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# ANNUAL REPORT 2022



WODONGATAFE

**Wodonga TAFE**

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**WODONGATAFE**

# Wodonga Institute of TAFE

**ABN 68 437 423 269**

## **Annual report**

**31 December 2022**



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## Board Chair and Chief Executive Officer Statement

It is with great pleasure that Wodonga Institute of TAFE highlights our achievements in our 2022 Annual Report.

2022 was a challenging but successful year for Wodonga Institute of TAFE. As with all organisations, challenges continued in response to COVID-19 with many students from 2021 completing their training in 2022. Wodonga Institute of TAFE achieved remarkable success across all facets of the organisation including the highest Student Satisfaction rating in the Victorian TAFE sector of 86.5%. 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 through Community Careers Connections, an employment service supporting Aboriginal and Torres Strait Islander job seekers which opened in December 2021. Unfortunately, our Shepparton Campus did not escape the flood inundation which has meant that our services have been significantly disrupted, but we will rebuild with our capability in 2023.

Despite the challenges we have cause for optimism, as we look to future opportunities through our advocacy programs including the GROW initiative, the Education First Youth Foyer, Food Unity Hub and the development of the Logical Innovation Precinct. Our aim is to position Wodonga Institute of TAFE (Wodonga 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 and the clean economy. We continue to improve our campus services and facilities including the opening of the Wodonga TAFE Trades Training Centre which allows for the addition of trades training in both electrical and plumbing.

In late 2021 the Board of the Institute commissioned KPMG to prepare a Social and Economic Impact Study on its behalf. This very informative document was released during 2022, and the Institute is using it to inform its stakeholders as to the work that it does and the value that it contributes to Wodonga and the wider community.

Wodonga Institute of TAFE takes considerable pride in its training services, and in 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 #1 ranking for student satisfaction within the sector. These innovations highlight Wodonga Institute of TAFE as a progressive, innovative, and resilient organisation.

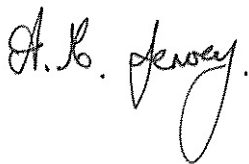
Wodonga Institute of TAFE is proud to have many exemplary partners from across industry, its regional community, along with the schools and university networks who continue to work with the Institute to bring vocational education and training into all aspects of the communities they serve. The importance 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 2022, 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 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 2022 through often 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 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. We were also proud to rollout our Veterans and Family Strategy in 2022, which aims to improve inclusivity for Veterans and their families. All Wodonga Institute of TAFE staff should be incredibly proud of not only what they do as individuals, but what we have achieved 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, 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; inspiring futures through innovative and sustainable practices; and empowering and supporting our staff.

We strive to build success through learning 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 2023.

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 Higher Education, The Hon. Gayle Tierney MP, operating under the Education and Training Reform Act (2006).

## Programs

In 2022, Wodonga Institute of TAFE offered 232 training programs to public and corporate learners, including Traineeships and Apprenticeships, Certificate I to Advanced Diplomas, and various accredited and non-accredited short courses.

Despite a year of uncertainty for its community, and a very high employment rate, Wodonga Institute of TAFE maintained a steady student intake in 2022. Over 8,400 students undertook courses in a range of disciplines including: Agriculture and Horticulture; Art, Creative Design & Digital Media; Building Design; Business & Leadership; Construction Trades; Civil Construction, Earthmoving & Traffic Control; Disability Programs; Education; Engineering, Metal Fabrication & Telecommunications; English Language Programs; Fashion Design & Hairdressing; Health & Community; Hospitality, Events & Outdoor Leadership; Motorsports & Automotive; Transport; Warehousing & Logistics; and Work Health & Safety.

Wodonga Institute of TAFE also continued its partnerships with regional secondary colleges and community centres in 2022 and offering through the VET Delivered to Secondary Students (VETDSS) program, along with a range of community outreach programs in rural and remote 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, Moorefield Park Drive, TAFESpace (Community Career Connections), and Shepparton.

The Institute continues to expand operations and facilities, having added the Trades Training Centre at the Moorefield Park Drive, Wodonga site, in 2022. This enabled Wodonga Institute of TAFE to commence delivery of training in electrotechnology and plumbing, and brought Carpentry and Cabinetmaking back onto Institute grounds, moving from its prior location based at Wodonga Senior Secondary College.

In 2022, 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.

2022 saw an expansion of the partnership with the Australian Defence Force, with Wodonga Institute of TAFE staff 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), Performance and Accountability Framework, and VETStat reports.

Wodonga Institute of TAFE is investing heavily in a technology uplift through the Digital Technology Innovation Strategy, equipping our staff and students with the latest technology for increased interactivity, connectivity, and delivery flexibility.

Through implementing our Education Plan, under the steering of our Board of Studies committee, we continue to provide our staff with the relevant professional development and training to ensure continuous improvement, currency, and innovation in training delivery, assessment quality, and student support.

### 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 2022 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, Amberley, and Watsonia, and collaborating with many industry and RTO partners, including but not limited to: Box Hill Institute, Holmesglen Institute, Chisholm Institute, Charles Darwin University, TAFE QLD, TAFE SA, TAFE NSW, Tas TAFE and over 35 health services nationally for Medic Training.

### Supporting Wodonga Institute of TAFE's students

Wodonga Institute of TAFE continued to support students throughout 2022. Support Services and the Skills and Jobs Centre saw increased appointments and interactions with prospective and current students, with support provided in relation to welfare services, disability support, Koorie services, counselling, and career and employment skills and advice.

The Institute's Academic Skills and Study Support team has continued to provide individual support to students and deliver workshops and presentations. Services have been innovated to provide a combination of face-to-face and online support delivery to meet students' needs.

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, equipped with modern functional commercial kitchen; and the

refurbishment and establishment of significant amenities updates, incorporating accessibility and gender-neutral functionality across all buildings.

The Institute further integrated the Belonging Framework, designed to guide the organisation, our staff and our students, to create a welcoming, inclusive, and safe environment for all.

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

Wodonga Institute of TAFE aims to meet the future needs of our communities and industries. The Institute has a strong advocacy focus for initiatives and projects that support our regions' needs. These included:

- Trades Training Centre
- Education First Youth Foyer
- Logical Innovation Precinct
- Food Unity Hub
- Wodonga Tech School
- The Hangar
- GROW Program
- Soldier On

In 2022, Wodonga TAFE commenced many funded projects that enhance our offerings to, and strongly benefit, community and industry. This includes but isn't limited to:

- National Heavy Vehicle Regulator with Trucking Industry Council – focusing on education for Advanced Emergency Braking and driver assistance systems within the heavy vehicle, transport, and logistics industries.
- National Careers Institute – A Boost to Careers project – focusing on educating youth about Vocational Education and Training and the career and pathways options available to them.
- Apprenticeships Victoria – equipment and facility upgrade to support training in Electrotechnology and Civil Construction.
- Regional Skills and Training Fund – delivery of Certificate III in Agriculture for rural and remote regions, Certificate IV in Residential Drafting, Certificate II in Horticulture for disadvantaged cohorts, Diploma of Event Management (The Hangar event and catering space upgrade).
- Department of Education and Training – Skillset development in collaboration with industry: Women in Trades, Manual Handling, Heavy Vehicle Licensing and Welding.

## Supporting Wodonga Institute of TAFE's workforce

Wodonga Institute of TAFE grew its workforce yet again in 2022, with approximately 700 staff 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 (dedicated LEAD Program), and providing paths of progression and development, to benefit its workforce and organisation, and subsequently the Institute's students.

In 2022, Wodonga Institute of TAFE's Workforce Capability Framework continued implementation across the organisation. This vital tool enabled the support, improvement, and facilitation of capability across the Institute's workforce. This provided the workforce with a great overview of its own capabilities, potential areas of development, succession planning, and the means to map out 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. In 2022, the Institute hosted a hybrid organisation-wide professional development day – KnowledgeShare - focusing on resilience and diversity.

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

## Performance against 2021 Annual Report key priorities outlined for 2022

### 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 VETDSS related initiatives.

Wodonga Institute of TAFE develops all assessments and teaching alongside industry, ensuring it is contemporary and relevant to students and employers.

Through collaboration and engagement, the Institute seeks opportunities to expand capability where future workforce needs lie. This is evident in the Logical Innovation Precinct, designed to equip our region's workforce with the skills of the future, particularly in cyber security, automation, advanced manufacturing, and heavy vehicle technologies. The Trades Training Centre also addresses regional skilling needs, enabling more places for students in high-demand industries (electrotechnology and plumbing).

### 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.

Students have an amazing learning journey when studying at Wodonga TAFE. This is evident in the most recent Victorian Skills Authority VETStat and TAFE Victoria Performance and Accountability Framework results as below. Further to these, 77.5% of students achieved their main reason for training and 62.2% had an improved employment status after training – both well above the TAFE Network average.

#### - 2022 Victorian Skills Authority VETStat Student Report

- 86.5% of students who were satisfied with training provided by Wodonga Institute of TAFE.
- 79.8% of students who reported a positive perception of teaching.
- 84.8% of students who would recommend Wodonga Institute of TAFE.

Students form a large part of consultancy with campus operations and decision making. Heightening student voice (student committee) and alumni program is being progressed in 2023.

## 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 deliver upon the Statement of Priorities.

In 2022 Wodonga Institute of TAFE completed our Statement of Priorities alongside OTCD, outlining key future strategies and priorities in line with the Victorian government vision.

The Institute continues to expand fee-for-service training with industry and government departments. Opportunities within our delivery profile have been realised most significantly in Defence, and the agricultural and transport sectors. Diversification of income streams positions Wodonga Institute of TAFE to have less reliance on government funding streams, to ensure financial sustainability.

Investment into environmentally sustainable practices continued throughout 2022 with a strong focus on reusables, the circular economy, and sustainable procurement policies.

## 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.

The Institute's Board continues to provide strategic guidance and direction into the operations of the organisation, with a strong focus on governance and growth. The Board utilises sub-committees to drive the design and implementation of frameworks and policies to support the Institute, such as the Audit, Risk and Remuneration Committee; Finance Committee; and Strategy, Innovation and Growth Committee.

