selfless people, who all contribute to making Wodonga Institute of TAFE so successful. All Wodonga Institute of TAFE staff should be incredibly proud of not only what they do as individuals, but what they have contributed to building, as a team.



Allison Jenvey  
Chair & Ministerial Nominee Director  
Wodonga Institute of TAFE



Phil Paterson  
Managing Director and Chief Executive Officer  
Wodonga Institute of TAFE

# Charter and Purpose

## Our Purpose

As the educational provider of choice servicing the North East of regional Victoria, Wodonga Institute of TAFE plays a critical role in supporting continued growth throughout our community and industries. With a mission to strengthen our communities and industries through accessible and innovative learning leading to amazing outcomes, Wodonga Institute of TAFE's success is underpinned by an uncompromising commitment to; driving student success; helping build our communities through education; working in partnership with all industry; and inspiring futures through innovative and sustainable practices.

Wodonga Institute of TAFE focuses on empowering and supporting our staff so they too can have productive and fulfilling careers. In all, we strive to build success through learning across for everyone who engages with Wodonga Institute of TAFE.

We are a thriving community that facilitates positive and productive interactions between students, staff, industry, and the community, to share knowledge, support one another, and work together to ensure the future prosperity of the region.

## Our Vision

Our vision is for Wodonga TAFE to be

*'A strong and vibrant institute, building **success through learning**'.*

## Our Mission

*To strengthen our communities and industries through accessible and innovative learning.*

## Our Values and Behaviours

### *Community and Collaboration*

We are socially, environmentally, and economically responsible. We value diversity and work with our communities to provide opportunity for all people.

### *Creativity and Innovation*

We empower and challenge each other, our students and our partners to grow, contribute and make a difference now and into the future. We inspire a culture of innovation and transformation.

### *Integrity and Respect*

We are accountable for our actions and maintain the highest level of ethical behaviour. We treat everyone with respect and understanding

## Strategic Directions

Wodonga Institute of TAFE's strategy is based on five key Directions:

### Successful learners

Students are at the centre of all we do at Wodonga TAFE. We inspire our learners to achieve their full potential through an engaging student experience and quality learning and teaching.

### Strengthening communities

Wodonga TAFE is integral to our community. We are committed to supporting our region through educational, economic and social development.

### Partnering with industry

Wodonga TAFE collaborates with industry stakeholders. We listen, identify workforce solutions, and adapt to immediate and evolving training needs. We engage our partners and contribute to economic development by ensuring our graduates are 'work-ready'.

### Inspiring futures

Wodonga TAFE invests in aspirational futures. We foster an innovation culture which enhances positive outcomes for our staff, students, industries, and partners.

### Empowering our people

Our people are our strength. Our values are the centre of our organisational culture and embedded in our daily decision-making. Our workforce is resilient and innovative, and we nurture high performing teams.

# Manner of Establishment and Relevant Minister

## History

Wodonga Institute of TAFE was established in 1986 by the Victorian State Government, and staff commenced working from premises at 1 McKoy Street, Wodonga. In 1988 the Institute purchased the site at 87 McKoy Street, West Wodonga, the current main campus, from the Albury-Wodonga Development Corporation. Wodonga Institute of TAFE delivered health and childcare training from what is now Building B on the current campus, and the Institute also offered workforce training onsite for local businesses. These facilities also were shared with La Trobe University for approximately 10 years.

In 1991 campus buildings were extended to include Building A, and other buildings were added to the Campus as delivery demand grew. In 2013 operations were further expanded with the integration of Driver Education Centre of Australia (DECA) into Wodonga Institute of TAFE.

Wodonga Institute of TAFE continued to increase its training offerings with its expansion into the transport and logistic industries and the growing demand saw the development of the Logic Campus at Barnawartha North in 2014.

Wodonga Institute of TAFE's Shepparton campus continues to grow to meet training and employment demands and has also commenced renovations to enhance the delivery of training at the site anticipated for completion in 2022.

The Institute has expanded the geographical scope of the partnership with the Australian Defence Force, with Wodonga Institute of TAFE staff now providing a range of training services operating out of multiple locations across Australia. As a well-renowned vocational education and training provider, Wodonga Institute of TAFE has experienced significant success over many years. This success has been recognised at state and national level with the Institute awarded as Victorian Large Training Provider of the Year in 2002, 2008 and 2018, and as the Australian Large Training Provider of the Year in 2008 and 2018.

## Relevant Minister

Wodonga Institute of TAFE is administered by the Minister for Training and Skills and Minister for Higher Education, The Hon. Gayle Tierney MP, operating under the *Education and Training Reform Act (2006)*.

## Programs

In 2021, Wodonga Institute of TAFE offered over 282 training programs and nationally recognised qualifications, including Traineeships and Apprenticeships, Certificate I to Advanced Diplomas, and various accredited and non-accredited short courses and units.

Despite a year of uncertainty for its community, Wodonga Institute of TAFE maintained a steady student intake in 2021. Over 8,100 students - both public and corporate - undertook courses in a range of disciplines including: Agriculture and Horticulture; Art, Creative Design & Digital Media; Building Design; Business & Leadership, Civil Construction, Earthmoving & Traffic Control; Disability Programs; Education; Engineering, Metal Fabrication & Telecommunications; English Language Programs; Fashion Design & Hairdressing; Health & Community; Hospitality, Tourism, Events & Outdoor Recreation; Motorsports; Timber Studies; Transport; Warehousing & Logistics; and Work Health & Safety.

Wodonga Institute of TAFE also continued its partnerships with regional secondary colleges and community centres in 2021 and offering through the VET Delivered to Secondary Students (VETDSS) program, along with a range of community outreach programs in rural locations.

## Services

Along with its training offerings to public clients, Wodonga Institute of TAFE continued to offer a range of services to industry, including workforce development consultancy, customised training programs, skills recognition, and employment services.

Through the Wodonga Skills and Jobs Centre, Wodonga Institute of TAFE staff provided expert advice on training, employability skills, and opportunities to people from throughout its community, including current and prospective students, job starters, people returning to the workforce, employees wishing to upskill or change careers, and employers.

Expanding upon community services with the local Koorie community, Wodonga Institute of TAFE, with funding from the Victorian Government established numerous Koorie community, education, and support roles for students and the local community. Furthermore, in collaboration with Mungabareena Aboriginal Corporation and Jobs Victoria, Wodonga Institute of TAFE developed a Koorie employment and training service, Community Career Connections.

Wodonga Institute of TAFE also provided a range of dedicated support services for current and prospective students. These free services included counselling and welfare assistance, Koorie support, disability support, careers advice, and academic learner support.

## Locations and Facilities

Wodonga Institute of TAFE's main campus is located at McKoy Street, West Wodonga, with additional campuses located at Logic Centre - Barnawartha North, Brockley Street Wodonga, Moorefield Park Drive, TAFESpace (Community Career Connections), and Shepparton. In 2021 Wodonga Institute of TAFE commenced construction of a new Trades Training Centre on the Moorefield Park Drive site to better accommodate our trades industries and the needs of future apprentices and trainees.

In 2021, Wodonga Institute of TAFE continued its delivery of VET Delivered to Secondary Students throughout the northeast region. This included Corryong College, Galen Catholic College, Mansfield Secondary College, Mt Beauty Secondary College, Tallangatta Secondary College, Victory Lutheran College, and Wodonga Senior Secondary College.

Wodonga Institute of TAFE also provided outreach Skills and Jobs Centre services, along with a range of training programs in partnership with local community service providers and community organisations across the region, including the rural locations of Tallangatta, Beechworth, Myrtleford, Chiltern, Rutherglen, and Corryong.

2021 saw an expansion of the partnership with the Australian Defence Force, with Wodonga Institute of TAFE staff now operating out of locations across Australia, including Puckapunyal, Bandiana, Darwin, Townsville, Cairns, Ipswich, and Watsonia – with plans to further increase this capacity and breadth.



## Key Initiatives and Projects

### High Quality and Innovative Teaching and Learning

Wodonga Institute of TAFE's commitment to maintaining the highest standards of quality in everything it does is critical to its continued success. Consistently high quality is what sets Wodonga Institute of TAFE apart and this is a fundamental contributing factor to its high ranking within the sector, both for Victoria and Australia as a whole, for student and employer satisfaction, according to the latest National Centre for Vocational Education Research (NCVER) results.

Wodonga Institute of TAFE's commitment to high-quality, innovative teaching and learning was again demonstrated in the challenges throughout 2021, whereby many of the Institute's teaching and learning operations continued to adapt to digital and online facilitation of learning, and provision of its services to a remote environment – an ongoing challenge presented by COVID-19.

Wodonga Institute of TAFE invested heavily in technology to support its teachers, students, and clients. Most notably was the facilitation of remote and online lessons that enabled teaching staff with access to high-quality audio-visual equipment to create and deliver modern learning resources to industry standard, and the adoption of software and tools pertaining to assessing and reporting. These advancements significantly improved training and assessment by providing clear reporting, visibility, and streamlined processes. This transformation will continue into 2022, driven by Wodonga Institute of TAFE's Digital Technology and Innovation Strategy, creating highly accessible, quality learning and opportunities.

The renovated Wodonga Institute of TAFE's Kids on Campus Early Learning Centre was opened in late 2021 and provides a welcoming, modern learning environment for the Centre's clients and staff. As part of the new build, a unique industry-embedded, innovative learning model was also introduced, that saw classrooms for students in the Certificate III and Diploma of Early Childhood Education and Care also located at the Kids on Campus Early Learning Centre. This provided significant opportunities for the students to access real-world learning, with access to supervised learning hours alongside professional early childhood education and care staff and trainers, as well as engaging with the centre's clients and children.

Wodonga Institute of TAFE's three key initiatives to promote growth and excellence in its quality learning and teaching continued to contribute to its student outcomes in 2021. These three initiatives include the Wodonga Institute of TAFE's Education and Training Operations Board, Board of Studies, and the Quality Teaching and Learning Unit. These initiatives continued to be a driving force throughout the year as the Institute continued to raise the standards in its delivery of innovative high-quality education. Wodonga Institute of TAFE strives for continuous improvement to ensure it maintains its reputation as a high quality, trustworthy, accessible, and relevant provider to its region.

### Key Partner: Defence – Transformation

Wodonga Institute of TAFE has for many years provided training services to the Australian Defence Force (ADF) and continues to deliver to Army Logistics Training Centre (ALTC), incorporating Army School of Health, Army School of Logistics, Army School of Electrical and Mechanical Engineering, and Army School of Transport. The Institute also increased its capacity for training Army personnel, with its workforce expanded to meet the growing needs of the contract, and significant shifts in how services and training were delivered to and for Army. In 2021 Wodonga Institute of TAFE expanded its training and support services to support ALTC national training requirements. This has seen the Institute deliver training in Darwin, Townsville, Cairns, Ipswich, and Watsonia, and partnering with Box Hill Institute, Chisholm Institute, Charles Darwin University, TAFE QLD and The Moreland Group.

## Supporting Wodonga Institute of TAFE's students

Wodonga Institute of TAFE recognised the 2021 student cohort faced significant and unprecedented challenges throughout their studies. As face-to-face welfare services and academic support for its students was hampered throughout the year by COVID-19 restrictions, the Institute implemented digital sessions for its students. The Wodonga Skills and Jobs Centre and Wodonga Institute of TAFE's Support Services saw increased appointments and interactions with students, with support provided in relation to welfare services, disability support, Koorie services, counselling, and career and employment skills and advice.

With the move to many online units during the year and the increased need for learning and teaching flexibility and interactivity, Wodonga Institute of TAFE's Information, Communication and Technology (ICT) team played an integral role providing students and staff with solutions and assistance to enable online learning journeys.

The Institute Academic Skills and Study Support has continued to provide individual support to students and deliver workshops and presentations throughout lockdowns shifting from face-to-face delivery of services to, at times, exclusively online. Going forward a dynamic combination of face-to-face and online support delivery will continue to be used to meet student needs. The teams' student offerings continue to evolve to meet changing demands and parameters.

2021 also saw the timely expansion of Academic Skills and Study Support's online offerings. The Academic Skills Libguide maintained a steady audience of almost 3,000 views. Since its inception, the Academic Skills for Success (ASFS) online self-guided tutorials has had 4041 enrolled with participating in 4157 quiz attempts. The use of ASFS has expanded into Defence Academic Skills Support delivery who now have an independent team who work closely alongside and with the assistance of the Academic Skills and Study Support team.

The Creative Hub continued its success in 2021, providing students with real-world experience and contact with clients using their design and print services. Students built their success and portfolios by creating design products for local community groups and not-for-profit organisations in the local community.

Wodonga Institute of TAFE embarked on significant updates and improvements to learning facilities and infrastructure to ensure the continued provision of modern and engaging learning and engagement environments for its students. Of note is the update to Kids On Campus Early Learning Centre, now incorporating training delivery for Early Childhood Education and Care studies; the addition of learning spaces based at Moorefield Park Drive to incorporate the Trades Training Centre facilitating delivery of carpentry, cabinetmaking, electrotechnology and plumbing; Shepparton campus updates to modern learning and infrastructure facilities to better support the growing offerings at the locale; The Hangar refurbishment to create a student and corporate event space; and the refurbishment and establishment of significant amenities updates, incorporating accessibility and gender-neutral functionality across all buildings – this plays a part of the Institute's Belonging Framework – ensuring people from all backgrounds and walks of life feel welcome, comfortable, and safe, to study and work at Wodonga Institute of TAFE.

In 2021, Wodonga Institute of TAFE staff continued the delivery throughout a challenging year, of industry-current and relevant learning experiences for students. The Institute has continued its focus on supporting all students to help them build success through learning.

## Supporting Wodonga Institute of TAFE's communities and industries

The Institute continued the ongoing support of the Upper Murray communities after the devastating bushfires of 2019/2020, and the recovery from the impact of COVID-19 on the region. In April 2021, the Agriculture/Horticulture department donated additional plants to the Upper Murray Community Recovery Hub to help with both local community and group projects. The plants are the third such donation from the team of Horticulturists who spent time researching specific varieties suited to the region, and they continued to grow more seedlings throughout the year, to be donated to the Upper Murray region's fire recovery program.

Throughout 2021 Wodonga Institute of TAFE ensured it maintained accessibility and support for its wider community in a time where face-to-face interaction was discouraged and provided communication and appointment avenues via digital methods. The Wodonga Skills and Jobs Centre continued to offer dedicated services to the regional communities, where people could access expert advice and guidance on training and employment opportunities. As employment issues arose alongside the COVID-19 restrictions, the Wodonga Skills and Jobs Centre saw a marked increase in engagement throughout 2021. Wodonga Institute of TAFE was proud that its team continued to provide much needed advice and support to our community during such trying times.

2021 also saw the Institute initiate the Wodonga Institute of TAFE Reconciliation Action Plan. In launching the Reflect – Reconciliation Action Plan, the Institute acknowledged the need to do more in building success through learning and reinforced its commitment to a reconciliation journey that provides opportunities and positive outcomes for the wider community. From the Reconciliation Action Plan, the Institute saw the need to play a more integral role in engaging the Koorie community in training and employment, and so was developed, Community Career Connections, in collaboration with Mungabareena Aboriginal Corporation and Jobs Victoria. Community Career Connections operates as a Jobs Victoria Mentor service. It provides Jobs Victoria Mentors to support job seekers from the Aboriginal and Torres Strait Islander Communities in the four Local Government Areas (LGAs), Wodonga, Alpine, Indigo, and Towong.

