



Specialist centre  
for foods, tourism,  
hospitality and events

## Contents

President's Report	2
CEO's Report	3
Specialist Centre for Foods, Tourism and Hospitality	4
Vocational Training	6
Industry Training	8
Higher Education	11
Internationalisation	12
Recognition and Excellence	14
Community and Industry Engagement	16
Environmental Sustainability	18
Financial Summary	20
2011 Key Performance Indicators	21
Organisational Structure	22
Governance	23
Performance Statement	33
Human Resources	34
Activity Table	36
Liabilities and Disclosures	38
Sponsorships	39
Other Relevant Information	40
Disclosure Index	42
Financial Report	46

### FRONT COVER:

**Philippe Mouchel**

Head Chef and Restaurateur, PM 24

**Marcus Schaech**

Diploma of Hospitality

William Angliss  
Institute seeks  
to empower our  
students with skills  
and education and  
to inspire them to  
pursue their career  
goals and realise  
their potential.



Dr Michele Alan  
Board President

# President's Report

On behalf of the Board of William Angliss Institute I am proud to present our strategic and financial achievements for 2012. This Annual Report provides details of our operations in 2012 and highlights areas of achievement.

During 2012 the Institute has been able to continue to increase its educational services delivering 4.654m student contact hours. This was 99% of our target for the year and 13% more than the Institute delivered in 2011. The Institute has continued to provide skills development and training services in Melbourne, Victoria and across Australia. 2012 was a year for consolidating interstate activities as new market arrangements come into place across a number of these jurisdictions.

The progress of a number of the Institute's indigenous programs has been very positive. The National Indigenous Training Academy, a partnership with the Indigenous Land Council and Voyages Indigenous Tourism Australia at Yulara, held its first graduation in November 2012 and more trainees will graduate in 2013. The Institute is also providing the training for the Indigenous Land Council's National Indigenous Culinary Institute in Sydney.

International education activities remain a strong component of the Institute's revenue mix. International student numbers for 2012 were in line with expectation. International activity has

seen the first full year of training delivery in Singapore. Whilst it has taken time to become established in the market, training delivery growth has accelerated during the second half of the year and the pipeline indicates that this will continue into 2013.

The Institute continues to pursue a range of commercial activities. Both nationally and internationally these activities seek to provide opportunities for our students, support skills development within enterprises and generate financial returns for the Institute.

In presenting this report it is important that the context of the operating year is understood. In October 2011 changes to educational delivery funding for 2012 were announced. These changes had an impact on two significant areas of delivery, namely hospitality and tourism. In May 2012 further changes to funding delivery levels and broader operational support were announced with a short notice period. In this environment the Board has had to shift its focus from broader strategic development and planning to the immediate operational needs of the Institute. This shift has enabled the Board to support management in taking the necessary steps to realign the Institute to the new environment.

As a specialist William Angliss Institute has continued to evolve and develop its position as Australia's largest provider

of vocational and higher education for the foods, tourism and hospitality industry. The Institute will continue to explore further partnerships locally and internationally.

On behalf of the Institute I would like to thank the Hon. Peter Hall, MLC, Minister for Higher Education and Skills, for his support in 2012.

I would also like to acknowledge the special efforts and contributions from outgoing Board members Greg Lee and Eddie Micallef. Both have served several terms on the Board and the Institute has benefited from their commitment and perspective.

In closing I would like to express my sincere thanks to the Institute staff for their commitment to achieving our goals and upholding our values throughout the year. It is their passion for foods, tourism and hospitality, coupled with their commitment to our students and clients, that allows us to confidently stand behind our status as a specialist centre.

Dr Michele Allan  
President  
25 February 2013



Mr Nicholas Hunt  
Chief Executive Officer

# CEO's Report

In 2012 William Angliss Institute achieved its objectives by providing quality vocational and higher education that supports the foods, tourism and hospitality industries. Through this process the Institute sought to empower our students with skills and education and to inspire them to pursue their career goals and realise their potential.

2012 saw the Institute build on our business strategy. Our activities during the year have been focused on:

- Being a leader in foods, tourism and hospitality education, training and industry services.
- Utilising differentiation in the market place based on our specialist expertise, breadth of programs within this specialisation, quality facilities and connection to our industry community.
- Sustainable and manageable growth.

The future success of Victoria's and Australia's foods, tourism and hospitality industries relies on its capacity to attract individuals who are service focused. As detailed within this report, the Institute continues to work with enterprises and industry associations to support the recognition of career and employment opportunities across the many sectors of these industry areas. Events, presentations, sponsorship, partnerships and skills challenges all seek to strengthen connections between career aspirants and future employers.

The Institute's educational delivery grew by 13% to 4.654m student contact hours, up from 4.063 in 2011, representing 25,850 enrolments across the Institute operations. Our portfolio of educational programs are aligned with our specialisation and this quantum of skilled individuals will go on to make a significant contribution to the industry.

The Institute continues to refine and develop its range of products and services to ensure that the expectations of its students and industry clients are met. As Australia's largest provider of foods, tourism and hospitality training, the Institute seeks to provide the best service and student experience for our specialisation and to support the many businesses that engage, employ and develop our graduates.

Benchmarking our performance is important. To ensure we continuously improve our products and remain focused on providing our customers with what they are seeking the Institute is engaged in a number of benchmarking activities. In 2012 Service Skills Australia Graduate Outcomes Survey found recent graduates of WAI hospitality courses had an overall satisfaction rate of 93.9%. Our annual survey of enrolled students indicated a satisfaction level of 83.75%, against an operational benchmark of 80%. The Institute remains a foundation member of the International Centre of Excellence in Tourism and Hospitality Education (THE-ICE). THE-ICE provides the opportunity for the Institute to benchmark internationally and for staff to engage in a variety of development activities.

Staff remain central to the Institute's core activities. During the year staff input was sought at major points, including the annual staff survey and as part of an organisational review. The level of engagement was very positive for both activities with the staff survey generating a strong response rate of 73%. The survey results indicating that staff satisfaction remained at 78.6%, the same level as in 2011. A positive result during these challenging times.

The Institute has been seeking to consolidate a number of new business activities at a time of substantial

change within the sector. The steady financial results for the year reflect the diversity of the Institute's revenue streams, adjustments made late in 2011 and a preparedness to adjust to new circumstances.

During the year the Institute went through considerable structural change. These changes have sought to ensure the Institute is best placed to transition to a new operating environment. The effect of these changes will be closely monitored in 2013. The costs associated with undertaking these structural adjustments have been identified within this report.

Active engagement with our industry and the education sector has been continued in 2012. The Institute supports and is actively involved with peak industry associations and representative associations for education at both state and national level. The Institute remains committed to supporting the further development of public vocational and tertiary education in Australia.

I would like to thank the Board and in particular our President, Dr Michele Allan, for the support and leadership that she has provided during a challenging year. I would also like to thank the staff across all aspects of the Institute's operations. It is their passion for our specialist industries and their commitment to encourage and develop our students that enables the Institute to deliver as specialist centre for foods, tourism and hospitality.

Mr Nicholas Hunt  
Chief Executive Officer  
25 February 2013

# Specialist Centre for Foods, Tourism, Hospitality and Events

Industry leaders in foods, tourism, hospitality and events regard the Institute as the specialist centre for education and training in these areas.

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In 1940, prominent Melbourne businessman Sir William Angliss founded Australia's first trade college dedicated to providing training for the food industry. The William Angliss Food Trades School was born. Quickly gaining national recognition and prominence, the School continued to build on these foundations, expanding the extent and variety of its programs.

Since then, William Angliss Institute (hereafter known as "the Institute") has provided specialist education and training in foods, tourism, hospitality and events. These are hands on, customer focused vocations that attract creative and enthusiastic students globally. The 25,850 enrolments in 2012 comprised of local and international students based on-campus or participating in workplace training.

## Continuing growth across Australasia

Along with the main campus in the centre of Melbourne, Australia, the Institute also delivers training direct to industry partners through a Sydney and a Singapore campus, five joint venture campuses in China, and through national and international consultancy projects around the world.

## Areas of Specialisation

William Angliss Institute is the Government endorsed specialist training centre for foods, tourism, hospitality and events

With over 55 nationally accredited course options available and a range of flexible learning pathways from short courses through to our innovative degree courses, the Institute is regarded by industry leaders as the destination of choice for hospitality education and training.

A suite of training delivery options includes:

- Degree and graduate education
- Apprenticeships and traineeships
- Industry placement programs
- Certificates, diplomas and advanced diplomas
- Compliance training
- Short courses and outreach programs
- VET in Schools and VCAL programs
- Tailored training packages for organisations

Industry expertise and specialist knowledge has seen the Institute as an active driver of industry benchmarks through representative positions on industry boards.

Furthermore, the Institute's consultancy services have been utilised in emerging tourism markets in Australasia.

The Institute provides training for the following specialist sectors:



## Foods

**Commercial Cookery**  
**Food Processing (Butchery and Bakery)**  
**Patisserie**  
**Confectionary**  
**Food Science and Technology**



## Hospitality

**Hotel & Resort Management**  
**Business and Franchising**  
**Industry Compliance**  
**Retail**



## Tourism

**Eco Tourism**  
**Tour Guiding**  
**Event Management**  
**Entertainment Operations**  
**Travel**



**Selvana Chelvanaigum**  
Patisserie graduate at  
The Tea Room, National  
Gallery of Victoria

The 25,850 enrolments in 2012 comprised of local and international students based on-campus or participating in workplace training.

# Vocational Training



## New courses and initiatives

In consultation with governments and industry, the Institute developed new courses offshore and across Australia tailored to market needs. Similarly driving excellence through new initiatives was evidenced at various levels of Institute training with core programs being extended and the inclusion of new streams and delivery and assessment approaches.

The following innovative customised programs were successfully introduced in 2012:

- Certificate II in Tourism – Flight Attendant Pre Interview Training Course
- Flight Attendant subject clusters being added to either Certificate IV in Tourism or Certificate III in Travel
- Vocational Graduate Certificate in Food Industry Management
- Certificate I in Vocational Preparation
- Certificate III in Retail Baking Bread (Coles)
- Certificate III in Health Services offered as a dual qualification with a Certificate II in Hospitality (Kitchen Operations) through a clustered deliver approach
- Establishment of the National Indigenous Culinary Institute – Australia's top chefs, prominent industry figures and William Angliss Institute, combined forces to create an Indigenous Trainee Chef program.

## Industry competitions and events:

The Institute has always been supportive of competitions and activities that drive students to excel. In 2012 the Institute hosted, supported and participated in key industry competitions and events for the culinary, baking, hospitality, travel and tourism industries, providing facilities, expert staff for judging, entering competitive teams and coordinating student participation. William Angliss Institute staff and students participated in the following:

- 2012 Formula 1 Qantas Australian Grand Prix
- 2012 AFL Football Season
- AMIC Sausage King & Smallgood Competition
- Australian Artisan Baking Cup
- Australian Hotels Awards Victoria
- AusTAFE State Final
- Bakeskills – The Great Australian Pie Competition
- BIAV Easter in the Fruit Bowl
- Clubs Victoria Awards
- ConTech practical workshop featuring overseas confectionery expert
- Fine Foods, Sydney Show September 2012 exhibiting with Goldstein/Eswood
- Fonterra Foodservices Proud to be a Chef Program
- Great Aussie Meat Pie Competition
- Gusto! A culinary history of Victoria, State Library of Victoria
- HOSTPLUS Careers 7 Employment Expo, William Angliss Institute
- International Cool Climate Wine Show
- ISES Eventworld in Dallas (Annual Conference by International Special Events Society)

- L'Oreal Melbourne Fashion Festival – Spirit of the Black Dress
- Melbourne Food and Wine Festival
  - Fire MasterClass
  - Foodie Family Day
  - World's Longest Lunch
  - World's Longest Lunch Healesville
- Motor GP 2012

TAFE Development Centre Industry Skills Scheme – Sebastien Canonne M.O.F. sugar workshops

- Taste of Melbourne
- Trans Tasman Butchery Comp (Australia vs New Zealand)
- The Age VCE and Careers Expo
- The Great Cheese Platter – Queen Victoria Markets
- VicTAFE Culinary Challenge
- VET Outbound Mobility Program
  - Discovering Patisserie and Chocolate in France and Belgium
  - Travel students study trip to China and USA

## 2012 Awards:

- Australian Event Awards
  - Best Education or Training Program Winner (Events Certificate, Diploma and Advanced Diploma of Events)
- Developing Tourism Leaders Award
  - Event Winner
  - Events Highly Commended Winner
  - Events Judges' Award Winner
  - Tourism Merit Award Winners
- Geliba Student Award
  - Outstanding Achievement in Product Concept Development

- Hostplus Cook for Your Careers Culinary Competition
  - Stage one cookery student Michael Frenkiel was named the joint winner of the competition, being offered an apprenticeship at Melbourne's Coda restaurant, under the mentorship of head chef, Adam D'Sylva
- Internal Waiters Competition
- John Patrick Conway Award
- National Travel Training Awards
  - Finalist, Best Registered Training Organisation
- SIGEP Bread Cup – Rimini, Italy
  - Shane Greenman won First Place for his bread showpiece, achieving the highest score ever awarded in this category since the competition began
- The Craig Family Award for the top student in the Confectionery Correspondence Course.
- The Sollich Award
- Travelport Instructor of the Year Award – Winner
  - Travelport named Angliss Travel's Paula Howard as Instructor of the Year
- VicTAFE Culinary Challenge – 1st Place
- William Angliss Institute Chocovic Chocolate Competition

**Membership of key industry bodies:**

- Association for Academic Language and Learning
- Australian Culinary Federation
- Australian Hotels Association
- Australian Industrial Group – Confectionery Sector
- Australian TAFE Tourism Hospitality Educators Association
- Career Development Association of Australia
- Careers Guidance Association
- Clubs Victoria

- Council for Australasian University Tourism and Hospitality Education
- Eco Tourism Australia
- Food Services Australia
- International Centre of Excellence in Tourism and Hospitality Education
- Les Toques Blanches
- Meetings and Events Australia
- Melbourne Food and Wine Tourism Council
- National Association of Graduate Career Advisory Services
- Professional Executive Housekeepers' Network
- Professional Tour Guides Association of Australia

- Quality in Education and Training Network
- Restaurant and Catering Victoria
- International Centre of Excellence in Tourism and Hospitality Education (THE-ICE)
- TAFE Libraries Association of Australia
- Tourism Alliance Victoria
- Victorian TAFE Libraries Association
- Victorian Tourism and Hospitality Educators Network
- Victorian Tourism Industry Council
- VISTA – Association of VET Professionals
- Young Tourism Network YMEA



**Megan Adams**  
 Diploma of Event Management  
 Senior Event Manager, Atlantic Group [v]

# Industry Training

The future of the foods, tourism and hospitality industries are strengthened by a highly skilled and trained workforce, populated by the Institute's students and graduates.



Project	Industry Partner(s)	Project Activities
Continued Indigenous community training in remote sites	Compass Group Australia	<p>In Western Australia – Certificate I in Asset Maintenance and Certificate I in Hospitality Operations were delivered in the following regions; Perth, New Norcia, Fairbridge Farm, Karratha, Port Headland. Total students trained: 101</p> <p>In Queensland – Certificate I in Asset Maintenance and Certificate I in Hospitality were delivered in the following regions; Mt Isa, Blackwater, Ensham, Yongala, Burnt Gully. Total students trained: 66</p> <p>Total of 167 Indigenous Students were trained in remote areas of Australia.</p>
Training in Papua New Guinea	NCS	Delivery of Certificate III in Commercial Cookery and Certificate III in Club Management
Ayers Rock Resort – National Indigenous Training Academy	Indigenous Land Corporation	Certificate II in Hospitality Operations delivered at Ayers Rock Resort. Four intakes of trainees conducted in 2012
Management Workshops	Rydges Darwin Rydges Cairns	An interactive one day management workshops for Department Heads
Management training	Peter Rowland RACV Compass Group	Diploma of Management
DEEWR Local Indigenous Employment Program	DEEWR	Continued training of indigenous staff through Charcoal Lane, Mission Australia
DEEWR IEP (Australia)	DEEWR	Continued training of indigenous staff across all states and territories
Food Processing	Nestlé Haigs Chocolates	Delivering training in Food Processing up to Certificate III level
Meat Processing	Meat Industry Specialist Systems	Delivering training in Meat Processing up to Certificate III level
Delivery of TAE	WAI teaching staff and industry clients	Delivery of training to teaching staff to update their training qualification



In 2012 the Institute expanded its national operations, providing innovative solutions-based training programs in the far north Queensland region to industry clients. With service delivery established in each state and territory we offer our industry partners workplace delivery utilising flexible training resources and a range of diverse delivery methods.

The Institute continues to provide best practice flexible online learning materials and enhanced technology to support training partnerships, particularly in induction resources for current clients and for compliance training. The Institute responded to specific needs by developing targeted programs, most notably in customer service, compliance, lean and competitive manufacturing and food processing.

Partnerships with key industry clients continued, offering on-site training solutions for: Peter Rowlands, Thank God it's Friday (TGIF), First Contact, Concierge Service for ANZ Bank, Erigroup of Hotels, Morris Corporation, Hotel Grand Chancellor, Grossi Restaurants, Burger Eagle, Mrs Fields Cookies and Oz Ten Pin Bowling, Hungry Jacks, Gloria Jeans, Compass and Wyndham Vacation Resorts. In addition new partnerships have been established with Queensland Rail, Quicksilver, Rydges Cairns, Rydges Darwin, Zouki Group and Set Solutions.

#### **National Partnership Development**

The William Angliss Institute /Indigenous Land Council Academy of Excellence for Indigenous Training based at Ayers Rock Resort held a graduation ceremony in November 2012 for the first intake of students who commenced the program in

October 2011. The Institute has enrolled more than 90 trainees at the Academy since the contract commenced.

#### **Certificate III in Health Support Services**

The first graduation of trainees enrolled in Certificate III in Health Services occurred in December 2012. This program is now being offered to our industry partners with aged care and hospital catering contracts.

#### **Meeting Industry Requirements**

In seeking to address the current and emerging training requirements of industry, including widespread skills shortages and low retention rates of skilled employees, the Institute implemented the following measures:

- Further strengthened industry partnerships and networks including stronger relationships with partner TAFEs.
- Consulted with a broad range of industry advisory boards both locally and interstate most of which are involved in the Institute's program review process. Institute staff are individually involved in over 50 industry networks and professional associations.
- Consulted directly with over 50 industry representatives and held information sessions at the Institute.
- Conducted specific recruitment campaigns across Australia, offering a broad range of programs and services including skills analysis and compliance
- Supported a number of industry and government initiatives to address the shortage of skilled hospitality and food industry workers.

- Increased the number of indigenous programs offered Australia-wide. This included working in partnership with the Indigenous Land Corporation (ILC) to mentor indigenous Australians to assist them in growing and develop existing businesses in remote regions of Australia.

The Institute is proud to be working in conjunction with government and industry, providing skilled graduates to ensure industry success and sustainable growth.

#### **Customised Solutions**

The Institute has developed specialised programs, training expertise and learning resources for the foods, tourism and hospitality fields. This infrastructure provides students at all levels with access to an extensive body of knowledge and flexible training options. The Institute's training resource solutions are designed to meet the needs of industry clients, which include:

- Co-branded learning resources
- Nationally recognized training units and qualifications
- Customised short course programs, skills sets or full qualifications
- Mentoring and other skill development initiatives
- Designated Account Managers who work in and understand industry needs
- Multi-delivery method options for all clients
- Corporate graduation ceremonies

In addition, the Institute developed tailor-made training resources (interactive and printed) as well as other multimedia products (corporate videos and websites) for commercial clients.



Approximately 47% of graduates in 2012 were placed in four or five star hotels in Melbourne, Port Douglas and Broome and 10 students were placed internationally in Vietnam, Singapore, Malaysia, China, Tahiti and the US.

**Alexandria Tibbetts**  
Reservations Manager, Medina Grand  
Bachelor of Tourism and Hospitality Management

# Higher Education



## Relevant and In-Touch with Industry

The Institute offers a comprehensive range of options to meet the lifecycle and career stages of individuals whilst keeping a clear perspective on industry trends and their implications.

From school-based vocational education and training through to higher education and workplace courses, programs have been carefully constructed to meet the evolving needs of industry and offer individuals a variety of pathways into their chosen fields.

Late in 2011, the Higher Education programs were unconditionally re-accredited, which attests of the academic standing of the courses. In 2012, the Institute enrolled over 500 students in the Bachelor of Tourism and Hospitality Management and the Bachelor of Culinary Management. The program aims to produce graduates who are not only competent practitioners in tourism, hospitality or culinary arts sectors, but who also have an understanding of and insights into business dynamics, challenges and opportunities in their industry.

On completion of the program graduates are able to demonstrate to employers that they have developed skills and competencies. Opportunities for acquiring and applying theoretical and conceptual understanding of program content come through hands-on experience in both a formal academic environment and in work placement. In addition, they are able to reflect on their own experiences and practice in order to identify implications and learning relevant to professional issues in context.

## Work Integrated Learning Programs

A defining part of the degree program is the work integrated learning component, where students spend 12 months in a related industry work placement. This period provides students with the opportunity to refine skills and apply knowledge obtained over the previous years of study, in the real world. Work Integrated Learning allows students to gain valuable experience from within the industry in which they study.

The program offers prospective employers a wide degree of flexibility, and students have the ability to work within an extensive range of hospitality and tourism-related enterprises. Some students are taken on for specific projects; others rotate through the various departments within the organisation and some are engaged to work specifically in the one department.

In 2012, students were employed in a diverse selection of hospitality sites. Approximately 47% were placed in four or five star hotels in Melbourne, Port Douglas and Broome. 10 students were placed internationally in Vietnam, Singapore, Malaysia, China, Tahiti and the US. The remainder were placed in faster-paced, branded environments and independent locations, including several fine dining environments, and smaller, independent restaurants, cafes and specialty facilities.

During 2012, high profile hotel industry partners in Melbourne included Sofitel, Grand Hyatt, Park Hyatt, The Langham, Stamford Plaza Melbourne and the Windsor Hotel. High profile restaurant industry partners included Grossi Restaurants, Vue de Monde and Matteo's.

Within the 5 star hotel sector students worked in a variety of departments including Banquets, Communications, Front Office, Food & Beverage, Concierge and Housekeeping. Congratulations to Jon-Stefan Gabriel, who was nominated for a Reward and Recognition Award for outstanding guest service at the Sheraton Mirage, Port Douglas.

# Internationalisation

The Institute's students and graduates are encouraged to challenge ideas and existing practices, to push the boundaries and excel in their field of choice.



Internationalisation is an essential part of the Institute's strategic plan. The Institute recognises the importance of preparing students as global citizens with the skills and knowledge to build successful careers in the foods, tourism and hospitality industries wherever they choose.

These industries are truly international and represent leading growth sectors in most developed and developing countries. This means exciting opportunities for graduates as they complete their qualifications and commence their careers. The Institute seeks to provide students and staff with as many international influences and opportunities as possible to prepare them for work. The Institute's International graduates continue to enjoy extremely high rates of employment and are recruited for high profile jobs after completion of their courses.

During 2012, with assistance from the VET Outbound Mobility Program, students participated in four international study tours:

- Tourism students - China
- Tourism and events management students - Greece
- Culinary students - Belgium and France
- Retail travel students - USA

In addition, two study tours were conducted for students of Resorts Management:

- USA - Dive program
- Thailand and Singapore - Spa program

## Professional Development

Many staff members had the opportunity to work and undertake personal and professional development overseas in 2012. This was made available through the Institute's diverse international project work and global network of industry and education partners. Throughout the year, staff participated in project and business development activities in Angola, Brazil, Brunei

Darussalam, Cambodia, Chile, China, Colombia, Fiji, Hong Kong, Indonesia, Japan, Korea, Lao PDR, Malaysia, Mauritius, Myanmar, Papua New Guinea, the Philippines, Samoa, Singapore, Sri Lanka, Timor Leste, Thailand, the United Arab Emirates and Vietnam.

## Global Collaborations

In 2012 a significant achievement was the signing of an agreement with the BERJAYA University College of Hospitality in Kuala Lumpur, Malaysia. The agreement is specific to delivery of our Higher Education programs. Together we are delivering our specialised and unique internationally recognised degree programs, offering students worldwide the opportunity to enrol in a degree program with William Angliss Institute and completing the programme in Malaysia. BERJAYA University College of Hospitality integrates state-of-the-art facilities, high educational standards and industry expertise and offers the opportunity for Australian students to participate in study abroad programs as part of their study experience.

The Institute's Continuing Education and Training (CET) Centre established in Singapore in late 2011 welcomed its first students into courses in February 2012. During the year training alliances were formed with major tourism industry partners. These led to training delivery both on campus and on industry sites for major hotel and casino operators, Sentosa Island attractions, a centre for cruise liners, a new airline and an international chain of coffee shops. Partnerships with several new tourism service providers were also finalised for which training projects will commence early in 2013.

