

ANNUAL REPORT 2022

SPECIALIST TRAINING IN FOODS, TOURISM, HOSPITALITY & EVENTS



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Vision, Mission and Values

Vision

To be the first-choice educational provider for foods, tourism, hospitality and events in Australia and internationally across the locations in which we operate.

Mission

To deliver the highest quality specialist skills and educational programs to inspire and empower our students while adding value to our industry across all sectors and engaging with our diverse communities.

Strategic Priorities 2021 to 2030

- Innovation and the Learning Experience
- Future Focused Knowledge and Skills
- Optimising International Opportunities
- Skills and Industry Partnerships
- Capability and Capacity
- Leading Facilities and Infrastructure

Strategic Plan 2021-2023

William Angliss Institute's Strategic Plan 2021-2023 seeks to support:

Educational Excellence

An educational leader and provider of choice offering global skills, educational quality and teaching excellence.

Enhanced Student Experiences

Committed to creating accessible, supportive, adventurous and career enhancing experiences for students.

Partnerships

Partnerships with industry, government and the community, foster a hub for skills, knowledge and educational exchange.

International Development

Expanding our international education opportunities both on and off-shore.

Innovation

An innovative, creative and agile organisation.

Sustainability

An efficient and effective sustainable organisation.

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

Responsible Body's Declaration

In accordance with the *Financial Management Act 1994*, the Standing Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.

I am pleased to present William Angliss Institute's Annual Report for the year ending 31 December 2022.



Nicholas Hunt
Chief Executive Officer
23 February 2023

About William Angliss Institute

About William Angliss Institute

William Angliss Institute was founded in Melbourne on 14 December 1939, with the first educational delivery commencing on 18 September 1940. With a clear purpose and vision, William Angliss Institute has been providing quality skills, education and training across our fields of specialisation for over 80 years.

As Australia's largest specialist centre for foods, tourism, hospitality and events education and training, the Institute operates locally and internationally, delivering industry-focused training from youth learning and half-day programs through to Bachelor and Master degrees, from traditional pub hospitality to five-star customer service, from on-campus to the workplace and remote sites.

Programs

Within its specialisations, the Institute offers a full complement of programs from Vocational Education and Training delivered to Secondary School Students (VET DSS) through to Certificate, Diploma, Degree and Master programs. Detailed below are the breadth of programs within our specialist focus which deliver to the growing and ever-changing demands of the industry.

These programs are offered through various modes of delivery that can include wholly campus-based, wholly enterprise and workplace-based and many variations in between. In addition, the Institute continues to develop program offerings internationally. The nature of these programs can vary from accredited programs to broader project development work with industry, governments and development aid agencies.

In 2022 the Institute's programs were delivered to over 10,094 students at its Melbourne, Sydney, Singapore and partner campuses, as well as various workplaces in Australia and off-shore. The 11,653 enrolments in 2022 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
- Culinary Management
- Food Studies
- Food Systems and Gastronomy

Tourism

- Ecotourism
- Tourism Marketing
- Travel
- Travel and Tourism Management
- Aviation (Cabin Crew)

Hospitality

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

Events

- Event Management

Locations

Additional to delivery through the main campus in the centre of Melbourne, William Angliss Institute also delivered training directly to industry partners through its Sydney campus as well as in Queensland, South Australia, Western Australia and the Northern Territory.

The Institute has four partnerships in China, one partnership in Sri Lanka, two partnerships in Vietnam and a training campus in Singapore, supporting an international delivery platform.



Board Chair's Report



Dr Anne Astin AM, PSM
Board Chair

On behalf of the William Angliss Institute Board, I am pleased to present the 2022 Annual Report for William Angliss Institute.

2022 saw the cautious emergence from the COVID-19 pandemic, with the resumption of on-campus classes and re-engagement with both industry and individuals seeking new skills or additional skills and knowledge to support career goals. Rebuilding our student pipeline has been central to our objectives in 2022 and it is pleasing to see the green shoots emerging.

In May 2022, the William Angliss Institute Board endorsed the Strategic Framework for Educational Excellence, which will underpin our learning, teaching, scholarship and research. The process centred on considering the most appropriate framework to provide transferable skills, industry specific skills, maximise transferable skills review and consider the most suitable approaches with respect to pedagogy, innovation, learning environments and assessments. This approach sets a platform for supporting the Statement of Priorities and expectations from the Victorian Government, as well as the Institute's goal of self-accreditation.

With the valued support from the Victorian Government the Institute has continued to refresh our learning environments to ensure professional and contemporary settings for our students to study in. On 11 April 2022, I was delighted to host a visit from The Hon. Gayle Tierney MP, Minister for Training and Skills and Higher Education, to launch our new Chocolateria, Gelateria and food trades Learning Commons facilities.

Engagement with industry, to provide learning opportunities for our students, remains central to the Institute's focus. The Melbourne campus again hosted the Victorian Regional Final of the Nestle Golden Chef's Hat award, students participated in masterclasses, the Melbourne Food and Wine Festival's World's Longest Lunch event and worked with industry partners delivering hospitality at the Australian F1 Grand Prix and the Melbourne Cup Carnival.

I would like to acknowledge and thank The Hon. Gayle Tierney MP, Minister for Training and Skills and Higher Education, her staff and staff at the Department of Education and Training for their ongoing support.

The student focused care and attention delivered daily by the entire William Angliss Institute team supports our student success ensuring they are well equipped to succeed in their chosen career path on completion.

A handwritten signature in black ink, appearing to read 'Dr Anne Astin'.

Dr Anne Astin AM, PSM
Board Chair
23 February 2023

CEO's Report



Mr Nicholas Hunt
Chief Executive Officer

In 2022, William Angliss Institute took significant steps forward in emerging from the COVID-19 pandemic, continuing to provide training and education for the foods, tourism, hospitality and events industries.

As restrictions eased and international borders re-opened, the delivery of our courses gradually moved from online, to hybrid and finally in-class on campus by year-end, approaching a sense of normality for our students and teaching staff not experienced since 2019. With new student commencements slowly increasing, we are re-building our student pipeline which bodes well for recovery in 2023 and beyond.

This year, the Institute's registration with ASQA was renewed for a further seven years, yet again providing assurance of the quality of our vocational education and training.

A re-alignment of educational governance arrangements, a focus in new courseware and the preparation for the new training package products across all programs for delivery in 2023 has been a major focus for our educational delivery team.

The Institute continues to explore ways to reduce our carbon footprint, reduce waste and energy consumption and share these actions across our staff and students. There is more to do.

We were delighted to host Shannon Bennett and Lord Mayor of Melbourne, Sally Capp as part of the William Angliss Institute Open Day experience. Shannon's own story and inspirational message showcased the tremendous career potential within our industry, stories that need telling.

During the year our engagement across the Angliss Alumni continued to share a broad cross section of stories in different formats at networking functions and across social media. These stories are designed to engage and inspire potential future leaders of the industry to engage in their own skill development.

In 2022, the Institute recognised and celebrated a life of commitment to the industry with the dedication of the Andy Stewart Cake Decorating Room. A former student and Dux of Pastry, a stellar and award winning career in industry was followed by 25 years as a leading educator at William Angliss Institute. The three words hand, head and heart tell us much about Andy and his approach to excellence in industry and excellence in skills education.

The Institute Board, ably led by our Board Chair, Dr Anne Astin, continued to provide firm support to the Executive Group and broader management group during 2022.

Thank you to our dedicated staff for their endurance during another challenging but promising year and I look forward to supporting the team's efforts in 2023.

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

Mr Nicholas Hunt
Chief Executive Officer
23 February 2023

Activities and Achievements

Educational Delivery

William Angliss Institute is Australia's largest specialist centre for foods, tourism, hospitality and events. The Institute offers diverse programs within our specialisations, spanning the spectrum of vocational and higher education through a multiplicity of modes (in-class, online, blended, self-directed and workplace), ensuring students have access to specialist teaching staff, high-quality facilities and industry opportunities.

In the local market, the Institute continues to be regarded as the premier training provider and educator with exceptional industry reach, building on winning both the Victorian Training Award for Large Training Provider of the Year Award and the Australian Training Award for Large Training Provider of the Year Award in 2021. The 2022 Victorian Skills Authority (VSA) survey results show that 76% of students and 81% of employers would recommend William Angliss Institute. Industry experiences support a smooth transition to employment, which is a central focus of the Institute's programs.

William Angliss Institute's educational delivery team is driven by the Institute's first strategic priority of 'Educational Excellence'. In May 2022, the Strategic Framework for Educational Excellence (EdEx) was ratified by the Institute Board as the Education Strategy. EdEx frames all that William Angliss Institute does in terms of our core business of learning, teaching, scholarship and research through seven priorities, presented below with highlights from 2022 for each:

Graduate Capabilities: Excellent outcomes for our capable graduates

- In 2022, 85%* of employers were satisfied with our training (sector average was 74%).
- Aviation students successfully completed their cabin crew practical assessments at Tullamarine Ansett training facilities, resulting in 100% of students being selected for Flight School with partner airlines as the skies re-opened to commercial flights.
- Our Graduate Capabilities, a list of 22 industry-validated skills and attributes for the 21st Century Foods, Tourism, Hospitality and Events professional was circulated, with the Sydney Campus commencing mapping work on identifying and embedding them in their syllabus.

Pedagogy: Excellent teaching across all modes of delivery

- 27 Higher Education Faculty have developed scholarship projects investigating contemporary issues in learning and teaching and are now ready to measure their impact on William Angliss Institute learners, having received ethical clearance. Five of these projects have been selected to be presented at the Council for Australasian Tourism and Hospitality Education Conference in Fremantle, in early 2023.

*VSA RTO Survey.

Learning Environments: Excellent sites for learning, physical, virtual and industrial

- William Angliss Institute opened six new sites of learning in 2022, harnessing the best insights from learning sciences in the Melbourne Campus. The Chocolateria, Gelataria, Andy Stewart Cake Decorating Room, collaborative technology-enabled Hotel School room and two Learning Commons spaces for informal and group-based learning. These spaces are conducive to students taking charge of their own learning, and developing 21st Century capabilities like teamwork, innovation and technical prowess.

Innovation: New paths to excellence

- William Angliss Institute was chosen to develop cutting edge multimedia learning resources for the cookery, meat processing, tourism and bakery courses for the VET Shared Learning Resources project of the Victorian Department of Education and Training.
- Planning and proof of concept work is well under way for a Collaborative Challenge-Based learning approach to learning and teaching pilot, which will commence in 2023.

Leadership: Engaged and impactful thought and technical leadership

- William Angliss Institute promoted four Lecturers to Senior Lecturer positions in Higher Education, having led the way in our most productive year for research on record, with 27 peer-reviewed articles being published at the forefront of new knowledge in our specialisations.
- For his contribution to innovative teaching methods, Chef Darren Lees was a finalist in the Tourism Training Australia 2022 Award for Excellence: Trainer in the area of Commercial Cookery.

Quality Assurance: Excellence through a culture of continuous improvement

- William Angliss Institute achieved our renewal of registration with the Australian Skills Quality Authority (ASQA) for a further seven years of vocational provision, with a stellar report card recording only "Low Risk" results for all categories audited.

Student Journeys: Excellent experiences

- The Single Source Training and Assessment Resources (SSTAR) team in VET were awarded the Innovation Award at the Final All-Staff Communications Day on 16 December 2022, having led the way with the development of 92 units, featuring 249 high-quality interactive closed-captioned practical demonstration videos, which students could watch, learn from and interact with to maximise their 'time on the tools' when able to attend practical classes in our state-of-the-art kitchens, hospitality, tourism, events and meat processing facilities. SSTAR resources hinge on the embedded 5 E Model (BSCS, 1987) across our Certificate II and III VET courses, a learner-centred approach to teaching.



William Angliss Institute at SLIIT 8th Graduation, Shangri-La Hotel, Colombo.

- Supporting the upskilling of teachers around the use of technology and novel approaches were the Online Champions group, who helped with the adoption of EdTech such as the interactive digital post-it-note technology Padlet.

To enable such progress, the Institute continued to develop its people to be able to succeed in this changing educational environment through the continuation of the Learning and Development program, which developed teachers' abilities to teach in a multi-modal, student-centred context and built on administrative skills in the mid-year Professional Development week. To conclude, it is crucial to note that all of this work has the student at its heart and we will continue to build on a stellar year as we move into 2023.

Industry Competitions, Events and Awards

William Angliss Institute continues to display its excellence in training, participating in numerous competitions and amassing an impressive number of accolades.

After winning the Large Training Provider of the Year award at the 2021 Australian Training Awards, the Institute kicked off 2022 with another award for educational excellence, winning the Gold Award for Tourism Education and Training at the Victorian Tourism Awards. The win reflects the breadth of programs offered that support the needs of the tourism industry and set benchmarks nationally.

The Victorian Regional Final of the Nestle Golden Chef's Hat Award was again hosted at our Melbourne campus with Angliss first year cookery apprentice Max Burke winning first place. His apprentice employer, Shane Delia of Maha Restaurant was on campus to show support.

Angliss Certificate III in Meat Processing Retail Butcher apprentice, Matthew Tyquin, was named the World Champion Butcher Apprentice at the World Butchers' Challenge in Sacramento USA, winning the challenge against competitors from all across the globe. In the lead-up to the award, Matthew was mentored closely by Trainer, Peter O'Rourke, in the Australian Meat Industry Council (AMIC) Young Apprentice of the Year competition, Meatstock's Apprentice Competition and the local stage of the World Butchers' Challenge.

Industry legends, Ian Curley and Frank Camorra, headlined the re-launched Great Chef's at Angliss program.

Students participated in Provolone Valpadana Protected Designation of Origin (PDO) masterclasses in Melbourne and Sydney, hosted by Milan-based chef and Provolone cheese aficionado Luca Ciano. Following the sessions, students took part in a Provolone Valpadana competition, enhancing their skills and knowledge of the cheese.

The Food Science and Technology students participated in the Student Product Development Showcase. Sponsored by the not-for-profit industry body, Australian Institute of Food Science and Technology (AIFST), the students' products were assessed by industry experts Martin Eagle, Halcyon Proteins Business Manager, and Poynton Associates' Director Allan Poynton. Student Product Development Showcase winner Jonathan Sasson was awarded a one-year graduate AIFST membership, an opportunity to attend the AIFST 2023 Summer School and an invitation to AIFST's 2023 Convention. Jonathan won with his 'Pasta Mate' product, which incorporated indigenous ingredients. Warren Flanagan won first place in semester one with his edible hemp seed oil spread.

The long-running Barry Callebaut Chocolate Competition was conducted for the first time in William Angliss Institute's new Chocolateria. Student Phuong-Tran was judged the winner with her spectacular chocolate lotus flower creation.

The Institute's new Chocolateria, Gelateria and Learning Commons were launched in April 2022 with a visit from The Hon. Gayle Tierney MP, Minister for Training and Skills and Higher Education. This event was followed by Bun Day, which invited industry to join together to enjoy hot cross buns baked at the Institute that morning. The Institute delivered buns to charity Frontyard Youth Services, Melbourne City Mission's specialist CBD service supporting young people to meet their physical, emotional and social needs and to develop pathways out of homelessness. To further support their CBD neighbours, the Institute delivered hot cross buns to local cafes.

In the area of confectionary, Food Science and Technology student Stuart MacQueen-Thomson took home the Sollich Award for being the most technically skilled contestant. The award was presented at the ConTech Conference and Expo 2022 at the Melbourne Cricket Ground.

2022 saw the return of the annual Patisserie High Tea, showcasing students from Patisserie, Hospitality and Events as they developed a buffet afternoon tea event with the theme 'Follow the Spice Trail'. The sell-out event included notable guests, such as TAFE Ambassador, Member for Eastern Metropolitan, Sonja Terpstra MP. A Dilmah High Tea, held in the Institute's dedicated Dilmah training facility, celebrated the ongoing partnership.

Also returning in 2022 were on-campus Open Days in Melbourne and Sydney. They showcased partners, William Angliss Institute alum including Shannon Bennett, founder of Vue Group (achieving international acclaim for Vue de Monde), and industry affiliates Brunswick Aces, KittyBakes, and The Fermentary, as well as a tourism industry panel session.

In Sydney, Angliss Trainer and Assessor Darren Lees was nominated for a Tourism Training Australia Excellence Award under the Best Commercial Cookery Trainer category, reflecting his passion and dedication to teaching the next generation of chefs and patissiers.

As Melbourne started showing signs of social activities, not seen since prior to the pandemic, students were involved with the Melbourne Food & Wine Festival's World's Longest Lunch event, working with industry partner Food & Desire, delivering hospitality at the Australian f1 Grand Prix and the Melbourne Cup Carnival. Working with Delaware North, our students also served up the food and hospitality at the Australian Open. These hallmark event opportunities exemplify the unique extra-curricular opportunities open to Angliss students.

In September 2022, The John Patrick Conway Award and WorldSkills Australia Patisserie and Baking challenge were held concurrently and judged by staff and industry representatives. This was in addition to other World Skills competitions held on-campus, offering a platform for students to compete and to be recognised for cookery and hospitality skills.

Student Services hosted the annual Stress Less Week, Careers and Employment Expo, and a Speed Networking event. The Future Students team talked about pathways with students during Further Your Future week. A 'Reconnect' event was hosted for Angliss alumni, and #BreakingTheBias was the theme for the Institute's International Women's Day event.

The Walt Disney Company also presented a Job Readiness workshop exclusively to students, and students were recruited on campus for Altara and Marriott International through exclusive recruitment events. A Koko Black on-campus event featuring the organisations HR Coordinator and an Angliss alum also encouraged student applications.

At the launch of the new hotel facilities in May 2022, a notable list of hospitality and hotel industry experts gathered to celebrate the space and future industry opportunities with guest speaker Antony Page of the Ritz-Carlton Melbourne.

Tourism students were invited to attend the VTIC Tourism Conference at Melbourne Convention and Exhibition Centre, where Bachelor of Tourism and Hospitality Management student Daniel O'Brien was the proud finalist in this year's Victorian Tourism Industry Council (VTIC) Student Entrepreneurial Award, thanks to his 'Festival of the Valley' proposal.

Showcasing academic excellence from our academics, during the 2022 CAUTHE Hybrid Conference, nine William Angliss Institute higher education teachers provided their expertise through cutting edge presentations on this year's theme 'Shaping the Next Normal in Tourism, Hospitality and Events'. As representatives from the leading experience training provider, our academics presented six research papers related to tourism, hospitality and events.

Community and Industry Engagement

In 2022, we continued to find ways to engage with alumni, industry and current students, despite the ongoing challenges of the pandemic. Key events were delivered in-person, online and using hybrid means, allowing the Institute to flexibly engage with the global William Angliss Institute community.