Wodonga Institute of TAFE's Kids on Campus Early Learning Centre was excited to announce the approval of their own Reconciliation Action Plan in late 2021, with a congratulatory message received from the Narragunnawali team. The Reconciliation Action Plan for Kids on Campus was reviewed by Reconciliation Australia and a final version can be found via the Narragunnawali platform. A summary of the RAP, including the Kids on Campus Early Learning Centre's Vision for Reconciliation and the RAP Actions Kids on Campus has committed to, is also published on the interactive Who has a RAP? Map.

Wodonga Institute of TAFE has undertaken extensive research and consultation within the Apprenticeship and Traineeship industry. The need for increased participation for skills shortages were identified throughout the research, with Industry also wanting to see better training facilities for their staff. As a result of these findings, a state-of-the-art Trades Training Centre is being built at the McKoy Street campus to meet current and future trade training needs...The Centre will provide a modern and innovative learning environment for trades training – specifically carpentry (building), cabinetmaking, plumbing and electrotechnology. The latter two disciplines will be new entrants to the Institute's offerings in 2022, providing much needed services to local employers, apprentices and trainees, and Australian Apprenticeship Support Network providers, in their relevant industries.

The Institute continued to advocate for a Wodonga Education First Youth Foyer to be built on Wodonga Institute of TAFE's grounds. Modelled on previous successes in other regions, it is anticipated that the Wodonga Education Youth Foyer will provide accommodation, support services, and education opportunities to at-risk, vulnerable young people. This initiative continues to be a prominent project for the Institute, and a huge opportunity for the community.

## Supporting Wodonga Institute of TAFE's workforce

Wodonga Institute of TAFE grew its workforce yet again in 2021, with over 650 staff in total making up its highly skilled and diverse workforce. This expansion was a result of the Institute's increased capability and commitment to its service offerings for clients and students. Wodonga Institute of TAFE remained focused on building its workforce for the future in developing its established and emerging leaders, and providing paths of progression and development, to benefit its workforce and organisation, and subsequently the Institute's students.

In 2021, Wodonga Institute of TAFE's Workforce Capability Framework was further implemented across the organisation. This vital tool enabled the support, improvement, and facilitation of capability across the Institute's workforce, and 2020's key focus was to embed performance and professional development into the Framework. This provided the workforce with a great overview of its own capabilities, potential areas of development, and the means to map out career, personal, and professional progression.

In support of this important project, Wodonga Institute of TAFE made significant investment to facilitate workforce growth through personal and professional development, and LinkedIn Learning was introduced as a strong digital 'always on' platform for Institute staff to interact with and learn. Access to this professional development platform became incredibly useful amid COVID-19 restrictions where more traditional professional development activities were hindered, and it proved its worth for the Institute's workforce to grow and learn throughout 2021 and will continue to do so into the future.

Wodonga Institute of TAFE launched its Innovation Framework in 2021 to drive an innovation culture. The framework provides guidance on how staff can bring their innovative ideas forward and how to progress through approval stages. Staff are supported to bring innovation into their work through a network of Innovations Champions across the Institute. Wodonga Institute of TAFE's teaching staff were particularly challenged throughout 2021 as they adopted new methodologies of delivery in remote and digital forms. Professional development was provided by the Institute to enable staff to provide the best possible services to Wodonga Institute of TAFE's clients and students.

Wodonga Institute of TAFE facilitated the requirement to move much of its workforce to remote working in 2021, through modern and flexible Working from Home arrangements that supported staff and their unique circumstances. This was further supported by Work Health and Safety processes, and assistance from Align Health, along with a significant contribution from the Institute's Information Communication and Technologies team that enabled staff to move quickly and successfully to remote work, through technology procurement (laptops, webcams, monitors and more) and service deployment (Microsoft Teams, Service Central, Zoom).

The Institute continues to nurture Wodonga TAFE staff to learn, grow and better themselves, through positive engagement, support, and by providing meaningful and impactful work to serve our community.

## Performance against 2020 Annual Report key priorities outlined for 2021

*Implement an Education Plan that supports delivery of best practice learning and facilitation, which prepares Wodonga Institute of TAFE's students for life, and work in this region and beyond.*

Wodonga TAFE had a soft launch of the Education Plan in 2021 with a focus on teacher professional development to increase student academic success and on designing active, innovative, and digitally capable learning spaces to build student engagement, access, and industry preparedness. The implementation of the teacher induction and teacher support program was extremely successful with all new teachers developing critical skills under the guidance and supervision of qualified and experienced practitioners. The 'Industry Currency Toolkit' was released to support vocational teachers to maintain their knowledge and experience through meaningful industry engagement activities and the introduction of the Institute's L.E.A.D program provided a framework for educators to Learn, Explore, Accelerate and Develop their leadership skills and to enhance their career options.

*Drive an innovation culture in Wodonga Institute of TAFE's workforce through the Innovation Framework.*

Wodonga Institute of TAFE launched its Innovation Framework in 2021 to drive an innovation culture. The framework provides guidance on how staff can bring their innovative ideas forward and how to progress through approval stages. Staff are supported to bring innovation into their work through a network of Innovations Champions across the Institute. The Champions also support the Innovation Challenges put to staff on a regular basis on key topics connected to the Strategic Plan. Innovations have already been submitted and approved and will continue to be worked on in 2022, enhancing the organisation's processes and capabilities.

*Enhance professionalism and connection to Wodonga Institute of TAFE through embedding the Integrity Framework and the Institute's values.*

In line with the strategic direction of 'Empowering our People', Wodonga Institute of TAFE is committed to harnessing the capability of its people to deliver great outcomes and forge strong connections as a community. The Values Project will continue to ensure our organisational values are the centre of our culture and are embedded in our daily actions. The roll out of the Integrity Framework in 2022 will reinforce our values and provide clarity for leaders to support them in decision making and influencing with integrity.

*Develop and implement a Youth Plan/Strategy and lead a community partnership to establish a Youth Foyer 'Education First' model for Wodonga.*

The Institute partnered with the Brotherhood of St Laurence, Beyond Housing, Junction Support Services and Yes Unlimited to develop an Education First Youth Foyer proposal that will provide accommodation, support services, community engagement and educational opportunities to our region's most vulnerable young people. We continue to seek Government support and funding to get this exciting initiative up and running for our community.

*Use the Skills & Jobs Centre, Reconnect Program, and other Government initiatives to deliver educational programs in partnership with local rural communities.*

Wodonga Institute of TAFE provided outreach Skills and Jobs Centre services, along with a range of training programs - such as Reconnect - in partnership with local community service providers and community organisations across the region, including the rural locations of Tallangatta, Beechworth, Myrtleford, Chiltern, Rutherglen, Yackandandah, and Corryong.

*Plan for the next phase in the Wodonga Institute of TAFE's partnership with the Australian Defence Force which will expand and deepen the educational relationship.*

As a key component of the Australian Defence Force, Army is transforming how and where they train. Army is already planning to attract and retain soldiers by 'training where they live'. Wodonga TAFE is responding to this challenge by strategically investing in the people, solutions, and relationships to meet this need. In 2021 Wodonga TAFE recruited to the positions of Chief Innovation Officer (CINO), Manager Research Innovation and Simulation, Director Defence Delivery, and Manager Strategic Partnerships. These key strategic roles, supported by our Defence Support Service and Training Transformation Program Management teams, continue to capture and deliver bottom-up ideas that deliver training faster and at the point of need, building strong partnerships with national training institutions, and introduce contemporary learning approaches that explore and value experiential learning.

Wodonga TAFE has strategically created a capability to support Army's transformation journey which includes:

- the Training Transformation Solutions brand,
- continued investment in partnerships across the national TAFE network and through specialist private RTOs,
- developing research partnerships, innovation, and simulation capability, and
- being agile, responsive, and continuing to evolve.

*Progress the Heavy Vehicle and Specialist Driver Training Centre proposal at the Logic Campus.*

Wodonga TAFE has positioned itself to become the key provider of training in robotics, mechatronics, autonomous systems, remote piloting, and advanced manufacturing through its 'Logical Innovations' project that will transform heavy vehicle driving training. The Institute is currently actively seeking funding to develop a 100-acre state-of-the-art centre at its Logic Campus which will become an innovative, technological hub, creating a future workforce, and connecting schools, TAFE and industry partners.

*Establish Wodonga Institute of TAFE's Supply Chain and Agriculture Centre of Excellence.*

The refurbishment of the Shepparton Campus in 2021 will see this develop as a centre of excellence in 2022. Major equipment, including excavators, a front-end loader and forklifts will be purchased through the successful TAFE Equipment and Facilities Fund (TEFF) providing practical learning opportunities to new students and trainees. The appointment of an Educational Manager for the Shepparton Campus will drive extensive industry and community engagement in the Shepparton region in 2022, identifying new opportunities for training and building stronger pathways to employment to meet local needs.



*Increase uptake and participation in apprenticeships and traineeships across the region, and support this with the establishment of Trades Training Centre.*

Wodonga TAFE undertook extensive research and consultation within the Apprenticeship and Traineeship industries and identified the need for increased participation for skills shortages areas, along with Industry also wanting to see better training facilities for their staff. As a result of these findings, a brand-new Trades Training Centre is being built on the Moorefield Park Drive campus to better accommodate our trades industry and the needs of future Apprentices and Trainees. The construction of this project is anticipated to be completed by mid-2022, with course enrolments in the new to scope trade qualifications expected during second semester 2022.

Wodonga Institute of TAFE consulted with industry and employment services, devising a need to better support apprenticeships and traineeships. As such, the Apprenticeship and Traineeship Working Group was implemented, meeting monthly to collaborate upon issues and initiatives arising within various sectors across multiple industries. This has led to further support of the Institute's apprentices and trainees and opened significant communications channels with industry and Australian Apprenticeship Support Network providers.

*Develop a sustainability model for Wodonga Institute of TAFE through the establishment of a Sustainability Working Group to build awareness and develop sustainability initiatives.*

Wodonga Institute of TAFE has developed a Sustainability Working Group to deliver a strategy to meet the sustainability needs of the organisation, entitled 'Our Future Footprint'. Sustainability – including financial, organisational and environmental – continues to be at the forefront of Wodonga Institute of TAFE's strategies and plans for the future.

*Continue to develop and execute Wodonga Institute of TAFE's Masterplan.*

The Institute continues to work towards its Masterplan, developing programs and infrastructure to best serve the needs of our communities and industries.

## Key Priorities for 2022

Our key priorities for 2022 include the following;

### Skills

- Develop training alongside emerging industries
- Work with industry to ensure we meet the future needs of the workforce
- Partner with community and sectors to develop further work placements
- Develop specialist industry training for required workforces
- Work with local regional and remote schools to determine VDSS related initiatives

### Students

- Deliver an inclusive, high-quality student experience
- Raise career aspirations through education and partnerships, and improve employment outcomes
- Provide a platform and voice for students and alumni to advocate for education and their fellow students.

### Sustainability

- Develop further environmental sustainability
- Continue to build relationships within education and refine delivery profile to seek new opportunities
- Further expand fee-for-service training offerings to industry
- Work with the Office of TAFE Coordination and Delivery to ensure Wodonga TAFE in delivery of the Statement of Priorities

### Governance and risk

Wodonga TAFE's Board will:

- Empower our people, community and industry through active engagement and influencing
- Innovate the interactions of Wodonga TAFE, in terms of engagement and leadership
- Utilise sub committees for effective implementation of frameworks and policies
- Drive investment and innovation into workforce culture, capability, and leadership



## Awards and Achievements

### Wodonga Institute of TAFE

Victorian Training Awards – 2021 Industry Collaboration Award - Finalist

Wodonga Institute of TAFE maintained a high student and employer satisfaction result.

### Students

Lillardia Briggs-Houston: Inaugural Indigenous fashion runway at 'Afterpay Australian Fashion Week' - Featured designer

Nick Harnetty: 2021 HIA-Stratco Third Year Landscaping Construction Apprentice

Shannon-Lee Heffernan: Aware Super/Australian Nursing and Midwifery Federation (ANMF) Victoria Diploma of Nursing Student of the Year Award for Wodonga Institute of TAFE

## Resources

### Environmental Performance

Wodonga Institute of TAFE is committed to reducing its environmental impact, particularly energy consumption. Through the installation of a 600kw roof top solar system during 2019 together with plans for future builds to expand this program to further access renewable energy. The Institute continues with a program to use energy efficient products such as upgraded building management systems that control lighting, air conditioning etc. relative to the use of the building.

The Institute supports the-transition its car fleet from petrol to petrol-hybrid cars or smaller vehicles in order to reduce fuel costs and emissions. Utilisation-of reclaimed water for the gardens and toilets enhances water reuse while newly installed roofing has seen additional opportunities to catch and store roof run off into tanks. In 2021 there were periods where COVID-19 Lockdowns, Border restrictions and reduced travel requirements, and as such 2021 would reflect lower consumption figures than prior years.

<b>Staff FTE</b>		449.76	452.2	501.38	
<b>Gross Floor Area (GFA) - m2</b>		28,562	23,962	22,513	
<b>Type</b>	<b>Measure</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022 target</b>
<b>Electricity</b>	Kilowatts				
Total electricity usage (Kwt)		1,735,488	1,167,263	1,005,695	1,041,292
Greenhouse gas emissions		2,184	1,217	1,128	
Units per FTE (Kwt per FTE)		3,859	2,581	2,005	
Units per GFA (Kwt per m2)		61	49	45	
<b>Gas</b>	Mega joules				
Total gas usage (MJ)		6,093,315	4,534,322	3,566,297	4,307,606
Units per FTE (MJ per FTE)		13,548	10,027	7,113	
Units per GFA (MJ per m2)		213	189	158	
<b>Paper Use</b>	A4 Reams				
Total reams purchased		3,200	2,400	2,000	3,040
Units per FTE (reams per FTE)		7.1	5	4	
Percentage of recycled content		75%	100%	99%	100%
<b>Water consumption</b>	Kilolitres				
Total water usage (KI)		59,259	47,654	39,398	45,271
Reclaimed water usage (KI)		41,029	34,554	27,273	
Mains water usage (KI)		18,230	13,100	12,175	
Units per GFA (KI per m2)		2.07	1.99	1.75	
<b>Transportation</b>	Tonnes				
Greenhouse gas emissions from fleet - total (T)		312	194	193	
No. petrol hybrid cars in fleet		11	11	9	
Vehicles in fleet - total		36	40	37	
Distance travelled by air - total (KM)		108,121	5,903	37,987	
Greenhouse gas emissions air travel (T)		23.7	1.5	6.6	
<b>Greenhouse gas emissions</b>	Tonnes				
Total - energy use (T)		2520	195.8	199.5	

## Human Resources

### *Industrial Relations*

Both the Australian Education Union (AEU) - Multi Enterprise Agreement (MEA) Implementation Group and the National Tertiary Education Union (NTEU) - Workplace Consultative Committee continued to work together in the application of related enterprise agreements and other employment related matters.

There was no industrial action taken by staff during 2021.

### *Occupational Health and Safety*

Measure/Indicator	2019	2020	2021
Reported hazards/incidents per 100 EFT staff	13.5	17.0	21.9
Lost time standard Workcover claims per 100 EFT staff	0.44	0.22	0.21
Average cost per claim for the year	\$2,890	\$1,000	\$3534
Fatalities	0	0	0

A strong commitment to Workplace Health and Safety (WHS) across Wodonga TAFE ensures a continued focus on the development of a positive safety culture. The challenges of 2021 required an even greater emphasis on mental health and wellbeing for staff during the second year of the pandemic and the need to build resilience became increasingly important.

Staff in leadership positions were provided with tools and education sessions on leading and supporting staff during the pandemic and maintaining connection to the Institute whilst working from home.

