2016 ANNUAL REPORT

William Angliss Institute

Specialist centre for foods, tourism, hospitality & events

Contents

Vision, Values and Purpose

Vision

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

Institute Values

Personal Responsibility:

Accountable, responsive, with integrity, respect and 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

Key Strategies

1. Review and improve: continuous improvement in price, cost and yield
2. Share and leverage: partnerships with other providers (TAFE/university/RTO)
3. Market leader: new delivery models, new products and services around William Angliss Institute's specialisations
4. Regionally active: international development
5. Augmenting the brand: exploring brand alignment
6. Capturing our specialisation: transitioning our content to a next generation educational platform, the Provedore project.

Mission and Purpose

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.

About William Angliss Institute

About William Angliss Institute

William Angliss Institute is Australia's largest specialist centre for foods, tourism, hospitality and events training. The Institute operates nationally and internationally, delivering industry-focused training from half day programs through to four year degrees, from traditional pub hospitality to five star customer service, from campus and youth program to the workplace and remote areas.

Established in 1940 by prominent Melbourne businessman and philanthropist 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 offering more than 143 nationally recognised training programs.

Programs

Within its specialisations, the Institute offers a full complement of programs from VCAL and VET in Schools through Certificate, Diploma and Degree programs. The Institute is delivering training in every State and Territory in Australia.

The Institute continues to develop program offerings internationally. Three partnerships and one joint venture in China, one partnership in Sri Lanka and a Tourism Continuing Education & Training (CET) Centre in Singapore support an international delivery platform. The Institute continues to conduct off-shore project development work with industry, governments and development-aid agencies.

The Institute's programs are delivered to over 20,605 students annually at its Melbourne, Lilydale, Sydney and offshore campuses, as well as various workplaces in Australia and offshore. The 20,280 enrolments in 2016 comprised local and international students based on campus or participating in workplace training.

The Institute provides training in the following specialist sectors:

Foods

- Commercial Cookery
- Meat Processing
- Baking
- Patisserie
- Food Science and Technology
- Food Studies

Tourism

- Eco Tourism
- Tour Guiding
- Travel
- Aviation (Cabin Crew)
- Beauty Therapy

Hospitality

- Resort and Hotel Management
- Tourism and Hospitality Management
- Culinary Management
- Hospitality (Angliss International Hotel School)

Events

- Event Management

Locations

Along with the main campus in the centre of Melbourne, William Angliss Institute also delivers training direct to industry partners through a Lilydale campus, a Sydney campus, and offices in Queensland, South Australia, Western Australia and Northern Territory. The Institute has a Singapore campus, three joint venture campuses in China and projects around the world including Malaysia, Thailand, Sri Lanka and Vietnam.

Board Chair's Report

Dr Anne Astin PSM
Board Chair

On behalf of the Board of William Angliss Institute, I am pleased to present to you a summary of our strategic and financial achievements for 2016. This Annual Report provides details of our operations in 2016 and highlights areas of achievement.

We have been able to maintain our position and continue to develop programs to suit students and meet industry needs across vocational and higher education within this challenging market in 2016.

During the past 12 months the Institute has continued to provide its educational services, delivering 4.318m student contact hours. Our financial result reflects our commitment to improvement, focus, our specialist positioning and brand as well as the additional educational services provided to support student completion and transition to employment.

As the specialist centre for foods, hospitality, tourism and events, William Angliss Institute has a strong offering of vocational and higher education programs which we develop in close consultation with industry to ensure meaningful career outcomes for our graduates.

The Institute has provided 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 1,715 international students enrolled in 2016.

I would like to acknowledge the contribution and commitment from outgoing board member Morris Lieberman. The Board has welcomed new board member Wendy Jones, appointed on 24 October 2016.

The Institute Board extends its appreciation and thanks to the Minister for Training and Skills the Hon. Gayle Tierney MLC and also to the former Minister Steve Herbert MLC and to the staff of the Higher Education Skills Group (HESG) for their ongoing support.

In closing it is appropriate to acknowledge and thank the Board Members, the Executive team and for their commitment and support during 2016.

Dr Anne Astin PSM
Board Chair
14 March 2017

2016 CEO's Report

Mr Nicholas Hunt
Chief Executive Officer

The William Angliss Institute team continued to demonstrate their commitment to success by achieving our objectives to deliver quality vocational and higher education to support the foods, hospitality, tourism and events industries in 2016.

In keeping with our specialist centre status, active engagement with industry and the education sector continues to be critical to our future success and our ability to empower our students to pursue their goals and realise their potential.

In 2016 our first Angliss International Hotel School students actively participated in the program engaging in the masterclass series, hotel placements and study tour.

We started the new Bachelor of Food Studies in 2016 and received accreditation for six new courses for 2017 commencement in our Faculty of Higher Education, including our first Master's degree in Food Systems and Gastronomy.

We received $3.35 million from the Victorian Government to deliver support services and targeted training for young people, including disadvantaged students.

The community service funding has supported eight vital programs and services at the Institute including the HEAT Program, Charcoal Lane, Learning Resource Centre (Library), Counselling Services, Student Opportunities, Learning Advisory Services, Butchery and Meat Processing, and Food Science and Technology.

We are pleased our students will have greater access to new specialist equipment as part of a $1.96 million investment from the Victorian Government, with almost $650,000 for the latest bakery and patisserie equipment and more than $300,000 for sustainable and induction cooking equipment. In the last quarter of 2016 the Institute opened a Skills and Jobs Centre. Focused on foods tourism and hospitality the Centre provides advisory services to individuals seeking skills or employment within the industry.

The Regional Tourism Employability Project has seen the Institute partner with regional TAFEs to provide cost-effective tourism, hospitality and events training. Five TAFEs delivered training to 201 students during 2016, with a further two TAFEs commencing delivery in 2017.

More highlights for 2016 include:

- Awarded "Highly Commended Excellence in International Education – TAFE" at the Victorian International Education Awards 2016.
- National Finalist in the Best Education or Training Program category in the 2016 Australian Event Awards.
- A team of apprentices from William Angliss Institute won the 2016 VICTAFE Cookery challenge.
- Cookery students won four bronze medals competing in the AUSTAFE Victorian state finals competition.
- Two butchery apprentices have won the opportunity to compete and represent Australia at the 2017 World Butcher's Challenge in Europe.

A core focus of our current strategy has been centered on organisational improvement, efficiency and financial sustainability. This year's operating results both educationally and financially show continued improvement year on year which enables the focus for 2017 to centre on educational improvements and a stronger focus on quality.

I would like to thank the Board, and in particular our Board Chair, Dr Anne Astin, for her leadership and ongoing support.

I would also like to thank all staff across the Institute's operations as it is their passion for our industry and the sharing of skills and knowledge that means we can continue to work closely with industry and develop our students to give them the best education outcomes.

Mr Nicholas Hunt
Chief Executive Officer
14 March 2017

Overview of Achievements

Domestic Highlights

Vocational Education and Training (VET)

William Angliss Institute continues to maintain its unique position within the VET Training Sector as Australia's only foods, tourism, hospitality and events specialist training Institute. In the local market, the Institute continues to hold its position as the premier training provider and educator with exceptional industry reach and coverage.

Work in 2016 was ongoing to further articulate VET graduates into the Institute's growing Higher Educational Bachelor programs. With the Australian Skills Quality Authority (ASQA) registration secured until 2022.

A focus on the globalisation of the Institute's programs saw students and staff from the Institute venture abroad to a number of countries including Singapore, Malaysia, New Zealand, Dubai, Greece, China, South Africa, France and Vietnam.

Key delivery targets for all VET areas in 2016 have been achieved.

Regional Tourism Employability Project

The Regional Tourism Employability Project (RTEP) is an initiative to provide highly skilled staff for hotels, restaurants and other facilities in Victoria's regional destinations. William Angliss Institute partnered with regional TAFEs to provide cost-effective tourism, hospitality and events training. Five TAFEs delivered training to 201 students during 2016, with a further two TAFEs commencing delivery in 2017.

Angliss International Hotel School

In 2016, William Angliss Institute commenced its first intake of the Angliss International Hotel School (AIHS), one of Melbourne's first international hotel schools, with 96 students enrolled in the Diploma of Hospitality Management.

From the February 2016 intake, 97 per cent of AIHS students completed a work placement in partnership with 12 different hotel chains. From the first graduating class, five students are continuing to the Advanced Diploma of Hospitality Management and a further 19 students are continuing to the Bachelor of Resort and Hotel Management.

Part of the Diploma was a study tour of Singapore, with 39 students spending a week in the city learning about the international hotel environment. Highlights included an interactive masterclass held the award-winning PARKROYAL on Pickering, the first eco-friendly hotel in Singapore focusing on sustainability in hotel operations, and a visit to the famous Raffles Hotel to enjoy a whisky tasting masterclass.

Lilydale Lakeside campus

In February 2016, 19 students commenced at the Lilydale Lakeside campus. The Institute initially delivered professional cookery and patisserie programs in 2016 and continues to grow its program offering for on-campus and work-based specialist training.

Higher Education

New qualifications

In October 2016, the Tertiary Education Quality and Standards Agency (TEQSA) accredited William Angliss Institute to deliver two new Master degrees, a Graduate Certificate and a Graduate Diploma to join the existing five Bachelor qualifications.

The degrees are:

- Graduate Certificate in Food Systems and Gastronomy
- Graduate Diploma in Food Systems and Gastronomy
- Master of Food Systems and Gastronomy
- Master of Philosophy (Research and Major Thesis)
- Master of Philosophy (Praxis and Exegesis)

The new courses were developed in collaboration with industry and local and international academic colleagues, and continue the significant growth in the Institute's Higher Education offering.

Symposium of Australian Gastronomy

William Angliss Institute co-hosted the 21st Symposium of Australian Gastronomy with University of Melbourne from 2-5 December 2016, in collaboration with Sustain: the Australian Food Network. The Symposium saw 120 guests attending, including delegates from the UK, US, Russia, Canada and Turkey along with local gastronomic leaders, and hearing from international and local speakers around the theme of 'Utopian Appetites'. Highlights included a Gastronomica Apocolyptica dinner and banquet inspired by the writings of the 19th century utopian socialist Charles Fourier.

Short Courses

During 2016, a total of 9,741 participants completed a short course, with almost 60 completing a one week gelato course run in partnership with Carpigiano Gelato University. The Institute became the preferred training provider of Responsible Service of Alcohol and Licensees First Step for Coles, Woolworths and Aldi supermarkets.

The Institute's Coffee Academy specialist teacher, Melissa Caia, was named the first Australian Specialty Coffee Association's Elenora Genovese Coffee Woman of the Year 2016 and was featured in the Australian Hotel Association's Hotel Today magazine.

National Training

William Angliss Institute provides customised training solutions for industry clients providing a variety of delivery models to suit their specific needs.

The Institute's partnership with Voyages in the delivery of Certificate III programs at Ayers Rock Resort in Northern Territory, Mossman Gorge in Far North Queensland and Home Valley Station in Western Australian has shown continuous growth with 60 trainees graduating at Ayers Rock Resort in 2016 and graduates being offered ongoing employment.

Two new programs were offered for Voyages at Ayers Rock Resort in 2016:

- Jetstar Leadership Program (sponsored by Jetstar) delivered over four months with participants selected from previous graduates of the Certificate III program employed at Ayers Rock Resort in supervisory positions
- A 12 month supervisory program known as STEPUP for graduates of the Certificate III program employed at Ayers Rock Resort who are seeking to gain a supervisory position at the Resort on completion of the program.

Minister for Indigenous Affairs, the Hon. Senator Nigel Scullion recognised significant achievements in the Indigenous Employment and Training programs delivered by William Angliss Institute at the National Indigenous Training Academy based at Ayers Rock Resort.

The Certificate III Meat Processing (Retail Butcher) was introduced for delivery across Queensland. Training commenced for 20 trainees within six months of implementation of the marketing campaign and continues to grow.

Other ongoing national training partners include Mission Australia, Woolworths, Haigh's Chocolates, Compass Group, Cornerstone, AHA Western Australia and Coles.

Community and Industry Engagement

In 2016, the Angliss Global Network connected graduates and industry representatives through the annual Speed Networking Event as mentors for students; recruitment events including Careers & Employment Expo and Disney International Program; and through networking sessions with guest speakers Melinda Eason and Josh Wanganeen from the Victorian Aboriginal Community Services Association Limited (VACSAL) and a wine-tasting workshop with in-house experts on campus at William Angliss Institute.

Over 100 students were involved in the Melbourne Food and Wine Festival, an opportunity to apply their skills and experience at a world-famous event. Working with Peter Rowland Catering, students participated in the annual World's Longest Lunch, which hosted more than 1,600 visitors at the main straight of the Grand Prix racetrack alongside Albert Park Lake in Melbourne.

Other student career development opportunities included the annual Careers and Employment Expo, the Mentoring Program for Higher Education students, two annual networking events, a wide range of employers recruiting students on campus, two visits from Disney International Program representatives, and City of Melbourne's range of volunteering opportunities at some of Melbourne's major events plus a wide variety of work experience options, career progression opportunities and one-on-one career advice appointments .

William Angliss Institute held a range of activities to engage prospective students, including the annual Open Day in Melbourne (August), Lilydale (September) and Sydney (September), Trial-a-Trade events, Midyear Expo, Experience Angliss Day, Career Practitioners Day with 84 attendees, 189 campus tours and school visits, over 500 one-on-one consultations, and 147 off-campus events in Victoria, New South Wales and Tasmania.

Fifty-four students received grants funded by the Australian Government Department of Education and Training's Endeavour Mobility Grants and travelled the world on international study tours or study abroad programs in 2016, gaining a global outlook and a competitive edge when applying for work.

Skills and Jobs Centre

The new Skills and Jobs Centre opened at the Melbourne Campus in August 2016. The Centre is the first point-of-call for students looking to start training, workers needing to reskill, unemployed workers needing support for retraining and work placement and for employers. By December 2016, the nearly 200 prospective students had utilised the services on offer.

Industry Competitions, Events and Awards

The Institute supports competitions and activities that drive students to excel. During the year the Institute hosted, supported and participated in over 20 key industry competitions and over 25 events for the foods, tourism, hospitality and events industries.

These included the Australian Barista Championships, the Fonterra Proud to be a Chef Program, Fine Foods Australia, L'Oreal Melbourne Fashion Festival, the Nestlé Golden Chef's Hat Award National & Regional Cooking Competition, The Age VCE and Careers Expo and the William Angliss Institute Chocolate Competition.

During 2016, the Institute's commitment to education excellence was rewarded with a number of awards including:

- VicTAFE Cookery Challenge – winner
- Australian Event Awards – finalist
- Victorian International Education Awards – highly commended, Excellence in International Education
- Australian Meat Industry Council National Competition – joint winner, Meat Processing Apprentice

Foundation and Scholarships

The William Angliss Institute Foundation provides educational opportunities and financial assistance to recognise academic merit and support disadvantaged students in achieving their career ambitions. The Foundation was established in recognition of the pioneering work in the areas of hospitality and foods by the late Sir William Charles Angliss.

In 2016, the following scholarships were offered:

- Sir William Angliss Scholarship (VIC & NSW) – for domestic students commencing or continuing in any study area
- The Memorial Fund Scholarship (VIC & NSW) – for continuing international students
- Nestlé Golden Chefs Hat Scholarship (VIC & NSW) – for commencing and continuing students undertaking studies in Commercial Cookery
- Phyllis Budd Scholarship (VIC) – for apprentices and trainees within the Foods area
- The Academic Excellence Scholarship and Equity Scholarships (VIC) – for commencing Bachelor Degree students
- The Hostplus 3 Star Scholarship (VIC) – for continuing domestic students in hospitality or foods areas
- The Hostplus Indigenous Scholarship (VIC) – for domestic Indigenous students (commencing or continuing) in the hospitality or foods areas
- Australian Leisure and Hospitality Group Scholarship (VIC) – for domestic students (continuing) in hospitality management
- UK Scholarship – for cookery apprentices to undertake six weeks work experience at the Michelin-starred St John Restaurant in the United Kingdom

Sponsorships

William Angliss Institute values its positive partnerships and has developed a partnership framework that attracts organisations that can leverage or benefit from the Institute's industry status and leadership position. Our major sponsors in 2016 included Fonterra, Hostplus, Nestlé, Peerless, Robot Coupe, Cacao Barry, Marana Forni and Carpigiani Gelato University.

The Institute kindly acknowledges the support industry associations, companies and organisations have provided by means of product, equipment, sponsorships, and technical and curriculum support.

Support Services

William Angliss Institute's Support Services – Disability Services, Counselling and Personal Development and Learning Advisors – provide students with an opportunity to enhance their capacity to achieve success in an accessible, welcoming environment.

Learning Advisors offer study and learning advice to all students. In 2016, a drop-in centre was offered in the Learning Resource Centre (LRC) during term for study support as well as an after-hours online tutoring service.

The Crisis Aid and Support Team (CAST) ensures the Institute cares for its staff, students, stakeholders and local communities to the best of its ability in response to a critical incident. Chaired by the Senior Counsellor, CAST met three times in 2016 and organised Professional Development sessions including Psychological First Aid and Resilience and Wellbeing.

In 2016, 101 students received regular support from the Disability Service, and 46 students receiving in-class support.

The LRC provides quality information services to all staff and students through relevant collections, in both physical and digital forms, aligned to our teaching areas. The LRC also provides qualified library staff to advise and assist and flexible learning spaces that give student choice in how they want to learn. There were 180, 543 visitors to the LRC in 2016, and 59,794 full-text articles and eBooks downloaded from LRC databases.

International Highlights

International Students in Australia

Over 1,700 international students from more than 60 countries complement the Institute's domestic student population. Sustained enrolment growth across all courses, in particular culinary and at the Sydney campus, was a highlight in 2016.

The Institute maintained a very low Risk Rating with the Department of Immigration and Border Protection, the result of proactive recruitment practices, rigorous screening of quality students and the delivery of quality education. The Institute is one of only two TAFEs in Australia with the lowest risk rating.

Global Collaborations

William Angliss Institute was engaged by Incentives, Conventions and Events Society Asia-Pacific (ICESAP) to develop online training programs for the Meetings, Incentives, Conventions and Events sector, with the project commencing in 2015 and the development of an online learning portal which was launched in Singapore in 2016.

The Institute received funding in 2016 to run pilot tourism and hospitality vocational training programs in partnership with Dong A University in Danang, Vietnam, funded by the Department of Foreign Affairs and Trade. This pilot program covers industry-specific English language and hospitality skills training for 80 participants – 60 in front-line hospitality and 20 in culinary service. William Angliss Institute has set up an office and specialist teaching spaces in Dong A University and formed relationships with key industry organisations in readiness for program delivery which will commence in the first quarter 2017.

William Angliss Institute Pte Ltd was reappointed by the Singapore Government to operate a Continuing Education and Training (CET) Centre for a further three years. In addition the Institute's registration with the Committee for Private Education (CPE) was renewed for a further four years and Edutrust certification was achieved. William Angliss Institute Pte Ltd has continued its strong partnership with the Singapore Grand Prix (SGP) and was appointed to train over 2,000 customer service and security staff for the SGP.

With over 15 years' experience and over 2,000 students graduating from William Angliss Institute programs, the Institute's operation in China continues to lead the field of Australian tourism and hospitality training delivered in country. The strongest current partnership, with the Tourism College of Zhejiang, has had a joint venture approved to establish the Sino-Australia International Hotel Management School at Thousand Islands Lake. This joint venture is the first of its kind for hospitality training and will enable the Institute to develop a range of new programs for delivery in China.

Since 2014 WAI has 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. In 2016, this partnership has grown to three student intakes per year and includes international students from Oman. There are a growing number of Sri Lankan students who have opted to take advantage of the academic pathways to further their studies and attain a degree at the Melbourne campus. The Institute also conducted professional development courses in training and assessment for the CAHM lecturers.

The Institute's work for the Secretariat of the Association of South-East Asian Nations (ASEAN) continued in 2016. A project to produce training resources for the Travel Agencies and Tour Operations labour divisions was successfully completed, and a new project to deliver training to 80 Master Trainers and Assessors in Malaysia and Viet Nam commenced in August.