Industry representatives connected with the Institute through our annual careers events, including the Speed Networking Event, Faculty of Higher Education Mentoring Program, Virtual Careers & Employment Expo, Recruitment Information Sessions and other academic guest speaking opportunities.

In 2022, the Institute held five hybrid Recruitment Information Sessions and three online Information Sessions which included; Sand Hill Road and Delaware North in April, Lucas Restaurants and The Big Group in June, Altara/Jetstar in July, IHG Hotels & Resorts in October, and Riverland Group and Delaware North in November.

Our annual Speed Networking Event in May 2022 was attended by 41 industry professionals and 80 students. Students were able to meet with industry leaders, establish their professional networks and gain invaluable insights into career pathways and recruiter requirements. It was also an excellent way for industry professionals to share their knowledge, experience and passion for their industries with our students.

Institute Alumni participation occurred primarily online due to evolving COVID-19 restrictions, but engagement remained high due to their strong connections with William Angliss Institute. Alumni events consisted of showcases, panel discussions, demonstrations and tailored workshops. Collaboration with Industry saw the launch of the successful Business for Beginners series and financial literacy webinars.

Skills and Jobs Centre

The Skills and Jobs Centre (SJC) is a free service, delivered in partnership with the Victorian Skills Authority to support community members such as job seekers, prospective students and the unemployed. The SJC provides advice on training, re-skilling and job options and engages with industry and the community to support vulnerable and disadvantaged learners. This is enhanced through the development of key relationships with Learn Locals, Local Learning and Employment Networks (LLEN), not-for-profit organisations and schools.

Throughout 2022, the SJC worked with several LLEN networks to provide support for women with asylum and refugee status, assisting them in developing skills and providing pathway opportunities to employment, through our industry partners such as the Australian Hotels Association. This work has been especially impactful due to the ongoing challenges due to COVID-19. To meet both the requirements of its clients and industry, the SJC adapted its delivery and tailored its communications and programs to meet the needs of the local community.

Foundation and Scholarships

The William Angliss Institute Foundation and William Angliss Institute provide educational opportunities and financial assistance that recognise academic merit and support disadvantaged students in achieving their career ambitions. The Foundation was established in recognition of the pioneering work in hospitality and foods by the late Sir William Charles Angliss. In 2022, we provided scholarships and financial support, with funds disbursed totalling \$126,000.

In 2022, the following scholarships were offered:

- The Sir William Angliss VET Scholarship (VIC/NSW) - for domestic VET students commencing or continuing in any study area
- The Sir William Angliss Higher Education Scholarships (VIC/NSW) - for domestic Higher Education students commencing or continuing in any study area
- The Sir William Angliss Aboriginal and Torres Strait Islander Scholarship (VIC/NSW) - for Aboriginal or Torres Strait Islander students commencing or continuing in any study area
- The Sir William Angliss International Merit Scholarships (VIC/NSW) - for international students continuing in any study area
- The Memorial Fund Scholarship (VIC/NSW) - for international students continuing in any study area
- Nestlé Golden Chefs' Hat Scholarship (VIC/NSW) - for both domestic and international students commencing or continuing in Commercial Cookery

Partnerships

William Angliss Institute values its industry partners and works within a developed framework to provide opportunities for several organisations to support our education programs for the benefit of our students. Our major partners for 2022 included the Australian Hotels Association, Nestlé Professional, Robot Coupe, Cacao Barry, Peerless Foods, Worksmith and Dilmah.

The Institute gratefully acknowledges the support our industry partners, associations and organisations have provided through product, equipment, scholarships, sponsorship and curriculum support.

Support Services

The Access and Disability Service promotes equity and access in learning, facilities and services at the Institute. The service is available to students with diagnosed disabilities, medical or mental health conditions. It works alongside them to deliver appropriate and reasonable adjustments at all points of their student journey. The Access and Disability Service fosters inclusive practices and develops staff awareness and training resources.

In 2022, 92 discrete students with diagnosed conditions were registered with the Access & Disability service, compared to 100 students in 2021. Of the 92 registered students, 66% received individual support delivered by Education Access Workers, which consisted of either in-class support, exam support, personal study support in the Access Hub or a combination of the three, compared with 73% of registered students in 2021.

A total of 272 appointments were attended with Wellbeing and Counselling Services in 2022 by 77 students (63 new, 14 returning from 2021). The Wellbeing Liaison Officer, Counsellors and Intern Counsellor provided 135 counselling sessions, plus 113 sessions that were either re-scheduled or cancelled by the student clients. This compares to 366 counselling sessions and 46 sessions either re-scheduled or cancelled by student clients in 2021. 2022 has highlighted a shift in the form of well-being support required, with increased walk-in well-being consultations, bursary consultations, and well-being workshops.

Learning advisors continued to provide expert advice and support regarding language, literacy, numeracy, academic and IT skills. In 2022, the service returned to a regular on-campus service and students also continued to access services remotely via Zoom and email. Over 720 individual interactions were recorded. Learning Advisors also delivered in class workshops (both face to face and online) to 38 groups.

International Highlights

International Students in Australia

Following the lifting of travel restrictions and quarantine requirements in mid-December 2021, the recovery of the international student market has been strong. The total number of international student new commencements at William Angliss Institute in 2022 has increased by 71% when compared with 2021. The Victorian government's Pathway to Victoria Scholarship Program has contributed to this growth by providing an incentive for off-shore international students to study in Victoria. It is projected that total international student enrolments will return to pre-pandemic levels as the pipeline of continuing students continues to build.

The Institute was able to resume and engage in some international activities in 2022. This included visits from overseas delegations and a highlight was the collaboration with the Colombian Embassy in Australia, for the visit of Colombian Chef Manuel Martinez to conduct Master Classes in October 2022.

Despite the challenges of COVID-19 Pandemic, the Institute continues to uphold a reputation for excellence in recruiting high-quality students, shown by maintaining the lowest possible 'evidence level' with the Department of Home Affairs in Australia – an indicator of the high-integrity recruitment practices that align with the Australian Government's visa and immigration policy.

Global Collaborations

Singapore

In Singapore, William Angliss Institute commenced 2022 with online delivery of all Singaporean and Australian qualifications due to the COVID-19 pandemic. The campus then moved to hybrid delivery mid-year when Singapore's 'Safe Management Measures' lightened, returning to face-to-face delivery on campus by year-end.

The pandemic continued to impact campus operations throughout 2022 with reduced student numbers due to the lower demand to study Tourism & Hospitality while Singapore's borders were still not completely open, and the industry continued to suffer occupancy challenges and therefore ongoing employment freezes.

However, the end of 2022 saw more confidence in the Industry return as hotels lifted employment freezes, Singapore Tourism Board increased their marketing and promotion of Singapore and International Students were again permitted to travel to Singapore from the Institute's feeder countries.

The Institute has a strong partnership with the Singapore Grand Prix since 2013, delivering Customer Service courses annually from 2013-2019. After a two year closure, the Singapore Grand Prix returned to the Singapore calendar in 2022 and the Institute was once again involved in Customer Service training and supervision.

The Institute remained focused on continuing other strong industry partnerships in Singapore, despite the pause in the nation's usual Tourism and Hospitality status. Scoot Airlines resumed training at the Singapore campus in Q4 2022, and Hanbaobao (McDonalds) Restaurants commenced their eighth training program with the Institute – a Specialist Diploma which commenced in June 2022.

The highlight of 2022 for the Institute in Singapore was the ability to host their first in-person Graduation Ceremony in Q4. Students from 2020-2022 were able to attend and enjoy the event.

China

In China, all of our partners have remained committed to our joint program delivery.

Approval was provided by the Education Commission in Zhongshan for William Angliss Institute to deliver Event Management qualifications commencing in 2023, predicted to strengthen our existing partner and supporting student growth.

Other initiatives introduced by William Angliss Institute included language assessment tools and the development of an online English portal. The Tourism College of Zhejiang made it compulsory for all students to participate in our student support offerings. The China team also led the delivery of several professional development programs for local teachers.

Easing of border restrictions at the end of 2022 will provide opportunities for more teaching staff to travel to and from China in 2023 including in-person attendance as we reconnect after a three year absence.

Student numbers remained low in 2022, however, student attrition numbers also remained low which is a promising result.

Vietnam

The strategic partnership with Van Lang University (VLU) in Vietnam continues to strengthen with detailed discussions taking place to finalise campus design, layout and resource allocation to support a possible training commencement date of mid-2023. Training opportunities include embedding both Vocational and Higher Education units into existing curriculum, full VET qualifications, development of a Leadership Hub and industry training and VET in schools. This is an exciting project with a leading private university that owns and operates an extensive network of hospitality venues.

William Angliss Institute delivered an Australia-Vietnam Enhanced Economic Engagement Grant (AVEG) funded program to pilot the delivery of higher education certificates/micro credentials. This project was delivered in conjunction with our Vietnamese partners.

Sri Lanka

Our partnership in Sri Lanka with the Colombo Academy of Hospitality Management continues to flourish. Despite the significant challenges faced in Sri Lanka in 2022, student enrolment numbers continued to increase with record enrolments in our last three intakes, which is a strong result given the circumstances.

Of particular significance is that with our partners we were able to complete new specialist facilities that supported the continued increase in enrolments. New kitchens, stores areas, student recreation facilities, including a rooftop café, were completed to enhance the student experience and accommodate the growing student numbers.

A real highlight was our first in person graduation ceremony for more than two years that was held at the Shangri La Hotel which was a great success with a large number of students graduating.

Skills Assessment

TRA Skills Assessment Program

2022 saw an unprecedented increase in demand for our Outsourced Skills Assessment services delivered under Deed with Trades Recognition Australia. There was a threefold increase of applicants compared to the previous year, due to the severe skill shortage of qualified cooks, chefs, bakers and pastry cooks as the tourism and hospitality industry recovers in Australia. This trend is expected to continue in 2023, with many Australian employers seeking to sponsor and bring in qualified culinary tradespeople from overseas.

TRA Job Ready Workplace Assessment Program

In March 2022, on the back of our continuing success and achievements with the TRA Outsourced Skills Assessment program, William Angliss Institute was approached to tender and was awarded in July 2022 a new Deed by Trades Recognition Australia to deliver Job Ready Workplace Assessments as part of the Job Ready Program. This program is designed to assess onshore cooks, chefs, bakers and pastry cooks nationally on their suitability and readiness to operate in their trade occupations in Australia. There is capacity and expectation for growth in this new business area, in line with the increase in international migration to Australia following the COVID-19 pandemic.

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 off-shore activity and these risks have been identified as part of the Institute's Risk Management Plan. Individual Risk Management Plans have been developed for each of the off-shore locations in which the Institute operates.

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 an annual basis. Risk management is a priority for the Board and as such, the Institute provides:

- Regular reports to the Board regarding the Institute's off-shore 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 or 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 Strategic Plan, Annual Business Plan and Budget 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 Committee structure.

Achieving Expected Outcomes

The Institute's international activities were impacted significantly by the COVID-19 pandemic, resulting in the majority of targets not being achieved. International borders have opened up which has allowed some of our planned activities to recommence. Industry is also slowly recovering but training is not a priority in the short term as Industry struggles to find skilled or unskilled labour to support the business.

Overseas Visits

In 2022, international travel re-commenced with more than 40 overseas trips undertaken to fulfil the Institute's overseas obligations with its Educational Partners including training delivery, management meetings and graduations. The Institute has resumed face to face delivery in those off-shore locations that have allowed it and where travel is now possible. Also, the need to drive new and pre-existing business was important, as was the increasing demand for the Institute's Outsourced Skills Assessment services delivered under the Trades Recognition Australia framework.

Governance

Manner of Establishment and the Relevant Minister

The Institute is named after the late Sir William Angliss, whose public-spirited and generous benefaction enabled the Institute to open as the William Angliss Food Trades School on 14 December 1939. 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 current 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 2022 to 31 December 2022 the relevant Office of Minister for Training and Skills and Higher Education was held by The Hon. Gayle Tierney MP, Minister for Training and Skills and Higher Education.

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

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 locally 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 2022 course enrolments were 11,653 across the Institute's foods, tourism, hospitality and events programs.



William Angliss Institute Events students assisting with set up for Melbourne Food and Wine Festival's World's Longest Lunch Event (March 2022)

Board Members

Dr Anne Astin AM, PSM – Board Chair

Anne is the William Angliss Institute Board Chair and has 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.

She is currently Chair of the Food Agility Cooperative Research Centre, Dairy Food Safety Victoria and Good Shepherd Australia and New Zealand and a Non-Executive Director of several not-for-profit organisations.

In 2020, Anne was awarded a Member of the Order of Australia (AM) for her services to Australia's dairy industry and food safety regulation. In 2011, she was awarded the Public Service Medal (PSM) 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 a 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 Fellow of the Australian Institute of Food Science and Technology and a member of the Dairy Industry Association of Australia.

Hon. John Pandazopoulos – Deputy Chair

John currently holds the position of Chair of Parks Victoria. John is Victoria's longest continuous serving Tourism, Major Events and Gaming Minister with 30 years' experience in public policy, Government and governance at international, national, state and Local Government levels. John is the former Minister for Multicultural Affairs, Racing, Major Projects and Employment, former Member of the 'Cleanevent' Advisory Board, one of Australia's largest event businesses at the time, local Councillor and Mayor of the then-City of Berwick and Executive of the Municipal Association of Victoria, former Chair and Deputy Chair of the Victorian Parliament Environment and Natural Resources Committee and former Chair of Destination Phillip Island Regional Tourism Board, one of Australia's best known tourism regions.

Roger Clifton

Roger was trained in Marketing and Advertising Principles at RMIT. He formed his own advertising agency called Clifton Court Smith with two partners; they later bought the Melbourne office of international advertising agency Ogilvy & Mather. For eight years during his career, Roger sat on the Curriculum Committee for the Advertising Course of RMIT and after his retirement was a lecturer in the Advertising course at Holmesglen Institute.

Roger is a former President of the Advertising Institute of Australasia and was made a Life Fellow in the year 2000.

Roger has served as Chair of the Prahran Market Governance Board, Chair of the Victorian Veterans Council, member of the Board of Directors of Prahran Mission and is currently a Trustee of the Melbourne Shrine of Remembrance, and an Honorary Justice of the Peace.

Nicholas Hunt (CEO)

Nicholas Hunt has extensive experience within the tourism industry and vocational education sector. Throughout his time at William Angliss Institute, Nick has focused on developing William Angliss Institute's educational programs across both vocational and higher education, strengthening the Institute's activities in support of industry growth and educational change and leading the Institute's strategic development to ensure the Institute is best placed to continue its success in future years.

Nick's 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.

Wendy Jones

Wendy Jones is an experienced and passionate tourism and hospitality industry practitioner, with a background in association management. She has worked extensively with executive teams and boards across the tourism industry, the environment sector and community.

Wendy's previous management roles have included CEO of the Restaurant and Catering Association of Victoria, Tourism Training NT and Keep Australia Beautiful Victoria, in addition to being an owner-operator in the hospitality sector. She has also previously held numerous board positions across the industry in both Victoria and Northern Territory.

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.

Vicky McIver

Vicky is a founding Director of Arrus Knoble (Aus) established in 1999 – a successful boutique consulting practice. She has worked on projects across many sectors including the tertiary education sector. She has held several long-term contracts in senior executive roles. Vicky has held board positions in the community and social sector and is regularly called on to advise boards on their strategic direction and improve organisational performance. In 2015-16 Vicky was part of a State Government appointed TAFE assessment panel that reviewed all TAFEs in Victoria.

Vicky graduated from Otago University, New Zealand, with a BA Honours in Political Studies, has a Master of Management (Organisational Systems) from Monash University and is accredited in several personal and organisational development diagnostic tools. Vicky is a Member of the Australian Institute of Company Directors, a member of the Australian Institute of Community Directors and is a qualified Mediator.

Matteo Pignatelli

Matteo Pignatelli graduated with a Diploma of Business in Hospitality Management at William Angliss Institute in 1989, after winning individual awards for Culinary Studies, Food and Beverage Operations and Most Outstanding 2nd Year Student.

After graduation, Matteo worked full-time as Managing Director 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.

Matteo is currently a Board member of the Restaurant and Catering Association. In 2018 Matteo retired from a number of roles held with the Restaurant and Catering Association of Australia; Chair of Restaurant and Catering Association Victorian Council (2008 – 2018), President of the Restaurant and Catering Association of Australia (2012 – 2016), Trustee of Restaurant and Catering Association Education Foundation and a Board member of Restaurant and Catering Industrial.

Ray Petts (Elected Director)

Resigned June 30 2022

The Elected Director is a staff member and is elected by the staff of the Institute.

Ray Petts has extensive experience within the Travel and Tourism industry plus the Vocational Education Sector.

Ray commenced his career in travel more than 25 years ago as a Tour Manager leading coach tours around Europe. Since then, Ray has held General Manager and Director roles with many leading adventure travel companies around the world.

These include Tucan Travel, Buffalo Tours, Wide Eyed Tours and Freedom Road Destinations, which saw him travel to over 80 countries and live in London, Vietnam and Peru.

With a desire to teach people seeking a career within the Travel industry, Ray worked for TAFE NSW and then relocated to Samoa for several years with the Australian Pacific Technical College. Ray relocated to Singapore as Head of Business, then as Centre Director and Board Member for the William Angliss Institute Singapore campus.

Returning to Sydney, Ray was heavily involved in the building and fit out of the new William Angliss Institute Sydney campus in Alexandria where he held the position of Head of Campus. In 2021 Ray was appointed as the Regional Business Development Manager Asia. Due to several international placements, Ray has excellent interpersonal skills and cross-cultural management experience.

He holds a Master of Business Administration (MBA) from the Australian Institute of Business and has a strong focus on business growth and success.

Brenda Richardson

Brenda Richardson has over 25 years' experience in the Manufacturing and Information Technology industries. As well as IT, her career has included a broad range of roles in Logistics, Process Re-engineering, Change Management and Strategy.

Brenda has considerable experience in Higher Education, including 11 years on the Council of the University of Tasmania. Her board experience also includes roles in Built Environment, Audit and Risk, Community Engagement and serving on advisory committees. She is currently a Deputy Chair of the Geelong Cemeteries Trust (Class A).

Currently self-employed, Brenda specialises in bridging the gap between technical and non-technical communities.

Brenda holds a Bachelor of Science (with Honours) majoring in Mathematics and Computing as well as a Master of Business Administration. She is a Fellow of the Australian Institute of Company Directors.

Lynn Richardson (Elected Director)

Appointed 1 July 2022

The Elected Director is a staff member and is elected by the staff of the Institute.