There was a small increase in incidents reported in 2021 as compared to 2020, which is attributed to the education for staff on reporting incidents and hazards, and a greater commitment from staff to increase safety standards in their respective locations. Additional Health and Safety Representatives were elected, appointed and trained, particularly in new locations of Amberley, Darwin and Townsville. The Health and Safety Committee continues to be an active contributor to safety improvements. A comprehensive internal audit was also conducted in 2021 which yielded a number of action items which have started to be addressed.

Three (3) Workcover claims were lodged in 2021, up from 1 claim in 2020. Insurance excess and the first 10 days of lost time have been factored into the average claim cost. One claim relates to a mental health disorder which are typically more costly to manage and resolve.

In 2021, the Institute continued to collaborate with an onsite Physiotherapist and Work health consultants and Psychologists who engaged with staff on an individual basis and in group settings on improving ergonomics, mental health and safety culture awareness. A psychological safety program was also rolled out to two pilot groups with plans to upscale delivery to all areas during 2022-2023.

## Employment and Conduct Principles

All employees have been correctly classified in workforce data collections.

Wodonga Institute of TAFE recruits and promotes the most suitably qualified, experienced and capable employees through an open, transparent, and merit-based selection process that complies with relevant legislative requirements. All employees are expected to conduct themselves in a manner consistent with the Wodonga Institute of TAFE Code of Conduct.

Wodonga Institute of TAFE participated in the annual Victorian Public Sector Commission (VPSC) People Matter Survey in 2021 which focused on gaining an understanding from staff on how the Institute supported and demonstrated commitment to employee wellbeing through the pandemic. The results also help us to better understand employee engagement and job satisfaction as well as benchmark organisational culture and features of the work environment. There was also a greater focus on demographic data as it was used to inform the Gender Equity Audit performed in June 2021.

The Institute's overall job satisfaction was 67%, which was higher than the comparison group average of 61% and also the Public Sector average of 63%. An employee engagement index of 73% was higher than the comparison group average of 67% and higher than the previous year's index of 70%.

## Workforce data

The total Full Time Equivalent (FTE) for 2021 was 501.38 and a breakdown of workforce data is below.

### Performance and Accountability Framework FTE Table – For years ending 31 December 2020 and 2021

	December 2020							December 2021						
	Full Time		Part Time		Casual		Total	Full Time		Part Time		Casual		Total
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other		Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	
PACCT Staff	75	58	17.8	9.5	NA	14.8	175.1	53.22	72.73	15.75	6.84	NA	21.98	170.52
Executive	0	5	0	0	NA	0	5	0	5	0	0	NA	0	5
Other	11	8	8.2	1.8	NA	2.5	31.5	14.83	14.42	4.41	1.06	NA	3.66	38.38
Teacher	72	100	22.2	29.6	16.8	NA	240.6	119.50	111.58	16.18	20.67	19.55	NA	287.48
Total	158	171	48.2	40.9	16.8	17.3	452.2	187.55	203.73	36.34	28.57	19.56	25.64	501.38

### Workforce Disclosures (December 2020 - December 2021)

	December 2020							December 2021						
	All employees		Ongoing			Fixed term and casual		All employees		Ongoing			Fixed term and casual	
Gender	Number Headcount	FTE	Full-time Headcount	Part-time Headcount	FTE	Number Headcount	FTE	Number Headcount	FTE	Full-time Headcount	Part-time Headcount	FTE	Number Headcount	FTE
Women Executives	3	3	0	0	0	3	3	3	3	0	0	0	3	3
Women (total staff)	318	220.9	92	56	130.2	170	90.6	319	229.13	109	53	36.39	157	83.74
Men Executives	2	2	0	0	0	2	2	2	2	0	0	0	2	2
Men (total staff)	280	225.9	82	5	84.8	193	141.2	333	273.72	89	6	3.75	238	180.97
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Age														
15-24	22	19.6	6	1	7	15	12.6	20	17.04	3	0	0	17	14.04
25-34	69	50.3	16	7	20.5	46	29.8	84	63.46	26	10	35.55	48	30.91
35-44	132	95.4	41	14	50.3	77	45.1	140	103.15	41	13	50.08	86	53.08
45-54	169	131.9	54	19	67.6	96	64.3	195	158.46	60	21	75.11	114	83.34
55-64	157	122.9	48	14	57.4	95	65.5	172	138.39	59	10	66.00	103	72.39
65+	49	26.7	9	6	12.2	34	14.5	41	22.35	9	5	11.4	27	10.95
Total Employees	598	446.8	174	61	215	363	231.8	652	502.85	198	59	238.14	395	264.71

## Governance

Wodonga Institute of TAFE is governed by a Board of Directors established under the Constitution of the Wodonga Institute of Technical and Further Education Order 2016 (the Constitution) and the *Education Training and Reform Act 2006* (the Act). The Board's role under the Act is to oversee and govern the Institute efficiently and effectively; develop and implement strategic plans and statements of corporate intent in accordance with the requirements of the Act; and oversee the operational planning of the Institute. The Board also has a Terms of Reference and a Board Plan which provide guidance to Directors regarding their accountabilities and interactions.

The skills-based Board is comprised of members who have experience in Management, Economics, Finance, Corporate Governance, Law and Tertiary Education. The Board is committed to ethical conduct in line with the Victorian Public Sector Commission Code of Conduct and is ultimately responsible to the Victorian Government for the governance and management of the Wodonga Institute of TAFE.

### Board members

Board members are either appointed by the Minister, appointed by the Board, or elected by staff. The CEO is an ex-officio director.

The following Directors served on the Board during 2021:

- Tammy Atkins
- Glenda Beecher
- Janelle Cretney
- Jessica Furst
- Vernon Hilditch
- Allison Jenvey - Chair
- Annette Kearns
- Phil Paterson (CEO - Ex-officio)
- Roger Powell
- Catherine Prichard
- Morgana Ryan

### Board Committees

In 2021 the following Board Committees assisted the Board in fulfilling its duties:

- Audit, Risk and Remuneration Committee
- Finance Committee
- Strategy, Innovation and Growth Committee

#### *Audit, Risk and Remuneration Committee*

The Audit, Risk and Remuneration Committee is a committee of the Institute Board, with a Terms of Reference approved by resolution of the Board on 26 May 2021, and as such is fully accountable to the Institute Board.

The primary objective of the Audit, Risk and Remuneration Committee is to provide assistance and recommendations to the Institute Board in the effective conduct of its responsibilities relating to the: scope of work, performance and independence of internal audit; oversight of external audit process and findings; operation, implementation and monitoring of the risk management framework; Institute's process for monitoring compliance with laws and regulations (including the *Financial Management Act 1994*, the

Victorian Government Risk Management Framework and Government guidelines); Institute Codes of Conduct; entitlements for Directors and senior executives; public reporting of financial information on remuneration matters; and application of Government policies.

Per Standing Direction 3.2.1.1(c), the financial statements in the Annual Report have been reviewed by the Audit, Risk and Remuneration Committee, were adopted by the Institute's Board and have been authorised by Board to be released to Parliament within the Annual Report.

Membership during 2021 included:

- Tammy Atkins
- Glenda Beecher – Chair
- Jessica Furst
- Vernon Hilditch
- Allison Jenvey
- Annette Kearns
- Roger Powell
- Catherine Prichard
- Morgana Ryan

### *Finance Committee*

The Finance Committee is a committee of the Institute Board, with a Terms of Reference approved by resolution of the Board on 26 May 2021, and as such is fully accountable to the Institute Board.

The primary objective of the Finance Committee is to assist the Board in the effective conduct of its financial responsibilities, particularly those under the *Financial Management Act 1994* and Government guidelines. It does so by monitoring, reporting and making recommendations with regards to: financial policies and procedures which support the financial integrity, values and objectives of the Institute; budget planning and setting; financial performance monitoring including the achievement of strategic financial and infrastructure goals; investments, financial authorities and banking arrangements; and financial reporting capability, financial systems and financial decision support tools.

Membership during 2021 included:

- Janelle Cretney
- Jessica Furst
- Vernon Hilditch
- Allison Jenvey
- Annette Kearns - Chair
- Phil Paterson (CEO - Ex-officio)
- Catherine Prichard

### *Strategy, Innovation and Growth Committee*

The Strategy, Innovation and Growth Committee is a committee of the Institute Board, with a Terms of Reference approved by resolution of the Board on 26 May 2021, and as such is fully accountable to the Institute Board.

The primary objective of the Committee is to assist the Board in the effective conduct of its responsibilities. It does so by adding insight and value to the Institute's strategy, innovation, and growth collaborative effort. The Committee's areas of focus are supporting the development of strategic plans and monitoring progress against the plans; encouraging innovative thinking across the Institute, particularly in support of teaching and learning developments; providing strategic insights to support new growth opportunities,

including collaborative partnerships and agreements; overseeing investment in strategic initiatives arising from the planning process.

Membership during 2021 included:

- Tammy Atkins - Chair
- Glenda Beecher
- Janelle Cretney
- Phil Paterson (CEO - Ex-officio)
- Vernon Hilditch
- Allison Jenvey
- Roger Powell
- Morgana Ryan

## Executive management structure

### *Phil Paterson - Chief Executive Officer and Managing Director*

The Chief Executive Officer and Managing Director leads the operational management of the Institute and works with the Board of Directors to deliver against the strategic objectives for the Institute in line with Government priorities.

### *Victoria Conlan - Executive Director Communications, Engagement and Experience*

The Executive Director, Community & Industry Engagement is responsible for the development and implementation of an Engagement Strategy aimed at growing vocational training participation rates within the community, regional industries, school leavers and youth cohorts.

### *Carolyn Davis - Executive Director, People & Capability*

The Executive Director, People & Capability is responsible for the development and implementation of strategic human resource management including capability building and maintenance of a positive high-performance culture across the Institute.

### *Graham Hart - Executive Director, Education & Training*

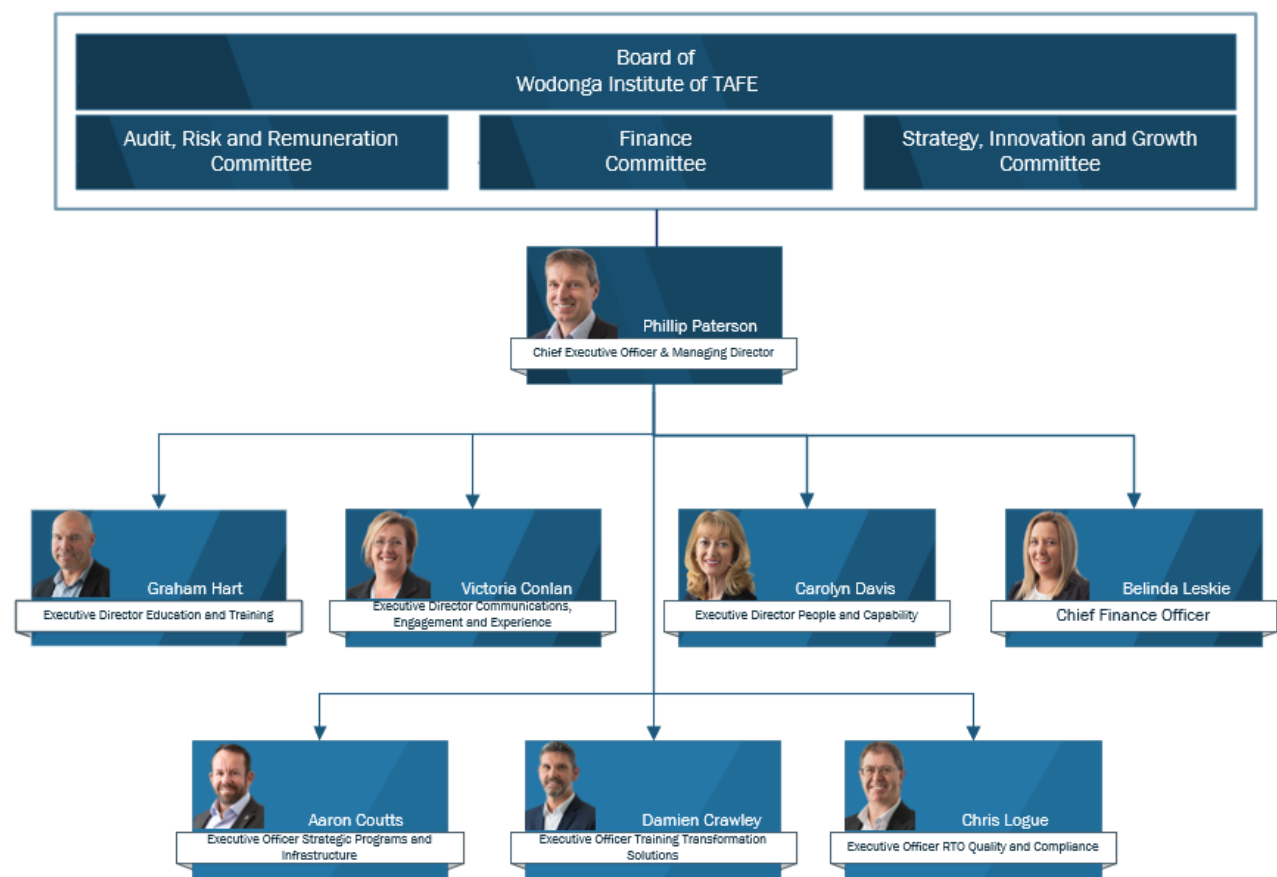
The Executive Director, Education & Training is responsible for the provision of educational leadership across the Institute, ensuring the delivery of high-quality teaching and learning programs that meet the needs of students and industry partners.

### *Belinda Leskie - Chief Finance Officer*

The Chief Finance Officer is responsible for managing the financial performance and facilities management across the Institute, providing financial, risk management, and business strategy advice to the Board and Management Team.



Organisational Chart as at 31 December 2021



# Financial Performance Summary

## Summary of current year financial performance

The financial information in this report of operations is consistent with the information provided in the financial statements.

The Institute's results for the year ending 31 December 2021 was a net deficit of (\$5.1m) compared to a Board approved budget of (\$4.7m), largely as a result of higher Fee for Service revenues driven by Defence training, offset by the application of AASB 138 Intangible asset impairment and higher than anticipated salaries and wages expenditure.

Growth through the expansion of Defence training has resulted in higher teaching salaries, and partially offset through increased revenues. Government investment through the TAFE Asset Maintenance Program and Revitalising TAFE Campus Capital contributions along with reinvestment of a portion of the Institute's cash reserves was forefront in 2021, with a focus on improving TAFE facilities and buildings by undertaking priority upgrades and refurbishment works that will enhance training delivery.

Wodonga TAFE's financial position is stable with net assets of \$98.7m and the working capital ratio reduced to 8.1:1. Liquidity also remains strong.

## Five-year financial summary

### Comparative results 2017 - 2021

Item	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
Revenue from operations <sup>1</sup>	62,742	59,549	56,918	55,503	44,264
Expenditure from operations <sup>2</sup>	63,229	56,788	53,024	47,448	40,074
<b>EBITDA incl net gain from reval of annual leave liability</b>	<b>(487)</b>	<b>2,761</b>	<b>3,894</b>	<b>8,055</b>	<b>4,190</b>
Govt capital contributions	333	472	-	140	20
Depreciation and amortisation	(3,045)	(3,243)	(3,367)	(3,516)	(3,515)
Gains(losses) on disposal of assets	(1,545)	370	101	48	309
Movements in the provision for LSL	(419)	(23)	(584)	(29)	(74)
<b>Net result</b>	<b>(5,161)</b>	<b>337</b>	<b>44</b>	<b>4,698</b>	<b>930</b>
Assets	108,626	102,098	99,935	102,530	95,699
Liabilities	(9,951)	(10,489)	(8,663)	(10,459)	(8,326)
<b>Total equity</b>	<b>98,675</b>	<b>91,609</b>	<b>91,272</b>	<b>92,071</b>	<b>87,373</b>

Note:

<sup>1</sup> 2021 revenue has increased \$3.2m upon 2020 due primarily to delivering training services to the Australian Defence Force (ADF) the Defence Army Logistics Training Centre (ALTC) national training program.