The Board had increased involvement at State level and across the Victorian TAFE Network and plays an influential role in our local communities and industries. The Board continues to drive innovation into the organisation, empowering our people to have such a positive and meaningful impact across the region.



## Key Priorities for 2023

Our key priorities for 2023 include the following:

### Successful Learners

- Implement an Education Plan that supports high quality teaching practice which prepares our students for life and work in our region.
- Establish the Trades Training Centre as the Centre of Excellence in trades training within the region.
- Invest in flexible and adaptable specialist learning facilities and associated digital learning technologies.
- Partner with local secondary schools and universities to establish educational pathways.

### Empowering our people

- Focus on internal Human Resources (HR) process improvement, centralise access to learning and development and embed the revised capability framework into the performance planning.
- Expand on the Innovation Framework through exploring future organisational requirements.
- Progress the Information Communication Technology (ICT) Strategy to enable our people to drive business processes and efficiency.
- Enhance professionalism and connection to Wodonga TAFE through embedding our values.
- Support the implementation of People Matter Survey initiatives.
- Implement attraction strategies customised for teams with relevant industry-related focus.
- Develop and deliver relevant professional development, coaching and mentoring programs for leaders, future leaders, teaching and support staff.

### Strengthening communities

- Implement Education First Youth Foyer with strategic partners.
- Continue to advocate for educational opportunities which benefit our community.
  - Food Unity Hub
  - Health and Technology Precinct
  - Logical Innovations Precinct
  - Wodonga Tech School
- Revised Institute Master planning exercise.
- Determine leadership for environmental outcomes and determine environmental strategy.

### Partnering with industry

- Drive investment and innovation into workforce culture, capability, and leadership.
- Through Logical Innovation Precinct develop industry partnerships to support a contemporary learning and industry precinct.
- Establish our Supply Chain, Civil Construction, and Agriculture Precinct.
- Prepare, expand, and deepen our Defence partnership, including our educational relationship.
- Refresh industry engagement plan to include stakeholder engagement.
- Integrate the GROW model across different industries.
- Investigate new opportunities for precincts.
- Develop policies and procedures that allow industry to partner with Wodonga TAFE through service or equipment sponsorship to support delivery.

# Awards and Achievements

## Wodonga Institute of TAFE

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

- 2022 Performance and Accountability Framework (TAFE Victoria) – Ranked #1 in Victorian TAFE Network for student satisfaction, #1 for employers recommending Wodonga TAFE, and #1 for seeing improved skills of their employees.
- 2022 Victorian Skills Authority VETStat Student Report.

### *Employer feedback*

- 86.2% of employers who engage with Wodonga TAFE would recommend us.
- 88.8% of employers who engage with Wodonga TAFE reported improvement in the technical/job specific skills of their apprentices and trainees.
- Became the first partner in our region to join the Hidden Disabilities Sunflower Program.
- Launch of the GROW Program, a partnership between Wodonga TAFE and La Trobe University aimed at supporting students to progress through Certificate III to Bachelor level in Early Childhood Education and Care.
- Wodonga TAFE hosted North East Food and Wine Festival with major sponsor Wodonga City Council – 9000+ in attendance and supporting fundraising for Albury Wodonga Regional FoodShare.

## Students and staff

Victorian Training Awards – 2022 Teacher of the Year Finalist – Brooke Pallmann

NSW Training Awards – 2022 Apprentice of the Year Finalist – Skye Sharpe (Certificate III in Parks and Gardens graduate)

AUS-TAFE Culinary Trophy State Finals – Silver Medal: Tayah Jack, Bronze Medal: Maddison Schloss – Certificate III in Commercial Cookery

Wodonga TAFE had great representation at the 2022 WorldSkills Regional Competitions.

### **Hairdressing**

GOLD - Tanika Zanghellini (Wodonga TAFE)

SILVER – Nicole Badrock Douglas (Wodonga TAFE)

5th - Isaac Pronk (Wodonga TAFE)

### **Engineering - Fitting and turning**

SILVER - Stanley Charles Herrmann (Wodonga TAFE)

BRONZE - Keith Turnbull (Wodonga TAFE)

### **Engineering - Welding**

GOLD - John Mhelvin Garcia (Wodonga TAFE)

SILVER - Daniel Mathey (Wodonga TAFE)

BRONZE - Evan Frauenfelder (Wodonga TAFE)

Henty Fibre Fashion Awards 2022 First Place Winner – Angela Saunders – Certificate III in Clothing and Textile Production (all four finalists were also Wodonga TAFE students)

Wurreker Awards 2022 – Finalist – Tania Martini – Teacher/Trainer Award

Wurreker Awards 2022 – Finalist – Mubal Bali Program – Wodonga TAFE and Albury Wodonga Aboriginal Health Service – Innovative Koorie Learner Pathways Award

Aware Super/Australian Nursing and Midwifery Federation Victoria – Diploma of Nursing Student of the Year 2022 – Amy Wilcox

Certificate II and IV in Community Services students hosted Pyjama Day for students and staff, raising money (\$425.85) and awareness for the Tots2Teens Albury Wodonga charity.

Landscaping Victoria – Liam Andrews – Apprentice of the Year – Certificate III in Landscape Construction

Housing Industry Association – Nick Harnetty – 3<sup>rd</sup> Year, Apprentice of the Year – Certificate III in Landscape Construction

TAFE NSW Awards – Anna Gannon (staff) – Aboriginal and Torres Strait Islander Student of the Year

Work Skills for Life students ran a pop-up shop raising \$221 to donate to charities.

Sarah Williams-Boney chosen as representative for the Koorie Young People Advisory Group with the Department of Education and Training

Board Chair Allison Jenvey awarded the Order of Australia Medal for her service to vocational education and community.

## 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 comparison of 2022 to 2021, it must be noted that 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 and current year.

<b>Staff FTE</b>		452.2	501.38	539.74	
<b>Gross Floor Area (GFA) - m2</b>		23,962	22,513	25,822	
<b>Type</b>	<b>Measure</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023 target</b>
<b>Electricity</b>	Kilowatts				
Total electricity usage (Kwt)		1,167,263	1,005,695	1,255,307	1,041,292
Greenhouse gas emissions		1,217	1,128	1,407	
Units per FTE (Kwt per FTE)		2,581	2,005	2,326	
Units per GFA (Kwt per m2)		49	45	48.6	
<b>Gas</b>	Mega joules				
Total gas usage (MJ)		4,534,322	3,566,297	4,238,113	4,307,606
Units per FTE (MJ per FTE)		10,027	7,113	7,852	
Units per GFA (MJ per m2)		189	158	168	
<b>Paper Use</b>	A4 Reams				
Total reams purchased		2,400	2,000	2,083	3,040
Units per FTE (reams per FTE)		5	4	3.9	
Percentage of recycled content		100%	99%	100%	100%
<b>Water consumption</b>	Kilolitres				
Total water usage (KI)		47,654	39,398	16,882	35,000
Reclaimed water usage (KI)		34,554	27,273	8,966	
Mains water usage (KI)		13,100	12,175	7,916	
Units per GFA (KI per m2)		1.99	1.75	0.6	
<b>Transportation</b>	Tonnes				
Greenhouse gas emissions from fleet - total (T)		194	193	188	
No. petrol hybrid cars in fleet		11	9	10	
Vehicles in fleet - total		40	37	37	
Distance travelled by air - total (KM)		5,903	37,987	147,664	
Greenhouse gas emissions air travel (T)		1.5	6.6	26.09	
<b>Greenhouse gas emissions</b>	Tonnes				
Total - energy use (T)		195.8	199.5	214.09	

## People and Development

### *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.

Importantly, Wodonga TAFE commenced negotiations in February 2022 in accordance with the Victorian Government's wages policy to roll over the Wodonga Institute of TAFE PACCT Staff Enterprise Agreement 2018 for a 12-month period. Negotiations were focussed predominantly on compliance related issues (e.g. Fair Work legislative changes) or minor amendments to improve the clarity of the Agreement. An annual wage increase of 2% was agreed upon via a majority vote and implemented as at 25 August 2022.

A 2% administrative salary adjustment was also implemented for staff covered by the *Victorian TAFE Teaching Staff Agreement 2018*.

There was no industrial action taken by staff during 2022.

### *Occupational Health and Safety*

Measure/Indicator	2020	2021	2022
Reported hazards/incidents per 100 EFT staff	17.0	21.9	36.11
Lost time standard Workcover claims per 100 EFT staff	0.22	0.21	0.92
Average cost per claim for the year	\$1,000	\$3,534	\$20,186*
Fatalities	0	0	0

\*Please note that the average cost per claim for the year has seen a significant increase due to the increase in the number of claims and previous year's averages were calculated for a 10-day period not annually.

Work Health and Safety (WHS) remained a priority across Wodonga TAFE with the increase of staff returning to working onsite. Psychological safety was a strong focus for the second half of the year. The focus included staff attending Mental Health First Aid and the introduction of occupational violence training. Psychological and physical safety training will continue in 2023 with the rollout of mandatory WHS training for all leaders.

There was an increase in incidents reported in 2022 compared to 2021. This can be attributed to the increase of staff returning to work onsite as well as continued education of the importance in reporting. The data shows that 70% of the incidents notified were low risk with the remaining moderate risk and one high risk incident.

At the end of 2022 a survey was conducted with WHS Committee members to ascertain the best time and day for committee meetings to maximise attendance. Changes to the agenda and the introduction of Health and Safety Representative (HSR) reporting at committee meetings will increase participation. During the second half of the year, efforts focussed on the completion of long-standing agenda actions with the majority of these closed out.

Five (5) new Workcover claims were lodged in 2022, up from 3 claims in 2021. We have seen an increase in psychological claims at the end of the year which is consistent across all industries. The Health and Wellbeing Program continues to use Work Health Consultants who engage with staff weekly and has had

immense success during 2022. The Employee Assistance Program has had continued use by staff with an annual utilisation of 8.60%, up from 6.80% in 2021. Investment into these programs is essential for the health and wellbeing of staff and will continue into 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 and its Values.