Lynn Richardson is an experienced Director with a focus on building organisational capacity through positive corporate culture, innovation, and delivery against strategic goals. Lynn has extensive experience in the International Hotel and Resort industry, Higher and Vocational Education. A graduate of the Australian Institute of Company Directors, Lynn holds an MBA from the Australian Graduate School of Entrepreneurship, post graduate qualifications in professional accounting and dual qualifications in educational research from the University of Melbourne. Lynn is the Elected Director on the William Angliss Institute Board, Director and Treasurer for Sustain: The Australian Food Network, and Board Chair for The Environmental Group Limited (ASX:EGL)

Peter Sexton

Peter Sexton is a graduate of the Australian Institute of Company Directors and a Chartered Accountant. Peter has 40 years' experience in external audit across Australia, the UK and Indonesia, auditing publicly-listed companies, large proprietary companies and not-for-profits, helping businesses achieve an appropriate level of best practice in financial reporting and risk management.

Peter's contribution as a Director leverages his financial reporting and management experience, particularly his interest in behavioural management and the importance of strategy, execution, culture and structure in growing a successful business.

Peter is also a Director and Chair of the Audit Committee for Australian Securities Ltd, a member of the Finance and Audit Committee for the National Trust (Victoria), and a Director, Treasurer and Chair of the Finance, Risk & Audit Committee for Montsalvat Ltd, a cultural and tourism precinct in Eltham, Victoria that has practical and meaningful exchanges with the Australian artistic community, providing educational opportunities in all forms of the arts for people of all ages and stages of life.

Board and Committees

Board of Directors

The Board comprises ten members:

- Five Ministerial Directors appointed by the relevant Minister
- Three Co-opted Directors
- Elected Director (Staff member)
- CEO of the Institute

In 2022 the following Directors served on the William Angliss Institute Board:

- Dr Anne Astin AM, PSM (Board Chair)
- Hon. John Pandazopoulos (Deputy Chair)
- Roger Clifton
- Nicholas Hunt (CEO)
- Wendy Jones
- Vicky McIver
- Matteo Pignatelli
- Ray Petts (Elected Director) (resigned 30 June 2022)
- Brenda Richardson
- Lynn Richardson (Elected Director) (appointed 1 July 2022)
- Peter Sexton

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
- 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 Board Members' Code of Conduct

Board Committees

Finance, Audit and Risk Management Committee

The main objective of the Finance, Audit and Risk Management 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 include detail relating to the areas of risk management, internal control, financial statements, legislative and policy compliance, internal and external audit and governance. Specific responsibilities for internal and external audit are to:

- Determine the scope of the internal audit function and ensure its resources are adequate and used effectively, including coordination with the external auditors
- Maintain effective communication with external auditors
- Consider recommendations made by internal and external auditors and review the implementation of actions to resolve issues raised

Committee Members:

- Matteo Pignatelli (Committee Chair)
- Wendy Jones
- Hon. John Pandazopoulos
- Brenda Richardson
- Peter Sexton

People and Culture Committee

The Board's People and Culture Committee reviews, monitors and recommends to the Board for approval relevant strategies and procedures in relation to Executive Remuneration, Board Membership and People and Culture.

Executive Remuneration - Ensure compliance with Victorian State Government policy on Executive Remuneration for GBEs and Statutory Authorities and that William Angliss Institute is compliant with Ministerial directions from the Office of the Victorian Minister for Training and Skills and Higher Education.

Board Membership - Consider matters relating to Board membership and make recommendations to the Board on the nomination and appointment of Co-opted Board Members as and when vacancies arise in line with the Constitution, legislative requirements and Ministerial guidelines.

People and Culture - Monitor the development and implementation of strategies to enhance people and organisational effectiveness with particular regard to culture.

Committee Members:

- Dr Anne Astin AM, PSM (Committee Chair)
- Roger Clifton
- Vicky McIver
- Matteo Pignatelli

Educational Governance Committee

The William Angliss Institute Higher Education Academic Board changed its name to the Educational Governance Committee effective 1 January 2022.

The Educational Governance Committee of the Institute Board is accountable for the effective oversight of the Institute's educational activities. Educational governance provides the framework that regulates academic decisions and academic quality assurance within the Institute. Educational governance includes the policies, processes, definitions of roles, relationships, systems, strategies and resources that ensure academic standards are met and continuous improvement in academic activities. It serves to maintain the integrity and quality of the Institute's core education activities of teaching, research and scholarship.

Educational Governance Committee members:

- Dr David Foster (Chair)
- Dr Jeanette Baird
- Professor Kwong Lee Dow
- Professor Marianna Sigala (resigned 28 February 2022)
- Nicholas Hunt
- Wayne Crosbie
- Chris Harris
- Sarah Lawrie
- Andrew Dolphin
- Sandi Homer
- Associate Professor Melanie Williams
- Dr Larry Foster (resigned 25 October 2022)
- Robert Broggian
(proxy for Dr Larry Foster from 7 March 2022)
- Dr Paul Kloppenborg
- Dr Jeff Wrathall (Higher Education Staff Representative)
- Kylie Houghton (VET Staff Representative)
(appointed 1 June 2022)
- Martin Zraggen (VET Staff Representative)
(appointed 1 June 2022)
- Olivia Tsiaples (Higher Education Student Representative)
(appointed 1 June 2022)
- Amy Tacey (Higher Education Student Representative)
(appointed 1 June 2022)
- Christopher Lee (VET Student Representative)
(appointed 1 June 2022)

Educational Strategy and Quality Committee (dissolved 25 July 2022)

The Board agreed to dissolve its Educational Strategy and Quality Committee in 2022 because it had fulfilled its function. Its remit was to assist the Board to fulfill its responsibilities to oversee the maintenance of quality, relevance to market and industry needs, and the development and transformation of training delivery and services in line with the Strategic Plan and to provide assurance to the Board of the quality and integrity of William Angliss Institute's core education activities of learning, teaching and scholarship and in particular the governance structures, policies and processes that ensure quality skills, educational and academic outcomes.

Committee Members:

- Vicky McIver (Committee Chair)
- Professor Jeanette Baird (Co-opted)
- Roger Clifton
- Wendy Jones
- Matteo Pignatelli

Organisational Chart

Board of Directors

Dr Anne Astin AM, PSM | Board Chair
Hon. John Pandazopoulos | Deputy Chair
Roger Clifton

Nicholas Hunt | CEO
Wendy Jones
Vicky McIver
Matteo Pignatelli

Lynn Richardson | Elected Director
Brenda Richardson
Peter Sexton

Board Committees

• Finance, Audit and Risk Management Committee:

Matteo Pignatelli | Committee Chair
Wendy Jones

Hon. John Pandazopoulos
Brenda Richardson
Peter Sexton

• People and Culture Committee

• Educational Governance Committee

Nicholas Hunt
 Chief Executive Officer

Eileen Sargent
 Director
 Corporate (CFO)

- Finance
- Property and Procurement Services
- Information Technology
- Student Administration
- Quality and Compliance

Wayne Crosbie
 Director
 International and
 Business Development

- International Operations
- Strategic Projects
- Business Development (Local & International)

Chris Harris
 Director
 Education

- VET Operations
 - Tourism
 - Hospitality
 - Events
 - Food Trades
 - Culinary Arts
- Higher Education Operations
- Scholarship
- Research

Sarah Lawrie
 Associate Director
 Student Recruitment
 and Services

- Marketing and Communications
- Learning and Information Services
- Business Development (Victoria)
- Student Support Services
- Student Engagement Services

- Manager Governance
- Manager People and Capability
- Manager Strategic Projects

Executive Directors Group

Eileen Sargent

DIRECTOR CORPORATE (CFO)

The Director Corporate is responsible for providing leadership and strategic direction in the Corporate Division including:

- Financial management and analysis
- Business analysis
- Educational compliance
- Risk management and corporate compliance
- Information technology services
- Property and procurement services

Wayne Crosbie

DIRECTOR INTERNATIONAL AND BUSINESS DEVELOPMENT

The Director International and Business Development is responsible for:

- Recruitment of overseas students into Higher Education and Vocational Education and Training programs
- Identifying, developing, implementing and managing new off-shore opportunities and projects
- Managing the Institute's off-shore campus operations in Singapore, China, Sri Lanka and Vietnam as well as other locations as required
- Undertaking skills assessments of qualified and experienced trades people to support industry in areas of identified skills shortages
- Establishing relationships and training contracts with key clients within the food service, retail food, hotel, travel, resorts, gaming and other related industry sectors
- Delivery of training programs in remote locations within Australia, with a special focus on Indigenous programs

Chris Harris

DIRECTOR EDUCATION

The Director Education is responsible for:

- Delivery of a diverse range of both Higher Education and Vocational Education and Training programs offered under four broad specialist disciplines: Foods, Tourism, Hospitality and Events
- Development, delivery and management of the Educational Excellence strategy and business plans for Vocational Education and Higher Education programs
- Leading and supporting the effective and timely integration of flexible and workplace-based delivery practices with campus delivery across all sites
- Ensuring the Institute meets internal and external quality reporting requirements with regards to all Vocational Education and Training programs delivered at the Institute

- Delivery of Higher Education courses offered by the Institute, including undergraduate and postgraduate courses
- Supporting teaching areas to develop their scholarly practice and leading the Institute's approach to applied research

Sarah Lawrie

ASSOCIATE DIRECTOR STUDENT RECRUITMENT AND SERVICES

The Student Recruitment and Services Division portfolio covers the non-education requirements of our students from prospective students to alumni.

The Associate Director Student Recruitment and Services is responsible for:

- Learning and Information Services including Student Supports Engagement Services
- Marketing and Communications
- Business Development
- Admissions and Information Centre

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 2022 to 31 December 2022 the Institute received one application. Partial access of information was granted under the Freedom of Information Act.

Compliance with the Building Regulations 2018

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 Public Interest Disclosures Act 2012

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 Public Interest Disclosures 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 Street, Melbourne VIC 3000

Postal address: GPO Box 24234, Melbourne VIC 3001

Website: www.ibac.vic.gov.au

Email: See the IBAC website for means of electronic contact.

For the period 1 January 2022 to 31 December 2022, the Institute was not aware of any disclosures made under the Public Interest Disclosures 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 Service Travel Policy

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

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
- Opportunity to access carer's leave

Students with carer responsibilities or those with diagnosed disabilities, medical or mental health conditions, 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 Wellbeing and Counselling Services and Disability Support Services

Compliance with Local Jobs First Act 2003

During the period 1 January 2022 to 31 December 2022 William Angliss Institute has had nil contracts to which the Local Jobs First Act applied.

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 2016*
- *Directions of the Minister for Training and Skills (or predecessors)*
- *TAFE Institute Commercial Guidelines*
- *TAFE Institute Strategic Planning Guidelines*
- *Public Administration Act 2004*
- *Financial Management Act 1994*
- *Freedom of Information Act 1982*
- *Building Act 1993*
- *Public Interest Disclosures Act 2012*
- *Carers Recognition Act 2012*
- *Local Jobs First Act 2003*
- *Gender Equality Act 2020*

William Angliss Institute Financial Management Compliance Attestation Statement

I, Dr Anne Astin, on behalf of the William Angliss Institute Board, certify that for the period 1 January 2022 to 31 December 2022, the William Angliss Institute of TAFE has no Material Compliance Deficiency with respect to the applicable Standing Directions made under the Financial Management Act 1994 and Instructions.



Dr Anne Astin AM, PSM
Board Chair
23 February 2023

Major Commercial Activities

During the period 1 January 2022 to 31 December 2022 William Angliss Institute did not enter into any major commercial activities.

Capital Projects

During the period 1 January 2022 to 31 December 2022 William Angliss Institute completed the following capital projects at our campus at 555 Latrobe Street Melbourne:

- Refurbishment of Angliss Restaurant Training Kitchen

- Refurbishment of a training floor to include new practical Training rooms for Patisserie (chocolate making and cake decoration), Gelato making and a new student learning commons
- Refurbishment of two classrooms in the hotel management facilities, one being a new generation computer lab.

Additional Information Available on Request

In compliance with the requirements of the Standing Directions 2018 under the Financial Management Act 1994, details in respect of the items listed below have been retained by the Institute and are available on request, subject to the provisions of the Freedom of Information Act 1982.

- a) a statement that declarations of pecuniary interests have been duly completed by all relevant officers;
- b) details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary;
- c) details of publications produced by the entity about itself and how these can be obtained;
- d) details of changes in prices, fees, charges, rates and levies charged by the entity;
- e) details of any major external reviews carried out on the entity;
- f) details of major research and development activities undertaken by the entity;
- g) details of overseas visits undertaken including a summary of the objectives and outcomes of each visit;
- h) details of major promotional, public relations and marketing activities undertaken by the entity to develop community awareness of the entity and its services;
- i) details of assessments and measures undertaken to improve the occupational health and safety of employees;
- j) a general statement on industrial relations within the entity and details of time lost through industrial accidents and disputes;
- k) a list of major committees sponsored by the entity, the purposes of each committee and the extent to which the purposes have been achieved; and
- l) details of all consultancies and contractors including:
 - consultants/contractors engaged;
 - services provided; and
 - expenditure committed to for each engagement

This information is available on request from:

Director Corporate (CFO)
E: corporate.governance@angliss.edu.au

People and Capability

People

Overall, the Institute workforce decreased by 0.8 Equivalent Full-Time (EFT) employees in 2022 compared to 2021 staff numbers. A snapshot of staff numbers as of 31 December 2022 is provided in the table on page 23.

The Workforce Disclosure demographic data represents employees who were active and employed in the last full pay period in 2022.

The Institute remains focused on attracting and retaining staff that are capable of providing quality skills solutions to industry and government.

Reward and Recognition

The Institute's Reward and Recognition Program recognises employees for outstanding achievements across the four key areas:

- 1) Client Service Excellence
- 2) Innovation
- 3) Teaching Excellence and
- 4) Occupational Health and Safety

A total of five awards were presented to employees during 2022.

Off-Shore Opportunities

The Institute has a workforce in Australia 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, Nanjing and Qingdao), Vietnam (Da Nang and Ho Chi Minh City), Sri Lanka (Colombo) and a stand-alone Tourism Training Centre in Singapore. We continue to maintain strong relationships with partner institutes in Thailand.

Learning and Development

The focus on workforce learning and development contributes to William Angliss Institute's current position as the State Government endorsed Specialist Centre for Foods, Tourism, Hospitality and Events. The Institute offers appealing career prospects in our areas of speciality and continues to attract quality candidates.

In 2022, the Institute offered a variety of learning and development training programs to ensure employees acquire the skills and knowledge to meet the current and future requirements of the Institute. Employees have access to VET specific online training resources and webinars as well as personal development courses available online via the LinkedIn Learning platform.

Learning and development activities included included:

- Leadership Training
- Research and Scholarship Seminars
- Cyber Awareness Training
- LGBTIQ Awareness Training
- Diversity and Inclusion Training
- Mental Health First Aid
- EAP Awareness Training
- Peer Partnerships Program
- People Management Training
- Compliance Training
- Assessment Development Training
- Education Excellence Workshops

The Institute continued to support several employees during the year by providing financial assistance to assist in obtaining formal qualifications. The education assistance program enables employees to perform their roles more effectively and better meet the needs of the Institute. Study leave was also offered to help employees to attain additional educational and vocational qualifications.

Occupational Health and Safety (OH&S)

The Institute is committed to providing a safe and healthy working environment for its employees and learning community and taking a preventative approach in protecting its employees, students and visitors from exposure to health and safety risks.

The Institute's Safety Improvement Plan for 2022 continued the focus of promoting and building a safety culture, preventative strategies and injury management. The plan aims to build and promote safety leadership, review and build preventative strategies through the application of the safety management system and improve injury and incident management.

Injury management performance was regularly monitored through a range of performance measures. These included 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.

An Internal Audit Program for 2022 included an OH&S audit conducted by external auditors to review the Institute's Occupational Health and Safety management framework. Implementation of recommendations and findings resulting from the review will be implemented within timelines.

There were two lost time claims during 2022.

The Institute continued to focus on responding to the COVID-19 pandemic risk and supporting staff wellbeing in 2022. The Institute's COVID-19 Safe Plan was regularly updated to reflect changes in COVID-19 Safe Management and a COVID-19 vaccination policy was developed following consultation with employees in line with the Victorian government requirements.

With changes to COVID-19 restrictions in 2022 the Institute ensured clear and timely communication to employees and additional work from home days were offered to staff during the winter period in line with the Victorian government recommendations to curtail the spread of COVID-19.

Employment and Conduct Principles

In 2022, the Institute continued to support the employment and conduct principles through structured induction of new employees.

Employees have been correctly classified in workforce data collections prepared during the 2022 calendar year.

The Institute has structured recruitment procedures based on merit and policies and processes to support equal opportunity including return from parental leave, breastfeeding, flexible work arrangements and reasonable adjustment for staff with disabilities.

Industrial Relations

Negotiations for the new Victorian TAFE Teaching Staff Agreement commenced in June 2022. To recognise the ongoing work of Teachers throughout the bargaining process, a 2% administrative payment was agreed to between TAFE representatives and the Australian Education Union and applied to salary rates effective from 11 October 2022. The VTA is representing the 12 Victorian TAFEs in negotiations in progress. Due to the complexity of the issues it is anticipated negotiations will continue for some time.

The second round of Higher Education promotions was conducted with three successful applicants receiving promotions with effect from 1 January 2023.

The William Angliss Institute PACCT Staff Enterprise Agreement 2021 was approved by the Fair Work Commission on 1 June 2022. This is a rollover agreement with a nominal expiry date of 30 June 2023.

William Angliss Institute's first Gender Equality Action Plan 2021 - 2025 was endorsed by the Executive Group and received official compliance status in August 2022 from the Commission for Gender Equality in the Public Sector. A consultation process was established to identify priority areas and strategies for the Institute. The William Angliss Institute Board and Executive continue to monitor the action plan progress.

The challenges of COVID-19 continued in 2022 with illness and absenteeism. Additional work from home days were offered to staff during the winter period in line with the Victorian government recommendations to curtail the spread of COVID-19.

Staff Declaration of Private Interest

In line with the Code of Conduct for Victorian Public Sector Employees, employees are required to declare any private interest that may constitute an actual, potential or perceived conflict of interest.

In 2022, 12 employees declared an actual, potential or perceived conflict of interest.