<sup>2</sup> Expenses have increased \$6.4m due to increased salaries and wages resulting from MEA award increase and increased delivery within the ALTC training program. The \$6.4m increase in expenses is partially offset by revenue growth of \$3.2m, resulting in a deficit EBITDA in 2021.

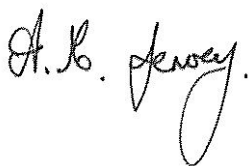
# Compliance

## Wodonga Institute of TAFE

### Financial Management Compliance Attestation Statement

I, Allison Jenvey, on behalf of the Board of Directors, certify that for the period 1 January 2021 to 31 December 2021, the Wodonga Institute of TAFE has no Material Compliance Deficiency with respect to the applicable Standing Directions made under the *Financial Management Act 1994* and Instructions.

The Audit, Risk and Remuneration Committee has reviewed and verified the Institute's compliance assessment.



Allison Jenvey  
Board Chair  
22nd March 2022

### Financial reporting directions

This report is prepared in accordance with the requirements of the *Financial Management Act 1994*, the Standing Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions. For further details, please refer to the Financial Statements.

No post-balance sheet date events have been identified as having effect and in 2021 there were no significant financial reporting factors affecting performance.

### Additional information available on request

Consistent with the requirements of the *Freedom of Information Act 1982*, Wodonga Institute of TAFE has additional material available relating to the following items, details of which may be available on request from the Institute's Freedom of Information Officer:

- declarations of pecuniary interests of relevant officers
- shares held beneficially by senior officers as nominees of a statutory authority
- publications produced and how they can be obtained
- changes in prices, fees, charges, rates, and levies
- major external reviews
- major research and developmental activities
- overseas visits undertaken
- major promotional, public relations, and marketing activities
- assessments and measures undertaken to improve the health and safety of employees
- industrial relations issues
- major committees sponsored
- consultancies and contractors.

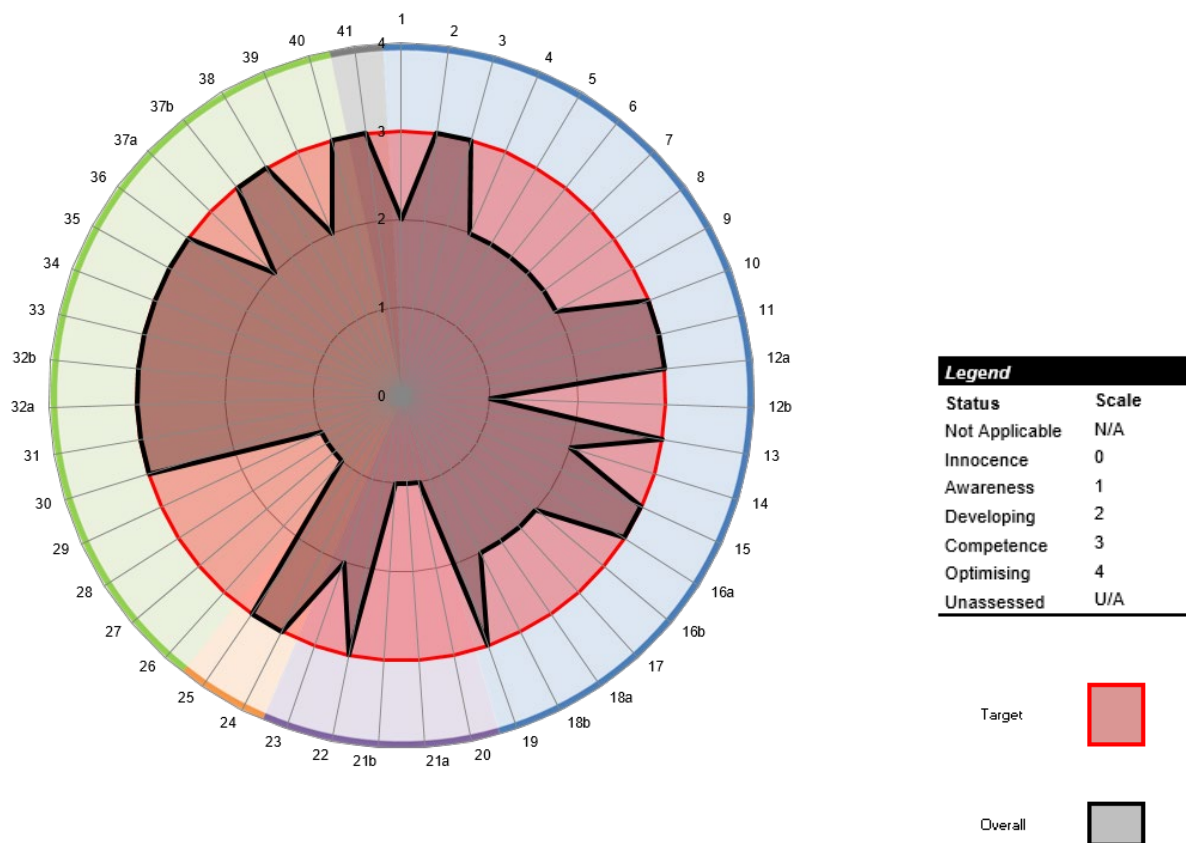
## Advertising campaigns

Wodonga Institute of TAFE has no Government advertising campaigns in excess of \$100,000 (excluding GST) to report.

## Asset Management Accountability Framework

The following sections summarise Wodonga Institute of TAFE assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. The Wodonga Institute of TAFE target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements. Wodonga Institute of TAFE is piloting the implementation of an Enterprise Asset Management System in 2022 which will further enhance our maturity rating.

Results (AMAF status December 2021):



## Carers Recognition Act

Wodonga TAFE recognises and values the role of Carers and the importance of care relationships in the Victorian community. The Institute ensures that its policies and procedures are in line with the requirements of the *Carers Recognition Act 2012*. Wodonga TAFE understands the importance of providing

access to education, and provides flexibility to accommodate any group, including Carers. As an employer, Wodonga TAFE provides flexible work arrangements for Carers when required.

## Compliance with other legislation

Wodonga Institute of TAFE complies with all relevant legislation and subordinate instruments including, but not limited to:

- *Education and Training Reform Act 2006 (ETRA)*
- TAFE Institute Constitution
- Directions of the Minister for Training and Skills (or predecessors)
- TAFE Institute Commercial Guidelines
- TAFE Institute Strategic Planning Guidelines
- *Public Administration Act 2004*
- *Financial Management Act 1994*
- *Freedom of Information Act 1982*
- *Building Act 1993*
- *Public Interest Disclosure Act 2012*
- *Local Jobs First Act 2003*

## Compulsory student services and amenities fees

Wodonga Institute of TAFE did not receive any compulsory non-academic fees, subscriptions, or charges in 2021.

## Conduct principles

All staff are required to comply with the Wodonga Institute of TAFE's Staff Code of Conduct and the Code of Conduct for Victorian Public Sector employees. The Institute values and behaviours also provide guidance to staff on expected behaviour and professional conduct.

## Consultancies

In 2021, there were 22 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021 in relation to these consultancies is \$1,778,268 (excl. GST). In 2021, there were 19 additional consultancies where the total fees payable were less than \$10,000. The total expenditure incurred during 2021 in relation to these consultancies is \$82,124.21 (excl. GST).

*Details of individual consultancies (valued at \$10,000 or greater, excl. GST)*

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee	Expenditure 2021	Future expenditure
GHD Pty Ltd	Capital Works - Project Management Services	Jan 2021	Dec 2021	\$751,440	\$751,440	\$2,727,081
Logicalis Australia	IT Project Developments	Jun 2021	Nov 2021	\$126,932	\$126,932	\$196,399
Kellaway Management	Media Strategy & Teaching/Consulting	Jun 2021	Dec 2021	\$106,887	\$106,887	Nil
Hays Personnel	Human Resources Services	Jan 2021	Aug 2021	\$100,744	\$100,744	Nil
Cookinburra International Pty Ltd	Support for Course Development ASEME	Jan 2021	Aug 2021	\$96,590	\$96,590	Nil
Generation-E	IT Project	Apr 2021	Apr 2021	\$76,293	\$76,293	Nil
Quantum IT	InPlace Software	Oct 2021	Dec 2021	\$60,891	\$60,891	Nil
SK Consulting	Student Engagement	Jan 2021	Oct 2021	\$57,277	\$57,277	Nil
Premier Building and Construction Pty Ltd	Design Consultants and Architectural Drafting	Jan 2021	Mar 2021	\$54,148	\$54,148	\$116,411
Total HRM	Human Resources Services	Jun 2021	Nov 2021	\$52,688	\$52,688	Nil
Belvoir Consulting Pty Ltd	Development of Integrated Trades Hub	Jan 2021	Mar 2021	\$44,999	\$44,999	Nil
Star Health & Management	Course Development	Oct 2021	Dec 2021	\$44,438	\$44,438	Nil
VAST - Ag Skills Victoria	Student Engagement	Jan 2021	Jun 2021	\$30,000	\$30,000	Nil
Y Train Pty Ltd	Development of Course Materials	Feb 2021	Jul 2021	\$30,000	\$30,000	Nil
BL Management Consultants	Policies, Procedures & Forms developed	May 2021	Nov 2021	\$28,350	\$28,350	\$80,000
Launchpad App	Mobile Engagement Platform Integration	Jul 2021	Aug 2021	\$25,023	\$25,023	Nil
Align Work Health	Workplace Health Program	Jan 2021	Nov 2021	\$24,660	\$24,660	\$75,000
Rooftop Media	Video Editing	Jun 2021	Nov 2021	\$15,278	\$15,278	Nil
Minds at Work	Human Resources Services	Mar 2021	Apr 2021	\$15,000	\$15,000	Nil
Crowe Horwath	Financial Professional Services	Feb 2021	Oct 2021	\$14,130	\$14,130	Nil

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee	Expenditure 2021	Future expenditure
SCA Management Consultants	Project support services MOU	Jan 2021	Jan 2021	\$12,000	\$12,000	Nil
Victorian Chamber of Commerce & Industry	HR Services	Apr 2021	May 2021	\$10,500	\$10,500	Nil

Also published at [www.wodongatafe.edu.au](http://www.wodongatafe.edu.au)

## Freedom of Information

Wodonga Institute of TAFE has implemented procedures that, subject to privacy provisions, facilitate all reasonable requests for information from students, staff, and the general public without recourse to the *Freedom of Information Act 1982*. Wodonga Institute of TAFE ensures that its procedures are in line with the requirements of the *Freedom of Information Act 1982*. During the calendar year ended 31 December 2021, Wodonga Institute of TAFE received one request for information under the Freedom of Information process.

## ICT expenditure

*Details of ICT expenditure for 2021 (full year)*

BAU ICT Expenditure Total	Non-BAU ICT Expenditure Total	Non-BAU Operational expenditure	Non-BAU Capital expenditure
\$4,227,000	\$774,000	\$494,000	\$280,000

## Local Jobs First policy

*The Local Jobs First Act 2003* requires departments and public sector bodies to apply the Local Jobs First policy to all projects over \$3 million in metropolitan Melbourne or state-wide, and \$1 million in regional Victoria. In 2021, Wodonga Institute of TAFE had one applicable project. The total value of Local Jobs First projects within the 2021 reporting period is \$2.58 million, the anticipated total value is \$3 million with expected completion in 2022.

## Major commercial activities

Wodonga Institute of TAFE undertook no major commercial activities in 2021.

## National Competition policy

Wodonga TAFE has established policies and processes to ensure compliance with the National Competition Policy which take into account the Victorian Government's Competitive Neutrality Policy and related legislation. Wodonga TAFE views this activity as a critical part of its approach to business development along with a focus on continuous improvement and improved and efficient work practices.

## Public Interest Disclosure Act

The *Public Interest Disclosure Act 2012* encourages and facilitates the disclosure of improper conduct by public bodies, and other persons, and helps people to make disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and for rectifying action to be taken. Wodonga Institute of TAFE does not tolerate improper conduct by employees or the taking of reprisals against those who come forward to disclose such conduct.

Wodonga Institute of TAFE endeavours to ensure that it complies with the provisions of the *Public Interest Disclosure Act 2012* and that its processes are transparent with appropriate accountabilities. The organisation also aims to support the making of disclosures that reveal corrupt conduct, mismanagement of public resources, or risks to public health and safety for the environment. Wodonga Institute of TAFE does not receive Protected Disclosures, rather such information is sent directly to the Independent Broad-based Anti-Corruption Commission (IBAC).

## Victorian Public Sector Travel policy

Wodonga Institute of TAFE has policies and procedures in relation to domestic and international travel and accommodation to ensure compliance with the Victorian Public Sector Travel Policy.

Enquiries about details of any of the items mentioned above should be made in writing and addressed to:

Belinda Leskie  
Chief Finance Officer

Wodonga TAFE  
PO Box 963 Wodonga Victoria 3689  
1300 698 233  
ceo@wodongatafe.edu.au



# Wodonga Institute of TAFE - Financial Statements

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The Wodonga Institute of TAFE has presented its audited general purpose financial statements for the year ended 31 December 2021 in the following structure to provide users with the information about the Institute's stewardship of resources entrusted to it.

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<sup>1</sup> The comprehensive operating statement comprises three components, being 'net result from transactions' (or termed as 'net operating balance'), 'other economic flows included in net result', as well as 'other economic flows - other comprehensive income'. The sum of the former two, together with the net result from discontinued operations, represents the net result. The net result is equivalent to profit or loss derived in accordance with Australian Accounting Standards.

<sup>2</sup> Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities are disclosed in the notes, where relevant. In general, non-current assets or liabilities are expected to be recovered or settled more than 12 months after the reporting period, except for the provisions of employee benefits, which are classified as current liabilities if the Institute does not have the unconditional right to defer the settlement of the liabilities within 12 months after the end of the reporting period.

<sup>3</sup> The statement of changes in equity presents reconciliations of non-owner and owner changes in equity from opening balances at the beginning of the reporting period to the closing balances at the end of the reporting period. It also shows separately changes due to amounts recognised in the 'Comprehensive result' and amounts related to 'Transactions with owner in its capacity as owner'.

<sup>4</sup> Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows.

## Certifications

### Independent Auditor's Certification of The Statement of Performance VAGO



## Independent Auditor's Report

### To the Board of Wodonga Institute of TAFE

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Wodonga Institute of TAFE (the institute) which comprises the:</p> <ul style="list-style-type: none"><li>• performance statement for the year ended 31 December 2021</li><li>• the management certification.</li></ul> <p>In my opinion, the performance statement of Wodonga Institute of TAFE in respect of the year ended 31 December 2021 presents fairly, in all material respects.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Performance Statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the performance statement</b>	<p>The Board is responsible for the preparation and fair presentation of the performance statement and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.</p>
<b>Auditor's responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p>

## Independent Auditor's Certification of The Statement of Performance VAGO

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

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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

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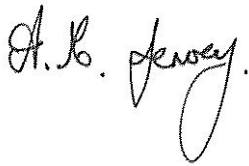
MELBOURNE  
30 March 2022

  
Charlotte Jeffries  
*as delegate for the Auditor-General of Victoria*

## Performance Statement Management Certification for 2021

In our opinion, the accompanying Performance Statement of Wodonga Institute of TAFE in respect of the 2021 year is presented fairly.