The Institute's work for the Secretariat of the Association of South-East Asian Nations (ASEAN) was expanded in 2012 with the awarding of four separate contracts for new projects. Institute staff worked across all ten nations of ASEAN to carry out the works, and engaged with

hundreds of tourism industry leaders representative of a rapidly growing sector within a regional population base of more than 660 million people.

## Memberships, Partnerships and Affiliations

The reputation of the Institute as a specialist is recognised by industry and government bodies through a number of memberships and affiliations. Among these is the Institute's continued involvement with the prestigious International Centre of Excellence in Tourism and Hospitality Education (THE-ICE). Membership of this organisation consists of international institutions, governments, tourism organisations and industry, providing the Institute with access to a collaborative, international network of members who value and promote excellence in tourism and hospitality education.

## Education Alliances

Alliance activities contributing to the further internationalisation of the Institute in 2012 included:

- Building relationships with selected institutions around the world to explore areas for exchange and collaboration
- Offering opportunities for our academic staff to build their knowledge in international practices
- Providing local students with international experiences through study abroad opportunities
- Providing opportunities for international students to continue their studies at the Institute
- Continuing the exchange and collaboration programs with Dusit Thani College in Thailand and Berjaya University College of Hospitality in Malaysia
- Arranging additional academic articulation pathways into the Bachelor Degrees at the Institute with 20 institutions from South and Central America, South Africa, United Arab Emirates and Asia



Project	Industry Partner(s)	Project Activities
Association of Southeast Asian Nations (ASEAN) Tourism project to develop training toolboxes for housekeeping, and core units	The ASEAN Secretariat	Continuation of project to develop 46 training toolboxes covering core units, housekeeping and English language
Association of Southeast Asian Nations (ASEAN) Tourism project to develop training toolboxes for food & beverage, food production and front office	The ASEAN Secretariat	New project to develop 98 training toolboxes covering units in food & beverage, food production, and front office
Association of Southeast Asian Nations (ASEAN) Gap Analysis project	The ASEAN Secretariat	A project to conduct research and study in the ten ASEAN nations to analyse the gaps in preparation of implementation of the MRA on tourism professionals
Association of Southeast Asian Nations (ASEAN) Feasibility Study project	The ASEAN Secretariat	A project to conduct research and study in the ten ASEAN nations to produce a feasibility study on the establishment of a regional tourism secretariat
Association of Southeast Asian Nations (ASEAN) Master Trainer and Master Assessor programs	The ASEAN Secretariat	Production and delivery of new courses to train ASEAN Master Trainers and Master Assessors delivered at the Bali Hotel School in November and December
Assessment, training, certification and employment programs for bakery and cookery professionals in Vietnam and the Philippines	Australian Leisure and Hospitality Group (ALH), Brumby's Bakery and Targeted Staffing Solutions Pty Ltd.	Industry assessment and training programs to certify industry professionals, with the aim of increasing employment opportunities for these professionals in Australia
Hotel training in the management of Food and Beverage, Front Office, MICE and events, and Housekeeping	Saigon Tourist Hotel Group, Viet Nam	Four staff delivered a one month program in hotel management in Ho Chi Minh City for 31 middle managers from the group's hotels from across the nation
Assessment of Chefs and cooks for migration purposes	Various hotels, restaurants and resorts Australia wide	Assessments conducted in China, Fiji, Singapore, Thailand and Vietnam
Industry Employee training programs	Hilton Worldwide	Delivery of a customised Graduate Certificate Program to Hilton Worldwide Spa Managers from the Asia Pacific region
World Bank funded Tourism Teacher training for the East Timor Ministry of Education in partnership with the East Timor Development Agency	East Timor Development Agency	Delivery of Diploma in Tourism in Dili and Melbourne including two 8 week Work Placement programs at Melbourne campus and externally for 7 East Timorese nationals
Hospitality training and assessment for 3000+ hospitality workers and managers in mine sites in Angola over four years	Express Angola	Delivery of Certificate IV TAE training and Certificate I Hospitality training continued in 2012

# Recognition and Excellence

William Angliss Institute has a long tradition of offering specialised programs in foods, tourism and hospitality. The expansion of these programs into bachelor degrees has presented the Institute with the opportunity to explore research and scholarship in the emerging Higher Education in VET environment.



A broad scope of activities which reflect engagement with the academic community in the foods, tourism and hospitality disciplines, collaboration with industry and connection with the wider public community are listed below.

## List of Research Publications

### Refereed journal and conference publications

- Abe, Y. (in press), 'Preserving Culture: Comparative analysis of two attempts to obtain World Heritage Status in Tana Toraja, Indonesia' (in Japanese) Japanese Foundation for International Tourism, March, Vol. 20.
- Harris, A. & Kloppenborg, P. 2012, 'Great Expectations: Building research capacity in vocational tourism and hospitality institutes' Asia Pacific Journal of Innovation in Hospitality and Tourism. Vol. 1, Issue 2, pp.125-141.
- Harris, A. 2012, 'Tourism & Hospitality student communications preferences, a new digital divide?' paper accepted to THE-ICE International Panel of Experts, 18-20 November 2012, Dubai.
- Harris, A. 2012, 'Preceding factors in joining a social network: the case of sunbird caravanners in Northern Australia' paper presented at CAUTHE 2012: The New Golden Age of Tourism and Hospitality, February 6-9 2012, Melbourne.
- Kloppenborg, P. 2012, 'Building research capability through special collections in University and Polytechnic libraries' paper presented at the Congress of Southeast Asian Librarians, 28-31 May 2012, Bali.
- Lagos, E. & Harris, A. 2012 'Visitation to Gallipoli: Website language patterns and their effectiveness in forming travelers' motivation' paper presented at 2nd Advances in Hospitality and Tourism Marketing & Management conference, 31 May-3 June 2012, Corfu
- Richards, J. 2012, 'An old chestnut revisited: teachers opinions of grading within a competency based training system' AVETRA, April, 12-13 April 2012, Canberra.
- Wrathall, J. 2012, 'The long-term benefits of business event tourism' extended abstract presented at CAUTHE 2012: The New Golden Age of Tourism and Hospitality, February 6-9 2012, Melbourne.
- Kloppenborg, P. & McKerracher, S. 2012, 'Politics with a capital P', Incite. Vol. 32, Issue 11, pp. 7-8.
- Kloppenborg, P. 2012, 'The Adventures of Slippery Bob and the Kangaroo Steamer a gastronomic miscellany of the Australian colony', Tablet to Table, Vol. 1, Issue 1.

### Academic awards and contributions

#### Yoshi Abe

- Invited judge – 43rd Annual Japanese Language Speech Contest, Victorian State Final 2012, 16th September, Swinburne University of Technology, Melbourne.

#### Dr. Meeuwis Boelen

- Chair, Chinese Medicine Board of Australia (CMBA) Accreditation Committee.

#### Alana Harris

- Le Cordon Bleu award for Best Paper 'Preceding factors in joining a social network: the case of sunbird caravanners in Northern Australia', Council of Australian Tourism and Hospitality Educators Conference, February 6-9 2012, Melbourne.

Research consultant for Tablet to Table e-publication, series 1.

#### Paul Kloppenborg

- Adjunct lecturer, Charles Sturt University, Wagga Wagga.

## Scholarly and community research projects

### Tablet to Table – e-publication

The first series of Tablet to Table was launched in August 2012 and explores Australian culinary heritage and the community. The digital publication and on-line video series highlights culinary archives with particular focus on the William Angliss Special Collections.

Each issue has incorporated input from professional chefs, who comment and refresh archived recipes and community cooks, who prepare the recipes.

Academic staff and visiting scholars have contributed to the feature articles based on original research, which are collated and peer reviewed. Currently distributed for electronic loan through municipal and state libraries around Australia and available to the public (via paid subscription).

### The Science of Taste – symposium

William Angliss Institute conducted “The Science of Taste” symposium on 26 November 2012 as part of the City of Melbourne’s “Knowledge Week”. Over 90 people attended on the day, from industry to general public, to hear from expert academic and industry speakers on the topic of neurogastronomy.

William  
**Angliss**  
Institute

Specialist centre  
for foods, tourism  
& hospitality



# The Science of Taste

## Save the Date

Monday 26 November 2012  
Knowledge Week 2012



There's a science behind taste.

Join the experts at William Angliss Institute, leading the academic analysis of food appreciation.

The Science of Taste is a one day program highlighting the link between gastronomy and neuroscience and providing insight into how flavours excite the senses.

To register your interest email:  
[degrees@angliss.edu.au](mailto:degrees@angliss.edu.au)

visit our website at [www.angliss.edu.au](http://www.angliss.edu.au)

# Community and Industry Engagement



## Social Responsibility

Diversity within the Institute's student-base and wider community was supported in 2012 through initiatives such as International Students' Day, World Environment Day and R U OK? Day.

## Student Run Charity Events

In 2012 students were involved in charity events and ran fundraising activities, including:

- Heart of Melbourne Ball with City of Melbourne
- Cancer Council Mad Hatters Morning Tea
- Sausage Sizzle and Mother's Day Dinner for Ronald McDonald House

Students and staff helped to raise \$610, which was donated to various charities including Ronald McDonald House - Royal Children's Hospital, Epilepsy Foundation, Cancer Council and RU OK? Foundation.

## William Angliss Institute Foundation

2012 was the second year of operation for the William Angliss Institute Foundation.

Scholarships were developed with the intent to provide ongoing assistance to students and the wider community. This was made possible due to the generous support of the Institute's many friends and industry partners.

## William Angliss Institute Alumni

2012 was an active year in the online and digital space for post-graduates joining the Institute's social networks to reconnect and further build ties with industry through the Alumni community.

## Providing Students Every Opportunity for Success

Students studying at the Institute are the future of the foods, tourism, hospitality and events industries. To ensure a relevant educational experience, the students are exposed to real industry environments and opportunities that enhance their knowledge and understanding. In 2012, such opportunity was provided in the following ways:

- Melbourne Food and Wine Festival - more than 120 positions were filled by students. Working with Peter Rowland's Catering, students participated in the annual World's Longest Lunch event, which hosted lunch to close to 1000 visitors along the Yarra River.
- Good Food and Wine Show - a partnership that saw 120 students participate over the three day show.
- Taste of Melbourne - cookery, patisserie, events and hospitality students had the opportunity to work at the Taste of Melbourne event.
- L'Oreal Melbourne Fashion Festival - students were involved with theming, the event crew and food and beverage attending.
- Spring Racing Carnival - students worked through Peter Rowland Catering and Epicure Catering at Flemington racecourse for all the racing events.
- Moto GP - in collaboration with Peter Rowland Catering, students participated in paid employment at the Moto GP in Phillip Island.

Students had the opportunity to get involved with other events held in Melbourne throughout 2012 including:

- Sponsored by HOSTPLUS, The Annual Careers and Employment Expo was held in early September. The event saw many new and returning employers exhibit to students. Promoting casual, placement and graduate opportunities, over 700 students attended and 28 employers and industry bodies exhibited.
- The Institute's Careers and Employment service hosted two Professional Networking events to help celebrate National Career Development Week (NCDW) in May 2012, an initiative supported by the Department of Education, Employment and Workplace Relations and Career Industry Council of Australia. With 70 students and 30 alumni/industry leaders in attendance each night, students had the opportunity to engage with leaders for the hospitality, tourism, events and foods industries.
- Various employers recruited students on campus including: Sheraton Mirage Port Douglas, Peter Rowland Catering, Mantra Group, Accor Group, IHG, and Delaware North.
- Disney Programs made two visits to the Institute in 2012. For the fourth year in a row, representatives from Orlando, Florida came to Melbourne to recruit graduates in large numbers, maintaining our position as having employed more graduates from the Institute than any other tertiary provider. Whilst on campus, Disney spent time showcasing student opportunities and providing lectures and sharing secrets to Disney's customer services to both students and staff.

- HOSTPLUS sponsored Australia's Barefoot Investor, Scott Pape to share some valuable investment tips with students.
- William Angliss Institute and City of Melbourne continued their partnership, established in 2011, benefiting tourism and events students. The collaboration saw students working with City of Melbourne across a program of hallmark events with a variety of work experience options and career progression opportunities.

#### Targeting new students

To increase awareness of the educational options and career outcomes available, the Institute repositioned its recruitment strategy in 2012 with a number of promotional activities and campaigns, the highlights of which are as follows:

- Technology and digital platforms – used as a recruitment tool to capture data across different mediums for all our campaigns. Examples include Open Day Pre-registrations, SMS reminders for events, ipads to capture reliable information
- 'Trial-a-Trade' run as part of the Melbourne Food and Wine Festival and William Angliss Open Day – provided year 10 to 12 school students with the opportunity to experience working life as a butcher, baker, chef or barista and to learn more about the career opportunities available in these industries
- Campus Tours – over 248 campus tours were conducted throughout 2012 for school students, community groups, professional associations and at Open Day. Tourism teachers provided guiding training to all students who conducted campus tours

- Open Day 2012 – attracted approximately 3000 people, receiving very positive feedback with 92% of attendees rating it as excellent with the remainder rating it as very good
- Recruitment Events and Expos – participation in over 190 recruitment events over 239 days, including hosting the Institute's largest and most successful careers advisor day attracting 110 careers teachers
- Institute Based Expos – the Mid-Year Expo, Further Your Future Week, and Change of Preference Day were conducted on campus to promote courses to current and potential students to 'put their dreams 1st' and make the Institute their first choice for further study
- Student Ambassador Program – this project continued to give existing students the opportunity to obtain part-time employment promoting the student experience at the Institute. Student Ambassadors were actively involved in school exhibitions, Institute tours, major career exhibitions and a variety of internal and external events such as Further Your Future Week, Open Day, Change of Preference Day and Try-a-Trade Cranbourne.

#### Reaching new audiences

In accordance with changing marketing trends and proliferation of online activity, the Institute developed a more targeted social media strategy to increase the number of potential students engaging with William Angliss Institute through blogs, social media and online news items. A larger focus was also placed on online advertising and communication channels.

As a result of the new social media strategy, the amount of 'likes' on the William Angliss Institute Facebook page doubled. New web banners supported

marketing campaigns and regularly updated photos and new articles on the website homepage, showcased the Institute's key events.

As a result of the Institute's reputation as specialist experts in foods, tourism and hospitality, media were keen to use our industry-grade facilities in 2012. Auditions for MasterChef season five and MasterChef Professionals brought hundreds of cookery enthusiasts through Melbourne and Sydney campuses. A visit by Marco Pierre-White saw him interacting with lucky cookery students on Channel Ten news as a result of the MasterChef friendship. The Great Australia Bake-Off auditions exposed bakery and patisserie hopefuls to our kitchens, and My Kitchen Rules took on a challenge at the Institute which will showcase the Melbourne campus Building F to hundreds of thousands of Australian viewers. Prank Patrol filming on campus also drew attention from younger television audiences.

Coxy's Big Break filmed a lucky patisserie student in one of our top demonstration rooms in a segment emphasising our partnership with National Library of Victoria's Gusto! exhibition, whilst many other students featured in Open Day coverage in metropolitan press. Nationwide, the ABC network also promoted the Institute's training initiatives.

Again in 2012 the Institute engaged with consumers by participating in sponsorship of Yachting Victoria's school teams sailing series targeting potential students for Resort Management – Water Recreation through direct interaction and with sailboats, emblazoned with Institute logos, catching the eye at the World Series Sailing Championships and the Australian Formula 1 Grand Prix.

# Environmental Sustainability



Sustainability principles are embedded in the Institute's courses and culture, providing students undertaking the Diploma of Tourism or Diploma of Events with the opportunity to also undertake a Diploma of Sustainability concurrently. The Institute continues to work towards embedding a Sustainability qualification into all training packages in the curriculum.

As part of its ongoing development and adoption of procedures that respect and protect the natural environment, the Institute continues to introduce sustainable initiatives by continuing to use green energy sources for 25% of all power consumption.

The Environmental Sustainability Action Team met regularly in 2012 to consider and implement systems and processes throughout the operational and teaching areas, including:

- A fund raising event to promote awareness in sustainability and seek donations for the establishment of a herb and vegetable garden. Funds raised were used to purchase garden tools, mulch, herb and vegetable seedlings.
- A submission for funding to The Office of Living Victoria (OLV) to provide a living Green Rain garden and Living Green Kitchen. Results are expected to be announced in March 2013.
- A continual review of energy efficient IT equipment to replace existing equipment.
- Implementation of sustainable procurement practices including the "keep cups" program reducing the number of disposable cups by approximately 5%.
- Continued utilisation of flexible delivery modes, including e-learning to reduce printing of training materials.



**Utilisation of flexible delivery modes, including e-learning, onsite delivery and the integration of formal and informal learning**



**Encouraging public transport instead of taxis for meetings in close proximity of public transport**



**Individual under desk bins in offices replaced with recycle boxes to promote recycling**



**Reduction of desktop printers and increased share printing with multi-function devices**



**Promotion of the use of stairs instead of using the lift and at the same time improving health and fitness levels of staff, students and the public.**



**Best practice in energy and environmental management through a strategic action plan, reviewed for progress and updated each year.**



Ecotourism students  
at the Great Ocean Road

The Institute continues to introduce sustainable initiatives by continuing to use green energy sources for 25% of all power consumption.

# Financial Summary



## Summary of Financial Results

	2012	2011	2010	2009	Consolidated 2008
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	60,377	57,295	59,961	59,819	57,887
Expenditure	61,413	58,215	55,881	51,419	47,791
Assets	117,454	114,656	115,120	113,099	10,4596
Liabilities	12,468	11,885	11,072	12,357	12,843

### Summary of Significant Changes in Financial Position

There have been no significant changes in the financial position of the Institute.

### Summary of Operational and Budgetary Objectives

The Institute's Strategic Plan for 2012-2015 encompasses good returns to meet requirements of all stakeholders in building the Institute's capability to be resilient to changes in the market place and changes to government policy.

#### The Institute Achieved

The student contact hours as per the State Government Annual Performance Agreement was 107%.

An overall module-based completion rate of 85.65% in 2012 was slightly more than the target of 74%.

#### Consultancies

Total Consultancy expenditure for 2012 is \$456,274. Total consultancies individually valued at less than \$10,000 numbered three in 2012.

### Business Consolidation

Consolidated revenue for the year was \$60.377 million. Main revenue streams include Government contract, commercial revenue and international activity.

### Financial Viability

The consolidated operating loss (including capital and depreciation) for the year was \$1.342m. Total current assets in 2012 were \$16.274m with current liabilities of \$11.780m. Events subsequent to balance date— nil.

### Organisational Viability

The Institute's commitment to responsible financial management and planning was maintained in 2012, resulting in a strong financial performance.

The William Angliss Institute's revenue of \$59.408m (excluding capital contributions) was lower than budget for the year and generated a profit of 0.912m before capital, depreciation and fixed asset write off. The Institute also maintained a strong working capital ratio of 1.40 at year-end. The Institute's total assets were valued at \$117.454m, an increase of \$2.798 from 2011, mainly caused by the revaluation increments.

Consultancy valued in excess of \$10,000	Description	\$	Future Commitment \$
Andrew Oster	Consulting	18,300.00	
Business Development Network	Business Development	63,718.50	
Caroline Neil Ryan	PR & Marketing Consulting	119,038.58	100,000.00
Dakin Mayers & Associates Pty Ltd	Careers Transition - Outplacement	52,250.00	
David Trembath	S.Fee/Stage 1 accreditation	13,475.00	
Mercer Consulting (Australia) Pty Ltd	HR consulting	45,391.50	
Occcopp Pty Ltd	Workcover Claims	19,853.90	
Stopline Pty Ltd	Disclosure Management	23,540.00	
UMT Consulting	Consulting Fee	41,195.00	
Work Matters	Service Fee	16,520.64	
Human Capital Holdings	Careers Transition - Outplacement	30,000.00	

Expenses are approved as part of the overall budgeting process rather than specific detail of individual expenditure items.

# 2012 Key Performance Indicators (KPIs)

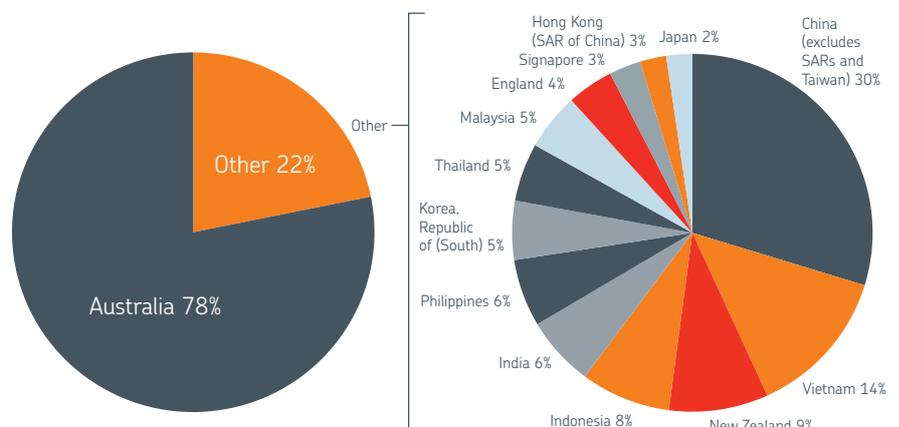


During 2012 the Institute worked towards achieving key performance targets. The table below provides a snapshot of these measures.

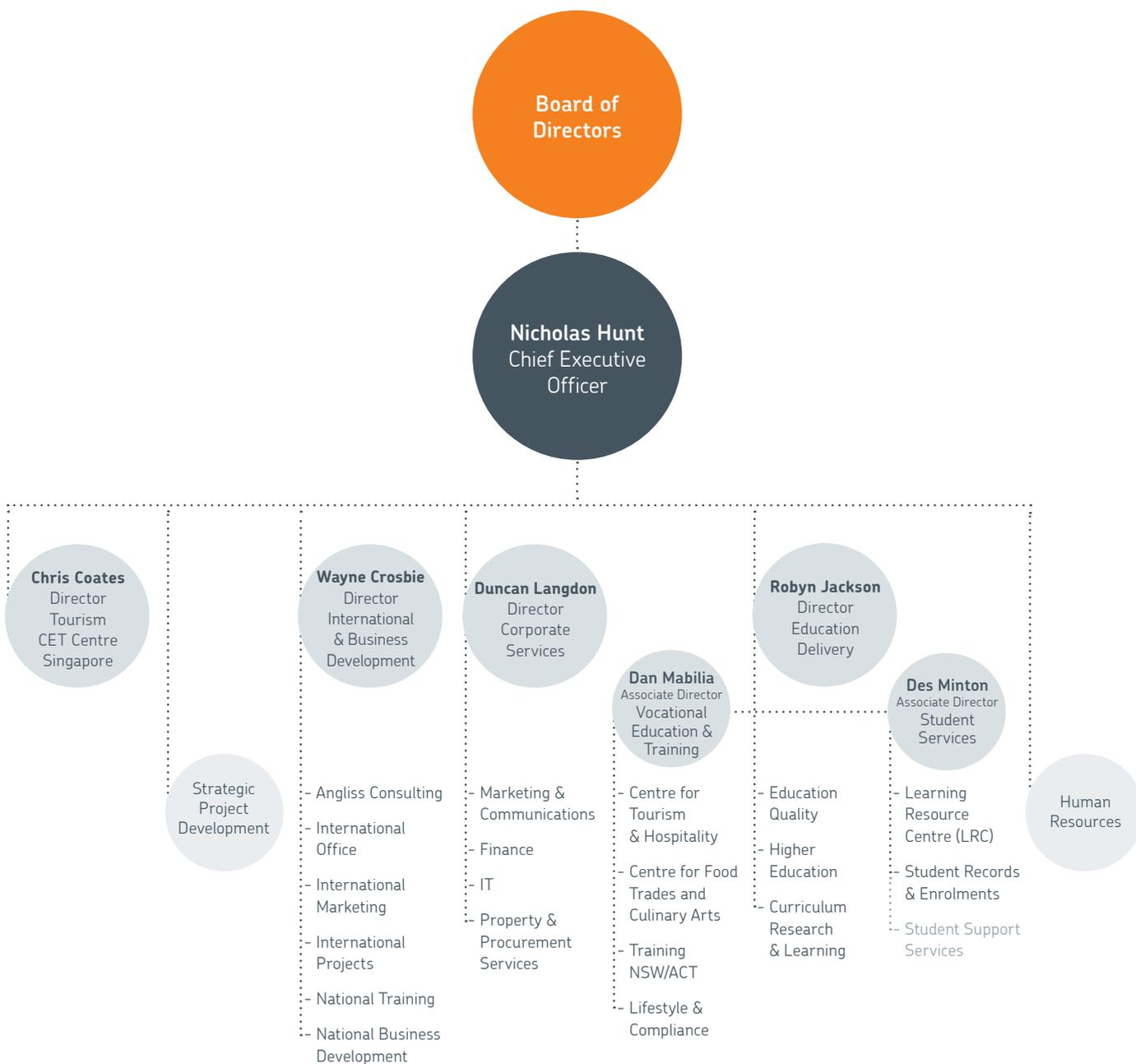
Key Performance Indicators 2012	Target	Result
Module load completion rate	74.0%	85.65%
Participation of 15-24 year olds	N/A	11,347
Participation of 25-64 year olds	N/A	9,236
Total cost per Student Contact Hr (SCH)	\$9.75	\$13.19
Working capital ratio	>1.1	1.4
Net operating margin	2.20%	2.99%
Revenue per EFT staff	\$164,000	\$194,138
Student satisfaction	80 - 90%	83.75%
Fee for service revenue	57.0%	53.28%
SCH	4,684,173	4,654,966
Energy consumption (% change 1999 -2012)*	Gas -20% Electricity -20%	*Gas 0.51% Electricity +10.40%

\* While energy consumption has increased activity measured by student contact hours has increased by over 63% for the period

## Students by country



# Organisational Structure



# Governance



## Objectives

The objectives of the Institute Board are set out in Ministerial Order No. 17 of the Education and Training Reform Act 2006. In summary, the objectives of the Board are to:

- Within the context of national and State policy and management frameworks, to establish goals for the Institute
- Provide quality vocational education and training and adult, community and further education programs and services which promote the competitiveness of industry, enhance the opportunities of individuals and serve the needs of the general community
- Govern and control the Institute efficiently and effectively and to optimise the efficient use of resources
- Promote excellence in the Hospitality and Tourism industries through the provision of quality vocational education and training courses and other programs
- Establish arrangements to ensure that the Institute provides a diversity of education responsive to the needs of the training market
- Promote staff and student participation in decision making
- Provide the Victorian, Australian and International foods, tourism and hospitality industries with programs and services designed to be responsive to their needs and to those of individual clients and students
- Promote export educational services
- Develop a National Centre for Excellence for research in education in Tourism and Hospitality, and
- Encourage strategic alliances with the community and other education providers

## Duties

The duties of the Institute Board are set out in Ministerial Order No. 17 of the Education and Training Reform Act 2006. In addition to the duties imposed on the Board by section 3.1.15 of the Act, other provisions of this Order and any other duties imposed by law, the Board must:

- Take all reasonable steps for the advancement of the Board's objectives
- Operate in accordance with the economic and social objectives and public sector management policy established from time to time by the Government of Victoria
- Provide all assistance and information as the Minister, the Secretary or Deputy Secretary may reasonably require from the Board, and
- Ensure the safe custody and proper use of the common seal of the Board.

