

ANNUAL REPORT 2021

SPECIALIST TRAINING IN FOODS, TOURISM, HOSPITALITY & EVENTS



WINNER
Large Training Provider of the Year
Australian Training Awards 2021



WINNER
Large Training Provider of the Year
Victorian Training Awards 2021

Contents

Vision, Mission and Values	2
About William Angliss Institute	3
Board Chair's Report	4
CEO's Report	5
Activities and Achievements	6
Governance	11
Board Members	12
Board and Committees	14
Organisational Chart	16
Executive Directors Group	17
Compliance	18
People and Capability	21
Compulsory Student Services and Amenities Fees	24
Environmental Impacts and Sustainability	24
Publications and Research	27
Financial Summary	28
Disclosures	28
Financial Statements	31
Performance Statement	95
Disclosure Index	100

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 2021.



Nicholas Hunt
Chief Executive Officer
23 February 2022

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 2021 the Institute's programs were delivered to over 9,087 students in its Melbourne, Sydney, Singapore and off-shore campuses, as well as various workplaces in Australia and off-shore. The 10,324 enrolments in 2021 comprised local and international students undertaking on campus programs or participation 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 and offices in Queensland, South Australia, Western Australia and the Northern Territory.

The Institute has three partnerships and one joint venture in China, one partnership in Sri Lanka, one partnership in Vietnam and the Tourism Continuing Education and Training (CET) Centre 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 2021 Annual Report for William Angliss Institute.

2021 saw another year of challenges with the COVID-19 pandemic continuing to disrupt our industry, the community and the Institute's staff and students. Once again, the Institute responded to the difficulties and swiftly returned to online learning settings, with increased student support services and access to hardship assistance.

Remote access educational delivery continued across our operations as the impact of the pandemic persisted. In Sydney, a hard lockdown from 26 July to 11 October 2021 saw all classes move to an online format for a number of weeks. In Melbourne, three smaller lockdowns and another hard lockdown from 5 August to 26 October 2021 once again presented challenges for our practical programs. As a result, Summer School for Professional Cookery, Patisserie and Baking students again commenced on 17 January 2022.

The Institute continued to realise its strategic objectives within our current Strategic Plan and deliver on the strategic priorities for 2021-2023. These priorities are framed around educational excellence, the student experience and navigating a path of recovery as we work through the continuing significant impacts of the COVID-19 pandemic.

The Institute won the Large Training Provider of Year Award at the 2021 Victorian Training Awards and was also awarded the Large Training Provider of the Year at the 2021 Australian Training Awards. This is a true testament of the Institute's ability to quickly respond to the pandemic, the commitment of our team, the strength in planning and delivery, our flexibility in thinking and the ongoing support from the Government.

The State Government's sustained support has ensured the Institute is able to stay focused on student involvement and welfare. I would like to acknowledge and thank the Minister for Training and Skills and Minister for Higher Education, The Hon. Gayle Tierney MP, her team and staff at the Department of Education and Training for their ongoing support during another unprecedented year.

The success of our student community in 2021 has been as a result of the entire team rising to another set of challenges, delivering high-quality training with resilience, innovation, inspiration and support from everyone connected to William Angliss Institute. Thank you sincerely, one and all.

Looking to the year ahead, the indications are that industry recovery will continue to be affected by the pandemic for some time, however, staff shortages across the sector will see the skills for our specialisations grow in demand. A resulting increase in job opportunities for our graduates would continue the trend witnessed in 2021.

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

Dr Anne Astin AM, PSM
Board Chair
23 February 2022

CEO's Report



Mr Nicholas Hunt
Chief Executive Officer

2021 has been a year of challenges, sustained efforts and hope for the future as we maintained our focus on delivering world-class training and education for the foods, tourism, hospitality and events industries during the ongoing pandemic.

The pandemic highlighted the sustainability and resilience of the Institute, leading from the front as the team again switched without any interruption to remote access delivery as circumstances required throughout 2021. The Institute demonstrated delivery excellence in training and support services for students, partners and the wider community, despite the challenges it faced, because it was ready and prepared to respond.

Part of this response was delivering Summer School catch up classes in January 2021 for students whose practical classes had been cancelled due to lockdowns in 2020. Our students have shown a level of resilience and determination to complete their studies which is to be commended and bodes well for their future career prospects.

The Institute hosted the Victorian Premier, The Hon. Daniel Andrews MP, the Minister for Training and Skills, The Hon. Gayle Tierney and the Member for Northern Metropolitan Region, The Hon. Sheena Watts MP at the Melbourne campus in December. The Premier met a number of our Free TAFE students and toured the kitchen training facilities before announcing the milestone of the 100,000th Free TAFE student and additional financial support for the Victorian TAFE sector of approximately \$108m.

Our Asset Maintenance Work Program delivering world-class training facilities continued apace in 2021. The Angliss Restaurant Kitchen was refurbished and a new viewing window from the dining room into the kitchen was installed so patrons could watch the back of house students being trained during service. New hotel management facilities including flexible, interactive learning

spaces were created to complement the existing simulated hotel facilities and hotel reception training spaces. New chocolate and gelato training spaces, a Learning Commons, a heritage tram café and courtyard refurbishment will be completed in 2022.

Looking forward, industry recovery is slower than expected due to ongoing uncertainty about COVID-19 and there is hesitancy from potential students to make a career in these industries, however, demand for our graduates and their skills is higher than ever. For the Institute, maintaining our focus on the highest quality student experience resulting in careers within our specialist industries, and continuing our strong associations with industry, will provide robust grounding for recovery in 2022-2023.

The Institute Board, capably led by our Board Chair, Dr Anne Astin, continued to provide firm support to the Executive Group during 2021.

My thanks goes out to our dedicated staff for sustained endurance in 2021 and I look forward to supporting the team's efforts in 2022.

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

Mr Nicholas Hunt
Chief Executive Officer
23 February 2022

Activities and Achievements

Comment on COVID-19 pandemic and post COVID-19 recovery

Following an unprecedented year of adjustment in 2020 due to the COVID-19 pandemic, 2021 again saw William Angliss Institute operating in response to constant changes arising due to the pandemic. With program delivery alternatives enacted in the previous year, 2021 was another year of responding to restrictions and lockdowns, switching seamlessly between on campus delivery and remote delivery as required. Safety precautions were taken and the COVID Safe Plan continued to be implemented for those on campus.