As at 31 December 2022:

Occupational Health And Safety Measure		2020	2021	2022
Incidents	Number of hazards/ incidents	17	15	23
	Rate per 100 FTE	5.3	4.95	7.16
Claims	Number of standard claims	1	1	3
	Rate per 100 FTE	0.31	0.31	0.93
	Number of lost time claims	2	1	2
	Rate per 100 FTE	0.63	0.33	0.62
	Average cost of standard claims	\$190,827	\$21,249	\$120,420
Fatalities	Number of fatality claims	Nil	Nil	Nil
Incident Reporting	% reported within 2 days of occurrence	100%	100%	71%
Lost time	Number of lost days	178	107	20
Training	Manager/Supervisor attendance at mandatory safety and related people management training	88%	87%	72%

Comparative Workforce Data (for years ending 31 December 2021 and 2022)

	Year Ending 31 December 2022							Year Ending 31 December 2021						
	F/Time		P/Time		Casual		Total	F/Time		P/Time		Casual		Total
	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other		Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	
PACCT Staff	121.9	8.6	19.1	2.8		0.0	152.4	114.5	12.9	18.5	1.9		0.0	147.8
Executive	0.0	5.0	0.0	0.0		0.0	5.0	0.0	5.0	0.0	0.0		0.0	5.0
Other	0.0	0.0	0.0	0.0		0.0	0.0	0.0	0.0	0.0	0.0		0.0	0.0
Teacher	105.8	9.0	36.8	3.0	9.4		164.0	108.0	8.1	38.5	2.5	12.3		169.4
Total	227.7	22.6	55.9	5.8	9.4	0.0	321.4	222.5	26.0	57.0	4.4	12.3	0.0	322.2

Workforce Disclosures (December 2021 – December 2022)

	December 2022								December 2021							
	All Employees		Ongoing			Fixed Term and Casual			All Employees		Ongoing			Fixed Term and Casual		
	Numbers (Headcount)	FTE	Full-Time (Headcount)	Part-Time (Headcount)	FTE	Numbers (Headcount)	FTE		Numbers (Headcount)	FTE	Full-Time (Headcount)	Part-Time (Headcount)	FTE	Numbers (Headcount)	FTE	
Gender																
Women Executives	2	2.0	0	0	0.0	2	2.0		2	2.0	0	0	0.0	2	2.0	
Women (Total Staff)	212	183.5	129	58	166.4	25	17.2		205	176.9	123	64	164.3	18	12.6	
Men Executives	3	3.0	0	0	0.0	3	3.0		3	3.0	0	0	0.0	3	3.0	
Men (Total Staff)	147	135.7	102	23	116.5	22	19.2		144	131.5	98	26	115.1	20	16.4	
Self-described	2	2.0	1	0	1.0	1	1.0		0	0	0	0	0	0	0	
Age																
15-24	4	3.3	2	1	2.6	1	0.7		0	0.0	0	0	0.0	0	0.0	
25-34	46	40.3	31	8	36.0	7	4.3		36	31.9	22	7	26.8	7	5.1	
35-44	80	68.9	50	19	61.1	11	7.8		76	66.1	49	20	62.3	7	3.8	
45-54	98	88.5	60	20	73.0	18	15.5		103	93.0	64	28	83.2	11	9.8	
55-64	102	92.5	69	25	86.5	8	6.0		106	92.2	68	28	84.9	10	7.3	
Over 64	31	27.7	20	8	24.7	3	3.0		28	25.2	18	7	22.2	3	3.0	
Total Employees	361	321.2	232	81	283.9	48	37.3		349	308.4	221	90	279.4	38	29.0	

Compulsory Student Services and Amenities Fees

William Angliss Institute Group Levy is a compulsory student services and amenities fee that is determined in accordance with the Ministerial Directions on Students Fees and Charges. The fee is fully applied to the provisions of funding for student recreation, counselling and welfare and other non-academic support services.

The process for the collection and disbursement of the services and amenities fees are managed by the William Angliss Institute Group and are not paid to any student organisations. Total Student Services and Amenities Fees collected for William Angliss Institute for the year ending 31 December 2022 were \$318,035.

Environmental Impacts and 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 and audiovisual for theory, there is a strong focus on student practice and experience in Cookery and Patisserie with a large number of operating refrigerators, gas ovens and hot water for hygiene requirements. Food waste is a by-product of the classes. The Institute continues to introduce sustainable practices to manage these resources and to reduce/divert waste. The Environmental Sustainability Action Team met three times during the year. This group is open to all staff members with an interest in ongoing Environmental Sustainability.

In all new building and plant upgrades, energy and water savings are an integral part of the process. Considerable ongoing resource savings have been implemented in 2022.

The Institute completed a major upgrade of the air conditioning in Building C, Melbourne Campus.

These works require all existing plant (10 units) to be removed and replaced with a single, more energy efficient and environmentally friendly unit. A number of smaller air conditioning units containing the R23 gases were also replaced with more energy efficient units. All new air conditioning units are centrally controlled on the Building Management System to ensure it is operating to set times, temperatures and turned off during breaks.

Campus foot traffic and student contact hours (SCH) increased in 2022. As a result, total energy use was up from 2021 however due to the introduction of energy efficient measures, electricity consumed per SCH reduced. A new 99 kilowatt solar system

was installed and commissioned early 2023 on the Melbourne campus and should result in further reductions in energy use. There will be some offset due to increased installation of new state of the art equipment into each kitchen to align to curriculum packages. Paper consumption increased in 2022 with a return to campus-based activity.

A large number of non-recyclable items needed during 2019 and 2020 has reduced impacting our waste to landfill. Disinfectant wipes, masks, gloves and the need for plastic cutlery and takeaway containers were essential during this period. In 2022 a focus on recycling through access to bins and communication has resulted in an increase in the recycling rate from 21% to 29% in 2022. The introduction of a single use plastics ban in both NSW and Victoria will see further improvements in recycling.

The Institute's gardens, including the Rain Garden, continue to flourish. Garden tours and QR codes, providing information on the edible plants were conducted in 2022. Automated watering from the on campus water tanks and compost from the training kitchens and Coffee Academy enabled the gardens to produce several fruiting bananas, coffee and new indigenous plantings.

This area continues to be a haven for bees and birds.

Energy

The Institute consumes energy for a number of different uses including office facilities, theory classrooms, and three restaurants, two retail food outlets, Conference Centre, 12 training kitchens and bakery practical rooms. The data represented below was collected through energy retailer billing information.

Indicator	2021			2022		
	Electricity	Natural gas	Green power	Electricity	Natural gas	Green power
Total energy usage	2,184,537 KwH	6,722,426 Mj	n/a	2,456,202 KwH	8,532,839 Mj	n/a
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tCO2e)	2,009	373	-	2,259	473	-
Percentage of electricity purchased as green power	-	-	-	-	-	-
Units of energy used per Student Contact Hour (MJ/SCH)	0.87	2.34	-	0.85	2.97	-

SCH = (2021) 2,509,822; (2022) 2,866,147

Waste

The waste generated by processes within the Institute is divided into four general streams – general, cardboard, commingle recycling and glass/mixed recycling. All recycling was combined for 2021.

Indicator	2021			2022		
	General	Commingled recycling	Cardboard	General	Commingled recycling	Cardboard
Total units of waste disposed of by destination (kg/yr)	119,505	20,028	11,907	195,310	47,930	35,190
Units of waste disposed of per FTE by destinations (kg/FTE)	389.3	65.2	38.7	625.7	153.5	112.7
Recycling rate (percentage of total waste)		21.1%			29.85%	

FTE = 307 @ 30 September 2021 and 31 December 2022 = FTE 312.1

Paper

The Institute only purchases paper which is certified to the Australian Forestry Standard, which confirms that it is made with fiber from sustainably managed plantations and forestry operations. Paper usage has increased with a return to campus-based activity.

Indicator	2021	2022
Total units of copy paper used (reams)	1,155	1,223
Units of copy paper used per FTE (reams/FTE)	3.76	3.91
Percentage of 100% recycled content copy paper purchased	1.29	3.67
Percentage of 75% recycled content copy paper purchased	N/A	N/A
Percentage of 50% recycled content copy paper purchased	1.29	0.41
Percentage of FSC Carbon neutral certified purchase	100	100



Patisserie students gathering herbs from the William Angliss Institute Rain Garden.

Water

The data in the table below is based on water meter readings of the whole site at the Melbourne campus. Water usage is down due to a focus on reducing water leaks through maintenance. However the measurement year on year is impacted by irregular reading of the water metres by the water provider.

Indicator	2021	2022
Total units of metered water consumed by usage types (kilolitres)	8,875	7,955

Transportation

The data in the table is derived from kilometres and fuel usage from the Institute's 16 vehicle fleet Australia-wide. Both fleet and air travel continued to increase from COVID-19 levels, in particular international travel resumed in 2022. The use of public transport and video conferencing is encouraged where possible.

Indicator	2021	2022
Total kilometres travelled from vehicle fleet	218,207	251,287
Total litres used from vehicle fleet	12,542	14,059
Total distance travelled by air (kilometres)	44,109	690,273

Greenhouse Gas Emissions

Indicator	2021	2022
Total Greenhouse Gas Emissions associated with energy use (tonnes CO2e)	2,382	2,732
Total Greenhouse Gas Emissions from vehicle fleet (tonnes CO2e)	31.06	36.80
Total Greenhouse Gas Emissions from air travel (tonnes CO2e)	9.80	143.32
Total Greenhouse Gas Emissions associated with waste disposal (tonnes CO2e)	131.46	214.84

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.

Publications and Research

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

Referenced Journal Articles

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- Griggs, N., & Lacey, G. T. (2022) Barriers to national park visitation by millennials: Perceptions from second-generation Australians. *Annals of Tourism Research Empirical Insights*, 3, Article 100074. <https://doi.org/10.1016/j.annale.2022.100074>
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Financial Summary

Summary of Financial Results

Consolidated	2022	2021	2020	2019	2018
Summary of Financial Result	000's	\$'000	\$'000	\$'000	\$'000
Total Income from transactions	61,496	60,242	56,892	60,818	62,413
Total Expenses from transactions	62,837	56,700	57,757	65,096	61,869
Net result from transactions (Net operating balance)	(1,341)	3,542	(865)	(4,278)	544
Other economic flows included in net result	(773)	(2,784)	(102)	(500)	(171)
Net result	(2,114)	758	(967)	(4,778)	373
Other economic flows - other comprehensive income	84,464	(16,422)	(332)	12,240	86
Comprehensive result	82,350	(15,664)	(1,299)	7,462	459
Consolidated	2022	2021	2020	2019	2018
Summary of Financial Position	\$'000	\$'000	\$'000	\$'000	\$'000
Total assets	309,651	229,010	244,828	247,059	226,300
Total liabilities	27,765	29,474	29,628	30,560	17,263
Net assets	281,886	199,536	215,200	216,499	209,037

Summary of Significant Changes in Financial Position

During 2022 William Angliss Institute's net assets increased by \$82.3m with the key contributing factors being an upward revaluation of land of \$91.3m and a downward revaluation of buildings of \$7.1m. Excluding these factors there was a decrease in net assets of \$1.9m, largely due to a decrease in financial assets of \$0.7m and non-financial assets of \$3.6m, the latter associated with an impairment of software assets of \$0.8m and reduction of right of use assets \$1.9m. Net liabilities decreased \$1.7m with decreases in lease liabilities \$1.5m and employee entitlements \$0.5m the main contributing factors.

Summary of Operational and Budgetary Objectives

The Institute's Strategic Plan for 2021-2023 seeks to meet the expectations of all stakeholders. The Institute continues to improve educational quality and be responsive to industry needs across all programs.

An overview of achievements and performance statement identifying key performance targets is provided in the Annual Report.

Business Consolidation

Consolidated revenue for the year was \$61.5m. Main revenue streams include Government contracts and grant funding, training and commercial revenue and international activity including overseas projects and Singapore and China subsidiaries' operations.

Financial Viability

During the year, the COVID-19 pandemic continued to have a material impact on the operations of the Consolidated Group which were mitigated through government funding assistance and internal measures to improve profitability.

The consolidated operating deficit (including capital and depreciation) for the year was (\$2.1m). Total current assets in 2022 were \$31.0m with current liabilities of \$15.2m.

While there were no events subsequent to balance date likely to have a significant financial impact on the organisation, full recovery to pre COVID-19 operational levels is anticipated to take several years, with a negative impact on financial reserves.

Organisational Viability

While significant post COVID-19 pandemic recovery has been achieved in 2022, the compounding material impact of COVID-19 on operations over 2020-2022, the 2023 projected results and the expected timeframe for full recovery from COVID-19 impacts represent a challenge with respect to organisational viability.

Government funding assistance together with the Institute's commitment to responsible financial management and planning was maintained in 2022 where in respect to the latter a range of successful internal measures were taken to mitigate COVID-19 and other adverse business impacts.

The Institute will continue to be responsive to the variable business environment and adapt plans accordingly to preserve organisational viability.

For 2022 William Angliss Institute's revenue of \$60.0m (excluding capital contributions) net deficit result of \$2.1m and surplus of \$3.2m before capital, interest, depreciation and asset impairment were all favourable to budget. The Institute also maintained a working capital ratio of 2.0 at year-end.

Consultants

In 2022, total consultancy expenditure was \$291,202 (ex GST). There were four consultancies totalling \$283,952, where the total fees payable to the consultant was \$10,000 or greater. There was two consultancies with total expenditure of \$7,250 where the total fees payable were less than \$10,000. Consultancies valued in excess of \$10,000 have been published on the William Angliss Institute website <https://www.angliss.edu.au>

Consultancy valued in excess of \$10,000	Description	\$	Future Commitment
ARUP AUSTRALIA ADVISORY & DIGITAL PTY LTD	Business Case Development	135,000	0
FG ADVISORY PTY LTD	Facilities and Asset Condition Assessments	80,615	\$95,083
MERCER CONSULTING (AUSTRALIA) PTY LTD	Work Value Classification	56,300	0
KOMOSION PTY LTD	Marketing Advisory Services	12,037	0

Expenses are approved by the Board as part of the overall budgeting process rather than for specific individual expenditure items. All values are excluding GST.

Information and Communication Technology Expenditure

For 2022 reporting period William Angliss Institute had a total ICT expenditure of \$4.8m with the details shown below.

Business As Usual (BAU) ICT expenditure \$'000 (Total)	Non-Business As Usual (non-BAU) ICT expenditure (Total = Operational expenditure and Capital Expenditure) \$'000	Non-BAU Operational Expenditure \$'000	Non-BAU Capital Expenditure \$'000
4,721	128	128	0

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

Disclosures

Disclosures of Ex-Gratia Payments

In 2022 there were no ex-gratia payments made by the Institute.

- Contribution fund – VicSuper Pty Ltd
- Various other contribution funds

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 paid are provided in Note 8.2 of the Annual Financial Statements.

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.

Superannuation

Details of Recognised Superannuation Liabilities

As at the reporting date, there were \$0.3m outstanding contributions payable to the above funds.

Name and type of Superannuation Scheme:

- Defined benefit fund – Emergency Services Superannuation Scheme – New and Revised Schemes



Financial Statements

Independent Auditor's Report

To the Directors of William Angliss Institute of Tafe

Opinion	<p>I have audited the financial report of William Angliss Institute of Tafe (the institute) which comprises the:</p> <ul style="list-style-type: none"> consolidated entity and institute balance sheets as at 31 December 2022 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 to the financial statements, including significant accounting policies declaration by Board Chair, Chief Executive Officer and Chief Finance and Accounting Officer. <p>In my opinion the financial report is in accordance with Standing Direction 5.2 of the Financial Management Act 1994 and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, including:</p> <ul style="list-style-type: none"> giving a true and fair view of the financial position of the institute as at 31 December 2022 and of its financial performance and its cash flows for the year then ended complying with Australian Accounting Standards and Division 60 of the <i>Australian Charities and Not-for-profits Commission Regulations 2013</i>.
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the institute in accordance with the auditor independence requirements of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> and the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Directors' responsibilities for the financial report	<p>The Directors of the institute are responsible for the preparation of a financial report that gives a true and fair view in accordance with Australian Accounting Standards, the <i>Financial Management Act 1994</i> and the <i>Australian Charities and Not-for-profits Commission Act 2012</i>, and for such internal control as the Directors determine is necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Directors are responsible for assessing the institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

I communicate with the Directors 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 Directors 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
29 March 2023



Charlotte Jeffries
as delegate for the Auditor-General of Victoria





William Angliss Institute

Financial Report Declaration

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

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

The attached financial statements for William Angliss Institute of TAFE (the "Institute") and its controlled entities (collectively, the "Consolidated Entity") have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statements, balance sheets, statements of changes in equity, cash flow statements and accompanying notes to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2022 and financial position of the Institute and the Consolidated Entity as at 31 December 2022.

At the date of signing this financial report, we are not aware of any circumstances that would render any particulars included in the financial report to be misleading or inaccurate.

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



Dr A Astin AM, PSM, Board Chair

Date 15 March 2023

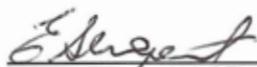
Place Melbourne, VIC



Mr N Hunt, Chief Executive Officer

Date 15 March 2023

Place Melbourne, VIC



Ms E Sargent, Chief Finance and Accounting Officer

Date 15 March 2023

Place Melbourne, VIC

Financial Report

WILLIAM ANGLISS INSTITUTE OF TAFE

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

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Comprehensive Operating Statements

For the year ended 31 December 2022

	Note	Consolidated		Institute	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
CONTINUING OPERATIONS					
<u>Revenue and income from transactions</u>					
Government grants					
Operating grants - revenue	2.1.1	10,122	10,681	10,122	10,681
Operating grants - income	2.1.1	23,589	22,185	23,589	22,185
Capital grants - income	2.1.2	1,459	3,098	1,459	3,098
Revenue from fees, charges and sales	2.2	24,781	23,301	20,904	20,970
Other income and revenue	2.3	1,545	977	1,296	694
Total revenue and income from transactions		61,496	60,242	57,370	57,628
<u>Expenses from transactions</u>					
Employee benefits	3.1.1	37,215	36,153	35,353	34,775
Depreciation and amortisation	3.6	5,495	5,199	4,957	4,759
Supplies and services	3.3	15,754	12,114	14,949	11,480
Finance costs	3.5	536	584	530	571
Other operating expenses	3.4	3,837	2,650	3,381	2,390
Total expenses from transactions		62,837	56,700	59,170	53,975
Net result from transactions		(1,341)	3,542	(1,800)	3,653
<u>Other economic flows included in net result</u>					
Net gain/(loss) on non-financial assets	4.1.3	24	19	24	19
Net gain/(loss) on financial instruments	9.1a	(516)	211	55	225
Other gains/(losses) from other economic flows	9.1b	(281)	(3,014)	(281)	(3,014)
Total other economic flows included in net result		(773)	(2,784)	(202)	(2,770)
Net result		(2,114)	758	(2,002)	883
<u>Other economic flows - other comprehensive income</u>					
Items that will be reclassified to net result					
Exchange difference on translation of foreign operations	9.2	247	254	-	-
Items that will not be reclassified to net result					
Gain/(loss) on revaluation of physical assets	9.2	84,217	(16,676)	84,217	(16,676)
Comprehensive result		82,350	(15,664)	82,215	(15,793)

The above Comprehensive Operating Statements should be read in conjunction with the accompanying notes.