In 2016, the Institute provided skills assessment services for skilled culinary professionals from seven countries nominated under a Deed with Trades Recognition Australia. These were applicants for a work visa of up to four years to work for approved Australian employers to fill their skills shortages in cookery, bakery and pastry cooking. Skills assessment services for culinary professionals seeking permanent residency were also provided for all nationalities. There was an increase in applicants from European and South American countries during the year.

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. A new project was delivered for Starwood Hotels in Bahrain with funding provided by the government of the Kingdom, and three new contracts of training services were delivered for the Galaxy Entertainment Group in Macau.

Overseas Operations

Nature of Strategic and Operational Risks

The William Angliss Institute Strategic Plan identifies 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 2016, with performance regularly achieving and exceeding set targets. International operations have contributed significantly to the Institute's commercial targets, enabling the Institute to consolidate its financial sustainability.

Overseas Visits

In 2016, over 100 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.

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 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 and was effective until 30 June 2016. The new Constitution of William Angliss Institute of Technical and Further Education Order 2016 was made on 3 May 2016 and came into operation on 1 July 2016.

During the period 1 January 2016 to 31 December 2016 the relevant office of Minister for Training and Skills was held by the Hon. Steve Herbert MLC until 9 November 2016 and the Hon. Gayle Tierney MLC effective 9 November 2016.

The objectives, functions, powers and duties of the Institute are stipulated in the Education Training Reform Act 2006, the William Angliss Institute Constitution Order 2013 and Order 2016, and the Board Charter.

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 William Angliss Institute'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
- Full-fee paying students
- Industry or government client payments.

Activities and Programs

In 2016 course enrolments were 22,280 across the Institute's foods, tourism, hospitality and events programs.

Board Members

Dr Anne Astin PSM

BOARD CHAIR APPOINTED 1 SEPTEMBER 2016
MINISTERIAL APPOINTED DIRECTOR 1 JULY 2016
BOARD CHAIR APPOINTED 1 JUNE 2015 TO 30 JUNE 2016*
DIRECTOR APPOINTED 1 JUNE 2014

Director

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. Prior to this, Anne was a senior tutor at Monash University, working in biomedical research and education.

Anne is currently Chair of SafeFish, the Commonwealth Government's representative on Australia's Health Star Rating Advisory Committee, a member of EnergySafe Victoria's Audit and Risk Committee, a Non-Executive Director of CSIRO Agriculture and Food Advisory Committee and a Council member of Catholic Social Services Victoria. Previous positions she has held include President and Chair of the Australian Institute of Food Science and Technology (AIFST), the immediate past Chair of the Australian and New Zealand Implementation Subcommittee for Food Regulation (ISFR), Chair of Wellsprings for Women Inc., non-Executive Director of Australian Dairy Farmers Ltd, Director of Dairy Australia, Director on the Melbourne Royal Botanic Gardens and Chair of Victoria's Women in Primary Industries Advisory Panel.

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 in recognition of her leadership in, and services to, Australia's dairy industry and in 2016 was awarded the Dairy Industry Association of Australia's John Bryant Gold Medal for outstanding service to the industry.

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.

Dean Minett

MINISTERIAL APPOINTED DIRECTOR 1 JULY 2016
MINISTERIAL APPOINTED DIRECTOR 16 APRIL 2013 TO 30 JUNE 2016*
DIRECTOR SEPTEMBER 2012 TO 15 APRIL 2013

Director, Minett Consulting Pty Ltd

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

Dean is the principal of Minett Consulting Pty Ltd, working with hotel and tourism owners, operators and developers. He was previously Country General Manager, Australia/Director for The Ascott Limited, the world's largest owner/operator of serviced residences.

Dean has been actively involved in many aspects of the industry via board or committee membership including the Catering Institute of Australia, The Hospitality Management Guild, Australian Institute of Hospitality Management, Australian Hotel Association, Hotel Motel and Accommodation Association and Victoria University. He was involved with the Victorian Tourism Awards from 2001 to 2005 in the capacity of both judge and Chairman of the Mentor Panel and was recognised as a "Legend of Tourism" by Tourism Training Australia in 2004.

Dean completed his Master of Business (Hospitality & Tourism) in 2007, researching Ethics and Leadership in Hospitality and is a graduate of the Australian Institute of Company Directors.

Hon John Pandazopoulos

MINISTERIAL APPOINTED DIRECTOR 1 JULY 2016
MINISTERIAL APPOINTED DIRECTOR 1 DECEMBER 2015 TO 30 JUNE 2016*

Director

John currently holds the position of Chair of Destination Phillip Island Regional Tourism Board, one of Australia's best known tourism regions and Chair of the Victorian Government's Visitor Economy Ministerial Advisory Committee.

John is Victoria's longest continuous serving Tourism, Major Events and Gaming Minister with 28 years' experience in Public Policy, Government and Governance at International, National, State and Local Government level. Former Minister for Multicultural Affairs, Racing, Major Projects and Employment. Former Member of the 'Cleanevent' Advisory Board, one of Australia's largest Events businesses at the time. Local Councillor and Mayor in the then City of Berwick and Executive of the Municipal Association of Victoria. Former Chair and Deputy Chair Victorian Parliament Environment and Natural Resources Committee.

Matteo Pignatelli

MINISTERIAL APPOINTED DIRECTOR 1 JULY 2016
BOARD NOMINEE DIRECTOR APPOINTED 1 DECEMBER 2015 TO 30 JUNE 2016*

Owner/Operator – Matteo's Restaurant since 1994

Matteo Pignatelli graduated from the Diploma of Business in Hospitality Management at William Angliss in 1989, after winning individual awards for Culinary Studies, Food and Beverage Operations and Most Outstanding 2nd year Student. While studying, he complemented his studies by working part-time at fine dining establishments such as Jacques Reymond, Masani's and Tansy's.

After graduation, Matteo worked full time as partner/manager at Fedele's, Glen Waverley. After four years building up his successful business, he opened Matteo's in 1994, in the building once occupied by Mietta's in North Fitzroy. Housed in a Victorian terrace just past the bohemian enclave of Fitzroy's famous Brunswick Street, Matteo's is an elegant restaurant serving contemporary Australian cuisine.

Since opening, Matteo's has built a strong following and a fine reputation. This is not only reflected by its loyal customer base but by the many awards won through Matteo's commitment to a high standard of cuisine and service. Matteos is currently awarded 2 Hats in The Age Good Food Guide. He is currently National President of the Restaurant & Catering Association of Australia, Chairman of Restaurant & Catering Association Victorian Council (since 2008), and a Trustee of Restaurant & Catering Association Education Foundation. He is also a board member of City of Melbourne's Melbourne Retail and Hospitality Advisory Board.

Beth Schofield

MINISTERIAL APPOINTED DIRECTOR 1 JULY 2016
MINISTERIAL APPOINTED DIRECTOR 16 APRIL 2013 TO 30 JUNE 2016*
BOARD NOMINEE APPOINTED DIRECTOR 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.

Dr David Foster

CO-OPTED DIRECTOR 1 AUGUST 2016
BOARD NOMINEE DIRECTOR 22 MAY 2013 TO 30 JUNE 2016*

Director

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, Tourism Noosa, Tourism Sunshine Coast 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.

Morris Lieberman

BOARD NOMINEE DIRECTOR APPOINTED 1 JUNE 2014 TO 30 JUNE 2016*

Group GM Business Systems Integration, Programmed Maintenance Services Ltd

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 Practicing Accountants and a member of the Australian Computer Society.

Madelyn-Anne Ring

CO-OPTED DIRECTOR APPOINTED 1 AUGUST 2016
MINISTERIAL DIRECTOR APPOINTED 16 APRIL 2013 TO 30 JUNE 2016*
BOARD DIRECTOR APPOINTED OCTOBER 2011 TO 15 APRIL 2013**

People Director – Commercial, Carlton & United Breweries

Madelyn-Anne Ring has over 20 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 a Master of Business Administration. Her current role focuses on developing organisational capability to improve business performance. She is also a board member of Women in Drinks, which is part of the Drinks Association.

Wendy Jones
CO-OPTED DIRECTOR APPOINTED 24 OCTOBER 2016

Executive Officer – Goulburn River Valley Tourism

Wendy Jones is a passionate tourism and hospitality industry practitioner, with a background in association management. She has worked with executive teams and boards across the tourism industry, the environment sector and community. Wendy stepped into her current role as Executive Officer of Goulburn River Valley Tourism in July 2013 and was a founding director of its board for the previous three years. She is currently a judge for the Victorian Tourism Awards.

Wendy's tourism and hospitality experience varies from owner-operator to industry association management in both Victoria and the Northern Territory. Her previous roles have included CEO of the Restaurant & Catering Association of Victoria, Keep Australia Beautiful Victoria and the Northern Territory Tourism Industry Training Council, where she spent nearly ten years living in Darwin before returning to live in regional Victoria.

Wendy holds a Master of Business (Human Resource Management) Charles Sturt University and a Bachelor of Arts University of Melbourne. She is also a graduate of the Australian Institute of Company Directors.

Karon Hepner
ELECTED DIRECTOR APPOINTED 1 JULY 2016

Elected Director - The Elected Director is a staff member of the Institute and is elected by the staff of the Institute to the elected director position.

Karon Hepner has over 30 years' experience in the hospitality, events, foods and education industries with positions held in the Human Resources and Learning and Development sectors with the following organisations: Compass Group (Australia) P/L; Delaware North (Australia); Royal Automobile Club Victoria (RACV); Australian Venue Services; Tourism Training Victoria; Hilton Hotels and RMIT.

Prior to joining the Institute in late 2007, she was actively involved in Board and Committee memberships of the following bodies: Holmesglen Institute of TAFE; Box Hill Institute of TAFE; Australian Hospitality Review Panel; La Trobe University Tourism Hospitality and Sports Advisory Board; Service Skills Victoria; VETis Taskforce and VCAA – VCE Exam Industry Vetter.

Karon has been the recipient of a number of industry awards prior to joining the Institute including Tourism Training Australia for Training contribution to the Hospitality and Tourism Industries; Australian Institute of Hospitality Management for contribution to Hospitality Training and Tourism Training Australia – National Trainers Award.

Karon's qualifications include: Graduate Diploma in Education, Degree in Business (Hotel Management), and Diploma of Applied Science.

Nicholas Hunt
MANAGING DIRECTOR APPOINTED 1 JULY 2016

The Managing Director is the Chief Executive Officer of the Institute.

Nicholas Hunt was appointed Chief Executive Officer of William Angliss Institute in 2007. Since joining the Institute Nick has focussed on developing WAI's educational programs, strengthening the Institute's activities in support of industry and leading the Institute's operational changes and strategic development in a period of significant change and reform.

Prior to joining the Institute Nick held a variety of positions in tourism and education development sectors. These include CEO - Tourism Alliance Victoria, CEO - Country Victorian Tourism Council and Executive Director - Tourism Training Victoria.

Outside of the Institute, Nick is Chair of the TAFE Directors Australia Finance and Audit Committee, the national body representing public TAFE providers and Treasurer of the Victorian TAFE Association.

Nicholas' qualifications include a Master of Education Policy (International), University of Melbourne, Bachelor of Arts (Hons), University of Tasmania and he is also a Graduate of the Australian Institute of Company Directors.

* The William Angliss Institute Board went out of office on 30 June 2016 as the Government implemented reforms to the governance structures of TAFEs. The incoming Ministerial Appointed Board Directors came into office effective 1 July 2016.

**The William Angliss Institute Board went out of office on 15 April 2013. The incoming Board came into office effective 16 April 2013.

Attendance, Code of Conduct & Committees

Attendance at Board and Committee Meetings 2016

Board Member	Board
Dr A Astin PSM	7 of 7
Dr David Foster	6 of 6
Karon Hepner	4 of 4
Nicholas Hunt	4 of 4
Wendy Jones	2 of 2
Morris Lieberman	3 of 3
Dean Minett	7 of 7
Hon. John Pandazopoulos	7 of 7
Matteo Pignatelli	5 of 7
Madelyn Ring	6 of 6
Beth Schofield	7 of 7

The Board met seven times during the year. An Annual Meeting was held on 9 May 2016. During 2016, no Board Members declared a potential pecuniary interest in issues discussed during Board meetings.

Board Composition

From 1 January 2016 to 30 June 2016 the Board comprised 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

From 1 July 2016 to 31 December 2016 the Board comprised ten members:

- Five Ministerial Directors appointed by the relevant Minister
- Three Co-opted Directors
- Elected Director
- Managing Director CEO

The role of Board Secretary was held by Judy Slevison.

Governance Charter

The Board annually reviews the Board Governance Charter; this was undertaken in May 2016.

Code of Conduct

The Board originally developed and approved its own Code of Conduct in 2006, which is reviewed annually. The Code of Conduct 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 annual financial statement
- 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 Board members comply with the agreed Board Members' Code of Conduct.

Board Committees

Finance, Audit and Risk Management Committee

Committee Members:

Beth Schofield (Chair), Morris Lieberman, Dean Minett, Hon. John Pandazopoulos, Matteo Pignatelli, Brenda Richardson and Madelyn Ring.

Resignations from the Committee:

Morris Lieberman 30 June 2016

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 2016 the Finance, Audit and Risk Management Committee held four meetings.

Remuneration Review and Board Membership Committee

Committee Members:

Dr Anne Astin (Chair), Dean Minett, Hon. John Pandazopoulos, Matteo Pignatelli, Madelyn Ring and Beth Schofield.

Resignations from the Committee:

Madelyn Ring 30 June 2016

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 team, compliance with the Government Sector Executive Remuneration Panel (GSERP) guidelines and review of Board membership requirements.

During 2016 the Remuneration Review and Board Membership Committee held three meetings.

Building Fund Committee

Committee Members:

Dean Minett (Chair), David Foster and Beth Schofield.

Established in June 2015, the main objective of the WAI Building Fund Committee is to work with management on the development of the WAI Master Plan and advise the Board in relation to the development and maintenance of the Integrated Asset Management Plan which includes a strategy to secure sufficient capital funds for the implementation WAI Master Plan.

During 2016 the Building Fund Committee held one meeting.

Higher Education Academic Board

Board Members:

Dr David Foster (Chair), Professor Kwong Lee Dow, Professor Marcia Devlin, Nicholas Hunt, Wayne Crosbie, Dr Paul Whitelaw, Associate Professor Leonie Lockstone-Binney, Associate Professor Melanie Williams, Dr Larry Foster, Andrew Dolphin and Brandyn Oberhardt (Student Representative).

Resignations from the HEAB:

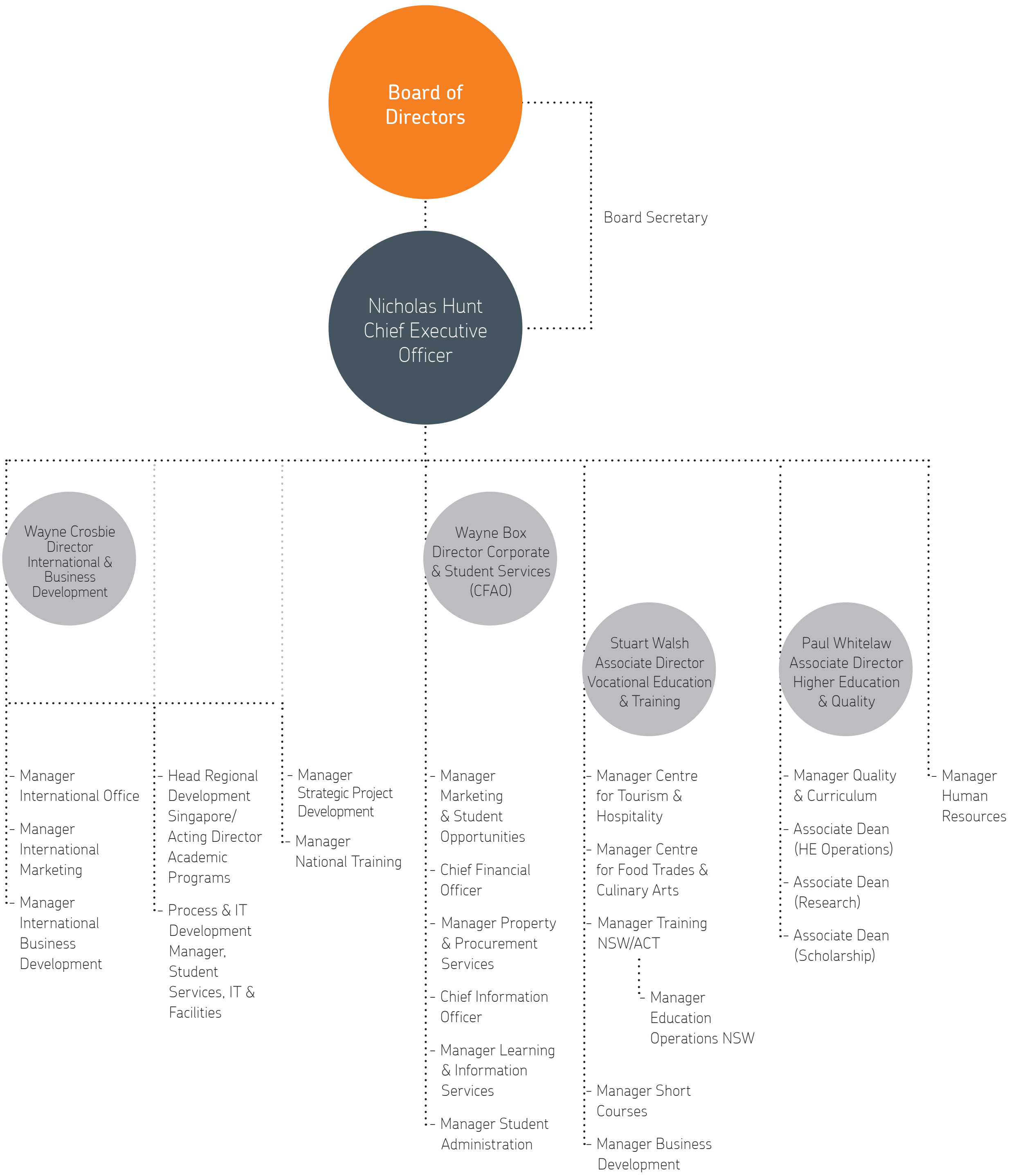
Sally Taouk (Student Representative) resigned 16 March 2016

The William Angliss Institute Higher Education Academic Board has delegated responsibility from the William Angliss Institute Board for the academic governance of the Institute's Higher Education courses.

It is responsible for providing advice to the William Angliss Institute Board; maintaining the highest standards of scholarship, teaching and research; developing and monitoring Higher Education courses; and formulating and reviewing policies and procedures in relation to academic matters.

During 2016 the Higher Education Academic Board held four meetings.

Organisational Chart



Executive Team

Wayne Box

DIRECTOR CORPORATE AND STUDENT SERVICES

The Corporate and Student Services Director is responsible for all administrative units of the Institute including financial and business analysis, information technology, marketing and student activities, corporate governance, student learning and information services, student records and enrolments, and property and procurement services.

The Corporate and Student Services 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.

The Corporate and Student Services Director is the Chief Finance and Accounting Officer for the Institute, and chairs the Occupational Health and Safety, Food Safety, Sponsorship, Environmental Sustainability committees, and the Information Technology Change Control Board.

Wayne has extensive strategic financial leadership experience across a range of industries including FMCG, events, media, not-for-profit, arts, education and public sector.

Wayne holds a Bachelor of Business (Accounting), is a Chartered Accountant (CA) and is a Graduate of the Australian Institute of Company Directors (GAICD).

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 has over 35 years' experience working within the tourism and hospitality industries. Wayne holds a Diploma of Education and a Bachelor of Business.