## Manner of Establishment

The Institute is named after the late Sir William Angliss, MLC, whose generous donations enabled the Institute to open as the William Angliss Food Trades School on 18 September 1940. Sir William was elected as the first President of the School Council and remained President until 1954.

The Institute initially provided training in pastry cooking, retail butchery and smallgoods, bread making and baking, cooking and waiting. In the 1960s the school expanded to provide training for the hospitality industry and later to provide training for the tourism industry.

The Institute was established by an Order in Council under the Victorian Education and Training Act 1990, which was incorporated into the Education and Training Reform Act 2006. During the

period 1 January 2012 to 31 December 2012 the relevant office was held by the Hon. Peter Hall, MLC, Minister for Higher Education and Skills.

## Nature and Range of Service

As a specialist training provider to the foods, tourism and hospitality industries, the Institute currently offers a range of educational, training, product development, project management and consultancy services in Australia and overseas. The Institute's areas of delivery are designed to meet the needs of students, employers, clients and industry by responding to industry trends and prevailing market conditions.

These services are funded through:

- A contract with Victorian Skills Commission
- Full-fee paying students
- Industry or government client payments

## Activities and Programs

In 2012 course enrolments were 25,850 across the Institute's foods, tourism and hospitality programs.

## Board Members – Knowledge, Skills and Qualifications



### Board Members, Appointed Ministerial Representatives

#### Dr Michele Allan

Board President from August 2009  
(appointed June 2008)

**Current roles include Chair, Cleaner Technologies Food and Foundry Investment Committee, Chair, Grains and Legumes Nutrition Council, Independent Non Executive Director, Grain Technology Australia Limited, Independent Non Executive Director, Callaghan Innovation, Independent Non Executive Director, Forest and Wood Products Limited, Independent Non Executive Director Food Standards Australia and New Zealand – Chair Audit and Risk, Independent Non Executive Director CRC Hearing, Independent Non Executive Director, Grape and Wine Research and Development Corporation (also Chair Audit and Risk Committee), Meat and Livestock Australia (Chair Remuneration Committee), Fellow Australian Institute of Company Directors and Professional member Australia Institute of Food Science and Technology.**

Michele Allan has a Bachelor of Applied Science Major – Biomedical Science – Cytology from University Technology Sydney, Master of Management (Technology) from the University of Melbourne, Doctor of Business Administration from Royal Melbourne Institute of Technology and a Master of Commercial Law from Deakin University. She is also a graduate of the Australian Institute of Company Directors. Michele's last executive role was as MD/ CEO of a listed food company.

Prior to this position she was Group General Manager Risk and Sustainability at Amcor Limited. Other executive positions she has held have been General Manager Research and Technology Amcor, Interim Chief Executive Officer – Tasmanian Bioinformatics Centre of Excellence, General Manager Bioscience and Technology – Bonlac Foods, Corporate Quality and Environment Manager – Kraft Foods Limited, and Corporate Quality and Materials Manager ICI Dulux.

#### Ms Joanne Rumble

Vice President from March 2009  
(appointed June 2004)

**Senior Manager, Workplace and Contracts Corporate Operations and Technology Department of Planning and Community Development**

Joanne Rumble's experiences in the Victorian public service have included senior budgeting and finance roles; establishing a grant administration function; and project management with a focus on business process re-engineering and accommodation strategy implementation. Joanne's current role encompasses responsibility for property, fleet, facilities, IT service management, IT equipment procurement, telephony services and fit-out projects. She has also undertaken various accountancy roles in Australia and the UK working across both the public and private sectors. Joanne holds Masters Degrees in both public and business administration, together with a Graduate Diploma of Communication (Public Relations) and a Bachelor of Business (Accounting). She is an active member of CPA Australia and is a graduate member of the Australian Institute of Company Directors.

#### Mr Peter Filshie

(appointed November 2005)

**Executive General Manager ESB Morris Corporation**

Peter Filshie is currently employed by Morris Corporation and is responsible for the eastern seaboard operations which includes remote sites, a function centre and a super yacht charter business. Morris Corporation is Queensland's 12th largest privately owned business, delivering accommodation, catering and facility management throughout Australia. Throughout his career Peter has held senior executive management positions with Sodexo, John Lewis Food Services, Composite Buyers, Five Star Food Services, Ansett Airport Concessions and Denny's Restaurants.

In November 2009 Peter was recognised for his outstanding contribution to the foodservice industry by the Foodservice Industry Association – VIC/TAS. Peter was one of the Institute's first graduates from the Diploma of Hotel and Catering Operations program.



**Mr Craig Geddes**  
(appointed July 2007)  
**General Manager Assurance and Risk Management, Oakton**

Craig Geddes has 20 years experience in the assurance and risk management industry, holding previous positions with Price Waterhouse, the Arlec Group of Companies, AXA and Acumen Alliance. Craig is a Certified Internal Auditor and a qualified Chartered Accountant. Craig has extensive experience consulting to the Victorian Government, with clients including the Department of Justice, Department of Treasury and Finance, Department of Education and Early Childhood Development and Port of Melbourne Corporation. Craig is an independent member of the Victorian Institute of Teaching Audit Committee. He is also a member of the Australian Institute of Company Directors. Craig was initially appointed as an industry co-opted Board member but in October 2008 was appointed as a Ministerial representative.



**Mr Brian Kearney**  
(appointed May 2009)  
**Chief Executive Officer Australian Hotels Association (Victoria)**

In 2004 Brian was appointed the CEO of Australian Hotels Association (Victoria). In this role he is responsible for representing the interests of Victoria's pubs and accommodation hotels to local, state and federal governments, and the community. Brian has been Director of Liquor Licensing (Government of Victoria), CEO of the Liquor Licensing Commission, and has held senior executive positions with the Totalisator Agency Board of Victoria. He has qualifications in accounting and management.



**Ms Madelyn-Anne Ring**  
(appointed October 2011)  
**Organisational Development Consultant, Foster's Group**

Madelyn Ring has over 18 years global experience in communications and human resources. She has worked in Canada, the UK and Australia in various industries including consulting, government, pharmaceuticals, airlines and more recently consumer goods. Her experience includes public relations, internal communications, change management, organisational development, learning and development and employment relations.

Madelyn holds a Bachelor of Arts in Organisational Communication and a post Graduate Certificate in Change Management. Her current role focuses on developing organisational capability to improve business performance.



## Industry Co-opted Practitioners

### Ms Beth Schofield (appointed October 2011) Finance Consultant

Beth Schofield is a finance professional with experience across various disciplines in both professional practice and industry. Beth spent almost 13 years in various advisory roles at Ernst & Young, a global chartered accounting firm, across both business services and corporate finance service advisory services. The majority of her experience involved providing mergers and acquisitions advisory services to both listed and private companies across a wide range of industries particularly including food, financial services and telecommunications. She left the firm as an Associate Director to take up a role as CFO and company secretary of Patties Foods Limited, an ASX listed public company and market leading manufacturer and marketer of frozen foods nationally and internationally under such iconic brands as Four'n Twenty, Nannas, Herbert Adams, Creative Gourmet and Patties. Beth currently provides financial consulting and advisory services to clients predominantly looking to expand, restructure or create strategic improvements in their business, providing her the flexibility to concurrently raise a young family. Beth holds a Masters of Applied Finance from Macquarie University, a Bachelor of Commerce from Melbourne University and is a member of the Institute of Chartered Accountants.

### Mr Rick Aylett (appointed May 2009) Industry Consultant

In a career spanning 34 years Rick has held executive and management positions in the event, hospitality and sports & leisure industries in Australia, Asia and India. His experience includes leading the strategic development and successful operational delivery of more than 50 major international events. Rick was Managing Director of Peter Rowland Major Events and established the company as a respected market leader. Under Rick's leadership the organisation secured the inaugural Melbourne Formula 1 Grand Prix, Melbourne Cup Carnival, Kooyong Classic, Australian Motorcycle Grand Prix, and International Air Show.

Rick was the Executive Director of the Athletes Village Catering at the 2010 Commonwealth Games in Delhi, India the largest contingent of athletes and officials ever assembled at any Commonwealth games. Prior to this he was a consultant to the Australian Football League and Chief Executive Officer of the North Melbourne Football Club. Following his role as Chief Operating Officer at Delaware North Companies Australia, Rick now provides advisory services and leadership on strategy development and execution, major event delivery and project management. Rick's current focus includes the development and implementation of strategic growth plans into India and S.E. Asia.

Rick is a graduate of the Institute's Diploma of Hotel and Catering Operations and is also a graduate member of the Australian Institute of Company Directors.

### Mr Edward (Eddie) Micallef (appointed May 2002 completed final term December 2012) Former politician and turbine fitter in the power industry

Eddie Micallef began his working life as a turbine fitter in the power industry, later he moved on to become an Occupational Health and Safety Officer for the Australian Manufacturing Workers Union. Serving in the Victorian Parliament from 1983 - 1999, Eddie held various positions covering health, industrial relations, and multicultural affairs. Eddie has an extensive history of community involvement, being former Chairperson of the Springvale Community Health Service, where he became involved with illicit drug related issues and the links between culturally diverse communities. Since leaving Parliament, he has remained involved in community activities and is currently President of Beacon Cove Neighbourhood Association, Board member of Inner South Community Service and Deputy Chair of Ethnic Communities Council of Victoria.



**Mr Gregory (Greg) Lee**  
(appointed October 2003  
completed final term August 2012)  
**Managing Director, United Recruitment**

Greg is the founder and Managing Director of three major national and international recruitment businesses. Vital is Australia's largest healthcare recruiter, whilst Octopus (hospitality) and Precision (logistics) both dominate their niche markets. Greg is also a Director of The Carlton Football Club, and is a Fellow of both the Australian Institute of Company Directors, and the Australian Institute of Management.

**Mr Dean Minett**  
(appointed September 2012)  
**Director, Minett Consulting Pty Ltd**

Graduating from William Angliss College (as it was known then) in 1982 with a Certificate in Catering, Dean took on his first General Management role at the age of 22. He has worked in, managed or consulted to hotels, motels, resorts, restaurants and casinos for over 34 years across all states of Australia and is co-author of two best-selling hospitality & tourism textbooks, "The Road to Hospitality" and "The Road to Tourism".

Dean is the principal of his own management consultancy, specialising in tourism and hospitality and prior to this was Country General Manager/ Director, Australia for The Ascott Limited, the world's largest owner/operator of serviced residences.

Dean has been actively involved in many aspects of the industry via board or committee membership including the Catering Institute of Australia, The Hospitality Management Guild, Australian Institute of Hospitality Management, Australian Hotel Association, Hotel Motel and Accommodation Association and Victoria University. He was involved with the Victorian Tourism Awards from 2001 to 2005 in the capacity of both judge and Chairman of the Mentor Panel and was recognised as a "Legend of Tourism" by Tourism Training Australia in 2004. Dean completed his Master of Business (Hospitality & Tourism) in 2007, researching Ethics and Leadership in Hospitality and is a member of the Australian Institute of Company Directors.

**Internal Appointments**

Elected Staff Representative

**Ms Felicity Fraser**  
(April 2012 to March 2014)  
Teacher

Elected Student Representative

**Ms Emily Coltraine**  
(April 2012 to March 2013)



## Attendance at Board and Committee Meetings 2012

Board Member	BM	ARMC*	PRC*	RR&BMC	FARM	AGM
Allan, M (President)	6/7			1/1		0/1
Aylett, R	6/7	0/1	2/2		3/3	1/1
Bristowe, J	0/2					
Coltraine, E	4/5					1/1
Craven-Kalber, D	2/2					
Filshie, P	6/7		2/2		3/3	1/1
Fraser, F	5/5					1/1
Geddes, C	6/7	1/1		1/1	2/3	1/1
Hunt, N	7/7		2/2			1/1
Kearney, B	6/7	1/1			1/3	1/1
Lee, G	4/5	0/1		0/1		1/1
Micallef, E	7/7		1/2	1/1		1/1
Minett, D	2/2					
Ring, M	7/7		2/2		3/3	1/1
Rumble, J	7/7		2/2	1/1	3/3	1/1
Schofield, B	7/7		2/2		3/3	1/1

### Key:

BM	Board Meeting
ARMC	Audit & Risk Management Committee
PRC	Performance Review Committee
FARM	Finance, Audit and Risk Management Committee
RR&BM	Remuneration Review & Board Membership Committee

\*During 2012 the Audit and Risk Management Committee and the Performance Review Committee merged to form the Finance, Audit and Risk Management Committee.

M Allan appointed as Board President effective 31 August 2009.

G Lee resigned as Director effective 31 August 2012.

D Minett appointed as Director effective 1 September 2012.

E Micallef resigned as Director effective 31 December 2012.

J Bristowe resigned as Student Representative effective 31 March 2012.

E Coltraine appointed as Student Representative effective 1 April 2012.

D Craven-Kalber resigned as Staff Representative effective 31 March 2012.

F Fraser appointed as Student Representative effective 1 April 2012.

The Board met 7 times during the year. Institute Committees met 7 times to review and monitor various aspects of the Institute's operations. The second AGM was held on 25 June 2012. During 2012 no Board members declared a potential pecuniary interest in issues discussed during Board meetings.

## Board Structure

The Institute Board comprises 13 members:

- Seven members appointed by the relevant Minister
- Three industry co-opted members appointed by the Board
- The Chief Executive Officer
- One elected staff representative
- One elected student representative

## Training Undertaken by Board Members

During 2012 Board members were involved in the following training:

Risk Management and Work Health and Safety Harmonisation Workshops, a number of seminars held by the Australian Institute of Company Directors and the Victorian TAFE Association.

## Code of Conduct

The Board originally developed and approved its own Code of Conduct in 2006, which is reviewed bi-annually. The Code of Conduct is a public statement outlining how the Board conducts its business. It articulates that the Board is committed to the highest standards of good governance, professionalism, principles of transparency and service to all of the Institute's stakeholders. This Code of Conduct complements the Institute's staff Code of Conduct and the State Government's Code of Conduct for public sector organisations.

## Performance and Summary of Activities

The Board annually:

- Reviews the Strategic and Risk Management plans and sets clear annual measures that are in alignment with the approved Strategic Plan and Risk Management Plan
- Approves an annual Internal Audit Plan (developed and referred by the Audit Committee) and ensures that the implementation of recommendations are responsive to agreed identified risk areas



- Approves an annual budget for submission to Higher Education Skills Group
- Signs off on the annual financial reports within 8 weeks of balance date
- Approves the annual contract with Victorian Skills Commission and monitors compliance with the agreed set targets
- Reviews and approves the Financial Delegations Policy by 30 June
- Develops and implements an annual performance review cycle for the Chief Executive Officer in line with a set of targets aligned to the approved Strategic Plan
- Ensures that Board membership complies with legislative requirements and that members comply with the agreed Board Members' Code of Conduct; and
- Ensures that appropriate policy and procedures are in place to meet good governance, legislative, regulatory and organisational requirements

### Committees and Functions of the Board

During 2012 the Audit and Risk Management Committee and the Performance Review Committee merged to form the Finance, Audit and Risk Management Committee.

#### Finance, Audit and Risk Management Committee

##### Committee Members:

Joanne Rumble (Chair), Rick Aylett, Peter Filshie, Craig Geddes, Brian Kearney, Greg Lee, Madelyn-Anne Ring and Beth Schofield

##### Objectives:

- Review the integrity of the Institute's financial and external reporting
- Review and assess the internal and external auditor's activities, scope and independence

- Review the management processes for the identification of significant business risks and exposures and review and assess the adequacy of management information and internal control structures
- Provide assurance that the Institute is adequately managing risk relating to corporate governance and is maintaining appropriate controls against conflicts of interest and potential fraud
- Consider any other matters referred to it by the Board
- Monitoring and reporting to the Board on the performance of the Institute in meeting its financial obligations by receiving and reviewing quarterly financial reports against the approved annual operational and capital budget
- Monitoring and recommending to the Board for approval quarterly reviews of the Capital Expenditure budget
- Monitoring and reporting to the Board in regard to staff management legislative compliance (OH&S, EEO and Whistleblowers legislation)
- Considering any other matters referred to it by the Board

#### Performance Review Committee

(Merged with the Audit and Risk Management Committee to form the Finance, Audit and Risk Management Committee during 2012)

##### Committee Members:

- Joanne Rumble (Chair), Rick Aylett, Peter Filshie, Nicholas Hunt and Edward Micallef
- During 2012 the Audit and Risk Management Committee held one meeting.
- During 2012 the Performance Review Committee held two meetings.
- During 2012 the Finance, Audit and Risk Committee held three meetings.

#### Remuneration Review and Board Membership Committee

##### Committee Members:

Michele Allan (Chair), Craig Geddes, Greg Lee, Edward Micallef and Joanne Rumble

##### Objectives:

- Keeping the Board informed regarding "best practice" on employment conditions and employee remuneration and changing legal requirements for Executive and employee remuneration
- Operating in accord with Government policy and Government Sector Executive Remuneration Panel (GSERP) guidelines and the Victorian Government Executive Employment Handbook
- Making decisions in relation to Executive remuneration independently of the senior management of the Institute
- Adopting an overall remuneration strategy which is consistent with the Institute's business objectives, the human resource needs of the Institute and relevant laws
- Ensuring the overall remuneration policy is in line with the strategic goals of the Institute
- Complying with appropriate and required disclosure requirements (eg Annual Reports) of executive remuneration, in accordance with regulatory requirements and good governance practices; and
- Overseeing the process for the election of President and Vice President of the Board

During 2012 the Remuneration Review and Board Membership Committee held one meeting.

## Executive Team - Roles and Responsibilities



**Mr Nicholas Hunt**  
**Chief Executive Officer (CEO)**

The CEO is responsible for providing the strategic leadership of the Institute by working with the Board of Directors and the Executive Management team to ensure that William Angliss Institute provides high quality innovative education and training from Certificate to Degree level programs that meet the needs of the industry and is attractive to local, national and international students.

The CEO is accountable to the Board of Directors for the effective overall management of the Institute and for conformity with policies agreed upon by the Board. The CEO has full responsibility for the day-to-day operations of the Institute in accordance with the Institute's strategic plan, current operational plan as well as annual operating and capital expenditure budgets.

The position works co-operatively with Government to implement state and national policies and is responsible for ensuring government agreements and requirements such as planning frameworks are achieved.

A key aspect of the CEO's role is to drive and develop the Institute's industry focus at both a strategic and operational level, ensuring the efficient use of resources in meeting the needs of stakeholders and clients. This includes driving change to support the Institute's effectiveness and accountability.

The CEO works with the Executive team to develop opportunities for innovative and flexible foods, tourism and hospitality industry focused vocational education and training programs locally, nationally and internationally.

The CEO was a member of the Institute Board during 2012.



**Ms Robyn Jackson**  
**Director - Education Delivery**

Education Delivery is responsible for the majority of education delivery at the Institute. The Director is responsible for leading educational development and delivery for both vocational education and training and higher education to ensure William Angliss Institute maintains its position as a leader in the delivery of hospitality, tourism, food trades and culinary arts programs.

The Director manages the Board of Studies, the Higher Education Academic Board, the Research Committee, Education Quality Management Committee and the two Field of Education Advisory Committees (Food Studies and Tourism and Hospitality) ensuring appropriate academic governance for the Institute and exceptional educational experiences for all participants. The Education Delivery division also manages the Institute's reporting role to government in relationship to training service agreements and its relationships with the national regulators Australian Skills Quality Authority (ASQA) and Tertiary Education Quality and Standards Agency (TEQSA).

The Director works with the Associate Director VET to ensure the effective development and delivery of high quality education programs at the Institute and with the Associate Director Student Services to ensure a high quality service to students.



**Mr Wayne Crosbie**  
**Director - International and Business Development**

The primary focus of the Institute's International and Business Development division is to identify and develop commercial opportunities domestically and internationally and to implement a strategy throughout the Institute of both nationalisation and internationalisation.

Nationally, the Institute establishes relationships and training contracts with key clients within the food service, retail food, hotel, travel, resorts, gaming and other related industry sectors. The Division's delivery of work based training programs, through a range of training and assessment strategies, assists with the development of and support to industry and government initiatives, with training also extended to remote locations within Australia and a special focus on Indigenous programs.

The division's International area is responsible for both the recruitment of overseas students into accredited Institute Higher Education Degree and VET programs, for identifying, developing, implementing and managing new offshore opportunities and projects. The Institutes' international activities have developed strategic partnerships with joint campuses education providers in China, Malaysia and Thailand, operating a Continuing Education and Training Centre (CET) in Singapore in partnership the Singapore Government Workforce Development Agency, with regional forums such as the ASEAN Secretariat, government organisations such as the Saudi Commission for Tourism and Antiquities - Kingdom of Saudi Arabia, global hotel chains such as Hilton Worldwide, the InterContinental Hotels Group and a range of education and training organisations.



**Mr Chris Coates**  
**Centre Director - William Angliss Pte Ltd, Singapore**

The Centre Director Singapore is responsible for the management of the Singapore operation including the contracted arrangements for delivery of Singapore Workforce Development Agency funded courses to industry at the certificate to diploma levels of the Workplace Skills Qualifications. The Centre having gained four year registration with the Council for Private Education in 2012 will now expand its role in course offerings and in relation to regional offerings.



**Mr Duncan Langdon**  
**Director - Corporate**

The Corporate Division is responsible for providing corporate governance and administration, financial and business analysis, information technology, marketing and communications, strategy management, property and procurement leadership and services to the Institute.

The Finance Department provides regular financial reporting, forecasts and analysis to the Executive, Board and external parties, as well as managing the cash position of the institute and maintaining the asset register and the Institute's payroll function.

The Property and Procurement Services department maintains Institute buildings on multiple sites and is responsible for managing capital works, building and equipment maintenance, site cleaning and campus security. The Department also manages the whole of Institute purchasing and procurement which includes the procurement of all food for the education delivery areas. The department also manages the commercial activities of the Conference Centre, Café 555 and the Bakeshop.

The Marketing and Communications Department is responsible for developing the Institute's marketing and brand strategies, student recruitment, public relations, advertising, digital marketing, production and design, corporate communications and stakeholder engagement.

The Information Technology Services Department provides technical IT support including voice systems, audio visual and mobile technology. It also manages whole of Institute IT infrastructure, business application support and IT strategy, procurement and compliance.



### Mr Dan Mabilia

#### Associate Director - Vocational Education and Training (VET)

The Associate Director VET is responsible for the delivery of a diverse range of Vocational Education and Training programs offered in four areas: Centre for Tourism and Hospitality; Centre for Food Trades and Culinary Arts; Industry Training Centre- Sydney; and Lifestyle and Compliance. The Associate Director has responsibility for leading and supporting the effective and timely integration of flexible and workplace based delivery practices with campus delivery, across all sites.



### Mr Des Minton

#### Associate Director - Student Services

The Associate Director Student Services is responsible for the management of the student lifecycle from enrolment through to graduation and beyond, with alumni activity. Student Services includes three broad areas of responsibility: Student Support Services; Learning Resource Centre; and Student Records and Enrolments.

