



William Angliss Institute

ANNUAL REPORT 2014

Specialist centre for foods,
tourism, hospitality and events

William
Angliss
Institute

Specialist centre
for foods, tourism,
hospitality & events



FRONT COVER:

Leeann Nguyen
Charcoal Lane Restaurant
Certificate IV in Hospitality
Finalist in the Victorian Koori Student of the Year Award



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Board Chair's Report



Dr Michele Allan
Board Chair

On behalf of the Board of William Angliss Institute I am pleased to present to you a summary of our achievements in 2014. This Annual Report provides details of our objectives and priorities as well as the educational services that have been provided during the year.

In 2014 at William Angliss Institute we sought to maintain our position and continue to adapt and tailor programs to suit students and meet industry needs across vocational and higher education within this challenging market.

As a specialist provider 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, hospitality and events industries.

During the past 12 months the Institute has maintained its educational services delivering 4.931m student contact hours. This was 9.8% per cent above our delivery in 2013.

We are also proud that 90.4% of William Angliss Institute graduates are working or undertaking further study after training with us.*

The Institute has continued to provide skills development and training services in Melbourne, Sydney and across Australia and will continue to explore future partnerships nationally and internationally.

International education activities remain a strong component of the Institute's revenue mix with 1,300 International students enrolled in 2014.

I would like to acknowledge the contribution and commitment from outgoing Board Member Peter Filshie who joined the Board in 2005 and Joanne Rumble who joined the Board in 2004 and served as Chair of the Finance, Audit and Risk Management Committee from 2012. Welcome to our new board members Dr Anne Astin PSM and Morris Lieberman.

The Institute Board extends its appreciation and thanks to the Hon. Steve Herbert MP, Minister for Training and Skills; the Hon. Nick Wakeling MP, Minister for Higher Education and Skills; and the Hon. Peter Hall MLC, Minister for Higher Education and Skills.

To the staff of the Higher Education Skills Group (HESG) we thank you for your continued support and co-operation.

I would like to acknowledge the commitment and support of my fellow Board Members, the Executive team and our valuable staff throughout the year.

With this ongoing leadership and dedication William Angliss Institute is ready to face the challenges and opportunities that lie ahead in 2015.

A handwritten signature in black ink that reads "m. allan".

Dr Michele Allan
Board Chair
23 March 2015

* NCVET: The Social Research Centre 2013, *Australian vocational education and training statistics: Student Outcomes 2013*.

CEO's Report



Nicholas Hunt
Chief Executive Officer

In 2014 the William Angliss Institute team continued to successfully adapt to our new operating environment by achieving our educational objectives in a tough competitive market.

Active engagement with industry and the education sector continues to be critical to our future success. As a specialist centre the Institute has sought to focus on our core products and partnerships within Victoria, interstate markets and our international programs.

Our highlights for 2014 include:

- Our education programs were recognised at the 2014 Victorian International Education Awards with William Angliss Institute winning the Excellence in International Student Employability and Career Development category.
- Our student Harriyadi Irawan from Indonesia won the Premier's Award for International Education Student of the Year and was also named the winner of the International Student of the Year – Vocational Education and Training category.
- The Angliss Restaurant was awarded the 2014 Savour Australia Restaurant and Catering HOSTPLUS Award for Excellence for a Victorian Restaurant in Training Institute.
- Angliss Spa won the Best Spa Education Institute Certificate/Diploma at the Australasian Spa Association (ASpa) Awards of Excellence 2014 for the third consecutive year.

We are pleased our students will have greater access to eLearning opportunities through new next generation learning platforms and robust information technology systems as part of a \$12.1 million investment announced in October by the Minister for Higher Education and Skills, the Hon. Nick Wakeling MP.

Within these challenging conditions I am pleased we have continued to achieve improvements against our key performance indicators.

I would like to thank the Board, and in particular our Board Chair, Dr Michele Allan, for her continued support and leadership.

The Board's team approach and commitment to the Institute has provided sound support and added value to the Executive team throughout the year.

I would also like to thank the staff across all aspects of the Institute's operations for their loyalty, commitment and hard work to ensure we can provide the best education outcomes for our students.

It is their passion for our specific industries and their commitment to encourage and develop our students that enables the Institute to deliver as a specialist centre for foods, tourism, hospitality and events.

A handwritten signature in black ink, appearing to read 'N. Hunt'.

Nicholas Hunt
Chief Executive Officer
23 March 2015



Tourism and Hospitality Management graduate Kosta Atsiaris (right), was selected to take part in the Ascott Management Associates Program.

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.

William Angliss Institute is the government endorsed specialist centre for foods, tourism, hospitality and events training and education. Its programs are delivered nearly 18,000 students annually at its Melbourne, Sydney and offshore campuses, as well as at various workplaces in Australia and offshore.

Established in 1940 by prominent Melbourne businessman Sir William Angliss, as Australia's first trade college dedicated to providing training for the food industry, the Institute is now a renowned specialist education and training Institute in the areas of foods, tourism, hospitality and events offering more than 55 nationally accredited course options.

Programs are offered across a wide variety of nationally accredited certificates, diplomas and degree programs. These commercial, industry driven programs attract creative and enthusiastic students from around the globe and deliver job-ready and highly employable graduates. The 23,250 enrolments in 2014 comprised 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, William Angliss Institute also delivers training direct to industry partners through a Sydney campus, offices in Queensland, South Australia, Western Australia and Northern Territory, a Singapore campus, four joint venture campuses in China (Shanghai, Hangzhou, Zhongshan and Nanjing), and through national and international consultancy projects around the world including Malaysia (Kuala Lumpur), Thailand (Bangkok) and Sri Lanka (Colombo).

Areas of Specialisation

With over 55 nationally accredited course options available and a range of flexible learning pathways from short courses through to innovative degree courses, the Institute is regarded by industry leaders as the destination of choice for foods, tourism, hospitality and events 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 positioned 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
- Meat Processing
- Baking
- Patisserie
- Confectionery
- Food Science and Technology



Tourism

- Eco Tourism
- Tour Guiding
- Event Management
- Travel
- Flight Attendant



Hospitality

- Hotel and Resort Management
- Business Management
- Industry Compliance



Events

- Event Management

Training and campus locations in Australia



Governance

Manner of Establishment and the relevant Minister

The Institute is named after the late Sir William Angliss, 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.

William Angliss Institute was established by an Order in Council under the *Vocational Education and Training Act 1990*, which was incorporated into the *Education and Training Reform Act 2006*. The new Constitution of William Angliss Institute of Technical and Further Education Order 2013 was made on 9 April 2013 and came into operation on 15 April 2013.

The Institute is the successor in law to the Board of the William Angliss Institute of Technical and Further Education, which was established under the previous Orders revoked by the new Constitution. The Institute is a body corporate by operation of sections 3.1.12 and 6.1.32 of the *Education and Training Reform Act 2006* with effect from 1 January 2013. On 15 April 2013 the former Board established under the former Orders was abolished and the Directors of the former Board went out of office. The incoming Board was appointed on 16 April 2013.

During the period 1 January 2014 to 31 December 2014 the relevant office was held by the Hon. Steve Herbert MP, Minister for Training and Skills; the Hon. Nick Wakeling MP, Minister for Higher Education and Skills; and the Hon. Peter Hall MLC, Minister for Higher Education and Skills.

Objectives of the Institute

The objectives of the Institute are:

- to perform its functions for the public benefit by:
 - operating its businesses, delivering educational services and utilising assets that it manages on the State's behalf as efficiently as possible
 - ensuring that it is sustainable in the medium to long term
 - ensuring that its procedures, policies and practices are consistent with prudent commercial practice
 - endeavoring to maximise its contribution to the economy and wellbeing of the communities and industries served by the Institute and the State as a whole to facilitate student learning, knowledge acquisition, skills for employment and vocational education and training through excellent teaching, innovation and educational leadership that delivers quality outcomes
- to facilitate and develop higher education through excellent teaching, innovation and educational leadership that delivers quality outcomes

- to collaborate as part of a strong public training provider network which is mutually and commercially beneficial to enable the institute to offer or provide educational services that meet the needs of industry partners and communities, including persons and groups that have particular education needs
- any other objective set out in an Order in Council or Ministerial Order relating to the Institute
- to perform its functions with a particular focus on the foods, tourism, hospitality and events industries in Victoria, Australia and internationally

Functions of the Institute

The functions of the Institute are:

- A TAFE Institute may perform all or any of the following functions:
 - to provide the communities and industries served by the Institute with efficient and effective technical and further education programs and services
 - to provide the communities and industries served by the Institute with efficient and effective adult, community and further education programs and services which are responsive to the needs of the community and to consult with the relevant Regional Councils about the provision of these programs and services
 - to provide vocational education and training
 - to offer and conduct courses of study leading to the conferral of higher education awards
 - to confer vocational training awards
 - to confer higher education awards
 - to provide facilities or services for study, research or education
 - to undertake research, development, education, training delivery or other services on a commercial basis for other organisations to aid or engage in the development or promotion of institute research or the application or use of the results of that research
 - to prepare, publish or distribute or license the use of literary or artistic work, audio or audio-visual material or computer software to seek or encourage gifts to the Institute or for Institute purposes to provide facilities for use by the community any other function conferred on the institute by or under the *Education and Training Reform Act* or any Order in Council or Ministerial Order
- A TAFE Institute may perform any function referred to above within and outside Victoria and outside Australia.



Sommelier Jackson Watson shares his wisdom with students. L-R: Thalia Vassou, Jackson Watson, Sarah Donnellan and Roz Rimes (Lecturer-Gastronomy).

Powers of the Institute

The powers of the Institute are:

- The powers of the Institute are subject to, and must be exercised in accordance with, the functions, duties and obligations conferred or imposed on the Institute by —
 - the *Education Training and Reform Act* and other laws
 - the William Angliss Institute Constitution
 - Ministerial and Government directions and guidelines under the *Education and Training Reform Act* and other legislation, laws and conventions
 - the general administrative, social and economic directives and policies established by the Government of Victoria from time to time.

Duties of the Board

The Board must:

- take all reasonable steps for the advancement of the objectives of the Institute and the Board under the *Education and Training Reform Act 2006* and the Constitution of the William Angliss Institute of Technical and Further Education Order 2013
- operate in accordance with the economic and social objectives and public sector management policy established from time to time by the Government of Victoria
- meet at intervals prescribed in the Constitution of the William Angliss Institute of Technical and Further Education Order 2013
- provide all assistance and information as the Minister, the Secretary or the Deputy Secretary may reasonably require from the Board
- ensure the safe custody and proper use of the common seal of the Institute
- these duties are in addition to and do not take away from the duties imposed on the Board by the Act, other provision of this Constitution and any other duties imposed by any other Act of law

Strategic Themes

William Angliss Institute has established a 10 year vision of its strategic priorities. In looking to 2020, the seven strategic priorities are:

- Enhanced program flexibility
- Broadening our scope, integration and specialisations

- Developing and expanding international partnerships
- Developing a national operating network
- Becoming a recognised part of higher education
- Developing an applied research capability
- Investment in facilities and infrastructure.

The 2015 – 2017 Strategic Plan sits within this 10 year planning horizon.

Business Strategy

- To be a leader in foods, tourism, hospitality and events education, training and industry services
- Use differentiation as a strategy based on WAI's specialist expertise, broad range of programs (vocational and higher education), the quality of facilities, our connection to the industry and our corporate experience
- Grow in a manageable and profitable manner working to achieve the owner's target for return on investment

Nature and Range of Service

As a specialist training provider to the foods, tourism, hospitality and events industries, the Institute currently offers a range of educational, training, product development, project management and consultancy services in Victoria, nationally and internationally.

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 the Department of Education and Training (formerly the Department of Education and Early Childhood Development)
- Full-fee paying students
- Industry or government client payments.

Activities and Programs

In 2014 course enrolments were 23,250 across the Institute's foods, tourism, hospitality and events programs.



Vision and Values

Vision

The leading educational provider of Australian hospitality, tourism, foods and culinary arts knowledge and expertise locally, nationally and internationally.

Mission

To deliver the highest quality specialist skills and education to inspire, empower and develop people passionately devoted to being service industry professionals, leaders and innovators.

Institute Values

Personal Responsibility:

Accountable, responsive, with integrity, respect, impartiality and acknowledging human rights

Inspiration:

Passionate, stimulating and optimistic

Empowerment:

Nurturing, encouragement and challenging

Community:

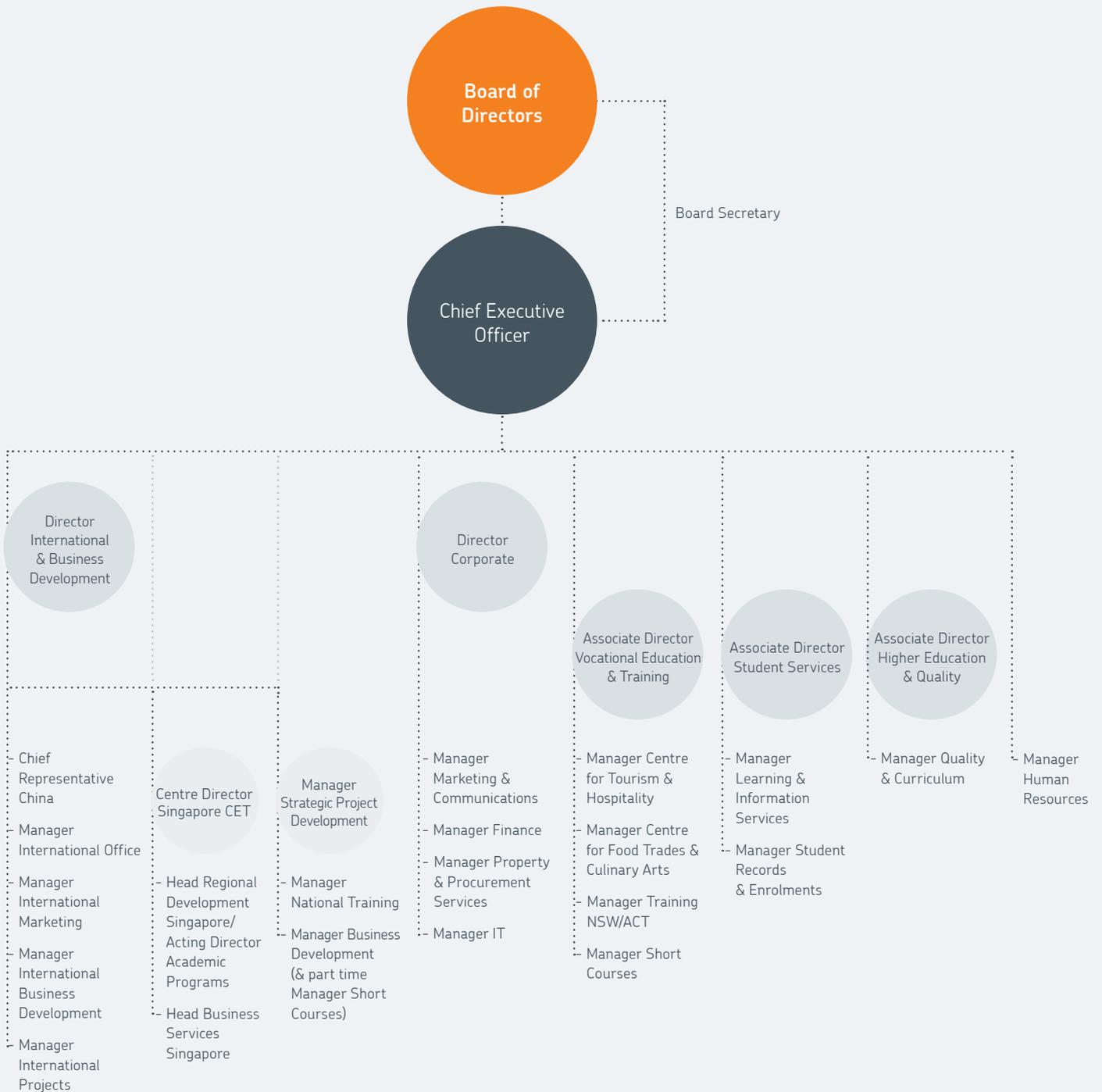
Sharing, partnership and connections

Expertise:

Leadership, innovation and industry practice



Organisational Structure



Board Members

Knowledge, Skills and Qualifications

Board Chair



Dr Michele Allan

Board Chair appointed 16 April 2013
(Former Board – June 2008, Board
President August 2009 to 15 April 2013)

Current roles include Chancellor – Charles Sturt University; Chair – Meat and Livestock Australia; Chair – Grains and Legumes Nutrition Council; Independent Non-Executive Director – Callaghan Innovation; Independent Non-Executive Director – CRC Hearing; Independent Non-Executive Director – Apple and Pear Australia Limited; Independent Non-Executive Director – Tasmanian Irrigation Pty Ltd; 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.

Ministerial Directors



Rick Aylett

Appointed 16 April 2013
(Former Board – May 2009
to 15 April 2013)

Industry Consultant

In a career spanning 34 years, Rick has held executive and management positions in the event, hospitality and sports and 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 South East 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.



Dean Minett

Appointed 16 April 2013
(Former Board – appointed September
2012 to 15 April 2013)

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 and 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 and Tourism) in 2007, researching Ethics and Leadership in Hospitality and is a graduate of the Australian Institute of Company Directors.



Madelyn-Anne Ring

Appointed 16 April 2013
(Former Board – October 2011
to 15 April 2013)

Head of HR Business Partnering – Commercial, Carlton United Brewery

Madelyn-Anne Ring has over 19 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, a Postgraduate Certificate in Change Management and is currently studying a Masters of Business Administration. Her current role focuses on developing organisational capability to improve business performance.



Beth Schofield

Appointed 16 April 2013
(Former Board – October 2011
to 15 April 2013)

Finance Consultant

Beth Schofield is a finance professional with experience across various disciplines in both professional practice and industry. Beth spent 13 years in various advisory roles at Ernst & Young, a global chartered accounting firm, across business services, corporate finance and mergers and acquisitions, providing advice to listed and private companies across a wide range of industries particularly food, financial services and telecommunications.

She left the firm as an Associate Director to take up a role as Chief Financial Officer 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.

Board Members

Knowledge, Skills and Qualifications

Board Directors



Dr Anne Astin PSM

Appointed 1 June 2014

Anne was the inaugural CEO of the Victorian Government's statutory authority, Dairy Food Safety Victoria. She previously held a number of senior executive positions in the Victorian public sector, working in food policy and regulation, public health, agriculture, minerals and petroleum, natural resources and environment, land administration and forensic science.

Anne is currently President and Chair of the Australian Institute of Food Science and Technology (AIFST), Chair of SafeFish and the immediate past Chair of the Australian and New Zealand Implementation SubCommittee for Food Regulation (ISFR). She is also Chair of Wellsprings for Women Inc. a not-for-profit organisation that delivers integration and training programs to isolated women. She is a non-Executive Director of Australian Dairy Farmers Ltd and a member of EnergySafe Victoria's Audit and Risk Committee.

In 2011, Anne was awarded the Public Service Medal in the Victorian Division of the Queen's Birthday Honours for her services to the dairy industry, national food regulation and rural women. In 2010, she was inducted into the Victorian Women's Honour Roll for her work in biochemistry and as an advocate of women's leadership. In 2010, she also received the Australian Dairy Industry Council's Outstanding Service Award. Anne holds degrees in Ph.D (Biochemistry), B.Sc (Hons) (Biochemistry) and B.Sc (Chemistry). She has a Graduate Diploma in Public Sector Management and is a member of the Australian Institute of Company Directors, a professional member of the Australian Institute of Food Science and Technology and a member of the Dairy Industry Association of Australia.



Dr David Foster

Appointed 22 May 2013

Dr David Foster has been working in the tourism and leisure industries for over two decades, as an educator, consultant and operator. He began his career in tourism as a planner, since then he has operated a travel agency and tour company and worked as a consultant on a wide range of tourism and park-related projects.

David spent many years involved in tourism education and research. For most of the 1990s he was Associate Professor and Head of Hospitality, Tourism and Leisure at RMIT University and managed a research and consultancy company owned jointly by RMIT and William Angliss Institute.

David has a range of experiences in tourism at the strategic level on a variety of tourism boards (Tourism Accreditation Board of Victoria, PATA Southern Chapter, Victorian Employers Chamber of Commerce and Industry Tourism and Hospitality Group, etc.) and has been a member of several Reference Groups for Tourism Victoria. He was also Chair of a major events committee that was responsible for initiating the celebration of the sesquicentenary of the discovery of gold in Victoria (2001).

David has been a judge in the Victorian Tourism Awards for many years. He has also served as a mentor for those awards and worked with a number of aspiring applicants. He is currently Chair of William Angliss Institute Higher Education Academic Board and Director of the Australian Centre for Tourism and Hospitality.



Brian Kearney

Appointed 22 May 2013

(Former Board – appointed May 2009 to 15 April 2013)

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.



Morris Lieberman

Appointed 1 June 2014

General Manager Transformation Program, Skilled Group

Morris Lieberman has more than 25 years experience working in a range of global executive and management positions for iconic brands such as Shell, Cadbury Schweppes, Fosters, Treasury Wines and Skilled Group.

Previous experience includes Business and IT Transformations, Asia Pacific CIO, Online Channel Management, IT Management and Outsourcing, Organisational Change & Demergers, Program & Financial Management and Retail Operations.