Stuart Walsh – Appointed 24 October 2016
(Jim Irwin – Acting 1 July 2016 to 20 October 2016)
(Dan Mabilia – Resigned 30 June 2016)

ASSOCIATE DIRECTOR VOCATIONAL EDUCATION AND TRAINING (VET)

The Associate Director VET is responsible for the delivery of a diverse range of Vocational Education and Training programs offered in four areas: Centre for Tourism and Hospitality; Centre for Food Trades and Culinary Arts; Industry Training Centre- Sydney; and Short Courses, within these areas the vocational training pertaining to the following areas is covered; Cookery, Patisserie, Bakery, Meat, Food Technology, Hospitality, Travel, Tourism, Resorts, Events and the Angliss International Hotel School.

The Associate Director has responsibility for leading and supporting the effective and timely integration of flexible and workplace based delivery practices with campus delivery, across all sites as well as, ensuring the Institute meets internal and external quality reporting requirements with regards to all Vocational Education and Training programs delivered at the Institute

Stuart Walsh is a career educator and chef with 35 years' experience and a wealth of private and public sector experience.

Most recently Stuart held the position Head of School at Le Cordon Bleu (LCB) Ottawa and Senior Academic Director at LCB for the Americas. Previous educational leadership positions have included Dean of the Faculty of Tourism and Hospitality Management at Canberra Institute as well as positions at GippsTAFE, Box Hill Institute and Swinburne University. In the private sector, Stuart was the founder of the Culinary Academy at the Hotel Sofitel Melbourne.

Paul A Whitelaw (PhD)

ASSOCIATE DIRECTOR HIGHER EDUCATION AND QUALITY

The Associate Director Higher Education and Quality is responsible for the delivery of Higher Education courses offered by the Institute. At this stage, this includes five undergraduate degree programs: Bachelor of Tourism and Hospitality Management, Bachelor of Culinary Management, Bachelor of Event Management, Bachelor of Food Studies and Bachelor of Resort and Hotel Management. Plans are underway to expand this with bachelor-level courses in institutional management and professional cookery. Long term, the area will seek permission to accredit and deliver both bachelors and masters level courses.

The role is also 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.

Prior to joining the Institute, Paul had over 20 years' experience in various teaching and executive roles at the School of Hospitality, Tourism and Marketing in the Faculty of Business at Victoria University, and nearly 15 years' experience in various line and executive positions in the hospitality industry as well as rigorous academic training in finance, accounting and statistics.

Paul completed his PhD on career progression in the hospitality industry, he holds a Masters of Business (Finance), a Bachelor of Business Accounting (Dist.), a Bachelor of Business Catering and Hotel Management (Dist.) and a Certificate of Business Studies (Marketing).

Performance Statement

During 2016 the Institute worked towards achieving key performance targets. The table below provides a snapshot of these measures.

Key Performance Indicators 2016	Actual 2015[1]	Target 2016	Actual 2016[1]	Variance 2016 Actuals vs. Targets	Variance Explanations	Strategic Plan Initiatives
Educational						
Enrolled Student Contact Hour (SCH)	4,447,265	4,227,995	4,318,438	90,443	Increased marketing and delivery effort across all areas of the operation has resulted in improved educational delivery performance. There has been an increase in international student enrolments in 2016.	Market Leader Review and Improve
Course Enrolments	20,644	18,000	22,280	4,280	Same as above	Market Leader Review and Improve
Module Load Completion Rate	91.03%	80.00%	92.23%	12.23%	Overall improved outcomes for students through better student engagement and blended delivery models. A larger percentage of the student cohorts have higher levels of ability with respect to language, literacy and numeracy.	Market Leader Review and Improve
Student Satisfaction	74.40%	80 - 90%	74.20%	-5.80%	WAI continues to work on improved student satisfaction.	Augment Brand Market Leader
Industry Satisfaction	65.60%	78-85%	69.66%	-8.34%	WAI continues to work with industry to improve training products.	Review and Improve
Financial						
Revenue	$59.726M	$59.763M	$63.940M	$4.177M	Increases in course pricing and higher enrolment levels have had a positive impact on revenue levels.	Review and Improve Share and Leverage Regionally Active
Surplus/Deficit (excluding Capital Income and Depreciation)	$5.836M	($1.151M)	$8.451M	$9.602M	The improved operating result reflects increased emphasis on growing training revenue and maintaining cost control. Results were also favorably impacted by unbudgeted project funds received.	Review and Improve
Working Capital Ratio	1.49[2]	>1:1	1.89	0.89	Both an improved cash position and lower payables at year end positively impacted the working capital ratio.	Review and Improve
Employment costs as a proportion of Training Revenue	76.7%	<65%	73.1%	8.1%	Improving trend reflecting greater levels of cost control.	Review and Improve
Training Revenue per Teaching FTE	$222.54K	$220.00K	$223.74K	$3.74K	Positive trend reflecting higher training revenue and cost control measures.	Review and Improve
Operating Margin %	5.1%	N/A	9.4%	N/A	The improved operating result reflects increased emphasis on growing training revenue and maintaining cost control in addition to the receipt of government project funding.	Review and Improve
Revenue Diversity - Government vs. Non Government Funded Training	25% vs 75%	22% vs 78%	20% vs 80%	N/A	The shift towards non-government funded revenue reflects the increase in student fees for both government supported and full fee paying students.	Regionally Active Share and Leverage
People Management						
Full Time Equivalent (excluding casuals)	258.2	317.0	286.0	-31.0	Staffing levels in line with increased revenue activity	Market Leader Review and Improve
Staff Satisfaction	66%[3]	>70%	69%	-1%	Positive trend	Market Leader Review and Improve
Lost time due to injuries	77 days	< 65 days	26 days	-39	Positive result due to fewer accidents and injuries occurring and careful management of OHS processes and practices.	Market Leader Review and Improve

[1] Actual result is for William Angliss Institute of TAFE Consolidated entity
[2] Working capital ratio calculation for 2015 restated to ensure consistency for comparative purposes
[3] New survey (VPSC People Matters) implemented in 2015 with revised target

William Angliss Institute | Specialist centre for foods, tourism, hospitality & events

PERFORMANCE STATEMENT FOR 2016

Declaration by Board Chair, Chief Executive Officer and Chief Finance and Accounting Officer

In our opinion, the accompanying Statement of Performance of the William Angliss Institute consolidated entity, in respect of the 2016 financial year, is presented fairly in accordance with Departmental guidelines.

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

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

Dr Anne Astin PSM
Board Chair

Date 14 March 2017

Place Melbourne

Nicholas Hunt
Chief Executive Officer

Date 14 March 2017

Place Melbourne

Wayne Box
Chief Finance and Accounting Officer

Date 14 March 2017

Place Melbourne

Compliance

Freedom of Information

The Institute respects the right of the public under the *Freedom of Information Act 1982* to request access to documented 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

Applications should state that the request is an application for the purposes of the *Freedom of Information Act*, describe the document/s sought after in enough detail to allow the Institute to identify and find the relevant document/s and provide contact details for the Institute to reply to. An application fee will apply and other charges may be incurred in accordance with the *Victorian Freedom of Information (Access Charges) Regulations 2014*.

For the period 1 January 2016 to 31 December 2016 the Institute received one request for information under the *Freedom of Information Act*.

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* (formerly the *Whistleblowers Protection Act 2001*)

The Institute does not tolerate improper conduct by its employees or officers, nor the taking of reprisals against those who come forward to report such conduct. In accordance with the *Protected Disclosure Act 2012*, the Institute has a policy and procedural framework in place to encourage and facilitate the disclosure of improper conduct within the Institute for reporting and investigative purposes.

Disclosure of improper conduct or detrimental action by the Institute or any of its staff or officers should be reported directly to the Independent Broad-based Anti-corruption Commission (IBAC):

Phone:	1300 735 135
Fax:	(03) 8635 6444
Street address:	Level 1, North Tower, 459 Collins St, 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 2016 to 31 December 2016, 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 the *Carers Recognition Act 2012*

The *Carers Recognition Act 2012* formally acknowledges the significant contribution that carers make to the Australian community. William Angliss Institute considers the carers recognition principles as set out in the Act when developing relevant staff and student policies, procedures and provision of services. These include:

- Flexible working arrangements
- Part-time work opportunities
- Opportunities to purchase leave
- An employee assistance program.

Students with carer responsibilities or those with a disability are also supported at the Institute through:

- Application of special consideration arrangements
- Provision of reasonable accommodation to enable participation
- Provision of additional supports such as access to counselling and disability support services.

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 and Order 2016
- 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 1993*
- *Protected Disclosure Act 2012*
- *Victorian Industry Participation Policy Act 2003*
- *Freedom of Information Act 1982*

Risk Management

I, Nicholas Hunt certify that as at 31 December 2016 William Angliss Institute has complied with the Ministerial Standing Direction 3.7.1 – Risk Management Framework and Processes and the Finance, Audit and Risk Management Committee verifies this.

Nicholas Hunt
Chief Executive Officer
14 March 2017

Major Commercial Activities

During the period 1 January 2016 to 31 December 2016 there were no major commercial activities to report.

Capital Projects

During the period 1 January 2016 to 31 December 2016 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:

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

Human Resources

Institute staff are offered a range of learning and development opportunities each year to ensure that employees acquire the skills and knowledge to meet current and future requirements of the Institute as outlined in the Institute's Strategic and Workforce Management Plans.

Learning and Development

The Institute has a workforce that spans across six Australian states and territories and has international joint campus arrangements with partner education institutions in many countries in the ASEAN region.

The Institute focuses on attracting and retaining staff that are capable of providing quality skills solutions to industry and government. The Institute offers appealing career prospects in our areas of specialty and attracts a high number of quality candidates.

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. In 2016, the Institute offered a wide variety of learning and development activities to ensure all employees acquire the skills and knowledge to meet the current and future requirements of the Institute whilst assisting employees in their career development. This included:

- Organisation-wide online compliance training program
- Technical training including new teaching technology
- People management training
- Focused teacher training including compliance and innovation.

The Institute continues to support a number of staff during the year by providing financial assistance to obtain a formal qualification which enables them to perform their role more effectively and enhance their career development. This assistance was accessed via an application and formal approval process.

William Angliss Institute was again awarded five grants by the VET Development Centre in 2016. The grants spanned across the following project categories:

- Specialist scholar
- Research fellow
- Innovation in learning program (digital)
- Workforce development

Scholarly Profile

The Institute's 'Scholarly Profile' for 2016 continues to be positively benchmarked against the Institute's previous research activity which includes conference participation, research publications, funded and self-directed research projects, seminar attendance and various scholarly projects.

Off Shore Opportunities

The Institute has a workforce that spans Victoria, New South Wales, Queensland, South Australia, Western Australia and Northern Territory. Our international footprint includes joint campus arrangements with partner education institutions in China (Hangzhou, Zhongshan and Nanjing), Vietnam (Danang), Sri Lanka (Colombo), and a stand-alone Tourism Continuing Education and Training (CET) Centre in Singapore. We continue to maintain strong relationships with partner institutes in Malaysia and Thailand.

Reward and Recognition

In 2016 we saw an increase in the nomination of staff for demonstrating outstanding achievements across the four key areas of Client Service Excellence, Innovation, Teaching Excellence and Occupational Health and Safety. This culminated in selecting and awarding one staff member per quarter for their outstanding contribution.

Workforce Data

Overall, the Institute workforce increased by 71.4 Equivalent Full-Time (EFT) employees in 2016 compared to the 2015 staffing figures. The following table provides a snapshot of staff numbers as at 31 December 2016.

As at 31 December 2016[‡]

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	39	17	56	48.3
	Male	47	3	50	48.8
Fixed term	Female	13	4	17	15.7
	Male	21	1	22	21.5
Subtotal		120	25	145	134.3
Casual**	Female	-	71	71	29.9
	Male	-	80	80	34.4
Subtotal		-	151	151	64.3
TOTAL		120	176	296	198.6
Non-Teaching Staff		**F/Time**	**P/Time**	**Total**	**EFT**
Executive Officers	Female	0	0	0	0
	Male	5	0	5	5.0
Subtotal		5	0	5	5.0
PACCT* ongoing	Female	74	22	96	88.8
	Male	39	0	39	39.0
PACCT fixed term	Female	11	2	13	12.4
	Male	5	3	8	6.5
Subtotal		129	27	156	146.7
TOTAL		134	27	161	151.7
Total Female		137	116	253	195.1
Total Male		117	87	204	155.2
Grand Total		254	203	457	350.3

* Professional, Administrative, Clerical, Computing and Technical Staff

** Casual data based on labour effort reported in last pay period in December.

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	-
45-54	4
55-64	3
Over 64	-

As at 31 December 2015

Teaching Staff		F/Time	P/Time	Total	EFT
Ongoing	Female	34	15	49	43.4
	Male	44	5	49	46.9
Fixed term	Female	10	3	13	12.0
	Male	15	1	16	15.3
Subtotal		103	24	127	117.6
Casual**	Female	-	19	19	10.2
	Male	-	19	19	10.5
Subtotal		-	38	38	20.7
TOTAL		103	62	165	138.3
Non-Teaching Staff		**F/Time**	**P/Time**	**Total**	**EFT**
Executive Officers	Female	0	0	0	0
	Male	5	0	5	5
Subtotal		5	0	5	5.0
PACCT* ongoing	Female	65	22	87	78.3
	Male	38	2	40	39.4
PACCT fixed term	Female	14	1	15	12.9
	Male	5	0	5	5.0
Subtotal		122	25	147	135.6
TOTAL		127	25	152	140.6
Total Female		123	60	183	156.8
Total Male		107	27	134	122.0
Grand Total		230	87	317	278.9

* Professional, Administrative, Clerical, Computing and Technical Staff

** Casual data based on labour effort reported in last pay period in December.

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	3
55-64	2
Over 64	-

‡ The TAFE 2016 Annual Reporting Guidelines specified a revised FTE calculation methodology for 2016. This will have caused some variation to the 2015 reported FTE figures.

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's Safety Improvement Plan for 2016 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, staff training was conducted on the changes to labelling of hazardous chemicals. All staff also completed mandatory refresher training on health and safety and workstation ergonomics.

In addition to training, 10 employees received one-to-one assistance in improving their workstation ergonomics. To support the health of employees, the Institute also provides an annual flu vaccination program with 97 employees receiving vaccination in 2016.

Injury management performance is regularly monitored through a range of performance measures. These include supervisor attendance at mandatory safety training and related people management training, timeliness of incident reporting, lost time due to workplace injury and WorkCover claims costs. Improved safety performance contributes to improvements in workplace culture, employee satisfaction and reduced workers' compensation insurance costs.

While there was an increase in the number of reported incidents, there was a low number of both standard and lost time claims in 2016. Lost time due to workplace injuries also significantly improved.

Employment and Conduct Principles

In 2016, 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 employee rights and responsibilities. Employees have been correctly classified in workforce data collections prepared during the 2016 calendar year.

The Institute reviewed the guidance provided to staff in its Staff Code of Conduct including, in relation to conduct with colleagues and students, use of social media and conflict of interest.

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.

Industrial Relations

An enterprise agreement was finalised for the William Angliss Institute's Professional, Administrative, Clerical, Computing and Technical (PACCT) staff and came into effect on 17 August 2016. Negotiations were also commenced at the industry level for a new Multi-Employer Agreement (MEA) for TAFE teachers.

The Institute has a consultative committee for teaching staff for the purpose of implementing and monitoring the enterprise agreement.

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 2016 declarations were received from 91 employees.

As at 31 December

Occupational Health And Safety Measure		2014	2015	2016
Incidents	Number of incidents	24	20	28
	Rate per 100 FTE	9.26	7.75	9.93
Claims	Number of standard claims	1	3	0
	Rate per 100 FTE	0.37	1.16	0
	Number of lost time claims	3	3	2
	Rate per 100 FTE	1.11	1.16	0.7
	Average cost of standard claims	$4569	$4789	0
Fatalities	Number of fatality claims	Nil	Nil	Nil
Incident Reporting	% reported within 2 days of occurrence	87%	70%	84%
Lost time	Number of lost days	53	72	26
Training	Manager/Supervisor attendance at mandatory safety and related people management training	72%	75%	82%

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.

	2016			2015		
Indicator	Electricity	Natural gas	Green power	Electricity	Natural gas	Green power
Total energy usage	3,262.7 Mwh	12607.6 GJ	777.4 Mwh	3761.4 Mwh	14,110 GJ	750.97 Mwh
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tCO2e)	2760.3	649.7	387.60kWh	2,653.8	725.9	0
Percentage of electricity purchased as green power	11.8%	-	-	25%	-	-
Units of energy used per Student Contact Hour	.77	2.97	.18	.97	3.66	.19-
(MJ/SCH)						

SCH = 4,238,520 @ 1/12/16

Waste

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

	2016				2015			
Indicator	General	Commingled recycling	Cardboard	Glass	General	Commingled recycling	Cardboard	Glass
Total units of waste disposed of by destination (kg/yr)	276,135	33,240	24,282	1880	237,420	36,912	23,897	2,040
Units of waste disposed of per FTE by destinations (kg/FTE)	1000	120	88	7	826	128	83	7
Recycling rate (percentage of total waste)	17.7%				16%			

Actions Undertaken

- Institute intranet regularly updated with environmental statistical information and the promotion and encouragement of recycling benefits
- Encourage staff to use more effective waste management practices.

FTE = 276 @ 30/9/16

Targets

- Increase recycling rate to 25% by December 2017

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	2016	2015
Total units of copy paper used (reams)	3,487	3,636
Units of copy paper used per FTE (reams/FTE)	12.63	12.66
Percentage of 100% recycled content copy paper purchased	7.31	3
Percentage of 75% recycled content copy paper purchased	N/A	N/A
Percentage of 50% recycled content copy paper purchased	0.72	N/A

Water

The data in the table below is based on water meter readings of the whole site at the Melbourne campus.

Indicator	2016	2015
Total units of metered water consumed by usage types (kilolitres)	22,869	21,779

Actions Undertaken
Rectified major leak in Building F in May 2016.

Transportation

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

Indicator	2016	2015
Total kilometres travelled from vehicle fleet	230,317	271,121
Total litres used from vehicle fleet	19,287	21,083
Total distance travelled by air (kilometres)	2,665,062	1,672,936

Greenhouse Gas Emissions

Indicator	2016	2015
Total Greenhouse Gas Emissions associated with energy use (tonnes CO2-e)	3410	3379.7
Total Greenhouse Gas Emissions from vehicle fleet (tonnes CO2-e)	44.16	52.707
Total Greenhouse Gas Emissions from air travel (tonnes CO2-e)	650.08	318.59
Total Greenhouse Gas Emissions associated with waste disposal (tonnes CO2-e)	303.89	261.23

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.

Environmental Sustainability

William Angliss 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 the running of many large ovens, water supply including supply of hot water for hygiene requirements and some food waste. The Institute continues to introduce sustainable practices to manage these resources and reduce waste.

In 2016, the Institute:

- Continued the Sustainability Action Team, meeting 3 times during the year. This committee measures its achievements against objectives of the Institutes Environmental Sustainability Strategy 2015- 2017 and set new targets and initiatives for Environmental Sustainability.
- Introduced worm farms to fertilise the Rain Garden by using food scraps from training kitchens
- Increased the use of recycled copy paper
- Recycled all the used cooking oils from production kitchens, unit kitchens and demonstration kitchens
- Encouraged staff to use public transport with discounted 'Commuter Club' membership (seven continuous years)
- Introduced a mobile phone recycling station for students and staff
- As part of its upgrade in IT infrastructure, the efficiency of the new equipment is projecting an annual saving of 125,137Kwh per annum with a 45%reduction in CO_2 emissions.

Fees and Charges

In 2016, fees payable by enrolling students were made up of three components:

1. Tuition contributions

Tuition contributions were charged as an hourly rate which varied from course to course. A portion of the tuition fee was subsidised by the Victorian Government as part of the Victorian Training Guarantee (VTG).

- The fees were calculated based on the number of hours of enrolment per calendar year, at a rate that varied depending on the course.
- All hourly rates were set by the Institute as part of the budget process.
- Those students eligible for concession fees paid 20 per cent of the published standard hourly rate.