Balance Sheets

As at 31 December 2022

	Note	Consolidated		Institute	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	6.1	23,183	23,609	21,118	21,554
Receivables	5.1	1,193	706	1,781	1,341
Investments and other financial assets	4.4	2,738	3,544	2,550	3,013
Total financial assets		27,114	27,859	25,449	25,908
Non-financial assets					
Property, plant and equipment	4.1	269,432	185,032	269,410	185,014
Right of use assets	6.3	8,695	10,448	8,551	9,907
Intangible assets	4.2	565	2,251	560	2,240
Contract assets	5.2	2,301	2,053	796	809
Other non-financial assets	5.3	1,544	1,367	1,378	1,205
Total non-financial assets		282,537	201,151	280,695	199,175
Total assets		309,651	229,010	306,144	225,083
LIABILITIES					
Payables	5.4	2,915	3,060	6,570	6,406
Contract and other liabilities	5.5	5,413	5,122	4,682	4,457
Employee benefits	5.6	6,986	7,517	6,962	7,468
Other provisions	5.7	1,050	858	864	787
Lease liabilities	6.3	11,401	12,917	11,253	12,367
Total liabilities		27,765	29,474	30,331	31,485
Net assets		281,886	199,536	275,813	193,598
EQUITY					
Accumulated surplus		24,555	26,674	18,372	20,374
Contributed capital	6.2	29,436	29,436	29,436	29,436
Reserves	9.2	227,895	143,426	228,005	143,788
Net worth		281,886	199,536	275,813	193,598

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

WILLIAM ANGLISS INSTITUTE OF TAFE

Statements of Changes in Equity

For the year ended 31 December 2022

	Physical assets revaluation surplus \$'000	Foreign currency translation reserve \$'000	Statutory reserve fund China \$'000	Accumulated surplus \$'000	Contributions by owner \$'000	Total \$'000
CONSOLIDATED						
As at 1 January 2021	160,464	(656)	13	25,943	29,436	215,200
Net result for the year	-	-	-	758	-	758
Other economic flows - other comprehensive income	(16,676)	254	-	-	-	(16,422)
Total comprehensive income	(16,676)	254	-	758	-	(15,664)
Transfer from accumulated surplus	-	-	27	(27)	-	-
Year ended 31 December 2021	143,788	(402)	40	26,674	29,436	199,536
Net result for the year	-	-	-	(2,114)	-	(2,114)
Other economic flows - other comprehensive income	84,217	247	-	-	-	84,464
Total comprehensive income	84,217	247	-	(2,114)	-	82,350
Transfer from accumulated surplus	-	-	5	(5)	-	-
Year ended 31 December 2022	228,005	(155)	45	24,555	29,436	281,886
INSTITUTE						
As at 1 January 2021	160,464	-	-	19,491	29,436	209,391
Net result for the year	-	-	-	883	-	883
Other economic flows - other comprehensive income	(16,676)	-	-	-	-	(16,676)
Total comprehensive income	(16,676)	-	-	883	-	(15,793)
Year ended 31 December 2021	143,788	-	-	20,374	29,436	193,598
Net result for the year	-	-	-	(2,002)	-	(2,002)
Other economic flows - other comprehensive income	84,217	-	-	-	-	84,217
Total comprehensive income	84,217	-	-	(2,002)	-	82,215
Year ended 31 December 2022	228,005	-	-	18,372	29,436	275,813

The above Statements of Changes in Equity should be read in conjunction with the accompanying notes.

WILLIAM ANGLISS INSTITUTE OF TAFE

Cash Flow Statements

For the year ended 31 December 2022

	Note	Consolidated		Institute	
		2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Government contributions		38,687	40,180	38,687	40,180
Receipts from customers - fees, charges and sales		24,232	23,194	20,726	21,186
Goods and services tax recovered from / (paid to) the ATO		194	(266)	207	(255)
Interest received		390	64	367	52
Other receipts		999	757	929	642
Total receipts from operating activities		64,502	63,929	60,916	61,805
Payments					
Payments to employees		(37,215)	(36,153)	(35,353)	(34,775)
Payments to suppliers		(23,294)	(18,895)	(22,182)	(17,965)
Short-term, low value and variable lease payments		-	(24)	-	-
Interest paid – lease liabilities		(536)	(584)	(530)	(571)
Total payments from operating activities		(61,045)	(55,656)	(58,065)	(53,311)
Net cash flows from operating activities	6.1.1	3,457	8,273	2,851	8,494
CASH FLOWS FROM INVESTING ACTIVITIES					
Payment to related entities		-	-	228	(55)
Payments for property, plant and equipment		(3,468)	(4,942)	(3,348)	(4,942)
Proceeds from sales of non-financial assets		493	20	490	20
Payments for investments		-	(3,000)	-	-
Receipts of dividend income		156	156	-	-
Net cash flows used in investing activities		(2,819)	(7,766)	(2,630)	(4,977)
CASH FLOWS FROM FINANCING ACTIVITIES					
Payment of lease liabilities - principal		(1,080)	(1,125)	(657)	(699)
Net cash flows used in financing activities		(1,080)	(1,125)	(657)	(699)
Net increase in cash and cash equivalents		(442)	(618)	(436)	2,818
Cash and cash equivalents at beginning of year		23,609	23,974	21,554	18,736
Effect of foreign currency transactions		16	253	-	-
Cash and cash equivalents at end of year	6.1	23,183	23,609	21,118	21,554

The above Cash Flow Statements should be read in conjunction with the accompanying notes.

WILLIAM ANGLISS INSTITUTE OF TAFE

1. ABOUT THIS REPORT

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

William Angliss Institute is a Technical and Further Education (TAFE) provider, based predominantly in the city of Melbourne Victoria.

Its registered office and principal address is:

William Angliss Institute of TAFE
555 La Trobe Street
Melbourne, VIC 3000
Australia

1.1 Basis of preparation

These financial statements are presented in Australian dollars, the functional and presentation currency of William Angliss Institute of TAFE (the "Institute") and its controlled entities, as an individual reporting entity hereafter known as the ("Consolidated Entity"). These financial statements have been prepared in accordance with the historical cost convention, unless a different measurement basis is specifically disclosed in the notes associated with the item measured on a different basis. Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

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

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

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

- determining whether government contributions received should be recognised as revenue under AASB 15 or income under AASB 1058 depending on whether the performance obligations within the contract are assessed as sufficiently specific and measuring William Angliss Institute of TAFE's satisfaction of a performance obligation (refer to Note 2.2);
- AASB 16 *Leases* and the requirements to determine the lease term to the extent that extension options are certain (refer to Note 6.3);
- whether William Angliss Institute of TAFE has control over its subsidiaries and other related entities (refer to Note 9.4); and
- whether AASB 1059 *Service Concession Arrangements: Grantors* is applicable - specifically, in determining whether an asset provides public services and in determining whether the operator manages at least some of the public services and not acting merely as an agent on behalf of the grantor.

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

- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 5.6);
- the loss rate used in calculating the allowance for expected credit losses (refer to Note 7.1.2);
- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 7.3); and
- the fair value of assets measured at current replacement cost as a result of rising costs of construction and inflation.

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

These financial statements cover William Angliss Institute of TAFE and its controlled entities as an individual reporting entity and include all the controlled activities of William Angliss Institute of TAFE.

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 Comprehensive Operating Statement, in the period in which they arise.

WILLIAM ANGLISS INSTITUTE OF TAFE

1. ABOUT THIS REPORT

1.1 Basis of preparation (continued)

Group entities

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

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

Goods and Services Tax (GST)

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

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

Basis of consolidation

In accordance with AASB 10 Consolidated Financial Statements, William Angliss Institute of TAFE consolidates its controlled entities on the basis that control exists when an entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of entities included in the consolidated financial statements are from the date on which control commences until the date on which control ceases.

In preparing consolidated financial statements for the Consolidated Entity, all material transactions and balances between consolidated entities are eliminated.

Funding risk

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

The Institute has substantial economic dependency on Government operating and capital contributions.

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

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.

1.2 Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA), the *Australian Charities and Not-for-profits Act 2012* and applicable AAS, which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of 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. Accounting policies applied are disclosed in sections where the related balance or financial statement matter is disclosed.

1.3 Impact of COVID-19

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

Various restrictions such as self-isolation to contain the spread of the virus and to prioritise the health and safety of our communities continued to impact the manner in which William Angliss Institute of TAFE and its controlled entities operate.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

1. ABOUT THIS REPORT

1.3 Impact of COVID-19 (continued)

The Consolidated Entity continued to conduct classes through hybrid on campus and remote learning arrangements, perform COVID-19 testing and implement work from home arrangements where appropriate.

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

The key impacts on the performance is summarised as follows:

Going concern

The Consolidated Entity has a strong financial position, with a net asset position of \$282m (2021: \$200m), a net current asset position of \$15.7m (2021: \$15m), net deficit of \$2.114m (2021: Surplus of \$0.758m) and positive operating cash flows of \$3.457m (2021: \$8.273m).

Considering the group's financial position, together with the impacts of COVID-19 on the business as discussed below, the Group has concluded it is appropriate to prepare the financial statements on a going concern basis.

Revenue and other income

The Consolidated Entity's responses to the pandemic included building flexibility into its education delivery modes to allow for remote learning and working arrangements where appropriate or required.

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

Key COVID-19 factors impacting revenue include: specific hospitality, tourism and events sector impacts. These factors have negatively impacted both B2B demand for training services and student enrolments across most Institute programs. Further the compounding impact of several years of COVID-19 related disruption has created challenges in rebuilding student numbers across all course stage levels significantly impacting economies of scale and margins associated with our training activities in the short term. This is further discussed in Note 2.2.

Expenses

The Consolidated Entity's daily activities were impacted by the pandemic. This resulted in direct and indirect costs being incurred, such as additional supplies and consumables for staff and students, and staffing costs for replacement and maintenance of core staffing.

Liquidity Risk

The impact of the COVID-19 pandemic on William Angliss Institute finances is expected to continue in 2023, which may require William Angliss Institute to draw on their cash reserves to cover their operating costs.

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

Allowance for expected credit losses

Although both local and international students have been impacted by the pandemic, the Consolidated Entity has not experienced a decline in the collectability of its trade receivables. Where students are experiencing financial difficulty, the Consolidated Entity has allowed for payments to be made in accordance with a payment plan. The Consolidated Entity monitors payments made under the plan and noted that for the majority of students on a plan, payments continue to be made in line with schedule. These factors, including the continued impact of the pandemic on students' payment history has been considered in determining the expected credit loss for the 2022 financial year. It should also be noted that the Consolidated Entity has the right to cancel a student's enrolment and prohibit them from undertaking new courses in situations where there are unpaid fees or outstanding debts.

Fair value of non-financial physical assets

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103. A full revaluation of education assets normally occurs every five years, with the latest occurring for the year ended 31 December 2022. Due to COVID-19 impacts, there is an increased element of estimation uncertainty with regard to the fair values of the Consolidated Entity's non-financial physical assets. This is further discussed in Note 7.3.

Exceptions to the fair value measurement policy as described above include:

- right-of-use assets that arise from below market (including peppercorn) leases, which are measured at cost in accordance with FRD 123;
- assets under construction which are measured under cost unless they relate to service concession arrangement assets which shall be measured at current replacement cost; and
- assets where the Consolidated Entity has received the prior written approval of the Assistant Treasurer to be measured at cost.

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.1 Government contributions

2.1.1 Revenue and income from government contributions

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Grants and other transfers				
Government grants – operating revenue				
State government – contestable	10,122	10,681	10,122	10,681
Total government grants - operating revenue	10,122	10,681	10,122	10,681
Government grants – operating income				
State government – other grants	23,489	22,185	23,489	22,185
Commonwealth government grants	100	-	100	-
Total government grants - operating income	23,589	22,185	23,589	22,185
Total government grants – operating	33,711	32,866	33,711	32,866

In 2022 the Institute received \$23.4m (2021:\$14.5m) in support funding in addition to \$0.7m (2021: \$1.2m) in business continuity grants to maintain government funding at pre-pandemic levels. The impact of COVID-19 is further discussed in Note 1.3.

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

Revenue and income from government grants

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

Revenue from government grants

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

Revenue is measured at the amount of consideration to which the Consolidated Entity expects to be entitled in exchange for transferring promised goods or services to a customer.

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.1 Government contributions (continued)

Income from government grants

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

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

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

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

Transaction price allocated to remaining performance obligations

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

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.1.2 Capital grants income

	Consolidated		Institute	
	2022	2021	2022	2021
	\$'000	\$'000	\$'000	\$'000
Government contributions – capital				
State government – capital	1,459	3,098	1,459	3,098
Total government contributions – capital	1,459	3,098	1,459	3,098
Total government contributions - capital	1,459	3,098	1,459	3,098

Income type	Nature	Performance obligation	Timing of satisfaction
State government – capital	Where the Consolidated Entity receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by the Consolidated Entity.	Whilst the Consolidated Entity has an obligation to acquire or construct a non-financial asset, such transactions are accounted for following specific guidance under AASB 1058.	When the asset is acquired. Or Over time, as the building or facility is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction are the best measure of the stage of completion of the building. Where government contributions has been received for services to be delivered in the following year, these amounts are deferred as a liability (Note 5.5).

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.2 Revenue from fees, charges and sales

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Student fees and charges	3,606	4,639	3,606	4,639
Fee for service – international operations – onshore	12,650	13,072	12,582	13,071
Fee for service – international operations – offshore	4,233	2,730	424	400
Fee for service – other	2,797	2,223	2,797	2,223
Other non-course fees and charges				
Sale of goods	1,495	637	1,495	637
Total revenue from fees, charges and sales	24,781	23,301	20,904	20,970

*Student fees and charges revenue includes student fees paid by the Federal Government through the VET Student Loan and Fee Help Schemes. For 2022 this amount was \$1.333m (2021: \$2.160m).

The following table provides a breakdown of contractual sales with customers based on timing of revenue recognition.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue recognised over time	23,286	22,664	19,409	20,333
Revenue recognised at a point in time	1,495	637	1,495	637
Total revenue from fees, charges and sales	24,781	23,301	20,904	20,970

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

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

Other non-course fees and charges are recognised as the service is delivered to the student. For example, student amenities and services revenue is recognised as the Consolidated Entity provides the service to the student.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.2 Revenue from fees, charges and sales (continued)

Revenue Type	Nature	Performance obligation	Timing of satisfaction
Student fees and charges	<p>The Institute provides educational services to the general public, both nationally and internationally.</p> <p>Student fees and charges revenue includes student tuition fees and course materials received or to be received from eligible students for the provision of these services.</p>	Provision of education services	<p>Student fees and charges are recognised in accordance with the relevant enrolment terms and conditions and over the period that the education and training services are provided.</p> <p>Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.</p>
Fee for service – government	Relates to course fees funded by State government departments (excluding revenue/income recognised in note 2.1.1).	Provision of services	<p>Revenue is recognised over time by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered.</p> <p>Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as a contract liability.</p>
Fee for service – International onshore/offshore	Relates to international student course fees and other revenue for onshore and offshore training operations.		
Fee for service – other	Relates to revenue from training programs to domestic students (who are not eligible for a government funded subsidy) and private organisations (industry).		
Revenue from sale of goods	Physical goods sold.	Delivery of goods (e.g. retail food outlets)	<p>Revenue is recognised at a point in time when the goods are delivered and have been accepted by customers. Sales are recognised based on the contractual price, net of any discounts (if applicable). Payment of transaction price is due immediately.</p>

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.2 Revenue from fees, charges and sales (continued)

Revenue recognised in relation to contract liabilities

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Student fees and charges	520	552	520	552
Fee for service	4,893	3,402	4,162	3,135
	5,413	3,954	4,682	3,687

Transaction price allocated to remaining performance obligations

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

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

Consolidated	2023 \$'000	2024 \$'000	2025 \$'000
Revenue expected to be recognised	5,413	-	-

Institute	2023 \$'000	2024 \$'000	2025 \$'000
Revenue expected to be recognised	4,682	-	-

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

Payment terms

The payment terms for student fees are as follows:

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

Students are generally entitled to a refund (less administration fee) if they withdraw from a course prior to the applicable census date (for Diploma and above), or the published criteria for all other courses. Students who withdraw after this time are generally not entitled to a refund.

2.3 Other income and revenue

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest income	390	64	367	52
Rental income	364	300	364	300
Donations, bequests and contributions	51	14	24	-
Dividend income	156	156	-	-
Other	584	443	541	342
Total other income	1,545	977	1,296	694

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.3 Other income and revenue (continued)

Other Income Type	Nature	Performance obligation	Timing of satisfaction
Interest	Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets.	None	Recognised taking into account the effective interest rates applicable to the financial assets.
Rental income from operating leases	The Institute receives rental income for certain land and buildings leased out to the general public during the semester break period and when the buildings are excess to the current requirement. Refer to Note 2.3.1 for the Institute's lessor accounting policy.	None	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.
Donations and bequests	From time to time, generous benefactors may provide donations or gifts to further the objectives of the Consolidated Entity. Typically, donations and bequests do not contain performance obligations that are sufficiently specific.	None	Recognised on receipt, when there are no sufficiently specific performance obligations. Typically, the stated purpose of the gift is not specific enough for the requirements of the AASB 15. In the rare circumstance where a gift has a sufficiently specific performance obligation revenue will be recognised when or as the obligation is satisfied.
Other income (e.g. dividends)		Other income is recognised when the Consolidated Entity's right to receive payment is established.	

2.3.1 Leases receivable

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Receivable:				
Within one year	132	238	132	238
Later than one year but not later than five years	132	156	132	156
Later than five years	-	-	-	-
Total leases receivable	264	394	264	394
GST payable on the above	24	39	24	39
Net operating leases receivable	240	355	240	355

When the Consolidated Entity is a lessor, a lease is classified as an operating lease when it does not transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. Indicators such as whether the lease is for the major part of the economic life of the asset are considered as part of this assessment. Payments received under operating leases are recognised as income on a straight-line basis over the lease term and are included under the line item - rental income.

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.1 Employee benefits

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

All assumptions are reviewed at each reporting date.

3.1.1 Employee benefits in the comprehensive operating statement

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Salaries, wages, overtime and allowances	28,575	28,113	26,890	26,921
Superannuation	3,369	3,051	3,222	2,920
Payroll tax	1,670	1,548	1,643	1,530
Mental Health Levy	97	-	97	-
Workers compensation	196	207	192	203
Annual leave	2,587	2,646	2,599	2,623
Long service leave	708	583	697	573
Termination Benefits	13	5	13	5
Total employee benefits	37,215	36,153	35,353	34,775

Employee expenses include all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. Superannuation expenses / benefits disclosed above are employer contributions that are paid or payable during the reporting period. The impact of COVID-19 is further discussed in Note 1.3.

Termination benefits are payable when employment is terminated by the employer before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Consolidated Entity 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.2 Superannuation

The Institute employees are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan 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 because the entity has no legal or constructive obligation to pay future benefits relating to its employees; its only obligation is to pay superannuation contributions as they fall due. The Department of Treasury and Finance recognises and discloses the state's defined benefit liabilities in its financial statements.