His current role focuses on organisational structural change, strategic repositioning and delivering transformational initiatives to enhance the total business model.

Morris holds a Bachelor of Business in Accountancy from Queensland University of Technology. He is a graduate of the Australian Institute of Company Directors, a member of the Australian Society of Certified Practising Accountants and a member of the Australian Computer Society.



Peter Filshie

Appointed 22 May 2013 -

Resigned 31 May 2014

(Former Board - November 2005 to 15 April 2013)

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. 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.



Joanne Rumble

Appointed 22 May 2013 -

Resigned 31 May 2014

(Former Board - June 2004, Vice President March 2009 to 15 April 2013)

Senior Manager, Workplace Services People and Workplace Services Department of Transport, Planning and Local Infrastructure

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 Certified Practising Accountants of Australia and is a graduate of the Australian Institute of Company Directors.

Attendance, Code of Conduct and Committees

Attendance at Board and Committee Meetings 2014

Board Member	Board	RR&BM	FARM	Annual Meeting
Allan, M (Chair)	7/7	2/2		1/1
Astin, A	4/4		2/3	
Aylett, R	7/7	2/2	2/4	1/1
Filshie, P	3/3		1/1	1/1
Foster, D	6/7			1/1
Kearney, B	6/7		3/4	0/1
Lieberman, M	4/4		2/3	
Minett, D	7/7	2/2	1/3	1/1
Ring, M	7/7	2/2		1/1
Rumble, J	2/3		1/1	1/1
Schofield, B	7/7		4/4	1/1

Key:

FARM Finance, Audit and Risk Management Committee

RR&BM Remuneration Review and Board Membership Committee

Dr M Allan appointed as Board Chair effective 16 April 2013
(Former Board President effective 31 August 2009)

P Filshie resigned as Director effective 31 May 2014

J Rumble resigned as Director effective 31 May 2014

Dr A Astin PSM appointed as Board Director effective 1 June 2014

M Lieberman appointed as Board Director effective 1 June 2014

The Board met 7 times during the year. Institute Committees met 6 times to review and monitor various aspects of the Institute's operations. An Annual Meeting was held on 26 May 2014. During 2014, no Board Members declared a potential pecuniary interest in issues discussed during Board meetings.

Board Composition

The Board consists of nine members:

- One Board Chair appointed by the Governor in Council
- Four Ministerial Directors appointed by the relevant Minister
- Four Board Directors appointed by the relevant Minister after considering advice from the Board Chair and the Ministerial Directors

The role of Board Secretary was held by Judy Slevison.

Governance Charter

The Board annually reviews the Governance Charter; this was undertaken in May 2014.

Code of Conduct

The Board originally developed and approved its own Code of Conduct in 2006, which is reviewed annually. The Code of Conduct outlines 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 compliments 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:

- Approves and submits the Strategic Plan to the relevant Minister
- Approves and submits the Annual Statement of Corporate Intent to the relevant Minister
- Approves the audited financial annual report
- Meets the required obligations of the Strategic Planning Guidelines and Commercial Guidelines
- Approves an annual budget
- Reviews and approves the Strategic and Risk Management Plans and sets clear annual measures that are in alignment with the Strategic Plan and Risk Management Plan
- Reviews and approves the Financial Delegations Policy by 30 June
- Ensures that appropriate policies and procedures are in place to meet good governance, legislative, regulatory and organisational requirements
- Ensures that Board membership complies with legislative requirements and that members comply with the agreed Board Members' Code of Conduct.

Board Committees

Finance, Audit and Risk Management Committee

Committee Members:

Beth Schofield (Chair), Anne Astin, Rick Aylett, Brian Kearney, Morris Lieberman and Dean Minett. Resigned 31 May 2014: Joanne Rumble (former Chair) and Peter Filshie.

The main objective of the Finance, Audit and Risk Management (FARM) Committee is to provide independent assurance and advice to the Board in relation to the Institute's risk, control and compliance framework and its financial reporting responsibilities.

Responsibilities of the Committee are described within the FARM Committee Terms of Reference and include detail relating to the areas of risk management, internal control, financial statements, legislative and policy compliance, internal and external audit and governance.

During 2014 the Finance, Audit and Risk Management Committee held four meetings.

Remuneration Review and Board Membership Committee

Committee Members:

Michele Allan (Chair), Rick Aylett, Dean Minett and Madelyn Ring. Responsibilities of the Committee are described within the Remuneration Review and Board Membership Committee Terms of Reference and include detail relating to the areas of employment conditions and remuneration for the CEO and Executive group, compliance with the Government Sector Executive Remuneration Panel (GSERP) guidelines and review of Board membership requirements.

During 2014 the Remuneration Review and Board Membership Committee held two meetings.

Executive Team

Roles and Responsibilities



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. This includes driving change to support the Institute's effectiveness and accountability.

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.



Wayne Crosbie
Director International and Business Development

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.



Wayne Box
Director Corporate (Appointed 27 Oct 2014)

The Corporate Division provides financial and business analysis, information technology, marketing and communications, strategy, risk management and governance, property and procurement leadership and services to the Institute.

The Finance Department provides regular financial reporting, forecasts and analysis as well as maintaining the asset register and the Institute's payroll function.

The Property and Procurement Services Department maintains the Institute's buildings, manages capital works, building and equipment maintenance, site cleaning, campus security, purchasing and procurement, and the commercial activities of the Conference Centre, Café 555 and the Bakeshop.

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

Corporate Governance and Risk maintain policies and procedures to ensure a level of accountability, integrity and transparency regarding the Institute's corporate affairs, including processes to facilitate Freedom of Information, protected disclosures, privacy obligations, insurance coverage and maintenance of the risk management framework.

The Information Technology Services Department manages the Institute's IT infrastructure, business applications' support, IT security and strategy, and provides technical support.

The Corporate Division also provides research, analysis and other data for the Institute's strategic and related planning processes. It prepares and responds to reports for the Executive and the Board as required.

Jim Stoikos
Acting Director Corporate
(September 2013 to October 2014)



Dan Mabilia
Associate Director Vocational Education and Training (VET)

The Associate Director VET is responsible for the delivery of a diverse range of industry based and on campus VET 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 the development of VET programs to ensure William Angliss Institute maintains its position as a leader in the delivery of high quality programs in hospitality, tourism, events, resorts and food trades and culinary arts.

The role supports the integration of flexible and traditional workplace-based training programs supporting the learning and development of trainees through the traineeship and apprenticeship programs in both Victoria and New South Wales.

To support academic governance in the Institute, the Associate Director VET participates in the Education Quality Management Committee, the Board of Studies, chairs the Field of Education Advisory Committee and has the shared responsibility to meet the requirements of the national regulators and relevant state service agreements.

The Associate Director VET works closely with the Associate Director Student Services and the Director of International and Business Development to ensure the Institute maintains high quality training and support services to industry clients, and to domestic and international student cohorts.

Executive Team

Roles and Responsibilities



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 Services ensure students are given equal opportunity to develop their skills while 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 Training (formerly 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.



Dr. Paul Whitelaw
Associate Director - Higher Education and Quality

The Higher Education area is responsible for the delivery of Higher Education courses offered by the Institute. At this stage, this includes three undergraduate degree programs: Bachelor of Tourism and Hospitality, Bachelor of Culinary Management and the recently launched Bachelor of Event Management. Plans are underway to expand this with bachelor-level courses in hotel and resort management, institutional management, professional cookery and food studies. Long term, the area will seek permission to accredit and deliver both bachelors and masters level courses.

The quality area is responsible for supporting teaching areas to comply with the various State and Commonwealth compliance frameworks by which the Institute is registered to deliver both Vocational and Higher Education courses. This involves establishing, maintaining and documenting policies, procedures and systems that ensure that the Institute's courses are of the highest standard and meet both State and Commonwealth legislative and regulatory requirements.

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FRD 22E	Consultants: Report of Operations must include a statement disclosing each of the following	25
	1. Total number of consultancies over \$10,000	
	2. Location (eg website) of where details of these consultancies over \$10,000 have been made publicly available	
	3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period	
	<u>AND</u> publication on TAFE institute website required, for each consultancy more than \$10,000, of a schedule listing:	
	• Consultant engaged	
	• Brief summary of project	
	• Total project fees approved	
	• Expenditure for reporting period	
	• Any future expenditure committed to the consultant for the project	

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SD 4.2 (g)	Qualitative and Quantitative information to be included in Report of Operations, and provide general information about the entity and its activities, together with highlights and future initiatives	1-97
SD 4.2 (h)	The Report must be prepared in accordance with requirements of the relevant Financial Reporting Directions	48
SD 4.2 (j)	The Report of Operations must be signed and dated by a member of the Responsible Body	2
CG 10 (clause 27)	Major Commercial Activities	30
CG 12 (clause 33)	Controlled Entities	89
FINANCIAL REPORT		
FINANCIAL STATEMENTS REQUIRED UNDER PART 7 OF THE FINANCIAL MANAGEMENT ACT 1984		
SD 4.2 (a)	The financial statements must be prepared in accordance with: <ul style="list-style-type: none"> • Australian accounting standards (AAS and AASB standards) and other mandatory professional reporting requirements (including urgent issues group consensus views); • Financial Reporting Directions; and • business rules. 	48
SD 4.2 (b)	The financial statements are to comprise the following: <ul style="list-style-type: none"> • income statement; • balance sheet; • statement of recognised income and expense; • cash flows statement; and • notes to the financial statements. 	51 52 51 54 55-97
OTHER REQUIREMENTS UNDER STANDING DIRECTION 4.2		
SD 4.2 (c)	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: <ul style="list-style-type: none"> • the financial statements present fairly the financial transactions during the reporting period and the financial position at the end of the period; • the financial statements are prepared in accordance with this direction and applicable Financial Reporting Directions; and • the financial statements comply with applicable Australian accounting standards (AAS and AASB standards) and other mandatory professional reporting requirements (including urgent issues group consensus views). 	48
SD 4.2(d)	Rounding of amounts	62
SD 4.2(e)	Review and recommendation by Audit Committee or responsible body	48
OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS		
FRD 11A	Disclosure of ex-gratia payments	24
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PART 7 OF THE FINANCIAL MANAGEMENT ACT 1994 (FMA)		
FMA s49(a)	Must contain such information as required by the Minister	48
FMA s49(b)	Must be prepared in a manner and form approved by the Minister	48
FMA s49(c)	Must present fairly the financial transactions of an institute during the financial year to which they relate	48
FMA s 49 (d)	Must present fairly the financial position of an institute as at the end of the year	48
FMA s 49 (e)	Must be certified by the Accountable Officer for an institute in the manner approved by the Minister	48
COMPLIANCE WITH OTHER LEGISLATION AND SUBORDINATE INSTRUMENTS		
Legislation	The TAFE institute Annual Report must contain a statement that it complies with all relevant legislation and subordinate instruments, including, but not limited to, the following: <ul style="list-style-type: none"> • <i>Education and Training Reform Act 2006</i> (ETRA) • TAFE institute constitution • Directions of the Minister for Higher Education and Skills (or predecessors) • TAFE institute Commercial Guidelines • TAFE institute Strategic Planning Guidelines • <i>Public Administration Act 2004</i> • <i>Financial Management Act 1994</i> • <i>Freedom of Information Act 1982</i> • <i>Building Act 1983</i> • <i>Protected Disclosure Act 2012</i> • <i>Victorian Industry Participation Policy Act 2003</i> 	30
ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2014.	25
Policy	Statement that the TAFE institute complies with the Victorian Public Sector Travel Principles	29
PRESENTATION OF REPORTING AND PERFORMANCE INFORMATION		
Audited Statements of Key Performance Measures (KPIs) must include an audited statement of performance for certain KPIs.		
FRD 27B	Reporting and performance should be presented using KPIs as set out in the Statement of Corporate Intent agreed with the Minister, comparing 2014 actual performance against the 2014 target and 2013 actual performance, and providing an explanation of any variance between the 2014 actual performance and 2014 target for each KPI. The KPIs must also include the Return on Investment.	26
OVERSEAS OPERATIONS OF VICTORIAN TAFE INSTITUTES		
PAEC and VAGO (June 2003 Special Review item 3.110)	<ul style="list-style-type: none"> • Financial and other information on initiatives taken or strategies relating to the institute's overseas operations • Nature of strategic and operational risks for overseas operations • Strategies established to manage such risks of overseas operations • Performance measures and targets formulated for overseas operations • The extent to which expected outcomes for overseas operations have been achieved. 	47

Activity Table

Note A1 – Operating Statement					
Total operating Expenses	Note	Consolidated		The Institute	
		2014	2013	2014	2013
		\$000	\$000	\$000	\$000
Delivery provision and support activity	A2	31,620	31,859	31,620	31,859
Administration and general services activity	A3	7,726	8,269	11,910	8,269
Property, plant and equipment services activity	A4	6,072	6,396	6,072	6,396
Student and other activity	A5	11,572	11,589	6,877	6,991
Total Operating Expenses		56,990	58,113	56,479	53,515

Note A2 – Operating Statement					
Delivery provision and support activity	Note	Consolidated		The Institute	
		2014	2013	2014	2013
		\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances		16,454	17,901	16,454	17,901
Superannuation		1,444	1,498	1,444	1,498
Payroll Tax		822	902	822	902
Other salary related costs		26	180	26	180
Communication expenses		109	131	109	131
Consumables		1,784	1,992	1,784	1,992
Contract Services		26	26	26	26
Energy Costs		53	67	53	67
Equipment		24	29	24	29
Fees		603	252	603	252
Rent/Leasing charges		1,118	924	1,118	924
Repairs & maintenance		32	52	32	52
Travel & motor vehicle expenses		119	353	119	353
Other direct delivery expenses		9,006	7,552	9,006	7,552
		31,620	31,859	31,620	31,859

Note A3 – Operating Statement					
Administration and general services activity	Note	Consolidated		The Institute	
		2014	2013	2014	2013
		\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances		4,529	4,469	4,529	4,469
Superannuation		360	352	360	352
Payroll Tax		207	209	207	209
Other salary related costs		130	77	130	77
Communication expenses		25	93	25	93
Consumables		624	741	624	741
Contract Services		5	19	5	19
Equipment		34	59	34	59
Fees		820	1,147	820	1,147
Rent/Leasing charges		19	(4)	19	(4)
Repairs & maintenance		6	12	6	12
Travel & motor vehicle expenses		86	114	86	114
Other expenses		881	981	5,065	981
		7,726	8,269	11,910	8,269

Note A4 - Operating Statement

Property, plant and equipment services activity	Note	Consolidated		The Institute	
		2014	2013	2014	2013
		\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances		694	1,113	694	1,113
Superannuation		58	71	58	71
Payroll Tax		34	48	34	48
Other salary related costs		6	16	6	16
Communication Expenses		12	16	12	16
Consumables		17	21	17	21
Contract Services		382	358	382	358
Depreciation		2,931	2,947	2,931	2,947
Energy Costs		593	553	593	553
Rent/Leasing charges		185	196	185	196
Repairs & maintenance		222	318	222	318
Travel & Motor Vehicle Expenses		1	-	1	-
Other expenses		937	739	937	739
		6,072	6,396	6,072	6,396

Note A5 - Operating Statement

Student and other activity	Note	Consolidated		The Institute	
		2014	2013	2014	2013
		\$000	\$000	\$000	\$000
Salaries, wages, overtime and allowances		4,955	5,474	3,029	3,237
Superannuation		335	392	226	236
Payroll Tax		143	189	119	139
Other salary related costs		76	186	24	119
Communication expenses		33	36	22	32
Consumables		311	531	290	485
Contract Services		1	-	-	-
Depreciation		230	218	-	-
Energy Costs		28	56	-	-
Equipment		15	23	9	9
Fees		644	395	625	642
Rent/Leasing charges		1,002	834	2	3
Repairs & maintenance		25	2	1	-
Travel & Motor Vehicle Expenses		1,021	910	195	195
Other expenses		2,753	2,343	2,335	1,894
		11,572	11,589	6,877	6,991

Liabilities and Disclosures

Disclosures of Ex-Gratia Payments

In 2014 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:

Key management personnel disclosures	Consolidated		Institute	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Base remuneration of executive officers	797	1,311	797	1,311
Total remuneration of executive officers	919	1,497	919	1,497

Remuneration received or due and receivable from the Institute in connection with the management of any related party entity, as set out in note 23:

Related parties	Consolidated		Institute	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Purchase of goods				
Payments for supply of contractors	0	87	0	87

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

Income range	Consolidated		Institute	
	2014	2013	2014	2013
Less than \$10,000	1	4	1	4
\$10,000 - \$19,999	3	6	3	6
\$20,000 - \$29,999	-	1	-	1
\$30,000 - \$39,999	6	1	6	1
\$70,000 - \$79,999	1	-	1	-
\$80,000 - \$89,999	-	1	-	1
\$110,000 - \$119,999	-	1	-	1
\$210,000 - \$219,999	1	-	-	-
Total number of Responsible Persons	12	14	11	14

Superannuation

Name and type of Superannuation Scheme

- Defined benefit fund – Emergency Services Superannuation Scheme – New and Revised Schemes
- Contribution fund – VicSuper Pty Ltd
- 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 \$201K outstanding contributions payable to the above funds.

Financial Summary

Summary of Financial Results

	2014	2013	2012	2011	Consolidated 2010
	\$'000	\$'000	\$'000	\$'000	\$'000
Revenue	55,949	51,990	60,377	57,295	59,961
Expenditure	56,990	58,113	61,413	58,215	55,881
Assets	123,483	124,333	117,454	114,656	115,120
Liabilities	15,534	15,461	12,468	11,885	11,072

Summary of Significant Changes in Financial Position

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

Consultancies

In 2014, there were three consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure was \$109,544 (ex GST). There were eight consultancies where the total fees payable were less than \$10,000. The total expenditure incurred was \$25,070.

Business Consolidation

Consolidated revenue for the year was \$55.9 million. Main revenue streams include Government contract, commercial revenue and international activity. The Institute's overseas operations including overseas projects and Singapore subsidiary are included in the consolidated financial statements.

Financial Viability

The consolidated operating loss (including capital and depreciation) for the year was \$0.9 million. Total current assets in 2014 were \$17.2 million with current liabilities of \$12.6 million. Events subsequent to balance date— nil.

Organisational Viability

The Institute's commitment to responsible financial management and planning was maintained in 2014. Financial performance was impacted directly by the adjustment to government subsidy rates late in 2013 and the flow on effect of reduced industry engagement.

The William Angliss Institute's revenue of \$55.9 million (excluding capital contributions) was lower than budget for the year but generated a profit of \$2.3 million before capital, depreciation and fixed asset write off. The Institute also maintained a working capital ratio of 1.37 at year-end. The Institute's total assets were valued at \$123.5 million, a decrease of \$0.9 million from 2013.

We have not included a statement about compulsory non-academic fees, subscriptions and charges payable in 2014 as it was only a note in regards to the introduction of SMS which has now been established.

Consultancy valued in excess of \$10,000	Description	\$	Future Commitment \$
G & J Hubbard Services Pty Ltd	Management Consulting	21,500	5,250
OCCORP PTY LTD	Work cover Claims	17,724	
Wain Business Consulting & Advisory	SMS Consulting	70,320	

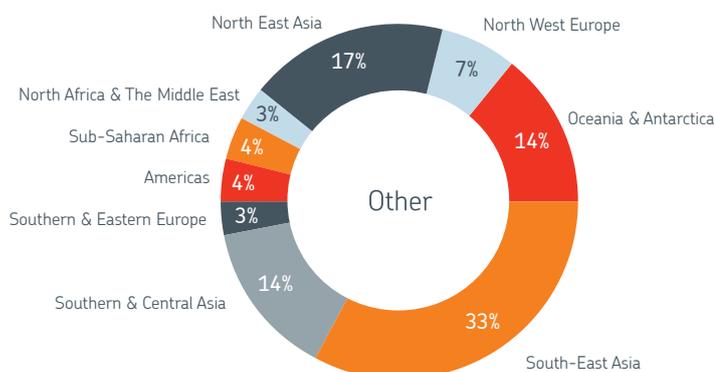
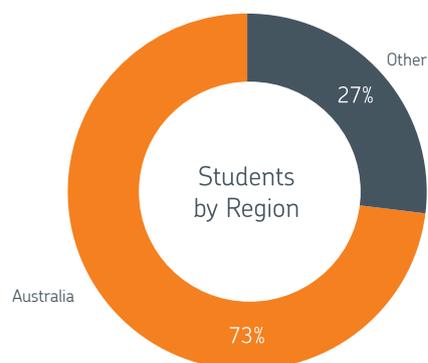
Expenses are approved as part of the overall budgeting process rather than specific detail of individual expenditure items.

2014 Key Performance Indicators

During 2014 the Institute worked towards achieving key performance targets. The table below provides a snapshot of these measures.