2. General services fee set by the Institute

General services fees are applicable to all students attending on-campus. Those students who met the eligibility criteria for the VTG were charged general services fees at a minimum of 50 cents per scheduled hour enrolled per calendar year. For those students who did not meet the eligibility criteria, the general services fees were built into the course tuition fee.

- General services fees contribute to the provision of the following student services: counselling, careers, resources, library, student user account, wireless internet and a wide range of student facilities including the student portal.

3. Class materials

Class materials fees are charged to cover the costs of materials and other incidentals. This fee varied according to the course being undertaken.

In addition to the general services and class materials fees, the Institute made the following charges to students for services provided at times other than the completion of the academic year, or completion of a student's course:

Fee	Pre 1/11/16	From 1/11/16
First Issue of a certificate (includes results on transcript paper)	Free	Free
First issue of an RSA certificate	$15	$15
Reissue of a certificate (Accredited Courses)	$30	$80
Reissue of a certificate (Short Courses – Compliance)	$30	$30
Archived results	$60	$100
Archived certificate	$60	$100
Archived results and certificate	$120	$180
Results on plain paper	Free	Free
Results on transcript paper	$10	$15
Reinstatement Fee	$100	$150
Replacement of Student ID Card	$25	$25
Refund administration fee	$55	$55
Administration fee for making changes to Short Course bookings	$20	$20
International administration fee*	$100	$100
Reissue of Letter of Completion*	$10	$10
Reissue of letter for legal purposes*	$10	$10
Telegraphic Transfer (TT) of tuition fees*	$25	$25
No-show for pre-booked airport reception service*	$60	$60
Penalty for late tuition fee payment (per week)*	$100	$100
Reissue of Letter of Offer*	$100	$100
Reissue of Confirmation of Enrolment*	$150	$150

* International Students

Publications and Research

A broad scope of applied research activities related to the Institute's specialisations of Foods, Tourism, Hospitality and Events are listed below.

Books

- Beeton, S. (2016). *Film-induced tourism* (2nd ed.). Bristol: Channel View Publications.
- Frost, W., Laing, J., Best, G., Williams, K., Strickland, P., & Lade, C. (2016). *Gastronomy, Tourism and the Media.* Bristol: Channel View.

Book Chapters

- Strickland, P., Williams, K. M., Laing, J., & Frost, W. (2016). The use of social media in the wine event industry: A case study of the High Country Harvest in Australia. In G. Szolnoki, L. Thach & D. Kolb (Eds.), *Successful social media & ecommerce strategies in the wine industry* (pp: 74-92). New York: Palgrave Macmillan.
- Winter, C. (2016). Celebrating peace and commemorating war in the city of Ieper. In K. Reeves, G. Bird, L. James, B. Stichelbaut & J. Bourgeois (Eds.), *Battlefield events: Landscape, commemoration and heritage* (pp. 77-94). London: Routledge.
- Taylor, P., Frost, W., & Laing, J. (2016). Meeting the Challenge of Managing Visitor Experiences at Tourism Attractions. In J. N. Albrecht (Ed.), *Visitor Management in Tourism Destinations.* CABI, Boston, USA, pp.22-32.

Refereed Journal Articles

- Baum, T., Solnet, D., Robinson, R., & Lockstone-Binney, L. (2016). What about the workers? Roles and skills for employees in the hotels of the future. *Journal of Vacation Marketing, 22(3)*, 212-226.
- Cornell H. J., Stelmasiak T., Small D. M., & Buddrick O. (2016). Application of the rat liver lysosome assay to determining the reduction of toxic gliadin content during breadmaking. *Food Chemistry, 192*, 924-927.
- Chhetri, P., Jayatillake, G., Gekara. V., Manzoni, A., & Corbitt, B. (2016). Container terminal operations simulator (CTOS): Simulating the impact of extreme weather events on port operation. *European Journal of Transport and Infrastructure Research, 16(1)*, 195-213.
- Donati, K., Cleary, L., & Rose, N. (2016). Cultivating the critical food artisan: The emergence of an undergraduate food studies program in Australia. *Victorian Journal of Home Economics, 55(1)*, 24-29.
- Lockstone-Binney, L., Whitelaw, P. A., & Binney, W. (2016). Crown land management from a volunteer perspective: The Victorian example. *Australasian Journal of Environmental Management, 23(2)*, 130-140.
- Skovic, V., Lynch. P., & Morrison, A. (2016). In search of inhospitable knowledge. *Hospitality & Society, 6(1)*, 31-54.
- Taylor, P. (2015). What factors make rail trails successful as tourism attractions? Developing a conceptual framework from relevant literature. *Journal of Outdoor Recreation and Tourism, 12*, 89-98. Not reported in 2015.
- Winter, C. (2016). Tourism and making the places after war: The Somme and Ground Zero. *AlmaTourism, 5*, 26-43.
- Winter, C. (2016). Work, travel and home: A study of remembrance activity. *Current Issues in Tourism, 19(6)*, 590- 604.
- Winter, C. (2016). Loving thoroughbreds to death: conflicting values in leisure experience. *Annals of Leisure Research*, http://dx.doi.org/10.1080/11745398.2016.1265458.

Refereed Conference Papers

- Fang, M., Nguyen, T-H., & Junek, O. (2016). Evaluating tourism leadership development programs: A conceptual framework. In D. Fortin & L. K. Ozanne (Eds.), *Proceedings of ANZMAC 2016, Marketing in a post-disciplinary era* (pp. 644-651). Christchurch: University of Canterbury.

Working Papers and Extended Abstracts

- Birch, L., & Ristevska, D. (2016). A collaborative approach to developing successful mentoring programs: The case of William Angliss Institute. In M. Scerri & L. K. Hui (Eds), *CAUTHE 2016: The changing landscape of tourism and hospitality: The impact of emerging markets and emerging destinations* (pp. 800-808). Sydney: Blue Mountains International Hotel Management School.
- Lagos, E., Hall, J., & Wong, H. Y. (2016). Investigating brand equity elements of battlefield sites: A study of the Gallipoli centenary. In M. Scerri & L. K. Hui (Eds), *CAUTHE 2016: The changing landscape of tourism and hospitality: The impact of emerging markets and emerging destinations* (pp. 844-850). Sydney: Blue Mountains International Hotel Management School.
- Lockstone-Binney, L., Holmes, K., Smith, K., & Shipway, R. (2016). The challenges of researching event legacies: Investigating the volunteering legacies of the Sydney 2000 and London 2012 Olympic Games. In M. Scerri & L. K. Hui (Eds), *CAUTHE 2016: The changing landscape of tourism and hospitality: The impact of emerging markets and emerging destinations* (pp. 966-972). Sydney: Blue Mountains International Hotel Management School.
- Lockstone-Binney, L., Mair, J., & Whitelaw, P. A. (2016). Academic conference attendance: Further insights from the CAUTHE conference survey. In M. Scerri & L. K. Hui (Eds), *CAUTHE 2016: The changing landscape of tourism and hospitality: The impact of emerging markets and emerging destinations* (pp. 1210-1216). Sydney: Blue Mountains International Hotel Management School.

- McGrath, M., Harris, A., & Whitelaw, P. A. (2016) Scaffolding a destination simulation into an undergraduate hospitality and tourism program. In M. Scerri & L. K. Hui (Eds), *CAUTHE 2016: The changing landscape of tourism and hospitality: The impact of emerging markets and emerging destinations* (pp. 1133-1139). Sydney: Blue Mountains International Hotel Management School.
- McWha, M. (2016). Travel writers in the digital age. Presented at the *Travel and Tourism Research Association (Asia-Pacific Chapter) Conference*, Dubai, UAE.
- Williams, K. M. (2016). Reinvigoration of visitation to heritage properties: A case of cinematic mediums. Presented at the *International Tourism and Media (ITAM) Conference*, Helsingborg, Sweden.

Funded Research Projects

Creating and sustaining a strong future for volunteering in Australia

Funding Scheme: Australian Research Council, Linkage Projects Scheme - $203,144, 2015-2017

This project is conducted by Associate Professor Kirsten Holmes, Curtin University, Associate Professor Debbie Haski-Leventhal, Macquarie University and Associate Professor Leonie Lockstone-Binney, William Angliss Institute, Professor Melanie Oppenheimer, Flinders University and Professor Lucas Meijs, Erasmus University.

Volunteering is essential to organisations, communities and societal wellbeing across Australia. Yet, not enough people volunteer in Australia and as such, some services cannot be delivered. The aim of this study is to understand what motivates people to volunteer, what prevents some from doing so, and what can be done to help more people start to volunteer in a range of sectors, including tourism and events.

The project is funded by the Australian Research Council with additional partner funding from William Angliss Institute, Volunteering South Australia/NT, Volunteering Victoria, Volunteering WA and the WA Department of Local Government and Communities.

Exploring student experiences in learning accounting in a tourism and hospitality degree

Funding Scheme: VET DC Research Fellows Grant

The project was conducted by WAI Lecturer Emma Gronow during 2016.

The VET DC Research Fellows Grant Program aims to develop quality scholarly practice in mixed sector institutions by supporting practitioners to undertake a scholarly project. As part of the Bachelor of Tourism and Hospitality, students study an introductory accounting subject. In other institutions, non-accounting students may “visit” the Accounting or Commerce Faculty and study this subject alongside accounting students. However, at William Angliss Institute, the Faculty is not organised along discipline boundaries. Teachers of disciplines such as accounting must integrate and deliver discipline specific knowledge outside of the discipline specific boundaries. This poses unique issues for curriculum and pedagogy as the teacher must recontextualise knowledge to meet the needs of students, industry and external regulatory requirements.

Accounting education research offers some insight into these issues but traditionally this research is conducted within accounting faculties. This project interviewed current students and graduates in order to explore the complexity of student experiences in learning accounting as part of a Bachelor of Tourism and Hospitality degree. A final report was provided to the VET DC in December 2016.

Evaluating the volunteering infrastructure legacy of the Olympic Games: Sydney 2000 and London 2012

Funding Scheme: Advanced Olympic Research Grant Programme, Olympic Studies Centre, International Olympic Committee (IOC) - $19,500 USD, 2015-2016.

The project was conducted over 2015/2016 by Associate Professor Leonie Lockstone-Binney, William Angliss Institute (Project Leader); Associate Professor Kirsten Holmes, Curtin University, Australia; Professor Karen Smith, Victoria University Wellington, New Zealand; Dr Richard Shipway, Bournemouth University, United Kingdom.

This study examined how Olympic and Paralympic Games' have transformed volunteering within host cities before, during and after the events. Two Games were used as case studies: the recent case of London 2012 and the longer term case of Sydney 2000. The study involved conducting a secondary analysis of relevant material, followed by interviews with 27 informants. The study identified how Olympic volunteer programs can lead to post-Games volunteering legacies for host cities through engagement with the established volunteer management infrastructure and in doing so, it provides new insights into best practice Games volunteer management that may inform future host city bids and Games planning for sustainable positive volunteering legacies. A final report detailing the findings of the research project was provided to the IOC in July 2016. A copy of the report can be downloaded at: https://library.olympic.org/Default/doc/SYRACUSE/165803/evaluating-the-volunteering-infrastructure-legacy-of-the-olympic-games-sydney-2000-and-london-2012-l

Financial Summary

Summary of Financial Results

	Consolidated 2016 $'000	2015 $'000	2014 $'000	2013 $'000	2012 $'000
Revenue	63,940	59,726	55,949	51,990	60,377
Expenditure	57,940	56,707	56,887	58,113	61,413
Assets	197,657	140,181	123,483	124,333	117,454
Liabilities	13,041	15,666	15,534	15,461	12,468

Summary of Significant Changes in Financial Position

An increase in Assets of $57.5m in 2016 resulted from a formal revaluation of land ($54.3m) and net increase in other assets ($3.2m) due largely to the capitalisation of significant project expenditure. There have been no major changes affecting performance.

Summary of Operational and Budgetary Objectives

The Institute's Strategic Plan for 2012-2016 encompasses good returns to meet requirements of all stakeholders in building the Institute's capability to be resilient to changes in the market place and changes to government policy.

The Institute Achieved

Student contact hours delivered were 2.1% above target.

An overall module-based completion rate of 92.23% in 2016 was better than the target of 80%.

Consultancies

In 2016, there were nine consultancies where the total fees payable to the consultants were $10,000 or greater. The total expenditure was $376,367 (ex GST). There were two consultancies where the total fees payable were less than $10,000. The total expenditure incurred was $11,680. The following table constitutes compliance with the requirement to make this information publicly available.

Business Consolidation

Consolidated revenue for the year was $63.9 million. Main revenue streams include Government contracts, 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 profit (including capital and depreciation) for the year was $6.0 million. Total current assets in 2016 were $22.7 million with current liabilities of $12.3 million. Events subsequent to balance date— nil.

Organisational Viability

The Institute's commitment to responsible financial management and planning was maintained in 2016. The continued growth in revenue diversity of non- government funded training has further strengthened organizational viability.

The William Angliss Institute's revenue of $63.9 million (excluding capital contributions) was higher than budget for the year and generated a surplus of $8.6 million before capital, depreciation and fixed asset write off. The Institute also maintained a working capital ratio of 1.89 at year-end. The Institute's total assets were valued at $197.6 million, an increase of $57.4 million from 2015.

Consultants

Consultancy valued in excess of $10,000	Description	$	Future Commitment $
PRICEWATERHOUSE COOPERS	Consulting	130,044	
EDWARDS MOORE	Architectural services	86,369	
RSM AUSTRALIA PTY LTD	Consulting Services	47,019	
BIRUU PTY LTD	Strategic Analysis	30,000	
VICTORIAN TAFE ASSOCIATION INC	Consulting Services	20,000	
PERFEKT COM PTY LTD	Professional services	19,910	
PITCHER PARTNERS	Consulting services	18,761	12,022
ALPHA ENVIROMENTAL PTY LTD	Consulting Services - Buildings	13,925	
OCCORP PTY LTD	Work cover Claims Management Service	10,339	

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

Disclosures

Information and Communication Technology Expenditure

For the 2016 reporting period William Angliss Institute had a total ICT expenditure of $7.1m with the details shown below.

Business As Usual (BAU) ICT expenditure (Total) $'000	Non-Business As Usual (non-BAU) ICT expenditure (Total = Operational expenditure and Capital Expenditure) $'000	Operational Expenditure $'000	Capital Expenditure $'000
3,730	3,368	252	3,116

ICT expenditure refers to the costs in providing business-enabled ICT services. It comprises Business As Usual (BAU) ICT expenditure and Non-Business As Usual (Non-BAU) ICT expenditure. Non BAU ICT expenditure relates to extending or enhancing the current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure which primarily relates to ongoing activities to operate and maintain the current ICT capability.

Disclosures of Ex-Gratia Payments

In 2016 there were no ex-gratia payments made by the Institute.

Disclosures of Remuneration of Executive Officers

Details of remuneration received or due and receivable from the Institute in connection with the management of the Institute, including termination payments and bonuses paid are provided in Note 20 of the Annual Financial Statements.

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 $188K outstanding contributions payable to the above funds.

Activity Table

Note A1 – Operating Statement					
Total operating expenses	Note	Consolidated		The Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Delivery provision and support activity	A2	29,957	31,497	30,069	30,696
Administration and general services activity	A3	7,507	7,137	7,507	7,137
Property, plant and equipment services activity	A4	7,395	6,122	7,395	6,122
Student and other activity	A5	13,081	11,951	9,715	8,822
Total Operating Expenses		**57,940**	**56,707**	**54,686**	**52,777**

Note A2 – Operating Statement					
Delivery provision and support activity	Note	Consolidated		The Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Salaries, wages, overtime and allowances		18,603	16,684	18,188	16,312
Superannuation		1,670	1,498	1,629	1,463
Payroll tax		912	842	889	823
Other salary related costs		107	138	104	131
Communication expenses		100	87	97	86
Consumables		2,059	1,918	2,049	1,918
Contract services		69	24	68	24
Energy costs		48	50	48	50
Equipment		284	71	266	71
Fees		3,583	687	3,473	511
Rent/leasing charges		1,088	1,113	1,086	1,113
Repairs & maintenance		85	269	85	269
Travel & motor vehicle expenses		851	369	239	184
Other expenses		498	7,747	1,848	7,741
		29,957	**31,497**	**30,069**	**30,696**

Note A3 – Operating Statement					
Administration and general services activity	Note	Consolidated		The Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Salaries, wages, overtime and allowances		4,329	3,946	4,329	3,946
Superannuation		344	436	344	436
Payroll tax		189	187	189	187
Other salary related costs		21	33	21	33
Communication expenses		105	57	105	57
Consumables		314	270	314	270
Contract services		123	4	123	4
Equipment		91	12	91	12
Fees		406	1,051	406	1,051
Rent/leasing charges		13	8	13	8
Repairs & maintenance		13	16	13	16
Travel & motor vehicle expenses		103	98	103	98
Other expenses		1,456	1,019	1,456	1,019
		7,507	**7,137**	**7,507**	**7,137**

Note A4 – Operating Statement

Property, plant and equipment services activity	Note	Consolidated		The Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Salaries, wages, overtime and allowances		797	734	797	734
Superannuation		70	61	70	61
Payroll tax		38	34	38	34
Other salary related costs		6	7	6	7
Communication expenses		13	14	13	14
Consumables		18	17	18	17
Contract services		1,187	395	1,187	395
Depreciation		2,573	2,617	2,573	2,617
Energy costs		645	629	645	629
Equipment		184	-	184	-
Fees		16	6	16	6
Rent/leasing charges		178	174	178	174
Repairs & maintenance		1,378	375	1,378	375
Travel & motor vehicle expenses		18	11	18	11
Other expenses		274	1,048	274	1,048
		7,395	**6,122**	**7,395**	**6,122**

Note A5 – Operating Statement

Student and other activity	Note	Consolidated		The Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
Salaries, wages, overtime and allowances		4,783	5,237	3,860	3,973
Superannuation		316	350	295	297
Payroll tax		159	162	157	153
Other salary related costs		76	83	18	28
Communication expenses		146	41	120	16
Consumables		996	839	983	823
Contract services		47	-	7	-
Depreciation		64	105	-	-
Energy costs		23	25	2	-
Equipment		203	165	206	9
Fees		741	590	818	726
Rent/leasing charges		565	916	1	3
Repairs & maintenance		22	193	22	5
Travel & motor vehicle expenses		400	422	277	213
Other expenses		4,540	2,823	2,949	2,576
		13,081	**11,951**	**9,715**	**8,822**

VAGO Auditor General Letter Statement of Performance

VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street
Melbourne VIC 3000

Telephone 61 3 8601 7000
Facsimilie 61 3 8601 7010
Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Board of the William Angliss Institute of TAFE

Opinion

I have audited the accompanying performance statement for 2016 of the William Angliss Institute of TAFE (the institute) which comprises the:

- performance statement – key performance indicators
- financial summary and
- declaration by Board Chair, Chief Executive Officer and Chief Finance and Accounting Officer.

In my opinion, the performance statement of the William Angliss Institute of TAFE in respect of the year ended 31 December 2016 presents fairly, in all material respects.

Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the *Auditor's Responsibilities for the Audit of the Performance Statement* section of my report.

The Auditor-General's independence is established by the *Constitution Act 1975*. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Board's responsibilities for the performance statement

The Board of the institute is responsible for the preparation and fair presentation of the performance statement and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditing in the Public Interest

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the performance statement

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

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

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

MELBOURNE
17 March 2017

Simone Bohan
as delegate for the Auditor-General of Victoria

VAGO Auditor General Letter Financial Report

VAGO

Victorian Auditor-General's Office

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INDEPENDENT AUDITOR'S REPORT

To the Board of William Angliss Institute of TAFE

Opinion

I have audited the consolidated financial report of William Angliss Institute of TAFE (the institute) and its controlled entities (together the consolidated entity) which comprises the:

- consolidated entity and institute balance sheets as at 31 December 2016
- consolidated entity and institute comprehensive operating statements for the year then ended
- consolidated entity and institute statements of changes in equity for the year then ended
- consolidated entity and institute cash flow statements for the year then ended
- notes including a summary of significant accounting policies
- declaration by the Board Chair, Chief Executive Officer and Chief Finance and Accounting Officer.