A year of interruptions due to COVID-19 meant restricted campus access for staff and students and remote access delivery was implemented for much of the year. Service delivery, however, was uninterrupted and training continued, albeit with timetables adjusted around accessibility of practical classroom learning.

For the second year, it was decided that Summer School was necessary to assist students to complete on-campus requirements to fulfil their course obligations. Student support services were delivered online with increased capacity. Support programs were, for a second year, extended to offer additional mental health resources including training for staff to be able to better meet the needs and identify signs of mental health issues, as well as increased access to counselling services and assistance with fees. The COVID Care Hub resumed on campus for the support of students, particularly on-shore international students, through food packages, as well as access to support services and student activities.

The majority of student recruitment activities including Open Day were delivered online, with Open Day attendance numbers increasing by 52% on 2020. Online Masterclasses resulted in high levels of participation maximising online experience opportunities across the Institute's areas of specialisation.

The operating environment saw many employers in the sector closing businesses or reducing staff due to operational constraints, impacting pathways to jobs for graduating students. Our students in workplace-based training, our fee-for-service delivery and all students working or with work placements in industry have been significantly impacted. With international students having returned home and travel to Australia restricted, those businesses who continued operations were faced with staff shortages. Opportunities for students existed through industry partners who came directly to the Institute for recruitment including the first Altara recruitment sessions exclusively for William Angliss Institute students.

Financially, during 2021, the COVID-19 pandemic had a material impact on the operations of the Consolidated Group which were mitigated through government funding assistance and internal measures to improve profitability.

Financial forecasts are focused on progressive recovery in 2022 pending the ongoing impacts of the COVID-19 pandemic as

industry recovers, individual interest in the industry returns and international students are permitted to return to Australia. With COVID-19 restrictions in a state of flux, industry restrictions, student mobility and a flow-on pipeline effect will continue to remain a challenge for William Angliss Institute in 2022.

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, culminating in 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. The 2021 Registered Training Organisation Survey results show that 75% of students and 85% 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'. The impact of the COVID-19 pandemic in 2020 necessitated the team to move to an online delivery mode for all programs and courses and in 2021 the Institute sought to consolidate the learning from this into a Strategic Framework for Educational Excellence (EdEx). The Institute's culture of putting student learning first and collaborative, solution-focused working groups of teachers meant innovative pedagogies were implemented across the Institute. These were measured and monitored through the Scholarship of Learning and Teaching (SoLT) Strategy, a critical mechanism within the Pedagogy and Innovation priorities under EdEx. Foremost among these innovations were the application of the National Science Foundation-based Biological Sciences Curriculum Study, The 5 E Model across our VET courses, which embedded a learner-centred approach to teaching and the adoption of Edtech such as the interactive digital post-it-note technology Padlet within Higher Education. This ensured that the Institute's student cohort were engaged, participative and received a quality learning and teaching experience nurtured throughout the lockdown periods of the pandemic.

The increased transition to online and blended delivery also led to innovation in the area of content creation and student assessment. The Commercial Cookery team in VET led the way with the development of 157 high-quality interactive cooking 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.



Minister for Skills and Training campus visit - Winner of the 2021 Victoria Training Awards and Australian Training Awards Large Training Provider of the Year.

For his contribution to this and other innovative teaching methods, Chef Dale Lyman was awarded the Tourism Training Australia 2021 Award for Excellence Trainer in the area of Commercial Cookery.

In Higher Education, the impacts on an industry hurting from a lack of tourism was met head on. The Institute's teachers harnessed the creativity and entrepreneurship of our students to provide industry solutions through novel student projects, culminating in the VTIC Student Entrepreneurial Award being awarded to the Institute's student, Vanessa Lauricella for her In Touch Tours, designed for adults and children with autism. Notably, the strong support and validation from industry for this innovative work is a constant across William Angliss Institute and integral to our Quality Assurance Framework.

For a second year running, the Events students managed industry-based virtual events with their clients in alignment with emerging industry practices using the latest events software and the Tourism students hosted a series of virtual industry network sessions. As restrictions eased, Tour Guiding students explored regional areas and the Aviation students successfully completed their cabin crew practical assessments at Tullamarine Ansett training facilities, resulting in over 90% of students being selected for Flight School with partner airlines as the skies re-opened to commercial flights.

The Institute continued to develop its people to be able to succeed in this changing educational environment through the continuation of the Carpe Diem program, which developed teachers' abilities to teach in a multi-modal, student-centred context. Two Institute Conferences brought industry experts and our staff together to consider contemporary trends of Sustainability and Wellbeing respectively in 2021.

Industry Competitions, Events and Awards

William Angliss Institute's leadership position as Australia's largest specialist centre for foods, tourism, hospitality and events was recognised in 2021 when the Institute was awarded the Large Training Provider of the Year at the Australian Training Awards. The Institute took home the award following a win in the same category at the Victorian Training Awards, recognising educational excellence.

The wins reflect the hard work of Institute leadership teams, all staff and students, along with robust partnerships that benefited both students and industry. Additionally, the Institute was named finalist in the Tourism Education and Training category for the Victorian Tourism Awards.

Bachelor of Tourism (Marketing) student Vanessa Lauricella won the 2021 VTIC Student Entrepreneurial Award. Vanessa's project, In Touch Tours, developed in collaboration with Parks Victoria, was developed from a real-world problem that was given by Parks Victoria in her Tourism Market Research class, and show-cased the currency of the Institute's training for real-world innovation in the industry.

Trainer Dale Lyman won the Tourism Training Australia Teacher/Trainer of the Year for the Commercial Cookery category, while students were able to participate in the Nestle Golden Chefs Hat Award competition hosted on campus in Melbourne.

For students on-campus, despite COVID-19 disruptions, Speed Networking events were able to take place. The Walt Disney Company also presented a Job Readiness workshop exclusively to students, and students were recruited on campus for Altara and Delaware North including opportunities to work at the Melbourne Cup Carnival. Students also gained experience at the Melbourne Food and Wine Festival and Tourism students were invited to attend the VTIC Tourism Conference at Melbourne Convention and Exhibition Centre.

Student Services hosted the annual Stress Less Week and Virtual Careers and Employment Expo. Alumni participation in 2021 involved events such as the Alumni Expo at Open Day, showcasing career pathways.

Community and Industry Engagement

This year presented new challenges and subsequent achievements engaging with alumni, industry and current students. Due to the continuation of the pandemic, key events were delivered in-person, online and hybrid, providing flexibility to 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.