Key Performance Indicators 2014	Actual 2013*	Target 2014	Actual 2014	Variance 2014 Actuals vs targets
Educational				
Enrolled Student Contact Hour (SCH)	4,489,496	4,017,329	4,931,428	914,099
Course enrolments	21,170	21,000	23,250	2,250
Module load completion rate	82.60%	80.00%	88.36%	8.36%
Student satisfaction	79.87%	80 - 90%	76.50%	-3.50%
Industry satisfaction	72.10%	78-85%	68.50%	-9.50%
Financial				
Revenue	\$51,990	\$56,388	\$55,949	-\$0.439
Surplus/Deficit (excluding Capital Income and Depreciation)	-\$3.235m	\$1.381m	\$2.238m	\$0.857m
Working capital ratio	1.2	1:1	1.37	0.37
Return On Investment	-5.9%	-3.00%	-0.9%	2.1%
People Management				
Full Time Equivalent (excluding casuals)	280	275	270	5
Staff satisfaction	79.10%	80%	79.90%	-0.10%
Lost time due to injuries	91 days	Less than 90 days	53 days	-37

*Actual result is for William Angliss Institute of TAFE Consolidated entity



Human Resources

In 2014 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.

Learning and Development

The Institute has a workforce that spans Victoria, New South Wales, Queensland, South Australia, Western Australia and Northern Territory and has international joint campuses arrangements with partner education institutions in China (Shanghai, Hangzhou, Zhongshan and Nanjing), Malaysia (Kuala Lumpur), Thailand (Bangkok), Sri Lanka (Colombo) and a standalone Tourism Continuing Education and Training (CET) Centre in Singapore.

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 offering appealing career prospects and is attracting high numbers of quality candidates.

In 2014, 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
- Systems training
- Compliance training
- Change management
- Teaching skills in Language Literacy and Numeracy (LLN411).

During 2014, William Angliss Institute was awarded six grants by the VET Development Centre that enabled individuals and teams to undertake training to improve teaching and learning at the Institute and address workforce development needs.

Eight staff have involved themselves in self-directed research projects and five staff have continued with their PhD programs.

Scholarly Profile

The Institute's 'Scholarly Profile' was updated to reflect the 2014 activities and this has been positively benchmarked against the Institute's previous research activity with respect to research publications, seminar attendance, conference participation, various scholarly projects, funded and self-directed research projects along with academic and industry association membership. In 2015, the Institute's employees will focus their professional and academic development on building research networks.

Off Shore Opportunities

Staff members also had the opportunity to undertake personal and professional development overseas in 2014. This was made available through the Institute's diverse international project work and global network of industry and education partners. Throughout the year, staff also presented at a number of local and international events.

Reward and Recognition

In 2014, a number of employees were recognised and presented awards for demonstrating outstanding achievements in the areas of Client Service Excellence, Innovation, Teaching Excellence and Occupational Health and Safety.

Workforce Data

Overall, the Institute workforce decreased by 12.1 Equivalent Full Time (EFT) employees in 2014 compared to the 2013 staffing figures. The table overleaf provides a snapshot of staff numbers as at December 2014. Employees have been correctly classified for the purposes of the workforce data collections.

Employment and Conduct Principles

In 2014, the Institute continued to support the employment and conduct principles via the provision of induction information for new staff, and training for all staff informing them of their rights and responsibilities. The Institute has structured recruitment procedures based

on merit and policies and processes to support equal opportunity including return from parental leave, breastfeeding and flexible work arrangements.

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 2014, which continues the Institute's focus on building a safety culture, preventative strategies and injury management. The plan aims to build skills and capability by requiring supervisor attendance at nominated safety training and related people management training.

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, equipment safe operating procedures and a review of safety at the Sydney campus.

In addition a range of performance measures are collated and regularly monitored. These include supervisor attendance at mandatory training, timeliness of incident reporting and lost time due to workplace injury. Attendance at mandatory training for supervisors was at 72% compared to 68% in 2013 whilst 87% of incident reports were within targeted timeframe compared to 66% in 2013. Lost days due to workplace injury continued to be monitored and in 2014 totalled 53 days compared to a target of less than 90 days, which was an excellent result. Improved safety performance contributes to workplace culture, employee satisfaction and reduced workers compensation insurance costs.

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.

In 2014, negotiations commenced for both Teacher and Professional, Administrative, Clerical, Computing and Technical (PACCT) Enterprise Agreements.

As at 31 December 2014

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	36	13	49	43.9
	Male	51	5	56	53.1
Fixed term	Female	10	5	15	12.7
	Male	13	1	14	13.3
Subtotal		110	24	134	123.0
Casual	Female	-	42	42	9.8
	Male	-	47	47	12.4
Subtotal		-	89	89	22.2
TOTAL		110	113	223	145.2

Non-Teaching Staff		F/Time	P/Time	Total	EFT
Executive Officers	Female	0	0	0	0
	Male	6	0	6	6
Subtotal		6	0	6	6
PACCT* ongoing	Female	63	23	86	77.8
	Male	40	2	42	41.5
PACCT fixed term	Female	15	3	18	17.0
	Male	5	0	5	5.0
Subtotal		123	28	151	141.3
Other ongoing	Female	0	0	0	0
	Male	0	0	0	0
Other fixed term	Female	0	0	0	0
	Male	0	0	0	0
Subtotal		0	0	0	0
TOTAL		129	28	157	147.3
Total Female		124	86	210	161.2
Total Male		115	55	170	131.3
Grand Total		239	141	380	292.5

* Professional, Administrative, Clerical, Computing and Technical Staff

Executive staff employed and classified as executive officers under Part 3 of the *Public Administration Act 2004*

Age	Employee (Headcount)
Under 25	-
25-34	-
35-44	2
45-54	3
55-64	1
Over 64	-

Staff Declaration of Outside Employment and Pecuniary Interests

Employees who have obtained simultaneous employment with employers other than the Institute, while employed at the Institute, are required to complete the Institute's Declaration of Outside Employment/Conflict of Interest form for approval. In 2014 declarations were received from 75 employees.

As at 31 December 2013

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	37	15	52	45.3
	Male	53	5	58	55.7
Fixed term	Female	12	4	16	14.7
	Male	13	1	14	13.3
Subtotal		115	25	140	129.0
Casual	Female	-	49	49	12.7
	Male	-	41	41	11.9
Subtotal		-	90	90	24.6
TOTAL		115	115	230	153.6

Non-Teaching Staff		F/Time	P/Time	Total	EFT
Executive Officers	Female	0	0	0	0
	Male	4	0	4	4
Subtotal		4	0	4	4
PACCT* ongoing	Female	62	23	85	76.9
	Male	47	1	48	47.7
PACCT fixed term	Female	15	4	19	16.4
	Male	6	0	6	6.0
Subtotal		130	28	158	147.0
Other ongoing	Female	0	0	0	0
	Male	0	0	0	0
Other fixed term	Female	0	0	0	0
	Male	0	0	0	0
Subtotal		0	0	0	0
TOTAL		134	28	162	151.0
Total Female		126	95	221	166.0
Total Male		123	48	171	138.6
Grand Total		249	143	392	304.6

* Professional, Administrative, Clerical, Computing and Technical Staff

Executive staff employed and classified as executive officers under Part 3 of the *Public Administration Act 2004*

Age	Employee (Headcount)
Under 25	-
25-34	-
35-44	1
45-54	2
55-64	1
Over 64	-



Students at William Angliss Institute – Orientation Day, 2015.

Compliance

Freedom of Information

The Institute respects the right of the public under the *Freedom of Information Act 1982* to request access to documentary information held by the Institute. Formal applications to request access to information must be made under the *Freedom of Information Act* and in writing to:

The Freedom of Information Officer
William Angliss Institute
555 La Trobe Street
Melbourne VIC 3000

An application fee and charges may apply in accordance with the Victorian Freedom of Information (Access Charges) Regulations 2014. For the period 1 January 2014 to 31 December 2014 there was one request for information received under the *Freedom of Information Act* by the Institute.

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 were obtained.

Compliance with the Protected Disclosure Act 2012

The Institute does not tolerate improper conduct by employees, nor the taking of reprisals against those who come forward to disclose such conduct. The Institute has a policy and procedure in place which promotes and facilitates the disclosure of improper conduct to the Independent Broad-based Anti-Corruption Commission (IBAC). Where the Institute becomes aware that a protected disclosure has been made, it will take reasonable steps to afford protection for those who made the protected disclosure against any reprisal.

Disclosure of improper conduct or detrimental action by the Institute or any of its staff should be reported directly to the IBAC:

Phone: 1300 735 135
Fax: (03) 8635 6444

Street address:

Level 1, North Tower, 459 Collins Street,
Melbourne, VIC 3000

Postal address:

GPO Box 24234, Melbourne, VIC 3001

Website:

<http://www.ibac.vic.gov.au/>

Email:

See the IBAC website for means of electronic contact.

For the period 1 January 2014 to 31 December 2014, the Institute did not become aware of any disclosures made under the *Protected Disclosure Act 2012*.

Competitive Neutrality

William Angliss Institute has established mechanisms to ensure that the National Competition Policy including the requirements of relevant Government Policy Statements ('Competitive Neutrality: Statement of Victorian Government Policy' and 'Victorian Government Timetable for the Review of Legislative Restrictions on Competition' and any subsequent reforms) are appropriately observed.

Compliance with Victorian Public Sector Travel Principles

William Angliss Institute has established policies and procedures to ensure the Institute is compliant with the Victorian Public Sector Travel Principles.

Compliance with other Legislation and Subordinate Instruments

William Angliss Institute complies with all relevant legislation and subordinate instruments, including but not limited to the following:

- *Education and Training Reform Act 2006 (ETRA)*
- *William Angliss Institute of Technical and Further Education Constitution Order 2013*
- *TAFE Institute Commercial Guidelines*
- *TAFE Institute Strategic Planning Guidelines*
- Directions of the Minister for Training and Skills (or predecessors)
- *Financial Management Act 1994*
- *Public Administration Act 2004*
- *Building Act 1983*
- *Protected Disclosure Act 2012*
- *Victorian Industry Participation Policy Act 2003*
- *Freedom of Information Act 1982*

Risk Management

Attestation for compliance with the Australian/New Zealand Risk Management Standard

I, Nicholas Hunt, certify that as at 31 December 2014 William Angliss Institute of Technical and Further Education has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard (AS/NZS ISO31000:2009) 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 of Technical and Further Education has been critically reviewed within the last 12 months.



Nicholas Hunt
Chief Executive Officer
23 February 2015

Attestation for compliance with the Ministerial Standing Direction 4.5.5.1 – Insurance

I, Nicholas Hunt, certify that William Angliss Institute of Technical and Further Education has complied with Ministerial Direction 4.5.5.1 – Insurance for the period 1 January 2014 to 31 December 2014.



Nicholas Hunt
Chief Executive Officer
23 February 2015

Major Commercial Activities

During the period 1 January 2014 to 31 December 2014 there were no major commercial activities to report.

Capital Projects

During the period 1 January 2014 to 31 December 2014 there were no capital building projects undertaken.

Additional Information Available on Request

Consistent with the *Financial Management Act 1994* and in line with the Institute's Freedom of Information policy, 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:

Board Secretary
William Angliss Institute
555 La Trobe Street, Melbourne VIC 3000

Telephone: (03) 9606 2111
Email: info@angliss.edu.au
Website: www.angliss.edu.au

Environmental Impacts

Energy

The Institute consumes energy for a number of different uses including: office facilities, theory classrooms, three restaurants, two retail food outlets, Conference Centre, 12 training kitchens, confectionery centre and bakery practical rooms. The data represented below was collected through energy retailer billing information. The Institute is continuing to develop systems to collect data more comprehensively.

Indicator	2014			2013		
	Electricity	Natural gas	Green power	Electricity	Natural gas	Green power
Total energy usage	3109.7 MWh	10495 GJ	777.4 MWh	3371.9 MWh	4577 GJ	842.9 MWh
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tCO ₂ e)	4561.88	670.61	0	4946.58	292.46	0
Percentage of electricity purchased as green power	25%	-	-	25%	-	-
Units of energy used per Student Contact Hour (MJ/SCH)	4.60	-	-	3.72	-	-

Waste

The waste generated by processes within the Institute is divided into four general streams – general, cardboard, commingle (mixed recycling) and glass.

Indicator	2014				2013			
	General	Commingled recycling	Cardboard	Glass	General	Commingled recycling	Cardboard	Glass
Total units of waste disposed of by destination (kg/yr)	239,563	22,464	20,019	1,740	225,000	22,690	20,000	1,760
Units of waste disposed of per FTE by destinations (kg/FTE)	819	77	68	6	803	81	71	6
Recycling rate (percentage of total waste)	15.6%				16%			

Actions Undertaken

- Office recycling program was implemented in October 2014.

Targets

- Increase recycling rate to 20% by December 2015
- Introduce organic recycling by December 2015.

Paper

The Institute only purchases paper which is certified to the Australian Forestry Standard which confirms that it is made with fibre from sustainably managed plantations and forestry operations.

Indicator	2014	2013
Total units of copy paper used (reams)	4314	2,905 [#]
Units of copy paper used per FTE (reams/FTE)	14.74	10.36
Percentage of 100% recycled content copy paper purchased	51	N/A
Percentage of 75% recycled content copy paper purchased	N/A	N/A
Percentage of 50% recycled content copy paper purchased	160	N/A

[#] 8 months only.

Water

The data in the table below is based on water meter readings of the whole site at The LaTrobe Street Campus.

Indicator	2014	2013
Total units of metered water consumed by usage types (kilolitres)	21,830	19,787

Actions Undertaken

- Rectify water leakage requests as soon as practicable.
- Installation of aerators to all tapware in training kitchens and bakery practical rooms.

Transportation

The data in the table is derived from kilometres and fuel usage from the Institute's 15 vehicle fleet Australia-wide.

Indicator	2014	2013
Total kilometres travelled from vehicle fleet	282,809	303,204
Total litres used from vehicle fleet	22,678	25,846
Total distance travelled by air (kilometres)	46,955 [#]	N/A

[#] Domestic air travel only for 3 months.

Greenhouse Gas Emissions

Indicator	2014	2013
Total Greenhouse Gas Emissions associated with energy use (tonnes CO2-e)	5232.49	5239.04
Total Greenhouse Gas Emissions from vehicle fleet (tonnes CO2-e)	56.695	64.615
Total Greenhouse Gas Emissions from air travel (tonnes CO2-e)	11.92 [#]	N/A
Total Greenhouse Gas Emissions associated with waste disposal (tonnes CO2-e)	263.51	247.5

[#] Domestic air travel only for 3 months

Procurement

The Institute's procurement policy includes, as part of the evaluation criteria, that the engagement of suppliers who are conscious of the environment and are committed to the principles of environmental sustainability are to be considered.

An example of this has been the tendering for the provision of print services where the specification included that the printing of Institute-wide publications such as the Course Guide and Annual Report had to show their use of Forestry Stewardship Council (FSC)-certified paper for printing, which supports the objectives of the Government's Environmental Procurement Policy. This contract has been in place since 2013.



William Angliss Institute's Living Green Rain Garden.

Environmental Sustainability

As a specialist centre for foods, tourism, hospitality and events, the Institute has a unique set of challenges in terms of environmental impact. In addition to running lecture theatres and classrooms with computers for theory, teaching cookery specifically requires many large ovens running, water supply – including supply of hot water for hygiene requirements – and results in some food waste.

The Institute continues to introduce sustainable practices to manage these resources and reduce waste. In February 2015, a food recycling system will be introduced across all training kitchens at the Melbourne campus. Worm farms will also be introduced to facilitate better food waste systems.

In 2014 the Institute:

- Purchased renewable green energy sources for 25% of all electricity usage
- Implemented new office waste recycling and smaller landfill bins across campus
- Constructed an Edible Rain Garden in conjunction with NMIT and the Office of Living Victoria
- Purchased Institute fleet vehicles that use diesel fuel
- Utilised flexible delivery modes, including e-learning to reduce printing of training materials by students
- Encouraged staff to use public transport with discounted 'Commuter Club' membership
- Promoted 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
- Aimed for best practice in energy and environmental management through a strategic action plan, reviewed for progress and updated each year
- Introduced a cooking oil filtration and recycling disposal system
- Upgraded downlights in Building A lighting to LED lights
- Held staff events to raise awareness of sustainable practices and funds
- Introduced a sustainability requirement when assessing various tenders lodged as part of the Institute's procurement activities. Typically, sustainability criteria accounts for five per cent of the evaluation criteria/process.

Performance Statement



Performance Statement for 2014

In my opinion, the accompanying Statement of Performance of William Angliss Institute, in respect of the 2014 financial year, is presented fairly in accordance with Departmental guidelines.

The Statement outlines the performance indicators as determined by the responsible Minister, and the actual results for the year against these indicators.

As at the date of signing, I am not aware of any circumstance which would render any particulars in the Statement to be misleading or inaccurate.

A handwritten signature in blue ink, appearing to read 'Nicholas Hunt'.

Nicholas Hunt
Chief Executive Officer

Date: 23 March 2015

William Angliss Institute
Established 1940
ABN 66 266 583 978
RTO No. 3045 HEP 9534
CRICOS Provider No. 01505M

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Melbourne, Sydney, Brisbane,
Perth, Adelaide, Singapore,
Shanghai, Nanjing, Hangzhou,
Tianjin, Zhongshan, Colombo



Student Harriyadi Irawan from Indonesia won the Premier's Award for International Education Student of the Year and the International Student of the Year – Vocational Education and Training category at the Victorian International Education Awards 2014. L– R: Julie London (International Learning Coordinator); Fay Staios (Manager – Centre for Tourism and Hospitality); Rodrigo Becerra Mosquera (International Recruitment Coordinator); Clara Cheng (International Office Manager); Harriyadi Irawan; the Hon. Louise Asher MP, Minister for Employment and Trade; Nicholas Hunt (CEO); Daena Ristevska (Careers Advisor).

Award Recognition and New Programs

Recognition of Excellence

During 2014 the Institute's commitment to educational excellence was rewarded with a number of awards, including:

- Victorian International Education Awards 2014 – Finalist for Excellence in International Education (TAFE)
- Best Education or Training Provider Award at the Australian Event Awards – Finalist
- International Student of the Year 2014 – Victorian and National Winner
- Best Spa Education Institute – Diploma /Certificate Australian Spa Association Awards 2012, 2013 and 2014
- 2014 Savour Australia Restaurant & Catering HOSTPLUS Awards for Excellence Winner – 'Best Restaurant in a Training Institute' 2014
- Victorian TAFE Culinary Challenge – 1st Place
- FSAA National Awards of Excellence – Service Supplier of the Year
- 2014 Dilmah High Tea Challenge – Gold Medal Winners
- Service Skills Australia – Industry Collaboration/Partnership Award to William Angliss Institute and the Indigenous Land Corporation
- Australian Event Awards – Finalist
- Victorian Vocational Student of the Year Awards – Finalist

New Courses and Initiatives

In consultation with governments and industry, the Institute delivered courses for offshore delivery and across Australia tailored to meet market needs. Driving excellence through new initiatives was in evidence at various levels of Institute training with core programs evolving to better meet the needs of students and industry. The inclusion of new streams within training package qualifications helped to provide specific job outcomes for students. Changes to training delivery and assessment approaches that include blended models of delivery, work experience opportunities, industry visits and industry guest speakers all contributed to adding value to the student experience.

The following programs were successfully introduced in 2014:

- Certificate II in Meat Processing /Cookery Dual Qualification
- Advanced Responsible Service of Alcohol (RSA) program
- Certificate III in Health Support Services

Industry Training

William Angliss Institute works closely with the foods, tourism, hospitality and events industries on a range of activities including tailored learning solutions, consultancy services and student work placements and partnerships.

Project	Industry Partner(s)	Project Activities
Ayers Rock Resort – National Indigenous Training Academy (NITA)	Indigenous Land Corporation	Certificate II and III in Hospitality delivered at Ayers Rock Resort. six intakes of trainees conducted in 2014. Since commencement in November 2011, WAI has had a total of 116 trainees graduate. All graduates offered full time employment.
Mossman Gorge Training Centre	Mossman Gorge Indigenous Land Corporation	Certificate III in Hospitality delivered. Commenced training in June 2014. Eleven trainees will graduate in January 2015. All offered full time employment.
Charcoal Lane Indigenous Program	Mission Australia	Delivery of the following programs: <ul style="list-style-type: none"> • Certificate II in Hospitality • Certificate III in Hospitality • Certificate III in Commercial Cookery
Meat Processing	Woolworths J B Swift Variety of independent retail butchers throughout South Australia	Delivery of the following training programs: <ul style="list-style-type: none"> • Certificate III Meat Retail • Certificate III in Meat Processing (Food Service) • Certificate III in Meat Processing (Retail Butcher) • Certificate II in Meat Processing (Abattoirs)
Certificate III Training Guarantee Fund – QLD program	KOOPS Training & Employment Solutions	• Delivery of Certificate III in Hospitality. In excess of 600 trainees completed the program.
Food Processing	Haigh's Chocolates Nestle	Delivery of the following programs: <ul style="list-style-type: none"> • Certificate III in Food Processing • Certificate III in Retail • Certificate IV in Frontline Management
Travel Training in Industry, both local and remote locations	Cornerstone	Delivery of the following training programs along the eastern seaboard, Perth and remote areas in WA: <ul style="list-style-type: none"> • Certificate III in Travel • Certificate IV in Customer Contact • Certificate IV in Travel and Tourism
Compass Group (Australia) P/L	Compass Operations in each state and territory	Programs delivered nationally include: <ul style="list-style-type: none"> • Certificate III in Commercial Cookery • Diploma of Management • Certificate IV in Training & Assessment • Certificate III in Business • Certificate IV in Business • Certificate III in Cleaning Operations • Certificate IV in Workplace Health and Safety
Regional Development Australia – mid North and Yorke region	Primo	Pre-employment Butchery program
Health Services Industry	Churches of Christ Care Regis Aged Care Our Village Foundation	Delivery of the following programs: <ul style="list-style-type: none"> • Certificate III in Commercial Cookery • Certificate III in Cleaning Operations



Students being shown around William Angliss Institute facilities - Orientation Day, 2015

Australia-Wide Presence

With service delivery established in each state and territory, the Institute offers 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.