In my opinion the financial report is in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012* including:

- presenting fairly, in all material respects, the financial position of the institute and the consolidated entity as at 31 December 2016 and their financial performance and cash flows for the year then ended
- complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulations 2013*.

Basis for opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

The Auditor-General's independence is established by the *Constitution Act 1975*. My staff and I are independent of the institute and the consolidated entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Auditing in the Public Interest

Independent Auditor's Report (continued)

Board's responsibilities for the financial report

The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Financial Management Act 1994* and the *Australian Charities and Not-for-profits Commission Act 2012*, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Board is responsible for assessing the institute and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute and the consolidated entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute and the consolidated entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation

Independent Auditor's Report (continued)

Auditor's responsibilities for the audit of the financial report (continued)

- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the institute and the consolidated entity to express an opinion on the financial report. I am responsible for the direction, supervision and performance of the audit of the institute and the consolidated entity. I remain solely responsible for my audit opinion.

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

I also provide the Board with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

MELBOURNE
17 March 2017

Simone Bohan
as delegate for the Auditor-General of Victoria

Financial Report Declaration

Declaration

FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER, 2016

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 5.2 of the *Financial Management Act 1994* , applicable Financial Reporting Directions issued under that legislation, *Australian Charities and Not-for-Profits 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 2016 and financial position of the Institute and the consolidated entity as at 31 December 2016.

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 A Astin PSM
Date: 14 March 2017
Melbourne

Chief Executive Officer / Director
Mr N Hunt
Date: 14 March 2017.
Melbourne

Chief Finance and Accounting Officer
Mr W Box
Date: 14 March 2017
Melbourne

Financial Report

Comprehensive Operating Statement - William Angliss Institute of TAFE

for the year ended 31 December 2016

	Note	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Continuing operations					
Income from transactions					
Government contributions - operating	2(a)(i)	21,579	21,332	21,579	21,332
Sale of goods and services	2(b)	40,590	36,593	37,211	32,957
Other income	2(c)	1,771	1,801	1,137	1,106
Total income from transactions		63,940	59,726	59,927	55,395
Expenses from transactions					
Employee expenses	3(a)	32,420	30,379	30,933	28,569
Depreciation and amortisation	3(b)	2,637	2,722	2,572	2,618
Supplies and services	3(c)	14,035	13,503	13,873	13,360
Other operating expenses	3(d)	8,848	10,103	7,308	8,230
Total expenses from transactions		57,940	56,707	54,686	52,777
Net result from transactions (net operating balance)		6,000	3,019	5,242	2,618
Other economic flows included in net result					
Net gain/(loss) on non-financial assets	4(a)	(140)	31	(142)	(9)
Other gains/(losses) from other economic flows	4(b)	(47)	(7)	(47)	(7)
Total other economic flows included in net result		(187)	24	(189)	(16)
Net result from continuing operations		5,813	3,043	5,052	2,602
Net result		5,813	3,043	5,052	2,602
Other economic flows - other comprehensive income					
Items that will not be reclassified to net result					
Changes in physical asset revaluation surplus	13	54,317	13,452	54,317	13,452
Movement in foreign exchange translation reserve	13	(29)	71	-	-
Total other economic flows – Other comprehensive income		54,288	13,523	54,317	13,452
Comprehensive result		60,101	16,566	59,369	16,054

The comprehensive operating statement should be read in conjunction with the notes to the financial statements.

Balance Sheet - William Angliss Institute of TAFE
for the year ended 31 December 2016

	Note	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Assets					
Financial assets					
Cash and deposits	5	18,600	16,408	15,330	12,795
Receivables	6	4,086	5,574	4,038	5,385
Investments and other financial assets	7	-	-	2,550	2,550
Total financial assets		22,686	21,982	21,918	20,730
Non-financial assets					
Property, plant and equipment	8	165,211	108,038	165,095	107,890
Intangible assets	9	9,087	9,511	9,075	9,477
Other non-financial assets - Inventory and Prepayments	10	673	650	410	391
Total non-financial assets		174,971	118,199	174,580	117,758
Total assets		197,657	140,181	196,498	138,488
Liabilities					
Payables	11	8,378	11,219	11,880	13,455
Provisions	12	4,663	4,447	4,663	4,447
Total liabilities		13,041	15,666	16,543	17,902
Net assets		184,616	124,515	179,955	120,586
Equity					
Accumulated surplus/(deficit)	13(b)	30,326	24,513	24,220	19,168
Reserves	13(c)	124,854	70,566	125,531	71,214
Contributed capital	13(a)	29,436	29,436	30,204	30,204
Net worth		184,616	124,515	179,955	120,586
Commitments for expenditure	15	4,249	7,988	3,845	6,970
Contingent assets and contingent liabilities	16	-	-	-	-

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

Statement of Changes in Equity - William Angliss Institute of TAFE
for the year ended 31 December 2016

Consolidated	Note	Physical asset revaluation	Accumulated surplus	Contributions by owner	Foreign Exchange Reserve	Total
		$'000	$'000	$'000	$'000	$'000
At 1 January 2015		57,762	20,751	29,436	-	107,949
Reclassification of FX translation movements from Accumulated Surplus (see footnote below)		-	719	-	(719)	-
Revised Balance at 1 January 2015		57,762	21,470	29,436	(719)	107,949
Net result for the year	13(b)	-	3,114	-		3,114
Reclassification of FX translation movement		-	(71)	-	71	-
Other comprehensive income for the year		13,452	-	-	-	13,452
Year ended 31 December 2015		71,214	24,513	29,436	(648)	124,515
Net result for the year			5,813			5,813
Other comprehensive income for the year		54,317	-	-	(29)	54,287
Year ended 31 December 2016		125,531	30,326	29,436	(677)	184,616

Institute	Note	Physical asset revaluation	Accumulated surplus	Contributions by owner	Foreign Exchange Reserve	Total
		$'000	$'000	$'000	$'000	$'000
At 1 January 2015		57,762	16,566	30,204	-	104,532
Net result for the year	13(b)	-	2,602	-	-	2,602
Other comprehensive income for the year		13,452	-	-	-	13,452
Year ended 31 December 2015		71,214	19,168	30,204	-	120,586
Net result for the year		-	5,052	-	-	5,052
Other comprehensive income for the year		54,317	-	-	-	54,317
Year ended 31 December 2016		125,531	24,220	30,204	-	179,955

***Note** : Foreign currency gains/losses on consolidation of a subsidiary, previously presented through accumulated surplus have been transferred into a Foreign Exchange Translation Reserve account in Equity.*

The statement of changes in equity should be read in conjunction with the notes to the financial statements.

Cash Flow Statement - William Angliss Institute of TAFE
for the year ended 31 December 2016

	Note	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Cash flows from operating activities					
Receipts					
Government contributions - operating		23,737	21,657	23,737	21,332
Receipts from Customers		42,398	39,366	39,504	35,462
Interest received		388	275	334	219
Other receipts		1,383	1,526	803	887
Total receipts		67,906	62,824	64,378	57,900
Payments					
Payments to suppliers and employees		(60,616)	(55,479)	(55,779)	(49,672)
Total payments		(60,616)	(55,479)	(55,779)	(49,672)
Net cash flows from/(used in) operating activities	14 (a)	7,290	7,345	8,600	8,228
Cash flows from investing activities					
Payment to related entities		-	-	(1,008)	(599)
Purchases of non-financial assets		(5,069)	(686)	(5,057)	(561)
Sales of non-financial assets		-	245	-	46
Net cash provided by/(used in) investing activities		(5,069)	(441)	(6,065)	(1,114)
Net increase/(decrease) in cash and cash equivalents		2,221	6,904	2,535	7,114
Cash and cash equivalents at the beginning of the financial year		16,408	9,433	12,795	5,681
Effect of FX translation		(29)	71	-	-
Cash and cash equivalents at the end of the financial year	5 (a)	18,600	16,408	15,330	12,795

The above cash flow statement should be read in conjunction with the notes to the financial statements.

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") , and the separate financial statements and notes of William Angliss Institute of TAFE as an individual parent entity ("Parent Entity", "Institute" or "the Institute").

The accounting policies set out below have been applied in preparing the financial statements for the year ended 31 December 2016 and the comparative information presented for the year ended 31 December 2015.

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, and 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 an asset other than land is generally based on its depreciated replacement value.

Critical accounting judgement and key sources of estimation uncertainty

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 relate to:

- the fair value of land, buildings, infrastructure, plant and equipment.

The following are the critical judgements 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.

- the institute has control over all of its subsidiaries.
- revenue recognition - part of the Institute's revenues are generated from milestone completion and evaluation of the completed training delivery. Managerial judgement is applied to evaluate the extent to which the revenue should be recognised.
- Trade and student debtor receivables - The Institute monitors and makes estimates of the likelihood that debts will be paid. Managerial judgement is applied to evaluate the level of allowances for estimated losses.

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 and financial instruments and for non-recurring fair value measurements, 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.

NOTE 1

Statement of significant accounting policies (cont.)

1.02 Basis of accounting preparation and measurement (cont.)

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.

The Valuer General Victoria (VGV) is the Institute's independent valuation agency.
The Institute, in conjunction with VGV, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

The Institute follows the guidelines set out in Financial Reporting Directions (FRD) 103F. If it appears that the compounded movement in fair values (since the last interim or scheduled revaluation) is less than 40%, but greater than 10%, then the Institute must consider a managerial revaluation. If the compounded movement since the last scheduled, interim or managerial revaluation is less than 10% then no change to carrying amounts is required.

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 pursuant to an act made 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.

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.

The consolidated financial statements of the Institute including reporting entities controlled by the Institute as at 31 December 2016

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 though 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 Scope and presentation of financial statements

Comprehensive operating statement

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

'Other economic flows' are changes arising from market remeasurements. They include:
- gains and losses from disposals of non-financial assets;
- revaluations and impairments of non-financial physical and intangible assets;
- remeasurement arising from defined benefit superannuation plans;
- fair value changes of financial instruments and agricultural assets; and
- depletion of natural assets (non-produced) from their use or removal.

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

NOTE 1

Statement of significant accounting policies (cont.)

1.05 Scope and presentation of financial statements (cont.)

Balance sheet

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

Cash flow statement

Cash flows are classified according to whether or not they arise from operating, investing, or financing activities. This classification is consistent with requirements under AASB 107 Statement of Cash Flows. For cash flow statement presentation purposes, cash and cash equivalents include bank overdrafts, which are included as current borrowings on the balance sheet.

Statement of changes in equity

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

Rounding

Amounts in the financial statements have been rounded to the nearest $1 000, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

1.06 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. No 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 are considered to be of material interest.

1.07 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 are presented as operating cash flow.

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

1.08 Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income 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 is recognised by reference to the percentage of services provided. Where student fees and charges revenue has been clearly received in respect of courses or programs to be delivered in the following year, any non-refundable portion of the fees is treated as revenue in the year of receipt and the balance as Revenue in Advance.

(ii) Fee for Service

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

(iii) Revenue from sale of goods

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

NOTE 1

Statement of significant accounting policies (cont.)

1.08 Income from transactions (cont.)

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 either as part of income from other economic flows in the net result or as unrealised gains or losses taken directly 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.

1.09 Expenses from transactions

Expenses from transactions are recognised as they are incurred, and reported in the financial year to which they relate.

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	2016	2015
Buildings	Straight Line	1% - 14%	1% - 14%
Plant & equipment	Straight Line	5% - 33%	5% - 33%
Motor vehicles	Straight Line	20%	20%
Library collections	Straight Line	10% - 20%	10% - 20%

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

NOTE 1

Statement of significant accounting policies (cont.)

1.09 Expenses from transactions (cont.)

Amortisation

Intangible assets with finite lives are amortised on a straight line basis over the asset 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.

Interest Expense
Interest expense is recognised in the period in which it is incurred.

Interest expense includes interest on advances, loans, overdrafts, bonds and bills, deposit, interest components of finance lease repayments, and amortisation of discounts or premiums in relation to borrowings.

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.

1.10 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 non-financial assets
Goodwill and 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 possible 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.

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.

NOTE 1

Statement of significant accounting policies (cont.)

1.10 Other economic flows included in net result (cont.)

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.

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

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 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.

This classification is consistent with the whole government reporting format and is allowed under AASB 101 Presentation of Financial Statements.

1.11 Financial instruments

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

Categories of non-derivative financial instruments

Loans and receivables

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

NOTE 1

Statement of significant accounting policies (cont.)

1.12 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 for doubtful receivables is made when there is objective evidence that the debts may not be collected and bad debts are written off when identified.

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 financial asset is recognised in the consolidated comprehensive operating statement as a transaction.

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 or 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 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'.

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.

NOTE 1

Statement of significant accounting policies (cont.)

1.13 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.

1.14 Non-Financial Assets

Inventories

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

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

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

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 1.10 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.

NOTE 1

Statement of significant accounting policies (cont.)

1.14 Non-Financial Assets (cont.)

Revaluations of non-financial physical assets

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation 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. Independent valuers are generally used to conduct these scheduled revaluations. 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 are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated depreciation/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 of 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:

		Rate / Rates	
	Method	**2016**	**2015**
Capitalised software development cost (years)	Straight line	6.67%	6.67%
Internal Use Software	Straight line	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.

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.

Where no internally-generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

NOTE 1

Statement of significant accounting policies (cont.)

1.15 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 cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

(i) Wages and salaries, and annual leave

Liabilities for wages and salaries, including non-monetary benefits and annual 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 vale - 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 decides to accept an offer of benefits in exchange for termination of employment. 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

Provision for on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision of employee benefits.

Performance Payments

Performance payments for the Institute's 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.

NOTE 1

Statement of significant accounting policies (cont.)

1.15 Liabilities (cont.)

Financial liabilities

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

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 for rental property

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.

1.16 Commitments

Commitments for future expenditure include operating and capital commitments arising from contracts. 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.

1.17 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 to Note 16) and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of the GST receivable or payable respectively.

1.18 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.

NOTE 1

Statement of significant accounting policies (cont.)

1.19 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.

Foreign currency translation differences are recognised in other economic flows and accumulated in a separate component of equity, in the period in which they arise.

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.

1.20 Materiality

In accordance with Accounting Standard AASB 108 A*ccounting 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.

1.21 Rounding of amounts

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

1.22 Comparative information

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

1.23 Change in accounting policy

Subsequent to the 2015 reporting period, the following new and revised accounting standards have been adopted in the current period with their financial impact detailed as below.

AASB 2015-7 Amendments to Australian Accounting Standards - Fair Value

The Minister for Finance has approved the early adoption of AASB 2015-7. This enables Victorian not-for-profit public sector entities to benefit from some limited scope exemptions in relation to the fair value disclosure for the 2016 reporting period. The Institute has chosen to apply this early adoption. For fair value measurements that have been categorised within Level 3 of the fair value hierarchy, the Institute is no longer required to provide quantitative information about the 'significant unobservable inputs' used in determining the fair value measurement.

NOTE 1

Statement of significant accounting policies (cont.)

1.24 New and revised AASBs in issue but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for the 31 December 2016 reporting period.

As at 31 December 2016 the following standards and interpretations (applicable to the Institute) had been issued but were not mandatory for financial year ended 31 December 2016. The Institute has not, and does not intend to, adopt these standards early.

Standard/Interpretation	*Summary*	*Application date of standard*	*Impact on The Institute's financial statements*
AASB 9 Financial Instruments	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1-Jan-18	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. While the preliminary assessment has not identified any material impact arising from AASB 9, it will continue to be monitored and assessed.
AASB 16 Leases	The key changes introduced by AASB 16 include the recognition of most operating leases (which are currently not recognised) on balance sheet.	1-Jan-19	The assessment has indicated that as most operating leases will come on balance sheet, recognition of lease assets and lease liabilities will cause net debt to increase. Depreciation of lease assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. The amounts of cash paid for the principal portion of the lease liability will be presented within financing activities and the amounts paid for the interest portion will be presented within operating activities in the cash flow statement. No change for lessors.
AASB 15 Revenue from Contracts with Customers	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1-Jan-19	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications. A potential impact will be the upfront recognition of revenue from licenses that cover multiple reporting periods. Revenue that was deferred and amortised over a period may now need to be recognised immediately as a transitional adjustment against the opening returned earnings if there are no former performance obligations outstanding.
AASB 2014-1 Amendments to Australian Accounting Standards [Part E Financial Instruments]	Amends various AASs to reflect the AASB's decision to defer the mandatory application date of AASB 9 to annual reporting periods beginning on or after 1 January 2018 as a consequence of Chapter 6 Hedge Accounting, and to amend reduced disclosure requirements.	1-Jan-18	This amending standard will defer the application period of AASB 9 to the 2018-19 reporting period in accordance with the transition requirements.

NOTE 1

Statement of significant accounting policies (cont.)

1.24 New and revised AASBs in issue but not yet effective (cont.)

AASB 2014-10 Amendments to Australian Accounting Standards – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [AASB 10 & AASB 128]	AASB 2014-10 amends AASB 10 Consolidated Financial Statements and AASB 128 Investments in Associates to ensure consistent treatment in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The amendments require that: · a full gain or loss to be recognised by the investor when a transaction involves a business (whether it is housed in a subsidiary or not); and · a partial gain or loss to be recognised by the parent when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary.	1-Jan-18	The assessment has indicated that there is limited impact, as the revisions to AASB 10 and AASB 128 are guidance in nature.
AASB 2016 -4 Amendments to Australian Accounting Standards – Recoverable Amount of NonCash-Generating Specialised Assets of Not-for-Profit Entities	The standard amends AASB 136 Impairment of Assets to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1-Jan-17	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 Fair Value Measurement is the same as the depreciated replacement cost concept under AASB 136.
AASB 2015-6 Amendments to Australian Accounting Standards – Extending Related Party Disclosures to Not-for-Profit Public Sector Entities [AASB 10, AASB 124 & AASB 1049]	The Amendments extend the scope of AASB 124 Related Party Disclosures to not-for-profit public sector entities. A guidance has been included to assist the application of the Standard by not-for-profit public sector entities.	Annual reporting period beginning on or after 1 July 2016	The implementation of this standard will cause disclosure of related party transactions and KMP remuneration for not-for-profit public sector entities, there will be no impact on the reported financial position or performance of the entity.

In addition to the new standards above, the AASB has issued a list of amending standards that are not effective for the 2016 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on Institute's reporting. The AASB Interpretation in the list below is also not effective for the 2016 reporting period and is considered to have insignificant impacts on Institute's reporting.

- AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010).
- AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments
- AASB 2014 5 Amendments to Australian Accounting Standards arising from AASB 15 - Amends the measurement of trade receivables and the recognition of dividends (1 January 2017) except amendments to AASB9 (December 2009) and AASB 9 (December 2010) apply 1 January 2018
- AASB 2014 7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2015)
- AASB 2014 8 Amendments to Australian Accounting Standards arising from AASB 9 (December 2015) – Application of AASB 9 (December 2009) and AASB 9 (December 2010) [AASB 9 (2009 & 2010)]
- AASB 2015 2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 101 [AASB 7, AASB 101, AASB 134 & AASB 1049]
- AASB 2015 3 Amendments to Australian Accounting Standards arising from the Withdrawal of AASB 1031 Materiality
- AASB 2015 5 Amendments to Australian Accounting Standards – Investment Entities: Applying the Consolidation Exception [AASB 10, AASB 12, AASB 128] #
- AASB 2016-1 Amendments to Australian Accounting Standards – Recognition of Deferred Tax Assets for Unrealised Losses [AASB 112]
- AASB 2016 -2 Amendments to Australian Accounting Standards – Disclosure Initiative: Amendments to AASB 107
- AASB 2016 -3 Amendments to Australian Accounting Standards – Clarifications to AASB 15
- AASB 2016-5 Amendments to Australian Accounting Standards - Classification and Measurement of Share-based Payment Transactions [AASB 2]

Note:

This Standard or Amendment may not be relevant to Victorian not-for-profit entities when operative.