Significant recruitment demand was seen during March, June, November and December, post State lockdowns. In 2021, 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 was successful, with 41 industry professionals and 80 students attending. This event allowed students the opportunity to network with industry leaders, establish their professional networks and gain invaluable insight into career pathways and recruiter mindsets. It was also an excellent way for the industry professionals to share their knowledge, experience and passion for the respective industries with our students.

Despite the sudden transition to virtual delivery in September, the Careers & Employment Expo engaged with 22 companies to provide inspiration and recruitment information to more than 130 students online. Students proposed excellent questions and were engaged in all sessions. This virtual Careers Expo provided invaluable insight into the recruitment journey during uncertain times and created sustainable work experiences for current students and alumni.

Institute Alumni participation occurred primarily online due to evolving COVID-19 restrictions. This challenge did not deter our Alumni. Engagement remained high due to their strong connection with William Angliss Institute and the desire to excel. These Alumni events consisted of showcases, panel discussions, demonstrations and tailored workshops. In particular, collaboration with Industry saw a successful Business for Beginners series and financial literacy webinars.

William Angliss Institute held a range of virtual activities to engage prospective students, including the annual Open Day, course information sessions, Career Practitioners' Day, Angliss Experiences School Holiday Programs, and most recently a Talk & Tour series on campus.

Skills and Jobs Centre

The Skills and Jobs Centre (SJC) is open to the community to support jobseekers, prospective students and the unemployed seeking to upskill, reskill and improve their job prospects. The SJC is also active in engaging with industry and community organisations 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. In 2021 the SJC provided course advice, career advice and referrals to over 350 clients. This work has been especially vital through the challenges of 2021, with the disruption to employment through the ongoing pandemic. To combat this uncertainty, the SJC adapted its delivery and tailored its communications and programs to meet the needs of the local community.

In late 2021, the SJC and Fitted for Work (FFW), a community-based organisation supporting women experiencing disadvantage, began discussions on a collaborative effort to assist FFW's clients into study and employment. This has already had an impact with FFW able to support the Institute's students requiring care and assistance.

Foundation and Scholarships

The William Angliss Institute Foundation and William Angliss Institute provide educational opportunities and financial assistance that recognises academic merit and supports 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 2021, we provided 66 scholarships and bursaries with funds totalling \$127,500 being distributed.

In 2021, 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) - for domestic students commencing or continuing in Commercial Cookery
- Nestlé Golden Chefs Hat Scholarship (NSW) - for domestic students commencing or continuing in Commercial Cookery
- The Hostplus Indigenous Scholarship (VIC) - for Aboriginal or Torres Strait Islander students commencing or continuing in the foods or hospitality area
- The Hostplus 3 Star Scholarship (VIC) - for domestic students continuing in the foods or hospitality areas

Partnerships

William Angliss Institute values its industry partners and has developed a partnership framework that provides an opportunity for organisations to add their support to our educational programs for the benefit of our students. Our major partners in 2021 included: Australian Hotels Association, Anchor Food Professionals (Fonterra), Hostplus, Nestlé Professional, Peerless, Robot Coupe, Cacao Barry, Worksmith, Bulla and Dilmah.

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

Support Services

Access and Disability Support Services provide equitable access to learning, facilities and services at the Institute. The service promotes inclusion via reasonable adjustments for individual students with diagnosed disabilities, medical or mental health conditions, and fostering inclusive practices for staff.

In 2021, 100 discrete students with diagnosed conditions were registered with the Access & Disability service, compared to 93 students in 2020. 73% of 2021 registered students received in-class support, exam support or individual study support in the Access Hub, compared with 76% of registered students in 2020.

The Wellbeing Officer provided 58 intake appointments and 31 wellbeing consultations in 2021. In addition, they held 10 class visits, eight COVID-Care chat sessions and eight wellbeing workshops. Wellbeing and Counselling also processed four bursary applications and 26 special considerations. The Senior Counsellor, Intern Counsellors and the Counsellor provided 366 counselling sessions, plus 46 sessions that were either re-scheduled or cancelled by the clients. This compares to 31 wellbeing consultations and 342 counselling sessions in 2020.

At an Institute level, the Senior Counsellor worked closely with the Manager, Learning and Information Services, on the following:

- Delivery of Mental Health First Aid (MHFA) Level 1 training to 11 staff members across the Institute, including two from the Sydney campus.
- Expansion of the Crisis Aid Support Team (CAST) to include the relevant staff members at Sydney and Singapore campuses.
- Expansion of counselling services to students who are studying Australian qualifications in Singapore.
- Update of the Crisis Aid Policy and Procedure and Mental Health Strategy 2021 – 2023.
- Proposal and possible procurement of an after-hour student support APP 'Talk Campus' in 2022.

Learning Advisors continued to provide expert advice and support regarding language, literacy, numeracy, academic and IT skills during 2021. Students accessed services remotely via Zoom, phone and email and a skeleton on-campus service was provided where possible.

International Highlights

International Students in Australia

The COVID-19 pandemic continued its significant impact on the international students studying at William Angliss Institute

and for those wishing to commence their studies in Australia. As the Australian border closure extended through 2021, a reduced number of new international students were recruited from Australia and from overseas. On-shore students attended practical classes on campus when possible and joined off-shore students for remote access learning at other times. Over 200 students either commenced or continued their studies online from their home country.

The negative and prolonged impact of COVID-19 resulted in over 350 students either deferring or cancelling their enrolments.

The Institute continued to provide a wide range of support for international students experiencing hardship throughout the year. Support included directing students to financial aid, distributing emergency food packs through the COVID Care Hub, providing free take-home meals and food vouchers and provision of counselling and individual contact phone calls to students in need. Regular webinars were conducted for our off-shore students to gain feedback on their experience, offer support and provide updates on the situation in Australia. All students were contacted individually by Institute staff to reassure them of our support and to ensure that their individual needs were met.

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.

During the year, many cooks, chefs, bakers and pastry cooks already in Australia sought skills assessment as part of the process of extending their stay here to fill skills shortages in those industry sectors. Due to continuing travel restrictions, there was a reduced number of culinary professional residents outside Australia making applications until late November. The last two months of the year saw an increase of new applications come in from overseas, together with bookings already in place, a very strong start to 2022 is expected.