National Partnership Development

The William Angliss Institute/Indigenous Land Council has established the National Indigenous Training Academy (NITA) based at Ayers Rock Resort, now in its third year of operation. Since commencement the academy has enrolled more than 296 trainees.

Meeting Industry Requirements

The current and emerging training requirements of industry, including widespread skills shortages and low retention rates of skilled employees, needed to be addressed. 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 recognised 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.

Community and Industry Engagement

William Angliss Institute Alumni - Angliss Global Network

2014 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 our global network. Our alumni attended Speed Networking events, acting as mentors for students seeking advice and guidance in furthering their careers.

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 Institute's students are exposed to real industry environments and opportunities that are designed to enhance knowledge and understanding of the workforce. In 2014 such opportunity was provided in the following ways:

- Melbourne Food and Wine Festival - more than 100 students participated in the festival. Working with Peter Rowland Catering, students participated in the annual World's Longest Lunch event, which hosted lunch for more than 1,500 visitors along Alexandra Park, along the Yarra River, Melbourne
- Working with various catering companies to promote work opportunities at major events including Spring Racing Carnival, Grand Prix Moto GP Philip Island - in some cases this was linked to their particular program curriculum.

During 2014 the following events were offered to enhance students' career development:

- Sponsored by HOSTPLUS, The Annual Careers and Employment Expo was held in August as a registered event of National Skills Week. The event saw many new and returning employers exhibit to students. Promoting casual, placement and graduate opportunities, over 600 students attended and 28 employers and industry bodies exhibited. Exhibitors included: Accor,

Altara, The Ascott, Atlantic Group [v], Community Clubs Victoria, Crown Melbourne, Delaware North, Grand Hyatt and Park Hyatt Melbourne, Hamilton Island Enterprises, Hilton, HOSTPLUS, Intercontinental Hotels Group, International Exchange Programs Australia, The Langham Melbourne, Melbourne Marriott Hotel, Melbourne Racing Club, Parkroyal Hotels and Resorts, Pegasus Leisure Group, Peter Rowland Catering, Quest Services Apartments, RACV, TGI Fridays, TFE Hotels, The Westin Melbourne, The Big Group, Sheraton Melbourne, Transfield Services, VIP Personnel and Young Tourism Network

- A series of career information sessions were held as part of the expo in August, these included sessions facilitated by expert/specialist careers representatives and discussion panels made up of industry leaders
- A Mentoring Program was launched in 2014 for Higher Education students matching industry related professionals (mentors) with WAI students (mentees)
- The Institute's Careers and Employment Service hosted two Professional Networking events with 145 students and 60 alumni/industry leaders in attendance. Students had the opportunity to engage with leaders from the hospitality, tourism, events and foods industries
- Various employers recruited students on campus including: Melbourne Food and Wine Festival, Atlantic Group [v], One&Only Hayman Island, IEP (jobs in Canada and jobs in USA at The Broadmoor), Pancake Parlour, Suga Candy, Schnitz, The Lucas Group and Starwood Properties
- 120 WAI students participated in a back-of-house and front-of-house tour of Hilton South Wharf and Hilton on the Park, conducted by Hilton Hotels' senior managers. The tour was followed by a series of in-depth conversations with the international hotel group's heads of departments
- 683 organisations (predominately made up of small to medium sized

establishments) engaged the use of our online jobs noticeboard, CareerHub, to advertise employment vacancies within their companies

- Disney Programs made two visits to the Institute in 2014. For the sixth consecutive year, 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. While on campus, Disney spent time showcasing student opportunities and providing lectures to both students and staff
- 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.

Engaging Prospective Students and Clients

The Institute continued to build on a more sophisticated and customer-orientated approach to lead managing prospective students in the Victoria and New South Wales markets.

Research was also conducted to develop insights about how to best engage future students through different communications channels. This research provides a better understanding of where prospective students come from and how they go about making a decision to pursue a career in foods, tourism, hospitality or events.

Some of the key outcomes and activities for the year include:

- Melbourne's annual Open Day in August attracted approximately 2,800 visitors to the Melbourne campus. Sydney's annual Open Day in September attracted its highest ever attendance, with a 66% increase in attendees from the previous year. Both Open Days featured celebrity chef demonstrations



Students in discussion with industry recruiters – Careers and Employment Expo 2014.

and information sessions that were very well attended

- Information sessions were regularly held at the Sydney campus, while Melbourne also hosted its annual Midyear Expo and Experience Angliss Day
- ‘Trial-a-Trade’ events in Melbourne and Sydney provided year 10 to 12 school students with the opportunity to experience work as a baker, cook, pastry chef or barista
- 110 tours of the Melbourne campus were conducted during the year for visiting school and community groups. There were also 13 school group visits to the Sydney campus
- 650 one-on-one consultations with prospective students were conducted by course advisors in Melbourne and Sydney to discuss future study options (Sydney 40, Melbourne 610)
- Melbourne’s Career Advisors Day in May attracted over 80 career advisors from schools in Victoria
- The Institute was represented at 159 events off-campus, in Victoria, New South Wales and South Australia
- The Student Ambassador Program provided current students with many opportunities to represent the Institute at various events both on and off campus. The program provided an invaluable opportunity for students to develop communication and customer service skills that will serve them well in their future endeavours.

Industry Competitions and Events

The Institute has always been supportive of competitions and activities that drive students to excel. In 2014 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:

- 2014 AFL Football Season
- 2014 Formula 1 Qantas Australian Grand Prix
- Alfred Hospital Preventing Alcohol and Risk-Related Trauma in Youth
- AMIC Sausage King and Smallgoods Competition
- Australian Artisan Baking Cup
- Australian Barista Championships
- Australian Hotels Association Awards Victoria
- AusTAFE State Final
- Bakeskills – The Great Australian Pie Competition
- Baking Industry Association of Victoria (BIAV) Easter in the Fruit Bowl
- Cancer Council Pink Ribbon Day Fundraiser
- ConTech practical workshop featuring overseas confectionery expert
- Dilmah High Tea Challenge
- Fine Foods Australia
- Fonterra Foodservices Proud to be a Chef Program
- FSAA Partnership - National Understanding Food Service program
- Gelita Student Award Outstanding Achievement in Product Concept Development
- Golden Bean Roasters Competition
- Great Aussie Meat Pie Competition (Sydney and Tasmania)
- Herald Sun Butchery Ham judging
- HOSTPLUS Careers & Employment Expo, William Angliss Institute
- ISAF World Sailing Championships
- International Special Events Society Annual Conference
- John Patrick Conway Award (Bakery)
- L’Oreal Melbourne Fashion Festival
- Leukaemia Foundation Fundraiser
- Melbourne Food and Wine Festival
 - Fire MasterClass
 - Foodie Family Day
 - World’s Longest Lunch
 - World’s Longest Lunch Healesville
 - Homeless Longest Lunch
- Moto GP
- Nestlé Golden Chef’s Hat Award National & Regional Cooking Competition
- NISGA Community Cook Off
- Patisserie Industry Practical Activity
- Ronald McDonald House
- Royal Agricultural Society of Victoria Australian International Coffee Awards
- Taste of Melbourne
- The Age VCE and Careers Expo
- The Craig Family Award for the Top Student in the Confectionery Correspondence Course
- The Sollich Award
- Various Industry workshops with Unilever, Nestle and Fonterra Foods
- VicTAFE Culinary Challenge (Host)



Speaker and internationally renowned chef Peter Kuruviita presenting at the Dilmah Materclass, 2014.

- VET Development Centre Grant for a five-day intensive Chocolate training for Patisserie team at the Barry Callebaut Innovation Centre, Singapore
- VET Outbound Mobility Program
- VTIC Student Summit
- Victorian Institute of Sport Awards
- Victorian Barista Championships
- William Angliss Institute Chocolate Competition
- Work Place Connect (WPC) Culinary Cook Off
- World AIDS Conference
- World Barista Championships
- World Coffee in Good Spirits Championships
- Yarra Trams
- Young Tourism Network

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
- Australian Meat Industry Council
- Career Development Association of Australia
- Careers Guidance Association
- Clubs Victoria
- Council for Australasian University Tourism and Hospitality Education
- Eco Tourism Australia

- Foodservice Suppliers Association Australia
- International Centre of Excellence in Tourism and Hospitality Education (THE-ICE)
- International Special Events Society
- Meetings and Events Australia
- Melbourne Food and Wine Tourism Council
- MINTRAC – National Meat Industry Training Advisory Council
- National Association of Graduate Career Advisory Services
- National Association of Travel Agents Singapore
- Professional Executive Housekeepers' Network
- Professional Tour Guides Association of Australia
- SACEOS Singapore
- Quality in Education and Training Network
- Restaurant and Catering Victoria
- TAFE Directors Australia
- TAFE Libraries Association of Australia
- Tourism Alliance Victoria
- Victorian TAFE Association
- Victorian TAFE Libraries Association
- Victorian Tourism and Hospitality Educators Network
- Victorian Tourism Industry Council
- VISTA – Association of VET Professionals
- Young Tourism Network YMEA

Government bodies and authorities:

- Department of Education and Early Childhood Development (DEECD)
- Higher Education Skills Group (HESG)
- Australian Skills Quality Authority (ASQA)
- Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS)
- Tertiary Education Quality and Standards Agency (TEQSA)
- Victorian Registration and Qualifications Authority (VRQA)
- Department of Industry and Science
- National Centre for Vocational Education Research (NCVER)

Publications and Research

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

List of Research Publications

Refereed Journal Publications

- Lagos, E Harris, A & Sigala M forthcoming, 'Emotional language for image formation and market segmentation in dark tourism destinations: findings from tour operators' websites promoting Gallipoli', *TOURISMOS: An International Multidisciplinary Journal of Tourism*, forthcoming
- Manzoni, A & Jie, F 2014, 'Inter-Firm Performance for Global Networks: An Optimisation Model Using Data Envelopment Analysis', *International Journal of Operations and Quantitative Management*, Vol 20, No 1, 15-32
- Chhetri, P Jayatilleke, G B Gekara, V O Manzoni, A and Corbitt, B forthcoming, 'Container Terminal Operations Simulator (CTOS) – simulating the impact of extreme weather events on port operation', *European Journal of Transportation and Infrastructure Research*
- Gekara, V O Snell, D Chhetri, P and Manzoni, A 2014, 'Meeting skills needs in a market-based training system: a study of employer perceptions and responses to training challenges in the Australian transport and logistics industry', *Journal of Vocational Education & Training*, Vol. 66, no. 4, pp 491-505
- Richards, J 2014, 'An old chestnut revisited: teachers' opinions and attitudes toward grading within a competency based training framework', *International Journal of Training Research*, Vol 12, Iss 3, pp 182-191
- Filep, S Dominey-Howes, D Munk Klint, L de Lacey, T Whitelaw, P A 2014, 'Happiness, satisfaction and risk perception: a tourism exploration', *Tourism Review International*, forthcoming
- King, B E Breen, J & Whitelaw, P A 2014, 'Hungry for Growth? Small and Medium-sized Tourism Enterprise (SMTE) Business Ambitions, Knowledge

Acquisition and Industry Engagement', *International Journal of Tourism Research*, 16(3), 272-281. doi: 10.1002/jtr.1926

- Whitelaw, P A & Henderson, F 2014, 'Using the Elaboration Likelihood Model, multimedia and modern culture to promote academic honesty', *Journal of Academic Language and Learning*, 8(2), A1-A12
- Whitelaw, P A King, B E M & Tolkach, D 2014, 'Protected areas, conservation and tourism – financing the sustainable dream', *Journal of Sustainable Tourism*, 22(4), 584-603. doi: 10.1080/09669582.2013.873445.

Refereed Conference Publications

- Harris, A 2014, Word of mouth in tourism: reflections and directions, CAUTHE 2014, February 11-13 2014, Brisbane
- Lagos, E & Wrathall, J 2014, Legal and Social Responsibility issues at Mega Sporting Events: A case study of the Melbourne Cup, Global Events Congress VI, Adelaide, 9-11 July
- Richardson, L 2014, A Seat at the Table: Access to Knowledge in Hospitality Management Education, CAUTHE 2014, February 10-13 2014, Brisbane.

Non-Refereed Publications

- Dolphin, A & Richards, J 2014, 'A question of Preparedness', TDC funded project
- Donati, K 2014, 'The convivial table: imagining ethical relations through multispecies gastronomy', *The Aristologist: an Antipodean Journal of Food History*, 4, pp. 127-143
- Donati, K 2014, 'Strange squid', *Langtons Wine Magazine*, January
- Donati, K 2014, 'Appetite for home', *Langtons Wine Magazine*, February.

Academic Contributions and Awards

- Abe, Y – Judge, The Japanese Language Speech Contest, Victoria, August 7

2014, The University of Melbourne

- Donati, K – Organising committee member, Food Studies: A Multidisciplinary Menu, University of Adelaide International Food Studies Conference, University of Adelaide, 17-19 February 2014
- Donati, K – Awarded highest mark (91%) and First Class Honours for Diplôme Universitaire du Goût, de la Gastronomie et des Arts de la Table delivered by the University of Reims Champagne-Ardenne, Institute of Advanced in the Studies in Taste, Gastronomy and the Arts of the Table program
- Harris, A – Reviewer, Asia Pacific Journal of Innovation in Hospitality and Tourism, 12TH Asia Pacific CHRIE (APacCHRIE) Conference 2014, 5th APacCHRIE Youth Conference 2014, 5th Asia-Euro Conference 2014 in Tourism, Hospitality and Gastronomy
- Lagos, E – Reviewer, 2015 Academy of Marketing Science, University of Bari Aldo Moro (AMS/UniBA), World Marketing Congress to be held July 14-18, 2015
- Richardson, L – Review, Higher Education, Skills and Work-Based Learning. Special edition: Higher Vocational Education Delivered in Colleges: A Global Perspective
- Rimes, R – Member, University of Melbourne – Course Advisory Group for the Graduate, Certificate in Tertiary Teaching (GCTT)
- Whitelaw, P A – Member, editorial board, *Journal of Hospitality and Tourism Management* and *Journal of Hospitality and Tourism Education*
- Whitelaw, P A – Reviewer (works reviewed in 2014), Academy of Management Learning and Education, *Australasian Journal of Environmental Management*, *Contemporary Issues in Tourism*, *Cornell Quarterly*, *Journal of Business Research*, MERLOT – Business Collection.



Above Left: Partners and suppliers at William Angliss Institute Foundation's inaugural Golf Day 2014. Above Right: Winning team (L-R: Darren Bronsema and Pat Tranter from Kelly's Motor Club Hotel, Andrew Mckenzie-Smith from Prime River Pty Ltd and Craig Gorton From the National Golf Club.)

Foundation and Scholarships

William Angliss Institute Foundation

Through the generous support of the Institute's many friends and industry partners, the William Angliss Institute Foundation awarded a total of 22 scholarships with a total value of \$60,500 in 2014. The Foundation has been developed with the intent of providing ongoing assistance to students wanting to achieve their career goals through the Institute.

Scholarships are allocated across two semester intakes – the semester one applications were submitted 15 November 2013 and semester two applications were submitted 15 May 2014.

Inaugural Golf Day to support the International Apprentice Scholarship

A golf day was held at the RACV Cape Schanck Golf Club Resort on 24 September 2014 to help raise funds to send one of our food trades apprentices to train at Fergus Henderson's Michelin-starred St John Restaurant in the United Kingdom.

Ian Curley, head chef at The European, is the ambassador for the International Apprentice Scholarship. He encouraged the attendees, over 80 in total, to dig deep and raise funds for the scholarship, and he also helped select the best candidate from the Institute's apprentice groups.

The winner of the scholarship to be announced in April 2015, will have the opportunity to experience first-hand this award-winning British restaurant which will be of great value to their career development.

Nearly 80 industry partners and suppliers attending the golf day, with in excess of \$10,000 donated to support the scholarship.

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.

Key Sponsorships

Australian Hotels Association (VIC)
Fonterra Foodservices
Nestlé Australia
Peerless Oils
Robot Coupé
Fonterra Proud to be a Chef
Nestle Golden Chefs Hat
HOSTPLUS

Industry Associations

Australian Butchers' Guild
Australian Hotels Association
Professional Executive Housekeepers' Network
Royal Agricultural Society of Victoria (RASV)
Restaurant and Catering Association
Restaurant Catering Victoria
Australia Hotels Association (VIC)
Australian Culinary Federation
Australian Meat Industry Council
Bake Skills Australia
Baking Industry Association
Clubs Victoria – Chef's Table
Dairy Industry Association of Australia
Food Industry Association (VIC)
Foodservice Suppliers Association of Australia (FSAA)
Meetings and Events Australia
MINTRAC
National Indigenous Culinary Institute
Professional Executive Housekeepers' Network
Royal Australian Chemical Institute
Scouts Australia
Victorian Institute of Sport

Companies that Support the Institute

360 Degree Meat and Poultry
AI Group
Allied Industries Pty Ltd
Allied Mills Australia Pty Ltd
Angove Wines

AOT Group
APS Food and Nutrition
Asahi Premium Beverages
Aurora Spa
Australia Pacific
Australian Pork
Bidvest Australia Limited
BUNZL Good Processor Supplies
Cape Byron Angus Beef
Carlyle Engineering
Castricum Butchers
Chef's Choice
Clamm's Seafood
Club Chef/Durawear
Coca-Cola
Coles Limited
Comcater
Consolidated Property Services
Crown Limited
Dilmah Australia
Dilmah Real High Tea
Diversified Exhibitions Australia
Futura Group
G.K Culinary Books
Gelita Australia Pty Ltd
Go West Tours
HMAAV (VECCI)
International Special Events Society
La Saffre
Majors Group
Manildra Group
Masterpieces Beef
McWilliam's Wines
MEA
Nespresso
Nestlé Professional
Peerless Foods
Peregrine Adventures
Sir William Angliss Charitable Fund
SKAL International
Tip Top Butchers
The Estate of the Late Mrs Leah Conway
The Estate of the Late Thelma Wileman
Toga Hospitality
Travelworld Central Melbourne
Victoria Racing Club

Organisations and Charities Supported by the Institute

Alliance Francais
ALSO Foundation
Alpha Autism
Asylum Seeker Resource Centre
Aussie Hands Foundation
Canteen
Childwise
City Missionaries Gala Event
Diversified Exhibitions Australia
Epilepsy Foundation
Fine Foods
Fred Hollows Foundation
Good Food and Wine Show
GOYA Foundation – East Timorese
Koorie Heritage Trust
Lifestart Foundation
Lighthouse Foundation
MEA - Ruth Ellis Scholarship
Melbourne City Mission
Melbourne Day
Melbourne Food and Wine Festival
Mission Australia
Ovarian Cancer Research Foundation
Oxfam
Pink Ribbon Foundation
Ronald McDonald House
Royal Children's Hospital Good Friday Appeal
Royal Melbourne Show
Shine Media (MasterChef Australia)
Starlight Foundation
STREAT
The Big Issue
The Smith Family
Thierry Marx Competition
TLC for kids
Victoria Day Council Awards
Western Chances
World Vision
WorldSkills Australia
Yachting Victoria

Developing and Expanding International Partnerships

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

Developing and expanding international partnerships is a priority 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 hospitality and events 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.

Over 1,300 international students from more than 58 countries complement the Institute's student population and this provided all students and staff opportunities to benefit from interactions in both the learning and social spheres. The Institute has earned a reputation for excellence in international education, winning awards for careers and employment for international students, excellence in international education and also producing the International Student of the Year in 2014.

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 many are recruited for high profile jobs after completion of their courses.

During 2014, with assistance from the VET Outbound Mobility Program, students participated in two international study tours:

- Bakery students travelled to Belgium
- Tourism students travelled to China
- Degree students travelled to Malaysia, Singapore and Indonesia

In addition, industry study tours and site visits were conducted for students of Tourism and Resorts Management Programs:

- Resort Management students travelled to Thailand, Japan and Fiji
- Tourism Program students travelled to Vanuatu and Singapore.

Institute staff also travelled to the United Kingdom and Spain as part of the Institute International Student exchange program.

Professional Development

Through the Institute's international project activities and strong network of industry and education partners, many Institute staff members engaged in opportunities to work overseas in 2014 and participated in personal and professional development. Throughout the year, staff participated in project and business development activities in Angola, Bahrain, Brazil, Brunei Darussalam, Cambodia, Chile, China, Colombia, Fiji, Hong Kong, Indonesia, Japan, Korea, Lao PDR, Macau, Malaysia, Mauritius, the Maldives, Myanmar, Papua New Guinea, the Philippines, Samoa, Singapore, Sri Lanka, Timor Leste, Thailand, the United Arab Emirates and Vietnam.