NOTE 2

Income from Transactions

		Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(a)	**Grants and other transfers (other than contributions by owners)**				
	Government financial assistance				
	(i) Government contributions - operating				
	State government recurrent - contestable	21,579	21,332	21,579	21,332
	Total government contributions - operating	21,579	21,332	21,579	21,332
	Total government contributions	21,579	21,332	21,579	21,332
(b)	**Sales of goods and services**				
	Student fees and charges	23,147	22,246	20,660	19,218
	Fee for service - other	15,576	12,499	14,684	11,891
	Total rendering of services	38,723	34,745	35,344	31,109
	Other non-course fees and charges				
	Sale of goods	1,867	1,848	1,867	1,848
	Total other fees and charges	1,867	1,848	1,867	1,848
	Total revenue from sale of goods and services	40,590	36,593	37,211	32,957
(c)	**Other income**				
	Rental income:				
	Investment properties	94	70	94	70
	Total rental income	94	70	94	70
	Interest on bank deposits	388	275	334	219
	Donations, bequests and contributions	556	569	(0)	(3)
	Other revenue	733	887	709	820
	Total other income	1,771	1,801	1,137	1,106

NOTE 3

Expenses from transactions

		Consolidated		Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
(a)	**Employee expenses**				
	Salaries, wages, overtime and allowances	26,422	24,632	25,155	23,071
	Superannuation	2,400	2,345	2,338	2,257
	Payroll tax	1,298	1,225	1,273	1,198
	Worker's compensation	156	208	149	197
	Long service leave	617	494	600	472
	Annual leave	1,473	1,422	1,418	1,370
	Other	54	53	-	4
	Total employee expenses	32,420	30,379	30,933	28,569
(b)	**Depreciation and amortisation**				
	Depreciation of non-current assets				
	Buildings	1,037	1,015	994	932
	Plant and equipment	672	724	672	724
	Motor vehicles	73	90	73	90
	Library collections	20	32	20	32
	Total depreciation	1,802	1,861	1,759	1,778
	Amortisation of non-current physical and intangible assets				
	Software	835	861	813	840
	Total amortisation	835	861	813	840
	Total depreciation and amortisation	2,637	2,722	2,572	2,618
(c)	**(i) Supplies and Services from transactions with related entities**				
	Purchase of supplies and consumables	-	-	-	5
	Communication expenses	-	-	-	1
	Fees and charges	-	-	233	312
	Total supplies and services from transactions with related entities	-	-	233	318
	(ii) Supplies and Services from transactions with other entities				
	Purchase of supplies and consumables	988	790	970	766
	Communication expenses	364	260	336	232
	Contract and other services	1,426	1,455	1,386	1,394
	Cost of goods sold/distributed (ancillary trading)	2,399	2,258	2,393	2,258
	Building repairs and maintenance	1,123	336	1,123	336
	Plant & Equipment repairs and maintenance	375	320	375	303
	Minor equipment	762	93	746	92
	Fees and charges	4,746	6,315	4,481	6,019
	Other Charges	1,852	1,676	1,830	1,642
	Total supplies and services from transactions with other entities	14,035	13,503	13,640	13,042
	Total supplies and services	14,035	13,503	13,873	13,360

NOTE 3

Expenses from transactions (Cont.)

3 Expenses from transactions	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(d) (i) Other Expenses from transactions with related entities				
General Expenses				
Marketing and promotional expenses	-	-	-	3
Travel and motor vehicle expenses	-	-	40	55
International representation	-	-	-	2
Other expenses	-	-	1	12
Total other expenses from transactions with related entities	-	-	41	72
Operating lease rental expenses:				
Minimum lease payments	-	-	-	2
Total operating lease rental expenses	-	-	-	2
Subtotal expenses from transactions from related entities	-	-	41	74
(d) (ii) Other Expenses from transactions with other entities				
General Expenses				
Marketing and promotional expenses	1,056	663	1,040	638
Audit fees and services	304	309	262	252
Bank fees	117	113	114	110
Grants and subsidies other VET Programs	78	74	5	2
Staff development	203	111	199	109
Travel and motor vehicle expenses	1,372	956	597	508
Utilities	716	796	696	770
Cleaning and Sanitation	60	51	60	51
International Commissions	1,375	1,259	1,375	1,259
International Medibank	434	509	434	509
International Promotions and Representation	184	193	190	191
Student Excursions	451	375	445	371
Administration Expenses	51	1,578	51	1,578
Other expenses	467	849	399	464
Total other expenses	6,868	7,836	5,867	6,812
Operating lease rental expenses:				
Minimum lease payments	1,844	2,213	1,277	1,295
Total operating lease rental expenses	1,844	2,213	1,277	1,295
Subtotal	8,712	10,049	7,144	8,107
Bad and Doubtful Debts from Transactions	136	54	123	49
Total other operating expenses	8,848	10,103	7,308	8,230

NOTE 4

Other economic flows included in net result

		Consolidated		Institute	
		2016	2015	2016	2015
		$'000	$'000	$'000	$'000
(a)	**Net gain/(loss) on financial and non-financial assets (including PPE and intangible assets)**				
	Net gain/(loss) on disposal of physical assets	(127)	(13)	(127)	(13)
	Net FX gain/(loss) arising from non-financial assets	(13)	44	(15)	4
	Total net gain/(loss) on non-financial assets and liabilities	(140)	31	(142)	(9)
(b)	**Other gains/(losses) from other economic flows**				
	Net gain/(loss) arising from revaluation of long service leave liability	(61)	(4)	(61)	(4)
	Net gain/(loss) arising from revaluation of annual leave liability	14	(3)	14	(3)
	Total other gains/(losses) from other economic flows	(47)	(7)	(47)	(7)

NOTE 5

Cash and cash equivalents

	Consolidated		Institute	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Cash at bank and on hand	4,423	9,643	3,659	7,295
Deposits - at call	14,177	6,765	11,671	5,500
Total cash and cash equivalents	18,600	16,408	15,330	12,795

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	
		2016	2015	2016	2015
(a)	**Reconciliation to cash at the end of the year**	$'000	$'000	$'000	$'000
	Balances as above	18,600	16,408	15,330	12,795
	Balance as per cashflow statement	18,600	16,408	15,330	12,795

(b) Cash at bank and on hand

The Cash at bank and on hand are bearing floating interest rates between 1.10% and 1.76% (2015: 2.00% and 2.60%).

(c) Deposits at call

The deposits are bearing floating interest rates between 2.04% and 2.07% (2015 - 2.03% and 3.36%).

These deposits have an average maturity of 90 days.

NOTE 6

Receivables

	Consolidated		Institute	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Current receivables				
Contractual				
Trade receivables[1]	4,095	5,512	2,441	4,734
Provision for doubtful contractual receivables (a) (See also Note 6 (a) below)	(346)	(305)	(334)	(305)
Other Amount owing from William Angliss Institute Pte Ltd	-	-	1,607	599
Other parties	3	4	3	4
Total contractual	3,752	5,211	3,717	5,032
Statutory				
GST receivable from ATO	334	363	321	353
Total statutory	334	363	321	353
Total receivables	4,086	5,574	4,038	5,385

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.

	Consolidated		Institute	
	2016	2015	2016	2015
(a) Movement in the provision for doubtful contractual receivables	$'000	$'000	$'000	$'000
Balance at beginning of the year	(305)	(286)	(305)	(286)
Reversal of unused provision recognised in the net result	216	41	216	41
Increase in provision recognised in the net result	(346)	(89)	(334)	(89)
Reversal of provision for receivables written off during the year as uncollectible	89	29	89	29
Balance at end of the year	(346)	(305)	(334)	(305)

(b) Ageing analysis of contractual receivables

Please refer to Note 23 (iv) for the ageing analysis of contractual receivables.

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

Please refer to Note 23 (iv) for the nature and extent of credit risk arising from contractual receivables.

NOTE 7

Investments, loans and other financial assets

	Consolidated		Institute	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Non-current investments and other financial assets				
Investments Long Term - Shares in William Angliss Institute Pte Ltd	-	-	2,550	2,550
Total non-current investments and other financial assets	-	-	2,550	2,550
Total investments and other financial assets	-	-	2,550	2,550

NOTE 8

Property, plant and equipment

In accordance with government purpose classifications, the Institute's property, plant and equipment are assets used for the purpose of education. Property, plant & equipment includes all operational assets.

(a) Consolidated	Land at Fair Value $'000	Buildings $'000	Assets under Construction $'000	Plant & Equipment [1] $'000	Motor Vehicles $'000	Leasehold Improvements $'000	Library $'000	Total $'000
At 1 January 2015								
Cost	-	-	13	17,157	510	-	1,131	18,811
Valuation	52,587	42,617	-	-	-	-	-	95,204
Accumulated depreciation	-	(2,280)	-	(14,707)	(233)	-	(889)	(18,109)
Net book amount	52,587	40,337	13	2,450	277	-	242	95,906
Year ended 31 December 2015								
Opening net book amount	52,587	40,337	13	2,450	277	-	242	95,906
Additions	-	234	100	334	119	148	16	951
Revaluation	13,452	-	-	-	-	-	-	13,452
Disposals	-	(254)	-	(104)	(68)	-	-	(426)
Transfer into /(out of) assets under construction	-	-	(13)	-	-	13	-	-
Depreciation expense [1]	-	(985)	-	(724)	(90)	(30)	(32)	(1,861)
Exchange differences	-	13	-	-	-	3	-	16
Closing net book amount	66,039	39,345	100	1,956	238	134	226	108,038
At 31 December 2015								
Valuation	66,039	42,234	100	15,344	418	164	1,147	125,446
Accumulated depreciation	-	(2,889)	-	(13,388)	(180)	(30)	(921)	(17,408)
Net book amount at the end of financial year	66,039	39,345	100	1,956	238	134	226	108,038
Year ended 31 December 2016								
Opening net book amount	66,039	39,345	100	1,956	238	134	226	108,038
Additions	-	2,597	216	1,979	207	5	10	5,014
Revaluation	54,317	-	-	-	-	-	-	54,317
Transfer to other asset categories	-	-	-	-	-	-	-	-
Disposals	-	-	(100)	(193)	(56)	-	-	(349)
Write back Depreciation on disposal	-	-	-	-	-	-	-	-
Depreciation expense [1]	-	(995)	-	(672)	(73)	(42)	(20)	(1,802)
Exchange differences	-	-	-	(6)	-	(1)	-	(7)
Closing net book amount	120,356	40,947	216	3,064	316	96	216	165,211
At 31 December 2016								
Fair Value	120,356	44,831	216	16,289	441	167	1,157	183,457
Accumulated depreciation	-	(3,884)	-	(13,225)	(125)	(71)	(941)	(18,246)
Net book value at the end of the financial year	120,356	40,947	216	3,064	316	96	216	165,211

(b) Institute	Land at Fair Value $'000	Buildings $'000	Assets under Construction $'000	Plant & Equipment $'000	Motor Vehicles $'000	Leasehold Improvements $'000	Library $'000	Total $'000
At 1 January 2015								
Cost	-	-	13	16,774	510	-	1,131	18,428
Valuation	52,587	42,099	-	-	-	-	-	94,686
Accumulated depreciation	-	(1,958)	-	(14,324)	(233)	-	(889)	(17,404)
Net book amount	52,587	40,141	13	2,450	277	-	242	95,710
Year ended 31 December 2015								
Opening net book amount	52,587	40,141	13	2,450	277	-	242	95,710
Additions	-	137	74	334	119	-	16	680
Revaluation	13,452	-	-	-	-	-	-	13,452
Disposals	-	(2)	-	(104)	(68)	-	-	(174)
Depreciation expense [1]	-	(932)	-	(724)	(90)	-	(32)	(1,778)
Closing net book amount	66,039	39,344	87	1,956	238	-	226	107,890
At 31 December 2015								
Valuation	66,039	42,234	87	14,942	418	-	1,147	124,867
Accumulated depreciation	-	(2,890)	-	(12,986)	(180)	-	(921)	(16,977)
Net book amount at the end of financial year	66,039	39,344	87	1,956	238	-	226	107,890
Year ended 31 December 2016								
Opening net book amount	66,039	39,344	87	1,956	238	-	226	107,890
Additions		2,597	197	1,979	207	-	10	4,990
Revaluation	54,317	-	-	-	-	-	-	54,317
Transfer to other asset category	-	-		-	-	-	-	-
Disposals	-	-	(88)	(199)	(56)	-	-	(343)
Write Back Accumulated Depreciation on Disposal	-	-	-	-	-	-	-	-
Depreciation expense	-	(994)	-	(672)	(73)	-	(20)	(1,759)
Closing net book amount	120,356	40,947	196	3,064	316	-	216	165,095
At 31 December 2016								
Fair Value	120,356	44,831	196	15,892	441	-	1,157	182,873
Accumulated depreciation	-	(3,884)	-	(12,828)	(125)	-	(941)	(17,778)
Net book value at the end of the financial year	120,356	40,947	196	3,064	316	-	216	165,095

Footnote

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

NOTE 8

Property, plant and equipment (Cont.)

(c) Fair value measurement hierarchy for assets

Consolidated	Carrying amount as at 31 Dec 2016	Fair value hierarchy Level 1	Level 2	Level 3	Carrying amount as at 31 Dec 2015	Fair value hierarchy Level 1	Level 3
Classified in accordance with the fair value hierarchy, see Note 1		Quoted Prices	Observable Price Inputs	Un-observable Inputs		Quoted Prices	Un-observable Inputs
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Land at fair value:							
Freehold land	11,090	-	-	11,090	4,932	-	4,932
Crown land	109,266	-	-	109,266	61,107	-	61,107
Total of land at fair value	120,356	-	-	120,356	66,039	-	66,039
Buildings at fair value:							
Non specialised buildings	-	-	-	-	-	-	-
Specialised buildings	40,947	-	-	40,947	39,345	-	39,345
Heritage assets	-	-	-	-	-	-	-
Total of buildings at fair value	40,947	-	-	40,947	39,345	-	39,345
Plant, equipment and vehicles at fair value:							
Vehicles[1]	316	-	-	316	238	-	238
Plant and equipment	3,064	-	-	3,064	1,956	-	1,956
Total of plant, equipment and vehicles at fair value	3,380	-	-	3,380	2,194	-	2,194
Cultural assets at fair value:							
Library Collection	216	-	-	216	226	-	226
Total of Cultural assets at fair value	216	-	-	216	226	-	226

Institute	Carrying amount as at 31 Dec 2016	Fair value hierarchy Level 1	Level 2	Level 3	Carrying amount as at 31 Dec 2015	Fair value hierarchy Level 1	Level 3
Classified in accordance with the fair value hierarchy, see Note 1		Quoted Prices	Observable Price Inputs	Un-observable Inputs		Quoted Prices	Un-observable Inputs
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Land at fair value:							
Freehold land	11,090	-	-	11,090	4,932	-	4,932
Crown land	109,266	-	-	109,266	61,107	-	61,107
Total of land at fair value	120,356	-	-	120,356	66,039	-	66,039
Buildings at fair value:							
Non specialised buildings	-	-	-	-	-	-	-
Specialised buildings	40,947	-	-	40,947	39,344	-	39,344
Heritage assets	-	-	-	-	-	-	-
Total of buildings at fair value	40,947	-	-	40,947	39,344	-	39,344
Plant, equipment and vehicles at fair value:							
Vehicles[1]	316	-	-	316	238	-	238
Plant and equipment	3,064	-	-	3,064	1,956	-	1,956
Total of plant, equipment and vehicles at fair value	3,380	-	-	3,380	2,194	-	2,194
Cultural assets at fair value:							
Library Collection	216	-	-	216	226	-	226
Total of Cultural assets at fair value	216	-	-	216	226	-	226

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.

(d) Valuations of Property Plant and Equipment

Notes

1 Property, plant & equipment includes all operational assets.
Fair value assessments have been performed at 31 December 2016 for all classes of assets. This assessment demonstrated that for all asset groups except the valuation of land, the 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 103E.

NOTE 8

Property, plant and equipment (Cont.)

Details of the Institute's and consolidated entity's land and buildings and information about the fair value hierarchy as at 31 December 2016 are as follows:

Specialised land, specialised buildings and specialised plant and equipment

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

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

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.

Vehicles

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

Plant and equipment

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

There were no changes in valuation techniques throughout the period to 31 December 2016.
For all assets measured at fair value, the current use is considered the highest and best use.

(e) Reconciliation of Level 3 fair value as at 31 December 2016

Institute	Specialised land	Specialised buildings	Plant and equipment	Motor vehicles	Library
	$'000	$'000	$'000	$'000	$'000
At 1 January 2015					
Opening balance	52,587	40,141	2,463	277	242
Purchases (sales)	-	135	304	51	16
Gains or losses recognised in net result	-	-	-	-	-
Depreciations	-	(932)	(724)	(90)	(32)
Subtotal	-	(797)	(420)	(39)	(16)
Gains or losses recognised in other economic flows – other comprehensive income	-	-	-	-	-
Revaluation	13,452	-	-	-	-
Subtotal	13,452	-	-	-	-
Closing balance as at 31 December 2015	66,039	39,344	2,043	238	226

Institute	Specialised land	Specialised buildings	Plant and equipment	Motor vehicles	Library
	$'000	$'000	$'000	$'000	$'000
At 1 January 2016					
Opening balance	66,039	39,344	2,043	238	226
Purchases (sales)	-	2,597	1,889	151	10
Gains or losses recognised in net result	-	-	-	-	-
Depreciations	-	(994)	(672)	(73)	(20)
Subtotal	-	1,603	1,217	78	(10)
Gains or losses recognised in other economic flows – other comprehensive income	-	-	-	-	-
Revaluation	54,317	-	-	-	-
Subtotal	54,317	-	-	-	-
Closing balance as at 31 December 2016	120,356	40,947	3,260	316	216

Consolidated	Specialised land	Specialised buildings	Plant and equipment	Motor vehicles	Library
	$'000	$'000	$'000	$'000	$'000
At 1 January 2015					
Opening balance	52,587	40,337	2,463	277	242
Purchases (sales)	-	(20)	317	51	16
Depreciations	-	(985)	(724)	(90)	(32)
Subtotal	-	(1,005)	(407)	(39)	(16)
Gains or losses recognised in other economic flows – other comprehensive income	-	13	-	-	-
Revaluation	13,452	-	-	-	-
Subtotal	13,452	13	-	-	-
Closing balance	66,039	39,345	2,056	238	226

Consolidated	Specialised land	Specialised buildings	Plant and equipment	Motor vehicles	Library
	$'000	$'000	$'000	$'000	$'000
At 1 January 2016					
Opening balance	66,039	39,345	2,056	238	226
Purchases (sales)	-	2,597	1,780	151	10
Depreciations	-	(995)	(672)	(73)	(20)
Subtotal	-	1,602	1,108	78	(10)
Gains or losses recognised in other economic flows – other comprehensive income	-	-	-	-	-
Revaluation	54,316	-	-	-	-
Subtotal	54,316	-	-	-	-
Closing balance	120,355	40,947	3,164	316	216

NOTE 8

Property, plant and equipment (Cont.)

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

	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Specialised buildings	Depreciated replacement cost	Direct cost per square metre
		Useful life of specialised buildings
Plant and equipment	Depreciated replacement cost	Useful life plant and equipment
Motor vehicles	Depreciated replacement cost	Useful life of vehicles
Library	Depreciated replacement cost	Useful life library

Notes:

1. A CSO adjustment of 20% was applied to reduce the market approach value for the Institute's specialised land.

NOTE 9

Intangible assets

Consolidated	Software $'000	Total $'000
At 1 January 2015		
Cost	13,968	13,968
Accumulated amortisation and impairment	(3,598)	(3,598)
Net book amount	10,370	10,370
Year ended 31 December 2015		
Opening net book amount	10,370	10,370
Additions	-	-
Net foreign currency exchange differences	2	2
Amortisation charge	(861)	(861)
Closing net book amount	9,511	9,511
At 31 December 2015		
Cost	13,970	13,970
Accumulated amortisation and impairment	(4,459)	(4,459)
Net book amount at the end of financial year	9,511	9,511
Year ended 31 December 2016		
Opening net book amount	9,511	9,511
Additions	410	410
Net foreign currency exchange differences	1	1
Amortisation charge	(835)	(835)
Closing net book amount	9,087	9,087
At 31 December 2016		
Cost	14,382	14,382
Accumulated amortisation and impairment	(5,295)	(5,295)
Net book value at the end of the financial year	9,087	9,087

NOTE 9

Intangible assets (Cont.)