However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the Comprehensive Operating Statement of the Institute.

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Paid contribution for the year				
Defined benefit plans:				
State Superannuation Fund – revised and new	89	92	89	92
Total defined benefit plans	89	92	89	92
Accumulation contribution plans:				
VicSuper	1,056	1,188	1,054	1,176
Other	2,018	2,041	2,011	2,032
Total accumulation contribution plans	3,074	3,229	3,065	3,208
Total paid contribution for the year	3,163	3,321	3,154	3,300
Contribution outstanding at year end				
Defined benefit plans:				
State Superannuation Fund – revised and new	7	7	7	7
Total defined benefit plans	7	7	7	7
Accumulation contribution plans:				
VicSuper	86	83	86	82
Other	184	143	182	143
Total accumulation contribution plans	270	226	268	225
Total contribution outstanding at year end	277	233	275	232

Accumulation contribution plans

Contributions are expensed when they become payable.

The bases for contributions are determined by the various schemes.

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

Defined Contribution Plans

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

Defined Benefit Plans

The expenses recognised represent the contributions made by the Institute to the superannuation plan in respect of current services of current staff of the Institute which are based on the relevant rules of each plan.

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.3 Supplies and services

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Building repairs and maintenance	635	778	633	777
Rental payments	322	280	250	228
Contract and other services	3,076	2,630	2,974	2,533
Cost of goods sold / distributed (ancillary trading)	1,424	957	1,412	924
Purchase of supplies and consumables	3,404	2,123	3,376	2,114
Professional fees and charges	4,145	3,609	4,020	3,462
Third party training providers	2,701	1,645	2,237	1,389
Computer software and hardware expenses	47	92	47	53
Total supplies and services	15,754	12,114	14,949	11,480

Supplies and services are recognised as expenses in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed. The impact of COVID-19 is further discussed in Note 1.3.

3.3.1 Non-cancellable lease commitments – short-term and low value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Payable				
Within one year	57	-	57	-
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total lease commitments	57	-	57	-
GST payable on the above	5	-	5	-
Net short-term and low-value lease commitments	52	-	52	-

3.3.2 Other expenditure commitments

Commitments for future maintenance, repairs or enhancements to buildings in existence at reporting date but not recognised as liabilities are as follows:

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Payable				
Within one year	326	47	326	47
Later than one year but not later than five years	32	72	32	72
Later than five years	-	-	-	-
Total other expenditure commitments	358	119	358	119
GST payable on the above	33	11	33	11
Net other expenditure commitments	325	108	325	108

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.4 Other operating expenses

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Audit fees and services	270	306	208	244
Bad debts from transactions	104	197	100	166
Equipment below capitalisation threshold	68	43	63	41
Marketing and promotional expenses	1,138	626	1,138	625
Staff development	154	166	152	155
Travel and motor vehicle expenses	522	163	399	120
Utilities	856	591	839	581
General expenses	725	558	482	458
Total other operating expenses	3,837	2,650	3,381	2,390

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised when they are incurred and reported in the financial year to which they relate. The impact of COVID-19 is further discussed in Note 1.3.

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

3.5 Finance costs

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Interest on lease liabilities	536	584	530	571
Total finance costs	536	584	530	571

3.6 Depreciation and amortisation

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Depreciation of property, plant and equipment	3,281	2,761	3,165	2,756
Depreciation of right of use assets	1,315	1,422	899	994
Amortisation of intangible assets	899	1,016	893	1,009
Total depreciation and amortisation	5,495	5,199	4,957	4,759

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.1 Property, plant and equipment

Fair value measurement

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

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

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
CONSOLIDATED						
Land	217,795	126,460	-	-	217,795	126,460
Buildings	42,373	55,447	-	(6,402)	42,373	49,045
Construction in progress	1,340	1,100	-	-	1,340	1,100
Plant and equipment	21,934	21,752	(18,377)	(18,232)	3,557	3,520
Motor vehicles	267	306	(267)	(294)	-	12
Leasehold improvements	7,123	6,941	(2,782)	(2,090)	4,341	4,851
Library books	1,329	1,321	(1,303)	(1,277)	26	44
Net carrying amount	292,161	213,327	(22,729)	(28,295)	269,432	185,032
INSTITUTE						
Land	217,795	126,460	-	-	217,795	126,460
Buildings	42,373	55,447	-	(6,402)	42,373	49,045
Construction in progress	1,340	1,100	-	-	1,340	1,100
Plant and equipment	21,575	21,302	(18,040)	(17,800)	3,535	3,502
Motor vehicles	267	306	(267)	(294)	-	12
Leasehold improvements	6,820	6,762	(2,479)	(1,911)	4,341	4,851
Library books	1,329	1,321	(1,303)	(1,277)	26	44
Net carrying amount	291,499	212,698	(22,089)	(27,684)	269,410	185,014

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

Initial recognition

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

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

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

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

Subsequent measurement

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

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

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

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

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

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

For the year end 31 December 2022 a formal revaluation of land and building assets (including land improvements) was conducted.

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 Assistant Treasurer.

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

Impairment

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

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

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

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

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

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

	Land \$'000	Buildings \$'000	Construction in progress \$'000	Plant and equipment \$'000	Motor vehicles \$'000	Leasehold improvements \$'000	Library books \$'000	Tota \$'000
Consolidated								
2022								
Opening net book amount	126,460	49,045	1,100	3,520	12	4,851	44	185,032
Additions	-	-	3,282	10	-	168	8	3,468
Revaluations	91,335	(7,118)	-	-	-	-	-	84,217
Disposals	-	-	-	-	(4)	-	-	(4)
Transfers	-	2,288	(3,042)	754	-	-	-	-
Depreciation	-	(1,842)	-	(727)	(8)	(678)	(26)	(3,281)
Effects of movement in exchange rate	-	-	-	-	-	-	-	-
Net carrying amount	217,795	42,373	1,340	3,557	-	4,341	26	269,432
Consolidated								
2021								
Opening net book amount	143,136	48,526	165	2,181	60	5,419	70	199,557
Additions	-	-	4,935	-	-	-	7	4,942
Revaluations	(16,676)	-	-	-	-	-	-	(16,676)
Disposals	-	-	-	-	(1)	-	-	(1)
Transfers	-	2,167	(4,000)	1,804	-	-	-	(29)
Depreciation	-	(1,648)	-	(465)	(47)	(568)	(33)	(2,761)
Effects of movement in exchange rate	-	-	-	-	-	-	-	-
Net carrying amount	126,460	49,045	1,100	3,520	12	4,851	44	185,032
Institute								
2022								
Opening net book amount	126,460	49,045	1,100	3,502	12	4,851	44	185,014
Additions	-	-	3,282	-	-	58	8	3,348
Revaluations	91,335	(7,118)	-	-	-	-	-	84,217
Disposals	-	-	-	-	(4)	-	-	(4)
Transfers	-	2,288	(3,042)	754	-	-	-	-
Depreciation	-	(1,842)	-	(721)	(8)	(668)	(26)	(3,165)
Net carrying amount	217,795	42,373	1,340	3,535	-	4,341	26	269,410
Institute								
2021								
Opening net book amount	143,136	48,526	165	2,158	60	5,419	70	199,534
Additions	-	-	4,935	-	-	-	7	4,942
Revaluations	(16,676)	-	-	-	-	-	-	(16,676)
Disposals	-	-	-	-	(1)	-	-	(1)
Transfers	-	2,167	(4,000)	1,804	-	-	-	(29)
Depreciation	-	(1,648)	-	(460)	(47)	(568)	(33)	(2,756)
Net carrying amount	126,460	49,045	1,100	3,502	12	4,851	44	185,014

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.1.2 Capital commitments

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Payable				
Within one year	1,010	1,033	1,395	1,033
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total capital expenditure commitments	1,010	1,033	1,395	1,033
GST payable on the above	92	94	127	94
Net capital expenditure commitments	918	939	1,268	939

Capital commitments are comprised of remaining expenditure to complete the Tram and terrace project \$377K in addition to a range of projects across facilities upgrades \$89k, plant and equipment \$153k and building systems \$391k.

4.1.3 Gain / loss on property, plant and equipment

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net gain/(loss) on disposal of property plant and equipment	24	19	24	19
Net gain/(loss) on disposal of property plant and equipment	24	19	24	19

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

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

4.2 Intangible assets

The Institute has historically capitalised software development expenditure, including its SMS - Student Management System software and amortised development costs over its expected useful life. Maintenance and upgrade costs are expensed as incurred.

In 2022 the Institute's impairment testing of its Student Management software and several other systems indicated a reduction in the expected useful life of the asset with a resulting impairment adjustment expense of \$0.79m.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Software				
Gross carrying amount				
Opening balance	12,367	15,311	12,244	15,194
Transfer	-	29	-	28
Additions	-	-	-	-
Impairments	(787)	(2,978)	(787)	(2,978)
Net foreign currency exchange differences	9	5	-	-
Closing balance	11,589	12,367	11,457	12,244
Accumulated amortisation and impairment				
Opening balance	(10,116)	(9,096)	(10,004)	(8,995)
Amortisation charge	(899)	(1,016)	(893)	(1,009)
Net foreign currency exchange differences	(9)	(4)	-	-
Closing balance	(11,024)	(10,116)	(10,897)	(10,004)
Net carrying amount at end of the year	565	2,251	560	2,240

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.2 Intangible assets (continued)

Initial recognition

Internally generated intangible assets

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

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

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

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

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

Judgement is required in determining whether:

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

Subsequent measurement

Intangible assets are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Intangible assets have varying useful lives.

Impairment of intangible assets

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

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the Comprehensive Operating Statement. Impairment of goodwill is not reversed.

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.3 Depreciation and amortisation

Depreciation and amortisation is provided on software, property, plant and equipment, freehold buildings and right-of-use assets.

Depreciation and amortisation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Right-of-use assets and leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight-line method. The only exception is where the Consolidated Entity expects to obtain ownership of the leased asset at the end of the lease term, where in such instances, the right-of-use assets and leasehold improvements will be depreciated over their expected useful lives.

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

Class of assets	Depreciation rate	Method
Buildings	2% - 14% (2021: 2% - 14%)	Straight Line
Plant and equipment	5% - 33% (2021: 5% - 33%)	Straight Line
Motor vehicles	20% (2021: 20%)	Straight Line
Leasehold improvements	10% - 20% (2021: 10% - 20%)	Straight Line
Library books	10% - 20% (2021: 10% - 20%)	Straight Line
Right of use assets	Lease term (2021: lease term)	Straight Line
Intangible assets	7% - 33% (2021: 7% - 33%)	Straight Line

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

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

4.4 Investments and other financial assets

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current investments and other financial assets				
Term deposits > three months	-	463	-	463
Managed fund investment	2,738	3,081	-	-
Non-current investments and other financial assets				
Unlisted shares in subsidiaries	-	-	2,550	2,550
Total investments and other financial assets	2,738	3,544	2,550	3,013

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

Managed fund investments are initially and subsequently measured at fair value.

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

Ageing analysis of investments and other financial assets

	Carrying amount \$'000	Not past due and not \$'000	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000
Consolidated 2022						
Term deposits	-	-	-	-	-	-
Managed fund investment	2,738	2,738	-	-	-	-
Total	2,738	2,738	-	-	-	-

Consolidated 2021

Term deposits	463	463	-	-	-	-
Managed fund investment	3,081	3,081	-	-	-	-
Total	3,544	3,544	-	-	-	-

	Carrying amount \$'000	Not past due and not \$'000	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000
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Institute 2022

Term deposits	-	-	-	-	-	-
Investments in subsidiary	2,550	2,550	-	-	-	-
Total	2,550	2,550	-	-	-	-

Institute 2021

Term deposits	463	463	-	-	-	-
Investments in subsidiary	2,550	2,550	-	-	-	-
Total	3,013	3,013	-	-	-	-

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.1 Receivables

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Contractual				
Trade receivables	1,157	646	1,054	646
Loss allowance on accounts receivable	(122)	(191)	(83)	(139)
Other amount owing from Angliss (Shanghai) Education Technology Co Ltd	-	-	736	579
Other amount owing from William Angliss Institute Foundation	-	-	-	5
Other receivables	84	3	8	-
Total contractual receivables	1,119	458	1,715	1,091
Statutory				
GST input tax credit recoverable	74	248	66	250
Total current receivables	1,193	706	1,781	1,341

Receivables consist of:

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

Receivables other than sale of goods and services are stated exclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are recognised and measured similarly to contractual receivables, but are not classified as financial instruments and are not included in the category of financial assets at amortised cost, because they do not arise from a contract.

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

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

Due to the short-term nature of current receivables, their carrying amount approximates the fair value.

Impairment

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

The movement in the allowance for impairment in respect of trade receivables during the year is shown in the following table.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at the beginning of the year	(191)	(484)	(139)	(352)
Amounts written off	-	-	-	-
Net remeasurement of loss allowance	-	-	-	-
(Increase)/decrease in loss allowance recognised in net result	(33)	94	(43)	46
Reversal of loss allowance for uncollectable receivables written off during the year	102	199	99	167
Balance at the end of the year	(122)	(191)	(83)	(139)

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

Ageing analysis of contractual receivables

Consolidated	Carrying amount \$'000	Not past due and not				
		Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000	
2022						
Trade receivables	1,157	244	578	84	187	64
Other receivables	84	84	-	-	-	-
Total	1,241	328	578	84	187	64
2021						
Trade receivables	646	181	29	169	148	119
Other receivables	3	3	-	-	-	-
Total	649	184	29	169	148	119

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.1 Receivables (continued)

Ageing analysis of contractual receivables (continued)

Institute	Carrying amount	Not past due and not	Less than 1 month	1-3 months	3 months to 1 year	1-5 years
2022	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade receivables	1,054	149	573	84	185	63
Other amount owing from Angliss (Shanghai) Education Technology Co Ltd	736	736	-	-	-	-
Other amount owing from William Angliss Institute Foundation	-	-	-	-	-	-
Other receivables	8	8	-	-	-	-
Total	1,798	893	573	84	185	63
Institute 2021						
Trade receivables	646	180	29	169	149	119
Other amount owing from Angliss (Shanghai) Education Technology Co Ltd	579	400	-	-	179	-
Other amount owing from William Angliss Institute Foundation	5	5	-	-	-	-
Other receivables	-	-	-	-	-	-
Total	1,230	585	29	169	328	119

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

The Consolidated Entity's receivables relate to its operating activities. The average credit period on sales of goods is 30 days. No interest is charged on receivables. A provision has been made for estimated irrecoverable amounts from the provision of services and sale of goods, determined by reference to past default experience.

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

5.2 Contract assets

	Consolidated 2022	Consolidated 2021	Institute 2022	Institute 2021
	\$'000	\$'000	\$'000	\$'000
Current				
Contract assets	2,301	2,053	796	809
Loss allowance on contract assets	-	-	-	-
Total contract assets	2,301	2,053	796	809

Contract assets are recognised when the Consolidated Entity has transferred goods or services to the customer but where the Institute is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

5.3 Other non-financial assets

	Consolidated 2022	Consolidated 2021	Institute 2022	Institute 2021
	\$'000	\$'000	\$'000	\$'000
Current				
Prepayments	1,472	1,303	1,306	1,141
Inventories	72	64	72	64
Total current other non-financial assets	1,544	1,367	1,378	1,205
Total other non-financial assets	1,544	1,367	1,378	1,205

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

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

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

Cost, includes an appropriate portion of fixed and variable overhead expenses. Cost is assigned to other high value, low volume inventory items on a specific identification of cost basis. Cost for all other inventory is measured on the basis of weighted average cost.

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.4 Payables

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Current				
Contractual				
Supplies and services	2,709	2,874	2,446	2,685
Other amount owing to Angliss Consulting Pty Ltd	-	-	811	818
Other amount owing to William Angliss Institute Pte Ltd	-	-	3,153	2,766
Total contractual payables	2,709	2,874	6,410	6,269
Statutory				
FBT payable	6	6	6	6
Other taxes payable	200	180	154	131
Total statutory payables	206	186	160	137
Total current payables	2,915	3,060	6,570	6,406

Payables consist of:

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

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

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

Ageing analysis of contractual payables

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

Consolidated 2022	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000
Supplies and services	2,709	2,709	2,559	97	48	5
Total	2,709	2,709	2,559	97	48	5

Consolidated 2021	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000
Supplies and services	2,874	2,874	1,791	885	198	-
Total	2,874	2,874	1,791	885	198	-

Institute 2022	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000
Supplies and services	2,446	2,446	2,296	97	48	5
Other amount owing to Angliss Consulting Pty Ltd	811	811	-	-	811	-
Other amount owing to William Angliss Institute Pte Ltd	3,153	3,153	-	-	3,153	-
Total	6,410	6,410	2,296	97	4,012	5

Institute 2021	Carrying amount \$'000	Nominal amount \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000
Supplies and services	2,685	2,685	1,602	885	198	-
Other amount owing to Angliss Consulting Pty Ltd	818	818	-	-	818	-
Other amount owing to William Angliss Institute Pte Ltd	2,766	2,766	-	-	2,766	-
Total	6,269	6,269	1,602	885	3,782	-

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

The average credit period is 30 days. No interest is charged on the other payables.

Terms and conditions of amounts payable to other government agencies vary according to a particular agreement with that agency.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.5 Contract and other liabilities

Refer to 2.2 for further information around revenue recognised in relation to contract liabilities.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Contract liabilities				
Contract liabilities - student fees	520	539	520	539
Contract liabilities - fee for service	4,893	3,550	4,162	2,885
Contract liabilities - other	-	1,033	-	1,033
Total contract liabilities	5,413	5,122	4,682	4,457

Contract liabilities

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Other liabilities				
Deferred capital grants	-	1,033	-	1,033
Total other liabilities	-	1,033	-	1,033

Deferred capital grants

Grant consideration was received from the Department of Education and Training for the refurbishment and installation of a tram cafe. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred-to-date because the costs of construction are most closely reflect the stage of completion of the capital projects. As such, the Consolidated Entity has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Contractual				
Deferred capital grants at beginning of the year	1,033	-	1,033	-
Grant consideration for capital works received during the year	426	4,131	426	4,131
Grant consideration recognised as income under AASB 1058	(1,459)	(3,098)	(1,459)	(3,098)
Closing balance of deferred capital grants	-	1,033	-	1,033

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.6 Employee benefits

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Annual leave	1,981	2,026	1,956	1,977
Long service leave	4,113	4,417	4,113	4,417
Total short-term benefits	6,094	6,443	6,069	6,394
Long service leave	892	1,074	893	1,074
Total long-term benefits	892	1,074	893	1,074
Total employee provisions	6,986	7,517	6,962	7,468

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

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service and also for those employees that are entitled to pro rata payments in certain circumstances. This component of the consolidated provision of \$6.094 million (2021 - \$6.433 million) and the Institute's provision of \$6.069 million (2021 - \$6.394 million) is presented as current, since the Institute does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the Institute does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken or paid within the next 12 months:

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Unconditional and expected to wholly settle within 12 months	1,901	1,916	1,880	1,887
Unconditional and expected to wholly settle after 12 months	4,193	4,527	4,189	4,507
Total current employee provisions	6,094	6,443	6,069	6,394

5.7 Other provisions

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Make good provision	1,050	858	864	787
Total other provisions	1,050	858	864	787

Make good provision

Provisions are recognised when the Consolidated Entity 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.