Global Collaborations

In 2014 William Angliss Institute partnered with the Colombo Academy of Hospitality Management (CAHM) to become its sole provider of internationally recognised tourism and hospitality programs and to provide assessment, curriculum, quality assurance and staff training for CAHM staff. The campus is located in a new specially constructed building comprising classroom and commercial kitchen facilities on the grounds of the Sri Lankan Institute

of Information Technology (SLIIT) in Colombo, Sri Lanka. SLIIT is Sri Lanka's largest private university. CAHM's affiliation with an international industry player of repute such as William Angliss Institute as an academic partner to offer co-branded courses and specialist advice from inception through to operation of the Academy was a landmark project for Sri Lanka.

The Institute's Continuing Education and Training (CET) Centre, established in Singapore in late 2011, continues to strengthen its training alliances with major tourism industry partners: Marina Bay Sands, Scoot Airlines (subsidiary of Singapore Airlines), 4D Magix at Sentosa, Singapore Cruise Centre, Select Restaurant Group, 7-Eleven stores, Cold Storage Supermarkets, The Luge at Sentosa, McDonalds, Pan Pacific Hotel Group, Singapore Formula One Grand Prix, Stewards Solution and the Singapore Science Centre.

The Institute's work for the Secretariat of the Association of South-East Asian Nations (ASEAN) continued strongly in 2014 laying the foundations for further expansion in 2015 in the areas of teacher training, resource development and consultancy. Institute staff worked across all 10 nations of ASEAN to carry out projects, and engaged with hundreds of tourism industry leaders in a rapidly growing sector within a regional population base of more than 660 million people.

The Institute continues to perform an important role in the nation's immigration program, expanding its role in the provision of skills assessments for 457 temporary visa applicants both onshore and offshore, particularly in Vietnam and the Philippines. Our involvement in the Department of Immigration and Border Protection's Training Benchmark program has provided a method for



Left: Imports of France Masterclass, 2014; Right: Apromo Trading General Manager, Nick Page, with Angela Tsimiklis (Program Leader - Patisserie) confirm the two new annual scholarships to support patisserie students, August 2014.

Australian employers to demonstrate their commitment to training the local workforce. All employer contributions go into the Institute's scholarship fund that has enabled us to provide educational opportunities and financial assistance to support disadvantaged students to support their career ambitions.

In the international arena, the Institute specialises in human resource development in the tourism and hospitality sector, delivering customised solutions to local, national, regional government and industry partners. Tailor-made solutions include design and set up of vocational training systems, hotel pre-opening training and simulation programs, training needs analysis, curriculum design and development, learning resources development, tourism trainer professional development programs, skills audits, certification and employment programs. A snapshot of our major clients and partners include: the Association of South East Asian Nations (ASEAN) Secretariat (Brunei Darussalam, Cambodia, Indonesia, Laos PDR, Malaysia, Myanmar, The Philippines, Singapore, Thailand and Vietnam), Saudi Commission for Tourism and Antiquities, Galaxy Entertainment Group, InterContinental Hotels Group, Compass Group, Sodexo, Express Support Services, The Vallibel Group, One&Only Resorts, Kempinski Hotels and the Colombo Academy of Hospitality Management. The Institute's European and Scandinavian markets are serviced from our base in France and strong partner relationships have also been established in Latin America.

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 that contributed further to the development and expansion of the Institute's international partnerships in 2014 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
- Providing internationally recognised tourism and hospitality programs at the Colombo Academy of Hospitality Management (CAHM) and assessment, curriculum, quality assurance and staff training for CAHM staff.

Project	Industry Partner(s)	Project Activities
Association of South-East Asian Nations (ASEAN) Tourism project to develop training toolboxes for Travel agencies and tour operators	ASEAN Secretariat	A new 12 month project commenced in October 2014 which will develop 98 training toolboxes covering the industry divisions of travel agencies and tour operators as well as English language training
Association of South-East Asian Nations (ASEAN) Training of Master Trainers and Master Assessors	ASEAN Secretariat	117 participants from nine ASEAN nations graduated from William Angliss-led programs delivered in Bangkok, Bali and Manila
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
Human resources consultancy in the Maldives	One&Only Resorts	Project carried out over two months in the Maldives and in Singapore to provide manpower planning advice for the One&Only Reethi Rah Resort
New hotel staff training in Bahrain	Kempinski Hotels	William Angliss partnered with Third Wave International to deliver new employee training for hotel staff at two Kempinski hotels in Bahrain over a three month period
Skills assessment of cooks, chefs and bakers for migration purposes	Various hotels, restaurants and resorts Australia wide	Assessments conducted across Australia and in China, Fiji, Singapore, Malaysia, Thailand, the Philippines, Macau and Vietnam
During 2014 WAI provided gap training to Compass Catering Group's kitchen hands in Dili, East Timor	Compass ESS, East Timor	Delivery of Certificate II in Catering Operations training to one group of 15 ESS employees
WAI delivered the Certificate IV in Training and Assessment for more than 70 middle managers at the Galaxy in Macau	Galaxy Entertainment Group, Macau	64 middle managers to graduate with the Certificate IV in Training and Assessment in February 2015
Work has commenced to establish equivalences between qualifications issued by the Centre for Culinary Arts (CCA) in the Philippines and WAI with the purpose of providing pathways for CCA diploma students to WAI degree studies	Centre for Culinary Arts (CCA) Philippines	WAI management has met regularly with CCA staff in Australia and the Philippines and work on mapping qualifications has commenced with the assistance of Higher Education
WAI staff continue to be involved in the work of the Asia-Pacific Training College (APTC) in Samoa	Samoa	Assisting Pacific Islanders to gain Australian standard skills and qualifications for hospitality careers where skilled employees are in high demand
WAI is collaborating with the Colombo Academy of Hospitality Management (CAHM) who have built a specialist Tourism and Hospitality campus on the grounds of the Sri Lanka Institute of Information Technology (SLIIT)	Colombo, Sri Lanka	WAI has been supporting CAHM since its opening in early 2013 by providing expert specialist staff and administration and the use of Australian accredited curriculum, teaching resources, teacher training and quality assurance

Project	Industry Partner(s)	Project Activities
Food and Beverage training in Sri Lanka for the Kingsbury Hotel	Auslan consultants contracting our services for training at the Kingsbury Hotel, Colombo, a member of the Vallibel Group	Delivery of food and beverage training for 35 staff of the Kingsbury Hotel
Under current legislation Australian employers who sponsor Visa 457 temporary workers are required to demonstrate their commitment to training the local workforce by contributing 2% of their gross salary payroll to a scholarship fund to support the training of Australian workers. The Institute deposits these funds into its Foundation Fund which has enabled us to provide educational opportunities and financial assistance to support the career ambitions of disadvantaged students.	Department of Immigration and Border Protection Training Benchmarks scheme	Based mainly on these employer contributions the Institute Foundation Fund has in excess of \$1 million from which it can offer a variety of scholarships to support disadvantaged Australian students

Overseas Operations

Nature of Strategic and Operational Risks

In its Strategic Plan, the Institute has identified the priority of developing and expanding international partnerships. 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
- A quarterly Pipeline Report which identifies each international project from concept to implementation and

completion, classifying them as minor, medium and major according to income generated

- 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 2014, 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.

The Institute has been awarded Awards for Excellence in student employment and career outcomes by the Victorian Government and was a finalist in the Australian Training Awards for International education. Our students have also been recognised for excellence with one student winning the Premier's International Student Award and the International Student of the Year.

Overseas Visits

In 2014, a total of 150 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.

Financial Report Declaration

For Year Ended 31 December 2014

Declaration

FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER, 2014

DECLARATION BY THE BOARD CHAIR
CHIEF EXECUTIVE OFFICER
AND CHIEF FINANCE AND ACCOUNTING OFFICER

We certify that the attached financial statements for the William Angliss Institute of TAFE 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 Charities and Not for Profit Commission Act 2012, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2014 and financial position of the Institute and the consolidated entity as at 31 December 2014.

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 became due and payable.

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



Board Chair
Dr M Allan
Date: 23 March 2015

Melbourne



Chief Executive Officer
Mr N Hunt
Date: 23 March 2015

Melbourne



Chief Finance and Accounting Officer
Mr W Box
Date: 23 March 2015

Melbourne

VAGO Auditor General letter

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000
Telephone 61 3 8601 7000
Facsimile 61 3 8601 7010
Email comments@audit.vic.gov.au
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board members, William Angliss Institute of TAFE

The Statement of Performance

The accompanying statement of performance for the year ended 31 December 2014 of the William Angliss Institute of TAFE comprises the statement, the related notes and the chief executive officer declaration has been audited.

The Board members' Responsibility for the Statement of Performance

The Board members of William Angliss Institute of TAFE are responsible for the preparation and fair presentation of the statement of performance and for such internal control as the Board members determine is necessary to enable the preparation and fair presentation of the statement of performance 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 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 judgement, 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 TAFE in respect of the 31 December 2014 financial year presents fairly, in all material respects.

MELBOURNE
24 March 2015


John Doyle
Auditor-General

INDEPENDENT AUDITOR'S REPORT

To the Board members, William Angliss Institute of TAFE

The Financial Report

The accompanying financial report for the year ended 31 December 2014 of the William Angliss Institute of TAFE which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the declaration by the board chair, chief executive officer and chief finance and accounting officer has been audited. The financial report is the consolidated financial statements of the consolidated entity, comprising the William Angliss Institute of TAFE and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 24 to the consolidated financial statements.

The Board members' Responsibility for the Financial Report

The Board members of the William Angliss Institute of TAFE are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, 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 judgement, 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 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 the William Angliss Institute of TAFE and the consolidated entity as at 31 December 2014 and of its financial performance and its 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* and the *Australian Charities and Not-for-profits Commission Act 2012*.

MELBOURNE
24 March 2015


John Doyle
Auditor-General

Financial Report

For Year Ended 31 December 2014

Comprehensive Operating Statement - William Angliss Institute of TAFE
for the year ended 31 December 2014

	Note	Consolidated		Institute	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Continuing operations					
Income from transactions					
Government contributions - operating	2(a)(i)	18,390	18,132	18,390	18,132
Government contributions - capital	2(a)(ii)	-	590	-	590
Sale of goods and services	2(b)	35,739	31,805	32,211	28,517
Interest	2(c)	165	159	109	119
Other income	2(d)	1,655	1,304	844	787
Total income from transactions		55,949	51,990	51,554	48,145
Expenses from transactions					
Employee expenses	3(a)	30,216	33,013	28,104	30,502
Depreciation and amortisation	3(b)	3,161	3,165	2,931	2,947
Bank fees	3(c)	102	89	100	87
Grants and other transfers	3(d)	61	45	7	12
Supplies and services	3(e)	15,203	14,085	15,063	14,155
Other operating expenses	3(f)	8,247	7,716	10,274	5,812
Total expenses from transactions		56,990	58,113	56,479	53,515
Net result from transactions (net operating balance)		(1,041)	(6,123)	(4,925)	(5,370)
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	4(a)	192	313	51	34
Other gains/(losses) from other economic flows	4(b)	(74)	(87)	(74)	(87)
Total other economic flows included in net result		118	226	(23)	(53)
Net result from continuing operations		(923)	(5,897)	(4,948)	(5,423)
Net result		(923)	(5,897)	(4,948)	(5,423)
Other economic flows - other comprehensive income					
Items that will not be reclassified to net result					
Changes in physical asset revaluation surplus	15	-	-	-	-
Total other economic flows – Other comprehensive income		-	-	-	-
Comprehensive result		(923)	(5,897)	(4,948)	(5,423)

The comprehensive operating statement should be read in conjunction with the accompanying notes.

Balance Sheet - William Angliss Institute of TAFE

as at 31 December 2014

	Note	Consolidated		Institute	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Assets					
Financial assets					
Cash and deposits	5	9,433	7,884	5,681	5,067
Receivables	6	6,975	6,499	4,163	4,635
Investments and other financial assets	7	-	-	2,550	5,880
Total financial assets		16,408	14,383	12,394	15,582
Non-financial assets					
Inventories	8	62	85	62	85
Property, plant and equipment	9	95,906	97,869	95,710	97,523
Intangible assets	10	10,370	11,232	10,317	11,171
Other non-financial assets	11	737	764	357	308
Total non-financial assets		107,075	109,950	106,446	109,087
Total assets		123,483	124,333	118,840	124,669
Liabilities					
Payables	12	9,226	6,853	8,000	6,582
Provisions	13	4,308	4,108	4,308	4,107
Borrowings	14	2,000	4,500	2,000	4,500
Total liabilities		15,534	15,461	14,308	15,189
Net assets		107,949	108,872	104,532	109,480
Equity					
Accumulated surplus/(deficit)	15(b)	20,751	21,674	16,566	21,514
Reserves	15(c)	57,762	57,762	57,762	57,762
Contributed capital	15(a)	29,436	29,436	30,204	30,204
Net worth		107,949	108,872	104,532	109,480
Commitments for expenditure	17	3,394	4,474	2,420	3,741
Contingent assets and contingent liabilities	18	-	-	-	-

The above Balance Sheet should be read in conjunction with the accompanying notes

Statement of Changes in Equity - William Angliss Institute of TAFE
for the year ended 31 December 2014

CONSOLIDATED		Changes due to			Equity at 31 Dec 2014
		Equity at 1 Jan 2014	Total Comprehensive result	Transactions with owners in their capacity as owners	
	Note	\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)	15(b)	21,674	(923)	-	20,751
Accumulated surplus/(deficit) at the end of the year		21,674	(923)	-	20,751
Contributed capital	15(a)	29,436	-	-	29,436
Contribution by owners at the end of the year		29,436	-	-	29,436
Physical assets revaluation reserve	15(c)	57,762	-	-	57,762
		57,762	-	-	57,762
Total equity at the end of the year		108,872	(923)	-	107,949

CONSOLIDATED		Changes due to			Equity at 31 Dec 2013
		Equity at 1 Jan 2013	Total Comprehensive result	Transactions with owners in their capacity as owners	
	Note	\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)	15(b)	27,571	(5,897)	-	21,674
Accumulated surplus/(deficit) at the end of the year		27,571	(5,897)	-	21,674
Contributed capital	15(a)	19,653	-	9,783	29,436
Contribution by owners at the end of the year		19,653	-	9,783	29,436
Physical assets revaluation reserve	15(c)	57,762	-	-	57,762
		57,762	-	-	57,762
Total equity at the end of the year		104,986	(5,897)	9,783	108,872

INSTITUTE		Changes due to			Equity at 31 Dec 2014
		Equity at 1 Jan 2014	Total Comprehensive result	Transactions with owners in their capacity as owners	
	Note	\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)	15(b)	21,514	(4,948)	-	16,566
Accumulated surplus/(deficit) at the end of the year		21,514	(4,948)	-	16,566
Contributed capital	15(a)	30,204	-	-	30,204
Contribution by owners at the end of the year		30,204	-	-	30,204
Physical assets revaluation reserve	15(c)	57,762	-	-	57,762
		57,762	-	-	57,762
Total equity at the end of the year		109,480	(4,948)	-	104,532

INSTITUTE		Changes due to			Equity at 31 Dec 2013
		Equity at 1 Jan 2013	Total Comprehensive result	Transactions with owners in their capacity as owners	
	Note	\$'000	\$'000	\$'000	\$'000
Accumulated surplus/(deficit)	15(b)	26,937	(5,423)	-	21,514
Accumulated surplus/(deficit) at the end of the year		26,937	(5,423)	-	21,514
Contributed capital	15(a)	20,421	-	9,783	30,204
Contribution by owners at the end of the year		20,421	-	9,783	30,204
Physical assets revaluation reserve	15(c)	57,762	-	-	57,762
		57,762	-	-	57,762
Total equity at the end of the year		105,120	(5,423)	9,783	109,480

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

Cash Flow Statement - William Angliss Institute of TAFE
for the year ended 31 December 2014

	Note	Consolidated		Institute	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash flows from operating activities					
Receipts					
Government contributions - operating	2(a)(i)	13,890	19,609	13,890	19,580
Government contributions - capital	2(a)(ii)	-	590	-	590
Receipts from Customers		37,596	30,060	36,780	26,558
User fees and charges received		165	159	109	119
Goods and services tax recovered from the ATO		1,851	2,385	1,851	2,385
Other receipts		1,655	1,304	844	787
Total receipts		55,157	54,107	53,474	50,019
Payments					
Payments to suppliers and employees		(53,326)	(54,720)	(51,937)	(50,697)
Goods and services tax paid to the ATO		(1,761)	(1,883)	(1,760)	(1,942)
Interest and other costs of finance paid		(102)	(89)	(100)	(87)
Total payments		(55,189)	(56,692)	(53,797)	(52,726)
Net cash flows from/(used in) operating activities	16 (a)	(32)	(2,585)	(323)	(2,707)
Cash flows from investing activities					
Payment to related entities		-	-	(743)	(141)
Purchases of non-financial assets		(552)	(1,448)	(350)	(1,440)
Sales of non-financial assets		133	119	30	119
Net cash provided by/(used in) investing activities		(419)	(1,329)	(1,063)	(1,462)
Cash flows from financing activities					
Receipts from related entities		2,000	4,500	2,000	4,500
Net cash flows from/(used in) financing activities		2,000	4,500	2,000	4,500
Net increase/(decrease) in cash and cash equivalents		1,549	586	614	331
Cash and cash equivalents at the beginning of the financial year		7,884	7,298	5,067	4,736
Cash and cash equivalents at the end of the financial year	5 (a)	9,433	7,884	5,681	5,067
Non-cash financing and investing activities	16 (c)				

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

NOTE 1

Statement of significant accounting policies

The annual financial statements represent the audited general purpose financial statements for William Angliss Institute of TAFE and controlled entities ("Consolidated Group" or "Group", or the Institute), and the separate financial statements and notes of William Angliss Institute of TAFE as an individual parent entity ("Parent Entity").

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2014 and the comparative information presented for the year ended 31 December 2013.

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.

1.01 Statement of compliance

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

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

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

1.02 Basis of accounting preparation and measurement

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

These financial statements are presented in Australian dollars, the functional and presentation currency of the Institute.

Critical accounting judgement and key sources of estimation uncertainty

In the application of AAS, judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements made by management in the application of AASs that have significant effects on the financial statements and estimates that relate to:

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

These financial statements have been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets

Exceptions to the historical cost convention include:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value; and
- the fair value of a non-financial physical asset other than land is generally based on its depreciated replacement value.

Fair value measurement

Consistent with AASB 13 Fair Value Measurement, the Institute determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, investment properties and financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

For the purpose of fair value disclosures, the Institute has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

1.03 Reporting entity

The financial statements cover the William Angliss Institute of TAFE as an individual reporting entity. The Institute is a statutory body corporate, established by the Victorian Government under the Education and Training Reform Act 2006.

Its principal address is:
William Angliss Institute of TAFE
555 La Trobe St
Melbourne Victoria 3000

The financial statements include all the controlled activities of the Group.

NOTE 1

Statement of significant accounting policies (cont.)

1.04 Basis of consolidation

In accordance with AASB 10 Consolidated Financial Statements, the consolidated financial statements of the Institute combine like items of assets, liabilities, equity, income, expenses and cash flows of the Institute with those of the reporting entities controlled by the Institute. Uniform accounting policies for like transactions and other events in similar circumstances are applied in the preparation of consolidated financial statements.

A controlled entity is an entity over which the Institute has exposure or rights to variable returns from its involvement with the entity, and the ability to affect those returns through the use of its power over the entity.

The existence of power over an entity is established when the Institute has existing rights that give it the current ability to direct the activities of the controlled entity which would significantly affect the returns of the controlled entity.

Where control of an entity is obtained during the financial period, its results are included in the comprehensive operating statement from the date on which control commenced. Where control ceases during a financial period, the entity's results are included for that part of the period in which control existed.

All intragroup assets, liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group are eliminated in full on consolidation.

If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

Entities consolidated into the Institute's reporting entity include:

William Angliss Institute of TAFE
Angliss Consulting Pty Ltd
William Angliss Institute Foundation
William Angliss Institute Pte Ltd
Angliss Solutions Pty Ltd
Angliss Multimedia Pty Ltd

Consistent with the requirements of AASB1004, contributions, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of income and expenses of the Institute.

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 conditions which arose after the reporting date and which may have a material impact.

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.

1.07 Income from transactions

Income is recognised to the extent that the economic benefits will flow to the entity and the amount can be reliably measured at fair value.

Amounts disclosed as income are, where applicable, net of returns, allowances and duties and taxes. 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 are recognised by reference to the percentage of services provided. Where student fees and charges revenue have 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 income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets. Interest income is recognised using the effective interest method which allocates the interest over the relevant period.

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.

Other income

(i) 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.

NOTE 1

Statement of significant accounting policies (cont.)

1.08 Expenses from transactions

Employee benefits

Expenses for employee benefits are recognised when incurred, except for contributions in respect of defined benefit plans.

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 comprehensive operating statement 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.

Depreciation and amortisation

Depreciation

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

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

Class of asset	Method	Rate/Rates
Buildings	Straight	1% - 14%
Plant & equipment	Straight	5% - 33%
Motor vehicles	Straight	20.0%
Library collections	Straight	10% - 20%

The assets' residual values and useful lives are reviewed and adjusted if appropriate on an annual basis.

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 and;
 - (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.