Wodonga Institute of TAFE participated in the annual Victorian Public Sector Commission (VPSC) People Matter Survey in 2022 which resulted in a very pleasing participation rate of 80%. The results help us to better understand employee engagement and job satisfaction as well as benchmark organisational culture and features of the work environment.

The Institute's overall job satisfaction was 69%, which was higher than the comparison group average of 63% and also the Public Sector average of 67%. An employee engagement index of 70% was higher than the comparison group average of 65%, but slightly lower than the previous year's index of 73%.

### People Matter Survey Results

Responses for	Wodonga TAFE in 2022	Comparator average in 2022	Public sector average in 2022
Response rate	80%	65%	52%
Satisfaction	69%	63%	67%
High to severe work-related stress	18%	26%	25%
Engagement index	70	65	69
Inclusion	75%	76%	78%

## Workforce data

The total Full Time Equivalent (FTE) for 2022 was 539.7 and a breakdown of workforce data is below.

### Performance and Accountability Framework FTE Table – For years ending 31 December 2021 and 2022

	December 2021							December 2022						
	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	53.22	72.73	15.75	6.84	NA	21.98	170.52	110	48	15.86	8.56	NA	2.15	184.58
Executive	0	5	0	0	NA	0	5	0	5	0	0	NA	0	5
Other	14.83	14.42	4.41	1.06	NA	3.66	38.38	15	10	3.31	1.99	NA	5.80	36.11
Teacher	119.50	111.58	16.18	20.67	19.55	NA	287.48	94	168	25.04	17.07	6.47	3.47	314.05
Total	187.55	203.73	36.34	28.57	19.56	25.64	501.38	219	231	44.21	27.62	6.47	11.43	539.74

### Workforce Disclosures (December 2021 - December 2022)

	December 2021							December 2022						
	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)	319	229.13	109	53	36.39	157	83.74	352	253.06	129	58	166.51	164	83.55
Men Executives	2	2	0	0	0	2	2	2	2	0	0	0	2	2
Men (total staff)	333	273.72	89	6	3.75	238	180.97	341	286.68	91	8	96.70	242	187.98
Self-described	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Age														
15-24	20	17.04	3	0	0	17	14.04	22	18.33	7	1	7.69	14	10.64
25-34	84	63.46	26	10	35.55	48	30.91	90	68.24	33	10	38.56	47	29.68
35-44	140	103.15	41	13	50.08	86	53.08	158	119.95	41	16	52.39	101	67.56
45-54	195	158.46	60	21	75.11	114	83.34	206	165.03	71	20	84.28	114	80.75
55-64	172	138.39	59	10	66.00	103	72.39	176	143.43	61	15	71.30	100	72.13
65+	41	22.35	9	5	11.4	27	10.95	46	24.76	7	4	9	35	15.76
Total Employees	652	502.85	198	59	238.14	395	264.71	698	539.74	220	66	263.21	411	276.53

## 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 2022:

- Allison Jenvey - Chair
- Phil Paterson - CEO
- Tammy Atkins
- Glenda Beecher
- Vernon Hilditch
- Annette Kearns
- Catherine Prichard
- Morgana Ryan
- Roger Powell (term expired 31 July 2022)
- Janelle Cretney (term expired 30 June 2022)
- Matthew Austin (term commenced 1 July 2022)
- David Smith (term commenced 1 August 2022)

### Board Committees

In 2022 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 24 May 2022, 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 2022 included:

- Glenda Beecher – Chair
- Tammy Atkins
- Vernon Hilditch
- Allison Jenvey
- Catherine Prichard
- Morgana Ryan
- Matthew Austin (term commenced 1 July 2022)
- Janelle Cretney (term expired 30 June 2022)

### *Finance Committee*

The Finance Committee is a committee of the Institute Board, with a Terms of Reference approved by resolution of the Board on 24 October 2022, 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 2022 included:

- Annette Kearns - Chair
- Phil Paterson - CEO
- Vernon Hilditch
- Allison Jenvey
- Catherine Prichard
- Janelle Cretney (term expired 30 June 2022)
- Matthew Austin (term commenced 1 July 2022)
- David Smith (term commenced 1 August 2022)
- Tammy Atkins (membership ceased 31 July 2022)

### *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 October 2022, 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 2022 included:

- Tammy Atkins - Chair
- Phil Paterson - CEO
- Glenda Beecher
- Allison Jenvey
- Morgana Ryan
- Annette Kearns
- Roger Powell (term expired 31 July 2022)
- David Smith (term commences 1 August 2022)

## 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.

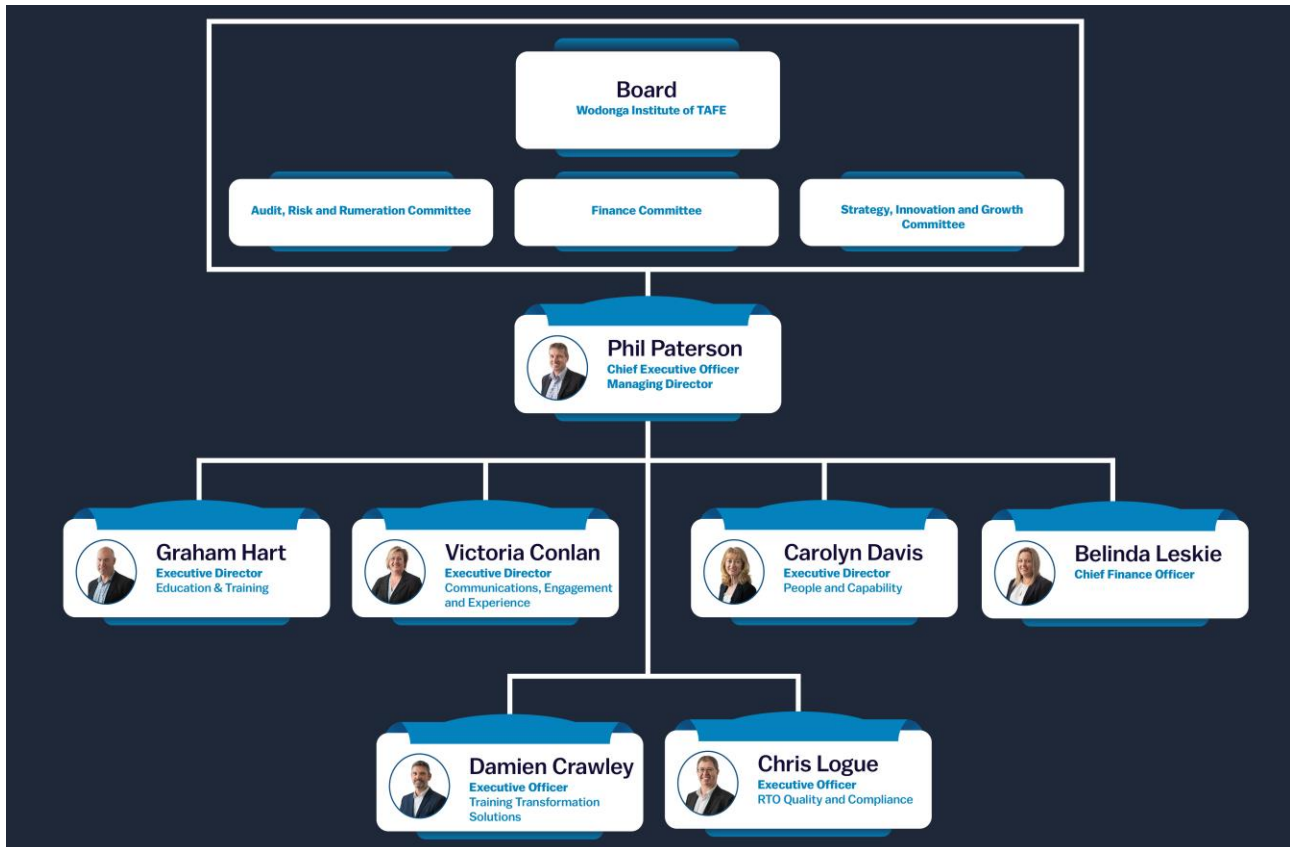
### *Graham Hart - Executive Director, Education & Training*

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 2022



# 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 2022 was a net surplus of \$27k compared to a Board approved budget of (\$3.07m), largely as a result of higher Grant Funded income and savings across 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 2022, 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 \$106.9m and the working capital ratio reduced to 8.1:1. Liquidity also remains strong.

## Five-year financial summary

### Comparative results 2018 - 2022

Item	2022 \$'000	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000
Revenue from operations <sup>1</sup>	71,478	62,742	59,549	56,918	55,503
Expenditure from operations <sup>2</sup>	71,506	63,229	56,788	53,024	47,448
<b>EBITDA incl net gain from reval of annual leave liability</b>	<b>(28)</b>	<b>(487)</b>	<b>2,761</b>	<b>3,894</b>	<b>8,055</b>
Govt capital contributions	2,655	333	472	-	140
Depreciation and amortisation	(2,997)	(3,045)	(3,243)	(3,367)	(3,516)
Gains(losses) on disposal of assets	60	(1,545)	370	101	48
Movements in the provision for LSL	338	(419)	(23)	(584)	(29)
<b>Net result</b>	<b>27</b>	<b>(5,161)</b>	<b>337</b>	<b>44</b>	<b>4,698</b>
Assets <sup>3</sup>	116,892	108,626	102,098	99,935	102,530
Liabilities	(9,972)	(9,951)	(10,489)	(8,663)	(10,459)
<b>Total equity</b>	<b>106,919</b>	<b>98,675</b>	<b>91,609</b>	<b>91,272</b>	<b>92,071</b>

Note:

<sup>1</sup> 2022 revenue has increased \$8.7m upon 2021 due primarily to Government Grant Income and 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 \$8.3m due to increased salaries and wages resulting from MEA and PACCT award increase and increased delivery within the ALTC training program. Total expenditure from operations doesn't include the movement in the provision for long service leave of \$338k. The \$8.3m increase in expenses are offset by revenue growth of \$8.7m, resulting in a deficit EBITDA in 2022.