The make-good provision is recognised in accordance with the lease agreement for leased premises.

Reconciliation of other provisions

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Opening balance	858	819	787	751
Additional provisions recognised	115	-	-	-
Adjustments resulting from re-measurement or settlement without cost	77	39	77	36
Closing balance	1,050	858	864	787

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.1 Cash and cash equivalents

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Cash at bank and on hand	22,002	22,352	21,118	21,554
Deposits	1,181	1,257	-	-
Total cash and deposits	23,183	23,609	21,118	21,554

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 twelve months or less, which are held for the purpose of meeting short term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Net result for the year	(2,114)	758	(2,002)	883
Less: Dividend income	(156)	(156)	-	-
Add: Gain on investment	343	(81)	-	-
Non-cash movements				
Depreciation of property, plant and equipment	3,281	2,761	3,165	2,756
Depreciation of right of use assets	1,315	1,422	899	994
Amortisation of intangible assets	899	1,016	893	1,009
Net (gain) / loss on sale of non-financial assets	(24)	(19)	(24)	(19)
Loss allowance	(69)	(293)	(56)	(213)
Impairment of intangible assets	787	2,978	787	2,978
Foreign currency exchange gain/(loss)	231	-	-	-
Net gain/(loss) arising from revaluation of long service leave liability	(485)	-	(485)	-
Net gain/(loss) arising from revaluation of annual leave liability	(21)	-	(21)	-
Movements in assets and liabilities				
Decrease / (increase) in trade receivables	(666)	(863)	(218)	(146)
Decrease / (increase) in inventories	(8)	2	(1,242)	2
Decrease / (increase) in contract assets	-	-	-	-
Decrease / (increase) in prepayments	(169)	(119)	1,069	(119)
(Decrease) / increase in payables	(145)	(854)	(216)	(935)
(Decrease) / increase in employee benefits liabilities	(25)	514	-	498
(Decrease) / increase in contract liabilities	291	1,168	225	770
(Decrease) / increase in other provisions	192	39	77	36
Net cash flows from operating activities	3,457	8,273	2,851	8,494
Per cash flow statement	3,457	8,273	2,851	8,494

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

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.2 Contributed capital

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Balance at 1 January	29,436	29,436	29,436	29,436
Balance at 31 December	29,436	29,436	29,436	29,436

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

6.3 Leases

Policy

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

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

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

As a lessee

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

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

The right of use asset is subsequently measured at fair value in accordance per FRD 103I and depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

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

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

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

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

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.3 Leases (continued)

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

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

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

Right of use assets	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Consolidated				
2022				
Balance as at 1 January 2022	10,309	131	8	10,448
Additions	-	-	-	-
Modifications	(438)	-	-	(438)
Amortisation	(1,276)	(31)	(8)	(1,315)
Balance as at 31 December 2022	8,595	100	-	8,695
Consolidated				
2021				
Balance as at 1 January 2021	11,634	108	24	11,766
Additions	53	51	-	104
Amortisation	(1,378)	(28)	(16)	(1,422)
Balance as at 31 December 2021	10,309	131	8	10,448
	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
Institute				
2022				
Balance as at 1 January 2022	9,771	131	5	9,907
Additions	-	-	-	-
Modifications	(457)	-	-	(457)
Amortisation	(863)	(31)	(5)	(899)
Balance as at 31 December 2022	8,451	100	-	8,551
Institute				
2021				
Balance as at 1 January 2021	10,702	107	14	10,823
Additions	26	52	-	78
Amortisation	(957)	(28)	(9)	(994)
Balance as at 31 December 2021	9,771	131	5	9,907

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.3 Leases (continued)

Lease liabilities

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Maturity analysis – contractual undiscounted cash flows				
Within one year	777	1,719	629	1,302
Later than one year but not later than five years	3,332	5,544	3,332	5,406
Later than five years	7,292	8,783	7,292	8,781
Total undiscounted lease liabilities as at 31 December	11,401	16,046	11,253	15,489
Future finance charges	(3,067)	(3,129)	(3,067)	(3,122)
Total discounted lease liabilities as at 31 December	8,334	12,917	8,186	12,367
Current	777	1,208	629	796
Non-current	10,624	11,709	10,624	11,571
Total lease liabilities	11,401	12,917	11,253	12,367

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

7.1 Financial instruments

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

Categories of financial instruments	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Contractual financial assets				
Financial assets measured at fair value through profit or loss				
Managed fund investment	2,738	3,081	-	-
Financial assets measured at amortised cost				
Cash and deposits	23,183	23,609	21,118	21,554
Trade receivables	1,035	2,508	971	1,316
Amounts owed from subsidiaries	-	-	736	584
Other receivables	84	3	8	-
Term deposits	-	463	-	463
Investments at cost				
Investments in subsidiaries	-	-	2,550	2,550
Total contractual financial assets	27,040	29,664	25,383	26,467
Contractual financial liabilities				
Loans and payables				
Supplies and services	2,709	2,874	2,446	2,685
Amounts owed to subsidiaries	-	-	3,964	3,584
At amortised cost				
Lease liabilities	11,401	12,917	11,253	12,367
Total contractual financial liabilities	14,110	15,791	17,663	18,636

Note: The total amounts disclosed here exclude statutory amounts (e.g. GST credits and taxes payable).

Categories of financial instruments

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

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

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

The Consolidated Entity recognises the following assets in this category:

- cash and deposits;
- receivables (excluding statutory receivables); and
- term deposits.

The Consolidated Entity classifies its managed fund investment fair value through profit or loss. These assets are measured at fair value. Net gains or losses, including any interest or dividend income are recognised in profit or loss.

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

- payables (excluding statutory payables); and
- borrowings (including finance lease liabilities).

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

7.1.1 Financial risk management objectives and policies

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

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

Primary responsibility for the identification and management of financial risks rests with the Institute's Finance, Audit and Risk Management Committee with oversight by the Board.

7.1.2 Credit risk

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

Credit risk is measured at fair value and is monitored on a regular basis. The Institute's Finance, Audit and Risk Management Committee monitors credit risk by actively assessing the rating quality and liquidity of counterparties:

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

The trade receivables balances at 31 December 2022 and 31 December 2021 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

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

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

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

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

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

	Financial institutions (AA- rating) \$'000	Government agencies (AA rating) \$'000	Other counterparty \$'000	Total \$'000
Consolidated 2022				
Cash and deposits	22,002	1,181	-	23,183
Trade and other receivables	-	-	1,119	1,119
Investments and other financial assets	-	2,738	-	2,738
Total contractual financial assets	22,002	3,919	1,119	27,040
Consolidated 2021				
Cash and deposits	22,352	1,257	-	23,609
Trade and other receivables	-	2	2,509	2,511
Investments and other financial assets	463	3,081	-	3,544
Total contractual financial assets	22,815	4,340	2,509	29,664

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

Credit quality of contractual financial assets that are neither passed due nor impaired (continued)

	Financial institutions (AA rating) \$'000	Government agencies (AAA rating) \$'000	Other counterparty \$'000	Total \$'000
Institute 2022				
Cash and deposits	21,118	-	-	21,118
Trade and other receivables	-	-	1,715	1,715
Total contractual financial assets	21,118	-	1,715	22,833
Institute 2021				
Cash and deposits	21,554	-	-	21,554
Trade and other receivables	-	-	1,900	1,900
Investments and other financial assets	463	-	-	463
Total contractual financial assets	22,017	-	1,900	23,917

Note: The total amounts disclosed here exclude statutory amounts (e.g. GST credits and taxes payable).

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

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

In measuring expected credit losses, trade receivables have been assessed based on shared credit risk characteristics, days past due and geographic location of customers.

The expected loss rates are based on the payment profile for sales over the past 12 months before 31 December 2022 and the past 12 months before 31 December 2021, as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customer's ability to settle the amount outstanding. The Consolidated Entity has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

The following table provides information about the estimated exposure to credit risk and ECLs for trade and other receivables as at 31 December 2022:

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7. MANAGING RISKS AND UNCERTAINTIES

	Estimated gross carrying amount \$'000	Weighted average loss rate %	Estimated loss allowance \$'000	Credit impaired (yes / no)
Consolidated				
31 December 2022				
Current (not past due)	243	4%	9	No
31 – 60 days past due	624	0%	-	No
61 – 90 days past due	39	0%	-	No
91-180 days past due	114	25%	29	No
More than 180 days past due	137	61%	84	Yes
	1,157		122	
31 December 2021				
Current (not past due)	113	0%	-	No
31 – 60 days past due	29	0%	-	No
61 – 90 days past due	169	0%	-	No
91-180 days past due	178	17%	164	No
More than 180 days past due	157	17%	27	Yes
	646		191	
Institute				
31 December 2022				
Current (not past due)	150	0%	-	No
31 – 60 days past due	618	0%	-	No
61 – 90 days past due	38	0%	-	No
91-180 days past due	114	6%	7	No
More than 180 days past due	134	57%	76	Yes
	1,054		83	
31 December 2021				
Current (not past due)	180	0%	-	No
31 – 60 days past due	29	0%	-	No
61 – 90 days past due	169	0%	-	No
91-180 days past due	149	52%	77	No
More than 180 days past due	119	52%	62	Yes
	646		139	

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

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Consolidated Entity, and a failure to make contractual payments for a period of greater than 180 days past due.

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

Of the above impairment losses, \$122 thousand (2021: \$191 thousand) relate to receivables arising from contracts with customers.

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

7.1.3 Liquidity risk

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

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

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

The Institute manages liquidity risk by:

- maintaining adequate short term reserves and banking facilities that can be drawn at short notice to meet its short-term obligations; and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

The Institute's exposure to liquidity risk has been impacted by COVID-19. Ongoing operating challenges associated with COVID-19 are expected to continue in 2023 with a net cash outflow forecasted which may require William Angliss Institute to draw on their cash reserves to cover their operating costs. This is further discussed in Note 1.3.

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

7.1.4 Market risk

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

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

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

Foreign currency risk

Foreign currency risk is the risk that the Consolidated Entity's operating result, cash flow or capital are negatively impacted by a change in foreign exchange rates. The Consolidated Entity is exposed to foreign currency risk mainly through the delivery of services in currencies other than the Australian dollar, 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 Consolidated Entity's exposure are mainly against the Singapore dollar (SGD) and China Renminbi (RMB) and are managed through continuous monitoring of movements in exchange rates against the SGD and RMB, 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 Consolidated Entity to enter into any hedging arrangements to manage foreign currency risk.

At the reporting date, if the exchange rate moves by 10% higher/lower against the RMB and SGD from the year-end rate of 4.7141 and 0.9102 respectively (2021: 4.625 and 0.9799), while other variables remains constant:

- the Consolidated Entity's result and equity would have been \$452 thousand lower/\$503 thousand higher (2021: \$419 thousand lower/\$467 thousand higher); and
- the Institute's result and equity would have been \$22 thousand lower/\$24 thousand higher (2021: \$20 thousand lower/\$23 thousand higher).

Equity price risk

Equity price risk is the risk that the investments' value will change due to changes in market prices caused by factors specific to the investment or its issuers, or factors affecting similar investments traded on relevant markets. This risk is managed by the Victorian Funds Management Corporation (VFMC) for funds held on behalf of the Institute and its controlled entities.

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

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 Consolidated Entity has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

Interest rate exposure of financial instruments

	Weighted average interest rate %	Carrying amount at 31 December \$'000	Interest rate exposure		
			Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000
Consolidated 2022					
Financial assets					
Cash and cash equivalents	1.43	23,183	22,002	1,181	-
Investments and other financial assets	-	2,738	-	-	2,738
Trade receivables	-	1,035	-	-	1,035
Other receivables	-	84	-	-	84
Total financial assets		27,040	22,002	1,181	3,857
Financial liabilities					
Supplies and services	-	2,709	-	-	2,709
Lease liabilities	4.39	11,401	-	11,401	-
Total financial liabilities		14,110	-	11,401	2,709

	Weighted average interest rate %	Carrying amount at 31 December \$'000	Interest rate exposure		
			Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000
Consolidated 2021					
Financial assets					
Cash and cash equivalents	0.25	23,609	22,352	1,257	-
Investments and other financial assets	0.24	3,544	-	463	3,081
Trade receivables	-	2,508	-	-	2,508
Other receivables	-	3	-	-	3
Total financial assets		29,664	22,352	1,720	5,592
Financial liabilities					
Supplies and services	-	2,874	-	-	2,874
Lease liabilities	4.21	12,917	-	12,917	-
Total financial liabilities		15,791	-	12,917	2,874

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7. MANAGING RISKS AND UNCERTAINTIES

	Weighted average interest rate %	Carrying amount at 31 December \$'000	Interest rate exposure		
			Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000
Institute 2022					
Financial assets					
Cash and cash equivalents	1.43	21,118	21,118	-	-
Trade receivables	-	971	-	-	971
Other receivables	-	744	-	-	744
Total financial assets		22,833	21,118	-	1,715
Financial liabilities					
Supplies and services	-	2,446	-	-	2,446
Other liabilities	-	3,964	-	-	3,964
Lease liabilities	4.42	11,253	-	11,253	-
Total financial liabilities		17,663	-	11,253	6,410

	Weighted average interest rate %	Carrying amount at 31 December \$'000	Interest rate exposure		
			Floating interest rate \$'000	Fixed interest rate \$'000	Non-interest bearing \$'000
Institute 2021					
Financial assets					
Cash and cash equivalents	0.25	21,554	21,554	-	-
Investments and other financial assets	0.60	463	-	463	-
Trade receivables	-	1,316	-	-	1,316
Other receivables	-	584	-	-	584
Total financial assets		23,917	21,554	463	1,900
Financial liabilities					
Supplies and services	-	2,685	-	-	2,685
Other liabilities	-	3,584	-	-	3,584
Lease liabilities	4.24	12,367	-	12,367	-
Total financial liabilities		18,636	-	12,367	6,269

Sensitivity analysis and assumptions

	Carrying amount at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Consolidated 2022					
Financial assets					
Cash and cash equivalents	22,002	(220)	(220)	220	220
Total impact	22,002	(220)	(220)	220	220

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7. MANAGING RISKS AND UNCERTAINTIES

	Carrying amount at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Consolidated 2021					
Financial assets					
Cash and cash equivalents	22,352	(224)	(224)	224	224
Total impact	22,352	(224)	(224)	224	224

	Carrying amount at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Institute 2022					
Financial assets					
Cash and cash equivalents	21,118	(211)	(211)	211	211
Total impact	21,118	(211)	(211)	211	211

	Carrying amount at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result \$'000	Equity \$'000	Result \$'000	Equity \$'000
Institute 2021					
Financial assets					
Cash and cash equivalents	21,554	(216)	(216)	216	216
Total impact	21,554	(216)	(216)	216	216

7.2 Contingent assets and contingent liabilities

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

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

There were no contingent assets or contingent liabilities as at 31 December 2022 (31 December 2021: nil) that may have a material effect on the financial operations of the Institute.

7.3 Fair value determination

Significant judgement: Fair value measurements of assets and liabilities

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

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

The following assets and liabilities are carried at fair value:

- land, buildings, plant and equipment, vehicles, and leasehold improvements; and
- managed fund investment.

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

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

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7. MANAGING RISKS AND UNCERTAINTIES

Fair value estimation

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

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

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

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

The Valuer-General Victoria (VGV) is the Institute's independent valuation agency in respect of property, plant and equipment.

Fair value determination of financial assets and liabilities

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

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2022.

(a) Fair value determination of non-financial assets

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

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

The table below shows the relevant fair value information relating to those assets.

	Carrying amount at 31 December \$'000	Fair value hierarchy		
		Level 1 Quoted prices \$'000	Level 2 Observable price inputs \$'000	Level 3 Unobservable inputs \$'000
Consolidated 2022				
Non-specialised land	87,945	-	87,945	-
Specialised land	129,850	-	-	129,850
Total land at fair value	217,795	-	87,945	129,850
Non-specialised buildings	-	-	-	-
Specialised buildings	42,373	-	-	42,373
Total buildings at fair value	42,373	-	-	42,373
Plant and equipment	3,557	-	-	3,557
Leasehold improvements	4,341	-	-	4,341
Library books	26	-	-	26
Right of use assets	8,695	-	-	8,695
Total other assets at fair value	16,619	-	-	16,619

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

	Carrying amount at 31 December \$'000	Fair value hierarchy		
		Level 1 Quoted prices \$'000	Level 2 Observable price inputs \$'000	Level 3 Unobservable inputs \$'000
Consolidated				
2021				
Non-specialised land	11,571	-	11,571	-
Specialised land	114,889	-	-	114,889
Total land at fair value	126,460	-	11,571	114,889
Non-specialised buildings	687	-	687	-
Specialised buildings	48,358	-	-	48,358
Total buildings at fair value	49,045	-	687	48,358
Plant and equipment	3,520	-	-	3,520
Motor vehicles	12	-	-	12
Leasehold improvements	4,851	-	-	4,851
Library books	44	-	-	44
Right of use assets	10,448	-	-	10,448
Total other assets at fair value	18,875	-	-	18,875
Institute				
2022				
Non-specialised land	87,945	-	87,945	-
Specialised land	129,850	-	-	129,850
Total land at fair value	217,795	-	87,945	129,850
Non-specialised buildings	-	-	-	-
Specialised buildings	42,373	-	-	42,373
Total buildings at fair value	42,373	-	-	42,373
Plant and equipment	3,535	-	-	3,535
Leasehold improvements	4,341	-	-	4,341
Library books	26	-	-	26
Right of use assets	8,551	-	-	8,551
Total other assets at fair value	16,453	-	-	16,453
Institute				
2021				
Non-specialised land	11,571	-	11,571	-
Specialised land	114,889	-	-	114,889
Total land at fair value	126,460	-	11,571	114,889
Non-specialised buildings	687	-	687	-
Specialised buildings	48,358	-	-	48,358
Total buildings at fair value	49,045	-	687	48,358
Plant and equipment	3,502	-	-	3,502
Motor vehicles	12	-	-	12
Leasehold improvements	4,851	-	-	4,851
Library books	44	-	-	44
Right of use assets	9,907	-	-	9,907
Total other assets at fair value	18,316	-	-	18,316

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

Impairment

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

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

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

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

(b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103 Non-financial Physical Assets issued by the Assistant Treasurer. A full revaluation of education assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value. Consistent with all government education assets, an independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2022.