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

Resources provided free of charge or for nominal consideration are recognised at their fair value when the Institute obtains control over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. 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 received as a donation.

NOTE 1

Statement of significant accounting policies (cont.)

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 and disposal of all physical assets and intangible assets.

Disposal of non-financial assets

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

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

It is deemed that, in the event of the loss or destruction 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.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash 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

Financial assets have been assessed for impairment in accordance with Australian Accounting Standards. Where a financial asset's fair value at balance date has reduced by 10 percent or more than its cost price; or where its fair value has been less than its cost price for a period of 12 or more months, the financial instrument is treated as impaired.

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 deposits

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

For cash flow statement presentation purposes, cash and cash equivalents includes bank overdrafts, which are included as borrowings 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 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 initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for impairment.

A provision is made when there is objective evidence that the debt may not be collected and bad debts are written off when identified.

NOTE 1

Statement of significant accounting policies (cont.)

Investments and other financial assets

Investments are classified in the following categories:

- loans and receivables.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Any dividend or interest earned on the investments is recognised in the consolidated comprehensive operating statement.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired; or
- the Institute retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the Institute has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset; or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Institute has neither transferred nor retained substantially all the risks and rewards but has transferred control, the asset is recognised to the extent of the Institute's continuing involvement in the asset.

Impairment of financial assets

At the end of each reporting period, the Institute assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as 'other economic flows' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgement is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 Impairment of Assets.

1.11 Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Operating Leases Institute as lessee

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

NOTE 1

Statement of significant accounting policies (cont.)

1.12 Non-Financial Assets

Inventories

Inventories include goods and other property held either for sale or for distribution at a zero or nominal cost in the ordinary course of business operations. It includes land held-for-sale and excludes depreciable assets.

Inventories held-for-distribution are measured at cost, adjusted for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

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.

Property, plant and equipment

All non-financial physical assets, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Non-financial physical assets such as other Crown land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

The fair value of plant, equipment and vehicles, is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

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

For the accounting policy on impairment of non-financial physical assets refer to Note 1.09 on Impairment of non-financial assets.

Library collections

Library collections are measured at cost less accumulated depreciation.

Leasehold improvements

The cost of a leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

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 property, plant and equipment, 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 property, plant and equipment, 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.

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.

Intangible assets

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.

When recognition criteria AASB 138 Intangible Assets are met, internally generated intangible assets are recognised and measured at cost less accumulated depreciation/amortisation and impairment.

Intangible assets are measured at cost less accumulated amortisation and impairment, and are amortised on a straight-line basis over their useful lives as follows:

	Method	Rate/Rates	
		2014	2013
Capitalised software development cost (years)	Straight	6.67%	6.67%
Internal use software	Straight	20% - 33%	20% - 33%

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

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

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

Prepayments

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

NOTE 1

Statement of significant accounting policies (cont.)

1.13 Liabilities

Payables

Payables consist of:

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

- statutory payables, such as goods and services tax and fringe benefits tax payables.

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

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.

Employee benefits

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

(i) Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits annual leave and accumulating sick leave, are all recognised in the provision for employee benefits as 'current liabilities', because the Institute does not have an unconditional right to defer settlements of these liabilities.

Depending on the expectation of the timing of settlement, liabilities for wages and salaries, annual leave and sick leave are measured at:

- undiscounted value - if the Institute expects to wholly settle within 12 months; or
- present value - if the Institute does not expect to wholly settle within 12 months.

(ii) Long service leave

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

Unconditional LSL is disclosed in the notes to the financial statements as a current liability, even where the Institute does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of the current liability are measured at:

- nominal value (undiscounted value) - component that is expected to be wholly settled within 12 months; and
- present value (discounted value) - component that is not expected to be wholly settled within 12 months.

Conditional LSL is disclosed as a non-current liability representing less than 7 years. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service. This non-current LSL liability is measured at present value.

Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest for which it is then recognised as an other economic flow.

(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 and superannuation) are recognised in 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.

Borrowings

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Institute has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Institute determines the classification of its interest bearing liabilities at initial recognition.

Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost using the effective interest rate method.

NOTE 1

Statement of significant accounting policies (cont.)

1.13 Liabilities (cont)

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the estimated consolidated comprehensive operating statement.

Financial guarantees

Payments that are contingent under financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is a material increase in the likelihood that the guarantee may have to be exercised, then it is measured at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate.

The fair value of financial guarantee contracts has been assessed using the probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year's period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

1.14 Commitments

Commitments for future expenditure include operating and capital commitments arising from non-cancellable contractual or statutory sources. These commitments are disclosed by way of note at their nominal value and inclusive of the GST payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised on the balance sheet.

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 18) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

1.16 Equity

Contributed capital

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

Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners. Transfers of net liabilities arising from administrative restructurings are treated as distribution to owners.

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 comprehensive operating statement in the period in which they arise, except when 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 comprehensive operating statement.

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 comprehensive operating statement as part of the gain or loss on sale where applicable.

1.18 Materiality

In accordance with Accounting Standard AASB 108 Accounting Policies, Changes in Accounting Estimates and Error, when an Australian Accounting Standard specifically applies to a transaction, other event or condition, the accounting policies applied to that item shall be determined by applying the Standard, unless the effect of applying them is immaterial.

Accounting policies will be considered material if their omission or misstatement could, either individually or collectively, influence the economic decisions that users make on the basis of the financial statements. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

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

NOTE 1

Statement of significant accounting policies (cont.)

1.21 Change in accounting policy

The Institute has applied the following standards and amendments for the first time in their annual reporting period commencing 1 January 2014;

- AASB 10 - Consolidated Financial Statements - This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. The standard defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities. The measures of control set down in the standard have had no impact in the presentation of the consolidated financial statements.

- AASB 11 - Joint Arrangements - This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. There has been no impact for the Institute when applying this new standard.

- AASB 12 - Disclosure of interests in Other Entities - This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. There has been no impact for the Institute when applying this new standard.

- 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. There has been no impact for the Institute when applying this new standard.

- AASB 1053 - Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounts Standard arising from Reduced Disclosure Requirements. These standards set out the tiers of financial reporting and the reduced disclosure framework. There has been no impact for the Institute when applying this new standard.

- AASB 1031 - Materiality - Proposal to withdraw AASB Materiality. The existence of other Australian Accounting standards that provide guidance on materiality has shown that AASB 1031 is not required, and can be omitted without loss of meaning as the contents in AASB are consistent with IFRSs. This is consistent with the policy of the AASB to not provide unnecessary local guidance on matters covered by IFRSs.

1.22 New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2014 reporting period.

As at 31 December 2014 the following standards and interpretations (applicable to the Institute) had been issued but were not mandatory for financial year ending 31 December 2014. The Institute has not, and does not intend to, adopt these standards early.

Standard/Interpretation	Summary	Application date of standard	Impact on entity's 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 2015	Subject to AASB's further modifications to AASB 9, together with the anticipated changes resulting from the staged projects on impairments and hedge accounting, details of impacts will be assessed.

In addition to the new standards above, the AASB has issued a list of amending standards that are not effective for the 2014 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting. The AASB Interpretation in the list below is also not effective for the 2014 reporting period and is considered to have insignificant impacts on public sector reporting.

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)
- AASB 2011-7 Amendments to Australian Accounting Standards arising from the Consolidation and Joint Arrangements Standards
- 2013-1 Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements
- 2013-3 Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets
- 2013-4 Amendments to Australian Accounting Standards – Novation of Derivatives and Continuation of Hedge Accounting
- 2013-5 Amendments to Australian Accounting Standards – Investment Entities
- 2013-6 Amendments to AASB 136 arising from Reduced Disclosure Requirements
- 2013-7 Amendments to AASB 1038 arising from AASB 10 in relation to consolidation and interests of policy holders
- 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments
- AASB Interpretation 21 Levies

1.23 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Institutes' accounting policies, judgements, estimates and assumptions about the carrying amounts of assets and liabilities must be made. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these 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.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

NOTE 1

Statement of significant accounting policies (cont.)

1.23 Critical accounting judgements and key sources of estimation uncertainty (cont.)

Fair value measurements and valuation processes

Some of the Institutes' assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability the Institute uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Institute engages third party qualified valuers to perform the valuation.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities is summarised below and at notes 9 and 26.

In addition, the following table provides an analysis of assets and liabilities that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Critical judgements in applying accounting policies

The following are the critical judgement apart from those involved estimations that the Institute has made in the process of applying the accounting policies and that have the most significant effect of the amounts recognised in the consolidated financial statements.

Impairment – general

The Group assesses impairment at the end of each reporting period by evaluating conditions and events specific to the Group that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations which incorporate various key assumptions. Factors considered included: land & building indices, impairment indicators outlined in AASB 136.

No impairment has been recognised in respect of the Group's holding of assets at the end of the reporting period.

Provision for impairment of receivables

Included in trade receivables at the end of the reporting period are amounts which are more than 120 days old, which prima facie, is an indicator of impairment. While there is inherent uncertainty in relation to the collection, the directors understand that the full amount of the debt is likely to be recoverable and therefore no provision for impairment for these receivables has been made. For those that have been assessed as irrecoverable by reference to past default experience and other factors a provision for doubtful debts has been raised.

Useful Life of SMS

At implementation the SMS has been assessed as having a useful life of 15 years. This assessment has been maintained and the asset depreciated on a straight line basis. The SMS investment has a substantial value and also the previous student management software was in use for 13 years until replaced by the current software. The estimated useful life of SMS will be evaluated each financial year for reasonableness.

No adjustments have been made as to the amounts and classification of liabilities that might be necessary should the Group not continue as a going concern, as the Board is of the opinion that the Group will continue to operate and will be able to pay its debts as and when they become due and payable. It is acknowledged that the Group is dependent on the successful conversion of prospective clients into sales and subsequent revenues. The Board believes the Group will be able to fund its operations on a positive cash flow basis for the next twelve months.

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 2

Income from Transactions

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
2 Income from transactions				
(a) Grants and other transfers (other than contributions by owners)				
Government financial assistance				
(i) Government contributions - operating				
State government recurrent	18,390	18,132	18,390	18,132
Total government contributions - operating	18,390	18,132	18,390	18,132
(ii) Government contributions - capital				
Commonwealth capital	-	590	-	590
Total government contributions - capital	-	590	-	590
Total government contributions	18,390	18,722	18,390	18,722
(b) Sales of goods and services				
Student fees and charges	17,734	15,339	14,365	13,258
Rendering of services				
Fee for service - other	13,067	11,985	12,908	10,778
Total rendering of services	13,067	11,985	12,908	10,778
Other non-course fees and charges				
Sale of goods	1,691	2,167	1,691	2,167
Student Fees and Charges	3,247	2,314	3,247	2,314
Total other fees and charges	4,938	4,481	4,938	4,481
Total revenue from sale of goods and services	35,739	31,805	32,211	28,517
(c) Interest				
Interest from financial assets not at fair value through P/L:				
Interest on bank deposits	165	159	109	119
Total interest from financial assets not at fair value through P/L	165	159	109	119
Net interest income	165	159	109	119
(d) Other income				
Rental income:				
Investment properties	64	64	64	64
Total rental income	64	64	64	64
Donations, bequests and contributions	487	438	-	-
Other revenue	1,104	802	780	723
Total other income	1,655	1,304	844	787

NOTE 3

Expenses from transactions

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
3 Expenses from transactions				
(a) Employee expenses				
Salaries, wages, overtime and allowances	24,636	27,041	22,809	24,907
Superannuation	2,197	2,312	2,088	2,156
Payroll tax	1,206	1,347	1,182	1,297
Worker's compensation	165	391	155	369
Long service leave	538	468	513	449
Annual leave	1,402	1,386	1,327	1,302
Termination benefits	-	-	-	-
Other	72	68	30	22
Total employee expenses	30,216	33,013	28,104	30,502
(b) Depreciation and amortisation				
Depreciation of non-current assets				
Buildings	1,056	1,054	957	960
Plant and equipment	1,030	1,443	918	1,327
Motor vehicles	96	88	96	88
Library collections	45	54	45	54
Total depreciation	2,227	2,639	2,016	2,429
Amortisation of non-current physical and intangible assets				
Software	934	526	915	518
Total amortisation	934	526	915	518
Total depreciation and amortisation	3,161	3,165	2,931	2,947
(c) Bank fees				
Bank fees	102	89	100	87
Total bank fees	102	89	100	87
(d) Grants and other transfers (other than contributions by owners)				
Grants and subsidies other Vet Programs	61	45	7	12
Total grants and other transfers	61	45	7	12
(e) Supplies and Services				
Purchase of supplies and consumables	806	1,199	785	1,153
Communication expenses	233	367	224	362
Contract and other services	1,361	1,256	1,306	1,152
Cost of goods sold/distributed (ancillary trading)	1,929	2,090	1,929	2,089
Building repairs and maintenance	95	137	95	137
Plant & Equipment repairs and maintenance	281	317	259	313
Minor equipment	72	110	66	97
Fees and charges	9,052	7,366	9,108	7,667
Other Charges	1,374	1,243	1,291	1,185
Total supplies and services	15,203	14,085	15,063	14,155

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 3

Expenses from transactions (Cont.)

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
3 Expenses from transactions				
(f) Other Expenses				
General Expenses				
Marketing and promotional expenses	460	553	434	430
Audit fees and services	106	229	58	181
Staff development	118	148	118	142
Travel and motor vehicle expenses	1,411	1,474	474	757
Utilities	770	747	742	691
Cleaning and Sanitation	58	86	58	86
Signage	5	2	5	2
International Commissions	1,003	710	1,003	710
International Medibank	479	337	479	337
International Promotions	184	236	183	236
Student Excursions	627	230	620	211
Recruitment	25	8	25	4
International Representation	91	60	91	60
Inter company account written-off	-	-	4,184	-
Other expenses	543	684	447	584
Total other expenses	5,880	5,504	8,921	4,431
Operating lease rental expenses:				
Minimum lease payments	2,324	1,950	1,323	1,119
Total operating lease rental expenses	2,324	1,950	1,323	1,119
Subtotal	8,204	7,454	10,244	5,550
Bad and Doubtful Debts from Transactions	43	262	30	262
Total other operating expenses	8,247	7,716	10,274	5,812

NOTE 4

Other economic flows included in net result

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
4 Other economic flows included in net result				
(a) Net gain/(loss) on financial and non-financial assets (including PPE and intangible assets)				
Net gain/(loss) on disposal of physical assets	18	4	18	4
Net FX gain/(loss) arising from non-financial assets	174	309	33	30
Total net gain/(loss) on non-financial assets and liabilities	192	313	51	34
(b) Other gains/(losses) from other economic flows				
Other gains/(losses) from other economic flows	(74)	(87)	(74)	(87)
Total other gains/(losses) from other economic flows	(74)	(87)	(74)	(87)

NOTE 5

Cash and cash equivalents

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
5 Cash and deposits				
Cash at bank and on hand	7,810	6,442	5,666	5,052
Deposits - at call	1,623	1,442	15	15
Total cash and cash equivalents	9,433	7,884	5,681	5,067

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

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Reconciliation to cash at the end of the year				
Balances as above	9,433	7,884	5,681	5,067
Balance as per cashflow statement	9,433	7,884	5,681	5,067

(b) Cash at bank and on hand

The Cash at bank and on hand are bearing floating interest rates between 2.00% and 2.65% (2013: 2.00% and 3.15%).

(c) Deposits at call

The deposits are bearing floating interest rates between 3.41% and 3.62% (2013 - 3.00% and 4.00%).

These deposits have an average maturity of 90 days.

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 6

Receivables

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
6 Receivables				
Current receivables				
Contractual				
Trade receivables ¹	2,276	1,887	2,276	1,887
Provision for doubtful contractual receivables(a) (See also Note 6(a) below)	(286)	(281)	(286)	(281)
other parties	145	213	145	213
Total contractual	2,135	1,819	2,135	1,819
Statutory				
GST receivable from ATO	161	165	161	165
Revenue receivable ²	4,679	4,515	1,867	2,651
Total statutory	4,840	4,680	2,028	2,816
Total current receivables	6,975	6,499	4,163	4,635
Total receivables	6,975	6,499	4,163	4,635

1 The average credit period on sales of goods and services is 30 days. No interest is charged on other receivables for the first 30 days from the date of the invoice. Thereafter, no interest is charged on the outstanding balance. A provision has been made for estimated irrecoverable amounts from the sale of goods, determined by reference to past default experience.

2 Loans are repayable on demand. However, payment is not expected wholly within 12 months after reporting date.

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Movement in the provision for doubtful contractual receivables				
Balance at beginning of the year	(281)	(21)	(281)	(21)
Reversal of unused provision recognised in the net result	43	-	43	-
Increase in provision recognised in the net result	(86)	(261)	(86)	(261)
Reversal of provision for receivables written off during the year as uncollectible	39	1	39	1
Balance at end of the year	(285)	(281)	(285)	(281)

(b) Ageing analysis of contractual receivables

Please refer to Note 26(iv) for the ageing analysis of contractual receivables.

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

Please refer to Note 26(i) for the nature and extent of credit risk arising from contractual receivables.

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 7

Investments, loans and other financial assets

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
7 Investments and other financial assets				
Current investments and other financial assets				
Other Amount owing from William Angliss Institute Pte Ltd	-	-	-	5,792
Other Amount owing from Angliss Consulting Pty Ltd	-	-	-	(131)
Total current investments and other financial assets	-	-	-	5,661
Non-current investments and other financial assets				
Investments Long Term - Shares in William Angliss Institute Pte Ltd	-	-	2,550	219
Total non-current investments and other financial assets	-	-	2,550	219
Total investments and other financial assets	-	-	2,550	5,880

(a) Ageing analysis of investments, loans and other financial assets

Please refer to Table 26(iv) in Note 26 for the ageing analysis of investments, loans and other financial assets.

(b) Nature and extent of risk arising from investments, loans and other financial assets

Please refer to Note 26(i) for the nature and extent of risks arising from investments, loans and other financial assets.

Loans to subsidiary companies are repayable on demand, however, payment is not expected within the first twelve months after the reporting date.

Inventories

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
8 Inventories				
Current				
Supplies and consumables - at cost	62	85	62	85
Total current inventories	62	85	62	85

NOTE 9

Property, plant and equipment

	Land	Buildings	Construction in progress	Plant & Equipment ¹	Motor Vehicles	Library	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated							
At 1 January 2013							
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)
Net book amount	52,587	42,403	1,093	4,273	273	292	100,921
Year ended 31 December 2013							
Opening net book amount	52,587	42,403	1,093	4,273	273	292	100,921
Additions	-	-	-	583	192	17	792
Disposals	-	-	-	(53)	(59)	-	(112)
Transfer to intangible assets	-	-	(1,093)	-	-	-	(1,093)
Depreciation expense ¹	-	(1,054)	-	(1,443)	(88)	(54)	(2,639)
Closing net book amount	52,587	41,349	-	3,360	318	255	97,869
At 31 December 2013							
Cost	-	679	-	17,003	466	1,100	19,248
Valuation	52,587	41,863	-	-	-	-	94,450
Accumulated depreciation	-	(1,193)	-	(13,643)	(148)	(845)	(15,829)
Net book amount at the end of financial year	52,587	41,349	-	3,360	318	255	97,869
Year ended 31 December 2014							
Opening net book amount	52,587	41,349	-	3,360	318	255	97,869
Additions	-	-	13	123	67	32	235
Disposals	-	-	-	(20)	(12)	-	(32)
Depreciation expense ¹	-	(1,056)	-	(1,030)	(96)	(45)	(2,227)
Exchange differences	-	44	-	17	-	-	61
Closing net book amount	52,587	40,337	13	2,450	277	242	95,906
At 31 December 2014							
Fair Value	52,587	42,617	13	17,157	510	1,131	114,015
Accumulated depreciation	-	(2,280)	-	(14,707)	(233)	(889)	(18,109)
Net book value at the end of the financial year	52,587	40,337	13	2,450	277	242	95,906

	Land	Buildings	Construction in progress	Plant & Equipment	Motor Vehicles	Library	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Institute							
At 1 January 2013							
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)
Net book amount	52,587	42,058	1,093	4,062	273	292	100,365
Year ended 31 December 2013							
Opening net book amount	52,587	42,058	1,093	4,062	273	292	100,365
Additions	-	-	-	583	192	17	792
Disposals	-	-	-	(53)	(59)	-	(112)
Transfer to intangible assets	-	-	(1,093)	-	-	-	(1,093)
Depreciation expense ¹	-	(960)	-	(1,327)	(88)	(54)	(2,429)
Closing net book amount	52,587	41,098	-	3,265	318	255	97,523
At 31 December 2013							
Cost	-	236	-	16,676	466	1,100	18,478
Valuation	52,587	41,863	-	-	-	-	94,450
Accumulated depreciation	-	(1,001)	-	(13,411)	(148)	(845)	(15,405)
Net book amount at the end of financial year	52,587	41,098	-	3,265	318	255	97,523
Year ended 31 December 2014							
Opening net book amount	52,587	41,098	-	3,265	318	255	97,523
Additions	-	-	13	123	67	32	235
Disposals	-	-	-	(20)	(12)	-	(32)
Depreciation expense	-	(957)	-	(918)	(96)	(45)	(2,016)
Closing net book amount	52,587	40,141	13	2,450	277	242	95,710
At 31 December 2014							
Fair Value	52,587	42,099	13	16,774	510	1,131	113,114
Accumulated depreciation	-	(1,958)	-	(14,324)	(233)	(889)	(17,404)
Net book value at the end of the financial year	52,587	40,141	13	2,450	277	242	95,710

Footnote

¹ The useful lives of assets as stated in Note 1 are used in the calculation of depreciation as shown in note 3.