<sup>3</sup> Assets have increased due to a revaluation completed over property, plant and equipment. This resulted in an increment of \$8,250k.

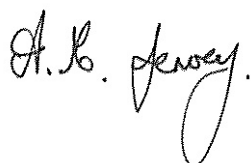
# Compliance

## 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 2022 to 31 December 2022, 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  
21st March 2023

### 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 2022 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.

## 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 and Higher Education (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*
- *Carers Recognition Act 2012*

## Compulsory student services and amenities fees

Wodonga Institute of TAFE did not receive any compulsory non-academic fees, subscriptions, or charges in 2022.

## 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 2022, there were 29 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2022 in relation to these consultancies is \$2,508,014 (excl. GST). In 2022, there were 38 additional consultancies where the total fees payable were less than \$10,000. The total expenditure incurred during 2022 in relation to these consultancies is \$121,779 (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 2022	Future expenditure
GHD Pty Ltd	Project Management Services	Jan-22	Nov-22	\$514,081	\$514,081	Nil
Johnstaff Infrastructure Advisory Pty Ltd	Detailed Business Case Development	Apr-22	Sep-22	\$405,364	\$405,364	Nil
Logicalis Australia	IT Project Developments	Jan-22	Dec-22	\$387,168	\$387,168	Nil
Bid Write Pty Ltd	Tender preparation	Jun-22	Oct-22	\$155,596	\$155,596	Nil
UniLodge Australia Pty Ltd	Management Fees - Student Accommodation	Feb-22	Dec-22	\$147,804	\$147,804	\$156,000
Liminal VR Pty Ltd	Development of Course Materials	Jul-22	Nov-22	\$114,700	\$114,700	Nil
The Moreland Group	Training Delivery & Services	Apr-22	Sep-22	\$99,505	\$99,505	Nil
Avepoint Au Pty Ltd	Systems File Migration	Nov-22	Dec-22	\$82,356	\$82,356	Nil
KPMG International	Social & Economic Impact Study	Mar-22	Mar-22	\$80,417	\$80,417	Nil
Telstra Corporation	Skype to TEAMS migration	Dec-22	Dec-22	\$66,500	\$66,500	Nil
Truck Industry Council	NHVR Professional Advice	Mar-22	Mar-22	\$47,990	\$47,990	Nil
FYB Pty Ltd	Records Management System Membership	Jan-22	Dec-22	\$47,293	\$47,293	\$47,293
Technology One	Systems Technical Support	Jul-22	Dec-22	\$41,933	\$41,933	Nil
Rooftop Media	Video Editing	Apr-22	Sep-22	\$41,128	\$41,128	Nil
Huntsman Recruiting	Human Resources Services	Sep-22	Nov-22	\$32,702	\$32,702	Nil
Chisholm Institute	Development of Course Materials	Dec-22	Dec-22	\$27,273	\$27,273	Nil
Total HRM	Human Resources Services	Jan-22	Dec-22	\$27,150	\$27,150	Nil
Actuose Group Pty Ltd	Systems Security	Nov-22	Nov-22	\$22,680	\$22,680	Nil
Y Train Pty Ltd	Development of Course Materials	Jan-22	Jun-22	\$21,000	\$21,000	Nil
Leadership Through Data	Development of Course Materials	Dec-22	Dec-22	\$20,017	\$20,017	Nil
Web Matrix Pty Ltd	Annual Service & Support	Jan-22	Dec-22	\$19,980	\$19,980	\$19,980

Consultant	Purpose of consultancy	Start date	End date	Total approved project fee	Expenditure 2022	Future expenditure
Kindred Creative Co Pty Ltd	Media Services	Mar-22	Oct-22	\$16,753	\$16,753	Nil
Premier Building and Construction Pty Ltd	Design Consultants and Architectural Drafting	Mar-22	Mar-22	\$13,913	\$13,913	Nil
Cookinburra International Pty Ltd	Tender Response	Apr-22	Sep-22	\$13,600	\$13,600	Nil
Generation-e Productivity Solutions	IT Project	Feb-22	Feb-22	\$13,464	\$13,464	Nil
Quantum Information Technology Pty Ltd	InPlace Software	Jan-22	Jun-22	\$13,160	\$13,160	Nil
Kellaway Management	Media Strategy & Teaching/Consulting	Jan-22	Jan-22	\$12,249	\$12,249	Nil
SK Consulting	Student Engagement	Jan-22	Feb-22	\$12,240	\$12,240	Nil
The Centre for Continuing Education	MOU Agreement	Jul-22	Jul-22	\$10,000	\$10,000	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 2022, Wodonga Institute of TAFE received one request for information under the Freedom of Information process.

## ICT expenditure

### *Details of ICT expenditure for 2022 (full year)*

BAU ICT Expenditure Total	Non-BAU ICT Expenditure Total	Non-BAU Operational expenditure	Non-BAU Capital expenditure
\$5,139,000	\$1,122,000	\$627,000	\$495,000



## 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 2022 Wodonga Institute of TAFE had one applicable project. The total value of Local Jobs First projects within the 2022 reporting period is \$3.65 million, the anticipated total value is \$6.29 million with expected completion early 2023.

## Major commercial activities

Wodonga Institute of TAFE undertook no major commercial activities in 2022.

## 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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Wodonga Institute of TAFE has presented its audited general purpose financial statements for the year ended 31 December 2022 in the following structure to provide users with the information about the Institute's stewardship of resources entrusted to it.

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## Certifications

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



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 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 2022</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 2022 presents fairly, in all material respects, in line with the reporting requirements outlined by the Minister in the statement of priorities.</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 are 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>

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## 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  
27 March 2023



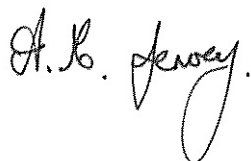
Charlotte Jeffries  
*as delegate for the Auditor-General of Victoria*

## Performance Statement Management Certification for 2022

In our opinion, the accompanying Statement of Performance of Wodonga Institute of TAFE, in respect of the year ended 2022, is presented fairly.

The Statement outlines the performance indicators as determined by the responsible Minister, pre-determined targets where applicable, 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  
21st March 2023



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

Wodonga  
21st March 2023



Belinda Leskie  
Chief Finance Officer  
Wodonga Institute of TAFE

Wodonga  
21st March 2023

## Performance Statement

### Performance Statement for the Year Ended 31 December 2022

KPI	Definition	Measure	Performance 2022	Target 2022	Explanation of variances	Prior year result
Training revenue diversity	Govt. Funded Training / Total Training Revenue	%	31.0%	33.9%	Increase 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.	30.7%
	Fee for Service / Total Training Revenue	%	67.3%	63.0%		67.0%
	Student Fees & Charges / Total Training Revenue	%	1.7%	3.1%		2.3%
Employment costs as a proportion of training revenue	(Employment Costs + 3rd Party Training Delivery Costs) / Total Training Revenue	%	106.8%	99.8%	Increasing employment costs not matched by increased revenue.	102.2%
Training revenue per teaching FTE	Training Revenue (excl. Revenue delivered via 3rd party delivery) / Total teaching FTE (including annualised casual teaching staff)	\$	\$163,430	\$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 Fee for Service activities.	\$167,459
Operating margin percentage	EBIT excl. capital contributions / Total revenue excl. capital contributions	%	(3.8%)	(7.9%)	Over achieved target due to increased government grant funding and lower than planned salaries and wages costs.	(6.3%)



## Independent Auditor's Certification of the Financial Report



### 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 2022</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 2022 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>

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## 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  
27 March 2023

  
Charlotte Jeffries  
as delegate for the Auditor-General of Victoria

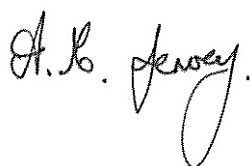
## Declaration by the Board Chair Chief Executive Officer and Chief Finance Officer

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 Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards including interpretations, 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 2022 and financial position of the Institute as at 31 December 2022.

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.

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  
21st March 2023



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

Wodonga  
21st March 2023



Belinda Leskie  
Chief Finance Officer  
Wodonga Institute of TAFE

Wodonga  
21st March 2023

# Financial Statements

## Comprehensive Operating Statement

for the year ended 31 December 2022

	Notes	2022 \$'000	2021 \$'000
<b>Continuing operations</b>			
<b>Revenue and income from transactions</b>			
Government grants			
Operating grants – revenue	2.1.1	15,518	17,270
Operating grants - income	2.1.1	16,410	8,212
Capital grants - income	2.1.2	2,655	333
Revenue from fees, charges and sales	2.2	36,127	34,316
Other income	2.3	3,423	2,944
<b>Total income from transactions</b>		<b>74,133</b>	<b>63,075</b>
<b>Expenses from transactions</b>			
Employee benefits	3.1.1	52,793	47,566
Supplies and services	3.3	13,341	12,559
Other operating expenses	3.4	5,035	3,522
Depreciation and amortisation	3.5	2,996	3,044
<b>Total expenses from transactions</b>		<b>74,165</b>	<b>66,691</b>
<b>Net result from transactions</b>		<b>(32)</b>	<b>(3,616)</b>
<b>Other economic flows included in net result</b>			
Net gain/(loss) on non-financial assets <sup>1</sup>	4.1.3	60	(1,545)
<b>Total other economic flows included in net result</b>		<b>60</b>	<b>(1,545)</b>
<b>Net result from continuing operations</b>		<b>27</b>	<b>(5,161)</b>
<b>Net result</b>		<b>27</b>	<b>(5,161)</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		8,250	12,195
<b>Comprehensive result</b>		<b>8,277</b>	<b>7,034</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 2022