Student Support Services ensure students are given equal opportunity to develop their skills whilst studying at William Angliss Institute as well as providing opportunities for social interaction and employment experiences. The Learning Resource Centre provides access to information for students studying at the Institute, as well as managing copyright and the Institutes e-learning platform.

Student Records and Enrolments manages the enrolment process, reporting to the Higher Education and Skills Group (HESG) in the Department of Education and Early Childhood Development, graduation and records storage. It also includes the Information Centre as the main student facing centre for all current students.

**William Angliss Institute – Performance Statement for 2012**

In our opinion, the accompanying Statement of Performance of William Angliss Institute of TAFE in respect of the 2012 financial year is presented fairly and in accordance with the Financial Management Act 1994, and the applicable Financial Reporting Directions.

The Statement outlines the performance indicators as determined by the responsible Minister, pre-determined targets and the actual results for the year against these indicators and an explanation of any significant difference between the actual results and performance targets.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the Statement to be misleading or inaccurate.



Dr Michele Allan  
Board President  
Date: 25 February 2013



Nicholas Hunt  
Chief Executive Officer  
Date: 25 February 2013



Duncan Langdon  
Chief Financial Officer  
Date: 25 February 2013

# Human Resources



In 2012 the Institute offered a range of learning and development activities to staff, ensuring they have the industry knowledge and educational expertise to inspire our students.

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## Learning & Development

With a workforce that spans Victoria, New South Wales, Queensland, South Australia, Western Australia and Northern Territory, Singapore, China (Shanghai, Hangzhou, Zhongshan, Nanjing and Tianjin) Malaysia (Kuala Lumpur) and Thailand (Bangkok), the Institute prides itself on attracting and retaining staff who are capable of providing quality skills solutions to industry and government. The Institute is seen as an appealing career prospect, attracting high numbers of quality candidates aspiring to contribute to this aim.

In 2012, the Institute offered a wide variety of learning and development activities to ensure that all employees acquire the skills and knowledge to meet the current and future requirements of the institute and to assist employees in their career development. The focus on workforce learning and development contributes to the Institute's position as the State government endorsed Specialist Centre for Foods, Tourism, Hospitality and Events. To ensure that the abilities of the Institute's staff support its operational intent, the focus this year was on the following:

- People Management training
- E-Learning
- Compliance training

## Building Research Capability

As part of the on-going development of applied research capability within the Institute, internationally renowned food scholar Professor Barbara Santich (University of Adelaide) was invited to William Angliss Institute to share her expertise. Staff have both participated in and presented their research findings at a variety of academic and industry conferences, seminars and workshops. William Angliss staff successfully conducted "The Science of Taste" symposium which presented facets of neuro-gastronomy to public and industry and was instrumental in the launch of the "Tablet to Table" e-publication series, which draws on archives and special

collections to present culinary heritage in an engaging way to the public and scholarly communities.

The aim of these activities was to provide staff with access to research expertise and knowledge, further develop staff research capability and present engaging research outputs to stakeholders. There has been an increase in research activities and outputs across the Institute, raising the profile of the Institute.

## Off Shore Opportunities

Many staff members also had the opportunity to undertake personal and professional development overseas in 2012. This was made available through the Institute's diverse international project work and global network of industry and education partners. Throughout the year, staff presented at a number of local and international events from Dubai to Corfu.

## Reward and Recognition

During 2012, Robyn Jackson (Education Delivery), Angela Tsimiklis (Patisserie), Frances Lamb (Curriculum, Research & Learning Services), Larry Foster (Education Quality) and Liane Hughes (Learning Support & Development) were awarded grants by the VET Development Centre which enabled them to undertake training, improve teaching and learning at the Institute and address workforce development needs.

In 2012 Gianna Ntarelli won the Institute's annual Client Service Excellence Award, Kristine Wilson won the Innovation Award, Shayne Greenman won the Teaching Excellence Award and Mike Scott & Paul Moreton were dual winners of the OHS Award.

## Workforce Data

Overall, the Institute workforce decreased by 42.70 Equivalent Full Time (EFT) employees in 2012 compared to the 2011 staffing figures. The table opposite provides a snapshot of staff numbers as at December 2012.

## Employment and Conduct Principles

In 2012, the Institute continued to support the principles of merit and equity, via the provision of induction information for new staff, and training for all staff informing them of their rights and responsibilities. A program of cultural awareness and indigenous cultural awareness training sessions were conducted during the year for staff to attend.

## Occupational Health and Safety (OH&S)

The Institute is committed to providing a safe and healthy working environment for its learning community, and taking a preventative approach in protecting its staff, students and visitors from exposure to health and safety risks. The Institute developed a Safety Improvement Plan for 2012, which continues the Institute's focus on building safety culture, preventative strategies and injury management.

The 2012 Plan aims to build skills and capability by requiring supervisor attendance at nominated safety training and related people management training. In 2012 the participation rate for the 5 required training sessions reached an average of 74% compared to a target of 80%.

In relation to preventative strategies, selected aspects of the Institute's safety management practices were the subject of internal spot audits to measure the effectiveness of their application. This included the completion of quarterly hazard inspections across all departments. In addition, 13 supervisory staff attended training to build skills in preventing and resolving staff grievances, a potential source of psychological injury.

In addition lost days due to workplace injury continued to be monitored and in 2012 totalled 354 days compared to a target of less than 421 days.

An OHS award is presented each year in recognition of staff achievement in safety and in 2012 was presented to staff in the Property Services and Procurement Team who implemented a solution for safely transporting supplies across the Latrobe Street campus.

## Industrial Relations

The Institute has established consultative committees for the purpose of implementing and monitoring its certified employee agreements. These committees are the forum through which the Institute and relevant unions and staff representatives consult generally on matters affecting employees. During 2012 a new enterprise agreement was approved and implemented for non - teaching staff.

### As at 31 December 2012

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	39	11	50	45.24
	Male	55	3	58	56.57
Fixed term	Female	19	9	28	24
	Male	17	2	19	17.8
Subtotal		130	25	155	143.61
Casual	Female	-	48	48	11.12
	Male	-	30	30	7.33
Subtotal		-	78	78	18.45
TOTAL		130	103	233	162.06
Non-Teaching Staff		F/Time	P/Time	Total	EFT
Executive Officers	Female	1	0	1	1
	Male	6	0	6	6
Subtotal		7	0	7	7
PACCT* ongoing	Female	65	20	85	77.2
	Male	45	2	47	44.72
PACCT fixed term	Female	9	4	13	11.6
	Male	8	0	8	7.86
Subtotal		127	26	153	141.38
Other ongoing	Female	0	0	0	0
	Male	1	0	1	1
Other fixed term	Female	0	0	0	0
	Male	0	0	0	0
Subtotal		1	0	1	1
TOTAL		135	26	161	149.38
Total Female		133	92	225	170.16
Total Male		132	37	169	141.28
Grand Total		265	129	394	311.44

\* Professional, Administrative, Clerical, Computing and Technical Staff

## Staff Declaration of Outside Employment and Pecuniary Interests

Employees who have obtained simultaneous employment with employers other than the Institute, whilst employed at the Institute, are required to complete the Institute's Declaration of Outside Employment/Conflict of Interest form for approval. In 2012 declarations were received from 64 employees.

### As at December 2011

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	45	18	63	54.6
	Male	69	4	73	71.8
Fixed term	Female	19	8	27	23.4
	Male	17	3	20	19.2
Subtotal		150	33	183	169
Casual	Female	-	57	57	13.51
	Male	-	34	34	6.67
Subtotal		-	91	91	20.18
TOTAL		150	124	274	189.18
Non-Teaching Staff		F/Time	P/Time	Total	EFT
Executive Officers	Female	1	0	1	1
	Male	5	0	5	5
Subtotal		6	0	6	6
PACCT* ongoing	Female	79	20	99	90.69
	Male	47	2	49	48.27
PACCT fixed term	Female	11	2	13	12
	Male	7	0	7	7
Subtotal		144	24	168	157.96
Other ongoing	Female	0	0	0	0
	Male	1	0	1	1
Other fixed term	Female	0	0	0	0
	Male	0	0	0	0
Subtotal		1	0	1	1
TOTAL		151	24	175	164.96
Total Female		155	105	260	195.2
Total Male		146	43	189	158.94
Grand Total		301	148	449	354.14

\* Professional, Administrative, Clerical, Computing and Technical Staff

# Activity Table



## Note A1 – Operating Statement

Total operating Expenses	Note	Consolidated		The Institute	
		2012	2011	2012	2011
		\$000	\$000	\$000	\$000
Delivery provision and support activity	A2	32,072	30,719	32,074	30,718
Administration and general services activity	A3	14,377	11,769	9,418	9,177
Property, plant and equipment services activity	A4	6,632	6,192	6,632	6,192
Student and other activity	A5	8,332	9,534	8,332	9,534
<b>Total Operating Expenses</b>		<b>61,413</b>	<b>58,215</b>	<b>56,456</b>	<b>55,621</b>

## Note A2 – Operating Statement

Delivery provision and support activity	Consolidated		The Institute	
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances	17,674	18,301	17,676	18,299
Superannuation	1,401	1,498	1,401	1,498
Payroll Tax	844	888	844	888
Other salary related costs	190	23	190	23
Communication expenses	141	171	141	171
Consumables	1,945	2,206	1,945	2,206
Contract Services	17	31	17	31
Depreciation	-	-	-	-
Energy Costs	18	24	18	24
Equipment	41	58	41	58
Fees	326	262	326	262
Rent/Leasing charges	275	185	275	185
Repairs & maintenance	20	25	20	25
Travel & motor vehicle expenses	243	400	243	400
Other direct delivery expenses	8,937	6,648	8,937	6,648
	<b>32,072</b>	<b>30,720</b>	<b>32,074</b>	<b>30,718</b>

## Note A3 – Operating Statement

Administration and general services activity	Consolidated		The Institute	
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances	6,351	6,561	4,680	5,515
Superannuation	536	466	433	392
Payroll Tax	327	265	267	219
Other salary related costs	186	189	116	101
Communication expenses	273	170	259	155
Consumables	383	282	355	266
Contract Services	6	2	6	2
Depreciation	188	25	-	-
Energy Costs	93	24	50	18
Equipment	92	172	84	163
Fees	1,295	1,188	847	1,117
Rent/Leasing charges	1,646	897	831	352
Repairs & maintenance	12	35	38	8
Travel & motor vehicle expenses	1,052	660	148	160
Other expenses	1,937	833	1,304	709
	<b>14,377</b>	<b>11,769</b>	<b>9,418</b>	<b>9,177</b>

**Note A4 - Operating Statement**

Property, plant and equipment services activity	Consolidated		The Institute	
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances	1,505	1,177	1,505	1,177
Superannuation	96	71	96	71
Payroll Tax	61	44	61	44
Other salary related costs	16	(8)	16	(8)
Communication Expenses	23	13	23	13
Consumables	43	27	43	27
Contract Services	434	365	434	365
Depreciation	2,791	2,682	2,791	2,682
Energy Costs	594	523	594	523
Equipment	2	1	2	1
Fees	7	15	7	15
Rent/Leasing charges	176	173	176	173
Repairs & maintenance	322	468	322	468
Travel & Motor Vehicle Expenses	1	3	1	3
Other expenses	561	638	561	638
	<b>6,632</b>	<b>6,192</b>	<b>6,632</b>	<b>6,192</b>

**Note A5 - Operating Statement**

Student and other activity	Consolidated		The Institute	
	2012	2011	2012	2011
	\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances	4,520	5,238	4,520	5,238
Superannuation	328	390	328	390
Payroll Tax	202	233	202	233
Other salary related costs	(26)	48	(26)	48
Communication expenses	21	31	21	31
Consumables	951	1,214	951	1,214
Contract Services	8	4	8	4
Depreciation	-	-	-	-
Equipment	2	10	2	10
Fees	522	455	522	455
Rent/Leasing charges	6	15	6	15
Repairs & maintenance	10	11	10	11
Travel & Motor Vehicle Expenses	249	339	249	339
Other expenses	1,539	1,546	1,539	1,546
	<b>8,332</b>	<b>9,534</b>	<b>8,332</b>	<b>9,534</b>

# Liabilities and Disclosures



## Disclosures of Ex-Gratia Payments

In 2012 there were no ex-gratia payments made by the Institute.

## Disclosures of Remuneration of Executive Officers

Remuneration received or due and receivable from the Institute in connection with the management of the Institute, including termination payments and bonuses paid:

	Consolidated		Institute	
	2012	2011	2012	2011
Key management personnel disclosures	\$'000	\$'000	\$'000	\$'000
Base remuneration of executive officers	1012	675	1012	675
Total remuneration of executive officers	1142	787	1142	787

Remuneration received or due and receivable from the Institute in connection with the management of any related party entity, as set out in note 22:

	Consolidated		Institute	
	2012	2011	2012	2011
Related parties	\$'000	\$'000	\$'000	\$'000
Purchase of goods				
Payments for supply of contractors	87	141	87	141

The number of responsible persons whose remuneration from the Institute was within the specified bands is as follows:

	Consolidated		Institute	
	2012	2011	2012	2011
Income range	No.	No.	No.	No.
Less than \$10,000	14	13	14	13
\$70,000 - \$79,999		1		1
\$80,000 - \$89,999	1		1	
\$210,000 - \$219,999		1		1
\$230,000 - \$239,999	1		1	
Total number of Responsible Persons	16	15	16	15

## Superannuation

### Name and type of Superannuation Scheme

- Defined benefit fund – State Superannuation Fund of Victoria – New and Revised Schemes
- Contribution fund – Victorian Superannuation Fund
- Various other contribution funds

### Basis for Calculating Superannuation Contributions

The basis for calculating superannuation contributions is as prescribed by law and by the funds themselves where appropriate.

### Details of Loans

As at the reporting date, there were no loans made to the Institute from any superannuation fund.

### Details of Recognised Superannuation Liabilities

As at the reporting date, there were \$242K outstanding contributions payable to the above funds.

# Sponsorships



In addition to the valued student excellence prize sponsors, the Institute acknowledges the following organisations for their support in providing product, equipment, sponsorships, technical and curriculum support across the Institute.

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## Companies that Support the Institute

Aarhus Karlshamn Australia  
ADM Australia Pty Ltd  
Allied Industries Pty Ltd  
Allied Mills Australia Pty Ltd  
Angove Wines  
AOT Group  
APS Food and Nutrition  
Aquatic Adventures  
Australasian Meat Industry  
Australian Bakels Pty Ltd  
Australian Hotels Association (VIC)  
Bidvest Australia Limited  
Bread Manufacturers' Association  
Cashcard  
Centro Properties Group  
Chocovic  
Chr. Hansen Pty Ltd  
Club Chef/Durawear  
Coles Limited  
Cordon Bleu Consultants  
Crown Limited  
Devro Pty Ltd  
Dimattina Provedoring Pty Ltd  
Diversified Exhibitions Australia  
Douwe Egberts  
Elly Lukas  
EOI  
Essential Flavours and Ingredients  
Fonterra Foodservices  
Food Processing Equipment  
Fresh 2 U Pty Ltd  
Fresh Pty Ltd  
Furitechnics Pty Ltd  
G.K Culinary Books  
Gelita Australia Pty Ltd  
Glenroy Bakery  
Go West Tours  
Goldstein Eswood  
HMAAV (VECCI)  
Host Plus  
Hotel Agencies  
ICMS  
IMCD Australia  
International Special Events Society  
Kerry Pinnacle  
Langdon Ingredients  
Leading Edge Bakery  
LI'TYA  
Lombard the Paper People  
Mackies Bakery Equipment  
Manildra Group

Maurice Esposito  
MEA  
Meat and Livestock Australia  
Med-Chem Ingredients Pty Ltd  
Meyer Cookware  
Moffat Pty Ltd  
Murray Goulburn Co-operative  
Nestle Australia Pty Ltd  
Oceanic Australia  
OrderMate  
Pacific Resources International Pty Ltd  
PADl  
Pearson Education Australia  
Peregrine Adventures  
Professional Executive  
Housekeepers' Network  
Radisson on Flagstaff Gardens  
Restaurant and Catering Association  
Restaurant Catering Victoria  
Ridders  
Sandringham Yacht Club  
Sensient Technologies Australia  
Sir William Angliss Charitable Fund  
SKAL International  
Start Food Tech  
Symrise Pty Ltd  
The Estate of the Late Mrs Leah Conway  
The Estate of the Late Thelma Wileman  
Toga Hospitality  
Travelworld Central Melbourne  
Unilever Australia Ltd  
Vibe Hotels  
Victoria Racing Club  
VIP Personnel Pty Ltd Waterlily  
Woolworths Ltd  
Yachting Victoria

## Organisations and Charities Supported by the Institute

Alliance Francais  
ALSO Foundation  
Alpha Autism  
Asian Food Festival  
Asylum Seeker Resource Centre  
Aussie Hands Foundation  
Australia Hotels Association (VIC)  
Australian Culinary Federation  
Australian Meat Industry Council  
Bake Skills Australia  
Baking Industry Association  
Canteen  
Childwise  
City Missionaries Gala Event

Clubs Victoria – Chef's Table  
Dairy Industry Association of Australia  
Diversified Exhibitions Australia  
Epilepsy Foundation  
Fine Foods  
Fonterra Proud to be a Chef  
Food Industry Association (VIC)  
Food Service Suppliers Association (FSAA)  
Fred Hollows Foundation  
Good Food and Wine Show  
GOYA Foundation – East Timorese  
HostPlus cook for your career  
Koorie Heritage Trust  
Lifestart Foundation  
Lighthouse Foundation  
MEA - Ruth Ellis Scholarship  
Meetings and Events Australia  
Melbourne City Mission  
Melbourne Day  
Melbourne Food and Wine Festival  
MINTRAC  
Mission Australia  
Nestle Golden Chefs Hat  
National Indigenous Culinary Institute (NICI)  
Ovarian Cancer Research Foundation  
Oxfam  
Pink Ribbon Foundation  
Professional Executive  
Housekeepers' Network  
Red Spice Road  
Ronald McDonald House  
Royal Australian Chemical Institute  
Royal Children's Hospital Good  
Friday Appeal  
Royal Melbourne Show  
Scouts Australia  
Shine Media (MasterChef Australia)  
Spotless Competition  
Starlight Foundation  
STREAT  
The Big Issue  
The Smith Family  
Thierry Marx Competition  
TLC for kids  
Tourism Alliance Victoria  
Victoria Day Council Awards  
Victorian Institute of Sport  
Western Chances  
World Vision  
WorldSkills Australia  
Yachting Victoria  
Young Tourism Network

# Other Relevant Information

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## Freedom of Information

*The Victorian Freedom of Information Act 1982* gives members of the public the right to request access to documentary information held by Ministers, State government departments, Local councils, most semi-government agencies and statutory authorities, public hospitals and community health centres and Universities, TAFE Institutes and schools.

Under the Freedom of Information Act members of the public can access the following:

- Documents about an individual's own personal records
- Documentary Information relating to the activities of government agencies, and
- The right to request that incorrect or misleading information held by an agency about you be amended or removed

For the period 1 January 2012 to 31 December 2012 there were no requests for information received under the Act.

Requests for information under the Freedom of Information Act 1982 must be in writing and addressed to:

The Freedom of Information Officer  
William Angliss Institute  
PO Box 4052  
Melbourne VIC 3001

## Compliance with the *Building Act 1993*

The Institute has established policies and mechanisms to ensure that works to existing buildings conform to building standards and statutory obligations, which relate to health and safety matters. All Institute works conform to building regulations and appropriate building permits and compliance certificates are obtained. Works amounting to \$165,000 were carried out in 2012.

## Whistleblowers' Protection

The Institute has adopted best practice in the provision of a whistleblowing program that satisfies both the Whistleblowers Protection Act 2001, and Australian Standards AS 8001 'Fraud and corruption control' and AS 8004 'Whistleblowing protection programs for entities'. The Whistleblowers Protection Act protects people who disclose information about serious dishonest wrongdoing within the Victorian public sector, and provides a framework for the investigation of these matters.

This Institute's whistleblowing program endeavors to ensure that the Institute's processes are transparent, accountable, and support the making of disclosures that reveal corrupt conduct, mismanagement of public resources, or risk to public health and safety or the environment. It includes a system by which disclosures of improper conduct or detrimental action by the Institute or its employees can be reported to an independent, confidential third party, STOPline Pty Ltd.

In the reporting period, no disclosures of improper conduct were made to STOPline, and no recommendations relating to the Board have been made by the Ombudsman.

## Competitive Neutrality

William Angliss Institute recognises the principles of the National Competition Policy (NCP), 'Competitive Neutrality: A Statement of Victorian government policy', 'Victorian Government Timetable for the Review of Legislative Restrictions on Competition' and any subsequent reforms.

Processes are in place to ensure proper policy is applied to commercial activity and to pricing bids for government funded education and training advertised for competitive tender. The Institute has met the requirements of the competitive neutrality and recognises the inherent responsibilities to the community and the public interest.

## Risk Management

The Institute is committed to the continuous improvement of sustainable effective risk management processes that are in alignment to the essential elements of the Victorian Government Risk Management Framework and the AS/NZS 4360 standard. The Institute is proactive in adopting and developing strategies to foster a community of practice and a culture of risk leaders Institute wide at all levels; strategic, operational and tactical. The Institute's Risk Management Program consists of the following components:

- Risk Management Plan
- Committees for Specialised areas; OH&S, Educational Technologies Group, Critical Incident Stress Management Team, Project Management Steering Committee
- Audit Committee
- External Audit Program
- Quarterly updates of risk management outcomes
- Annual review by management, audit committee and board
- Completion of the Internal Audit program; Management of Domestic Commercial Activities, International Students and ESOS Compliance, Payroll Review
- Other Internal Audit projects; Follow up Review of action items from audit plans, Risk Assessment – Management, Risk Assessment – Board, Strategic Internal Audit Plan, ICT Strategy Review
- Review of Fraud and Corruption Control plan
- Continued development of Disaster Recovery Plans
- Continual improvement and strategies implemented as identified through Risk Framework Quality Review (RFQR);
- Integration of risk management into the Strategic Plan
- Business Continuity Plan completed and tested

In 2012 the Institute completed a review in conjunction with management, staff, Executive and the Institute's Board.



### Risk Management Attestation

"I, Nicholas Hunt certify that William Angliss Institute has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Board verifies this assurance and the risk profile of William Angliss Institute has been critically reviewed within the last 12 months."

Mr Nicholas Hunt  
Chief Executive Officer  
25 February 2013

### Overseas Operations

#### Nature of Strategic and Operational Risks

In its Strategic Plan, the Institute has identified the objective of internationalising its operations. The Institute recognises the inherent risks associated with offshore activity and these risks have been identified and ranked in order of impact as part of the Institute's Board-endorsed Risk Management Plan.

#### Strategies Established to Manage Risks

The Risk Management Plan outlines specific strategies to mitigate risk in each of the identified areas. The results of each strategy are measured and the strategies adjusted accordingly on a yearly basis. Risk management is a priority for the Board and as such the Institute provides:

- Regular reports to the Board regarding the Institute's offshore activities, which are inclusive of targets and actual results, and
- A business case outlining each new major international activity to the Board for consideration and approval before the activity commences.

#### Performance Measures and Targets

The Institute's performance management process commences with the business case submission to the Board for consideration. Once approved, this then becomes part of the annual budget process with monthly identification and reporting of revenue and surplus. Any significant variances are highlighted and discussed through the Institute Board's sub-committee structure.

#### Achieving Expected Outcomes

The Institute's international activities have been particularly successful in 2012, with performance regularly achieving and exceeding set targets.

International operations have contributed significantly to the Institute's commercial targets, enabling the Institute to reduce its reliance on Government funding.

#### Overseas Visits

In 2012, a total of 151 overseas visits were undertaken to deliver industry training and assessment programs as well as formal education courses, secure consulting projects, strengthen partnerships, oversee International operations, recruit students and attend conferences and exhibitions.