Global Collaborations

In Singapore, William Angliss Institute continued online delivery of our Singaporean and Australian qualifications due to COVID-19, which continued to impact campus operations throughout 2021. The Singapore team have now moved the Institute's Singaporean qualifications onto Moodle – William Angliss Institute's Learning Management System along with the Institute's Australian qualifications, resulting in smoother and more efficient delivery of resources. When possible, and only during periods of lighter restrictions, the Institute has connected with small student groups for excursions or practical activities, however manage all of our activities with adherence to government advice and guidelines, known as Singapore's 'Safe Management Measures.'

The Institute remains focused on continuing strong industry partnerships in Singapore, despite the pause in the nation's usual Tourism and Hospitality status. The Singapore Grand Prix was



William Angliss Institute's 2021 March Graduation.

again cancelled in 2021 due to COVID-19 complications, along with other events which contribute to the Institute's training calendar including the Singapore International Festival of Arts and events at Singapore SportsHub. Other industry-related courses have also been impacted, such as Scoot Airlines who have paused all new training programs until further notice. On a positive note, Hanbaobao (McDonalds) Restaurants commenced a Specialist Diploma in 2021, and the Singapore Tourism Board continue to select William Angliss Institute for their tourism-related training courses. The Institute is optimistic that further industry training will once again provide new business opportunities for Singapore in 2022.

After a challenging year of online delivery, in 2021 a new team of China based teachers were recruited to increase the face-to-face delivery across the different partner campuses. The team was strengthened with Melbourne Teacher, Adrian Hart, relocating to China mid-year which provided a strong connection to the Melbourne operations. The recruitment strategy is to continue to increase the amount of staff located in China, however, the issuing of work visas remains a real challenge with no set timeframes provided by the provincial governments.

The priority in 2021 was to extend the current agreements with both Zhongshan Polytechnic and the Tourism College of Zhejiang. After positive discussions throughout the year the agreements have been lodged with the respective provincial education commissions. William Angliss Institute is confident the extension will be announced early in 2022.

Although new business opportunities were limited in 2021, developing new product lines continues to remain a priority and microcredentials is attracting more interest as industry is looking for a quicker solution to skills acquisition.

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. With industry globally being affected and an inability for international travel to take place, a large number of planned commercial activities could not go ahead, with some being postponed and others cancelled. This has had a major impact on the financial result for the year.

Overseas Visits

In 2021, international travel continued to be restricted with only two overseas trips to China to fulfil the Institute's training delivery obligations with its China Educational Partners. The Institute continued with the online training delivery with its overseas education partners for the benefit of our students and staff, as well as implementing a range of online marketing and relationship management strategies to keep the business moving forward.

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 2021 to 31 December 2021 the relevant office of Minister for Training and Skills and Minister for Higher Education was held by the Hon. Gayle Tierney MP.

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 2021 course enrolments were 10,324 across the Institute's foods, tourism, hospitality and events programs.



William Angliss Institute Events Student assisting with set up for Melbourne Food and Wine Festival's World's Longest Brunch Event (March 2021)

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 positions of Chair of Parks Victoria and Chair of Destination Phillip Island Regional Tourism Board, one of Australia's best known tourism regions.

John is Victoria's longest continuous serving Tourism, Major Events and Gaming Minister with 29 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 'Cleavevent' 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 and former Chair and Deputy Chair of the Victorian Parliament Environment and Natural Resources Committee.

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 Chairman of The Prahran Market Governance Board, Chairman 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 a 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 a 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 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.

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 and currently serves as a Director of the Goulburn Valley Waste and Resource Recovery Group.

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 contract, 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 graduate 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; Chairman 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)

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 10 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.

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 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 2021 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)
- Brenda Richardson
- 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.

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 Strategy and Quality Committee

The Educational Strategy and Quality Committee assists the Board in fulfilling 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.

The Committee seeks 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

Higher Education Academic Board

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

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

Higher Education Academic Board Members:

- Dr David Foster (Chair)
- Professor Jeanette Baird
- Professor Kwong Lee Dow
- Professor Marianna Sigala
- Nicholas Hunt
- Wayne Crosbie
- Chris Harris
- Associate Professor Melanie Williams
- Dr Larry Foster
- Andrew Dolphin
- Dr Jeff Wrathall (Staff Representative)
- Shevantha Perera (Student Representative)
- Sparsh Khatiwada (Student Representative)

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

Ray Petts | 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 Strategy and Quality Committee
- Higher Education Academic Board

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

- People & Capability
- Governance

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 Vocational Education and Training programs offered in three areas: Centre for Tourism and Hospitality, Centre for Food Trades and Culinary Arts and the Industry Training Centre - Sydney. Within these areas, the Vocational training pertaining to the following areas is covered: Cookery, Patisserie, Bakery, Meat, Food Science and Technology, Hospitality, Travel, Tourism, Resorts, Events, Short Courses and the Angliss International Hotel School.
- Leading and supporting the effective and timely integration of flexible and workplace-based delivery practices with campus delivery across all sites as well as ensuring the Institute meets internal and external quality reporting requirements with regards to all Vocational Education and Training programs delivered at the Institute.

- Delivery of Higher Education courses offered by the Institute. At this stage, this includes 16 undergraduate programs across our key areas of foods, tourism, hospitality and events. Additionally, the Institute offers postgraduate courses including a Masters of Food Systems and Gastronomy and a research-based Masters of Philosophy.
- The role is also responsible for 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 2021 to 31 December 2021 the Institute received one application. Partial access of information was granted under the Freedom of Information Act.

Compliance with the Building Act 1993

The Institute has established policies and mechanisms to ensure that works to existing buildings conform to building standards and statutory obligations which relate to health and safety matters. All Institute works conform to building regulations and appropriate building permits and compliance certificates were obtained.

Compliance with the 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 2021 to 31 December 2021, 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 a disability are also supported at the Institute through:

- Application of special consideration arrangements
- Provision of reasonable accommodation to enable participation
- Provision of additional supports such as access to Wellbeing and Counselling Services and Disability Support Services

Compliance with Local Jobs First Act 2003

During the period 1 January 2021 to 31 December 2021 William Angliss Institute has had nil contracts to which the Local Jobs First Act applied.

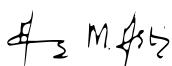
Compliance with other Legislation and Subordinate Instruments

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

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 2021 to 31 December 2021, 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 2022

Major Commercial Activities

During the period 1 January 2021 to 31 December 2021 William Angliss Institute did not enter into any major commercial activities.