	Notes	2022 \$'000	2021 \$'000
<b>Assets</b>			
<b>Financial assets</b>			
Cash and deposits	6.1	29,844	34,963
Receivables	5.1	5,794	4,375
<b>Total financial assets</b>		<b>35,638</b>	<b>39,338</b>
<b>Non-financial assets</b>			
Property, plant and equipment	4.1	80,108	68,193
Intangible assets	4.2	173	220
Other non-financial assets	5.2	972	1,129
<b>Total non-financial assets</b>		<b>81,253</b>	<b>69,542</b>
<b>Total assets</b>		<b>116,891</b>	<b>108,880</b>
<b>Liabilities</b>			
Payables	5.3	1,664	1,859
Contract liabilities	5.4	393	405
Employee provisions	5.5	7,915	7,973
<b>Total liabilities</b>		<b>9,972</b>	<b>10,237</b>
<b>Net assets</b>		<b>106,919</b>	<b>98,643</b>
<b>Equity</b>			
Contributed capital	6.2	14,015	14,015
Accumulated surplus / (deficit)		33,747	33,720
Reserves	9.1	59,157	50,908
<b>Net worth</b>		<b>106,919</b>	<b>98,643</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 2022

	Physical asset revaluation surplus \$'000	Accumulated surplus \$'000	Contributions by owner \$'000	Total \$'000
<b>At 1 January 2021</b>	38,713	38,881	14,015	91,609
Net result for the year	-	(5,161)	-	(5,161)
Revaluation of PPE	-	-	-	-
<b>Year ended 31 December 2021</b>	<b>50,908</b>	<b>33,720</b>	<b>14,015</b>	<b>98,643</b>
Net result for the year	-	27	-	27
Revaluation of PPE	8,250	-	-	8,250
<b>Year ended 31 December 2022</b>	<b>59,157</b>	<b>33,747</b>	<b>14,015</b>	<b>106,919</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 2022

	Notes	2022 \$'000	2021 \$'000
<b>Cash flows from operating activities</b>			
<b>Receipts</b>			
Government contributions		36,246	27,230
Receipts from customers – fees, charges and sales		36,314	33,701
Goods and services tax recovered from the ATO		2,274	2,061
Interest received		456	109
Other receipts		3,079	2,986
<b>Total receipts</b>		<b>78,369</b>	<b>66,087</b>
<b>Payments</b>			
Payments to suppliers and employees		(73,551)	(66,300)
Goods and services tax paid to the ATO		(3,382)	(2,993)
<b>Total payments</b>		<b>(76,933)</b>	<b>(69,293)</b>
<b>Net cash flows from/(used in) operating activities</b>	6.1	<b>1,436</b>	<b>(3,206)</b>
<b>Cash flows from investing activities</b>			
Purchases of non-financial assets		(6,631)	(5,585)
Proceeds from sales of non-financial assets		76	120
<b>Net cash provided by/(used in) investing activities</b>		<b>(6,555)</b>	<b>(5,465)</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>(5,119)</b>	<b>(8,671)</b>
Cash and cash equivalents at the beginning of the financial year		<b>34,963</b>	<b>43,634</b>
<b>Cash and cash equivalents at the end of the financial year</b>	6.1	<b>29,844</b>	<b>34,963</b>

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

## Note 1 – About This Report

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).

Wodonga Institute of TAFE is a Technical and Further Education (TAFE) provider, based predominantly in Wodonga of Victoria.

Its registered office and principal address is:

Wodonga Institute of TAFE  
87 McKoy Street  
Wodonga VIC 3690  
Australia

### *1.1 Basis of preparation*

These financial statements are presented in Australian dollars, the functional and presentation currency of the Wodonga Institute of TAFE (the “Institute”) 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 a 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.

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

- determining whether government contributions received should be recognised as revenue under AASB 15 or income under AASB 1058 depending on whether the performance obligations within the contract are assessed as sufficiently specific and measuring Wodonga Institute of TAFE’s satisfaction of a performance obligation (refer to Note 2.2);
- AASB 16 Leases and the requirements to determine the lease term to the extent that extension options are certain (refer to Note 6.4);

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

- 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 5.6);
- the loss rate used in calculating the allowance for expected credit losses (refer to Note 7.1.2);
- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 7.3); and
- the fair value of assets measured at current replacement cost as a result of rising costs of construction and inflation.

These 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.

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 2022.

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

Income, expenses and assets are recognised net of the amount of associated GST.

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 manages funding risk by continuing to diversify and increase 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), the Australian Charities and Not-for-Profit Act 2012 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 AAS 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 balance or financial statement matter is disclosed.

## **1.3 Impact of COVID-19**

The coronavirus (COVID-19), which was declared a global pandemic in March 2020, continues to evolve in 2022.

Various restrictions such as self-isolation and border entry rules continue to be enforced and implemented by the government as required to contain the spread of the virus and to prioritise the health and safety of our communities. These actions have in turn, continued to impact the manner in which businesses operate, including Wodonga TAFE and controlled entities.

Consistent with the prior year, COVID-19 continued to have a material impact on the operations of the Institute and as a consequence has resulted in a number of material impacts on the performance of the Institute as well as the judgements and estimates used in assessing balances.

The Institute continued to conduct classes through remote learning where possible, hold examinations online, place restrictions on non-essential work, perform COVID-19 testing and implement work from home arrangements where appropriate.

The key impacts on the appropriateness of the going concern basis of accounting, performance of the business as well as various accounting treatments and estimates are summarised below and disclosed in subsequent notes where relevant and material.

## **The key impacts on the performance is summarised as follows:**

Revenue and other income

Wodonga Institute of TAFE  
31 December 2022



The Department of Education and Training provided the Business Continuity Grant funding to assist Wodonga TAFE with its response to the pandemic, provide support to retain staff, assist with Wodonga TAFE's continued transition to online and remote learning and to maintain government funding at pre-pandemic levels. This is further discussed in Note 2.1.

COVID-19 has also had a direct impact on the way classes have been conducted by the TAFE and as a consequence has impacted student enrolments in various courses.

#### Expenses

The Institute's daily activities were impacted by the pandemic. This resulted in direct and indirect costs being included such as additional staffing costs for new or expanded services, additional supplies and consumables for staff and students, and staffing costs for replacement and maintenance of core staffing. Similarly, cost reductions have occurred such as reductions in building maintenance.

The key impacts on accounting treatments and estimates are as follows:

#### Allowance for expected credit losses

Although both local and international students have been impacted by the pandemic, Wodonga TAFE has not experienced a decline in the collectability of its trade receivables. Where students are experiencing financial difficulty, Wodonga TAFE has allowed for payments to be made in accordance with a payment plan. The number of students on payment plans remain consistent on prior year. Wodonga TAFE monitors payments made under the plan and noted that for the majority of students on a plan, payments continue to be made in line with schedule. These factors, including the continued impact of the pandemic on students' payment history has been considered in determining the expected credit loss for the 2022 financial year.

It should also be noted that Wodonga TAFE has the right to cancel a student's enrolment and prohibit them from undertaking new courses in situations where there are unpaid fees or outstanding debts.

#### Fair value of non-financial physical assets

Non-financial physical assets are measured at fair value on a cyclical basis in accordance with Financial Reporting Direction (FRD) 103. A full revaluation of education assets normally occurs every five years, with this last occurring for the year ended 31 December 2017. Due to COVID-19, there is an increased element of estimation uncertainty with regard to the fair values of Wodonga TAFE's non-financial physical assets. This is further discussed in Note 7.3.

## Note 2 – How We Earned Our Funds

### 2.1 Government grants

#### 2.1.1 Revenue and income from government grants

	2022 \$'000	2021 \$'000
<b>Grants and other transfers</b>		
<b>Government grants – operating revenue</b>		
State government - contestable	15,518	17,270
<b>Government grants – operating income</b>		
State government - other grants	15,823	7,918
Commonwealth government grants	587	294
Total government grants – operating income	16,410	8,212
<b>Total government grants – operating</b>	<b>31,928</b>	<b>25,482</b>

In 2022, Wodonga Institute of TAFE received \$269k 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.

#### Revenue and income from government grants

The Institute is first required to determine whether the government grants received should be accounted for as Revenue per AASB 15 or Income per AASB 1058.

#### Revenue from government grants

The Institute's revenue streams are predominately for transactions relating to the delivery of courses to students and education services to clients. In all cases, the total transaction price for these services is allocated amongst the various performance obligations based on the consideration specified in the contract with the customer. The transaction price for a contract excludes any amounts collected on behalf of third parties. Revenue is recognised either at a point in time or over time as the Institute satisfies the performance obligations by transferring the promised goods or services to its customers. Where government grants have been received for services to be delivered in the following year, these amounts are deferred as a contract liability (Note 5.5).

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.

#### Income from government grants

Income from government grants without any sufficiently specific performance obligations, or that are not enforceable, is recognised when the Institute has an unconditional right to receive cash which usually coincides with receipt of cash. On initial recognition of the asset, the Institute recognises any related grants by owners, increases in liabilities and decreases in assets ('related amounts') in accordance with other Australian Accounting Standards. Related amounts may take the form of:

- contributions by owners, in accordance with AASB 1004
- a lease liability in accordance with AASB 16
- a financial instrument, in accordance with AASB 9
- a provision, in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Specific criteria in relation to determining whether government grants are accounted for as revenue per AASB 15 or income per AASB 1058 are set out below.

Source of Funding	Nature	Performance obligation	Timing of satisfaction
State government – contestable	Refers to Victorian state government funding for which the Institute must compete with other registered training providers. Funding is allocated primarily through a combination of a 'User Choice' system for all providers and a competitive tendering process for private providers.	The funding agreement for these grants outlines the performance obligations to provide education services to eligible students and relevant terms and conditions. These grants are recognised as revenue from contracts with customers in line with the requirements of AASB15.	Revenue is recognised over time, on the basis of the number of units of training delivered to eligible students over the life of the agreement.
State government – other grants	Refers to funding that is not recognised as contestable and includes specific purpose grants.	In general, funding agreements for these grants do not contain sufficiently specific performance obligations and are therefore recognised as income under AASB 1058. The Institute recognises income immediately in the comprehensive operating statement when control is achieved over the funds which occurs on execution of the relevant contract.	
		Where <b>performance obligations are sufficiently specific</b> in accordance with AASB15.	Revenue is recognised <b>over time</b> in the comprehensive operating statement as the performance obligations are delivered.

Note: the above accounting policies shall be reassessed by the TAFEs at the end of each reporting period to determine whether they remain appropriate and amended as needed.