#### Additional Information Available on Request

Consistent with the Financial Management Act 1994, further information on the following is available upon request from the Institute:

- Declarations of pecuniary interest by relevant officers
- Shares held by senior officers
- Publications produced by the Institute
- Changes in prices, fees, charges, rates and levies charged by the Institute
- Major external reviews conducted
- Research and development undertaken
- Promotional public relations and marketing activities undertaken
- Industrial relations and time lost through industrial accidents and disputes
- Overseas visits undertaken by staff members
- Major committees sponsored by the Institute
- Financial information relating to International Operations

These requests should be directed to:

Executive Assistant CEO/Board  
William Angliss Institute  
555 La Trobe Street  
Melbourne VIC 3000  
Telephone: (03) 9606 2111  
Email: info@angliss.edu.au  
Website: www.angliss.edu.au

# Disclosure Index

The Institute's Annual Report is prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

Source Reference	Reporting Requirement	Page
<b>(A) Report Of Operations</b>		
1. SD4.2(g) FRD22	The Report of Operations is to include qualitative and quantitative information on operations and be prepared on a basis consistent with the financial statements prepared pursuant to the Financial Management Act 1994. This report is to provide users with information about: <ul style="list-style-type: none"> <li>• an institute and its activities;</li> <li>• operational highlights for the reporting period;</li> <li>• future initiatives; and</li> <li>• other relevant information not included in the financial statements.</li> </ul>	1-45
2. SD4.2(h) FRD 22	The Report of Operations must be prepared in accordance with the requirements of the financial reporting directions.	33
3. SD4.5.5	Signature of responsible person -Attestation of compliance with the Australian/New Zealand Risk Management Standard.	40-41
4. SD 4.20 FRD22	Signature of responsible person - The Report of Operations must be signed and dated by the Accountable Officer in the case of a Government Department, or in the case of any other Public Sector Body, a member of the responsible Body.	33
<b>STANDARD DISCLOSURES IN THE REPORT OF OPERATIONS</b>		
<b>General Information</b>		
5. FRD22	Manner of Establishment, including the relevant Minister.	23
6. FRD22	The objectives, functions, powers and duties, linked to a summary of its activities, programs and achievements for the reporting period.	23, 4-41
7. FRD22	Nature and range of service provision, including the communities served.	23
8. FRD22	Organisational chart(s) detailing members of the governing board and the CEO, and organisational chart(s) detailing occupants of senior officers and their responsibilities.	22, 30-32
<b>GOVERNANCE</b>		
<b>Recommendations of the TAFE Governance Review, May 2003</b>		
9. TAFE Gov. Review	Outline of the structure of the board including: <ul style="list-style-type: none"> <li>• committees of the board</li> <li>• descriptions of their functions; and</li> <li>• the names of the members of each committee.</li> </ul>	28-29
10. TAFE Gov. Review	Outline of the structure of an institute board, including: <ul style="list-style-type: none"> <li>• names and qualifications of members of the board, including knowledge, experience and skills; and</li> <li>• a summary of the number of meetings attended by each board member.</li> </ul>	24-28
11. TAFE Gov. Review	Summary of training undertaken by board members throughout the year, including the number and type of programs.	28
12. TAFE Gov. Review	A summary of performance and activities of a board including a brief description of a values of a board and whether there is a code of conduct used to guide board decisions.	28-29
13. FRD22B	Statement on an institute's workforce data for the current and previous reporting period.	34
14. FRD22B	Statement on the application of employment and conduct principles.	34
15. FRD22B	Statement on occupational health and safety including appropriate performance indicators outlining an institute's performance against such indicators and details of assessments and measures taken to improve the occupational health and safety of employees.	34
16. FRD22B	A general statement on industrial relations within an institute and details of time lost through industrial accidents and disputes.	34-35

Source Reference	Reporting Requirement	Page
	<b>DISCLOSURE INDEX</b>	
17. FRD10	The Disclosure Index is to contain a list identifying the relevant clauses of Victorian legislation with statutory disclosure requirements.	42-45
18. FRD10	A short description of the relevant requirement.	42-45
19. FRD10	The page in an annual report where the disclosure in satisfaction of the relevant requirement is made.	42-45
	<b>DISCLOSURES</b>	
	<b>Disclosure of ex-gratia payments</b>	
20. FRD 11	Disclosure in aggregate of the nature and amount of any ex gratia payments incurred and written off during the reporting period. This is to be included in the notes to the financial statement.	38
	<b>Disclosures of responsible persons</b>	
21. FRD21A (1)(a)	The name of each person holding a position that meets the definition of responsible person of the reporting entity at any time during the reporting period.	77
	<b>Disclosures of remuneration of executive officers.</b>	
22. FRD21A (1)(b)	Where there is more than one responsible person during any reporting period, the total remuneration of all responsible persons received or receivable in connection to their employment.	38, 78
23. FRD21A (1)(c)	An analysis of remuneration of responsible persons: <ul style="list-style-type: none"> <li>• in bands of \$10,000; and</li> <li>• listing the number of responsible persons and Total Annualised Employee Equivalents (AEE) whose actual remuneration for the period falls within each band, and total amount paid for executives and AEEs.</li> </ul>	38
24. FRD21A (1)(d)	A table disclosing the aggregate amount of related party transactions at the reporting date, including but not limited to the aggregate amount of repayments, shares and share options and other sources of remuneration that do not come under the definition of any of the above mentioned categories received by the responsible person in addition to base remuneration.	38
25. FRD 21(2)(a)	Total remuneration of all executive officers received or receivable in connection to their employment: <ul style="list-style-type: none"> <li>• including the remuneration of executive officers acting in the position of an accountable officer at any time during the reporting period; and</li> <li>• to ensure disclosures are meaningful, additional information may need to be disclosed about the nature of such remuneration.</li> </ul>	38, 78
26. FRD21 (2)(b)	Base remuneration disclosed separately from actual remuneration. Significant variations between total and base remuneration should be supported by explanatory commentary.	38, 78
27. FRD21 (2)(c)	Accrual principles that apply in determining remuneration levels. All amounts received or receivable by the individual are to be disclosed.	38, 78
	<b>FINANCIAL INFORMATION</b>	
28. FRD22	Summary of financial results with comparative information for preceding four years.	20
29. FRD22	Summary of significant changes in financial position.	20
30. FRD22	Summary of operational and budgetary objectives, including performance against objectives and significant achievements.	20
31. FRD22	Events subsequent to balance date which may have a significant effect on operations in subsequent years, including a summary of major changes affecting the achievement of operational objectives.	20
32. FRD22C	For each consultancy valued in excess of \$10,000, set out: <ul style="list-style-type: none"> <li>• a schedule listing the consultants engaged;</li> <li>• a summary of project involved;</li> <li>• total project fees approved (excluding GST);</li> <li>• expenditure for the reporting period (excluding GST); and</li> <li>• future commitments relating to consultant</li> </ul>	20
33. FRD22	Total number of consultancies individually valued at less than \$10,000 (excl. of GST).	20
34. FRD22	Total expenditure (exclusive of GST) of these consultancy engagements.	20

Source Reference	Reporting Requirement	Page
35. FRD22	Financial information must be consistent with that included in the financial statements.	1-45
36. FRD22	The Report of Operations should be presented in a format that complements the financial report as a whole: <ul style="list-style-type: none"> <li>containing any additional information the accountable officer or the governing board considers appropriate; or</li> <li>any information which has been mandated by other authoritative pronouncements.</li> </ul> The Report of Operations must contain general and financial information, including other relevant financial information, outlining and explaining an entity's operations and activities for the reporting period.	1-45
37. FRD27	The Report of Operations must include in its report of operations an audited statement of performance including: <ul style="list-style-type: none"> <li>the relevant performance targets and indicators as determined by the responsible Minister;</li> <li>the actual results achieved for that financial year against pre-determined performance targets and indicators; and</li> <li>an explanation of any significant variance between the actual results and performance targets indicators.</li> </ul>	21, 33, 47
<b>OTHER RELEVANT INFORMATION</b>		
38. FRD 22	Summary of Application of the Freedom of Information Act 1982 (including amendments of 3 August 2007).	40
39. FRD 22	Statement on compliance with building and maintenance provisions of the Building Act 1993 (including amendments of 1 July 2007).	40
40. FRD 22	Summary of the application and operation of the Whistleblowers Protection Act 2001 (including amendments of 1 July 2007) and disclosures required by this Act.	40
41. FRD 22	Statement on implementation and compliance with National Competition Policy, including statement on compliance with policy statements, especially: <ul style="list-style-type: none"> <li>"Competitive Neutrality: A Statement of Victorian Government Policy";</li> <li>"Victorian Government Timetable for the Review of Legislative Restrictions on Competition";</li> <li>and any subsequent reforms.</li> </ul>	40
42. FRD 22	Summary of environmental performance.	18
43. FRD 22	Statement (to the extent applicable that the information listed in Appendix 1) is available on request to the relevant Minister, members of Parliament or the public. This includes additional information available on request subject to provision of the Freedom of Information Act 1982 (including amendments of 3 August 2007).	41
44. FRD 22	Statement that declarations of pecuniary interests have been duly completed by all relevant officers.	41
45. FRD 22	Details of shares held by senior officers (as nominees or held beneficially in a statutory authority or subsidiary).	41
46. FRD 22	Details of publications produced by the entity about itself and how they can be obtained).	41
47. FRD 22	Details of major promotional, public relations and marketing activities undertaken to develop community awareness of the institute and its services.	16-17, 41
48. FRD 22	Details of changes in prices, fees, charges, rates and levies charged by the institute.	41
49. FRD 22	Details of any major external reviews carried out on the institute.	41
50. FRD 22	Details of major research and development activities undertaken by the institute.	41
51. FRD 22	Details of overseas visits undertaken including a summary of the objectives and outcomes of each visit.	41
52. FRD 22	List of major committees sponsored by the institute, the purposes of each committee and the extent to which the purposes have been achieved.	41
<b>OVERSEAS OPERATIONS OF VICTORIAN TAFE INSTITUTES</b>		
53. PAEC	Financial and other information on initiatives taken or strategies relating to the institute's international operations.	12 - 13, 41

Source Reference	Reporting Requirement	Page
	<b>AUDITOR GENERAL</b>	
	<b>Recommendation in relation to Overseas Operations of Victorian TAFE Institutes – 3.110 Auditor General, Special Reviews, 30 June 2002.</b>	
54. 3.110	Information in annual reports of a TAFE institute should include: <ul style="list-style-type: none"> <li>• nature of strategic and operational risks;</li> <li>• strategies established to manage such risks;</li> <li>• performance measures and targets formulated for off shore operations; and</li> <li>• the extent to which expected outcomes have been achieved.</li> </ul>	41
	<b>FINANCIAL REPORTING DIRECTION 27 – PRESENTATION OF REPORTING AND PERFORMANCE INFORMATION</b>	
	<b>Audited Statements of Key Performance Measures (KPIs) must include an audited statement of performance for certain KPIs.</b>	
55. FRD 27A	Reporting and performance should be presented using KPIs and a signed Performance Management Certificate should also be completed. (The following 11 are the mandatory KPIs) <ol style="list-style-type: none"> <li>1. Participation of 15–24 year olds.</li> <li>2. Participation of 25–64 year olds.</li> <li>3. Module Load Completion Rate.</li> <li>4. Student satisfaction.</li> <li>5. Total Cost per Student Contact Hour (SCH).</li> <li>6. Working Capital Ratio.</li> <li>7. Net Operating Margin.</li> <li>8. Fee for Service Revenue.</li> <li>9. Revenue per EFT Staff.</li> <li>10. Student Contact Hours (SCH).</li> <li>11. Energy Consumption.</li> </ol>	21, 33, 47
	<b>(B) FINANCIAL STATEMENTS</b>	
	<b>Part 7 of the Financial Management Act 1994 (FMA)</b>	
56. FMA 49 (a)	Must contain such information as required by the Minister.	49-52
57. FMA 49 (b)	Must be prepared in a manner and form approved by the Minister.	49-52
58. FMA 49 (c)	Must present fairly the financial transactions of an institute during the financial year to which they relate.	49-52
59. FMA 49 (d)	Must present fairly the financial position of an institute as at the end of the year.	49-52
60. FMA 49 (e)	Must be certified by the Accountable Officer for an institute in the manner approved by the Minister.	46
	<b>The Financial Statements must be prepared in accordance with:</b>	
61. SD 4.2 (a)	Australian Accounting Standards (AAS and AASB) and other mandatory professional reporting requirements (including Urgent Issues Group Consensus Views and Statements of Accounting Concepts).	49-54, 61-63
62. SD 4.2 (a)	Financial Report Directions.	49-52
63. SDA 4.2 (a)	Business rules.	49-52
	<b>The Financial Statements are to comprise the following:</b>	
64. SD 4.2 (b)	An operating statement.	36-37
65. SD 4.2 (b)	A balance sheet.	50
66. SD 4.2 (b)	A statement of recognised income and expenses.	49
67. SD 4.2 (b)	A cash flow statement.	52
68. SD 4.2 (b)	Notes to the financial statements.	53-88
	<b>The Financial Statements must, where applicable, be signed and dated by the Accountable Officer, CFAO and a member of the Responsible Body stating whether, in their opinion:</b>	
69. SD 4.2 (c)	The Financial Statements present fairly the financial transactions during the reporting period and the financial position at the end of the period.	46
70. SD 4.2 (c)	The Financial Statements are prepared in accordance with this direction and applicable Financial Reporting Directions.	46
71. SD 4.2 (c)	The Financial Statements comply with applicable Australian Accounting Standards (AAS and AAB) and other mandatory professional reporting requirements (including Urgent Issues Group Consensus Views and Statements of Accounting Concepts).	46

# Financial Report

For Year Ended 31 December 2012

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## Declaration

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**FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER 2012**

**DECLARATION BY PRESIDENT OF THE BOARD  
CHIEF EXECUTIVE OFFICER  
AND CHIEF FINANCE AND ACCOUNTING OFFICER**

We certify that the attached financial report for the William Angliss Institute of TAFE ("Institute") and the consolidated entities has been prepared in accordance with Standing Direction 4.2 of the Financial Management Act 1994, applicable Financial Reporting Directions issued under that legislation, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of comprehensive income, 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 2012 and financial position of the Institute and the consolidated entities as at 31 December 2012.

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

The President of the Board and the Chief Executive Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of the William Angliss Institute of TAFE.



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Dr M Allan  
President of the Board  
25/02/2013

Melbourne



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Mr N Hunt  
Chief Executive Officer  
25/02/2013

Melbourne



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Mr D Langdon  
Chief Finance and Accounting Officer  
25/02/2013

Melbourne

## INDEPENDENT AUDITOR'S REPORT

To the Members of William Angliss Institute of Technical and Further Education

### *The Statement of Performance*

The accompanying statement of performance for the year ended 31 December 2012 of the William Angliss Institute of Technical and Further Education which comprises the statement, the relates noted the President of the Board, Chief Executive Officer and Chief Finance and Accounting Officers' declaration has been audited.

### *The Board's Responsibility for the Statement of Performance*

The Board Members of William Angliss Institute of Technical and Further Education are responsible for the preparation and the fair presentation of the statement of performance in accordance with the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation of the statement of performance that is free of material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the statement of performance based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the statement of performance is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of performance. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the statement of performance, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the statement of performance 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 entity's internal control. An audit also includes evaluating the overall presentation of the statement of performance.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

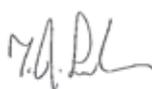
### *Opinion*

In my opinion, the statement of performance of the William Angliss Institute of Technical and Further Education in respect of the 31 December 2012 financial year presents fairly, in all material respects, and in accordance with the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the performance statement of the William Angliss Institute of Technical and Further Education for the year ended 31 December 2012 included both in the William Angliss Institute of Technical and Further Education's annual report and on the website. The Board Members of the William Angliss Institute of Technical and Further Education are responsible for the integrity of the William Angliss Institute of Technical and Further Education's website. I have not been engaged to report on the integrity of the William Angliss Institute of Technical and Further Education's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
5 March 2013

  
Dr Peter Frost  
Acting Auditor-General

*Auditing in the Public Interest*

## INDEPENDENT AUDITOR'S REPORT

To the Board, William Angliss Institute of Technical and Further Education

### *The Financial Report*

The accompanying financial report for the year ended 31 December 2012 of the William Angliss Institute of Technical and Further Education which comprises statement of comprehensive income, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, notes comprising a summary of significant accounting policies and other explanatory information, and the President of the board, chief executive officer, and chief finance and accounting officer has been audited. The financial report includes the consolidated financial statements of the economic entity, comprising the William Angliss Institute of Technical and Further Education and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 23 to the financial statements.

### *The Boards' Responsibility for the Financial Report*

The Board Members of William Angliss Institute of Technical and Further Education are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994* and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgment, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 William Angliss Institute of Technical and Further Education and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Board Members, as well as evaluating the overall presentation of the financial report.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Opinion*

In my opinion, the financial report presents fairly, in all material respects, the financial position of William Angliss Institute of Technical and Further Education and the economic entity as at 31 December 2012 and of their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

### *Matters Relating to the Electronic Publication of the Audited Financial Report*

This auditor's report relates to the financial report of the William Angliss Institute of Technical and Further Education for the year ended 31 December 2012 included both in William Angliss Institute of Technical and Further Education's annual report and on the website. The Board Members of the William Angliss Institute of Technical and Further Education are responsible for the integrity of William Angliss Institute of Technical and Further Education's website. I have not been engaged to report on the integrity of William Angliss Institute of Technical and Further Education's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE  
5 March 2013

  
Dr Peter Frost  
Acting Auditor-General

Auditing in the Public Interest

## Statement of Comprehensive Income for the year ended 31 December 2012

	Note	Consolidated		Institute	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Continuing operations					
Income from transactions					
Government contributions – operating	2(a)(i)	27,238	25,513	27,238	25,488
Government contributions – capital	2(a)(ii)	969	1,195	969	1,195
Sale of goods and services	2(b)	30,038	28,355	26,308	26,807
Interest	2(c)	434	496	373	466
Other income	2(d)	1,698	1,736	774	660
<b>Total income from transactions</b>		<b>60,377</b>	<b>57,295</b>	<b>55,662</b>	<b>54,616</b>
Expenses from transactions					
Employee benefits	3(a)	34,152	35,312	32,249	34,058
Depreciation and amortisation	3(b)	2,980	2,708	2,792	2,682
Other finance costs	3(c)	85	66	82	65
Grants and other transfers	3(d)	54	37	16	30
Supplies and services	3(e)	15,648	13,153	15,124	12,989
Other operating expenses	3(f)	8,494	6,939	6,193	5,797
<b>Total expenses from transactions</b>		<b>61,413</b>	<b>58,215</b>	<b>56,456</b>	<b>55,621</b>
<b>Net result from transactions (net operating balance)</b>		<b>(1,036)</b>	<b>(920)</b>	<b>(794)</b>	<b>(1,005)</b>
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	4(a)	(63)	(44)	(44)	28
Other gains/(losses) from other economic flows	4(b)	(243)	(313)	(243)	(313)
<b>Total other economic flows included in net result</b>		<b>(306)</b>	<b>(357)</b>	<b>(287)</b>	<b>(285)</b>
<b>Net result from continuing operations</b>		<b>(1,342)</b>	<b>(1,277)</b>	<b>(1,081)</b>	<b>(1,290)</b>
<b>Net result</b>		<b>(1,342)</b>	<b>(1,277)</b>	<b>(1,081)</b>	<b>(1,290)</b>
Other economic flows – other non-owner changes in equity					
Items that will not be reclassified to profit or loss					
Changes in physical asset revaluation reserve	14	3,557	-	3,557	-
<b>Total other economic flows – Other non-owner changes in equity</b>		<b>3,557</b>	<b>-</b>	<b>3,557</b>	<b>-</b>
<b>Comprehensive result</b>		<b>2,215</b>	<b>(1,277)</b>	<b>2,476</b>	<b>(1,290)</b>

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

## Balance Sheet as at 31 December 2012

	Note	Consolidated		Institute	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Assets</b>					
Financial assets					
Cash and deposits	5	7,298	10,796	4,736	8,970
Receivables	6	8,254	3,927	5,871	3,535
Investments, loans and other financial assets	7	-	-	5,739	2,982
<b>Total financial assets</b>		<b>15,552</b>	<b>14,723</b>	<b>16,346</b>	<b>15,487</b>
Non-financial assets					
Inventories	8	106	115	106	115
Property, plant and equipment	10	100,921	98,752	100,365	98,082
Intangible assets	11	259	242	198	242
Other non-financial assets	9	616	824	288	546
<b>Total non-financial assets</b>		<b>101,902</b>	<b>99,933</b>	<b>100,957</b>	<b>98,985</b>
<b>Total assets</b>		<b>117,454</b>	<b>114,656</b>	<b>117,303</b>	<b>114,472</b>
<b>Liabilities</b>					
Payables	12	8,007	6,907	7,723	6,851
Provisions	13	4,461	4,978	4,460	4,977
<b>Total liabilities</b>		<b>12,468</b>	<b>11,885</b>	<b>12,183</b>	<b>11,828</b>
<b>Net assets</b>		<b>104,986</b>	<b>102,771</b>	<b>105,120</b>	<b>102,644</b>
<b>Equity</b>					
Accumulated surplus/(deficit)	14(c)	27,571	28,913	26,937	28,018
Reserves	14(b)	57,762	54,205	57,762	54,205
Contributed capital	14(a)	19,653	19,653	20,421	20,421
<b>Total equity</b>		<b>104,986</b>	<b>102,771</b>	<b>105,120</b>	<b>102,644</b>

The above balance sheet should be read in conjunction with the accompanying notes.

## Statement of Changes in Equity for the year ended 31 December 2012

CONSOLIDATED	Note	Equity at 1 Jan 2012 \$'000	Changes due to		Equity at 31 Dec 2012 \$'000
			Total Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	
Accumulated surplus/(deficit)	14 c	28,913	(1,342)	-	27,571
Accumulated surplus/(deficit) at the end of the year		28,913	(1,342)	-	27,571
Contributed capital	14 (a)	19,653			19,653
Contribution by owners at the end of the year		19,653	-	-	19,653
Physical assets revaluation reserve	14 (b)	54,205	3,557	-	57,762
		54,205	3,557	-	57,762
<b>Total equity at the end of the year</b>		<b>102,771</b>	<b>2,215</b>	<b>-</b>	<b>104,986</b>

CONSOLIDATED	Note	Equity at 1 Jan 2011 \$'000	Changes due to		Equity at 31 Dec 2011 \$'000
			Total Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	
Accumulated surplus/(deficit)	14 c	30,190	(1,277)	-	28,913
Accumulated surplus/(deficit) at the end of the year		30,190	(1,277)	-	28,913
Contributed capital	14 (a)	19,653	-	-	19,653
Contribution by owners at the end of the year		19,653	-	-	19,653
Physical assets revaluation reserve	14 (b)	54,205	-	-	54,205
		54,205	-	-	54,205
<b>Total equity at the end of the year</b>		<b>104,048</b>	<b>(1,277)</b>	<b>-</b>	<b>102,771</b>

INSTITUTE	Note	Equity at 1 Jan 2012 \$'000	Changes due to		Equity at 31 Dec 2012 \$'000
			Total Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	
Accumulated surplus/(deficit)	14 c	28,018	(1,081)	-	26,937
Accumulated surplus/(deficit) at the end of the year		28,018	(1,081)	-	26,937
Contributed capital	14 (a)	20,421	-	-	20,421
Contribution by owners at the end of the year		20,421	-	-	20,421
Physical assets revaluation reserve	14 (b)	54,205	3,557	-	57,762
		54,205	3,557	-	57,762
<b>Total equity at the end of the year</b>		<b>102,644</b>	<b>2,476</b>	<b>-</b>	<b>105,120</b>

INSTITUTE	Note	Equity at 1 Jan 2011 \$'000	Changes due to		Equity at 31 Dec 2011 \$'000
			Total Comprehensive result \$'000	Transactions with owners in their capacity as owners \$'000	
Accumulated surplus/(deficit)	14 c	29,308	(1,290)	-	28,018
Accumulated surplus/(deficit) at the end of the year		29,308	(1,290)	-	28,018
Contributed capital	14 (a)	20,421	-	-	20,421
Contribution by owners at the end of the year		20,421	-	-	20,421
Physical assets revaluation reserve	14 (b)	54,205	-	-	54,205
		54,205	-	-	54,205
<b>Total equity at the end of the year</b>		<b>103,934</b>	<b>(1,290)</b>	<b>-</b>	<b>102,644</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes.

## Cash Flow Statement for the year ended 31 December 2012

	Note	Consolidated		Institute	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Cash flows from operating activities</b>					
Receipts					
Government contributions - operating	2(a)(i)	27,238	25,513	27,238	25,488
Government contributions - Capital	2(a)(ii)	969	1,195	969	1,195
Receipts from customers		25,258	25,194	23,568	23,913
User fees and charges received		434	496	373	466
Goods and services tax recovered from the ATO		1,909	2,014	1,909	2,014
Other receipts		1,698	4,171	725	3,123
<b>Total receipts</b>		<b>57,506</b>	<b>58,583</b>	<b>54,782</b>	<b>56,199</b>
Payments					
Payments to suppliers and employees		(56,855)	(53,457)	(52,246)	(52,647)
Goods and services tax paid to the ATO		(2,213)	(1,725)	(2,215)	(1,725)
Interest and other costs of finance paid		(85)	(66)	(82)	(65)
<b>Total payments</b>		<b>(59,153)</b>	<b>(55,248)</b>	<b>(54,543)</b>	<b>(54,437)</b>
<b>Net cash provided by/(used in) operating activities</b>	15	<b>(1,647)</b>	<b>3,335</b>	<b>239</b>	<b>1,762</b>
<b>Cash flows from investing activities</b>					
Payments for non-financial assets		(1,937)	(3,749)	(1,802)	(3,053)
Payments for Investments		-	-	(2,757)	(219)
Proceeds from sale of non-financial assets		86	-	86	-
<b>Net cash provided by/(used in) investing activities</b>		<b>(1,851)</b>	<b>(3,749)</b>	<b>(4,473)</b>	<b>(3,272)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(3,498)</b>	<b>(414)</b>	<b>(4,234)</b>	<b>(1,510)</b>
Cash and cash equivalents at the beginning of the financial year		10,796	11,210	8,970	10,480
<b>Cash and cash equivalents at the end of the financial year</b>	5	<b>7,298</b>	<b>10,796</b>	<b>4,736</b>	<b>8,970</b>

The above cash flow statement should be read in conjunction with the accompanying notes.