Capital Projects

During the period 1 January 2021 to 31 December 2021 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

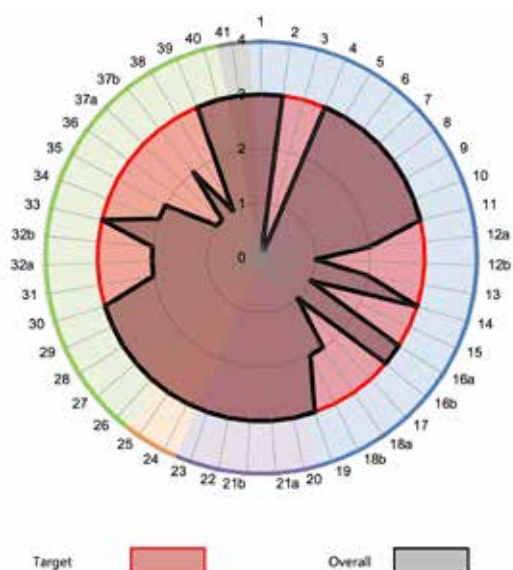
training rooms for Patisserie (chocolate making and cake decoration), Gelato making and a new student learning commons

- Refurbishment of two classrooms in the hotel management facilities, one being a new generation computer lab.

Asset Management Accountability Framework (AMAF) Maturity Assessment

The following sections summarise the Institute's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the DTF website (<https://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework>).

The Institute's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



Legend	
Status	Scale
Not Applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

Leadership and Accountability (requirements 1-19)

The Institute has met its target maturity level under most requirements within this category.

The Institute did not comply with some requirements in the areas of monitoring and evaluation of asset performance, asset management system performance and reporting to government. There is no material non-compliance reported in this category. A plan for improvement is in place to improve the Institute's maturity rating in these areas.

Planning (requirements 20-23)

The Institute has met its target maturity level in this category.

Acquisition (requirements 24 and 25)

The Institute has met its target maturity level in this category.

Operation (requirements 26-40)

The Institute has partially met its target maturity level under most requirements within this category. The Institute did not comply with some requirements in the areas of maintenance of assets and information management. The Institute is developing a plan for improvement to establish processes to proactively identify these failures and identify options for preventive action.

Disposal (requirement 41)

The Institute has met its target maturity level in this category.

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 14.2 Equivalent Full-Time (EFT) employees in 2021 compared to 2020 staff numbers. A snapshot of staff numbers as at 31 December 2021 is provided in the table on page 25.

The Workforce Disclosure demographic data represents employees who were active and employed in the last full pay period in 2021.

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

Reward and Recognition

Throughout 2021, employees were recognised under the Institute's Reward and Recognition Program 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 nine awards were presented to employees during 2021.

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 Malaysia and 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 specialty and continues to attract quality candidates.

In 2021, the Institute offered a wide variety of learning and development activities to ensure employees acquire the skills and knowledge to meet the current and future requirements of the Institute. The focus on mental health and staff wellbeing programs continues in 2021 due to the COVID-19 pandemic.

Learning and development activities included included:

- Advanced Indigenous Training
- COVID Safe Training
- Customer Service Training
- Diversity and Inclusion Training
- Leadership Training
- Weekly Learning Bites from LinkedIn Learning
- Human Research Ethics – from a Researcher's Perspective
- Avoiding Burnout
- Zoom Fatigue
- Fighting Stress
- Introduction to LGBTIQ-Inclusive Practice
- Managing student grievances
- Mindfulness and Health
- Non-Violent Communication
- Webinars:
 - Impact of Mental Illness
 - Positive Behavioural Change
 - Digital Strategies for Successful
 - Blending online and face-to-face delivery
 - Eight RTO Concerns about Online Delivery and How to Avoid Them
 - Make Learning Engaging in Theory Units
 - The Importance of Self Care to Prevent Burnout
 - Teaching Strategies for Challenging Behaviours

The Institute continued to support a number of 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 assist 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 learning community and also 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 2021 continued the focus of building a safety culture, preventative strategies and injury management. The plan aims to develop and promote safety leadership, review and build preventative strategies through the application of the safety management system, improve injury and incident management, and build skills and capability by requiring supervisor attendance at nominated safety training and related people management training.

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.

The focus on responding to the COVID-19 pandemic risk and supporting staff well-being continued in 2021. The Institute's COVID Safe Plan has been regularly updated to reflect changes in COVID Safe Management. Mandatory vaccination of employees was initiated under the directions from the Victorian Chief Health Officer. During lockdown periods employees and students continued working and learning off-site where possible.

With lengthy periods of working from home, there was strong focus on mental health support as well as initiatives such as Women's Health Week and the promotion of Work Health and Safety Month in October. During Mental Health Week, additional articles and resources were provided for employees to access via various applications including helplines and via the Employee Assistance Program. Sessions were conducted on mindfulness, self-care and positive behavioural change. In addition, numerous staff accessed webinar sessions on self-development topics such as managing change and remote working.

There was one lost time claim during 2021.

Employment and Conduct Principles

In 2021, 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 2021 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

William Angliss Institute continued to convene the Multi-Enterprise Agreement Implementation Group, with the union representatives, to consult and implement the Victorian TAFE Teaching Staff Agreement (2018).

The first round of Higher Education promotions was conducted with four successful applicants receiving promotions with effect from 1st January 2022.

The Institute engaged with the union representatives and three employee representatives to commence bargaining for a rollover agreement for the PACCT Staff Enterprise Agreement 2021.

The Gender Equality Act 2020 came into effect from March 2021. The Institute conducted data audits, established both an implementation working group and a Leadership group, and facilitated focus groups with employees, with the outputs of these being used to create William Angliss Institute's Gender Equality Action Plan which is due to be completed by March 2022.

During 2021, the Institute applied Victorian Public Sector provisions to support employees whose employment was impacted by COVID-19. As a result, a number of staff who could not work in their substantive roles were deployed elsewhere within the Institute to equivalent roles. Employees who were unable to work due to high-risk of contracting COVID-19 received support in line with Victorian Public Sector provisions.

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 2021, 10 employees declared an actual, potential or perceived conflict of interest.