Institute	Software $'000	Total $'000
At 1 January 2015		
Cost	13,886	13,886
Accumulated amortisation and impairment	(3,569)	(3,569)
Net book amount	10,317	10,317
Year ended 31 December 2015		
Opening net book amount	10,317	10,317
Additions	-	-
Disposals or classified as held-for-sale	-	-
Amortisation charge	(840)	(840)
Closing net book amount	9,477	9,477
At 31 December 2015		
Cost	13,886	13,886
Accumulated amortisation and impairment	(4,409)	(4,409)
Net book amount at the end of financial year	9,477	9,477
Year ended 31 December 2016		
Opening net book amount	9,477	9,477
Additions	411	411
Disposals or classified as held-for-sale	-	-
Amortisation charge	(813)	(813)
Closing net book amount	9,075	9,075
At 31 December 2016		
Cost	14,297	14,297
Accumulated amortisation and impairment	(5,222)	(5,222)
Net book value at the end of the financial year	9,075	9,075

Notes

1 Significant intangible assets
Intangible assets comprises the SMS - Student Management System software. The asset is amortised over its useful life of 15 years and will be fully amortised by 2028.

NOTE 10

Other non-financial assets

	Consolidated		Institute	
Other non-financial assets	2016 $'000	2015 $'000	2016 $'000	2015 $'000
Current other non-financial assets				
Supplies and consumables - at cost	68	62	68	62
Prepayments	605	588	342	329
Total current other non-financial assets	673	650	410	391
Total other non-financial assets	673	650	410	391

NOTE 11

Payables

	Consolidated		Institute	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Current				
Contractual				
Supplies and services	2,155	5,369	2,005	5,246
Income received in advance	6,012	5,622	5,819	5,622
Other Amount owing to Angliss Consulting Pty Ltd	-	-	3,861	2,365
Total contractual	8,167	10,991	11,685	13,233
Statutory				
GST payable	211	228	195	222
Total statutory	211	228	195	222
Total current payables	8,378	11,219	11,880	13,455
Total payables	8,378	11,219	11,880	13,455

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

	Consolidated		Institute	
	2016	2015	2016	2015
(a) Foreign currency risk	$'000	$'000	$'000	$'000
Singapore Dollar	163	121	-	-
Australian Dollars	8,215	11,098	11,880	13,455
	8,378	11,219	11,880	13,455

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 23 (ii).
3 Maturity analysis of contractual payables, refer table 23 (v) in note 23.

NOTE 12

Provisions

	Consolidated		Institute	
	2016	2015	2016	2015
	$'000	$'000	$'000	$'000
Current provisions				
Employee benefits (Note 12 (a))[1]				
Annual leave (Note 12 (a)):				
Unconditional and expected to wholly settle within 12 months[2]	709	677	709	677
Unconditional and expected to wholly settle after 12 months[2]	249	241	249	241
Long service leave(Note 12 (a)):				
Unconditional and expected to wholly settle within 12 months[2]	245	207	245	207
Unconditional and expected to wholly settle after 12 months[2]	2,169	2,257	2,169	2,257
Other provisions				
Unconditional and expected to wholly settle within 12 months[2]	80	89	80	89
	3,452	3,471	3,452	3,471
Provisions for on costs (Note 12 (a) and Note 12 (b)):				
Unconditional and expected to wholly settle within 12 months[2]	145	134	145	134
Unconditional and expected to wholly settle after 12 months[2]	368	380	368	380
	513	514	513	514
Total current provisions	3,965	3,985	3,965	3,985
Non-current				
Employee benefits (Note 12 (a))[1]	606	401	606	401
On costs (Note 12 (b))	92	61	92	61
Total non-current provisions	698	462	698	462
Total provisions	4,663	4,447	4,663	4,447

Notes:

1 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.

2 Amounts relating to current provisions are measured at nominal value.

	Consolidated		Institute	
	2016	2015	2016	2015
(a) Employee benefits and on costs[1]	$'000	$'000	$'000	$'000
Current employee benefits				
Annual leave	957	918	958	918
Long service leave	2,415	2,464	2,414	2,464
Other provisions	80	89	80	89
	3,452	3,471	3,452	3,471
Non current employee benefits				
Annual leave	-	-	-	-
Long service leave	606	401	606	401
	606	401	606	401
Total employee benefits	4,058	3,872	4,058	3,872
Current on costs	513	514	513	514
Non current on costs	92	61	92	61
Total on costs	605	575	605	575
Total employee benefits and on costs	4,663	4,447	4,663	4,447

Notes

1 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 12

Provisions

Provisions (Cont.)

	$'000			$'000		
	2016			2015		
(b(i)) Movement in provisions - Consolidated	On-costs	Other Provisions	Total	On-costs	Other Provisions	Total
Opening balance	575	89	664	579	74	653
Additional provisions recognised	323	23	346	240	15	255
Reductions arising from payments/other sacrifices of future economic benefits	(293)	(32)	(325)	(244)	-	(244)
Closing balance	605	80	685	575	89	664
Current	513	80	593	514	89	603
Non-current	92	-	92	61	-	61
	605	80	685	575	89	664

	$'000			$'000		
	2016			2015		
(b(ii)) Movement in provisions - Institute	On-costs	Other Provisions	Total	On-costs	Other Provisions	Total
Opening balance	575	89	664	579	74	653
Additional provisions recognised	323	23	346	240	15	255
Reductions arising from payments/other sacrifices of future economic benefits	(293)	(32)	(325)	(244)	-	(244)
Closing balance	605	80	685	575	89	664
Current	513	80	593	514	89	603
Non-current	92	-	92	61	-	61
	605	80	685	575	89	664

NOTE 13

Equity

Equity	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(a) Contributed Capital				
Balance at 1 January	29,436	29,436	30,204	30,204
Capital contributions	-	-	-	-
Balance at 31 December	29,436	29,436	30,204	30,204
(b) Accumulated surplus / (deficit)				
Balance at 1 January	24,513	20,751	19,168	16,566
Net result for the year	5,813	3,043	5,052	2,602
Reclassification of FX translation movements from Accumulated Surplus	-	719	-	-
Balance at 31 December	30,326	24,513	24,220	19,168
(c) Reserves				
Composition of Reserves				
Physical asset revaluation surplus	125,531	71,214	125,531	71,214
Foreign Exchange translation reserve	(677)	(648)	-	-
Balance at 31 December	124,854	70,566	125,531	71,214
Total equity	184,616	124,515	179,955	120,586

Movements in Reserves	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Asset Revaluation Surplus - Land				
Balance at 1 January	50,547	37,095	50,547	37,095
Revaluation increment on non-current assets	54,317	13,452	54,317	13,452
Balance at 31 December	104,864	50,547	104,864	50,547
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
Foreign Exchange translation reserve				
Balance 1 January	(648)	(719)	-	-
Revaluation movement on translation of foreign subsidiary	(29)	71	-	-
Balance at 31 December	(677)	(648)	-	-
Total reserves	124,854	70,566	125,531	71,214

***Note** : Foreign currency gains/losses on consolidation of a subsidiary, previously presented through accumulated surplus have been transferred into a Foreign Exchange Translation Reserve account in Equity.*

NOTE 14

Cash flow information

Cash flow information	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(a) Reconciliation of operating result after income tax to net cash flows from operating activities				
Net result for the year	5,813	3,043	5,052	2,602
Non-cash flows in operating result				
Depreciation and amortisation of non-current assets	2,637	2,722	2,572	2,618
Net (gain) / loss on sale of non-current assets	-	(102)	-	9
Doubtful debts	41	19	29	19
Total non-cash flows in operating result	2,678	2,639	2,601	2,646
Movements in operating assets and liabilities				
Decrease / (increase) in trade receivables	1,417	1,382	2,293	(2,642)
Decrease / (increase) in other assets	(10)	149	12	28
Increase / (decrease) in payables	(2,824)	(7)	(1,574)	5,455
Increase / (decrease) in employee benefits	216	139	216	139
Total movement in operating assets and liabilities	(1,201)	1,663	947	2,980
Net cash flows provided by/(used in) operating activities	7,290	7,345	8,600	8,228

(b) Financing facilities	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Unsecured loan facilities with various maturity dates through to 2020 and which may be extended by mutual agreement	(500)	(500)	(500)	(500)
Amount used	192	202	192	202
Amount unused	308	298	308	298
	-	-	-	-

As part of the financing facilities the Institute has a government purchasing card credit line of $472,000 and a leasing credit line of $28,000.

NOTE 15

Commitments

Commitments	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(a) Lease commitments				
Commitments in relation to leases contracted for at the reporting date but not recognised as liabilities, payable:				
Within one year	1,877	2,342	1,585	1,821
Later than one year but not later than five years	1,325	2,933	1,276	2,757
Later than five years	-	-	-	-
Net lease commitments	3,202	5,275	2,861	4,578
GST reclaimable on the above	293	502	280	454
Gross commitments operating leases	3,495	5,777	3,141	5,032
Representing:				
Non-cancellable operating leases	3,495	5,777	3,141	5,032
Total lease commitments	3,495	5,777	3,141	5,032

(b) Operating leases

The Institute has a number of operating leases in place in respect of sites which its occupies under operating leases. The lease agreements are generally for a period of 1 – 5 years (2015: 1 – 5 years). 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 La Trobe street - 3rd floor lease

555 La Trobe street - 3rd floor rooms lease contract

Operating lease 4- Konica/Minolta - Multifunction photocopiers lease

Fuji Xerox - 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

Other operating expenditure commitments

Commitments	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
(c) Other operating expenditure commitments				
Commitments for operating expenditure in existence at the reporting date but not recognised as liabilities, payable:				
Within one year	964	1,884	901	1,831
Later than one year but not later than five years	83	829	83	561
Later than five years	-	-	-	-
Total other expenditure commitments	1,047	2,713	984	2,392
GST reclaimable on the above	98	239	98	239
Net commitments other expenditure commitments	1,145	2,952	1,082	2,631
Total lease and other expenditure commitments	4,249	7,988	3,845	6,970
Total GST reclaimable on the above	391	741	378	693
Total lease and other expenditure commitments	4,640	8,729	4,223	7,663

NOTE 16

Contingent Assets and Contingent Liabilities

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

The Institute has reviewed its financial guarantees and determined that there is no material liability to be recognised for financial guarantee contracts at 31 December 2016.

NOTE 17

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 18

Remuneration of auditors

	Consolidated		Institute	
	2016	2015	2016	2015
Remuneration of auditors	$'000	$'000	$'000	$'000
Remuneration of Victorian Auditor General's Office for:				
Audit or review of the financial statements	65	89	46	81
Total remuneration of Victoria Auditor General's Office	65	89	46	81
Remuneration of other auditors				
Other auditors	36	49	-	-
Internal Audit	171	171	171	171
Total remuneration of other auditors of subsidiaries	207	220	171	171
Total Remuneration of auditors	272	309	217	252

NOTE 19

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 Institute 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 C**omprehensive 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	
	2016	2015	2016	2015
19 Superannuation	$'000	$'000	$'000	$'000
Paid Contribution for the Year				
Defined benefit plans :				
ESS Superannuation Fund - revised and new [1]	114	140	101	128
Total defined benefit plans	114	140	101	128
Accumulated contribution plans:				
VicSuper Scheme [2]	955	955	924	921
Other defined contribution plans [2]	1,103	1,061	1,102	1,024
Total accumulated contribution plans	2,058	2,016	2,026	1,945
Total paid contribution for the year	2,172	2,156	2,127	2,073
Contribution Outstanding at Year End				
Defined benefit plans:				
ESS Superannuation Fund – revised and new	10	10	9	9
Total defined benefit plans	10	10	9	9
Defined contribution plans:				
VicSuper	81	89	79	86
Other	97	90	97	89
Total defined contribution plans	178	179	176	175
Total	188	189	185	184

1 The basis for contributions are determined by the superannuation scheme.

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

NOTE 20

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. Steve Herbert, MP was the Minister for Training and Skills, from 1 January 2016 until 9 November 2016. The Hon. Gayle Tierney, MP was the Minister for Training and Skills from 9 November 2016 to 31 December 2016.

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:

$270,000 - $279,999 (2015: $250,000 - $259,999)

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

Note: Former William Angliss Institute of TAFE Board went out of office on 30 June 2016

Ministerial Director/Board Chair - Dr A Astin PSM - 1 January 2016 to 30 June 2016 / Re-appointed 1 July 2016
Ministerial Director - Mr D Minett - 1 January 2016 to 30 June 2016 / Re-appointed 1 July 2016
Ministerial Director - Hon J Pandazopoulos - 1 January 2016 to 30 June 2016 / Re-appointed 1 July 2016
Ministerial Director - Mr M Pignatelli - 1 January 2016 to 30 June 2016 / Re-appointed 1 July 2016
Ministerial Director - Ms B Schofield - 1 January 2016 to 30 June 2016 / Re-appointed 1 July 2016
Co-opted Director - Dr D Foster - 1 January 2016 to 30 June 2016 / Re-appointed 1 August 2016
Co-opted Director - Ms W Jones - Appointed 24 October 2016
Co-opted Director - Ms M Ring - 1 January 2016 to 30 June 2016 / Re-appointed 1 August 2016
Elected Director - Ms K Hepner - Appointed 1 July 2016
Board Director - Mr M Lieberman - 1 January 2016 to 30 June 2016

(v) 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)/Executive Director
Mr W Crosbie - Director International and Business Development
Mr W Box - Director Corporate and Student Services
Mr D Mabilia - Associate Director VET - resigned 30 June 2016
Mr J Irwin - Acting Associate Director VET - 1 July 2016 to 23 October 2016
Mr S Walsh - Associate Director VET - appointed 24 October 2016
Mr P Whitelaw - Associate Director Higher Education & Quality

There were no other key management personnel.

NOTE 20

Key management personnel disclosures

Responsible persons

Key management personnel disclosures	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
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.	377	254	377	254
Remuneration received, or due and receivable from the Institute in connection with the management of any related party entity.	377	254	377	254

	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	2	1	2
$10,000 - $19,999	1	-	1	-
$20,000 - $29,999	3	8	3	8
$30,000 - $39,999	3	-	3	-
$40,000 - $49,999	-	1	-	1
$50,000 - $59,999	1	-	1	-
$130,000 - $139,999 (*)	1	-	1	-
Total number of Responsible Persons	10	11	10	11

(*) *Remuneration of these directors is related to their employment contract with the Institute*

Note: *Details of responsible persons of controlled entities are disclosed in the respective financial statements of those entities*

NOTE 20

Key management personnel disclosures

Executive officers

Key management personnel disclosures	Consolidated 2016 $'000	Consolidated 2015 $'000	Institute 2016 $'000	Institute 2015 $'000
Executive Officers' Remuneration				
The number of executive officers including the CEO 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	903	960	903	960
Total remuneration of executive officers	1,116	1,046	1,116	1,046

Consolidated	Total Remuneration 2016 No.	Total Remuneration 2015 No.	Base Remuneration 2016 No.	Base Remuneration 2015 No.
Income range				
The number of executive officers whose remuneration from the Institute was within the specified bands are as follows:				
$20,000 - $29,999	1	-	1	-
$40,000 - $49,999	-	-	1	-
$50,000 - $59,999	1	-	-	-
$70,000 - $79,999	-	-	1	-
$100,000 - $109,999	-	-	-	1
$110,000 - $119,999	-	1	-	-
$140,000 - $149,999	-	-	1	2
$150,000 - $159,999	-	1	-	-
$160,000 - $169,999	1	1	-	1
$170,000 - $179,999	-	-	1	1
$180,000 - $189,999	-	2	1	-
$190,000 - $199,999	2	-	-	-
$200,000 - $209,999	1	-	-	-
$230,000 - $239,999	-	-	1	1
$250,000 - $259,999	-	1	-	-
$270,000 - $279,999	1	-	-	-
Total executive officers	7	6	7	6

Institute	Total Remuneration 2016 No.	Total Remuneration 2015 No.	Base Remuneration 2016 No.	Base Remuneration 2015 No.
Income range				
$20,000 - $29,999	1	-	1	-
$40,000 - $49,999	-	-	1	-
$50,000 - $59,999	1	-	-	-
$70,000 - $79,999	-	-	1	-
$100,000 - $109,999	-	-	-	1
$110,000 - $119,999	-	1	-	-
$140,000 - $149,999	-	-	1	2
$150,000 - $159,999	-	1	-	-
$160,000 - $169,999	1	1	-	1
$170,000 - $179,999	-	-	1	1
$180,000 - $189,999	-	2	1	-
$190,000 - $199,999	2	-	-	-
$200,000 - $209,999	1	-	-	-
$230,000 - $239,999	-	-	1	1
$250,000 - $259,999	-	1	-	-
$270,000 - $279,999	1	-	-	-
Total executive officers	7	6	7	6
Total annualised employee equivalent	5.00	5.00	5.00	5.00
Total amount	1,116	801	903	721

* *Details of executives of controlled entities are disclosed in the respective financial statements of those entities*

Loans to key management personnel

There were no loans made to and from directors or key management personnel of the Institute (2015: nil).

NOTE 21

Related parties

Key management personnel

Disclosures relating to directors and specified executives are set out in note 20.

Transactions with related parties

The following transactions occurred with related parties:

	Consolidated		Institute	
	2016	2015	2016	2015
21 Related parties	$'000	$'000	$'000	$'000
Owing to/from related parties				
(i) Loans from subsidiaries				
Beginning of the year	-	-	**(2,365)**	(529)
Loans (advanced)/ repaid from subsidiaries	-	-	**(1,496)**	(1,836)
End of year (Payable)	-	-	**(3,861)**	(2,365)
(ii) Owing to subsidiaries				
Beginning of the year	-	-	**599**	-
Loans advanced / (repaid) to subsidiaries	-	-	**1,008**	599
End of year Receivable	-	-	**1,607**	599

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.

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

NOTE 22

Controlled Entities

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:

22 Subsidiaries	Country of incorporation	Class of Shares	Equity holding 2016 %	Equity holding 2015 %
Angliss Consulting Pty Ltd				
Company has been established to manage China and overseas operations	Australia	Ordinary	100%	100%
William Angliss Institute Foundation				
Company limited by guarantee has been established as a scholarship fund.	Australia	Ordinary	100%	100% *
Angliss Solutions Pty Ltd				
The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.	Australia	Ordinary	100%	100%
Angliss Multimedia Pty Ltd				
The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.	Australia	Ordinary	100%	100%
William Angliss Institute Pte Ltd				
Company has been established to support the delivery of a contract with the Singapore Workforce Development Agency.	Singapore	Ordinary	100%	100%

*

The William Angliss Institute Foundation (the "Foundation") was established in 2010 with the sole objective and purpose of raising funds, partly from public donations, to be invested and distributed to current and future students of the Institute in the form of scholarships. It is a company limited by guarantee and the Institute is the sole member of the Foundation.
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 2016 of $3,119,685 (2015 $2,586,111) and contributed $533,574 (2015: $549,967) to the comprehensive result of the Institute for the year ended 31 December 2016. These funds are only available to be applied in discharging the objects and purposes of the Foundation.

NOTE 23

Financial Instruments

23 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, 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.

The Institute's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), investment in equities and managed investment schemes, payables (excluding statutory payables) and finance lease payables.

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

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.

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 and borrowings.

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.