## Notes to the Financial Statements for the year ended 31 December 2012

### 1. Statement of significant accounting policies

This financial report includes the consolidated financial statements and notes of William Angliss Institute of TAFE and controlled entities ('Consolidated Group' or 'Group'), and the separate financial statements and notes of William Angliss Institute of TAFE as an individual parent entity ('Parent Entity').

#### Statement of compliance

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the Financial Management Act 1994 and applicable Australian Accounting Standards and Interpretations (AASs), issued by the Australian Standards Board. AASs include equivalents to International Financial Reporting Standards.

In complying with AASs, the Institute has, where relevant, applied those paragraphs applicable to not-for-profit entities.

The financial report was authorised for issue by the Board of Directors on 25/02/2013. The William Angliss Institute of TAFE has the power to amend and reissue the financial report.

#### 1.01 Basis of preparation

The financial statements have been prepared using the accrual basis of accounting. They have been prepared in accordance with the historical cost convention, except for the revaluation of certain non-financial assets. Cost is based on the fair values of the consideration given in exchange for assets.

##### Critical accounting estimates and judgments

The Institute evaluate estimates and judgments incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Institute.

##### Estimates

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

##### Judgements

In the application of AASs, management is required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates. Key estimates and judgements made are disclosed throughout the body of the financial statements.

The estimates and judgements made are evident in the presentation of fair value of Property Plant and Equipment, assessment of any impairment of financial assets and factors contributing to the allowance for doubtful debts.

Management and the Board have specifically considered the Institute's non-current receivable valued at \$5.520 million (2011: \$2.763 million) as listed in note 7 due from the 100% owned Singapore-based subsidiary William Angliss Institute Pte Ltd. After taking into account all factors applicable at 31st December 2012 and to the date the statements are authorised for issue, including a presentation from management to the Finance, Audit and Risk Management Committee and a robust discussion with external auditors present, and also after reviewing the original business case and tender financial forecasts, and after understanding early enrolments and other indicators in early 2013 and the 2013 budget, the Institute has made the assessment that the receivable is not in any way impaired.

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.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2012 and the comparative information presented for the year ended 31 December 2011.

##### Compliance with IFRSs

The financial statements and notes of William Angliss Institute of TAFE comply with Australian Accounting Standards, some of which contain requirements specific to not-for-profit entities that are inconsistent with IFRS requirements.

The following is a summary of the material accounting policies adopted by the Institute in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

#### 1.02 Scope and presentation of financial statements

##### Statement of Comprehensive Income

Income and expenses in the Statement of Comprehensive Income are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

## Notes to the Financial Statements for the year ended 31 December 2012

### *Balance sheet*

Assets and Liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets.

Current and non-current assets and liabilities (non-current being those assets or liabilities expected to be recovered or settled after more than 12 months) are disclosed in the notes where relevant.

### *Statement of changes in equity*

The statement of changes in equity presents reconciliations of each non-owner and owner equity changes in equity from opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to the amount recognised in the 'Comprehensive Result' and amounts recognised in 'Other Economic Flows - other movements in equity' related to 'Transactions with owners in their capacity as owners'.

### *Cash flow statement*

The cash flow statement are classified according to whether or not they arise from operating, investing and financing activities. This classification is consistent with requirements under AASB 107 Cash Flow Statements.

### 1.03 Reporting entity

The financial statements cover the William Angliss Institute of TAFE as an individual reporting entity. The Institute is a body corporate, established pursuant to an act/order made by the Victorian government under the Educational and Training Reform Act (2006).

Its principal address is:  
William Angliss Institute of TAFE  
555 La Trobe St  
Melbourne Victoria

### 1.04 Basis of consolidation

In accordance with AASB127 Consolidated and Separate financial statements, the consolidated financial statements of the Group incorporate all assets and liabilities of all reporting entities controlled by the Institute as at 31 December 2012 and their income and expenses for that part of the reporting year in which control existed.

A controlled entity is any entity over which William Angliss Institute of TAFE has the power to govern the financial and operating policies so as to obtain benefits from its activities. In assessing the power to govern, the existence and effect of holdings of actual and potential voting rights are considered.

A list of controlled entities is contained in note 23.

As at reporting date, the assets and liabilities of all controlled entities have been incorporated into the consolidated financial statements as well as their results for the year then ended. Where controlled entities have entered (left) the consolidated group during the year, their operating results have been included (excluded) from the date control was obtained (ceased).

All inter-group balances and transactions between entities in the consolidated group, including any unrealised profits or losses, have been eliminated on consolidation. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with those adopted by the parent entity.

### 1.05 Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Institute and other parties, the transactions are only recognised when the agreement is irrevocable at or before balance date. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting date and before the date the statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the reporting date and the date the statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

### 1.06 Goods and Services Tax (GST)

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

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the balance sheet.

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 is classified as operating cash flows.

Commitments and contingent assets or liabilities are presented on a gross basis.

## Notes to the Financial Statements for the year ended 31 December 2012

### 1.07 Income from transactions

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. It is recognised to the extent that it is probable that the economic benefit will flow to the group and the income can be reliably measured at fair value.

Revenue is recognised for each of the Institute's major activities as follows:"

#### Government contributions

Government contributions are recognised as revenue in the period when the Institute gains control of the contributions. Control is recognised upon receipt or notification by relevant authorities of the right to receive a contribution for the current period.

#### Sale of goods and services

##### (i) Student fees and charges

Student fees and charges revenue is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

##### (ii) Fee for Service

Fee for service revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as Revenue in Advance.

##### (iii) Revenue from sale of goods

Revenue from sale of goods is recognised by the Institute when:

- (a) the significant risks and rewards of ownership of the goods have transferred to the buyer;
- (b) the Institute retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- (c) the amount of revenue can be reliably measured;
- (d) it is probable that the economic benefits associated with the transaction will flow to the Institute and;
- (e) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### Interest

Interest from cash, short-term deposits and investments is brought to account on a time proportional basis taking into account interest rates applicable to the financial assets.

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported as part of income from other economic flows in the net result or as unrealised gains and losses taken direct to equity, forming part of the total change in net worth in the comprehensive result.

##### (ii) Rental income

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.

#### Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

### 1.08 Expenses from transactions

#### Employee benefits

These expenses include all costs related to employment (other than superannuation which is accounted for separately) including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

#### Superannuation

The amount recognised in the Statement of Comprehensive Income is the employer contributions for members of both defined benefit and defined contribution superannuation plans that are paid or payable during the reporting period.

## Notes to the Financial Statements for the year ended 31 December 2012

### Depreciation and amortisation

#### Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

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

Class of asset	Method	Rate/Rates
Buildings	Straight	1.1765% - 14.12%
Plant & equipment	Straight	5% - 33%
Motor vehicles	Straight	20.0%
Library collections	Straight	10% - 20%
Internal use-software	Straight	20% - 33%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis. There has been no change in the methodology and rates for 2012.

#### Amortisation

Intangible assets with finite lives are amortised on a straight line basis over the assets useful lives. 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. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period. In addition, an assessment is made at each reporting date to determine whether there are indicators that the intangible asset concerned is impaired. If so, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount.

Intangible assets with indefinite lives are not amortised. The useful life of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset. In addition, the Institute tests all intangible assets with indefinite lives for impairment by comparing its recoverable amount with its carrying amount:

- (a) annually;
- (b) whenever there is an indication that the intangible asset may be impaired.

Any excess of the carrying amount over the recoverable amount is recognised as an impairment loss.

#### Interest Expense

Interest expense is recognised as expenses in the period in which they are incurred.

Finance costs include interest on bank overdrafts and short term and long term borrowings, amortisation of discounts or premiums relating to borrowings, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and finance lease charges."

#### Grants and other transfers

Grants and other transfers to third parties are recognised as an expense in the reporting period in which they are paid or payable.

#### Other operating expenses

##### Supplies and services

Supplies and services expenses 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 distributed.

##### Fair value of assets and services provided free of charge or for nominal consideration

Contributions of resources provided free of charge or for nominal consideration are recognised at their fair value when the transferee obtains control over them, irrespective of whether restrictions or conditions are imposed over the use of the contributions, unless received from another government department or agency as a consequence of a restructuring of administrative arrangements. In the latter case, such a transfer will be recognised at its carrying value.

Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not donated.

## Notes to the Financial Statements for the year ended 31 December 2012

### 1.09 Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

#### Net gain/(loss) on non-financial assets

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.

#### Impairment of assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount and so require write downs).

All other assets are assessed annually for indications of impairment.

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 statement of comprehensive income, except to the extent that the write down can be debited to an asset revaluation reserve amount applicable to that class of asset.

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 flows 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. It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made.

#### Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

#### Revaluations of financial instruments at fair value

The revaluation gain/(loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

#### Impairment of financial assets

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The allowance for doubtful receivables and bad debts not written off by mutual consent are adjusted as 'other economic flows'.

#### Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

### 1.10 Financial assets

#### Cash and Cash Equivalents

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call and highly liquid investments with an original maturity of three months or less, which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

For the cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as interest bearing liabilities on the balance sheet.

#### Receivables

Receivables consist of:

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

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments. Receivables are recognised at fair value. A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected and bad debts are written off.

#### Investments, loans and other financial assets

##### Recognition and initial measurement

Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting (the date on which the Institute commits to purchase or sell the asset) is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately.

## Notes to the Financial Statements for the year ended 31 December 2012

### Derecognition

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

Financial instruments are classified and measured as set out below.

### Classification and subsequent measurement

#### (i) Financial assets at fair value through profit or loss

Financial assets are classified at fair value through the statement of comprehensive income when they are held-for-trading purposes or so designated upon initial recognition. They are managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Realised and unrealised gains and losses arising from changes in fair value are included in profit or loss in the period in which they arise.

Fair value is determined in the manner described in Note 25.

#### (ii) Loans and receivables

Trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

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

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

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

The institution has no financial instruments under this category.

## 1.11 Leases

Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

### Institute as lessor

Amounts due from lessees under finance leases are recorded as receivables. Finance lease receivables are initially recorded at amounts equal to the present value of the minimum lease payments receivable plus the present value of any unguaranteed residual value expected to accrue at the end of the lease term. Finance lease payments are allocated between interest revenue and reduction of the lease receivable over the term of the lease in order to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

## 1.12 Non-Financial Assets

### Inventories

Inventories include goods and other property held either for sale or for distribution at no or nominal cost in the ordinary course of business operations. It excludes depreciable assets.

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.

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

Cost for all other inventory is measured on the basis of weighted average cost.

Inventories acquired for no cost or nominal consideration are measured at current replacement cost at the date of acquisition.

## Notes to the Financial Statements for the year ended 31 December 2012

### Property, plant and equipment

Each class of property, plant and equipment is carried at cost or fair value as indicated less, where applicable, any accumulated depreciation and impairment losses.

#### Property

Freehold land and buildings are shown initially at cost, then subsequently at their fair value.

#### Plant and equipment

Plant and equipment are measured at fair value less accumulated depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually by the Institute for indicators of impairment. If such an indication exists, an impairment test is carried out on the asset by assessing the carrying amount to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts.

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

#### Library collections

Library collections are measured at fair value less accumulated depreciation.

#### Revaluations of non-current physical assets

Non-current physical assets measured at fair value are revalued in accordance with FRDs issued by the Minister for Finance. This revaluation process normally occurs every five years, based upon the asset's Government Purpose Classification, but may occur more frequently if fair value assessments indicate material changes in values. Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Revaluation increases are credited directly to equity in the revaluation reserve, except to the extent that an increase reverses a revaluation decrease in respect of that class of assets, previously recognised as an expense (other economic flows) in the net result, the increase is recognised as income (other economic flows) in determining the net result.

Revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except to the extent that a credit balance exists in the revaluation reserve in respect of the same class of assets, they are debited to the revaluation reserve.

Revaluation increases and revaluation decreases relating to individual assets within a class of property, plant and equipment are offset against one another within that class but are not offset in respect of assets in different classes.

Revaluation reserves are not normally transferred to accumulated funds on de-recognition of the relevant asset.

Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

#### Intangibles

Intangible assets represent identifiable non-monetary assets without physical substance.

Intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Institute. "

### 1.13 Liabilities

#### Payables

Payables consist of:

- Contractual payments such as accounts payable and unearned income including deferred income from concession arrangements, and statutory payable.
- Accounts payable represents liabilities for goods and services provided to the Institute prior to the end of the financial year and that are unpaid and arise when the Institute becomes obliged to make future payments in respect of the purchase of those goods and services.
- Statutory payable are such goods and services tax

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.

#### Provisions

Provisions are recognised when the Institute has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cashflows estimated to settle the present obligation, its carrying amount is the present value of those cashflows.

## Notes to the Financial Statements for the year ended 31 December 2012

### Employee benefits

The calculation of employee benefits includes all relevant on-costs and are calculated as follows at reporting date.

#### (i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

#### (ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Current Liability - unconditional LSL representing 7 years is disclosed as a current liability even when the Institute does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

- present value - component that is not expected to be settled within 12 months.
- nominal value - component that is expected to be settled within 12 months.

Non-current liability - conditional LSL representing less than 7 years is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow (refer to Note 4(b)).

#### (iii) Termination benefits

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

### Employee benefits on-costs

Employee benefits on-costs ( payroll tax, workers compensation, superannuation) are recognised separately from provision for employee benefits.

### Performance Payments

Performance payments for TAFE Executive Officers are based on a percentage of the annual salary package provided under the contract of employment. A liability is provided for under the term of the contracts at reporting date and paid out in the next financial year.

### Retirement benefit obligations

#### (i) Defined contribution plan

Contributions to defined contribution plans are expensed when they become payable.

#### (ii) Defined benefit plans

The amount charged to the statement of comprehensive income in respect of superannuation represents the contributions made by the Institute to the superannuation plan in respect of current services of current Institute staff. Superannuation contributions are made to the plans based on the relevant rules of each plan.

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

## 1.14 Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value and inclusive of the GST payable.

## 1.15 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note (refer note 17) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

## Notes to the Financial Statements for the year ended 31 December 2012

### 1.16 Equity

#### Contributed capital

Funding that are in the nature of contributions by the State government are treated as contributed capital when designated as contributions by owners in accordance with UIG Interpretation 1038 Contribution by Owners Made to Wholly-Owned Public Sector Entities. Commonwealth capital funds are not affected and are treated as income.

### 1.17 Foreign currency translations

#### Functional and presentation currency

The functional currency of each group entity is measured using the currency of the primary economic environment in which that entity operates. The Institute's financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

#### Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of comprehensive income in the period in which they arise, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange difference arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of comprehensive income.

#### Group entities

The financial results and position of foreign operations whose functional currency is different from the group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.

Exchange differences arising on translation of foreign operations are recognised as a separate component of equity. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, a proportionate share of such exchange differences are recognised in the statement of comprehensive income as part of the gain or loss on sale where applicable.

### 1.18 Materiality

In accordance with Accounting Standard AASB1031 'Materiality', accounting policies need only be identified in the summary of accounting policies where they are considered 'material'. Accounting policies will be considered material if their omission, misstatement or non-disclosure has the potential, individually or collectively, to:

- (a) influence the economic decisions of users taken on the basis of the financial report; and
- (b) affect the discharge of accountability by the management or governing body of the entity.

### 1.19 Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

### 1.20 Comparative information

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

### 1.21 Change in accounting policy

There was no change in accounting policy for the financial year ending 31 December 2012.

## Notes to the Financial Statements for the year ended 31 December 2012

### 1.22 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2012 reporting period.

As at 31 December 2012 the following standards and interpretations (applicable to the Institute) had been issued but were not mandatory for financial year ended 31 December 2012. The Institute has not, and does not intend to, adopt these standards early.

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial Instruments: Recognition and Measurement (AASB 139 Financial Instruments: Recognition and Measurement).	1 Jan 2013	Detail of impact is still being assessed.
AASB 10 Consolidated Financial Statements	This Standard establishes principles for the presentation and preparation of consolidated financial statements when an entity controls one or more other entities and supersedes those requirements in AASB 127 Consolidated and Separate Financial Statements and Interpretation 112 Consolidation – Special Purpose Entities.	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 10 in a not-for-profit context.  As such, impact will be assessed after the AASB's deliberation.
AASB 13 Fair Value Measurement	This Standard outlines the requirements for measuring the fair value of assets and liabilities and replaces the existing fair value definition and guidance in other AASBs. AASB 13 includes a 'fair value hierarchy' which ranks the valuation technique inputs into three levels using unadjusted quoted prices in active markets for identical assets or liabilities; other observable inputs; and unobservable inputs.	1 Jan 2013	Disclosure for fair value measurements using unobservable inputs are relatively onerous compared to disclosure for fair value measurements using observable inputs. Consequently, the Standard may increase the disclosures for public sector entities that have assets measured using depreciated replacement cost.
AASB 119 Employee Benefits	In this revised Standard for defined benefit superannuation plans, there is a change to the methodology in the calculation of superannuation expenses, in particular there is now a change in the split between superannuation interest expense (classified as transactions) and actuarial gains and losses (classified as 'Other economic flows – other movements in equity') reported on the comprehensive operating statement.	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date.  While the total superannuation expense is unchanged, the revised methodology is expected to have a negative impact on the net result from transactions of the general government sector and for those few Victorian public sector entities that report superannuation defined benefit plans.
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1 Jan 2013	Not-for-profit entities are not permitted to apply this Standard prior to the mandatory application date. The AASB is assessing the applicability of principles in AASB 127 in a not-for-profit context.  As such, impact will be assessed after the AASB's deliberation.
AASB 1053 Application of Tiers of Australian Accounting Standards	This Standard establishes a differential financial reporting framework consisting of two tiers of reporting requirements for preparing general purpose financial statements.	1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]	This Standard gives effect to consequential changes arising from the issuance of AASB 9.	1 Jan 2013	No significant impact is expected from these consequential amendments on entity reporting.

## Notes to the Financial Statements for the year ended 31 December 2012

Standard/Interpretation	Summary	Applicable for annual reporting periods beginning on	Impact on public sector entity financial statements
AASB 2010-2 Amendments to Australian Accounting Standards arising from Reduced Disclosure Requirements	This Standard makes amendments to many Australian Accounting Standards, including Interpretations, to introduce reduced disclosure requirements to the pronouncements for application by certain types of entities.	1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) for certain public sector entities and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127]	These consequential amendments are in relation to the introduction of AASB 9.	1 Jan 2013	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2011-2 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project – Reduced Disclosure Requirements [AASB 101 & AASB 1054]	The objective of this amendment is to include some additional disclosure from the Trans-Tasman Convergence Project and to reduce disclosure requirements for entities preparing general purpose financial statements under Australian Accounting Standards – Reduced Disclosure Requirements.	1 July 2013	The Victorian Government is currently considering the impacts of Reduced Disclosure Requirements (RDRs) and has not decided if RDRs will be implemented in the Victorian public sector.
AASB 2011-3 Amendments to Australian Accounting Standards – Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments [AASB 1049]	This amends AASB 1049 to clarify the definition of the ABS GFS Manual, and to facilitate the adoption of changes to the ABS GFS Manual and related disclosures.	1 July 2012	This amendment provides clarification to users preparing the whole of government and general government sector financial reports on the version of the GFS Manual to be used and what to disclose if the latest GFS Manual is not used.  No impact on departmental or entity reporting.
AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards [AASB 1, 2, 3, 5, 7, 9, 2009-11, 101, 107, 112, 118, 121, 124, 132, 133, 136, 138, 139, 1023 & 1038 and Interpretations 5, 9, 16 & 17]	This Standard outlines consequential changes arising from the issuance of the five 'new Standards' to other Standards. For example, references to AASB 127 Consolidated and Separate Financial Statements are amended to AASB 10 Consolidated Financial Statements or AASB 127 Separate Financial Statements, and references to AASB 131 Interests in Joint Ventures are deleted as that Standard has been superseded by AASB 11 and AASB 128 (August 2011).	1 Jan 2013	No significant impact is expected from these consequential amendments on entity reporting.
AASB 2011-8 Amendments to Australian Accounting Standards arising from AASB 13 [AASB 1, 2, 3, 4, 5, 7, 9, 2009-11, 2010-7, 101, 102, 108, 110, 116, 117, 118, 119, 120, 121, 128, 131, 132, 133, 134, 136, 138, 139, 140, 141, 1004, 1023 & 1038 and Interpretations 2, 4, 12, 13, 14, 17, 19, 131 & 132]	This amending Standard makes consequential changes to a range of Standards and Interpretations arising from the issuance of AASB 13. In particular, this Standard replaces the existing definition and guidance of fair value measurements in other Australian Accounting Standards and Interpretations.	1 Jan 2013	Disclosures for fair value measurements using unobservable inputs is potentially onerous, and may increase disclosures for assets measured using depreciated replacement cost.

## Notes to the Financial Statements for the year ended 31 December 2012

### 2. Income from Transactions

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(a) Grants and other transfers (other than contributions by owners)				
Government financial assistance				
(i) Government contributions - operating				
Commonwealth government recurrent specific funded programs	-	68	-	43
State government recurrent specific funded programs	27,238	25,445	27,238	25,445
<b>Total government contributions - operating</b>	<b>27,238</b>	<b>25,513</b>	<b>27,238</b>	<b>25,488</b>
(ii) Government contributions - capital				
Commonwealth capital	969	1,195	969	1,195
<b>Total government contributions - capital</b>	<b>969</b>	<b>1,195</b>	<b>969</b>	<b>1,195</b>
<b>Total government financial assistance</b>	<b>28,207</b>	<b>26,708</b>	<b>28,207</b>	<b>26,683</b>
(b) Sales of goods and services				
Rendering of services				
Fee for service - International operations	13,834	13,804	11,920	13,032
Fee for service - other	11,728	9,962	9,912	9,186
<b>Total rendering of services</b>	<b>25,562</b>	<b>23,766</b>	<b>21,832</b>	<b>22,218</b>
Other non-course fees and charges				
Student Fees and Charges	2,314	2,180	2,314	2,180
Sale of Goods	2,162	2,409	2,162	2,409
<b>Total other fees and charges</b>	<b>4,476</b>	<b>4,589</b>	<b>4,476</b>	<b>4,589</b>
<b>Total revenue from sale of goods and services</b>	<b>30,038</b>	<b>28,355</b>	<b>26,308</b>	<b>26,807</b>
(c) Interest				
Interest from financial assets not at fair value through Statement of Comprehensive Income:				
Interest on bank deposits	434	496	373	466
<b>Total interest revenue from financial assets not at fair value through Statement of Comprehensive Income</b>	<b>434</b>	<b>496</b>	<b>373</b>	<b>466</b>
<b>Net interest income</b>	<b>434</b>	<b>496</b>	<b>373</b>	<b>466</b>
(d) Other income				
Rental revenue:				
Investment properties	64	66	64	66
Other	1,224	1,231	710	594
<b>Total rental revenue</b>	<b>1,288</b>	<b>1,297</b>	<b>774</b>	<b>660</b>
Donations, bequests and contributions	410	439	-	-
<b>Total other income</b>	<b>1,698</b>	<b>1,736</b>	<b>774</b>	<b>660</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 3. Expenses from transactions

	Consolidated		Institute	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>(a) Employee benefits</b>				
Salaries, wages, overtime and allowances	27,567	29,568	26,008	28,557
Restructure	868	489	868	489
Superannuation	2,360	2,425	2,257	2,351
Payroll tax	1,434	1,430	1,374	1,384
Worker's compensation	336	214	319	203
Long service leave	290	456	260	443
Annual leave	1,266	692	1,186	669
Other	31	38	(23)	(38)
<b>Total employee benefits</b>	<b>34,152</b>	<b>35,312</b>	<b>32,249</b>	<b>34,058</b>
<b>(b) Depreciation and amortisation</b>				
Depreciation of non-current assets				
Buildings	1,173	1,037	1,085	1,027
Plant and equipment	1,541	1,395	1,441	1,379
Motor vehicles	82	94	82	94
Library collections	50	50	50	50
<b>Total depreciation</b>	<b>2,846</b>	<b>2,576</b>	<b>2,658</b>	<b>2,550</b>
Amortisation of non-current physical and intangible assets				
Software	134	132	134	132
<b>Total amortisation</b>	<b>134</b>	<b>132</b>	<b>134</b>	<b>132</b>
<b>Total depreciation and amortisation</b>	<b>2,980</b>	<b>2,708</b>	<b>2,792</b>	<b>2,682</b>
<b>(c) Other Finance Costs</b>				
Other finance costs	85	66	82	65
<b>Total Other Finance Costs</b>	<b>85</b>	<b>66</b>	<b>82</b>	<b>65</b>
<b>(d) Grants and other transfers (other than contributions by owners)</b>				
Grants and subsidies other VET Programs	54	37	16	30
<b>Total grants and other payments</b>	<b>54</b>	<b>37</b>	<b>16</b>	<b>30</b>
<b>(e) Supplies and Services</b>				
Purchase of supplies and consumables	1,229	1,420	1,202	1,405
Communication expenses	631	540	611	525
Contract and other services	1,047	969	1,026	956
Cost of goods sold/distributed (ancillary trading)	2,092	2,309	2,092	2,308
Building repairs and maintenance	165	237	165	237
Plant & Equipment repairs and maintenance	316	412	315	412
Minor equipment	137	241	129	232
Fees and charges	8,828	6,077	8,427	6,007
Other Charges	1,203	948	1,157	907
<b>Total supplies and services</b>	<b>15,648</b>	<b>13,153</b>	<b>15,124</b>	<b>12,989</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 3. Expenses from transactions

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(f) Other Expenses				
General Expenses				
Marketing and promotional expenses	1,093	706	745	705
Audit fees and services	227	201	196	179
Staff development	176	249	174	248
Travel and motor vehicle expenses	1,665	1,486	726	981
Utilities	773	656	730	649
Cleaning and Sanitation	87	94	87	94
Signage	3	16	3	16
International Commissions	568	640	568	640
International Medibank	319	288	319	288
International Promotions	233	334	233	334
Student Excursions	558	324	537	324
Recruitment	36	74	36	74
International Representation	92	53	92	53
Other expenses	649	363	547	302
<b>Total other expenses</b>	<b>6,479</b>	<b>5,484</b>	<b>4,993</b>	<b>4,887</b>
Operating lease rental expenses:				
Minimum lease payments	2,104	1,271	1,289	726
<b>Total operating lease rental expenses</b>	<b>2,104</b>	<b>1,271</b>	<b>1,289</b>	<b>726</b>
<b>Subtotal</b>	<b>8,583</b>	<b>6,755</b>	<b>6,282</b>	<b>5,613</b>
Bad and Doubtful Debts from Transactions	(89)	184	(89)	184
<b>Total other operating expenses</b>	<b>8,494</b>	<b>6,939</b>	<b>6,193</b>	<b>5,797</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 4. Other economic flows included in net result

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(a) Net gain/(loss) on financial and non-financial assets (including PPE and intangible assets)				
Net gain/(loss) on disposal of physical assets	1	28	1	28
Net FX gain/(loss) arising from non-financial assets	(64)	(72)	(45)	-
<b>Total net gain/(loss) on non-financial assets and liabilities</b>	<b>(63)</b>	<b>(44)</b>	<b>(44)</b>	<b>28</b>
(b) Other gains/(losses) from other economic flows				
Other gains/(losses) from other economic flows	(243)	(313)	(243)	(313)
<b>Total other gains/(losses) from other economic flows</b>	<b>(243)</b>	<b>(313)</b>	<b>(243)</b>	<b>(313)</b>

### 5. Cash and cash equivalents

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Cash and deposits				
Cash at bank and on hand	5,455	6,636	3,221	5,123
Deposits at call	1,843	4,160	1,515	3,847
<b>Total cash and deposits</b>	<b>7,298</b>	<b>10,796</b>	<b>4,736</b>	<b>8,970</b>

The above figures are reconciled to cash at the end of the financial year as shown cashflow statement as follows:

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(a) Reconciliation to cash at the end of the year				
Balances as above	7,298	10,796	4,736	8,970
<b>Balance as per cashflow statement</b>	<b>7,298</b>	<b>10,796</b>	<b>4,736</b>	<b>8,970</b>

#### (b) Cash at bank and on hand

Cash at bank are bearing floating interest rates between 2.75% and 4.40% (2011: 3.75% and 4.25%).