As at 31 December 2021:

Occupational Health And Safety Measure		2019	2020	2021
Incidents	Number of hazards/ incidents	20	17	15
	Rate per 100 FTE	6.15	5.3	4.95
Claims	Number of standard claims	0	1	1
	Rate per 100 FTE	0	0.31	0.31
	Number of lost time claims	3	2	1
	Rate per 100 FTE	0.92	0.63	0.33
	Average cost of standard claims	0	\$190,827	\$21,249
Fatalities	Number of fatality claims	Nil	Nil	Nil
Incident Reporting	% reported within 2 days of occurrence	75%	100%	100%
Lost time	Number of lost days	4	178	107
Training	Manager/Supervisor attendance at mandatory safety and related people management training	97.5%	88%	87.2%

Comparative Workforce Data (for years ending 31 December 2020 and 2021)

	Year Ending 31 December 2021							Year Ending 31 December 2020						
	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	114.5	12.9	18.5	1.9		0.0	147.8	115.5	12.4	19.9	2.6		0.0	150.4
Executive	0.0	5.0	0.0	0.0		0.0	5.0	0.0	4.6	0.0	0.0		0.0	4.6
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	108.0	8.1	38.5	2.5	12.3		169.4	117.0	7.9	36.8	2.5	17.2		181.4
Total	222.5	26.0	57.0	4.4	12.3	0.0	322.2	232.5	24.9	56.7	5.1	17.2	0.0	336.4

Workforce Disclosures (December 2020 – December 2021)

	December 2021								December 2020							
	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)	205	176.9	123	64	164.3	18	12.6		207	181.1	129	59	167.0	19	14.1	
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)	144	131.5	98	26	115.1	20	16.4		149	132.8	102	26	118.0	21	14.8	
Self-described	0	0	0	0	0	0	0		0	0.0	0	0	0.0	0	0.0	
Age																
15-24	0	0.0	0	0	0.0	0	0.0		0	0.0	0	0	0.0	0	0.0	
25-34	36	31.9	22	7	26.8	7	5.1		39	35.1	30	2	31.0	7	4.1	
35-44	76	66.1	49	20	62.3	7	3.8		80	70.5	54	22	68.0	4	2.5	
45-54	103	93.0	64	28	83.2	11	9.8		113	99.0	69	28	87.1	16	11.9	
55-64	106	92.2	68	28	84.9	10	7.3		97	88.2	65	25	81.3	7	6.9	
Over 64	28	25.2	18	7	22.2	3	3.0		27	21.1	13	8	17.6	6	3.5	
Total Employees	349	308.4	221	90	279.4	38	29.0		356	313.9	231	85	285.0	40	28.9	

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 2021 were \$379,307.

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 2021. The Institute entered into an agreement with our energy suppliers to undertake a lighting upgrade in Buildings A and B during 2021. These works require that all non-LED lights and fittings be removed and replaced with LED light panels. Over 2,000 lights and associated fittings were replaced as part of this program.

All redundant lights and fittings will be disposed of in an environmentally safe manner, which is subject to an independent audit. The packaging of replacement lights and fittings will also be monitored and subject to an independent audit. This completes the lighting upgrade across the Melbourne Campus. This program has resulted in an estimated annual energy savings of 280,000 kWh.

The Institute is currently undertaking a major upgrade of the air conditioning in Building C.

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.

Due to COVID-19, the Institute was required to shift primarily to online learning, video conferencing, working from home and social distancing throughout the campus. The consumption of paper, energy, water and volume of waste disposal decreased dramatically again for the second year.

A large number of non-recyclable items were needed during this time. Disinfectant wipes, masks, gloves and the need for plastic cutlery and takeaway containers were essential during this period.

The Institute's gardens, including the Rain Garden, flourished during this time. 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 has been a haven for bees and birds during 2021.

Energy

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

Indicator	2020			2021		
	Electricity	Natural gas	Green power	Electricity	Natural gas	Green power
Total energy usage	2,428,775 KwH	10,654,880 Mj	n/a	2,184,537 KwH	6,722,426 Mj	n/a
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tCO ₂ e)	1,717	769	-	1,545	485	-
Percentage of electricity purchased as green power	-	-	-	-	-	-
Units of energy used per Student Contact Hour (MJ/SCH)	0.69	3.06	-	0.87	2.68	-

SCH = 2,509,822 (Total)

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	2020				2021			
	General	Commingled recycling	Cardboard	Glass/Mixed recycling	General	Commingled recycling	Cardboard	Glass/Mixed recycling
Total units of waste disposed of by destination (kg/yr)	112,725	13,032	13,227	2,260	119,505	20,028	11,907	0
Units of waste disposed of per FTE by destinations (kg/FTE)	353.4	40.8	41.5	7.1	389.3	65.2	38.7	0
Recycling rate (percentage of total waste)	20.2%				21.1%			

FTE = 307 @ 30 September 2021

Glass/mixed recycling included in Commingled figures.

Paper

The Institute only purchases paper which is certified to the Australian Forestry Standard, which confirms that it is made with fibre from sustainably managed plantations and forestry operations. The significant reduction in paper usage reflects the move to online learning, work from home and the Melbourne and Sydney lockdown.

Indicator	2020	2021
Total units of copy paper used (reams)	1,400	1,155
Units of copy paper used per FTE (reams/FTE)	N/A	N/A
Percentage of 100% recycled content copy paper purchased	1.43	1.29
Percentage of 75% recycled content copy paper purchased	N/A	N/A
Percentage of 50% recycled content copy paper purchased	2.14	1.29
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.

Indicator	2020	2021
Total units of metered water consumed by usage types (kilolitres)	12,791	8,875

Transportation

The data in the table is derived from kilometres and fuel usage from the Institute's 16 vehicle fleet Australia-wide. While vehicle usage was again impacted by COVID-19 restrictions, the usage was up in 2021 compared to 2020. The use of public transport and video conferencing is encouraged where possible.