The Statement outlines the performance indicators as determined by the responsible Minister, pre-determined targets and the actual results of the year against these indicators, and an explanation of any significant variance between the actual results and performance targets. As at the date of signing, we are not aware of any circumstance which would render any particulars in the Statement to be misleading or inaccurate.



Allison Jenvey  
Chair & Ministerial Nominee Director  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022



Phil Paterson  
Managing Director and Chief Executive Officer  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022



Belinda Leskie  
Chief Finance Officer  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022

## Performance Statement

### Performance Statement for the Year Ended 31 December 2021

KPI	Definition	Measure	Performance 2021	Target 2021	Explanation of variances	Prior year result
Training revenue diversity	Govt. Funded Training / Total Training Revenue	%	30.7%	34.3%	Decrease in the proportion of Government Funded Training and Student Fees & Charges due to increased diversification into Fee for Service (FFS) contracts, with continued growth in defence training offerings driving improved revenue mix and financial sustainability.	37.8%
	Fee for Service / Total Training Revenue	%	67.0%	61.4%		59.3%
	Student Fees & Charges / Total Training Revenue	%	2.3%	4.3%		2.8%
Employment costs as a proportion of training revenue	(Employment Costs + 3rd Party Training Delivery Costs) / Total Training Revenue	%	102.2%	99.8%	Target achieved improving performance due to staff utilisation whilst increasing training revenue in Fee for Service delivery.	97.6%
Training revenue per teaching FTE	Training Revenue (excl. Revenue delivered via 3rd party delivery) / Total teaching FTE (including annualised casual teaching staff)	\$	\$167,459	\$203,159	With the growth in our Defence contracts the average training revenue per teaching FTE is expected to decline due to the nature of our commercial arrangements.	\$184,535
Operating margin percentage	EBIT excl. capital contributions / Total revenue excl. capital contributions	%	(6.3%)	(11.6%)	Target achieved realising a reduction against prior year results due to reduced Government funded delivery whilst maintaining staffing levels during COVID-19, increased impairment expenses and increased investment in refurbishment works and upgrades to facilities on prior year results.	(0.8%)

## Independent Auditor's Certification of the Financial Report



Victorian Auditor-General's Office

### Independent Auditor's Report

#### *To the Board of Wodonga Institute of TAFE*

<b>Opinion</b>	<p>I have audited the financial report of Wodonga Institute of TAFE (the institute) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 31 December 2021</li><li>• comprehensive operating statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• cash flow statement for the year then ended</li><li>• notes to the financial statements, including significant accounting policies</li><li>• declaration by the Board Chair, Chief Executive Officer and Chief Finance Officer.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the institute as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the financial report</b>	<p>The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board is responsible for assessing the institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>



## Independent Auditor's Certification of the Financial Report

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"><li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute's internal control</li><li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board</li><li>• conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute to cease to continue as a going concern.</li><li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.</li><li>• obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the institute to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the institute and the consolidated entity. I remain solely responsible for my audit opinion.</li></ul> <p>I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE  
30 March 2022

  
Charlotte Jeffries  
as delegate for the Auditor-General of Victoria



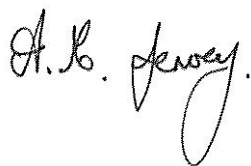
## Declaration by the Board Chair Chief Executive Officer and Chief Finance Officer

We certify that the attached financial statements and annual report for the Wodonga Institute of TAFE have been prepared in accordance with Standing Direction 5.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions issued under that legislation, applicable Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash flow Statement and Notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2021 and financial position of the Institute as at 31 December 2021.

At the date of signing this financial report, we are not aware of any circumstance that would render any particulars included in the financial report to be misleading or inaccurate. There are reasonable grounds to believe that the Institute will be able to pay its debts as and when they become due and payable.

The Board Chair; the Chief Executive Officer; and the Chief Financial Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of the Wodonga Institute of TAFE.



Allison Jenvey  
Chair & Ministerial Nominee Director  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022



Phil Paterson  
Managing Director and Chief Executive Officer  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022



Belinda Leskie  
Chief Finance Officer  
Wodonga Institute of TAFE

Wodonga  
22nd March 2022

# Financial Statements

## Comprehensive Operating Statement

for the year ended 31 December 2021

	Notes	2021 \$'000	2020 \$'000
<b>Continuing operations</b>			
<b>Income from transactions</b>			
Revenue from Government Contributions	2.1.1	25,482	28,145
Income from Government Contributions	2.1.2	333	472
Revenue from fees, charges and sales	2.2	34,316	28,516
Other income	2.3	2,944	2,888
<b>Total income from transactions</b>		<b>63,075</b>	<b>60,021</b>
<b>Expenses from transactions</b>			
Employee benefits	3.1.1	47,566	41,612
Supplies and services	3.3	12,559	12,025
Other operating expenses	3.4	3,522	3,174
Depreciation and amortisation	3.5	3,044	3,243
<b>Total expenses from transactions</b>		<b>66,691</b>	<b>60,054</b>
<b>Net result from transactions</b>		<b>(3,616)</b>	<b>(33)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets <sup>1</sup>	4.1.3	(1,545)	370
<b>Total other economic flows included in net result</b>		<b>(1,545)</b>	<b>370</b>
<b>Net result from continuing operations</b>		<b>(5,161)</b>	<b>337</b>
<b>Net result</b>		<b>(5,161)</b>	<b>337</b>
<b>Other economic flows - other comprehensive income</b>			
<b>Items that will not be reclassified to net result</b>			
Changes in physical asset revaluation surplus		12,195	-
<b>Comprehensive result</b>		<b>7,034</b>	<b>337</b>

Notes:

<sup>1</sup> Net gain/(loss) on non financial assets<sup>1</sup> includes unrealised and realised gains/(losses) from revaluations, impairments, and disposals of all physical assets and intangible assets, except when these are taken through the asset revaluation surplus.

The Comprehensive Operating Statement should be read in conjunction with notes to the financial statements.

## Balance Sheet

as at 31 December 2021

	Notes	2021 \$'000	2020 \$'000
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.1	34,963	43,634
Receivables	5.1	4,375	2,334
<b>Total financial assets</b>		<b>39,338</b>	<b>45,968</b>
<b>Non-financial assets</b>			
Property, plant and equipment	4.1	68,193	53,407
Intangible assets	4.2	220	1,935
Other non-financial assets	5.2	1,129	788
<b>Total non-financial assets</b>		<b>69,542</b>	<b>56,130</b>
<b>Total assets</b>		<b>108,880</b>	<b>102,098</b>
<b>Liabilities</b>			
Payables	5.3	1,859	2,212
Contract liabilities	5.4	405	625
Employee provisions	5.5	7,973	7,652
<b>Total liabilities</b>		<b>10,237</b>	<b>10,489</b>
<b>Net assets</b>		<b>98,643</b>	<b>91,609</b>
<b>Equity</b>			
Contributed capital	6.2	14,015	14,015
Accumulated surplus		33,720	38,881
Reserves	9.1	50,908	38,713
<b>Net worth</b>		<b>98,643</b>	<b>91,609</b>

The Balance Sheet should be read in conjunction with notes to the financial statements.

## Statement of Changes in Equity

for the year ended 31 December 2021

	Physical asset revaluation surplus \$'000	Accumulated surplus \$'000	Contributions by owner \$'000	Total \$'000
<b>At 1 January 2020</b>	38,713	38,544	14,015	91,272
Net result for the year	-	337	-	337
Revaluation of PPE	-	-	-	-
	-	-	-	-
<b>Year ended 31 December 2020</b>	<b>38,713</b>	<b>38,881</b>	<b>14,015</b>	<b>91,609</b>
Net result for the year	-	(5,161)	-	(5,161)
Revaluation of PPE	12,195	-	-	12,195
<b>Year ended 31 December 2021</b>	<b>50,908</b>	<b>33,720</b>	<b>14,015</b>	<b>98,643</b>

The Statement of Changes in Equity should be read in conjunction with the notes to the financial statements.

## Cash Flow Statement

As at 31 December 2021

	Notes	2021 \$'000	2020 \$'000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Government contributions		27,230	30,238
User fees and charges received		33,701	30,944
Goods and services tax recovered from the ATO		2,061	1,474
Other receipts		3,095	3,034
<b>Total receipts</b>		<b>66,087</b>	<b>65,690</b>
<b>Payments</b>			
Payments to suppliers and employees		(66,300)	(56,669)
Goods and services tax paid		(2,993)	(2,622)
<b>Total payments</b>		<b>(69,293)</b>	<b>(59,291)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.1	<b>(3,206)</b>	<b>6,399</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(5,585)	(2,521)
Proceeds from sales of non-financial assets		120	1,073
<b>Net cash provided by/(used in) investing activities</b>		<b>(5,465)</b>	<b>(1,448)</b>
<b>Cash flows from financing activities</b>			
<b>Net cash inflow (outflow) from financing activities</b>		<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(8,671)</b>	<b>4,951</b>
Cash and cash equivalents at the beginning of the financial year		43,634	38,683
<b>Cash and cash equivalents at the end of the financial year</b>	6.1	<b>34,963</b>	<b>43,634</b>

The Cash Flow Statement should be read in conjunction with the notes to the financial statements.

## Note 1 – About This Report

The Wodonga Institute of TAFE is a statutory body corporate, established pursuant to an Act made by the Victorian Government under the *Education and Training Reform Act 2006 Section 3.1.12 4(a)*.

Its registered office and principal address is:

Wodonga Institute of TAFE  
87 McKoy Street  
Wodonga VIC 3690

### *1.1 Basis of preparation*

These financial statements are presented in Australian dollars, the functional and presentation currency of the Wodonga Institute of TAFE and have been prepared in accordance with the historical cost convention unless a different measurement basis is specifically disclosed in notes associated with the item measured on that different basis. Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about financial information being presented. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision.

Judgements made by management in the application of Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 7.3); and
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to note 5.5).

These financial statements cover Wodonga Institute of TAFE as an individual reporting entity. Wodonga Institute of TAFE had no controlled entities for the period ended 31 December 2021.

### **Goods and Services Tax (GST)**

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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 taxation authority is included with other receivables or payables in the balance sheet.

## **Funding risk**

Funding risk is the risk of over reliance on a particular funding source to the extent that a change in that funding source could impact on the operating results of the current year and future years.

Wodonga Institute of TAFE has substantial economic dependency on Government operating and capital contributions.

Wodonga Institute of TAFE manages funding risk by rigorous management of costs while pursuing revenue diversity and increased funding from commercial activities, both domestically and offshore.

There has been no significant change in Wodonga Institute of TAFE's exposure, or its objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period.

### ***1.2 Compliance information***

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994 (FMA)* and applicable AAS which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the *AASB 1049 Whole of Government and General Government Sector Financial Reporting*.

For the purposes of preparing financial statements, Wodonga Institute of TAFE is classed as a not-for-profit entity. Where appropriate, those AASB paragraphs applicable to not-for-profit entities have been applied.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported. Accounting policies applied are disclosed in sections where the related accounting balance or financial statement matter is disclosed.

## Note 2 – How We Earned Our Funds

### 2.1 Government contributions

#### 2.1.1 Revenue from Government contributions

	2021 \$'000	2020 \$'000
<b>Grants and other transfers</b>		
State Government - contestable	14,836	16,011
State Government - other contributions	10,352	11,437
Commonwealth Government - other contributions	294	697
<b>Total Government contributions - operating</b>	<b>25,482</b>	<b>28,145</b>

In 2021, Wodonga Institute of TAFE received \$506k in business continuity grants to support the retention of staff, transition to on-line and remote learning, and to maintain Government funding at pre-pandemic levels.

Significant judgement is applied to assess if a grant or contract is enforceable and contains sufficiently specific performance obligations.

Where grants or contracts are recognised over time, the input method of costs incurred-to-date will be used to measure progress towards satisfaction of the performance obligation. The nature of the service or product and its satisfaction is directly related to the expert knowledge used to provide the service or produce the product. Costs incurred-to-date mainly comprise salaries accordingly, costs incurred-to-date is the best measure of the transfer of control over the service or product.

Revenue is measured at the amount of consideration to which the Institute expects to be entitled in exchange for transferring promised goods or services to a customer. Specific revenue recognition criteria are set out below.

Revenue Type	Nature	Performance obligation	Timing of satisfaction
State Government – contestable	Refers to contributions received from a limited pool of Government funding for which the Institute must compete with other registered training providers. Funding is allocated primarily through a competitive tendering process and a 'User Choice' system.	Provision of education services.	Over time, as the student receives and consumes the educational services.
State Government – other contributions	Refers to funding such as specific-purpose grants and additional contributions relating to students who are	These categories meet the criteria to be recognised as a contract with a customer if the below facts and circumstances exist. Otherwise, they are recognised on receipt or when the right to receive payment is established.	



	eligible for concession discounts.	Provision of a final product. For example, a conceptual framework with measures or an evaluation report containing data and recommendations.	At the point-in-time when the final product is delivered.
			Where the customer controls the benefit throughout the agreement term, the revenue will be recognised over time as the service is provided.
		Provision of a specific number of internships with an industry partner.	At the point-in-time when each internship is completed. Transaction price is the amount agreed with the customer for each internship.

### 2.1.2 Income from Government contributions

	2021 \$'000	2020 \$'000
<b>Government contributions – capital</b>		
State Government - capital	<b>333</b>	472
<b>Total Government contributions - capital</b>	<b>333</b>	472

State Government – capital	Where the Institute receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by the Institute.	To acquire or construct a non-financial asset.	Over time, as the building or facility is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction are the best measure of the stage of completion of the building.
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### 2.2 Revenue from fees, charges and sales

	2021 \$'000	2020 \$'000
Student fees and charges	<b>1,116</b>	1,288
Fee for service - Government	<b>31,288</b>	25,428
Fee for service - other	<b>1,734</b>	1,592
<b>Other non-course fees and charges</b>		
Sale of goods	<b>178</b>	208
<b>Total fees and charges</b>	<b>34,316</b>	28,516

The timing of satisfaction of a sufficiently specific performance obligation and the amount of revenue to be allocated to each performance obligation involves significant judgement. The accounting policy below outlines the material performance obligations and, how and when these are satisfied.

Revenue for student fees and charges is recognised as the course is delivered to the student and is measured as the amount the Institute expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.

Other non-course fees and charges are recognised as the service is delivered to the student or the public. For example, rent and student accommodation revenue is recognised as the Institute provides the accommodation or use of the space to the student or the public.

The Institute uses performance obligations as set out in project plans to recognise revenue over time in line with AASB 15.

<b>Revenue Type</b>	<b>Nature</b>	<b>Performance obligation</b>	<b>Timing of satisfaction</b>
Student fees and charges	The Institute provides educational services to the general public, both nationally and internationally.	Provision of education services.	Course fees and charges revenue is recognised as the course is delivered to the student and is measured as the amount the Institute expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.
Fee for service – Government operations	Fee for service relates to course fees funded by Government or students.	Provision of services.	Revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered.  Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as a contract liability.
Fee for service – other	Relates to non-course fees and charges.	Provision of services.	Other non-course fees and charges are recognised as the service is delivered to the student or the public. For example, rent is recognised

			as the Institute provides the use of space to the public.
Revenue from sale of goods		Delivery of goods.	Revenue is recognised when the goods are delivered and have been accepted by customers. Sales are recognised based on the contractual price, net of any discounts (if applicable). Payment of transaction price is due immediately.

### Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

	2021 \$'000	2020 \$'000
Student fees and charges	301	445
Other	305	91
	<b>606</b>	<b>536</b>

### Transaction price allocated to remaining performance obligations

Revenue is recognised on a quantitative basis using the time bands that are most appropriate for the duration of the remaining performance obligations.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date:

	2022 \$'000	2023 \$'000	2024 \$'000
Other	726	-	84
<b>Revenue expected to be recognised</b>	<b>726</b>	<b>-</b>	<b>84</b>

*Note: These are estimates only, based on professional judgement and past experience.*

### Payment terms

The payment terms for student fees are as follows:

- Up-front payment via cash, EFTPOS or credit card prior to course commencement;
- Payment plan
- Federal Government assistance (VET Student Loan); and/or
- Invoice to a third party (e.g. a student's employer or workers' compensation provider), (payment terms are 30 days).

Students are generally entitled to a refund (less administration fee) if they withdraw from units without commencement.

### 2.3 Other income

	2021 \$'000	2020 \$'000
Interest income	109	248
Rental income	441	185
Childcare revenue	1,979	1,898
Other revenue	415	556
<b>Total other income</b>	<b>2,944</b>	<b>2,888</b>

Revenue Type	Nature	Performance obligation	Timing of satisfaction
Interest	Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets.	None.	Recognised taking into account the effective interest rates applicable to the financial assets.
Rental Income	The Institute receives rental income for certain land and buildings leased out to the general public during the semester break period and when the buildings are excess to the current requirement. The Institute also receives rental income from long term lease arrangements with third parties.	Provision of services.	Rental income is recognised on a time proportional basis and is brought to account when the Institute's right to receive the rental is established.
Childcare revenue	Revenue received from Childcare services provided.	Provision of childcare services.	Recognised evenly over the period of providing care to the child given the inputs are expended evenly throughout the period. The child receives the care as the care is provided.
Other income	Various.	Other income is recognised when the Institute's right to receive payment is established.	

## Note 3 – How We Expended Our Funds

### 3.1 Employee benefits

#### **Significant judgement and estimates: Provision for employee benefits**

The present value of employee benefit obligations including annual leave, long service leave and on-costs are determined using various assumptions that may differ from actual developments in the future. These include future salary growth rate, future discount rates, tenure of existing staff, and patterns of leave claims.

All assumptions are reviewed at each reporting date in accordance with wage inflation rates and discount rates provided by the Assistant Treasurer.

<b>3.1.1 Employee benefits in the Comprehensive Operating Statement</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries, wages, overtime and allowances	<b>38,413</b>	36,389
Superannuation	<b>3,994</b>	3,535
Payroll tax	<b>756</b>	843
Worker's compensation	<b>348</b>	190
Annual Leave	<b>2,934</b>	593
Long service leave	<b>907</b>	23
Termination Benefits	<b>144</b>	8
Other	<b>70</b>	31
<b>Total employee benefits</b>	<b>47,566</b>	41,612

Employee expenses include all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, termination payments and Work Cover premiums. Superannuation expenses / benefits disclosed above are employer contributions that are paid or payable during the reporting period.

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Institute recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

### 3.2 Superannuation

The Institute employees are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on years of service and final average salary.

The Institute does not recognise any defined benefit liability in respect of the plan(s) because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the state's defined benefit liabilities in its financial statements.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive income statement.

The name and details of the major employee superannuation funds and contributions made by the Institute are as follows:

	2021 \$'000	2020 \$'000
<b>Paid contribution for the year</b>		
<b>Defined benefit plans:</b>		
State Superannuation Fund – revised and new	68	78
<b>Total defined benefit plans</b>	<b>68</b>	<b>78</b>
<b>Accumulation contribution plans:</b>		
VicSuper	1,877	1,683
Other	2,907	2,127
<b>Total accumulation contribution plans</b>	<b>4,784</b>	<b>3,810</b>
<b>Total paid contributions for the year</b>	<b>4,852</b>	<b>3,888</b>
<b>Contribution outstanding at year end</b>		
<b>Defined benefit plans:</b>		
State Superannuation Fund – revised and new	-	2
<b>Total defined benefit plans</b>	<b>-</b>	<b>2</b>
<b>Accumulation contribution plans:</b>		
VicSuper	-	56
Other	-	76
<b>Total accumulation contribution plans</b>	<b>-</b>	<b>132</b>
<b>Total contribution outstanding at year end</b>	<b>-</b>	<b>134</b>

### Accumulation contribution plans

Contributions are expensed when they become payable.

The bases for contributions are determined by the various schemes.

The above amounts were measured as at 31 December of each year; or in the case of employer contributions, they relate to the years ended 31 December.

### 3.3 Supplies and services

	2021 \$'000	2020 \$'000
Purchases of supplies and consumables	1,473	2,324
Communication expenses	294	272
Contract and other services	5,135	3,704
Building repairs and maintenance	2,439	2,578
Fees and charges	2,485	2,244
3rd Party training providers	733	903
<b>Total supplies and services</b>	<b>12,559</b>	<b>12,025</b>

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed.

### *3.4 Other operating expenses*

	<b>2021</b>	2020
	<b>\$'000</b>	\$'000
Audit fees and services	<b>90</b>	65
Impairment of assets	<b>0</b>	231
Equipment below capitalisation threshold	<b>801</b>	469
Marketing and promotional expenses	<b>624</b>	598
Staff development	<b>206</b>	299
Travel and motor vehicle expenses	<b>464</b>	321
Utilities	<b>555</b>	629
Other	<b>750</b>	566
Bad debts from transactions	<b>32</b>	(4)
<b>Total other expenses</b>	<b>3,522</b>	3,174

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised as and when they are incurred and reported in the financial year to which they relate to.

Audit fees and services relate to remuneration to the Victorian Auditor General's office for the audit of the financial statements and internal audit service provider.

### *3.5 Depreciation and amortisation*

	<b>2021</b>	2020
	<b>\$'000</b>	\$'000
Depreciation of Property, Plant and Equipment	<b>2,586</b>	2,564
Amortisation of Intangible Assets	<b>458</b>	679
<b>Total depreciation and amortisation</b>	<b>3,044</b>	3,243

## Note 4 – The Assets We Invested In

### 4.1 Property, plant and equipment

#### Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

In accordance with Government purpose classifications (used by the Australian Bureau of Statistics to classify expenses and acquisitions of non-financial assets of the public sector and general Government sector), the Institute's property, plant and equipment are assets used for the purpose of education.

Property, plant & equipment includes all operational assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	10,834	8,495	-	-	10,834	8,495
Buildings & Improvements	44,695	40,012	(288)	(4,112)	44,408	35,900
Construction in progress	4,216	541	-	-	4,216	541
Plant, equipment & other assets	19,160	22,195	(15,063)	(17,761)	4,096	4,434
Motor Vehicles	5,037	5,342	(4,545)	(4,655)	493	687
Land Improvements	5,358	4,428	(1,211)	(1,078)	4,146	3,350
<b>Net carrying amount</b>	<b>89,300</b>	<b>81,013</b>	<b>(21,107)</b>	<b>(27,606)</b>	<b>68,193</b>	<b>53,407</b>

Refer to 4.1.1 for reconciliation of movements in carrying amount of property, plant and equipment.

#### Initial recognition

Immediately upon acquisition, items of property, plant and equipment, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project and an appropriate proportion of variable and fixed overheads.

The cost of a leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

#### Subsequent measurement

Where there is an indication that the value of Property, plant and equipment has changed, these assets are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised below by asset category.

Non-specialised land, non-specialised buildings and artworks are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.



The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of the Institute's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation.

The fair value of plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost.

The last formal revaluation of land and building assets (including land improvements) were conducted for the year ended 31 December 2017. For the year ended 31 December 2021 we have applied indices as provided by the Office of the Victorian Valuer-General to land and building valuations.

#### **Revaluations of non-financial physical assets**

Non-financial physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Assistant Treasurer.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

#### 4.1.1 Reconciliation of movements in carrying amount of property, plant and equipment

	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant, Equipment & Other assets \$'000	Motor Vehicles \$'000	Land Improvements \$'000	Total \$'000
<b>2021</b>							
Opening net book amount	8,495	35,900	541	4,434	687	3,350	53,407
Additions	-	-	4,605	485	141	930	6,161
Revaluations	2,339	9,856	-	-	-	-	12,195
Disposals	-	-	-	(26)	(27)	-	(54)
Transfers to additions	-	-	(930)	-	-	-	(930)
Depreciation charge	-	(1,348)	-	(796)	(308)	(134)	(2,586)
<b>Closing balance</b>	<b>10,834</b>	<b>44,408</b>	<b>4,216</b>	<b>4,096</b>	<b>493</b>	<b>4,146</b>	<b>68,193</b>

	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant, Equipment & Other assets \$'000	Motor Vehicles \$'000	Land Improvements \$'000	Total \$'000
<b>2020</b>							
Opening net book amount	8,495	35,625	30	4,405	950	3,475	52,980
Additions	-	1,567	541	847	50	-	3,005
Disposals	-	-	-	(14)	-	-	(14)
Transfer to additions	-	30	(30)	-	-	-	-
Depreciation charge	-	(1,322)	-	(804)	(313)	(125)	(2,564)
<b>Closing balance</b>	<b>8,495</b>	<b>35,900</b>	<b>541</b>	<b>4,434</b>	<b>687</b>	<b>3,350</b>	<b>53,407</b>

#### 4.1.2 Capital Commitments

These capital commitments are recorded below at their nominal value and inclusive of GST.

<b>Payable</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	<b>14,191</b>	5,363
Later than one year but not later than five years	<b>5,679</b>	-
<b>Total capital expenditure commitments</b>	<b>19,870</b>	5,363
GST payable on the above	<b>(1,806)</b>	(487)
<b>Net capital expenditure commitments</b>	<b>18,064</b>	4,876

#### 4.1.3 Gain/loss on non-financial assets

	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Net gain/(loss) on disposal of property, plant and equipment	<b>65</b>	370
Net gain/(loss) on disposal of intangibles	<b>(1,610)</b>	-
<b>Total Net gain/(loss) on disposal of non-financial assets</b>	<b>(1,545)</b>	370

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical assets and intangible assets.

Any gain or loss on disposal of non-financial assets is recognised at the date control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at the time.

#### 4.2 Intangible assets

	<b>2021</b>			<b>2020</b>		
	<b>\$'000</b>			<b>\$'000</b>		
	<b>ICT</b>	<b>Access</b>		<b>ICT</b>	<b>Access</b>	
	<b>Software</b>	<b>Rights</b>	<b>Total</b>	<b>Software</b>	<b>Rights</b>	<b>Total</b>
<b>Gross carrying amount</b>						
Opening Balance	<b>8,566</b>	<b>500</b>	<b>9,066</b>	8,540	500	9,040
Additions	<b>355</b>	-	<b>355</b>	26	-	26
Disposals	<b>(6,553)</b>	-	<b>(6,553)</b>	-	-	-
<b>Closing balance</b>	<b>2,368</b>	<b>500</b>	<b>2,868</b>	8,566	500	9,066
<b>Accumulated amortisation and impairment</b>						
Accumulation amortisation and impairment	<b>(6,633)</b>	<b>(500)</b>	<b>(7,133)</b>	(5,952)	(500)	(6,452)
Disposals	<b>4,943</b>	-	<b>4,943</b>	-	-	-
Amortisation charge	<b>(458)</b>	-	<b>(458)</b>	(679)	-	(679)
<b>Closing balance</b>	<b>(2,148)</b>	<b>(500)</b>	<b>(2,648)</b>	(6,631)	(500)	(7,131)
<b>Net carrying amount at end of the year</b>	<b>220</b>	-	<b>220</b>	1,935	-	1,935

### **Initial recognition**

When recognition criteria AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following are demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the asset;
- the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

### **Subsequent measurement**

Intangible assets are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Intangible assets have useful lives of 0 – 10 years.

### **Impairment of Intangible Assets**

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the Comprehensive Operating Statement.

With the number of visits falling and given the further expected reduction in the number of visitations and due to the changing nature of Library utilisation, a zero value approach to access rights has been implemented.

### *4.3 Depreciation & amortisation*

Depreciation and amortisation is provided on software, property, plant and equipment, including freehold buildings but excluding land.

Depreciation and amortisation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method.

Depreciation methods and rates used for each class of depreciable assets are:

<b>Class of Assets</b>	<b>Useful Life</b>
Buildings	5 - 50 years (2020: 5 - 50 years)
Plant & equipment & other assets	2 - 40 years (2020: 2 - 40 years)
Motor vehicles	1 - 13 years (2020: 1 - 13 years)
Leasehold improvements	10 years (2020: 10 years)
Land Improvements	3 – 50 years (2020: 3 - 50 years)
Library collections	2 - 18 years (2020: 2 - 18 years)
ICT Software	3 - 10 years (2020: 3 - 10 years)
Access Rights	0 years (2020: 0 years)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

## Note 5 – Balances From Operations

### 5.1 Receivables

	2021 \$'000	2020 \$'000
<b>Current</b>		
Accounts receivable	4,503	2,437
Allowance for credit losses	(128)	(103)
<b>Total receivables from contracts with customers</b>	<b>4,375</b>	<b>2,334</b>
<b>Statutory</b>		
Amounts receivable from Victorian Government	-	-
<b>Total current receivables</b>	<b>4,375</b>	<b>2,334</b>

Receivables consist of:

- statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable; and
- contractual receivables, which include mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables.

Receivables other than sale of goods and services are stated exclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for any required impairments.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Institute holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

## Impairment

Wodonga Institute of TAFE measures loss allowances at an amount equal to lifetime Expected Credit Losses (ECLs). Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. ECLs are a probability-weighted estimate of credit-losses. Credit losses are measured as the present value of all cash shortfalls.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

	2021 \$'000	2020 \$'000
<b>Movement in loss allowance for contractual receivables</b>		
Balance at the beginning of the year	(103)	(118)
Amounts written off	8	11
Reversal/(recognition) of unused loss allowance recognised in net result	(32)	4
	<b>(128)</b>	<b>(103)</b>

In respect of trade and other receivables, the Institute is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

## Ageing analysis of contractual receivables

	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months – 1 year \$'000	1-5 years \$'000
<b>2021</b>						
Trade receivables	4,375	4,144	118	109	4	-
<b>Total</b>	<b>4,375</b>	<b>4,144</b>	<b>118</b>	<b>109</b>	<b>4</b>	<b>-</b>
<b>2020</b>						
Trade receivables	2,334	2,089	214	20	11	-
<b>Total</b>	<b>2,334</b>	<b>2,089</b>	<b>214</b>	<b>20</b>	<b>11</b>	<b>-</b>

Note: The disclosures above excludes statutory payables (e.g., amounts arising to Victorian Government and GST taxes payable).

The average credit period on sales of goods is 30 days. No interest is charged on receivables.

There are no financial assets that have their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated.

## 5.2 Other non-financial assets

	2021 \$'000	2020 \$'000
<b>Current</b>		
Other non-financial assets	<u>1,129</u>	<u>788</u>

**Prepayments** represent payments in advance of receipt of goods and services or that part of expenditure made in one accounting period covering a term extending beyond that period.

**Inventories** include goods and other property held either for sale or for distribution at a zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held-for-distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Cost, includes an appropriate portion of fixed and variable overhead expenses. Cost for all inventory is measured on the basis of weighted average cost.

The basis used in assessing loss of service potential for inventories held-for-distribution includes current replacement cost and technical or functional obsolescence. Technical obsolescence occurs when an item still functions for some or all of the tasks it was originally acquired to do, but no longer matches existing technologies. Functional obsolescence occurs when an item no longer functions the way it did when it was first acquired.