#### (c) Deposits at call

The deposits are bearing floating interest rates between 3.10% and 5.50% (2011 - 4% and 5.6%). These deposits have an average maturity of 90 days.

## Notes to the Financial Statements for the year ended 31 December 2012

### 6. Receivables

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current receivables</b>				
<b>Contractual</b>				
Trade receivables <sup>1</sup>	1,197	1,394	1,197	1,394
Provision for doubtful contractual receivables (See also Note 6(a) below)	(21)	(151)	(21)	(151)
Revenue receivable <sup>2</sup>				
Other Debtors	56	135	57	108
<b>Total contractual</b>	<b>1,232</b>	<b>1,378</b>	<b>1,233</b>	<b>1,351</b>
<b>Statutory</b>				
GST receivable from ATO	194	122	194	122
Revenue receivable <sup>2</sup>	6,828	2,427	4,444	2,062
<b>Total statutory</b>	<b>7,022</b>	<b>2,549</b>	<b>4,638</b>	<b>2,184</b>
<b>Total current receivables</b>	<b>8,254</b>	<b>3,927</b>	<b>5,871</b>	<b>3,535</b>
<b>Total receivables</b>	<b>8,254</b>	<b>3,927</b>	<b>5,871</b>	<b>3,535</b>

- 1 The average credit period on sales of goods is 30 days. No interest is charged on trade or other receivable balances, either within terms or overdue. A provision has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience. The adjustment was recognised in the operating result for the current financial year.
- 2 The amounts receivable from Victorian Government represent funding for all commitments incurred through the appropriations and are drawn from the Consolidated Fund as the commitments fall due. Appropriations are amounts owed by Victorian Government as legislated in the Appropriations Act. Due to the existence of legislative instrument, appropriation receivable to an entity is statutory in nature, and hence not within the scope of financial instrument standards.

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>(a) Movement in the provision for doubtful contractual receivables</b>				
Balance at beginning of the year	(151)	(64)	(151)	(64)
Reversal of unused provision recognised in the net result	110	(33)	110	(33)
Increase in provision recognised in the net result	(21)	(151)	(21)	(151)
Reversal of provision for receivables written off during the year as uncollectible	41	97	41	97
<b>Balance at end of the year</b>	<b>(21)</b>	<b>(151)</b>	<b>(21)</b>	<b>(151)</b>

#### (b) Ageing analysis of contractual receivables

Please refer to Note 25(iv) for the ageing analysis of contractual receivables.

#### (c) Nature and extent of risk arising from contractual receivables

Please refer to Note 25 for the nature and extent of credit risk arising from contractual receivables.

## Notes to the Financial Statements for the year ended 31 December 2012

### 7. Investments, loans and other financial assets

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current investments, loans and other financial assets</b>				
Other Amount owing from William Angliss Institute Pte Ltd	-	-	4,287	1,849
Other Amount owing from William Angliss Institute Foundation	-	-	-	(2)
Other Amount owing from Angliss Consulting Pty Ltd	-	-	1,233	916
<b>Total current investments, loans and other financial assets</b>	<b>-</b>	<b>-</b>	<b>5,520</b>	<b>2,763</b>
<b>Non-current investments</b>				
Investments Long Term - Shares in William Angliss Institute Pte Ltd	-	-	219	219
<b>Total Non - current investments</b>	<b>-</b>	<b>-</b>	<b>219</b>	<b>219</b>
<b>Total investments, loans and other financial assets</b>	<b>-</b>	<b>-</b>	<b>5,739</b>	<b>2,982</b>

Loans to subsidiary companies are repayable on demand, however, payment is not expected within the first twelve months after the reporting date. The nature of these loans is that the Institute is investing in its strategic objective to grow in a manageable and profitable manner and in certain cases this is only possible by setting up a separate entity.

### 8. Inventories

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current</b>				
List type of inventories held				
Supplies and consumables - at cost	106	115	106	115
<b>Total current inventories</b>	<b>106</b>	<b>115</b>	<b>106</b>	<b>115</b>

### 9. Other non-financial assets

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current other non-financial assets</b>				
Prepayments	616	824	288	546
<b>Total current other non-financial assets</b>	<b>616</b>	<b>824</b>	<b>288</b>	<b>546</b>
<b>Total other non-financial assets</b>	<b>616</b>	<b>824</b>	<b>288</b>	<b>546</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 10. Property, plant and equipment

Consolidated At 1 January 2011	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant & Equipment <sup>1</sup> \$'000	Motor Vehicles \$'000	Library \$'000	Total \$'000
Cost	15,492	25,378	-	15,020	488	985	57,363
Valuation	31,412	22,793	-	-	-	-	54,205
Accumulated depreciation	-	(2,588)	-	(10,414)	(221)	(690)	(13,913)
<b>Net book amount</b>	<b>46,904</b>	<b>45,583</b>	<b>-</b>	<b>4,606</b>	<b>267</b>	<b>295</b>	<b>97,655</b>
<b>Year ended 31 December 2011</b>							
Opening net book amount	46,904	45,583	-	4,606	267	295	97,655
Additions	-	1,149	740	1,910	141	71	4,011
Disposals	-	(89)	-	(209)	(40)	-	(338)
Net revaluation increments/ decrements	-	-	-	-	-	-	-
Transfer to assets classified as held-for-sale	-	-	-	-	-	-	-
Impairment loss through profit and loss	-	-	-	-	-	-	-
Depreciation expense	-	(1,037)	-	(1,395)	(94)	(50)	(2,576)
Exchange differences	-	-	-	-	-	-	-
Other Transfers	-	-	-	-	-	-	-
<b>Closing net book amount</b>	<b>46,904</b>	<b>45,606</b>	<b>740</b>	<b>4,912</b>	<b>274</b>	<b>316</b>	<b>98,752</b>
<b>At 31 December 2011</b>							
Cost	15,492	26,433	740	15,612	501	1,057	59,835
Valuation	31,412	22,793	-	-	-	-	54,205
Accumulated depreciation	-	(3,620)	-	(10,700)	(227)	(741)	(15,288)
<b>Net book amount</b>	<b>46,904</b>	<b>45,606</b>	<b>740</b>	<b>4,912</b>	<b>274</b>	<b>316</b>	<b>98,752</b>
<b>Year ended 31 December 2012</b>							
Opening net book amount	46,904	45,606	740	4,912	274	316	98,752
Additions	-	142	353	1,074	154	26	1,749
Disposals	-	(46)	-	(172)	(73)	-	(291)
Net revaluation increments/ decrements	5,683	(2,426)	-	-	-	-	3,557
Depreciation expense	-	(1,473)	-	(1,541)	(82)	(50)	(2,846)
Exchange differences	-	-	-	-	-	-	-
Other Transfers	-	-	-	-	-	-	-
<b>Closing net book amount</b>	<b>52,587</b>	<b>42,403</b>	<b>1,093</b>	<b>4,273</b>	<b>273</b>	<b>292</b>	<b>100,921</b>
<b>At 31 December 2012</b>							
Cost	-	679	1,093	16,481	415	1,083	19,751
Valuation	52,587	41,863	-	-	-	-	94,450
Accumulated depreciation	-	(139)	-	(12,208)	(142)	(791)	(13,280)
<b>Net book amount</b>	<b>52,587</b>	<b>42,403</b>	<b>1,093</b>	<b>4,273</b>	<b>273</b>	<b>292</b>	<b>100,921</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 10. Property, plant and equipment (cont)

Institute	Land	Buildings	Construction in progress	Plant & Equipment	Motor Vehicles	Library	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>At 1 January 2010</b>							
Cost	15,492	25,378	-	15,020	488	985	57,363
Valuation	31,412	22,793	-	-	-	-	54,205
Accumulated depreciation	-	(2,588)	-	(10,414)	(221)	(690)	(13,913)
<b>Net book amount</b>	<b>46,904</b>	<b>45,583</b>	<b>-</b>	<b>4,606</b>	<b>267</b>	<b>295</b>	<b>97,655</b>
<b>Year ended 31 December 2011</b>							
Opening net book amount	46,904	45,583	-	4,606	267	295	97,655
Additions	-	733	740	1,631	141	71	3,316
Disposals	-	(90)	-	(209)	(40)	-	(339)
Net revaluation increments/ decrements	-	-	-	-	-	-	-
Depreciation expense	-	(1,027)	-	(1,379)	(94)	(50)	(2,550)
Exchange differences	-	-	-	-	-	-	-
Other Transfers	-	-	-	-	-	-	-
<b>Closing net book amount</b>	<b>46,904</b>	<b>45,199</b>	<b>740</b>	<b>4,649</b>	<b>274</b>	<b>316</b>	<b>98,082</b>
<b>At 31 December 2011</b>							
Cost	15,492	26,016	740	15,332	501	1,057	59,138
Valuation	31,412	22,793	-	-	-	-	54,205
Accumulated depreciation	-	(3,610)	-	(10,683)	(227)	(741)	(15,261)
<b>Net book amount</b>	<b>46,904</b>	<b>45,199</b>	<b>740</b>	<b>4,649</b>	<b>274</b>	<b>316</b>	<b>98,082</b>
<b>Year ended 31 December 2012</b>							
Opening net book amount	46,904	45,199	740	4,649	274	316	98,082
Additions	-	116	353	1,026	154	26	1,675
Disposals	-	(46)	-	(172)	(73)	-	(291)
Net revaluation increments/ decrements	5,683	(2,126)	-	-	-	-	3,557
Depreciation expense	-	(1,085)	-	(1,441)	(82)	(50)	(2,658)
Exchange differences	-	-	-	-	-	-	-
Other Transfers	-	-	-	-	-	-	-
<b>Closing net book amount</b>	<b>52,587</b>	<b>42,058</b>	<b>1,093</b>	<b>4,062</b>	<b>273</b>	<b>292</b>	<b>100,365</b>
<b>At 31 December 2012</b>							
Cost	-	236	1,093	16,154	415	1,083	18,981
Valuation	52,587	41,863	-	-	-	-	94,450
Accumulated depreciation	-	(41)	-	(12,092)	(142)	(791)	(13,066)
<b>Net book amount</b>	<b>52,587</b>	<b>42,058</b>	<b>1,093</b>	<b>4,062</b>	<b>273</b>	<b>292</b>	<b>100,365</b>

1. Property, plant & equipment includes all operational assets.

#### (a) Valuations of land and buildings

A revaluation was completed in 2012. The Institute has applied this valuation of Land and Buildings as prepared by the Valuer General Victoria. To arrive at fair value for buildings the Valuer General used the Depreciated Replacement cost method. The revaluation surplus was credited to the Asset Revaluation Reserve in Equity. For land the comparable land sale method was used.

## Notes to the Financial Statements for the year ended 31 December 2012

### 11. Intangible assets

	Software \$'000	Total \$'000
<b>Consolidated</b>		
<b>At 1 January 2011</b>		
Cost	2,206	2,206
Accumulated amortisation	(1,911)	(1,911)
<b>Net book amount</b>	<b>295</b>	<b>295</b>
<b>Year ended 31 December 2011</b>		
Opening net book amount	295	295
Additions	82	82
Disposals	(3)	(3)
Amortisation charge	(132)	(132)
<b>Closing net book amount</b>	<b>242</b>	<b>242</b>
<b>At 31 December 2011</b>		
Cost	2,273	2,273
Accumulated amortisation	(2,031)	(2,031)
<b>Net book amount</b>	<b>242</b>	<b>242</b>
<b>Year ended 31 December 2012</b>		
Opening net book amount	242	242
Additions	187	187
Disposals	(37)	(37)
Amortisation charge	(134)	(134)
<b>Closing net book amount</b>	<b>259</b>	<b>259</b>
<b>At 31 December 2012</b>		
Cost	2,411	2,411
Accumulated amortisation	(2,152)	(2,152)
<b>Net book value at the end of the financial year</b>	<b>259</b>	<b>259</b>
<b>Institute</b>		
<b>At 1 January 2011</b>		
Cost	2,206	2,206
Accumulated amortisation	(1,911)	(1,911)
<b>Net book amount</b>	<b>295</b>	<b>295</b>
<b>Year ended 31 December 2011</b>		
Opening net book amount	295	295
Additions	82	82
Disposals	(3)	(3)
Amortisation charge	(132)	(132)
<b>Closing net book amount</b>	<b>242</b>	<b>242</b>
<b>At 31 December 2011</b>		
Cost	2,273	2,273
Accumulated amortisation	(2,031)	(2,031)
<b>Net book amount</b>	<b>242</b>	<b>242</b>
<b>Year ended 31 December 2012</b>		
Opening net book amount	242	242
Additions	126	126
Disposals	(37)	(37)
Amortisation charge	(134)	(134)
<b>Closing net book amount</b>	<b>198</b>	<b>198</b>
<b>At 31 December 2012</b>		
Cost	2,350	2,350
Accumulated amortisation	(2,152)	(2,152)
<b>Net book value at the end of the financial year</b>	<b>198</b>	<b>198</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 12. Payables

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current</b>				
<b>Contractual</b>				
Creditors and accruals	4,144	2,434	3,858	2,378
Income received in advance	3,020	3,675	3,020	3,675
Other	687	648	687	648
<b>Total contractual</b>	<b>7,851</b>	<b>6,757</b>	<b>7,565</b>	<b>6,701</b>
<b>Statutory</b>				
GST payable to the ATO	156	150	158	150
<b>Total statutory</b>	<b>156</b>	<b>150</b>	<b>158</b>	<b>150</b>
<b>Total current payables</b>	<b>8,007</b>	<b>6,907</b>	<b>7,723</b>	<b>6,851</b>
<b>Total payables</b>	<b>8,007</b>	<b>6,907</b>	<b>7,723</b>	<b>6,851</b>

(a) The average credit period is 30 days. No interest is payable for the first 30 days from the date of invoice.

(b) Maturity analysis of contractual payables, refer table 25(iii) in note 25.

(c) Nature and extent of risk arising from contractual payables, refer note 25.

### 13. Provisions

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Current provisions expected to be settled within 12 months</b>				
<b>Employee benefits</b>				
Annual leave	1,186	1,297	1,185	1,296
Long service leave	45	45	45	45
<b>Other Performance Payments</b>	<b>50</b>	<b>61</b>	<b>50</b>	<b>61</b>
<b>Total current provisions expected to be settled within 12 months</b>	<b>1,281</b>	<b>1,403</b>	<b>1,280</b>	<b>1,402</b>
<b>Current provisions expected to be settled after 12 months</b>				
<b>Employee benefits</b>				
Long service leave	2,492	2,877	2,492	2,877
<b>Total current provisions expected to be settled after 12 months</b>	<b>2,492</b>	<b>2,877</b>	<b>2,492</b>	<b>2,877</b>
<b>Total current provisions</b>	<b>3,773</b>	<b>4,280</b>	<b>3,772</b>	<b>4,279</b>
<b>Non-current</b>				
<b>Employee benefits:</b>				
Long service leave	688	698	688	698
<b>Total non-current provisions</b>	<b>688</b>	<b>698</b>	<b>688</b>	<b>698</b>
<b>Total provisions</b>	<b>4,461</b>	<b>4,978</b>	<b>4,460</b>	<b>4,977</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 14. Equity

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>(a) Contributed Capital</b>				
Balance at 1 January	19,653	19,653	20,421	20,421
Capital contributions	-	-	-	-
Transfer to Government Department	-	-	-	-
<b>Balance at 31 December</b>	<b>19,653</b>	<b>19,653</b>	<b>20,421</b>	<b>20,421</b>
<b>(b) Reserves</b>				
Composition of Reserves				
Asset revaluation reserve				
Land				
Movements				
Balance at 1 January	31,412	31,412	31,412	31,412
Revaluation increment on non-current assets	5,683	-	5,683	-
<b>Land Balance at 31 December</b>	<b>37,095</b>	<b>31,412</b>	<b>37,095</b>	<b>31,412</b>
Buildings				
Movements				
Balance at 1 January	22,793	22,793	22,793	22,793
Revaluation decrement on non-current assets	(2,126)	-	(2,126)	-
<b>Buildings Balance at 31 December</b>	<b>20,667</b>	<b>22,793</b>	<b>20,667</b>	<b>22,793</b>
<b>Reserves Balance at 31 December</b>	<b>57,762</b>	<b>54,205</b>	<b>57,762</b>	<b>54,205</b>
<b>(c) Accumulated surplus / (deficit)</b>				
Balance at 1 January	28,913	30,190	28,018	29,308
Net operating result for the year	(1,342)	(1,277)	(1,081)	(1,290)
<b>Balance at 31 December</b>	<b>27,571</b>	<b>28,913</b>	<b>26,937</b>	<b>28,018</b>
<b>Total equity</b>	<b>104,986</b>	<b>102,771</b>	<b>105,120</b>	<b>102,644</b>

The Asset Revaluation Reserve reflects changes in the net carrying value of Land and Buildings.

### 15. Cash flow information

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>(a) Reconciliation of operating result after income tax to net cash flows from operating activities</b>				
Net operating result for the year	(1,342)	(1,277)	(1,081)	(1,290)
<b>Non-cash flows in operating result</b>				
Depreciation and amortisation of non-current assets	2,980	2,708	2,792	2,682
Net (gain) / loss on sale of non-current assets	243	-	243	-
Allowance to recoverable amounts	(130)	87	(130)	87
<b>Total non-cash flows in operating result</b>	<b>3,093</b>	<b>2,795</b>	<b>2,905</b>	<b>2,769</b>
<b>Change in operating assets and liabilities</b>				
Decrease / (increase) in trade receivables	(4,205)	1,108	(2,215)	1,424
Decrease / (increase) in inventories	9	33	9	33
Decrease / (increase) in other assets	208	(340)	258	(2,168)
Decrease / (increase) in other debtors	7	68	8	96
Increase / (decrease) in payables	1,094	518	861	468
Increase / (decrease) in employee benefits	(517)	378	(517)	378
Increase / (decrease) in current liabilities	6	52	11	52
<b>Total change in operating assets and liabilities</b>	<b>(3,398)</b>	<b>1,817</b>	<b>(1,585)</b>	<b>283</b>
<b>Net cash flows provided by/(used in) operating activities</b>	<b>(1,647)</b>	<b>3,335</b>	<b>239</b>	<b>1,762</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 16. Commitments

Consolidated		Institute	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

#### (a) Capital Expenditure

There are no commitments for Property Plant and Equipment expenditure contracted for at the reporting date or prior year.

Consolidated		Institute	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

#### (b) Lease commitments

Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:

Within one year	2,307	2,751	1,923	1,892
Later than one year but not later than five years	3,308	6,228	3,305	5,834
Later than five years	608	899	608	899
<b>Net lease commitments</b>	<b>6,223</b>	<b>9,878</b>	<b>5,836</b>	<b>8,625</b>
GST reclaimable on the above	584	950	584	862
<b>Gross lease Commitments</b>	<b>6,807</b>	<b>10,828</b>	<b>6,420</b>	<b>9,487</b>
Representing:				
Non-cancellable operating leases	6,807	10,828	6,420	9,487
<b>Total lease commitments</b>	<b>6,807</b>	<b>10,828</b>	<b>6,420</b>	<b>9,487</b>

### 17. Contingencies

Details and estimates of maximum amounts of contingent liabilities, classified in accordance with the party from whom the liability could arise and for which no provisions are included in the accounts, are as follows:

There were no contingent assets or contingent liabilities for the current or previous year except for letters of financial support for two of the Institute's subsidiaries.

### 18. Events occurring after the balance sheet date

No matters or circumstances have arisen since the end of the reporting period which significantly affected or may significantly affect the operations of the Institute, the results of those operations, or the state of affairs of the Institute in future financial years, other than those directly disclosed in the body of the financial statements.

### 19. Remuneration of auditors

Consolidated		Institute	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

#### Remuneration of Victorian Auditor General's Office for:

Audit of the financial report	83	55	43	43
<b>Total remuneration of Victoria Auditor General's Office</b>	<b>83</b>	<b>55</b>	<b>43</b>	<b>43</b>

#### Remuneration of other auditors

Internal Audit	144	146	141	136
Other Assurance Services	-	-	-	-
<b>Total remuneration of other auditors of subsidiaries</b>	<b>144</b>	<b>146</b>	<b>141</b>	<b>136</b>
<b>Total Remuneration of auditors</b>	<b>227</b>	<b>201</b>	<b>184</b>	<b>179</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 20. Superannuation

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plans 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 it 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 Statement of Comprehensive Income of the Institute.

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

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Paid Contribution for the Year</b>				
<b>Defined benefit plans:</b>				
State Superannuation Fund of Victoria – revised and new				
Revised Scheme 17%	100	130	95	130
New Scheme 7.5% to 10.5%	179	199	172	199
<b>Total defined benefit plans</b>	<b>279</b>	<b>329</b>	<b>267</b>	<b>329</b>
<b>Defined contribution plans:</b>				
Victorian Superannuation Fund				
VicSuper Scheme 9%	1,725	1,380	1,650	1,380
<b>Total paid contribution for the year</b>				
Other 9%	356	716	340	716
<b>Total defined contribution plans</b>	<b>2,081</b>	<b>2,096</b>	<b>1,990</b>	<b>2,096</b>
<b>Total paid contribution for the year</b>	<b>2,360</b>	<b>2,425</b>	<b>2,257</b>	<b>2,425</b>

1 The bases for contributions are determined by the various schemes.

2 As at the reporting date there were no outstanding contributions payable to the above funds.

## Notes to the Financial Statements for the year ended 31 December 2012

### 21 - 1. Key management personnel disclosures (Part I)

#### Responsible persons related disclosures

In accordance with the directions of the Minister for Finance under the Financial Management Act 1994, the following disclosures are made for the responsible Ministers and responsible Members of Council.