NOTE 9

Property, plant and equipment (Cont.)

Notes

1 Property, plant & equipment includes all operational assets.

Fair value assessments have been performed at 31 December 2014 for all classes of assets. This assessment demonstrated that fair value was materially similar to carrying value, and therefore a full revaluation was not required this year. The next scheduled full revaluation for this Institute will be conducted in 2017, unless an earlier valuation is assessed to be required based on the factors outlined in FRD 103D.

(a) Valuations of land and buildings

The Institute's freehold land and buildings are stated at their revalued amounts, being the fair value at the date of revaluation, less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value measurements of the Institute's freehold land and buildings as at 31 December 2012 were performed by the Valuer General of Victoria, independent valuers not related to the Institute. The Valuer General of Victoria has the appropriate qualifications and experience in the fair value measurement of properties in Australia.

Details of the Institute's and consolidated entity's land and buildings and information about the fair value hierarchy as at 31 December 2014 are as follows:

(b) Specialised land, specialised buildings and specialised plant and equipment

For the Institute's specialised building and specialised plant and equipment, the depreciated replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

Institute	Level 1	Level 2	Level 3	Fair Value as at
	AUD '000	AUD '000	AUD '000	31/12/14 AUD '000
Specialised land and buildings of the institute contain:				
- freehold land	-	-	3,927	3,927
- Crown land	-	-	48,660	48,660
- buildings used solely for educational purposes	-	-	40,141	40,141
- plant and equipment	-	-	2,463	2,463
- motor vehicles	-	-	277	277
- library	-	-	242	242

Institute	Level 1	Level 2	Level 3	Fair Value as at
	AUD '000	AUD '000	AUD '000	31/12/13 AUD '000
Specialised land and buildings of the institute contain:				
- freehold land	-	-	3,927	3,927
- Crown land	-	-	48,660	48,660
- buildings used solely for educational purposes	-	-	41,098	41,098
- plant and equipment	-	-	3,265	3,265
- motor vehicles	-	-	318	318
- library	-	-	255	255

Consolidated	Level 1	Level 2	Level 3	Fair Value as at
	AUD '000	AUD '000	AUD '000	31/12/14 AUD '000
Specialised land and buildings of the institute contain:				
- freehold land	-	-	3,927	3,927
- Crown land	-	-	48,660	48,660
- buildings used solely for educational purposes	-	-	40,337	40,337
- plant and equipment	-	-	2,463	2,463
- motor vehicles	-	-	277	277
- library	-	-	242	242

Consolidated	Level 1	Level 2	Level 3	Fair Value as at
	AUD '000	AUD '000	AUD '000	31/12/13 AUD '000
Specialised land and buildings of the institute contain:				
- freehold land	-	-	3,927	3,927
- Crown land	-	-	48,660	48,660
- buildings used solely for educational purposes	-	-	41,349	41,349
- plant and equipment	-	-	3,360	3,360
- motor vehicles	-	-	318	318
- library	-	-	255	255

The Institute has reassessed the disclosure requirements of the recently implemented accounting standard and shown the assets as level 3. The Land and Buildings of the institute are primarily used as an education training facility and as such are classified as specialised land and buildings.

NOTE 9

(c) Reconciliation of Level 3 fair value as at 31 December 2014

Institute	Specialised land	Specialised buildings	plant and equipment	motor vehicles	library
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	52,587	41,098	3,265	318	255
Purchases (sales)	-	-	116	55	32
Depreciations	-	(957)	(918)	(96)	(45)
Subtotal	-	(957)	(802)	(41)	(13)
Gains or losses recognised in other economic flows – other comprehensive income	-	-	-	-	-
Subtotal	-	-	-	-	-
Closing balance	52,587	40,141	2,463	277	242
Unrealised gains/ (losses) on non financial assets	-	-	-	-	-

Consolidated	Specialised land	Specialised buildings	plant and equipment	motor vehicles	library
	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	52,587	41,349	3,360	318	255
Purchases (sales)	-	-	116	55	32
Depreciations	-	(1,056)	(1,030)	(96)	(45)
Subtotal	-	(1,056)	(914)	(41)	(13)
Gains or losses recognised in other economic flows – other comprehensive income	-	44	17	-	-
Subtotal	-	44	17	-	-
Closing balance	52,587	40,337	2,463	277	242
Unrealised gains/ (losses) on non financial assets	-	-	-	-	-

(d) Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment	50–70% (60%) ¹	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value
Specialised buildings	Depreciated replacement cost	Direct cost per square metre	\$1 000–\$1 500 /m ² (\$1 300)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value.
		Useful life of specialised buildings	7 – 100 years (53 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation.
Plant and equipment	Depreciated replacement cost	Useful life plant and equipment	3–20 years	Any increase or decrease in the estimated useful life of the asset would result in a higher or lower valuation.
Motor vehicles	Depreciated replacement cost	Useful life of vehicles	5 years	Any increase or decrease in the estimated useful life of the asset would result in a higher or lower valuation.
Library	Depreciated replacement cost	Useful life library	5-10 years (7 years)	Any increase or decrease in the estimated useful life of the asset would result in a higher or lower valuation.

Notes:

1. CSO adjustments ranging from 50 per cent to 70 per cent were applied to reduce the market approach value for the Institute's specialised land, with the weighted average 60 per cent reduction applied.

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 10

Intangible assets

Consolidated	Software	Total
	\$'000	\$'000
At 1 January 2013		
Cost	2,411	2,411
Accumulated amortisation and impairment	(2,152)	(2,152)
Net book amount	259	259
Year ended 31 December 2013		
Opening net book amount	259	259
Transfer from Construction in Progress	1,093	1,093
Additions	10,439	10,439
Disposals or classified as held-for-sale	(33)	(33)
Amortisation charge ¹	(526)	(526)
Closing net book amount	11,232	11,232
At 31 December 2013		
Cost	13,908	13,908
Accumulated amortisation and impairment	(2,676)	(2,676)
Net book amount at the end of financial year	11,232	11,232
Year ended 31 December 2014		
Opening net book amount	11,232	11,232
Additions	115	115
Disposals or classified as held-for-sale	(67)	(67)
Net foreign currency exchange differences	24	24
Amortisation charge ¹	(934)	(934)
Closing net book amount	10,370	10,370
At 31 December 2014		
Cost	13,968	13,968
Accumulated amortisation and impairment	(3,598)	(3,598)
Net book value at the end of the financial year	10,370	10,370

NOTE 10

Intangible assets (Cont.)

Institute	Software	Total
	\$'000	\$'000
At 1 January 2013		
Cost	2,350	2,350
Accumulated amortisation and impairment	(2,152)	(2,152)
Net book amount	198	198
Year ended 31 December 2013		
Opening net book amount	198	198
Transfer from Construction in Progress	1,093	1,093
Additions	10,431	10,431
Disposals or classified as held-for-sale	(33)	(33)
Amortisation charge ¹	(518)	(518)
Closing net book amount	11,171	11,171
At 31 December 2013		
Cost	13,839	13,839
Accumulated amortisation and impairment	(2,668)	(2,668)
Net book amount at the end of financial year	11,171	11,171
Year ended 31 December 2014		
Opening net book amount	11,171	11,171
Additions	115	115
Disposals or classified as held-for-sale	(54)	(54)
Amortisation charge ¹	(915)	(915)
Closing net book amount	10,317	10,317
At 31 December 2014		
Cost	13,886	13,886
Accumulated amortisation and impairment	(3,569)	(3,569)
Net book value at the end of the financial year	10,317	10,317

Notes

1

The consumption of intangible produced assets is included in 'depreciation' line item, where the consumption of the intangible non produced assets is included in 'net gain/(loss) on non financial assets' line item on the comprehensive operating statement.

2 Significant intangible assets

The Institute has capitalised software development expenditure for the development of SMS - Student Management System software. The carrying amount of the capitalised software development expenditure is \$10.3 million. Its useful life is 15 years and will be fully amortised by 2028

NOTE 11

Other non-financial assets

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
11 Other non-financial assets				
Current other non-financial assets				
Prepayments	737	764	357	308
Total current other non-financial assets	737	764	357	308
Total other non-financial assets	737	764	357	308

NOTE 12

Payables

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
12 Payables				
Current				
Contractual				
Supplies and services	4,845	4,599	3,077	4,310
Income received in advance	4,254	1,912	4,254	1,912
Other	8	127	8	127
Other Amount owing to William Angliss Institute Pte Ltd	-	-	45	-
Other Amount owing to Angliss Consulting Pty Ltd	-	-	484	-
Total contractual	9,107	6,638	7,868	6,349
Statutory				
GST payable	119	215	132	233
Total statutory	119	215	132	233
Total current payables	9,226	6,853	8,000	6,582
Total payables	9,226	6,853	8,000	6,582

The carrying amounts of the Group's and parent entity's payables are denominated in the following currencies:

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Foreign currency risk				
Singapore Dollar	88	289	-	-
Australian Dollars	9,138	6,564	8,000	6,582
	9,226	6,853	8,000	6,582

Notes

- 1 The average credit period is 30 days. No interest is charged on the other payables for the first 30 days from the date of the invoice.
- 2 For an analysis of the sensitivity of payables to foreign currency risk refer to note 26(ii).
- 3 Maturity analysis of contractual payables, refer table 26(iv) in note 26.

NOTE 13

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
13 Provisions				
Current provisions				
Employee benefits (Note 13(a))¹				
Annual leave (Note 13(a)):				
Unconditional and expected to wholly settle within 12 months ²	656	669	656	668
Long service leave (Note 13(a)):				
Unconditional and expected to wholly settle within 12 months ²	139	35	139	35
Unconditional and expected to wholly settle after 12 months ²	310	417	310	417
Other provisions				
Unconditional and expected to wholly settle within 12 months ²	74	14	74	14
	1,179	1,135	1,179	1,134
Provisions for on costs (Note 13(a) and Note 13(b)):				
Unconditional and expected to wholly settle within 12 months ²	126	112	126	112
Unconditional and expected to wholly settle after 12 months ²	49	66	49	66
	175	178	175	178
Total current provisions	1,354	1,313	1,354	1,312
Non-current				
Employee benefits (Note 13(a)) ¹	2,550	2,413	2,550	2,413
On costs (Note 17(a) and Note 13(b))	404	382	404	382
Total non-current provisions	2,954	2,795	2,954	2,795
Total provisions	4,308	4,108	4,308	4,107

Notes:

- Employee benefits consist of annual leave and long service leave accrued by employees. On costs such as payroll tax and workers' compensation insurance are not employee benefits and are reflected as a separate provision.
- Amounts are measured at present values.

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(a) Employee benefits and on costs¹				
Current employee benefits				
Annual leave	656	668	656	668
Long service leave	449	452	449	452
Other provisions	74	14	74	14
	1,179	1,134	1,179	1,134
Non current employee benefits				
Annual leave	232	235	232	234
Long service leave	2,318	2,179	2,318	2,179
	2,550	2,414	2,550	2,413
Total employee benefits	3,729	3,548	3,729	3,547
Current on costs	175	178	175	178
Non current on costs	404	382	404	382
Total on costs	579	560	579	560
Total employee benefits and on costs	4,308	4,108	4,308	4,107

Notes

- Employee benefits consist of annual leave and long service leave accrued by employees. On costs such as payroll tax and workers' compensation insurance are not employee benefits and are recognised as a separate provision.

NOTE 13

	\$'000		\$'000	
	2014		2013	
	On-costs	Total	On-costs	Total
(b(i)) Movement in provisions - Consolidated				
Opening balance	560	560	609	609
Additional provisions recognised	259	259	279	279
Reductions arising from payments/other sacrifices of future economic benefits	(240)	(240)	(328)	(328)
Closing balance	579	579	560	560
Current	175	175	112	112
Non-current	404	404	448	448
	579	579	560	560

	\$'000		\$'000	
	2014		2013	
	On-costs	Total	On-costs	Total
(b(ii)) Movement in provisions - Institute				
Opening balance	560	560	609	609
Additional provisions recognised	259	259	279	279
Reductions arising from payments/other sacrifices of future economic benefits	(240)	(240)	(328)	(328)
Closing balance	579	579	560	560
Current	175	175	112	112
Non-current	404	404	448	448
	579	579	560	560

NOTE 14

Borrowings

	Consolidated		Institute	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
14 Borrowings				
Unsecured				
Current				
Other loans	2,000	4,500	2,000	4,500
Total current unsecured borrowings	2,000	4,500	2,000	4,500
Total unsecured borrowings	2,000	4,500	2,000	4,500
Total borrowings	2,000	4,500	2,000	4,500

An advance and repayment agreement with the Department of Education & Early Childhood Development ("The Department"), was executed in 2013 which saw the Institute receiving \$4.5 million as an advance. The advance was settled in 2014 via the Institute receiving \$4.5 million less in recurrent funding in 2014. There is no further claim against the Institute in regard to these funds.

A further advance and repayment agreement with The Department was entered into during 2014. No assets have been pledged as part of this borrowing.

They are unsecured loans which bear no interest. The loan of \$2.0m is fully repayable within 12 months.

None of the Institute's borrowings are classified as readily traded on organised markets in standardised form.

The fair value of current borrowings equals their carrying amount, as the impact of discounting is not significant. All of the Institute's borrowings are denominated in Australian Dollars.

Maturity analysis of contractual payables
Refer to note 26 for additional information.

Defaults and breaches
During the current and prior year, there were no defaults and breaches of any of the loans

NOTE 15

Equity

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
15 Equity				
(a) Contributed Capital				
Balance at 1 January	29,436	19,653	30,204	20,421
Capital contributions	-	9,783	-	9,783
Balance at 31 December	29,436	29,436	30,204	30,204
(b) Accumulated surplus / (deficit)				
Balance at 1 January	21,674	27,571	21,514	26,937
Net result for the year	(923)	(5,897)	(4,948)	(5,423)
Balance at 31 December	20,751	21,674	16,566	21,514
(c) Reserves				
Composition of Reserves				
Physical asset revaluation surplus	57,762	57,762	57,762	57,762
Balance at 31 December	57,762	57,762	57,762	57,762
Total equity	107,949	108,872	104,532	109,480

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
15 Movements in Reserves				
Asset Revaluation Surplus - Land				
Balance at 1 January	37,095	37,095	37,095	37,095
Revaluation increment on non-current assets	-	-	-	-
Balance at 31 December	37,095	37,095	37,095	37,095
Asset Revaluation Surplus - Buildings				
Balance at 1 January	20,667	20,667	20,667	20,667
Revaluation (decrement) on non-current assets	-	-	-	-
Balance at 31 December	20,667	20,667	20,667	20,667
Total reserves	57,762	57,762	57,762	57,762

Nature and purpose of reserves

Asset Revaluation Reserve - Land

The reserve reflects changes in the net carrying value of land.

Asset Revaluation Reserve - Buildings

The reserve reflects changes in the net carrying value of buildings.

NOTE 16

Cash flow information

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
16 Cash flow information				
(a) Reconciliation of operating result after income tax to net cash flows from operating activities				
Net result for the year	(923)	(5,897)	(4,948)	(5,423)
Non-cash flows in operating result				
Depreciation and amortisation of non-current assets	3,161	3,165	2,931	2,947
Loan forgiven	-	-	4,184	-
Net (gain) / loss on sale of non-current assets	(18)	26	(18)	26
Doubtful debts	5	260	5	260
Settlement of advance in lieu of grant income	(4,500)	-	(4,500)	-
Total non-cash flows in operating result	(1,352)	3,451	2,602	3,233
Movements in operating assets and liabilities				
Decrease / (increase) in trade receivables	(485)	1,495	467	976
Decrease / (increase) in inventories	23	21	23	21
Decrease / (increase) in other assets	27	(148)	(49)	(20)
Decrease / (increase) in other debtors	-	-	-	-
Increase / (decrease) in payables	2,597	(1,214)	1,381	(1,003)
Increase / (decrease) in employee benefits	200	(353)	201	(353)
Increase / (decrease) in current liabilities	(119)	60	-	(138)
Total movement in operating assets and liabilities	2,243	(139)	2,023	(517)
Net cash flows provided by/(used in) operating activities	(32)	(2,585)	(323)	(2,707)

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
(b) Financing facilities				
Unsecured loan facilities with various maturity dates through to 2013 and 2014 and which may be extended by mutual agreement	(2,000)	(5,000)	(2,000)	(5,000)
Amount used	2,000	4,500	2,000	4,500
Amount unused	-	-	-	-
	-	(500)	-	(500)

(c) Non-cash investing activities

During the year the Institute forgave loans owing from one of its subsidiaries of \$4.184 million. In addition it also converted \$2.331 million of outstanding loan balance into shares in one of its subsidiaries.

NOTE 17

Commitments

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
17 Commitments				
(a) Lease commitments				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	2,105	2,651	1,410	1,918
Later than one year but not later than five years	1,073	1,422	806	1,422
Later than five years	216	401	204	401
Net lease commitments	3,394	4,474	2,420	3,741
GST reclaimable on the above	286	423	241	374
Gross commitments operating leases	3,680	4,897	2,661	4,115
Representing:				
Non-cancellable operating leases	3,680	4,897	2,661	4,115
Total lease commitments	3,680	4,897	2,661	4,115

(b) Operating leases

The Institute has a number of operating leases in place in respect of sites which it occupies under operating leases. The lease agreements are generally for a period of 1 – 5 years (2013: 1 – 5). Rental is payable in advance/in arrears to the landlord and the Institute has an option to renew at the conclusion of the lease term.

Operating lease 1 - NSW Premises

NSW office lease contract

Operating lease 2 - South Australia Premises

South Australia office lease contract

Operating lease 3 - 555 LaTrobe street - 3rd floor lease

555 LaTrobe street - 3rd floor rooms lease contract

Operating lease 4- Konica/Minolta - Multifunction photocopiers lease

Konica/Minolta - Multifunction photocopiers lease contract

Operating lease 5 - Queensland premises lease

Queensland office lease contract

Operating lease 6 - Scrubbers lease

Scrubbers lease - Victory Finance contract

Operating lease 7 - Western Australia premises

Western Australia office lease contract

Operating lease 8 - Singapore premises

Singapore office lease contract

Operating lease 9 - China office

China office lease contract

NOTE 18

Contingent Assets and Contingent Liabilities

18 Contingencies Assets and Contingent Liabilities

Details and estimates of maximum amounts of contingent assets and 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.

NOTE 19

Subsequent events

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/the Group in future financial years.

NOTE 20

Remuneration of auditors

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
20 Remuneration of auditors				
Remuneration of Victorian Auditor General's Office for:				
Audit or review of the financial statements	48	87	43	47
Total remuneration of Victoria Auditor General's Office	48	87	43	47
Remuneration of other auditors				
Other auditors	27	27	-	-
Internal Audit	31	114	15	142
Total remuneration of other auditors of subsidiaries	58	141	15	142
Total Remuneration of auditors	106	228	58	189

Notes to the Financial Statements - William Angliss Institute of TAFE
for the year ended 31 December 2014

NOTE 21

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 plan(s) provides benefits based on years of service and final average salary.

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

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

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

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
21 Superannuation				
Paid Contribution for the Year				
Defined benefit plans :				
State Superannuation Fund – revised and new	28	51	28	48
New Scheme 7.5% to 10.5%	140	166	140	156
Total defined benefit plans	168	217	168	204
Accumulated contribution plans:				
VicSuper	-	-	-	-
VicSuper Scheme ²	987	1,251	931	1,164
Other defined contribution plans ²	841	844	788	788
Total accumulated contribution plans	1,828	2,095	1,719	1,952
Total paid contribution for the year	1,996	2,312	1,887	2,156
Contribution Outstanding at Year End				
Defined benefit plans:				
State Superannuation Fund – revised and new	-	-	-	-
Other	-	-	-	-
Total defined benefit plans	-	-	-	-
Defined contribution plans:				
VicSuper	111	-	111	-
Other	90	-	90	-
Total defined contribution plans	201	-	201	-
Total	201	-	201	-

1 The Institute does not have any contributions outstanding to the above funds and there have been no loans made from the funds. The basis for contributions are determined by the various schemes.

2 Rates applicable for the year for the superannuation guarantee funds are 9.25% To 30/06/2014 and 9.50% from 01/07/2015.

NOTE 22

Key management personnel disclosures

Responsible persons related disclosures

In accordance with the Ministerial Directions issued by the Minister for Finance under the Financial Management Act 1994, the following disclosures are made regarding responsible persons for the reporting period.

(i) Minister

The Hon. Peter Hall, MLC was the Minister for Higher Education and Skills from 1 January until 17 March 2014

The Hon. Nick Wakeling, MP was the Minister for Higher Education and Skills from 17 March until 3 December 2014.

The Hon. Steve Herbert, MP was the Minister for Education and Training, from 3 December 2014 until 31 December 2014 following the State election on 29 November 2014.

Remuneration of the relevant 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) Chief Executive Officer (Accountable Officer)

Mr Nicholas Hunt - appointed August 2007.