### 2.1.2 Capital grants income

	2022 \$'000	2021 \$'000
<b>Government grants – capital</b>		
State government - capital	2,655	333
<b>Total government grants - capital</b>	<b>2,655</b>	<b>333</b>

Income Type	Nature	Performance obligation	Timing of satisfaction
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.	Whilst the Institute has an obligation to acquire or construct a non-financial asset, such transactions are accounted for following specific guidance under AASB 1058.	When the asset is acquired. Or 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. Where government grants have been received for services to be delivered in the following year, these amounts are deferred as a liability (Note 5.4).

## 2.2 Revenue from fees, charges and sales

	2022 \$'000	2021 \$'000
Student fees and charges	886	1,116
Fee for service - Government	33,269	31,288
Fee for service - other	1,771	1,734
<b>Other non-course fees and charges</b>		
Sale of goods	201	178
<b>Total revenue from fees, charge and sales</b>	<b>36,127</b>	<b>34,316</b>

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. For example, student amenities and services revenue is recognised as the Institute provides the service to the student.

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

Revenue Type	Nature	Performance obligation	Timing of satisfaction
Student fees and charges	<p>The Institute provides educational services to eligible domestic students.</p> <p>Student fees and charges revenue includes student tuition fees and course materials received or to be received from eligible students for the provision of these services.</p>	Provision of education services.	<p>Student fees and charges are recognised in accordance with the relevant enrolment terms and conditions and over the period that the education and training services are provided.</p> <p>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.</p>
Fee for service – government	Relates to course fees funded by State government departments (excluding revenue/income recognised in note 2.1.1).	Provision of services.	<p>Revenue is recognised over time by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered.</p> <p>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.</p>
Fee for service – other	Relates to revenue from training programs to domestic students (who are not eligible for a government funded subsidy) and private organisations (industry)	Provision of services.	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.
Revenue from sale of goods		Delivery of goods.	<p>Revenue is recognised at a point in time 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).</p> <p>Payment of transaction price is due immediately.</p>

#### 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:

	2022 \$'000	2021 \$'000
Student fees and charges	317	301
Other	0	305
	<b>317</b>	<b>606</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:

	2023 \$'000	2024 \$'000	2025 \$'000
Student fees	393	-	-
<b>Revenue expected to be recognised</b>	<b>393</b>	<b>-</b>	<b>-</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 Revenue and Income

	2022 \$'000	2021 \$'000
Childcare revenue	1,815	1,979
<b>Total other revenue</b>	<b>1,815</b>	<b>1,979</b>
Interest income	456	109
Rental income	519	441
Other income	633	415
<b>Total other income</b>	<b>1,608</b>	<b>965</b>
<b>Total other revenue and income</b>	<b>3,423</b>	<b>2,944</b>

<b>Other Revenue Type</b>	<b>Nature</b>	<b>Performance obligation</b>	<b>Timing of satisfaction</b>
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.
<b>Other Income Type</b>	<b>Nature</b>	<b>Performance obligation</b>	<b>Timing of satisfaction</b>
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 from operating leases	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.
Other income		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.

<b>3.1.1 Employee benefits in the Comprehensive Operating Statement</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Salaries, wages, overtime and allowances	<b>43,114</b>	38,413
Superannuation	<b>4,709</b>	3,994
Payroll tax	<b>701</b>	756
Mental health levy	<b>201</b>	0
Worker's compensation	<b>283</b>	348
Annual Leave	<b>3,439</b>	2,934
Long service leave	<b>239</b>	907
Termination Benefits	<b>54</b>	144
Other	<b>51</b>	70
<b>Total employee benefits</b>	<b>52,793</b>	47,566

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 which are expected to be wholly-settled 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:

	2022 \$'000	2021 \$'000
<b>Paid contribution for the year</b>		
<b>Defined benefit plans:</b>		
State Superannuation Fund – revised and new	42	68
<b>Total defined benefit plans</b>	<b>42</b>	<b>68</b>
<b>Accumulation contribution plans:</b>		
VicSuper	1,972	1,877
Other	3,528	2,907
<b>Total accumulation contribution plans</b>	<b>5,500</b>	<b>4,784</b>
<b>Total paid contributions for the year</b>	<b>5,542</b>	<b>4,852</b>
<b>Contribution outstanding at year end</b>		
<b>Defined benefit plans:</b>		
State Superannuation Fund – revised and new	-	-
<b>Total defined benefit plans</b>	<b>-</b>	<b>-</b>
<b>Accumulation contribution plans:</b>		
VicSuper	-	-
Other	-	-
<b>Total accumulation contribution plans</b>	<b>-</b>	<b>-</b>
<b>Total contribution outstanding at year end</b>	<b>-</b>	<b>-</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

	2022 \$'000	2021 \$'000
Purchases of supplies and consumables	1,829	1,472
Communication expenses	364	294
Contract and other services	6,007	5,135
Building repairs and maintenance	2,008	2,439
Fees and charges	2,468	2,485
3rd Party training providers	666	733
<b>Total supplies and services</b>	<b>13,341</b>	<b>12,559</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

	2022	2021
	\$'000	\$'000
Audit fees and services	94	90
Impairment of assets	0	0
Equipment below capitalisation threshold	1,670	801
Marketing and promotional expenses	863	624
Staff development	190	206
Travel and motor vehicle expenses	786	464
Utilities	657	555
Other	758	750
Bad debts from transactions	16	32
<b>Total other expenses</b>	<b>5,035</b>	<b>3,522</b>

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

Audit fees and services relate to costs associated with internal audit services, as well as remuneration the Victorian Auditor-General's office for the audit of the financial statements.

### 3.5 Depreciation and amortisation

	2022	2021
	\$'000	\$'000
Depreciation of Property, Plant and Equipment	2,949	2,586
Amortisation of Intangible Assets	47	458
<b>Total depreciation and amortisation</b>	<b>2,996</b>	<b>3,044</b>

## 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 and equipment includes all operational assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022	2021	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	14,146	10,834	-	-	14,146	10,834
Buildings & Improvements	49,525	44,695	(199)	(288)	49,326	44,408
Construction in progress	580	4,216	-	-	580	4,216
Plant, equipment & other assets	15,793	19,160	(9,595)	(15,063)	6,198	4,096
Motor Vehicles	4,933	5,037	(4,421)	(4,545)	513	493
Land Improvements	9,345	5,358	-	(1,211)	9,345	4,146
<b>Net carrying amount</b>	<b>94,322</b>	<b>89,300</b>	<b>(14,214)</b>	<b>(21,107)</b>	<b>80,108</b>	<b>68,193</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 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 current 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 previous 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 2022, the values of land and buildings reflect the independent valuation as provided by the Victorian Valuer-General.

#### **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>2022</b>							
Opening net book amount	10,834	44,408	4,216	4,096	493	4,146	68,193
Additions	-	6,788	8,070	2,859	282	337	18,336
Revaluations	3,312	(95)	-	-	-	5,033	8,250
Disposals	-	-	-	(11)	(6)	-	(17)
Transfers	-	-	(11,706)	-	-	-	(11,706)
Depreciation charge	-	(1,775)	-	(746)	(256)	(171)	(2,948)
<b>Net carrying amount</b>	<b>14,146</b>	<b>49,326</b>	<b>580</b>	<b>6,198</b>	<b>513</b>	<b>9,345</b>	<b>80,108</b>

	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	-	-	(930)	-	-	-	(930)
Depreciation charge	-	(1,348)	-	(796)	(308)	(134)	(2,586)
<b>Net carrying amount</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>

#### 4.1.2 Capital Commitments

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

<b>Payable</b>	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Within one year	<b>400</b>	14,191
Later than one year but not later than five years	<b>0</b>	5,679
<b>Total capital expenditure commitments</b>	<b>400</b>	19,870
GST payable on the above	<b>(36)</b>	(1,806)
<b>Net capital expenditure commitments</b>	<b>364</b>	18,064

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

	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Net gain/(loss) on disposal of property, plant and equipment	<b>60</b>	65
Net gain/(loss) on disposal of intangibles	<b>0</b>	(1,610)
<b>Total Net gain/(loss) on disposal of non-financial assets</b>	<b>60</b>	(1,545)

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>2022</b>			<b>2021</b>		
	<b>\$'000</b>			<b>\$'000</b>		
	<b>ICT Software</b>	<b>Access Rights</b>	<b>Total</b>	<b>ICT Software</b>	<b>Access Rights</b>	<b>Total</b>
<b>Gross carrying amount</b>						
Opening Balance	<b>2,368</b>	<b>500</b>	<b>2,868</b>	8,566	500	9,066
Additions	-	-	-	355	-	355
Disposals	<b>(1,630)</b>	<b>(500)</b>	<b>(2,130)</b>	(6,553)	-	(6,553)
<b>Closing balance</b>	<b>738</b>	-	<b>738</b>	2,368	500	2,868
<b>Accumulated amortisation and impairment</b>						
Accumulation amortisation and impairment	<b>(2,148)</b>	<b>(500)</b>	<b>(2,648)</b>	(6,633)	(500)	(7,133)
Disposals	<b>1,630</b>	<b>500</b>	<b>2,130</b>	4,943	-	4,943
Amortisation charge	<b>(47)</b>	-	<b>(47)</b>	(458)	-	(458)
<b>Closing balance</b>	<b>(565)</b>	-	<b>(565)</b>	(2,148)	(500)	(2,648)
<b>Net carrying amount at end of the year</b>	<b>173</b>	-	<b>173</b>	220	-	220
<b>Initial recognition</b>						

#### Internally generated intangible assets

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 sale;
- 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.

#### *Configuration and customisation costs incurred related to a Software as a Service (SaaS) arrangement*

SaaS arrangements are service contracts providing the Institute with the right to access the software provider's application software over the contract period. Where costs incurred to configure or customise SaaS arrangements result in the creation of a resource which is identifiable, and where the Institute has the power to obtain the future economic benefits flowing from the underlying resource and to restrict the access of others to those benefits, such costs are recognised as a separate intangible software asset. Where costs incurred to configure or customise do not result in the recognition of an intangible software asset, then those costs that provide the Institute with a distinct service (in addition to the SaaS access) are recognised as expenses when the supplier provides the services. When such costs incurred do not provide a distinct service, the costs capitalised as a prepayment are recognised as expenses over the duration of the SaaS contract.