## 5.3 Payables

	2021 \$'000	2020 \$'000
<b>Contractual</b>		
Supplies and services	<u>1,781</u>	<u>2,098</u>
	<b>1,781</b>	<b>2,098</b>
<b>Statutory</b>		
GST payable	<b>73</b>	-
Other taxes payable	<b>5</b>	<b>114</b>
<b>Total current payables</b>	<u><b>1,859</b></u>	<u><b>2,212</b></u>

**Payables** consist of:

- contractual payables, such as accounts payable, and unearned income. Accounts payable represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid, and arise when the Institute becomes obliged to make future payments in respect of the purchase of those goods and services; and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost.

Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.



The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

#### Maturity analysis of contractual payables

	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months - 1 year \$'000	1-5 years \$'000
<b>2021</b>						
Supplies and services	1,781	1,781	1,777	4	-	-
<b>Total</b>	1,781	1,781	1,777	4	-	-
<b>2020</b>						
Supplies and services	2,098	2,098	2,078	11	9	-
<b>Total</b>	2,098	2,098	2,078	11	9	-

The carrying amounts of trade and other payables are considered to be the same as their fair values, due to their short-term nature.

#### Notes:

1. The disclosures above excludes statutory payables (e.g., amounts arising to Victorian Government and GST taxes payable).
2. The average credit period is 30 days. No interest is charged on the other payables. Terms and conditions of amounts payable to other Government agencies vary according to a particular agreement with that agency.

#### 5.4 Contract liabilities

	2021 \$'000	2020 \$'000
Contract liabilities – student fees	254	320
Contract liabilities – fee for service	11	8
Contract liabilities – other	140	297
<b>Total contract liabilities</b>	<b>405</b>	<b>625</b>

### 5.5 Employee benefits in the Balance Sheet

	2021	2020
	\$'000	\$'000
Annual leave	3,062	3,159
Long service leave	272	299
<b>Total short-term benefits</b>	<b>3,334</b>	<b>3,458</b>
Long service leave	4,640	4,194
<b>Total long-term benefits</b>	<b>4,640</b>	<b>4,194</b>
<b>Total employee provisions</b>	<b>7,973</b>	<b>7,652</b>

The leave obligations cover Wodonga Institute of TAFE's liabilities for long service leave and annual leave which are classified as either other long-term benefits or short-term benefits.

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro-rata payments in certain circumstances. Based on past experience, the Institute does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months. The following amounts reflect leave that is not expected to be taken or paid within the next 12 months.

COVID-19 forced the cancellation of a number of instances of planned leave by staff. Additionally, staff have been unable to take leave during the Victorian state lockdown. As a result, the leave provisions have increased by \$321k (2020: \$588k).

	2021	2020
	\$'000	\$'000
Unconditional and expected to wholly settle within 12 months	2,942	3,048
Unconditional and expected to wholly settle after 12 months	4,097	3,862
<b>Total current employee provisions</b>	<b>7,039</b>	<b>6,910</b>

## Note 6 – How We Financed Our Operations

### 6.1 Cash and deposits

	2021	2020
	\$'000	\$'000
Cash at bank and on hand	5,419	4,912
Deposits at call	29,542	38,722
<b>Total cash and deposits</b>	<b>34,963</b>	<b>43,634</b>

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

#### 6.1.1 Reconciliation of operating result to net cash flows from operating activities

	2021	2020
	\$'000	\$'000
Net result for the year	(5,161)	337
<b>Non cash movements</b>		
Depreciation and amortisation of non current assets	3,044	3,243
(Gain)/loss on sale or disposal of non current assets	1,545	(370)
<b>Movements in assets and liabilities</b>		
Decrease / (increase) in trade receivables	(2,041)	1,607
Decrease / (increase) in other assets	(341)	(244)
Increase / (decrease) in payables and contract liabilities	(573)	(1,239)
Increase / (decrease) in provisions	321	587
<b>Net cash flows from/(used in) operating activities</b>	<b>(3,206)</b>	<b>6,399</b>

Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority are presented as operating cash flows.

### 6.2 Contributed capital

	2021	2020
	\$'000	\$'000
<b>Contributed capital</b>		
Balance at 1 January	14,015	14,015
<b>Balance at 31 December</b>	<b>14,015</b>	<b>14,015</b>

#### Contributed capital

Funding that are in the nature of contributions by the Victorian State Government are treated as contributed capital when designated in accordance with UIG Interpretation 1038 Contribution by Owners Made to Wholly-Owned Public Sector Entities. Capital funds provided by the Commonwealth Government are treated as income.

## 6.3 Leases

### Policy

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 January 2019.

### As a lessee

Wodonga Institute of TAFE recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- Any lease payments made at or before the commencement date; plus
- Any initial direct costs incurred; and
- An estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located; less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate as provided by Treasury Corporation of Victoria (TCV). Generally, Wodonga Institute of TAFE uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Wodonga Institute of TAFE is reasonably certain to exercise, lease payments in an optional renewal period if Wodonga Institute of TAFE is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Wodonga Institute of TAFE is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured:

- When there is a change in future lease payments arising from a change in an index or rate;
- If there is a change in Wodonga Institute of TAFE's estimate of the amount expected to be payable under a residual value guarantee; or
- If Wodonga Institute of TAFE changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

### **Peppercorn leases**

Wodonga Institute of TAFE has elected to apply the option available under AASB 16 which allows not-for-profit entities to not measure right of use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

### **Short-term and low value leases**

Wodonga Institute of TAFE has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than AUD\$10,000), including IT equipment. Wodonga Institute of TAFE recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## Note 7 – Managing Risks and Uncertainties

### 7.1 Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

<b>Financial Assets</b>	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Financial assets measured at amortised cost</b>		
<b>Cash, deposits and receivables</b>		
Cash and deposits	<b>34,963</b>	43,634
Trade receivables	<b>4,375</b>	2,334
<b>Total financial assets</b>	<b>39,338</b>	45,968
<b>Financial liabilities</b>		
<b>Financial liabilities measured at amortised cost</b>		
<b>Payables</b>		
Supplies and services	<b>1,781</b>	2,098
<b>Total financial liabilities</b>	<b>1,781</b>	2,098

### Categories of financial instruments

The Institute classifies its financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model whose objective is to collect contractual cashflows; and
- The contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets measured at amortised cost are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (and for assets, less any necessary impairment).

The Institute recognises the following financial assets in this category:

- Cash and deposits; and
- Receivables (excluding statutory receivables).

Financial liabilities at amortised cost are initially recognised on the date they originate. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. The Institute recognises the following liabilities in this category:

- Payables (excluding statutory payables).

### *7.1.1 Financial risk management objectives and policies*

The Institute is exposed to a variety of financial risks, market risk (including foreign currency risk, interest rate risk, and equity price risk), credit risk and liquidity risk.

The Institute's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of The Institute. The Institute uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Primary responsibility for the identification and management of financial risks rests with the Audit and Risk Committee of The Institute with oversight by the Board.

### *7.1.2 Credit risk*

Credit risk refers to the possibility that a customer will default on its financial obligations as and when they fall due. Credit risk arises from the contractual financial assets of the Institute, which comprise cash and deposits and non-statutory receivables. The Institute's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the Institute.

Credit risk is measured at fair value and is monitored on a regular basis. The Institute monitors credit risk by actively assessing the rating quality and liquidity of counterparties:

- All potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- Customers that do not meet the Institute's strict credit policies may only purchase in cash or using recognised credit cards.

The trade receivables balance at 31 December 2021 and 31 December 2020 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

The Institute does not hold any security on the trade receivables balance. In addition, The Institute does not hold collateral relating to other financial assets.

In addition, the Institute does not engage in hedging for its contractual financial assets and mainly obtains contractual financial assets that are on fixed interest, except for cash assets, which are mainly cash at bank. The Institute's policy is to only deal with banks with high credit ratings.

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents the Institute's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There are no material financial assets which are individually determined to be impaired.

	Financial Institutions (AA- rating) \$'000	Other counter- party \$'000	Total \$'000
<b>2021</b>			
Cash and deposits	34,963	-	34,963
Receivables <sup>1</sup>	-	4,375	4,375
<b>Total contractual financial assets</b>	<b>34,963</b>	<b>4,375</b>	<b>39,338</b>
<b>2020</b>			
Cash and deposits	43,634	-	43,634
Receivables	-	2,334	2,334
<b>Total contractual financial assets</b>	<b>43,634</b>	<b>2,334</b>	<b>45,968</b>

Notes:

<sup>1</sup>The total amounts disclosed here exclude statutory amounts (e.g. amounts owing to/from Victorian Government, GST input tax credit recoverable and taxes payable).

AASB 9 uses an 'expected credit loss' (ECL) model. Under this model, loss allowances are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

In measuring the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

The expected loss rates are based on the payment profile for sales over the past 12 months before 31 December 2021 and 1 January respectively as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forwarding looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Institute has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and according adjusts historical loss rates for expected changes in these factors. However, given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

Trade receivables are written off (ie derecognised) when there is no reasonable expectation of recovery. Failure to make payments within 120 days from the invoice date and failure to engage with The Institute on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.



The following table provides information about the estimated exposure to credit risk and ECLs for trade and other receivables as at 31 December 2021:

<b>31 December 2021</b>	Estimated gross carrying amount \$'000	Weighted average loss rate	Estimated loss allowance \$'000	Credit impaired
Current (not past due)	4,144	2.7%	110	Yes
1 - 30 days past due	118	5%	6	Yes
31 - 60 days past due	93	10%	9	Yes
61 - 90 days past due	16	15%	2	Yes
More than 90 days past due	4	22%	1	Yes

<b>31 December 2020</b>	Estimated gross carrying amount \$'000	Weighted average loss rate	Estimated loss allowance \$'000	Credit impaired
Current (not past due)	2,089	4.2%	87	Yes
1 - 30 days past due	214	5%	11	Yes
31 - 60 days past due	8	10%	1	Yes
61 - 90 days past due	12	15%	2	Yes
More than 90 days past due	11	21%	2	Yes

Loss rates are based on actual credit loss experience. These rates are multiplied by scale factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Institute's view of economic conditions over the expected lives of the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Institute, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

### *7.1.3 Liquidity risk*

Liquidity risk is the risk that the Institute would be unable to meet its financial obligations as and when they fall due.

The Institute operates under a payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Institute's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in note 7.1.

The Institute manages liquidity risk by:

- maintaining adequate short term reserves and banking facilities that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Institute's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in The Institute's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

#### *7.1.4 Market Risk*

In its daily operations, the Institute, is exposed to a number of market risks. Market risks relate to the risk that market rates and prices will change and that this will have an adverse effect on the operating result and /or net worth of the Institute.

The Board ensures that all market risk exposure is consistent with the Institute's business strategy and within the risk tolerance of the Institute. Regular risk reports are presented to the Board.

There has been no significant change in the organisation's exposure, or its objectives, policies and processes for managing market risk or the methods used to measure this risk from the previous reporting period.

#### **Interest rate risk**

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years, or cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the interest rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominantly through a mixture of short term and longer term investments. Management monitors movement in interest rates on a monthly basis.

There has been no significant change in the organisation's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

There has been no significant change in the organisation's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

The organisation's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities are set out in the financial instrument composition and maturity analysis table below:

## Interest rate exposure of financial instruments

	Weighted average interest rate	Carrying amount at 31 December	Floating interest rate	Fixed interest rate	Non-interest bearing
	%	\$'000	\$'000	\$'000	\$'000
<b>2021</b>					
Cash and deposits	0.48	34,963	34,963	-	-
Contractual receivables	-	4,375	-	-	4,375
<b>Total financial assets</b>	-	39,338	34,963	-	4,375
Supplies and services	-	1,781	-	-	1,781
<b>Total contractual financial liabilities</b>	-	1,781	-	-	1,781

## Sensitivity analysis and assumptions

	Carrying amount at 31 December	-1% (100 basis points) Result \$'000	Equity \$'000	+1% (100 basis points) Result \$'000	Equity \$'000
<b>2021</b>					
Cash and deposits	34,963	(350)	(350)	350	350
<b>Total impact</b>	34,963	(350)	(350)	350	350

### 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

There were no contingent assets or contingent liabilities as at 31 December 2021 (31 December 2020: nil) that may have a material effect on the financial operations of Wodonga Institute of TAFE.

### 7.3 Fair value determination

#### *Significant judgement: Fair value measurements of assets and liabilities*

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Institute.

This section sets out information on how the Institute determined fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- financial assets and liabilities at fair value through operating result;
- available-for-sale financial assets; and
- land, buildings, plant and equipment, vehicles, lease hold improvements.

In addition, the fair values of other assets and liabilities that are carried at amortised cost also need to be determined for disclosure purposes.

The Institute determines the policies and procedures for determining fair values for both financial and non-financial assets and liabilities as required.

#### **Fair value estimation**

In determining fair values a number of inputs are used. To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The Institute determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

A summary of changes between levels can be found in Note 7.3(a).

The Valuer-General Victoria (VGV) is the Institute's independent valuation agency.

#### **Fair value determination of financial assets and liabilities**

The Institute currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full.

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2021.

### (a) Fair value determination of non-financial assets

The Institute holds property, plant and equipment for which fair values are determined.

The Institute, in conjunction with the Valuer-General Victoria (VGV), monitors changes in the fair value of each asset through relevant data sources to determine whether revaluations are required. The recurring fair value measurements of non-financial physical assets, such as land and buildings, are based on level 2 observable inputs and level 3 unobservable inputs due to the nature and characteristics of the Institute's campus assets. There is little or no observable market evidence of the market selling price of campus assets as they are specialised assets with a Community Service Obligation (CSO) applied.

#### Fair value measurement hierarchy

	Carrying amount at 31 December \$'000	Level 1 Quoted Prices \$'000	Level 2 Observable Price Inputs \$'000	Level 3 Unobservab le Inputs \$'000
<b>2021</b>				
Non specialised land	10,834	-	10,834	-
Specialised land	4,147	-	-	4,147
<b>Total of land fair value</b>	<b>14,981</b>	<b>-</b>	<b>10,834</b>	<b>4,147</b>
Specialised buildings & improvements	44,408	-	-	44,408
<b>Total buildings &amp; improvements at fair value</b>	<b>44,408</b>	<b>-</b>	<b>-</b>	<b>44,408</b>
Plant, Equipment & Other assets	4,096	4,096	-	-
<b>Total Plant, Equipment &amp; Other assets at fair value</b>	<b>4,096</b>	<b>4,096</b>	<b>-</b>	<b>-</b>
Motor Vehicles	493	493	-	-
<b>Total Motor Vehicles at fair value</b>	<b>493</b>	<b>493</b>	<b>-</b>	<b>-</b>
<b>2020</b>				
Non specialised land	8,495	-	8,495	-
Specialised land	3,350	-	-	3,350
<b>Total of land fair value</b>	<b>11,845</b>	<b>-</b>	<b>8,495</b>	<b>3,350</b>
Specialised buildings & improvements	35,900	-	-	35,900
<b>Total buildings &amp; improvements at fair value</b>	<b>35,900</b>	<b>-</b>	<b>-</b>	<b>35,900</b>
Plant, Equipment & Other assets	4,434	4,434	-	-
<b>Total Plant, Equipment &amp; Other assets at fair value</b>	<b>4,434</b>	<b>4,434</b>	<b>-</b>	<b>-</b>
Motor Vehicles	687	687	-	-
<b>Total Motor Vehicles at fair value</b>	<b>687</b>	<b>687</b>	<b>-</b>	<b>-</b>

## **Impairment**

Non-financial assets, including items of software, property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

### **(b) Valuations of property, plant and equipment**

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103I Non-financial Physical Assets issued by the Assistant Treasurer. A full revaluation of education assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value. Consistent with all Government education assets, an independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2017.