Remuneration received or receivable by the Chief Executive Officer in connection with the management of the Institute during the reporting period was in the range:

\$240,000 - \$249,999 (2013: \$250,000 - \$259,999)

As a result of implementation of new constitution and additional governance changes implemented during 2013, the CEO who was a member of the Board for part of that year was subsequently made an Executive Officer. This change has been reflected in disclosure of comparatives, in this note, where the remuneration of the CEO is represented for the portion of time that he sat on the Board and for the remaining period of time that he was an Executive Officer.

(iii) Members of the Board of William Angliss Institute of TAFE

Board Chair - Dr M Allan

Ministerial Director - Mr R Aylett

Ministerial Director - Mr D Minett

Ministerial Director - Ms M Ring

Ministerial Director - Ms B Schofield

Board Director - Dr A Astin PSM - appointed 1 June 2014

Board Director - Mr P Filshie - resigned 31 May 2014

Board Director - Dr D Foster

Board Director - Mr B Kearney

Board Director - Mr M Lieberman - appointed 1 June 2014

Board Director - Ms J Rumble - resigned 31 May 2014

Executive Director - Mr R Petts (Executive Director of a wholly owned subsidiary)

(iv) Executive Officers

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

Mr N Hunt - Chief Executive Officer (accountable officer)

Mr W Crosbie - Director International and Business Development

Mr W Box - Director Corporate (Appointed 27 October 2014)

Mr J Stoikos - Acting Director Corporate (resigned as Acting Director Corporate 27 October 2014)

Mr D Mabilia - Associate Director VET

Mr D Minton - Associate Director Student Services

Mr P Whitelaw - Associate Director Higher Education & Quality (Appointed 14 July 2014)

There were no other key management personnel.

NOTE 22

Key management personnel disclosures

Responsible persons

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
22 Key management personnel disclosures				
Remuneration of Board members				
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.	500	328	309	328
Remuneration received, or due and receivable from the Institute in connection with the management of any related party entity.	500	328	309	328

	No.	No.	No.	No.
Income range				
The number of Board members whose remuneration from the Institute was within the specified bands are as follows:				
Less than \$10,000	1	4	1	4
\$10,000 - \$19,999	3	6	3	6
\$20,000 - \$29,999	-	1	-	1
\$30,000 - \$39,999	6	1	6	1
\$60,000 - \$69,999	1	-	1	-
\$70,000 - \$79,999	-	1	-	1
\$110,000 - \$119,999	-	1	-	1
\$190,000 - \$199,999	* 1	-	-	-
Total number of Responsible Persons	12	14	11	14

* Remuneration of this director is related to his employment contract with a group entity.

NOTE 22

Key management personnel disclosures

Executive officers				
	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
22 Key management personnel disclosures				
Executive Officers' Remuneration				
The number of executive officers including the CEO 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	797	1,311	797	1,311
Total remuneration of executive officers	919	1,497	919	1,497
Consolidated	Total Remuneration		Base Remuneration	
Income range	2014 No.	2013 No.	2014 No.	2013 No.
The number of executive officers whose remuneration from the Institute was within the specified bands are as follows:				
\$20,000 - \$29,999	1	-	1	-
\$60,000 - \$69,999	-	-	1	-
\$70,000 - \$79,999	1	-	-	-
\$100,000 - \$109,999	-	-	1	1
\$110,000 - \$119,999	1	1	1	3
\$120,000 - \$129,999	-	2	-	1
\$130,000 - \$139,999	1	1	1	3
\$140,000 - \$149,999	-	1	1	-
\$150,000 - \$159,999	1	-	-	-
\$170,000 - \$179,999	1	2	-	1
\$180,000 - \$189,999	-	2	-	-
\$200,000 - \$209,999	-	-	1	-
\$240,000 - \$249,999	1	-	-	-
Total executive officers	7	9	7	9
Institute	Total Remuneration		Base Remuneration	
Income range	2014 No.	2013 No.	2014 No.	2013 No.
\$20,000 - \$29,999	1	-	1	-
\$60,000 - \$69,999	-	-	1	-
\$70,000 - \$79,999	1	-	-	-
\$100,000 - \$109,999	-	-	1	1
\$110,000 - \$119,999	1	1	1	3
\$120,000 - \$129,999	-	2	-	1
\$130,000 - \$139,999	1	1	1	2
\$140,000 - \$149,999	-	1	1	-
\$150,000 - \$159,999	1	-	-	-
\$170,000 - \$179,999	1	2	-	-
\$200,000 - \$209,999	-	-	1	-
\$240,000 - \$249,999	1	-	-	-
Total executive officers	7	7	7	7
Total annualised employee equivalent	7.00	7.95	7.00	7.95
Total amount	919	1,370	919	995

	Consolidated		Institute	
	2014 No.	2013 No.	2014 No.	2013 No.
22 Key management personnel disclosures				
Executive Officers' personnel compensation				
Short-term employee benefits	844	1,388	844	1,388
Post-employment benefits	75	109	75	109
Total key management personnel compensation	919	1,497	919	1,497

NOTE 22

Key management personnel disclosures

Loans to key management personnel

There were no loans made to and from directors or key management personnel of the Institute (2013: nil).

NOTE 23

Related parties

Key management personnel

Disclosures relating to directors and specified executives are set out in note 22.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Institute	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
23 Related parties				
Loans to/from related parties				
Loans to subsidiaries				
Beginning of the year	-	-	5,661	5,520
Loans forgiven	-	-	(4,184)	-
Loans converted into shares	-	-	(2,331)	-
Other	-	-	(418)	(525)
Loans advanced / (repaid)	-	-	743	666
End of year Payable / (Receivable)	-	-	(529)	5,661

No provision for doubtful debts has 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, other than the loan forgiveness of \$4.184 million as noted in notes 3 and 16.

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

NOTE 24

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:

24 Subsidiaries	Country of incorporation	Class of Shares	Equity holding	
			2014 %	2013 %
<p>Angliss Consulting Pty Ltd</p> <p>Company has been established to manage China and overseas operations</p>	Australia	Ordinary	100%	100%
<p>William Angliss Institute Foundation</p> <p>Company limited by guarantee has been established as a scholarship fund.</p>	Australia	Ordinary	100%	100%
<p>Angliss Solutions Pty Ltd</p> <p>The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.</p>	Australia	Ordinary	100%	100%
<p>Angliss Multimedia Pty Ltd</p> <p>The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.</p>	Australia	Ordinary	100%	100%
<p>William Angliss Institute Pte Ltd</p> <p>Company has been established to support the delivery of a contract with the Singapore Workforce Development Agency.</p>	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. The Institute is also a registered gift recipient educational institution.

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 2014 of \$2,036,144 (2013 \$1,554,512) and contributed \$481,632 (2013: \$438,640) to the comprehensive result of the Institute for the year ended 31 December 2014. These funds are only available to be applied in discharging the objects and purposes of the Foundation.

NOTE 25

Institute details

25 Institute details

The registered office of the Institute is:

William Angliss Institute of TAFE
555 La Trobe St , Melbourne Victoria 3000

The principal place of business is:

William Angliss Institute of TAFE
555 La Trobe St , Melbourne Victoria 3000

NOTE 26

Financial Instruments

26 Financial Instruments

Financial risk management

(i) Financial risk management objectives and policies

The Institute's activities expose it to a variety of financial risks: market risk (including currency 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. The Institute uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks, ageing analysis for credit risk and beta analysis in respect of investment portfolios to determine market risk.

Risk management is carried out by the Finance department of the Institute under policies approved by the Board. The finance department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

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.

(iii) Categorisation of financial instruments

Carrying amount of financial instruments by category:

Financial Assets	Note	Category
Cash and Deposits	5	Cash
Receivables ^(a)	6	Loans and receivables
Financial Liabilities		
Payables ^(a)	12	Financial liabilities at amortised costs
Borrowings	14	Financial liabilities at amortised costs

Consolidated		Institute	
2014	2013	2014	2013
\$'000	\$'000	\$'000	\$'000
9,433	7,884	5,681	5,067
2,276	1,887	2,276	1,887
11,709	9,771	7,957	6,954
4,853	4,726	3,614	4,437
2,000	4,500	2,000	4,500
6,853	9,226	5,614	8,937

(a) statutory receivables and statutory payables.

The net holding gains or losses are determined as follows:

- for cash and cash equivalents, loans or receivables and available-for-sale financial assets, the net gain or loss is calculated by taking the movement in the fair value of the asset, the interest income, plus or minus foreign exchange gains or losses arising from revaluation of the financial assets, and minus any impairment recognised in the net result;
- for financial liabilities measured at amortised cost, the net gain or loss is calculated by taking the interest expense, plus or minus foreign exchange gains or losses arising from the revaluation of financial liabilities measured at amortised cost; and
- for financial asset and liabilities that are designated at fair value through profit or loss, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

Net holding gain/(loss) on financial instruments by category

	Consolidated		Institute	
	2014	2013	2014	2013
Interest Income/(expense)	\$'000	\$'000	\$'000	\$'000
Financial assets - loans and receivables	165	159	109	119
Interest income/(expense) - financial assets	165	159	109	119
Impairment loss				
Financial Assets	43	262	4,124	262
Total impairment loss	43	262	4,124	262

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 effect 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.

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 not exposed to price risk in respect of changes to the market price of investments.

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.

NOTE 26

Financial Instruments

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.

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

Credit risk

Credit risk arises from the contractual financial assets of the Institute, which comprises cash and deposits and non-statutory receivables. The Institute's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial losses to the Institute.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date 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 2014 and 2013.

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

The finance and risk management (FARM) committee monitors credit risk by actively assessing the rating quality and liquidity of counter parties:

- 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.

The trade receivables balance at 31 December 2014 and 31 December 2013 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 payment plans.
- student payment plans are granted on the basis that the outstanding amount will be repaid before certificates of qualification can be issued. The agreement to repay the debt is formalised during the enrolment process.

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

Credit quality of contractual financial assets that are neither past due nor impaired ¹

Consolidated	Financial institutions (AAA rating)	Government agencies (AAA rating)	Other counter-party	Total
	\$'000	\$'000	\$'000	\$'000
2014				
Cash and deposits	9,433	-	-	9,433
Receivables	-	-	2,276	2,276
Total contractual financial assets 2014	9,433	-	2,276	11,709
2013				
Cash and deposits	7,884	-	-	7,884
Receivables	-	-	1,887	1,887
Total contractual financial assets 2013	7,884	-	1,887	9,771

Institute	Financial institutions (AAA rating)	Government agencies (AAA rating)	Other counter-party	Total
	\$'000	\$'000	\$'000	\$'000
2014				
Cash and deposits	5,681	-	-	5,681
Receivables	-	-	2,276	2,276
Total contractual financial assets 2014	5,681	-	2,276	7,957
2013				
Cash and deposits	5,067	-	-	5,067
Receivables	-	-	1,887	1,887
Total contractual financial assets 2013	5,067	-	1,887	6,954

Note

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

NOTE 26

Financial Instruments

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 The following table discloses the ageing analysis for the Institute's financial assets.

Consolidated	Carrying amount \$'000	Not past due and not impaired \$'000	Past due but not impaired				Impaired financial assets \$'000
			Less than 1 month \$'000	1-3 months \$'000	3 months – 1 year \$'000	1-5 years \$'000	
2014 Financial assets							
Receivables ¹ :							
Trade receivables	2,276	-	765	591	920	-	286
Other receivables	145	145	-	-	-	-	-
Total 2014 financial assets	2,421	145	765	591	920	-	286
2013 Financial assets							
Receivables ¹ :							
Trade receivables	1,887	-	1,038	660	189	-	281
Other debtors	213	213	-	-	-	-	-
Total 2013 financial assets	2,100	213	1,038	660	189	-	281
Institute							
2014 Financial assets							
Receivables ¹ :							
Trade receivables	2,276	-	765	591	920	-	286
Other receivables	145	145	-	-	-	-	-
Total 2014 financial assets	2,421	145	765	591	920	-	286
2013 Financial assets							
Receivables ¹ :							
Trade receivables	1,887	-	1,038	660	189	-	281
Other debtors	213	213	-	-	-	-	-
Total 2013 financial assets	2,100	213	1,038	660	189	-	281

Note

1 Receivables and payables disclosed here exclude statutory receivables and statutory payables (e.g. amounts owing to/from Victorian Government, GST input tax credit recoverable and taxes payable).

NOTE 26

Financial Instruments

(ii) Summarised sensitivity analysis

The following table summarises the sensitivity of the Institute's financial assets and financial liabilities to interest rate risk, foreign exchange risk and other price risk.

The Institute's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five year period, with all variables other than the primary risk variable held constant. The Institute's fund managers cannot be expected to predict movements in market rates and prices. Sensitivity analyses shown are for illustrative purposes only. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 50 basis points up and down (2013: 100 basis points up and down) in market interest rates (AUD);
- proportional exchange rate movement of 7 per cent up and down (2013: 10 per cent up and down) against the USD and SGD, from the year-end rate of 0.8202 and 1.0836 respectively (2013: 0.8948 and 1.1323); and

The following tables show the impact on the Institute's net result and equity for each category of financial instrument held by the Institute at the end of the reporting period as presented to key management personnel, if the above movements were to occur.

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk			
		-0.50%		-0.50%		-7%		7%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and deposits	9,433	(46)	(46)	46	46	(75)	(75)	75	75
Receivables ¹	2,276	-	-	-	-	(47)	(47)	47	47
Total increase/ (decrease) in financial assets	11,709	(46)	(46)	46	46	(122)	(122)	122	122
Financial liabilities									
Payables ¹	(4,853)	-	-	-	-	-	-	-	-
Borrowings	(2,000)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(6,853)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	4,856	(46)	(46)	46	46	(122)	(122)	122	122

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk			
		-10%		10%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets									
Cash and cash equivalents	7,884	(15)	(15)	15	15	(35)	(35)	35	35
Receivables ¹	1,887	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial assets	9,771	(15)	(15)	15	15	(35)	(35)	35	35
Financial liabilities									
Payables ¹	(4,726)	-	-	-	-	-	-	-	-
Borrowings	(4,500)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(9,226)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	545	(15)	(15)	15	15	(35)	(35)	35	35

Institute	Carrying amount	Interest rate risk				Foreign exchange risk			
		-0.50%		-0.50%		-7%		7%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2014	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial assets									
Cash and cash equivalents	5,681	(27)	(27)	27	27	-	-	-	-
Receivables ¹	2,276	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial assets	7,957	(27)	(27)	27	27	-	-	-	-
Financial liabilities									
Payables ¹	(3,614)	-	-	-	-	-	-	-	-
Borrowings	(2,000)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(5,614)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	2,343	(27)	(27)	27	27	-	-	-	-

Institute	Carrying amount	Interest rate risk				Foreign exchange risk			
		-10%		10%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2013	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Financial assets									
Cash and cash equivalents	5,067	(12)	(12)	12	12	-	-	-	-
Receivables ¹	1,887	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial assets	6,954	(12)	(12)	12	12	-	-	-	-
Financial liabilities									
Payables ¹	(4,437)	-	-	-	-	-	-	-	-
Borrowings	(4,500)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(8,937)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	(1,983)	(12)	(12)	12	12	-	-	-	-

Note

¹ Receivables and payables disclosed here as financial instruments exclude statutory receivable and statutory payables.

NOTE 26

Financial Instruments

26 Financial Instruments

(iii) Financial instrument composition and interest rate exposure

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 predominately through a mixture of short term and longer term investments.

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.

Exposure to interest rate risk is insignificant.

The Institute's exposure to interest rate risk is set out below

Consolidated 2014	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
	%	\$ '000	\$ '000	\$ '000	\$ '000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	2.5%	7,810	7,810	-	-
Deposits at call	3.5%	1,623	-	1,623	-
Contractual receivables					
Trade receivables	-	2,276	-	-	2,276
Other Debtors	-	145	-	-	145
Total financial assets		11,854	7,810	1,623	2,421
Financial liabilities					
Trade and other payables	-	4,853	-	-	4,853
Borrowings					
Other loans	-	2,000	-	-	2,000
Total financial liabilities	-	6,853	-	-	6,853

Consolidated 2013	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
	%	\$ '000	\$ '000	\$ '000	\$ '000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	2.5%	6,442	6,442	-	-
Deposits at call	3.7%	1,442	-	1,442	-
Contractual receivables					
Trade receivables	-	1,887	-	-	1,887
Other Debtors	-	213	-	-	213
Total financial assets		9,984	6,442	1,442	2,100
Financial liabilities					
Trade and other payables	-	4,726	-	-	4,726
Borrowings					
Other loans	-	4,500	-	-	4,500
Total financial liabilities	-	9,226	-	-	9,226

Institute 2014	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
	%	\$ '000	\$ '000	\$ '000	\$ '000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	2.7%	5,666	5,666	-	-
Deposits at call	3.7%	15	-	15	-
Contractual receivables					
Trade receivables	-	2,276	-	-	2,276
Other Debtors	-	145	-	-	145
Total financial assets		8,102	5,666	15	2,421
Financial liabilities					
Trade and other payables	-	3,614	-	-	3,614
Borrowings					
Other loans	-	2,000	-	-	2,000
Total financial liabilities	-	5,614	-	-	5,614

Institute 2013	Weighted average effective rate	Total Carrying Amount per Balance Sheet	Floating interest rate	Fixed interest rate	Non-Interest Bearing
	%	\$ '000	\$ '000	\$ '000	\$ '000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	2.5%	5,052	5,052	-	-
Deposits at call	3.7%	15	-	15	-
Contractual receivables					
Trade receivables	-	1,887	-	-	1,887
Other Debtors	-	213	-	-	213
Total financial assets		7,167	5,052	15	2,100
Financial liabilities					
Trade and other payables	-	4,437	-	-	4,437
Borrowings					
Other loans	-	4,500	-	-	4,500
Total financial liabilities	-	8,937	-	-	8,937

Note

1. Other receivables does not include statutory receivables.

NOTE 26

Financial instruments

(iv) Maturity analysis of financial instruments

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. This risk is when the Institute is unable to meet its financial obligations as and when they fall due.

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 contractual maturity analysis for the Institute's financial assets and financial liabilities.

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

Consolidated	Carrying amount	Not past due and not impaired	Maturity dates				Impairment of assets
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years	
2014 Financial liabilities							
Financial liabilities							
Trade and other payables	4,853	-	402	4,451	-	-	-
Other loans	2,000	-	-	-	2,000	-	-
Total 2014 financial liabilities	6,853	-	402	4,451	2,000	-	-
2013 Financial liabilities							
Financial liabilities							
Trade and other payables	4,726	-	223	4,503	-	-	-
Other loans	4,500	-	-	-	4,500	-	-
Total 2013 financial liabilities	9,226	-	223	4,503	4,500	-	-

Institute	Carrying amount	Not past due and not impaired	Maturity dates				Impairment of assets
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years	
Financial liabilities							
Financial liabilities							
Trade and other payables	3,614	-	402	3,212	-	-	-
Other loans	2,000	-	-	-	2,000	-	-
Total 2014 financial liabilities	5,614	-	402	3,212	2,000	-	-
2013 Financial liabilities							
Financial liabilities							
Trade and other payables	4,437	-	223	4,214	-	-	-
Other loans	4,500	-	-	-	4,500	-	-
Total 2013 financial liabilities	8,937	-	223	4,214	4,500	-	-

Note

1 Receivables and payables disclosed here as financial instruments exclude statutory receivable and statutory payables.

NOTE 26

Financial instruments

26 Financial instruments

Fair value estimation

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

Fair values of financial instrument asset and liabilities are determined using the fair value hierarchy that categorises the inputs to valuation techniques used to measure fair value into three levels based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities that the Institute can access at the measurement date.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Institute considers that the carrying amount of trade receivables and payables is a reasonable approximation of their fair values due to the short-term nature of trade receivables and payables.

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	2014		2013	
	Carrying Amount \$'000	Net Fair Value \$'000	Carrying Amount \$'000	Net Fair Value \$'000
26 Financial instruments				
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	7,810	7,810	6,442	6,442
Contractual receivables				
Trade receivables	2,276	2,276	1,887	1,887
Investments, loans and other financial assets				
Short Term Deposits	1,623	1,623	1,442	1,442
Total financial assets	11,709	11,709	9,771	9,771
Financial liabilities				
Payables	4,853	4,853	4,726	4,726
Borrowings	2,000	2,000	4,500	4,500
Total financial liabilities	6,853	6,853	9,226	9,226
Institute				
26 Financial instruments				
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	5,666	5,666	5,052	5,052
Contractual receivables				
Trade receivables	2,276	2,276	1,887	1,887
Investments, loans and other financial assets				
Short Term Deposits	15	15	15	15
Total financial assets	7,957	7,957	6,954	6,954
Financial liabilities				
Payables	3,614	3,614	4,437	4,437
Borrowings	2,000	2,000	4,500	4,500
Total financial liabilities	5,614	5,614	8,937	8,937

Note

- 1 Receivables and payables disclosed here exclude statutory receivables and statutory payables (e.g. amounts owing to/from Victorian Government, GST input tax credit recoverable and taxes payable).

There have been no transfers between levels for the period.

The Institute did not have any financial instruments that are measured at fair value subsequent to initial recognition as at 31 December 2014.

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