Judgement is required in determining whether:

- costs incurred result in the creation of an intangible asset that meets the recognition criteria in AASB 138;
- the configuration and customisation costs provide a distinct service where such costs do not give rise to the recognition of an intangible asset.

#### **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.

Intangible assets recognised in accordance with AASB 1059 are subsequently measured under the revaluation model.

#### **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 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. Impairment of goodwill is not reversed.

#### **4.3 Depreciation and 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 shorter, using the straight-line method.

Depreciation and amortisation methods and useful life used for each class of depreciable assets are:

<b>Class of Assets</b>	<b>Useful Life</b>
Buildings	5 - 55 years (2021: 5 - 50 years)
Plant & equipment & other assets	2 - 40 years (2021: 2 - 40 years)
Motor vehicles	5 - 10 years (2021: 1 - 13 years)
Leasehold improvements	10 years (2021: 10 years)
Land Improvements	5 – 28 years (2021: 3 - 50 years)
ICT Software	3 - 10 years (2021: 3 - 10 years)
Access Rights	0 years (2021: 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

	2022 \$'000	2021 \$'000
<b>Current</b>		
Trade receivables	5,935	4,503
Loss allowance trade receivables	(142)	(128)
<b>Total receivables from contracts with customers</b>	<b>5,794</b>	<b>4,375</b>
<b>Statutory</b>		
GST input tax credit recoverable	-	-
<b>Total current receivables</b>	<b>5,794</b>	<b>4,375</b>

Receivables consist of:

- statutory receivables, which include predominantly 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 recognised and measured similarly to contractual receivables, but are not classified as financial instruments and are not included in the category of financial assets at amortised cost, because they do not arise from a contract.

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 approximates the 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 is shown in the following table.

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
<b>Movement in loss allowance for contractual receivables</b>		
Balance at the beginning of the year	<b>(128)</b>	(103)
Amounts written off	<b>2</b>	8
Increase in loss allowance recognised in net result	<b>(16)</b>	(32)
<b>Balance at the end of the year</b>	<b>(142)</b>	(128)

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>2022</b>						
Trade receivables	<b>5,242</b>	<b>4,638</b>	<b>206</b>	<b>279</b>	<b>118</b>	-
<b>Total</b>	<b>5,242</b>	<b>4,638</b>	<b>206</b>	<b>279</b>	<b>118</b>	-
<b>2021</b>						
Trade receivables	4,375	4,144	118	109	4	-
<b>Total</b>	4,375	4,144	118	109	4	-

Note: The disclosures above exclude statutory receivables (e.g. GST credits).

The average credit period on receivables is 30 days.

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

	2022 \$'000	2021 \$'000
<b>Current</b>		
Prepaid expenses	972	1,129
<b>Total other non-financial assets</b>	<b>972</b>	<b>1,129</b>

**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 items 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 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 is assigned to other high value, low volume inventory items on a specific identification of cost basis. Cost for all inventory is measured on the basis of weighted average cost.

## 5.3 Payables

	2022 \$'000	2021 \$'000
<b>Contractual</b>		
Supplies and services	1,558	1,781
	<b>1,558</b>	<b>1,781</b>
<b>Statutory</b>		
GST payable	33	73
Other taxes payable	73	5
<b>Total current payables</b>	<b>1,664</b>	<b>1,859</b>

**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 payable.

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.

### Ageing 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>2022</b>						
Supplies and services	1,558	1,558	1,551	7	-	-
<b>Total</b>	<b>1,558</b>	<b>1,558</b>	<b>1,551</b>	<b>7</b>	<b>-</b>	<b>-</b>
<b>2021</b>						
Supplies and services	1,781	1,781	1,777	4	-	-
<b>Total</b>	<b>1,781</b>	<b>1,781</b>	<b>1,777</b>	<b>4</b>	<b>-</b>	<b>-</b>

Note: The disclosures above exclude statutory payables (e.g. GST payable).

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.

Due to their short-term nature, the carrying amounts of trade and other payables are not considered to be materially different to their fair values.

### 5.4 Contract liabilities

	2022 \$'000	2021 \$'000
Contract liabilities – student fees	393	254
Contract liabilities – fee for service	0	11
Contract liabilities – other	0	140
<b>Total contract liabilities</b>	<b>393</b>	<b>405</b>

### Contract liabilities

Any fees received by the Institute during the current financial year in respect of performance obligations that have not been satisfied are classified as a liability and recognised as a contract liability.

### 5.5 Employee benefits in the Balance Sheet

	2022 \$'000	2021 \$'000
Annual leave	3,335	3,062
Long service leave	310	272
<b>Total short-term benefits</b>	<b>3,647</b>	<b>3,334</b>
Long service leave	4,269	4,640
<b>Total long-term benefits</b>	<b>4,269</b>	<b>4,640</b>
<b>Total employee provisions</b>	<b>7,915</b>	<b>7,973</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:

	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Unconditional and expected to settle within 12 months	<b>3,223</b>	2,942
Unconditional and expected to settle after 12 months	<b>4,634</b>	4,097
<b>Total current employee provisions</b>	<b>7,857</b>	7,039

## Note 6 – How We Financed Our Operations

### 6.1 Cash and deposits

	2022	2021
	\$'000	\$'000
Cash at bank and on hand	4,706	5,419
Deposits at call	25,137	29,542
<b>Total cash and deposits</b>	<b>29,844</b>	<b>34,963</b>

Cash and deposits 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

	2022	2021
	\$'000	\$'000
Net result for the year	27	(5,161)
<b>Non cash movements</b>		
Depreciation and amortisation of non-financial assets	2,996	3,044
Net (gain)/loss on sale or disposal of non-financial assets	(60)	1,545
<b>Movements in assets and liabilities</b>		
Decrease / (increase) in receivables	(1,420)	(2,041)
Decrease / (increase) in other assets	157	(341)
Increase / (decrease) in payables and contract liabilities	(207)	(573)
Increase / (decrease) in provisions	(58)	321
<b>Net cash flows from/(used in) operating activities</b>	<b>1,436</b>	<b>(3,206)</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

	2022	2021
	\$'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 is 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.

Right-of-use assets that arise from below market (including peppercorn) leases, which are to be measured at cost in accordance with FRD 123.

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. The locations where TAFE operate under a peppercorn lease are disclosed below:

- TAFE Space - 158 Lawrence Street, Wodonga VIC 3690

### **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>Contractual Financial Assets</b>	<b>2022</b>	<b>2021</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>29,844</b>	34,963
Trade receivables	<b>5,242</b>	4,375
<b>Total contractual financial assets</b>	<b>35,085</b>	39,338

### Contractual Financial liabilities

#### Financial liabilities measured at amortised cost

##### Payables

Supplies and services	<b>1,004</b>	1,781
<b>Total contractual financial liabilities</b>	<b>1,004</b>	1,781

### Categories of financial instruments

Wodonga Institute of TAFE 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. Wodonga Institute of TAFE 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 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 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 2022 and 31 December 2021 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.

## Credit quality of contractual financial assets that are neither past due nor impaired

	Financial Institutions (AA- rating) \$'000	Other counter- party \$'000	Total \$'000
<b>2022</b>			
Cash and deposits	29,844	-	29,844
Receivables <sup>1</sup>	-	5,242	5,242
<b>Total contractual financial assets</b>	<b>29,844</b>	<b>5,242</b>	<b>35,085</b>
<b>2021</b>			
Cash and deposits	34,963	-	34,963
Receivables	-	4,375	4,375
<b>Total contractual financial assets</b>	<b>34,963</b>	<b>4,375</b>	<b>39,338</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 2022 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 accordingly 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 2022:

<b>31 December 2022</b>	Estimated gross carrying amount \$'000	Weighted average loss rate	Estimated loss allowance \$'000	Credit impaired
Current (not past due)	4,845	2.7%	128	Yes
1 - 30 days past due	242	5%	2	Yes
31 - 60 days past due	37	10%	4	Yes
61 - 90 days past due	84	15%	13	Yes
More than 90 days past due	34	100%	34	Yes

<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

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 to be not material 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>2022</b>					
Cash and deposits	1.48	29,844	29,844	-	-
Contractual receivables	-	5,242	-	-	5,242
<b>Total financial assets</b>	-	35,085	29,844	-	5,242
Supplies and services	-	1,004	-	-	1,004
<b>Total contractual financial liabilities</b>	-	1,004	-	-	1,004

	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>	-	37,950	34,963	-	4,375
Supplies and services	-	1,780	-	-	1,780
<b>Total contractual financial liabilities</b>	-	1,780	-	-	1,780

#### 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>2022</b>					
Cash and deposits	29,844	(298)	(294)	298	298
<b>Total impact</b>	29,844	(298)	(298)	298	298

	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 2022 (31 December 2021: 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:

- land, buildings, plant and equipment, vehicles, leasehold 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**

A number of inputs are used in determining fair values. 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 2022.

### (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

		Level 1	Level 2	Level 3
	Carrying amount at 31 December \$'000	Quoted Prices \$'000	Observable Price Inputs \$'000	Unobservable Inputs \$'000
<b>2022</b>				
Non specialised land	14,146	-	14,146	-
Specialised land	9,345	-	-	9,345
<b>Total of land fair value</b>	<b>23,491</b>	<b>-</b>	<b>14,146</b>	<b>9,345</b>
Specialised buildings & improvements	49,327	-	-	49,327
<b>Total buildings &amp; improvements at fair value</b>	<b>49,327</b>	<b>-</b>	<b>-</b>	<b>49,327</b>
Plant, Equipment & Other assets	6,197	6,197	-	-
<b>Total Plant, Equipment &amp; Other assets at fair value</b>	<b>6,197</b>	<b>6,197</b>	<b>-</b>	<b>-</b>
Motor Vehicles	513	513	-	-
<b>Total Motor Vehicles at fair value</b>	<b>513</b>	<b>513</b>	<b>-</b>	<b>-</b>
<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	4,097	4,097	-	-
<b>Total Plant, Equipment &amp; Other assets at fair value</b>	<b>4,097</b>	<b>4,097</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>



## 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) 103 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 2022.