Indicator	2020	2021
Total kilometres travelled from vehicle fleet	181,416	218,207
Total litres used from vehicle fleet	10,231	12,542
Total distance travelled by air (kilometres)	358,417	44,109

Greenhouse Gas Emissions

Indicator	2020	2021
Total Greenhouse Gas Emissions associated with energy use (tonnes CO ₂ e)	2,486	2,030
Total Greenhouse Gas Emissions from vehicle fleet (tonnes CO ₂ e)	25.34	31.06
Total Greenhouse Gas Emissions from air travel (tonnes CO ₂ e)	70.85	9.80
Total Greenhouse Gas Emissions associated with waste disposal (tonnes CO ₂ e)	124.0	131.46

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

- Bohunicky, M., Levkoe, C. Z., and Rose, N. (2020). Interrogating food movements confronting settler colonialism. Submitted for a Special Issue of Canadian Food Studies under the FIEdGE collaboration (Food Locally Embedded Globally Engaged)
- Cherro Osorio, S., Frew, E., Lade, C., & Williams, K. M. (2021). Blending tradition and modernity: gastronomic experiences in High Peruvian cuisine. *Tourism Recreation Research*, 1-15
- Choi, K., Wang, Y., & Sparks, B. (in press). The role of value and trust in shaping recommendation intentions: Evidence from travel app users. *Tourism Analysis*.
- Khatter, A., White, L., Pyke, J., & McGrath, M. (2021a, February 9-12). Influence of stakeholders on environmental sustainability [Paper presentation]. CAUTHE 2021 Conference: Transformations in Uncertain Times: Future Perfect in Tourism, Hospitality and Events, Online. <https://cauthe.org/services/conferences/cauthe-2021-conference/>
- Khatter, A., White, L., Pyke, J., & McGrath, M. (2021b). Stakeholders' influence on environmental sustainability in the Australian hotel industry. *Sustainability*, 13(3), Article 1351. <https://doi.org/10.3390/su13031351>
- Rose, N. (2021). From the cancer stage of capitalism to the political principle of the common: The social immune response of "food as commons". *IJHPM:International Journal of Health Policy and Management*, 1-11. <https://doi.org/10.34172/IJHPM.2021.20>
- Sigala, M. & Steriopoulos, E. (2021), Does emotional engagement matter in dark tourism: Implications drawn from a reflective approach, Special Issue on Dark and Heritage Tourism, *Journal of Heritage Tourism*. <https://doi.org/10.1080/1743873X.2020.1851697>
- Steriopoulos, E & Wrathall, J (2021), 'Reimagining and transforming events. Insights from the Australian events industry', *Research in Hospitality Management* 11(2), 77-83. <https://doi.org/10.1080/22243534.2021.1917809>
- Williams, K. M. (2021). Wine tourism: From winescape to cellardoorscape. 'Special Issue of Wine and Culinary Futures' *Tourism Analysis*. 26, 245-248. <https://doi.org/10.3727/108354221X16079839951529>
- Winter, C. (2020). A review of animal ethics in tourism: Launching the Annals of Tourism Research curated collection on animal ethics in tourism. *Annals of Tourism Research*, 84 (10299).<https://doi.org/10.1016/j.annals.2020.102989>
- Winter, C. (2021). Pozières: The never-ending war on the Somme. In S. Sumartojo (Ed.), *Experiencing 11 November 2018: Commemoration and the First World War Centenary* (pp. 85-96). Routledge. <https://doi.org/10.4324/9781003085362>
- Winter, C. (2021). Commemoration of the Great War: Tourists and remembrance on the Western Front. *The French Australian Review*, (69), 4-26.
- Wrathall, J & Steriopoulos, E (forthcoming). Reimagining and Reshaping Events, Theoretical and Practical Perspectives, Goodfellow Publishers, Oxford
- Zraggen, M. (2021) Blended learning model in a vocational educational training hospitality setting: from teachers' perspectives, *International Journal of Training Research*,doi: 10.1080/14480220.2021.1933568

Financial Summary

Summary of Financial Results

Consolidated	2021	2020	2019	2018	2017
Summary of Financial Result	000's	\$'000	\$'000	\$'000	\$'000
Total Income from transactions	60,242	56,892	60,818	62,413	63,044
Total Expenses from transactions	56,700	57,757	65,096	61,869	61,867
Net result from transactions (Net operating balance)	3,542	(865)	(4,278)	544	1,177
Other economic flows included in net result	(2,784)	(102)	(500)	(171)	(175)
Net result	758	(967)	(4,778)	373	1,002
Other economic flows - other comprehensive income	254	(332)	12,240	86	22,960
Comprehensive result	(15,664)	(1,299)	7,462	459	23,962
Consolidated	2021	2020	2019	2018	2017
Summary of Financial Position	\$'000	\$'000	\$'000	\$'000	\$'000
Total assets	229,010	244,828	247,059	226,300	223,370
Total liabilities	29,474	29,628	30,560	17,263	14,792
Net assets	199,536	215,200	216,499	209,037	208,578

Summary of Significant Changes in Financial Position

During 2021 William Angliss Institute's net assets decreased by \$15.7m with the key contributing factors being a downward revaluation of land of \$16.7m and an impairment of software assets of \$2.9m. Excluding these factors there was an increase in net assets of \$3.9m comprised of an increase in financial assets of \$3.9m with net liabilities largely unchanged.

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 earlier in the Annual Report.

Business Consolidation

Consolidated revenue for the year was \$60.2m. 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 surplus (including capital and depreciation) for the year was \$0.8m. Total current assets in 2021 were \$30.8m with current liabilities of \$15.8m.

While there were no events subsequent to balance date likely to have a significant financial impact on the organisation, significant operational challenges associated with COVID-19 are expected to continue in 2022 with a negative impact on financial reserves.

Organisational Viability

The compounding material impact of COVID-19 on operations over 2020-2021, the 2022 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 2021 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 2021 William Angliss Institute's revenue of \$57.1m (excluding capital contributions) net surplus result of \$0.8m and surplus of \$5.8m before capital, depreciation and asset impairment were all favourable to budget. The Institute also maintained a working capital ratio of 1.9 at year-end.

Consultants

In 2021, total consultancy expenditure was \$76,868 (ex GST). There were two consultancies totalling \$54,868 where the total fees payable to the consultant was \$10,000 or greater. There were three consultancies with total expenditure of \$22,000 where the total fees payable were less than \$10,000. The following table constitutes compliance with the requirement to make this information publicly available.

Consultancy valued in excess of \$10,000	Description	\$	Future Commitment
KOMOSION PTY LTD	Marketing Advisory Services	41,787	0
ALPHA ENVIRONMENTAL	Building Cladding Risk Assessment	13,081	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 2021 reporting period William Angliss Institute had a total ICT expenditure of \$5.3m 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
4,935	399	86	313

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 2021 there were no ex-gratia payments made by the Institute.

Disclosures of Remuneration of Executive Officers

Details of remuneration received or due and receivable from the Institute in connection with the management of the Institute, including termination payments 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.