Categorisation of financial instruments

			Consolidated		Institute	
Carrying amount of financial instruments by category:	**Note**	**Category**	**2016 $'000**	**2015 $'000**	**2016 $'000**	**2015 $'000**
Financial Assets						
Cash and Deposits	5	Loans and receivables	18,600	16,408	15,330	12,795
Receivables [(a)]	6	Loans and receivables	3,752	5,211	3,717	5,032
			22,352	21,619	19,047	17,827
Financial Liabilities						
Payables [(a)]	11	Financial liabilities at amortised costs	8,167	10,991	11,685	13,233
			8,167	10,991	11,685	13,233

(a) Receivables and payables disclosed here exclude 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	
Interest Income/(expense)	**2016 $'000**	**2015 $'000**	**2016 $'000**	**2015 $'000**
Financial assets - loans and receivables	388	275	334	219
Interest income/(expense) - financial assets	388	275	334	219

Impairment loss	**2016 $'000**	**2015 $'000**	**2016 $'000**	**2015 $'000**
Financial assets	136	54	123	49
Total impairment loss	136	54	123	49

NOTE 23

Financial Instruments

23 Financial Instruments (cont.)

Financial risk management (cont.)

(ii) 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 Institute's exposures to market risk are primarily through foreign currency risk, interest rate risk and equity price risk.

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.

Summarised sensitivity analysis

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 100 basis points up and down (2015: 100 basis points up and down) in market interest rates (AUD); and
- proportional exchange rate movement of 10 per cent up and down (2015: 10 per cent up and down) against the USD and SGD, from the year-end rate of 0.7236 and 1.0465 respectively (2015: 0.7306 and 1.0328)

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			
		-1.0%		1.0%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2016	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets									
Cash and deposits	18,600	(186)	(186)	186	186	(24)	(24)	22	22
Receivables [1]	3,752	-	-	-	-	(559)	(559)	503	503
Total increase/ (decrease) in financial assets	22,352	(186)	(186)	186	186	**(583)**	**(583)**	**525**	**525**
Financial liabilities									
Payables [1]	(8,167)	-	-	-	-	173	173	(156)	(156)
Total increase/ (decrease) in financial liabilities	(8,167)	-	-	-	-	**173**	**173**	**(156)**	**(156)**
Total increase/ (decrease)	14,185	(186)	(186)	186	186	**(410)**	**(410)**	**369**	**369**

Consolidated	Carrying amount	Interest rate risk				Foreign exchange risk			
		-1.0%		1.0%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2015	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Financial assets									
Cash and cash equivalents	16,408	(164)	(164)	164	164	(134)	(134)	121	121
Receivables [1]	5,211	-	-	-	-	(75)	(75)	67	67
Total increase/ (decrease) in financial assets	21,619	(164)	(164)	164	164	(209)	(209)	188	188
Financial liabilities									
Payables [1]	(10,991)	-	-	-	-	(12)	(12)	13	13
Total increase/ (decrease) in financial liabilities	(10,991)	-	-	-	-	(12)	(12)	13	13
Total increase/ (decrease)	10,628	(164)	(164)	164	164	(221)	(221)	201	201

NOTE 23

Financial Instruments

Institute	Carrying amount	Interest rate risk				Foreign exchange risk			
		-1.0%		1.0%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2016	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets									
Cash and cash equivalents	15,330	(153)	(153)	153	153	(21)	(21)	19	19
Receivables [1]	3,717	-	-	-	-	(38)	(38)	34	34
Total increase/ (decrease) in financial assets	19,047	(153)	(153)	153	153	**(59)**	**(59)**	**53**	**53**
Financial liabilities									
Payables [1]	(11,685)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(11,685)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	7,362	(153)	(153)	153	153	**(59)**	**(59)**	**53**	**53**

Institute	Carrying amount	Interest rate risk				Foreign exchange risk			
		-1.0%		1.0%		-10%		10%	
		Result	Equity	Result	Equity	Result	Equity	Result	Equity
31 December 2015	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Financial assets									
Cash and cash equivalents	12,795	(128)	(128)	128	128	(21)	(21)	19	19
Receivables [1]	5,032	-	-	-	-	(75)	(75)	68	68
Total increase/ (decrease) in financial assets	17,827	(128)	(128)	128	128	(96)	(96)	87	87
Financial liabilities									
Payables [1]	(13,233)	-	-	-	-	-	-	-	-
Total increase/ (decrease) in financial liabilities	(13,233)	-	-	-	-	-	-	-	-
Total increase/ (decrease)	4,594	(128)	(128)	128	128	(96)	(96)	87	87

Note

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

NOTE 23

Financial Instruments

23 Financial Instruments (cont.)

Financial risk management (cont.)

(ii) Market risk (cont.)

Foreign currency risk

The Institute is exposed to foreign currency risk mainly through the delivery of services in currencies other than the Australian Dollar, foreign currency term deposits, other receivables relating to training delivery in other countries, and payables relating to purchases of supplies and consumables from overseas. This is because of a limited amount of transactions denominated in foreign currencies and a relatively short timeframe between commitment and settlement.

The Institute's exposures are mainly against the US dollar (USD) and Singapore dollar (SGD) and are managed through continuous monitoring of movements in exchange rates against the USD and SGD, and by ensuring availability of funds through rigorous cash flow planning and monitoring. Based on past and current assessment of economic outlook, it is deemed unnecessary for the Institute to enter into any hedging arrangements to manage foreign currency risk.

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 foreign currency risk or the methods used to measure this risk from the previous reporting period.

Interest rate risk

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

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Institute does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Institute has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

The Institute manages cash flow interest rate risk through a mixture of short term and longer term investments, and undertaking fixed rate or non-interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management monitors movement in interest rates on a monthly basis.

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

The 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.

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

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

Consolidated 2016	Weighted average effective rate %	Total Carrying Amount per Balance Sheet $`000	Floating interest rate $`000	Fixed interest rate $`000	Non-Interest Bearing $`000
Financial assets					
Cash and cash equivalents					
Cash at bank and on hand	1.6%	4,423	4,423	-	-
Deposits at call	2.0%	14,177	-	14,177	-
Contractual receivables					
Trade receivables (net of provisions)	-	3,749	-	-	3,749
Other Debtors	-	3	-	-	3
Total financial assets		**22,352**	**4,423**	**14,177**	**3,752**
Financial liabilities					
Trade and other payables (excluding income received in advance)	-	2,155	-	-	2,155
Total financial liabilities	**-**	**2,155**	**-**	**-**	**2,155**

NOTE 23

Financial Instruments

23 Financial Instruments (cont.)

Consolidated 2015	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	2.2%	9,643	9,643	-	
Deposits at call	2.9%	6,765	-	6,765	
Contractual receivables					
Trade receivables (net of provisions)	-	5,207	-	-	5,207
Other Debtors	-	4	-	-	4
Total financial assets		**21,619**	**9,643**	**6,765**	**5,211**
Financial liabilities					
Trade and other payables (excluding income received in advance)	-	5,369	-	-	5,369
Total financial liabilities	**-**	**5,369**	**-**	**-**	**5,369**

Note
1. Other receivables does not include statutory receivables.

Institute 2016	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	1.8%	3,659	3,659	-	-
Deposits at call	2.0%	11,671	-	11,671	-
Contractual receivables					
Trade receivables (net of provisions)	-	3,714	-	-	3,714
Other Debtors	-	3	-	-	3
Total financial assets		**19,047**	**3,659**	**11,671**	**3,717**
Financial liabilities					
Trade and other payables (excluding income received in advance)	-	5,866	-	-	5,866
Total financial liabilities	**-**	**5,866**	**-**	**-**	**5,866**

Institute 2015	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	2.2%	7,295	7,295	-	-
Deposits at call	2.9%	5,500	-	5,500	-
Contractual receivables					
Trade receivables (net of provisions)	-	5,028	-	-	5,028
Other Debtors	-	4	-	-	4
Investments, loans and other financial assets					
Total financial assets		**17,827**	**7,295**	**5,500**	**5,032**
Financial liabilities					
Trade and other payables (excluding income received in advance)	-	7,611	-	-	7,611
Total financial liabilities	**-**	**7,611**	**-**	**-**	**7,611**

Note
1. Other receivables does not include statutory receivables.

NOTE 23

Financial Instruments

23 Financial Instruments (cont.)

Financial risk management (cont.)

(iii) Funding risk

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

The Institute manages funding risk by continuing to diversify and increase funding from commercial activities, both domestically and off shore. The Institute delivers training nationally and has increased its training delivery activities overseas.

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.

(iv) 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 2016 and 2015.

Credit risk is managed on a group basis and reviewed regularly by the Finance Audit and Risk Management (FARM) Committee. It arises from exposures to customers as well as through certain derivative financial instruments and deposits with financial institutions.

The 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 2016 and 31 December 2015 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 (AA rating)	Government agencies (AAA credit rating)	Other counter-party	Total
2016	**$'000**	**$'000**	**$'000**	**$'000**
Cash and deposits	4,423	14,177	-	18,600
Receivables	-	-	4,098	4,098
Total contractual financial assets 2016	**4,423**	**14,177**	**4,098**	**22,698**
2015				
Cash and deposits	9,643	6,765	-	16,408
Receivables	-	-	5,516	5,516
Total contractual financial assets 2015	**9,643**	**6,765**	**5,516**	**21,924**

Institute	Financial institutions (AA rating)	Government agencies (AAA credit rating)	Other counter-party	Total
2016	**$'000**	**$'000**	**$'000**	**$'000**
Cash and deposits	3,659	11,671	-	15,330
Receivables	-	-	4,051	4,051
Total contractual financial assets 2016	**3,659**	**11,671**	**4,051**	**19,381**
2015				
Cash and deposits	7,295	5,500	-	12,795
Receivables	-	-	5,337	5,337
Total contractual financial assets 2015	**7,295**	**5,500**	**5,337**	**18,132**

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). Receivables are gross of provisions for doubtful debts.

NOTE 23

Financial Instruments

23 Financial Instruments (cont.)

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	Not past due and not impaired	Past due but not impaired: Less than 1 month	Past due but not impaired: 1-3 months	Past due but not impaired: 3 months – 1 year	Past due but not impaired: 1-5 years	Impaired financial assets
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2016 Financial assets							
Receivables[1]:							
Trade receivables	4,095	1,970	273	861	365	280	346
Other receivables	3	3	-	-	-	-	-
Total 2016 financial assets	**4,098**	**1,973**	**273**	**861**	**365**	**280**	**346**
2015 Financial assets							
Receivables[1]:							
Trade receivables	5,512	2,618	531	546	435	1,077	305
Other debtors	4	4	-	-	-	-	-
Total 2015 financial assets	**5,516**	**2,622**	**531**	**546**	**435**	**1,077**	**305**

Institute	Carrying amount	Not past due and not impaired	Past due but not impaired: Less than 1 month	Past due but not impaired: 1-3 months	Past due but not impaired: 3 months – 1 year	Past due but not impaired: 1-5 years	Impaired financial assets
	$'000	$'000	$'000	$'000	$'000	$'000	$'000
2016 Financial assets							
Receivables[1]:							
Trade receivables	2,441	921	273	267	365	281	334
Other receivables	1,610	1,610	-	-	-	-	-
Total 2016 financial assets	**4,051**	**2,531**	**273**	**267**	**365**	**281**	**334**
2015 Financial assets							
Receivables[1]:							
Trade receivables	4,734	1,985	439	493	435	1,077	305
Other debtors	603	603	-	-	-	-	-
Total 2015 financial assets	**5,337**	**2,588**	**439**	**493**	**435**	**1,077**	**305**

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 23

Financial instruments

23 Financial instruments (cont.)

Maturity analysis of financial instruments

(v) Liquidity risk

Liquidity risk is the risk that the Institute would be unable to meet its financial obligations as and when they fall due. The Institute operates under payments policy of settling financial obligations within 30 days and in the event of a dispute, making payments within 30 days from the date of resolution.

The Institute's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 15.

The 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 an adequate level of reserves and uncommitted funds that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial markets; and
- careful maturity planning of its financial obligations by matching the maturity profiles of financial assets and liabilities, and continuously monitoring forecast and actual cash flows.

Ultimate responsibility for liquidity risk management rests with the Institute's Board, 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	
2016 Financial liabilities							
Financial liabilities							
Trade and other payables (other than income in advance)	2,155	-	1,391	764	-	-	-
Total 2016 financial liabilities	**2,155**	**-**	**1,391**	**764**	**-**	**-**	**-**
2015 Financial liabilities							
Financial liabilities							
Trade and other payables (other than income in advance)	5,369	-	472	4,897	-	-	-
Total 2015 financial liabilities	**5,369**	**-**	**472**	**4,897**	**-**	**-**	**-**

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	
2016 Financial liabilities							
Financial liabilities							
Trade and other payables	5,866	-	1,340	665	3,861	-	-
Total 2016 financial liabilities	**5,866**	**-**	**1,340**	**665**	**3,861**	**-**	**-**
2015 Financial liabilities							
Financial liabilities							
Trade and other payables	7,611	-	472	4,774	2,365	-	-
Total 2015 financial liabilities	**7,611**	**-**	**472**	**4,774**	**2,365**	**-**	**-**

Note

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

NOTE 23

Financial instruments

23 Financial instruments (cont.)

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	2016		2015	
23 Financial instruments	Carrying Amount $'000	Net Fair Value $'000	Carrying Amount $'000	Net Fair Value $'000
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	4,423	4,423	9,643	9,643
Contractual receivables				
Trade receivables	3,752	3,752	5,211	5,211
Investments, loans and other financial assets				
Short Term Deposits	14,177	14,177	6,765	6,765
Total financial assets	**22,352**	**22,352**	**21,619**	**21,619**
Financial liabilities				
Payables	2,155	2,155	5,369	5,369
Total financial liabilities	**2,155**	**2,155**	**5,369**	**5,369**

Institute	2016		2015	
23 Financial instruments	Carrying Amount $'000	Net Fair Value $'000	Carrying Amount $'000	Net Fair Value $'000
Financial assets				
Cash and cash equivalents				
Cash at bank and on hand	3,659	3,659	7,295	7,295
Contractual receivables				
Trade receivables	3,717	3,717	5,032	5,032
Investments, loans and other financial assets				
Short Term Deposits	11,671	11,671	5,500	5,500
Total financial assets	**19,047**	**19,047**	**17,827**	**17,827**
Financial liabilities				
Payables	5,866	5,866	7,611	7,611
Total financial liabilities	**5,866**	**5,866**	**7,611**	**7,611**

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) and income in advance.

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 2016.

NOTE 24

Institute details

24 Institute details

The registered office of the Institute is:

555 La Trobe St , Melbourne Victoria 3000

The principal place of business is:

555 La Trobe St , Melbourne Victoria 3000

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		MANAGEMENT AND STRUCTURE	
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5	FRD 22G	Names of Board members	11-14
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7	FRD 07A	Early adoption of authoritative accounting pronouncements	57
8	FRD 10A	Disclosure Index	94-96
9	FRD 17B	Long service leave and annual leave for employees	55
10	FRD 20A	Accounting for State motor vehicle lease arrangements prior to 1 Feb 2004	n/a
11	FRD 22G	Operational and budgetary objectives, performance against objectives and achievements	32
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19	FRD 22G	Discussion and analysis of operating results and financial results	32
20	FRD 22G	Significant factors affecting performance	5
21	FRD 22G	Where a TAFE has a workforce inclusion policy, a measurable target and report on the progress towards the target should be included	n/a
22	FRD 22G	Schedule of any government advertising campaign in excess of $100,000 or greater (exclusive of GST) include list from (a) – (d) in the FRD	n/a
23	FRD 22G	Statement of compliance with building and maintenance provisions of the *Building Act 1993*	22-23
24	FRD 22G	Statement, where applicable, on the implementation and compliance with the National Competition Policy	22
25	FRD 22G	Summary of application and operation of the *Protected Disclosure Act 2012*	22
26	FRD 22G and FRD 24C	Summary of Environmental Performance including a report on office based environmental impacts	27-29
27	FRD 22G	Consultants: Report of Operations must include a statement disclosing each of the following 1. Total number of consultancies of $10,000 or more (excluding GST) 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> for each consultancy more than $10,000, a schedule is to be published on the TAFE institute website listing: • Consultant engaged • Brief summary of project • Total project fees approved (excluding GST) • Expenditure for reporting period (excluding GST) • Any future expenditure committed to the consultant for the project	32-33 The Annual Report will be available on Institute website once approved

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28	FRD 22G	Statement, to the extent applicable, on the application and operation of the *Carers Recognition Act 2012 (Carers Act)*, and the actions that were taken during the year to comply with the Carers Act	22
29	FRD 22G	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer (refer to list at (a) – (l) in the FRD)	23
30	FRD 22G	An entity shall disclose the following in the report of operations: a) Total entity ICT Business As Usual (BAU) expenditure for the full 12 month reporting period; and b) Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period; and provide a breakdown for: (i) Operational expenditure (OPEX); and (ii) Capital expenditure (CAPEX).	33
31	FRD 25B	Victorian Industry Participation Policy Disclosures	n/a
32	FRD 26A	Accounting for VicFleet motor vehicle lease arrangements on or after 1 February 2004	n/a
33	FRD 29A	Workforce Data Disclosures on the public service employee workforce. Note: TAFEs must report on a calendar year basis (ie not financial year basis).	25
34	SD 3.7.1	The Responsible Body must ensure that the Agency applies the Victorian Government Risk Management Framework.	23
35	FRD 22G	An entity's report of operations shall contain general and financial information, including other relevant information, outlining and explaining an entity's operations and activities for the reporting period.	1-35
36	SD 5.2.1(a)	The Accountable Officer must implement and maintain a process to ensure the Agency's Annual Report is prepared in accordance with the FMA, these Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.	41
37	SD 5.2.3	The Report of Operations must be signed and dated by a member of the Responsible Body	4
38	CG 10 (clause 27)	Major Commercial Activities	23
39	CG 12 (clause 33)	Controlled Entities	83
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		FINANCIAL STATEMENTS REQUIRED UNDER PART 7 OF THE *FINANCIAL MANAGEMENT ACT 1994*	
40	SD 5.2.2(b)	The financial statements have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards.	42-43 45-93
		OTHER REQUIREMENTS UNDER STANDING DIRECTION / FINANCIAL MANAGEMENT ACT 1994 (FMA)	
41	SD 5.2.2(a) and FMA s 49	An Agency's financial statements must include a signed and dated declaration by: • The Accountable Officer; • Subject to Direction 5.2.2(c), the CFO; and • For Agencies with a statutory board or equivalent governing body established by or under statute, a member of the Responsible Body.	41
42	FRD 30C	Rounding of amounts	57
43	SD 3.2.1.1(c)	The Responsible Body must establish an Audit Committee to: • Review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament by the Responsible Minister.	41
		OTHER REQUIREMENTS AS PER FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS	
44	FRD 11A	Disclosure of ex-gratia payments	33
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56	FRD 114A	Financial instruments – general government entities and public non-financial corporations	46-59, 84-92
57	FRD 119A	Transfers through contributed capital	56, 74
58	FRD 120I	Accounting and reporting pronouncements applicable to the reporting period	46-59
		COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES	
59	Legislation	The TAFE institute Annual Report must contain a statement that it complies with all relevant legislation, and subordinate instruments, (and which should be listed in the Report) including, but not limited to, the following: • *Education and Training Reform Act 2006 (ETRA)* • TAFE institute constitution • Directions of the Minister for Training and Skills (or predecessors) • TAFE institute Commercial Guidelines • TAFE institute Strategic Planning Guidelines • *Public Administration Act 2004* • *Financial Management Act 1994* • *Freedom of Information Act 1982* • *Building Act 1993* • *Protected Disclosure Act 2012* • *Victorian Industry Participation Policy Act 2003*	23
60	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2016	29
61	Policy	Statement that the TAFE institute complies with the Victorian Public Sector Travel Principles	22
62	Key Performance Indicators	Institutes to report against: • KPIs set out in the annual Statement of Corporate Intent; and • Employment costs as a proportion of training revenue; • Training revenue per teaching FTE; • Operating margin percentage; • Training Revenue diversity.	20
		OVERSEAS OPERATIONS OF VICTORIAN TAFE INSTITUTES	
63	PAEC and VAGO (June 2003 Special Review item 3.110)	• 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.	9

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