During the current year, the RBA have progressively increased the cash rate target from 0.1% at 1 January to 3.10% by year end. The RBA have taken these measures in response to higher than target inflation rates currently being experienced in the Australian economy. The increases in the cash rate target has had a consequential impact on the risk free and capitalisation rates used in determining the fair value of non-financial assets and creates increased estimation uncertainty as the market continues to adjust.

Further, rising costs of construction and inflation creates estimation uncertainty for assets measured at current replacement cost.

**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 2022. 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 2022.

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 current 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 current replacement cost method.

**Leasehold improvements** are held at fair value being current replacement 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 2022.

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**

<b>2022 and 2021</b>	<b>Valuation technique</b>	<b>Significant unobservable inputs</b>
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Specialised buildings	Current replacement cost	Useful life of buildings and 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

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

## 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 Higher Education	The Hon. Gayle Tierney MLC	1 January 2022 to 31 December 2022
Managing Director and Chief Executive Officer	Phil Paterson	1 January 2022 to 31 December 2022
Chair Ministerial Nominee Director	Allison Jenvey	1 January 2022 to 31 December 2022
Ministerial Nominee Director	Tammy Atkins	1 January 2022 to 31 December 2022
Ministerial Nominee Director	Morgana Ryan	1 January 2022 to 31 December 2022
Ministerial Nominee Director	Annette Kearns	1 January 2022 to 31 December 2022
Ministerial Nominee Director	Vernon Hilditch	1 January 2022 to 31 December 2022
Board Nominee Director	Roger Powell	1 January 2022 to 31 July 2022
Board Nominee Director	David Smith	1 August 2022 to 31 December 2022
Board Nominee Director	Glenda Beecher	1 January 2022 to 31 December 2022
Board Nominee Director	Catherine Prichard	1 January 2022 to 31 December 2022
Staff Director - Elected	Janelle Cretney	1 January 2022 to 30 June 2022
Staff Director - Elected	Matthew Austin	1 July 2022 to 31 December 2022

### 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: \$420,000 - \$429,999 (\$280,000 - \$289,999 in 2021).

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

Income range	2022	2021
Less than \$10,000	4	2
\$10,000 – \$19,999	1	1
\$20,000 – \$29,999	5	5
\$40,000 – \$49,999	1	1
Total number	11	9
Total remuneration (\$'000)	\$187	\$181

Remuneration of the Responsible Minister is included in the States Annual Financial Report.

### 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.

<b>Compensation of Executives</b>	<b>Total Remuneration</b>	
	<b>2022</b>	2021
	<b>\$'000</b>	\$'000
Short-term employee benefits	<b>969</b>	718
Post-employment benefits	<b>91</b>	68
Other long-term benefits	<b>54</b>	13
Termination benefits	<b>0</b>	0
<b>Total remuneration</b>	<b>1,114</b>	799
<b>Total number of executives</b>	<b>4</b>	4
<b>Total annualised employee equivalent (AEE)<sup>(i)</sup></b>	<b>4</b>	4

<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 Higher Education, the Hon. Gayle Tierney MLC, 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 and Higher Education. The Minister's remuneration and allowances is reported within the State's Annual Financial Report.

**Compensation of Key Management Personnel**

	<b>Total Remuneration</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
Short-term employee benefits	<b>1,497</b>	1,134
Post-employment benefits	<b>131</b>	104
Other long-term benefits	<b>69</b>	18
Termination benefits	<b>0</b>	0
<b>Total remuneration</b>	<b>1,697</b>	1,256

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

The Institute had no related party transactions for the period ending 31 December 2022, outside Government grants disclosed in Note 2.1.

**8.4 Remuneration of auditors**

	<b>Total Remuneration</b>	
	<b>2022</b>	<b>2021</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Remuneration of the Victorian Audit-General's Office</b>		
Audit of the financial statements	<b>73</b>	64
<b>Total remuneration of the Victorian Auditor-General's Officer</b>	<b>73</b>	64
<b>Remuneration of other auditors</b>		
Internal audit service	<b>21</b>	27
<b>Total remuneration of others auditors</b>	<b>21</b>	27
<b>Total</b>	<b>94</b>	90

The Victorian Auditor-General's Office is not allowed to provide non-audit services.

## Note 9 – Other Disclosures

### 9.1 Other equity reserves

	2022 \$'000	2021 \$'000
<b>Physical asset revaluation surplus:<sup>1</sup></b>		
Balance at 1 January	50,908	38,713
Revaluation increments/(decrements) of non-current assets	8,250	12,195
<b>Balance at 31 December</b>	<b>59,157</b>	<b>50,908</b>

Note:

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

### 9.2 Events after reporting date

On 5 December 2022, the Government issued an administrative order restructuring some of its activities via machinery of government changes, effective 1 January 2023. As part of the machinery of government restructure, overall administrative responsibility for the Wodonga Institute of TAFE was transferred from the Department of Education and Training, to the Department of Jobs, Skills, Industry & Regions. This change is not anticipated to have any significant impacts on the overall operations or financial position of the Wodonga Institute of TAFE moving forward, as the Responsible Ministers have not changed.

### 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 2022 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 2022, there were no new accounting standards issued by the AASB, which are applicable for the year ending 31 December 2022 that are expected to impact the Institute.

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

Wodonga Institute of TAFE has adopted AASB 2021-7a - Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections from 1 January 2022. The amendment, which is the first of a three part series of amendments, makes various editorial corrections to a number of standards effective for reporting periods beginning on or after 1 January 2022. The amendment has not had a material impact on the consolidated entity's financial statements.

## 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 22	Manner of establishment and the relevant Minister.	7
2.	FRD 22	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements.	5-15
3.	FRD 22	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future.	9-13
4.	FRD 22	Nature and range of services provided including the communities served.	7-8
<b>MANAGEMENT AND STRUCTURE</b>			
5.	FRD 22	Organisational chart detailing members of the Governing Board, Audit Committee, CEO, Senior Officers and their responsibilities.	20-23, 80-82
<b>FINANCIAL AND OTHER INFORMATION</b>			
6.	FRD 10	Disclosure Index.	84-87
7.	FRD 22	Employment and conduct principles.	18
8.	FRD 22	Workforce data disclosures.	19
9.	FRD 22	Occupational health and safety statement including performance indicators, performance against those indicators.	17
10.	FRD 22	Summary of the financial results, with comparative information for the preceding four reporting periods.	24
11.	FRD 22	Summary of significant changes in financial position.	24
12.	FRD 22	Operational and budgetary objectives, including performance against objectives and achievements.	9-15, 24, 35
13.	FRD 22	Major changes or factors affecting performance.	24
14.	FRD 22	Subsequent events.	83
15.	FRD 22	Summary of application and operation of the <i>Freedom of Information Act 1982</i> .	28
16.	FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i> . Wodonga TAFE considers that new buildings constructed after the effective date of the Building Act 1993, conform to the relevant requirements of the Act. Buildings in existence prior to the Building Act 1993, comply with the relevant building regulations, existent at that time. Wodonga TAFE's ongoing maintenance programs and any improvements or alterations to buildings are completed in a manner compliant with the relevant requirements of the Building Act 1993.	26
17.	FRD 22	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.	29
18.	FRD 22	Summary of application and operation of the Public Interest Disclosures Act 2012 including disclosures required by the Act.	29



Item No.	Source	Summary of Reporting Requirement	Page No.
19.	FRD 22	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.	26
20.	FRD 22I	Details of consultancies over \$10,000: 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>	26-28
21.	FRD 22	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.	26
22.	FRD 22	Disclosure of any Government advertising campaign in excess of \$100,000 or greater (exclusive of GST).	26
23.	FRD 22	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).	28
24.	FRD 22	Summary of Environmental Performance (Use table in FRD 24D guidance material).	16
25.	FRD 22	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer.	25
26.	FRD 25	Local Jobs First.	29
27.	SD 5.2	Specific requirements under Standing Direction 5.2.	38
28.	CG 10 Clause 27	Summary of Major Commercial Activities.	29
29.	CG 12 Clause 33	TAFE Institute Controlled Entities.	N/A
<b>COMPLIANCE ATTESTATION AND DECLARATION</b>			
30.	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.	25
31.	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.	38

Item No.	Source	Summary of Reporting Requirement	Page No.
<b>FINANCIAL STATEMENTS</b>			
<b>DECLARATION</b>			
32.	SD 5.2.2	<p>Declaration in financial statements:</p> <ul style="list-style-type: none"> <li>a) An Agency's financial statements must include a signed and dated declaration by: <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> </li> <li>b) The declaration required under Direction 5.2.2(a) must state that in the joint opinion of the signing persons: <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> </li> <li>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: <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> </li> </ul>	38
<b>OTHER REQUIREMENTS UNDER STANDING DIRECTIONS 5.2</b>			
33.	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements.	38
34.	SD 5.2.1(a)	Compliance with Standing Directions.	38
<b>OTHER DISCLOSURES AS REQUIRED BY FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS</b>			
35.	FRD 11	Disclosure of ex-gratia payments.	N/A
36.	FRD 21	Disclosures of Responsible Persons, Executive Officer and Other Personnel (Contractors with significant management responsibilities) in the Financial Report.	80-82
37.	FRD 103	Non-financial physical assets.	40, 55-57, 77-79
38.	FRD 110	Cash flow statements.	42, 66
39.	FRD 112	Defined benefit superannuation obligations.	52-53
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>			

Item No.	Source	Summary of Reporting Requirement	Page No.
40.	Legislation	<p>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:</p> <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 and Higher Education (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>	26
41.	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2021	26
42.	Policy	Statement that the TAFE institute complies with the Victorian Public Service Travel Policy	29
43.	Key Performance Indicators	<p>Institutes to report against:</p> <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>	35
44.	PAEC and VAGO (June 2003 Special Review Item, Recommendation 11)	<p>Overseas operations:</p> <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