##### (i) Minister

The relevant Minister is The Hon Peter Hall MP, Minister for Higher Education and Skills. Remuneration of the Minister is disclosed in the financial report of the Department of Premier and Cabinet. Other relevant interests are declared in the Register of Members interests which is completed by each member of the Parliament.

##### (ii) Names of Governing Board and accountable officer

The following persons were responsible persons and executive officers of the Institute during the year:

Dr M Allan	Board Member	1st January 2012 - 31st December 2012
Mr R Aylett*	Board Member	1st January 2012 - 31st December 2012
Ms J Bristowe	Board Member	1st January 2012 - 31st March 2012
Ms E Coltraine	Board Member	1st April 2012 - 31st December 2012
Mr D Craven-Kalber	Board Member	1st January 2012 - 31st March 2012
Mr P Filshie*	Board Member	1st January 2012 - 31st December 2012
Ms F Fraser	Board Member	1st April 2012 - 31st December 2012
Mr C Geddes*	Board Member	1st January 2012 - 31st December 2012
Mr N Hunt	Board Member and Accountable Officer	1st January 2012 - 31st December 2012
Mr B Kearney*	Board Member	1st January 2012 - 31st December 2012
Mr G Lee	Board Member	1st January 2012 - 31st August 2012
Mr E Micallef	Board Member	1st January 2012 - 31st December 2012
Mr D Minett	Board Member	1st September 2012 - 31st December 2012
Ms M Ring*	Board Member	1st January 2012 - 31st December 2012
Ms J Rumble*	Board Member	1st January 2012 - 31st December 2012
Ms B Schofield*	Board Member	1st January 2012 - 31st December 2012

Mr G Lee resigned as Director effective 31 August 2012.

Ms J Bristowe resigned as Student Representative effective 31 March 2012.

Mr D Minett appointed as Director effective 1 September 2012.

Ms E Coltraine appointed as Student Representative effective 1 April 2012.

Mr D Craven-Kalber resigned as Staff Representative effective 31 March 2012.

Ms F Fraser appointed as Staff Representative effective 1 April 2012.

Mr E Micallef resigned as Director effective 31 December 2012

\* Members of the Finance Audit and Risk Management Committee. During 2012 the Audit and Risk Committee and the Performance Review Committee merged to form the Finance, Audit and Risk Management Committee.

##### (iii) Responsible persons, other than the accountable officer's remuneration

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Institute during the financial year:

Mr C Coates  
Mr W Crosbie  
Ms R Jackson  
Mr D Langdon  
Mr B McGoldrick  
Mr Des Minton  
Mr Dan Mabilia

There were no other key management personnel.

All of the above persons have been key management persons during the year ended 31 December 2012

## Notes to the Financial Statements for the year ended 31 December 2012

### 21 - 1. Key management personnel disclosures (Part I)

Responsible persons				
	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(iv) Key management personnel disclosures				
Remuneration of responsible persons				
Remuneration received, or due and receivable from the Institute in connection with the management of the Institute. Includes termination payments and bonuses paid at end of contracts.	355	334	355	334
Remuneration received, or due and receivable from the Institute in connection with the management of any related party entity.	355	334	355	334
	No.	No.	No.	No.
<b>Income range</b>				
The number of Responsible Persons whose remuneration from the Institute was within the specified bands are as follows:				
Less than \$10,000	14	13	14	13
\$70,000 - \$79,999	-	1	-	1
\$80,000 - \$89,999	1	-	1	-
\$210,000 - \$219,999	-	1	-	1
\$230,000 - \$239,999	1	-	1	-
<b>Total number of Responsible Persons</b>	<b>16</b>	<b>15</b>	<b>16</b>	<b>15</b>

Amounts relating to ministers are reported in the financial statements of the Department of Premier and Cabinet

	Consolidated		Institute	
	2012 No.	2011 No.	2012 No.	2011 No.
(v) Accountable officer's remuneration				
Short-term employee benefits	235	220	235	220
Post-employment benefits	25	19	25	19
<b>Total accountable officer's remuneration</b>	<b>260</b>	<b>239</b>	<b>260</b>	<b>239</b>

Executive Officers remuneration				
	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
(vi) Executive Officers remuneration				
Executive Officers remuneration				
The number of key management personnel, other than Responsible Persons, included under "Remuneration of Responsible Persons" above whose total remuneration exceeded \$100,000 during the financial year are shown in their relevant income bands. The base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.				
Base remuneration of executive officers	1,012	675	1,012	675
Total remuneration of executive officers	1,142	787	1,142	787
	No.	No.	No.	No.
<b>Income range</b>				
The number of other executive officers whose remuneration from the Institute was within the specified bands are as follows:				
\$110,000 - \$119,999	1	-	1	-
\$130,000 - \$139,999	1	-	1	-
\$140,000 - \$149,999	-	2	-	2
\$150,000 - \$159,999	1	-	1	-
\$160,000 - \$169,999	1	2	1	2
\$170,000 - \$179,999	1	1	1	1
\$180,000 - \$189,999	1	-	1	-
\$210,000 - \$219,999	1	-	1	-
<b>Total Executive Officers</b>	<b>7</b>	<b>5</b>	<b>7</b>	<b>5</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 21 - 2. Key management personnel disclosures (Part II)

#### Loans to key management personnel

There were no loans made to and from directors or key management personnel of the Institute. (2011: Nil).

### 22. Related parties

#### Key management personnel

Disclosures relating to directors, accountable officer and specified executives are set out in note 21.

Disclosures relating to directors and specified executives of subsidiaries are set out in note 21-1.

#### Transactions with related parties

The following transactions occurred with the named related parties:

	Consolidated		Institute	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Purchase of goods</b>				
Payments for supply contractors	87	141	87	141
Mr G Lee is a Board member and Office holder of United Recruitment Pty Ltd trading as Octopus Hospitality and Events. The Institute employs temporary contractors to provide food and beverage services.				
<b>Total purchase of goods</b>	<b>87</b>	<b>141</b>	<b>87</b>	<b>141</b>
<b>Loans to/from related parties</b>				
<b>Loans to subsidiaries</b>				
Beginning of the year	-	-	2,763	656
Loans advanced	-	-	2,757	2,107
<b>End of year</b>	<b>-</b>	<b>-</b>	<b>5,520</b>	<b>2,763</b>

No provisions for doubtful debts have been raised in relation to any outstanding balances, and no expense has been recognised in respect of bad or doubtful debts due from related parties (2011: Nil).

Unless otherwise stated, transactions with related parties were made under normal commercial terms and conditions.

Transactions with related parties were made under normal commercial terms and conditions.

## Notes to the Financial Statements for the year ended 31 December 2012

### 23. Subsidiaries

The consolidated financial statements incorporate the assets, liabilities and results of the following subsidiaries in accordance with the accounting policy described in Note 1.04:

	Country of incorporation	Class of Shares	Equity holding	
			2012 %	2011 %
<b>Angliss Consulting Pty Ltd</b> Company has been established to manage the China and overseas operations	Australia	Ordinary	100%	100%
<b>William Angliss Institute Foundation</b> Company limited by guarantee has been established as a scholarship fund.	Australia	Ordinary	100%	100%
<b>Angliss Solutions Pty Ltd</b> The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.	Australia	Ordinary	100%	100%
<b>Angliss Multimedia Pty Ltd</b> The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.	Australia	Ordinary	100%	100%
<b>William Angliss Institute Pte Ltd</b> Company has been established to support the delivery of a contract with the Singapore Workforce Development Agency.	Singapore	Ordinary	100%	100%

The William Angliss Institute Foundation (the "Foundation") was established in 2010 with the sole objective and purpose of raising funds, partly from public donations, to be invested and distributed to current and future students of the Institute in the form of scholarships.

As a tax deductible gift recipient, the Foundation's constitution requires that funds raised must only be used for the stated purpose of providing scholarships, and that upon winding up, the reserves remaining in the company would need to be distributed to another gift recipient educational institution, which the Institute currently is not.

The Institute currently however is the sole member of the Foundation. It controls the day to day operation of the Foundation within the stated purpose and it gains a substantial portion of the benefit of funds distributed through the courses undertaken at the Institute.

The Foundation has total equity at 31 December 2012 of \$1,115,872 (2011 \$697,053) and contributed \$418,819 (2011: \$549,667) to the comprehensive result of the Institute for the year ended 31 December 2012. These funds are only available to be applied in discharging the objects and purposes of the Foundation.

### 24. Institute details

The registered office of the Institute is:

William Angliss Institute of TAFE  
555 La Trobe St , Melbourne Victoria

The principle place of business is:

William Angliss Institute of TAFE  
555 La Trobe St , Melbourne Victoria

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 1. Financial instruments (Part I)

#### Financial risk management

##### (i) Financial risk management objectives

The Institute's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and 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 by adhering to principles on foreign exchange risk, interest rate risk, credit risk, financial instruments, and the investment of excess liquidity. Compliance with policies and exposure limits is reviewed by management on a continuous basis. The Institute does not enter into or trade financial instruments for speculative purposes.

The Institute uses different methods to measure different types of risk 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 to determine market risk.

The Institute's treasury function provides services to the business units to co-ordinate access to domestic and financial markets, monitors and manages the financial risks relating to operations of the group through internal reports which analyses exposure by degrees and magnitude of risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in note 1 of the financial statements.

##### (ii) Financial risk exposures and management

The Institute's financial instruments consist mainly of deposits with banks, local money market instruments, short term investments, accounts receivables and payables.

The main risks the Institute is exposed to through its financial instruments are market risk, foreign currency risk, price risk, funding risk, interest rate risk, credit risk and liquidity risk.

##### Market risk

The Institute in its daily operations 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 affect on the operating result and /or net worth of the Institute. e.g. an adverse movement in interest rates or foreign currency exchange rates.

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 Institute'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.

##### Foreign currency risk

The Institute is exposed to fluctuations in foreign currencies arising from the delivery of services in currencies other than AUD\$. This risk is managed by natural hedging where possible as well as the use of foreign exchange contracts in accordance with the Institute's hedging policy.

The Institute has upgraded its foreign exchange and hedging policies during the year as a financially prudent measure.

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

##### Price risk

The Institute is exposed to price risk in respect of fee for service and contract services which are subject to open market competition.

There has been no significant change in the Institute's exposure, or its objectives, policies and processes for managing price 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. Similarly, interest rate risk also arises from the potential for a change in interest rates to cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominantly through holding a mixture of short term and longer term investments.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Institute's year end result.

The Institute's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date are set out in the financial instrument composition and maturity analysis table below at 25(iii).

## Notes to the Financial Statements for the year ended 31 December 2012

### Funding risk

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

The Institute manages funding risk by continuing to diversify and increase funding from commercial activities, both domestically and off shore.

There has been significant change to areas of the Institute's income during the 2012 financial year; specifically in relation to a reduction in Victorian Government subsidies paid for training deemed less or no longer necessary by Victorian students. From 1st January 2013 there is a material decrease in funding with the Government's withdrawal of their Full Service Provider payment. However the Institute has a breadth of income sources, across all States of Australia and in many international locations, so the funding risk is mitigated by the Institute's inherent industry specialisations and its capability to adapt. Processes, pricing and expenditure were also reviewed in 2012 in response to the funding reductions and a comprehensive three-year Business Transition Plan 2012 was prepared to enable the Institute to restructure and return to profitability.

The amounts recognised from Victorian Government represent funding for all commitments incurred through the appropriations and are drawn from the Consolidated Fund as the commitments fall due. Appropriations are amounts owed by Victorian Government as legislated in the Appropriations Act. Due to the existence of legislative instrument, appropriation receivable to an entity is statutory in nature, and hence not within the scope of financial instrument standards.

### Concentrations of credit risk

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date in relation to recognised financial assets, is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements.

There are no material amounts of collateral held as security at 31 December 2012. (2011 - None)

Credit risk is managed on a group basis and reviewed regularly by the Management. It arises from exposures to customers as well as through certain financial instruments and deposits with financial institutions.

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

The Institute does not have any material credit risk exposure to any single receivable or group of receivables under financial instruments entered into by the Institute that has not already been identified and provided for in the financial accounts.

The trade receivables balance at 31 December 2012 and 31 December 2011 do not include any counter parties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

The Institute minimises credit risk in relation to student loans receivable in the following ways:

- minimising the frequency of allowing student loans.
- student loans are granted to students on the basis that the loan will be repaid before certificates of qualification can be issued. the agreement to repay loans granted is formalised by signatures of all parties.

There has been no significant change in the Institute'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.

### Liquidity risk

Ultimate responsibility for liquidity risk management rests with the institute's governing body, which has built an appropriate liquidity risk management framework for the management of the short, medium and long-term funding and liquidity requirements. The institute manages liquidity risk by maintaining adequate reserves and banking facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. Excess cash reserves are invested in keeping with the guidelines of the Department of Treasury and Finance.

There has been no significant change in the Institute'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.

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 2. Financial instruments (Part II)

#### (ii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Institute's and its controlled entities financial assets and financial liabilities to interest rate risk and foreign exchange risk.

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk			
		Result	-10% Equity	Result	10% Equity	Result	-10% Equity	Result	10% Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2012</b>									
Financial assets									
Cash and cash equivalents									
Cash at Bank and Cash Deposits	7,298	(43)	(43)	43	43	(35)	(35)	35	35
Receivables-Debtors	1,197								
Receivables-Other Receivables	-								
<b>Total increase/ (decrease) in financial assets</b>	<b>8,495</b>	<b>(43)</b>	<b>(43)</b>	<b>43</b>	<b>43</b>	<b>(35)</b>	<b>(35)</b>	<b>35</b>	<b>35</b>
Financial liabilities									
Payables	(8,007)								
<b>Total increase/ (decrease) in financial liabilities</b>	<b>(8,007)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase/ (decrease)</b>	<b>488</b>	<b>(43)</b>	<b>(43)</b>	<b>43</b>	<b>43</b>	<b>(35)</b>	<b>(35)</b>	<b>35</b>	<b>35</b>
<b>Consolidated</b>	<b>Carrying amount</b>	<b>Result</b>	<b>-2% Equity</b>	<b>Interest rate risk</b>	<b>2% Equity</b>	<b>Result</b>	<b>-10% Equity</b>	<b>Result</b>	<b>10% Equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2011</b>									
Financial assets									
Cash and cash equivalents									
Cash at Bank and Cash Deposits	10,796	(220)	(220)	220	220	(30)	(30)	30	30
Receivables-Debtors	1,394								
Receivables-Other Receivables	-								
<b>Total increase/ (decrease) in financial assets</b>	<b>12,190</b>	<b>(220)</b>	<b>(220)</b>	<b>220</b>	<b>220</b>	<b>(30)</b>	<b>(30)</b>	<b>30</b>	<b>30</b>
Financial liabilities									
Payables	(6,907)								
<b>Total increase/ (decrease) in financial liabilities</b>	<b>(6,907)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase/ (decrease)</b>	<b>5,283</b>	<b>(220)</b>	<b>(220)</b>	<b>220</b>	<b>220</b>	<b>(30)</b>	<b>(30)</b>	<b>30</b>	<b>30</b>
<b>Institute</b>	<b>Carrying amount</b>	<b>Result</b>	<b>-10% Equity</b>	<b>Interest rate risk</b>	<b>10% Equity</b>	<b>Result</b>	<b>-10% Equity</b>	<b>Result</b>	<b>10% Equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2012</b>									
Financial assets									
Cash and cash equivalents									
Cash at Bank and Cash Deposits	4,736	(37)	(37)	37	37	-	-	-	-
Receivables-Debtors	1,197								
Receivables-Other Receivables	-								
<b>Total increase/ (decrease) in financial assets</b>	<b>5,933</b>	<b>(37)</b>	<b>(37)</b>	<b>37</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial liabilities									
Payables	(7,723)								
<b>Total increase/ (decrease) in financial liabilities</b>	<b>(7,723)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase/ (decrease)</b>	<b>(1,790)</b>	<b>(37)</b>	<b>(37)</b>	<b>37</b>	<b>37</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Institute</b>	<b>Carrying amount</b>	<b>Result</b>	<b>-2% Equity</b>	<b>Interest rate risk</b>	<b>2% Equity</b>	<b>Result</b>	<b>-10% Equity</b>	<b>Result</b>	<b>10% Equity</b>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>31 December 2011</b>									
Financial assets									
Cash and cash equivalents									
Cash at Bank and Cash Deposits	8,970	(207)	(207)	207	207	-	-	-	-
Receivables-Debtors	1,394								
Receivables-Other Receivables	-								
<b>Total increase/ (decrease) in financial assets</b>	<b>10,364</b>	<b>(207)</b>	<b>(207)</b>	<b>207</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Financial liabilities									
Payables	(6,851)								
<b>Total increase/ (decrease) in financial liabilities</b>	<b>(6,851)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total increase/ (decrease)</b>	<b>3,513</b>	<b>(207)</b>	<b>(207)</b>	<b>207</b>	<b>207</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 3. Financial instruments (Part III)

#### (iii) Financial instrument composition and maturity analysis

The tables below reflect the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the balance sheet.

Consolidated	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-Interest Bearing
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>						
<b>Financial assets</b>						
<b>Cash and cash equivalents</b>						
Cash at bank and on hand	3.6%	5,455	-	-	-	-
Deposits at call	4.3%	1,843	-	-	-	-
<b>Contractual receivables</b>						
Trade receivables	-	-	-	-	-	1,197
Other receivables	-	-	-	-	-	6,828
Other Debtors	-	-	-	-	-	56
<b>Total financial assets</b>		<b>7,298</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,081</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	-	8,007
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,007</b>

Consolidated	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-Interest Bearing
		\$'000	\$'000	\$'000	\$'000	\$'000
<b>2011</b>						
<b>Cash and cash equivalents</b>						
Cash at bank and on hand	4.0%	6,636	-	-	-	-
Deposits at call	5.4%	4,160	-	-	-	-
Trade receivables	-	-	-	-	-	1,394
Other receivables	-	-	-	-	-	2,427
Other Debtors	-	-	-	-	-	-
<b>Total financial assets</b>		<b>10,796</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,821</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	-	6,907
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,907</b>

## Notes to the Financial Statements for the year ended 31 December 2012

Institute	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-Interest Bearing
2012		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
<b>Cash and cash equivalents</b>						
Cash at bank and on hand	3.6%	3,221	-	-	-	-
Deposits at call	4.3%	1,515	-	-	-	-
<b>Contractual receivables</b>						
Trade receivables	-	-	-	-	-	1,197
Other receivables	-	-	-	-	-	4,444
Other Debtors	-	-	-	-	-	57
<b>Total financial assets</b>		<b>4,736</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,698</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	-	7,723
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,723</b>
Institute	Weighted average effective rate	Floating interest rate	Within 1 year	1-5 years	More than 5 years	Non-Interest Bearing
2011		\$'000	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>						
<b>Cash and cash equivalents</b>						
Cash at bank and on hand	4.0%	5,123	-	-	-	-
Deposits at call	5.4%	3,847	-	-	-	-
<b>Contractual receivables</b>						
Trade receivables	-	-	-	-	-	1,394
Other receivables	-	-	-	-	-	2,062
Other Debtors	-	-	-	-	-	-
<b>Total financial assets</b>		<b>8,970</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,456</b>
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	-	6,851
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,851</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 3. Financial instruments (Part III) (cont)

#### (iv) Ageing analysis of financial assets

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired:

Consolidated	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 month from invoice date	1-3 months from invoice date	3 months - 1 year from invoice date	1-5 years from invoice date
<b>2012 Receivables</b>						
<b>Contractual receivables</b>						
Trade receivables	1,197	-	668	410	119	-
Provision Doubtful Debts	(21)	-	-	(21)	-	-
Other receivables	6,828	6,828	-	-	-	-
Other Debtors	56	56	-	-	-	-
<b>Total investments, loans &amp; other</b>	<b>8,060</b>	<b>6,884</b>	<b>668</b>	<b>389</b>	<b>119</b>	<b>-</b>
<b>2011 Receivables</b>						
<b>Contractual receivables</b>						
Trade receivables	1,394	380	-	1,014	-	-
Provision Doubtful Debts	(151)	-	-	(151)	-	-
Other receivables	2,427	2,427	-	-	-	-
Other Debtors	-	-	-	-	-	-
<b>Total investments, loans &amp; other</b>	<b>3,670</b>	<b>2,807</b>	<b>-</b>	<b>863</b>	<b>-</b>	<b>-</b>
<b>Institute</b>						
	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 month from invoice date	1-3 months from invoice date	3 months - 1 year from invoice date	1-5 years from invoice date
<b>2012 Receivables</b>						
<b>Contractual receivables</b>						
Trade receivables	1,197	-	668	410	119	-
Provision Doubtful Debts	(21)	-	-	(21)	-	-
Other receivables	4,444	4,444	-	-	-	-
Other Debtors	57	57	-	-	-	-
<b>Total investments, loans &amp; other</b>	<b>5,677</b>	<b>4,501</b>	<b>668</b>	<b>389</b>	<b>119</b>	<b>-</b>
<b>2011 Receivables</b>						
<b>Contractual receivables</b>						
Trade receivables	1,394	380	-	1,014	-	-
Provision Doubtful Debts	(151)	-	-	(151)	-	-
Other receivables	2,062	2,062	-	-	-	-
Other Debtors	-	-	-	-	-	-
<b>Total investments, loans &amp; other</b>	<b>3,305</b>	<b>2,442</b>	<b>-</b>	<b>863</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 4. Financial instruments (Part IV)

#### Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

Due to the short-term nature of the current receivables, their carrying value is assumed to approximate their fair value and based on credit history it is expected that the receivables that are neither past due nor impaired will be received when due.

For other assets and other liabilities the fair value approximates their carrying value. Financial assets where the carrying amount exceeds fair values have not been written down as the Institute intends to hold these assets to maturity.

The carrying amounts and aggregate net fair values of financial assets and liabilities at balance date are:

Consolidated	2012		2011	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Financial instruments	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Cash and cash equivalents</b>				
Cash at bank and on hand	5,455	5,455	6,636	6,636
<b>Contractual receivables</b>				
Trade receivables	1,197	1,197	1,394	1,394
Other receivables	6,828	6,828	2,427	2,427
<b>Investments, loans and other financial assets</b>				
Short Term Deposits	1,843	1,843	4,160	4,160
<b>Total financial assets</b>	<b>15,323</b>	<b>15,323</b>	<b>14,617</b>	<b>14,617</b>
<b>Financial liabilities</b>				
Payables	8,007	8,007	6,907	6,907
<b>Total financial liabilities</b>	<b>8,007</b>	<b>8,007</b>	<b>6,907</b>	<b>6,907</b>
Institute	2012		2011	
	Carrying Amount	Net Fair Value	Carrying Amount	Net Fair Value
Financial instruments	\$'000	\$'000	\$'000	\$'000
<b>Financial assets</b>				
<b>Cash and cash equivalents</b>				
Cash at bank and on hand	3,221	3,221	5,123	5,123
<b>Contractual receivables</b>				
Trade receivables	1,197	1,197	1,394	1,394
Other receivables	4,444	4,444	2,062	2,062
<b>Investments, loans and other financial assets</b>				
Short Term Deposits	1,515	1,515	3,847	3,847
<b>Total financial assets</b>	<b>10,377</b>	<b>10,377</b>	<b>12,426</b>	<b>12,426</b>
<b>Financial liabilities</b>				
Payables	7,723	7,723	6,851	6,851
<b>Total financial liabilities</b>	<b>7,723</b>	<b>7,723</b>	<b>6,851</b>	<b>6,851</b>

## Notes to the Financial Statements for the year ended 31 December 2012

### 25 - 5. Financial instruments (Part V)

#### Terms, conditions and accounting policies

The Institute's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at reporting date, are as follows:

Recognised financial instruments	Note	Accounting policies	Terms and conditions
<b>FINANCIAL ASSETS</b>			
Cash and cash equivalents - cash at bank and on hand	5	Cash at bank is carried at the nominal amount.	Cash is invested as funds permit at varying interest rates between 2.75% to 4.40% (2011 3.75% - 4.25%).
Cash and cash equivalents - deposits at call	5	Deposits at call are carried at their nominal amounts. Interest revenue is recognised in the statement of comprehensive income when it is earned.	Deposits at call have an average maturity of 90 days and effective interest rates of 3.10% to 5.50% (2011 4% to 5.6%).
Receivables - debtors	6	Trade debtors are carried at amortised cost less any allowance for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
Receivables - other debtors	6	Other debtors are carried at amortised cost less any allowance for doubtful debts. An allowance for doubtful debts is maintained to recognise that collection of the full nominal amount is no longer probable.	Credit is allowed for a 30 day term.
<b>FINANCIAL LIABILITIES</b>			
Payables creditors and accruals	12	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not invoiced to the Institute.	Trade liabilities are settled as required.

William Angliss  
Institute has  
continued to evolve  
and develop its  
position as Australia's  
largest provider of  
vocational and higher  
education for the  
foods, tourism and  
hospitality industry.