For the year ending 31 December 2022 an independent valuation of the Institute's land and buildings was performed by the Valuer General Victoria. The valuation was based on the following approach:

Land and buildings

The market approach is used for land, although specialised land 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 buildings, the current replacement cost method is used, adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, buildings are classified as Level 3 fair value measurements.

The effective date of the valuation is 31 December 2022.

During the current year, the RBA have progressively increased the cash rate target from 0.1% at 1 January to 3.1% by year end. The RBA have taken these measures in response to higher than target inflation rates currently being experienced in the Australian economy. The increases in the cash rate target has had a consequential impact on the risk free and capitalisation rates used in determining the fair value of non-financial assets and creates increased estimation uncertainty as the market continues to adjust.

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

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

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer General Victoria with an effective date of 31 December 2022. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

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

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

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

An independent valuation of the Consolidated Entity's specialised land and specialised buildings was performed by the Valuer-General Victoria using the market approach adjusted for CSO. The effective date of the valuation is 31 December 2022.

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

Motor vehicles are valued using the current replacement cost method. The Consolidated Entity 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 Consolidated Entity who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

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

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

There were no changes in valuation techniques throughout the period to 31 December 2022.

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

Reconciliation of level 3 items for the periods ended 31 December 2022 and 31 December 2021

	Leasehold improvement \$'000	Specialised land \$'000	Specialised buildings \$'000
Level 3 Fair value measurements 2021			
As at 1 January 2021	5,419	130,039	47,845
Additions	-	-	-
Disposals	-	-	-
Depreciation	(568)	-	(1,648)
Revaluation	-	(15,150)	-
Write-ups/transfers/(write-offs)	-	-	2,167
Transfers into or out of Level 3	-	-	(6)
Balance as at 31 December 2021	4,851	114,889	48,358
Level 3 Fair value measurements 2022			
As at 1 January 2022	4,851	114,889	48,358
Additions	168	-	-
Disposals	-	-	-
Depreciation	(678)	-	(1,842)
Revaluation	-	14,961	(7,118)
Write-ups/transfers/(write-offs)	-	-	2,288
Transfers into or out of Level 3	-	-	687
Balance as at 31 December 2022	4,341	129,850	42,373

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

Description of significant unobservable inputs to Level 3 valuations

2022 and 2021	Valuation technique	Significant unobservable inputs	Estimated sensitivity
Specialised land	Market approach	Community service obligation (CSO) adjustment	A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value
Specialised buildings	Current replacement cost	Useful life of buildings and cost per square metre	A change in the useful life of the buildings and/or cost per square metre would result in a significantly higher or lower fair value
Motor vehicles	Current replacement cost	Useful life of vehicles	A change in the useful life may have an impact on the fair value (higher / lower)
Plant and equipment	Current replacement cost	Useful life of plant and equipment	A change in the useful life may have an impact on the fair value (higher / lower)
Leasehold improvements	Current replacement cost	Useful life of lease	A change in the useful life may have an impact on the fair value (higher / lower)
Library books	Current replacement cost	Useful life of library collections	A change in the useful life may have an impact on the fair value (higher / lower)
Right of use assets	Current replacement cost	Useful life of lease	A change in the useful life may have an impact on the fair value (higher / lower)

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

(c) Fair value determination of financial assets and liabilities

The Institute currently holds units in a managed fund investment with Victorian Funds Management Corporation where the carrying amount reflects current independent fair value estimates, being the quoted redemption price per unit for units held.

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2022.

	Carrying amount at 31 December \$'000	Fair value hierarchy		
		Level 1 Quoted prices \$'000	Level 2 Observable price inputs \$'000	Level 3 Unobservable inputs \$'000
Consolidated 2022				
Managed fund investment	2,738	-	2,738	-
Total managed investments at fair value	2,738	-	2,738	-
Consolidated 2021				
Managed fund investment	3,081	-	3,081	-
Total managed investments at fair value	3,081	-	3,081	-

WILLIAM ANGLISS INSTITUTE OF TAFE

8. GOVERNANCE DISCLOSURES

8.1 Responsible persons

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

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

Position	Name	Relevant Period
Minister for Training and Skills and Higher Education	The Hon. Gayle Tierney MP	1 January 2022 to 31 December 2022
Director and Chief Executive Officer (Accountable Officer)	Nicholas Hunt	1 January 2022 to 31 December 2022

The Members of the Board of William Angliss Institute of TAFE are as follows:

Position	Name	Relevant Period
Ministerial Director/Board Chair	Dr A Astin AM, PSM	1 January 2022 to 31 December 2022
Ministerial Director	Mr R Clifton	1 January 2022 to 31 December 2022
Ministerial Director	Ms V Mclver	1 January 2022 to 31 December 2022
Ministerial Director	Hon J Pandazopoulos	1 January 2022 to 31 December 2022
Ministerial Director	Mr M Pignatelli	1 January 2022 to 31 December 2022
Co-opted Director	Ms W Jones	1 January 2022 to 31 December 2022
Co-opted Director	Ms B Richardson	1 January 2022 to 31 December 2022
Co-opted Director	Mr P Sexton	1 January 2022 to 31 December 2022
Elected Director	Mr R Petts	1 January 2022 to 30 June 2022
Elected Director	Ms L Richardson	1 July 2022 to 31 December 2022

Unless otherwise stated, all responsible persons have been in office for the year.

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of the Institute during the reporting period was in the range: \$380,000 – \$389,999 (2021: \$310,000 – \$319,999).

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

Income range	2022	2021
\$30,000 – \$39,999	7	7
\$50,000 – \$59,999	-	1
\$60,000 – \$69,999	1	-
\$70,000 – \$79,999	1	-
\$90,000 – \$99,999	1	-
\$180,000 - \$189,999	-	1
Total number	10	9
Total remuneration (\$'000)	459	468

Remuneration of the Responsible Minister is included in the State's Annual Financial Report.

WILLIAM ANGLISS INSTITUTE OF TAFE

8. GOVERNANCE DISCLOSURES

8.2 Remuneration of executives

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

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

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

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

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

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

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Remuneration				
Short-term employee benefits	886	769	886	769
Post-employment benefits	87	73	87	73
Other long-term benefits	20	10	20	10
Termination benefits	-	-	-	-
Total remuneration	993	852	993	852
Total number of executives	4	4	4	4
Total annualised employee equivalents (i)	4	4	4	4

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

8.3 Related parties

Related parties of the Institute and its Consolidated Entity include:

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

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

The following entities have been consolidated into the Institute's financial statements in accordance with AASB 10:

- Angliss Consulting Pty Ltd;
- William Angliss Institute Foundation;
- Angliss Solutions Pty Ltd;
- Angliss Multimedia Pty Ltd;
- William Angliss Institute Pte Ltd; and
- Angliss (Shanghai) Education Technology Co Ltd.

WILLIAM ANGLISS INSTITUTE OF TAFE

8. GOVERNANCE DISCLOSURES

Significant transactions with related entities

	Transaction values for year ended 31 December		Balances outstanding as at 31 December	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Loans provided by subsidiary				
Angliss Consulting Pty Ltd	7	17	(811)	(818)
William Angliss Institute Pte Ltd	(387)	43	(3,153)	(2,766)
Loans provided to subsidiary				
Angliss (Shanghai) Education Technology Co Ltd	157	(10)	736	579
William Angliss Institute Foundation	(5)	5	-	5
Management service charge provided to subsidiary				
Management service charges payable by Angliss (Shanghai) Education Technology Co Ltd	400	400	400	400
Total	172	455	(2,828)	(2,600)

Compensation of key management personnel

Key management personnel of the Consolidated Entity include the individuals as mentioned in Note 8.1 Responsible persons and Note 8.2 Remuneration to Executives.

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Remuneration				
Short-term employee benefits	1,651	1,480	1,651	1,480
Post-employment benefits	152	136	152	136
Other long-term benefits	31	13	31	13
Termination benefits	-	-	-	-
Total remuneration	1,834	1,629	1,834	1,629

Transactions and balances with key management personnel and other related parties

The Consolidated Entity had no related party transactions for the period ending 31 December 2022.

8.4 Remuneration of auditors

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Remuneration of the Victorian Auditor-General's Office				
Audit of the financial statements	158	152	104	99
Total remuneration of the Victorian Auditor-General's Office	158	152	104	99
Remuneration of other auditors				
Internal audit services	59	56	59	56
Audit of the financial statements - offshore subsidiaries	43	41	-	-
Total remuneration of other auditors	102	97	59	56
Total	260	249	163	155

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

WILLIAM ANGLISS INSTITUTE OF TAFE

9. OTHER DISCLOSURES

9.1 Other economic flows included in net result

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
(a) Net gain/(loss) on financial instruments				
Foreign currency exchange gain/(loss)	(231)	(175)	(1)	(1)
(Loss) / gain on investments measured at fair value through profit or loss	(343)	81	-	-
Impairment of loans and receivables	58	305	56	226
Total net gain/(loss) on financial instruments	(516)	211	55	225
(b) Other gains/(losses) from other economic flows				
Net gain/(loss) arising from revaluation of long service leave liability	485	(33)	485	(33)
Net gain/(loss) arising from revaluation of annual leave liability	21	(3)	21	(3)
Gain/(loss) on impairment of intangible assets	(787)	(2,978)	(787)	(2,978)
Total other gains/(losses) from other economic flows	(281)	(3,014)	(281)	(3,014)
Total other economic flows included in net result	(797)	(2,803)	(226)	(2,789)

Net gain/(loss) from revaluation of long service leave liability and annual leave liability are changes arising due to changes in bond rates.

'Other economic flows' are changes arising from market remeasurements. They include:

- gains and losses from disposals of non-financial assets (refer to Note 4.1);
- impairments of non-financial physical and intangible assets (refer to Note 4.1 and Note 4.2);
- remeasurement arising from employee benefits (refer to Note 3.1); and
- fair value changes of financial instruments (refer to Note 7.3).

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

9.2 Reserves

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Physical asset revaluation surplus¹				
Balance at 1 January	143,788	160,464	143,788	160,464
Revaluation increment/(decrement) on non-current assets	84,217	(16,676)	84,217	(16,676)
Reversal of impairment losses	-	-	-	-
Total physical asset revaluation surplus	228,005	143,788	228,005	143,788
Foreign currency translation reserve²				
Balance at 1 January	(402)	(656)	-	-
Revaluation movement on translation of foreign subsidiaries	247	254	-	-
Total foreign currency translation reserve	(155)	(402)	-	-
Statutory reserve fund (China)³				
Balance at 1 January	40	13	-	-
Contribution of current year profit	5	27	-	-
Total statutory reserve fund (China)	45	40	-	-
Balance at 31 December	227,895	143,426	228,005	143,788

Note:

1. The physical asset revaluation surplus arises on the revaluation of land and buildings.

2. Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

3. Article 166 of Company Law of People's Republic of China: Companies shall contribute 10% of the profits into their statutory surplus reserve upon distribution of their post-tax profits of the current year.

WILLIAM ANGLISS INSTITUTE OF TAFE

9. OTHER DISCLOSURES

9.3 Ex gratia expenses

	Consolidated		Institute	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Compensation for economic loss	-	-	-	-
Total ex gratia payments	-	-	-	-

9.4 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities:

Controlled entities	Country of incorporation	Class of shares	2022 %	2021 %
Angliss Consulting Pty Ltd	Australia	Ordinary	100	100
William Angliss Institute Foundation	Australia	Ordinary	100	100
Angliss Solutions Pty Ltd	Australia	Ordinary	-	100
Angliss Multimedia Pty Ltd	Australia	Ordinary	-	100
William Angliss Institute Pte Ltd	Singapore	Ordinary	100	100
Angliss (Shanghai) Education Technology Co Ltd	China	Ordinary	100	100

Angliss Consulting Pty Ltd

The company has been established to manage overseas operations.

William Angliss Institute Foundation

The William Angliss Institute Foundation (the "Foundation") was established in 2010 with the primary 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 Foundation 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 operations 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.

Angliss Solutions Pty Ltd

The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded. The company was deregistered on 9 November 2022.

Angliss Multimedia Pty Ltd

The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded. The company was deregistered on 9 November 2022.

William Angliss Institute Pte Ltd

The company is a wholly owned subsidiary of the Institute and was established to support the delivery of a contract with the SkillsFuture Singapore (SSG).

Angliss (Shanghai) Education Technology Co Ltd

This company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and was established to support the Institute's operations in China.

All subsidiaries have the same year-end as William Angliss Institute of TAFE.

9.5 Events after reporting date

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

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

9. OTHER DISCLOSURES

9.6 Application of standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 31 December 2022 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises the Institute of their applicability and early adoption where applicable.

AASB 2022-3 - Amendments to Australian Accounting Standards - Illustrative examples for NFPs accompanying AASB 15 amends the Australian illustrative examples for not-for-profit entities accompanying AASB 15 Revenue from Contracts with Customers to illustrate how AASB 15 applies to the recognition and measurement of upfront fees. The amendments do not change the requirements of AASB 15. The Basis for Conclusions also document the Board's decision to retain the accounting policy choice on an ongoing basis for NFP private sector lessees to elect to initially measure a class of right-of-use assets arising under concessionary leases at cost or at fair value. The amendment is not expected to impact the Consolidated Entity and the Consolidated Entity will not early adopt the standard.

AASB 2020-1 - Amendments to Australian Accounting Standards - Classification of liabilities as current or non-current amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB has recently issued 2020-1 Amendments to Australian Accounting Standards - Classification of Liabilities as Current or Non-current - Deferral of Effective Date to defer the application by one year to periods beginning on or after 1 January 2023. The amendment is not expected to impact the Consolidated Entity and the Consolidated Entity will not early adopt the standard.

AASB 2021-2 - Amendments to Australian Accounting Standards – Disclosure of Accounting Policies and Definition of Accounting Estimates amends:

- AASB 7 - *Financial Instruments* ;
- AASB 7 - *Presentation of Financial Statements* ;
- AASB 108 - *Accounting Policies, Changes in Accounting Estimates and Errors* ; and
- AASB 134 - *Interim Financial Reporting*.

The Standard also makes amendments to AASB Practice Statement 2 Making Materiality Judgements (December 2017). These amendments arise from the issuance by the International Accounting Standards Board (IASB) in February 2021 of the following International Financial Reporting Standards:

- *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)* ; and
- *Definition of Accounting Estimates (Amendments to IAS 8)*

The amendment is not expected to impact the Consolidated Entity and the Consolidated Entity will not early adopt the standard.

AASB 2021-7c - Amendments to Australian Accounting Standards - Effective Date of Amendments to AASB 10 and AASB 128 and Editorial Corrections is the first of a three part series of amendments, that defers the mandatory effective date (application date) of amendments to AASB 10 and AASB 128 that were originally made in *AASB 2014-10 Amendments to Australian Accounting Standards - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* so that the amendments are required to be applied for annual reporting periods beginning on or after 1 January 2025 instead of 1 January 2018. The amendment is not expected to impact the Consolidated Entity and the Consolidated Entity will not early adopt the standard.

9.7 New or amended Accounting Standards and Interpretations adopted

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



Performance Statement

Independent Auditor's Report

To the Board of William Angliss Institute of TAFE

<p>Opinion</p>	<p>I have audited the accompanying performance statement of William Angliss Institute of TAFE (the institute) which comprises the:</p> <ul style="list-style-type: none"> • performance statement for the year ended 31 December 2022 • declaration by Board Chair, Chief Executive Officer and Chief Finance and Accounting Officer. <p>In my opinion, the performance statement of William Angliss Institute of TAFE in respect of the year ended 31 December 2022 presents fairly, in all material respects, in line with the reporting requirements outlined by the Minister in the statement of priorities.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Board's responsibilities for the performance statement</p>	<p>The Board are responsible for the preparation and fair presentation of the performance statement and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.</p> <p>Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p>

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

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

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

MELBOURNE
29 March 2023



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

WILLIAM ANGLISS INSTITUTE OF TAFE
PERFORMANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022

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

In our opinion, the accompanying Statement of Performance of William Angliss Institute of TAFE, in respect of the year ended 31 December 2022, is presented fairly.

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

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



Dr A Astin AM, PSM, Board Chair

Date 15 March 2023

Place Melbourne, VIC



Mr N Hunt, Chief Executive Officer

Date 15 March 2023

Place Melbourne, VIC



Ms E Sargent, Chief Finance and Accounting Officer

Date 15 March 2023

Place Melbourne, VIC

Performance Statement

During 2022 the Institute worked towards achieving key performance targets. The table below provides a snapshot of these measures.

Indicator Title	Description and methodology	Metric	2022 Target	2022 Actual	Explanation of variances	Prior year result 2021 Actual
Training revenue diversity	Breakdown of training revenue split by Government funded, Fee for Service and Student Fees and Charges <i>Training revenue split by:</i>					
	<ul style="list-style-type: none"> Government Funded (GF) 	%	33.8%	30.6%	Soft domestic enrolments relative to faster recovery of international onshore FFS revenue has contributed to lower proportion of government funded revenue as a percentage of training revenue.	32.5%
	<ul style="list-style-type: none"> Fee for Service (FFS) 	%	50.2%	58.7%	Faster than anticipated recovery of international FFS revenue following a period of international travel restrictions. Higher than target due to focused efforts on recruitment.	53.7%
	<ul style="list-style-type: none"> Student Fees and Charges 	%	16.0%	10.7%	Impact of lower domestic student enrolments relative to growth in international onshore students and minimal fee charge increases.	13.8%
Employment costs as a proportion of training revenue	Employment and Third Party training delivery costs as a proportion of training revenue (VTG and FFS) <i>Employment costs + 3rd party training delivery costs / Training Revenue</i>	%	<111%	118.7%	Employment costs increasing at a higher rate than revenue charges due to Enterprise Bargaining Agreement terms, superannuation guarantee increases and introduction of mental health levy. Economies of scale impacted by the compounding impact of COVID-19 over several years resulting in smaller class sizes.	112.6%
Training revenue per teaching FTE	Training Revenue (excl. revenue delivered by 3 rd parties) / Teaching FTEs	\$	>\$198,700	\$184,513	YOY actuals improvement is a result of a similar training revenue base generated from slightly lower teaching FTE, demonstrating a positive trajectory for economies of scale improvements towards pre COVID-19 norms.	\$182,272
Operating margin percentage	Operating margin % EBIT (excluding Capital Contributions) / Total Revenue (excl Capital Contributions)	%	(22.7%)	(3.8%)	Operating margin above expectations due to additional government grant income, higher than budgeted international onshore student revenue and non-training FFS and labour savings.	1.8%

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