For the year ending 31 December 2021 Wodonga Institute of TAFE conducted a managerial revaluation. As part of the managerial revaluation, the following inputs and assumptions were included:

- (a) assumptions made about the future
- (b) source of estimation uncertainty
- (c) the nature or class of assets impacted
- (d) the carrying amount of the assets subject to the significant uncertainty
- (e) sensitivity of the carrying amounts to methods, assumptions and estimates including the reasons for their sensitivity; and
- (f) expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts.

**Non-specialised land and non-specialised buildings** are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer General Victoria with an effective date of 31 December 2017. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

**Specialised land and specialised buildings:** the market approach is also used for specialised land, although is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as a Level 3 asset.

For the Institute's majority of specialised buildings, the depreciated replacement cost method is used. The replacement cost of specialised buildings is based on comparing the existing building with a modern equivalent, then adjusting for associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of Wodonga Institute of TAFE's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 31 December 2017.

Construction in progress assets are held at cost. The Institute transfers the assets out of construction in progress and into the relevant asset category when they are ready for use.

Motor vehicles are valued using the depreciated replacement cost method. Wodonga Institute of TAFE acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Institute who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

**Plant and equipment** is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

**Leasehold improvements** are held at fair value being depreciated cost. As there is no evidence of a reliable market-based fair value (or other relevant fair value indicators) for leasehold improvements, depreciated cost is the fair value for these types of assets. The valuation of leasehold improvements is based on significant unobservable inputs and accordingly is classified as a Level 3 asset.

There were no changes in valuation techniques throughout the period to 31 December 2021.

For all assets measured at fair value, the current use is considered the highest and best use.

### Description of significant unobservable inputs to Level 3 valuations

2021 and 2020	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Specialised buildings	Current replacement cost	Direct cost per square metre.
Motor vehicles	Current replacement cost	Useful life of vehicles
Plant and equipment	Current replacement cost	Useful life of plant and equipment
Library collections	Current replacement cost	Useful life of collection
Leasehold improvements	Current replacement cost	Useful life of lease



## Note 8 – Governance Disclosures

### 8.1 Responsible Persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons and executive officers for the reporting period.

The persons who held the positions of Ministers and Accountable Officers in the Institute are as follows:

Position	Name	Dates of appointment
Minister for Training and Skills and Minister for Higher Education	The Hon. Gayle Tierney MP	1 January 2021 to 31 December 2021
Managing Director and Chief Executive Officer	Phil Paterson	1 January 2021 to 31 December 2021
Chair Ministerial Nominee Director	Allison Jenvey	1 January 2021 to 31 December 2021
Ministerial Nominee Director	Tammy Atkins	1 January 2021 to 31 December 2021
Ministerial Nominee Director	Jessica Furst	1 January 2021 to 31 August 2021
Ministerial Nominee Director	Morgana Ryan	1 September 2021 to 31 December 2021
Ministerial Nominee Director	Annette Kearns	1 January 2021 to 31 December 2021
Ministerial Nominee Director	Vern Hilditch	1 January 2021 to 31 December 2021
Board Nominee Director	Roger Powell	1 January 2021 to 31 December 2021
Board Nominee Director	Glenda Beecher	1 January 2021 to 31 December 2021
Board Nominee Director	Catherine Prichard	1 January 2021 to 31 December 2021
Staff Director - Elected	Janelle Cretney	1 January 2021 to 31 December 2021

### Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of the Institute during the reporting period was in the range: \$280,000 - \$289,999 (\$280,000 - \$289,999 in 2020).

Remuneration received or receivable by the Responsible Persons, excluding the Accountable Officer, during the reporting period was in the range:

Income range	2021	2020
Less than \$10,000	2	2
\$10,000 – \$19,999	1	-
\$20,000 – \$29,999	5	6
\$40,000 – \$49,999	1	1
Total number	9	9
Total remuneration (\$'000)	\$181	\$180

The remuneration for the responsible Minister is disclosed in the financial report of the Department of Parliamentary Services.

## 8.2 Remuneration of executives

The number of executive officers, other than the Accountable Officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

**Termination benefits** include termination of employment payments, such as severance packages.

Compensation of Executives	Total Remuneration	
	2021 \$'000	2020 \$'000
Short-term employee benefits	718	1,052
Post-employment benefits	68	92
Other long-term benefits	13	13
<b>Total remuneration</b>	<b>799</b>	<b>1,157</b>
<b>Total number of executives</b>	<b>4</b>	<b>6</b>
<b>Total annualised employee equivalent (AEE)<sup>(i)</sup></b>	<b>4</b>	<b>5.2</b>

<sup>(i)</sup> Annualised employee equivalent is based on paid working hours of 38 ordinary hours per week over the 52 weeks for a reporting period.

## 8.3 Related parties

Related parties of the Wodonga Institute of TAFE include:

- all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- all cabinet ministers and their close family members; and
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

Key management personnel of the Institute include the Minister for Training and Skills and Minister for Higher Education, the Hon. Gayle Tierney MP, and members of the Wodonga Institute of TAFE Board, Chief Executive Officer, and members of the Executive Committee. The compensation detailed below excludes the salary and benefits received by the Minister for Training and Skills. The Minister's remuneration and allowances is reported within the Department of Parliamentary Services' Financial Report.

**Compensation of Key Management Personnel**

	<b>Total Remuneration</b>	
	<b>2021</b>	<b>2020</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits	<b>1,134</b>	1,218
Post-employment benefits	<b>104</b>	107
Other long-term benefits	<b>18</b>	13
<b>Total remuneration</b>	<b>1,256</b>	1,338

**Transactions and balances with key management personnel and other related parties**

The Institute had no related party transactions for the period ending 31 December 2021.

## Note 9 – Other Disclosures

### 9.1 Other equity reserves

	2021 \$'000	2020 \$'000
<b>Physical asset revaluation surplus:<sup>1</sup></b>		
Balance at 1 January	38,713	38,713
Revaluation increments/(decrements)	12,195	-
<b>Balance at 31 December</b>	<b>50,908</b>	<b>38,713</b>

Note:

<sup>1</sup>The physical assets revaluation surplus arises on the revaluation of land and buildings.

### 9.2 Events after reporting date

No matters or circumstances have occurred subsequent to period end that have significantly affected, or may significantly affect, the operations of the Institute, the results of those operations or the state of affairs of Wodonga Institute of TAFE in subsequent financial years.

### 9.3 Application of standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 31 December 2021 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises the Institute of their applicability and early adoption where applicable.

As at 31 December 2021, there were no new accounting standards issued by the AASB, which are applicable for the year ending 31 December 2021 that are expected to impact the Institute.

### 9.4 New or amended Accounting Standards and Interpretations adopted

#### 9.4.1 Conceptual Framework for Financial Reporting (Conceptual Framework)

Wodonga Institute of TAFE has adopted the revised Conceptual Framework from 1 January 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the entity's financial statements.

#### 9.4.2 IFRIC Agenda Decision - Configuration or Customisation Costs in a Cloud Computing Arrangement (AASB 138 Intangible Assets)

Wodonga Institute of TAFE has adopted the IFRIC Agenda Decision – Configuration or Customisation Costs in a Cloud Computing Arrangement (AASB 38 Intangible Assets) from January 2021. The Agenda Decision requires management to capitalise elements of expenditure that meet the definition of an *Intangible Asset* as defined by AASB 138 *Intangible Assets* and recognise any additional amounts as an expense as the entity benefits from the expenditure either by applying AASB 138 or applying another accounting standard.

The Agenda Decision did not have any impact on Wodonga Institute of TAFE's financial statements as all expenditure incurred in relation to Cloud Computing Arrangements were appropriately capitalised or expensed in accordance with the requirements of AASB 138.

## Summary of reporting requirements

Item No.	Source	Summary of Reporting Requirement	Page No.
<b>REPORT OF OPERATIONS</b>			
<b>CHARTER AND PURPOSE</b>			
1.	FRD 22I 5.4a	Manner of establishment and the relevant Minister	7
2.	FRD 22I 5.4b 5.5	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	5-17
3.	FRD 22I 5.7	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future	9-16
4.	FRD 22I 5.4c	Nature and range of services provided including the communities served	7-8
<b>MANAGEMENT AND STRUCTURE</b>			
5.	FRD 22I 5.4d 5.6	Organisational chart detailing members of the Governing Board, Audit Committee, CEO, Senior Officers and their responsibilities	22-25, 81-83
<b>FINANCIAL AND OTHER INFORMATION</b>			
6.	FRD 10A	Disclosure Index	85-88
7.	FRD 22I 5.8	Employment and conduct principles	20
8.	FRD 22I 5.8	Workforce data disclosures	21
9.	FRD 22I 5.10	Occupational health and safety statement including performance indicators, performance against those indicators.	19
10.	FRD 22I 5.11a	Summary of the financial results, with comparative information for the preceding four reporting periods	26
11.	FRD 22I 5.11b	Summary of significant changes in financial position	26
12.	FRD 22I 5.11c	Operational and budgetary objectives, including performance against objectives and achievements	9-17, 26, 38
13.	FRD 22I	Major changes or factors affecting performance	27
14.	FRD 22I	Subsequent events	N/A
15.	FRD 22I 5.18a	Summary of application and operation of the <i>Freedom of Information Act 1982</i>	31
16.	FRD 22I 5.19b	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	29
17.	FRD 22I 5.18e	Statement, where applicable, on the implementation and compliance with the National Competition Policy, including compliance with the requirements of Victoria's Competitive Neutrality Policy and any subsequent reform.	32
18.	FRD 22I 5.18c	Summary of application and operation of the Public Interest Disclosures Act 2012 including disclosures required by the Act	32
19.	FRD 22I 5.18g	Statement on the application and operation of the Carers Recognition Act 2012 (Carers Act), and the actions that were taken during the year to comply with the Carers Act	28
20.	FRD 22I	Details of consultancies over \$10,000:	29-31

Item No.	Source	Summary of Reporting Requirement	Page No.
	5.13 5.14 5.15	Report of Operations must include a statement disclosing each of the following 1. Total number of consultancies of \$10,000 or greater (excluding GST) 2. Location (e.g. website) of where the schedule with the below details of the consultancies over \$10,000 has been made publicly available: <ul style="list-style-type: none"> <li>• Consultant engaged</li> <li>• Brief summary of project</li> <li>• Total project fees approved (excluding GST)</li> <li>• Expenditure for reporting period (excluding GST)</li> <li>• Any future expenditure committed to the consultant for the project</li> </ul>	
21.	FRD 22I 5.13c	Details of consultancies under \$10,000: 1. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period	29
22.	FRD 22I 5.16	Disclosure of any Government advertising campaign in excess of \$100,000 or greater (exclusive of GST)	27
23.	FRD 22I 5.17	An entity shall disclose the following in the report of operations: a) Total entity ICT Business As Usual (BAU) expenditure for the full 12 month reporting period; and b) Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period; and provide a breakdown for: (i) Operational expenditure (OPEX); and (ii) Capital expenditure (CAPEX).	31
24.	FRD 22I 5.18	Asset Management Accountability Framework (AMAF) maturity assessment	28
25.	FRD 22I 5.18h	Summary of Environmental Performance (Use table in FRD 24D guidance material)	18
26.	FRD 22I 5.19	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer	27
27.	FRD 25D	Local Jobs First	31
28.	SD 5.2	Specific requirements under Standing Direction 5.2	41
29.	CG 10 Clause 27	Summary of Major Commercial Activities	31
30.	CG 12 Clause 33	TAFE Institute Controlled Entities	N/A
<b>COMPLIANCE ATTESTATION AND DECLARATION</b>			
31.	SD 5.1.4	Financial Management Compliance Attestation Statement The Responsible Body must attest to compliance with applicable requirements in the FMA, the Standing Directions and the Instructions, and disclose all Material Compliance Deficiencies.	27
32.	SD 5.2.3	Declaration in report of operations: The report of operations must be signed and dated by a member of the Responsible Body.	41
<b>FINANCIAL STATEMENTS</b>			
<b>DECLARATION</b>			

Item No.	Source	Summary of Reporting Requirement	Page No.
33.	SD 5.2.2(a) SD 5.2.2(b) and FMA s49	<p>Declaration in financial statements:</p> <p>a) An Agency's financial statements must include a signed and dated declaration by:</p> <ul style="list-style-type: none"> <li>the Accountable Officer;</li> <li>subject to Direction 5.2.2(c), the CFO; and</li> <li>for Agencies with a statutory board or equivalent governing body established by or under statute, a member of the Responsible Body.</li> </ul> <p>b) The declaration required under Direction 5.2.2(a) must state that in the joint opinion of the signing persons:</p> <ul style="list-style-type: none"> <li>the financial statements present fairly the financial transactions during the reporting period and the financial position at the end of that period; and</li> <li>the financial statements have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards</li> </ul> <p>c) If an Agency's CFO (including an acting CFO) does not have expertise and qualifications in compliance with Direction 2.4.5(a), or if an Agency does not have a CFO:</p> <ul style="list-style-type: none"> <li>the CFO must not sign financial statements; and</li> <li>the Accountable Officer must ensure that the financial statements are instead signed by a person with the expertise and qualifications required under Direction 2.4.5(a).</li> </ul>	41
<b>OTHER REQUIREMENTS UNDER STANDING DIRECTIONS 5.2</b>			
34.	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	41
35.	SD 5.2.1(a)	Compliance with Standing Directions	41
<b>OTHER DISCLOSURES AS REQUIRED BY FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS</b>			
36.	FRD 11A	Disclosure of ex-gratia payments	N/A
37.	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (Contractors with significant management responsibilities) in the Financial Report	81-83
38.	FRD 103I	Non-financial physical assets	43, 56-58, 77-80
39.	FRD 110A	Cash flow statements	45, 67
40.	FRD 112D	Defined benefit superannuation obligations	53-54
Note: References to FRDs have been removed from the Disclosure Index if the specific FRDs do not contain requirements that are in the nature of disclosure.			
<b>COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES</b>			
41.	Legislation	The TAFE institute Annual Report must contain a statement that it complies with all relevant legislation, and subordinate instruments, including, but not limited to, the following:	29

Item No.	Source	Summary of Reporting Requirement	Page No.
		<ul style="list-style-type: none"> <li>• <i>Education and Training Reform Act 2006</i> (ETRA)</li> <li>• TAFE Institute constitution</li> <li>• Directions of the Minister for Training and Skills (or predecessors)</li> <li>• TAFE Institute Commercial Guidelines</li> <li>• TAFE Institute Strategic Planning Guidelines</li> <li>• <i>Public Administration Act 2004</i></li> <li>• <i>Financial Management Act 1994</i></li> <li>• <i>Freedom of Information Act 1982</i></li> <li>• <i>Building Act 1993</i></li> <li>• <i>Public Interest Disclosure Act 2012</i></li> <li>• <i>Carers Recognition Act 2012</i></li> <li>• <i>Local Jobs First Act 2003</i></li> </ul>	
42.	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2021	29
43.	Policy	Statement that the TAFE institute complies with the Victorian Public Service Travel Policy	32
44.	Key Performance Indicators	Institutes to report against: <ul style="list-style-type: none"> <li>• Employment costs as a proportion of training revenue;</li> <li>• Training revenue per teaching FTE;</li> <li>• Operating margin percentage;</li> <li>• Training revenue diversity.</li> </ul>	38
45.	PAEC and VAGO (June 2003 Special Review Item, Recommendation 11)	Overseas operations: <ul style="list-style-type: none"> <li>• Financial and other information on initiatives taken or strategies relating to the institute's overseas operations</li> <li>• Nature of strategic and operational risks for overseas operations</li> <li>• Strategies established to manage such risks of overseas operations</li> <li>• Performance measures and targets formulated for overseas operations</li> <li>• The extent to which expected outcomes for overseas operations have been achieved</li> </ul>	N/A