Details of Recognised Superannuation Liabilities

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

Superannuation

Name and type of Superannuation Scheme:

- Defined benefit fund – Emergency Services Superannuation Scheme – New and Revised Schemes
- Contribution fund – VicSuper Pty Ltd
- Various other contribution funds



Financial Statements

Independent Auditor's Report

To the Board of William Angliss Institute of TAFE

Opinion	<p>I have audited the consolidated financial report of William Angliss Institute of TAFE (the institute) and its controlled entities (together the consolidated entity) which comprises the:</p> <ul style="list-style-type: none"> • consolidated entity and institute balance sheets as at 31 December 2021 • 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 and Chief Finance and Accounting Officer. <p>In my opinion the financial report is in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and Division 60 of the <i>Australian Charities and Not-for-profits Commission Act 2012</i> including:</p> <ul style="list-style-type: none"> • presenting fairly, in all material respects, the financial position of the institute and the consolidated entity as at 31 December 2021 and their financial performance and 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 and the consolidated entity 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 APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
--------------------------	--

Board's responsibilities for the financial report	<p>The Board of the institute is responsible for the preparation and fair presentation of the financial report 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 Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p>
	<p>In preparing the financial report, the Board is responsible for assessing the institute and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>
Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p>
	<p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p>
	<ul style="list-style-type: none"> • 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 and the consolidated entity's internal control • evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board • conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the institute and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the institute and the consolidated entity to cease to continue as a going concern.

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

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

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

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

MELBOURNE
25 March 2022



Charlotte Jeffries
as delegate for the Auditor-General of Victoria



William Angliss Institute

Financial Report Declaration

WILLIAM ANGLISS INSTITUTE OF TAFE

FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

DECLARATION BY BOARD CHAIR CHIEF EXECUTIVE 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, Division 60 of the Australian Charities and Not-for-profits Commission Act 2012, applicable Financial Reporting Directions, 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 2021 and financial position of the Institute and the Consolidated Entity as at 31 December 2021.

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 23 March 2022

Place Melbourne, VIC



Mr N Hunt, Chief Executive Officer

Date 23 March 2022

Place Melbourne, VIC



Ms E Sargent, Chief Finance and Accounting Officer

Date 23 March 2022

Place Melbourne, VIC

Financial Report

WILLIAM ANGLISS INSTITUTE OF TAFE

Table of Contents

William Angliss Institute of TAFE has presented its audited general-purpose financial statements for the financial year ended 31 December 2021 in the following structure to provide users with the information about the Institute's stewardship of resources entrusted to it.

Comprehensive Operating Statements	4
Balance Sheets	5
Statements of Changes in Equity	6
Cash Flow Statements	7
1. ABOUT THIS REPORT	8
1.1 Basis of preparation	8
1.2 Compliance information	9
1.3 Impact of COVID-19	9
1.4 Economic dependency	11
2. HOW WE EARNED OUR FUNDS	12
2.1 Government contributions	12
2.2 Revenue from fees, charges and sales	14
2.3 Other income	16
3. HOW WE EXPENDED OUR FUNDS	18
3.1 Employee benefits	18
3.1.1 <i>Employee benefits in the comprehensive operating statement</i>	18
3.2 Superannuation	19
3.3 Supplies and services	20
3.3.1 <i>Non-cancellable operating lease commitments – short-term and low value leases</i>	20
3.3.2 <i>Other expenditure commitments</i>	20
3.4 Other operating expenses	21
3.5 Finance costs	21
3.6 Depreciation and amortisation expenditures	21
4. THE ASSETS WE INVESTED IN	22
4.1 Property, plant and equipment	22
4.1.1 <i>Reconciliation of movements in carrying amount of property, plant and equipment</i>	24
4.1.2 <i>Capital commitments</i>	25
4.1.3 <i>Gain / loss on property, plant and equipment</i>	25
4.2 Intangible assets	25
4.3 Depreciation and amortisation	26
4.4 Investments and other financial assets	27
5. BALANCES FROM OPERATIONS	29
5.1 Receivables	29
5.2 Other non-financial assets	31
5.3 Payables	32
5.4 Contract and other liabilities	33
5.5 Employees benefits in the balance sheet	34
5.6 Other provisions	35

Table of Contents

6.	HOW WE FINANCED OUR OPERATIONS	36
6.1	Cash and deposits	36
	6.1.1 <i>Reconciliation of operating result to net cash flows from operating activities</i>	36
6.2	Contributed capital	37
6.3	Leases	37
7.	MANAGING RISKS AND UNCERTAINTIES	40
7.1	Financial instruments	40
	7.1.1 <i>Financial risk management objectives and policies</i>	41
	7.1.2 <i>Credit risk</i>	41
	7.1.3 <i>Liquidity risk</i>	44
	7.1.4 <i>Market risk</i>	44
7.2	Contingent assets and contingent liabilities	47
7.3	Fair value determination	47
8.	GOVERNANCE DISCLOSURES	53
8.1	Responsible persons	53
8.2	Remuneration of executives	54
8.3	Related parties	54
8.4	Remuneration of auditors	55
9.	OTHER DISCLOSURES	56
9.1	Other economic flows included in net result	56
9.2	Other equity reserves	56
9.3	Ex gratia expenses	57
9.4	Controlled entities	57
9.5	Events after reporting date	57
9.6	Application of standards issued but not yet effective	58
9.7	New or amended Accounting Standards and Interpretations adopted	58

Comprehensive Operating Statements

For the year ended 31 December 2021

	Note	Consolidated		Institute	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
CONTINUING OPERATIONS					
<u>Revenue and income from transactions</u>					
Government contributions	2.1.1	32,866	26,413	32,866	26,413
Income from government contributions	2.1.2	3,098	-	3,098	-
Revenue from fees, charges and sales	2.2	23,301	29,396	20,970	27,056
Other income	2.3	977	1,083	694	820
Total revenue and income from transactions		60,242	56,892	57,628	54,289
<u>Expenses from transactions</u>					
Employee benefits	3.1.1	36,153	36,304	34,775	34,906
Depreciation and amortisation	3.6	5,199	5,406	4,759	4,872
Supplies and services	3.3	12,114	12,230	11,480	11,681
Finance costs	3.5	584	579	571	561
Other operating expenses	3.4	2,650	3,238	2,390	2,956
Total expenses from transactions		56,700	57,757	53,975	54,976
Net result from transactions		3,542	(865)	3,653	(687)
<u>Other economic flows included in net result</u>					
Net gain/(loss) on non-financial assets	4.1.3	19	16	19	17
Net gain/(loss) on financial instruments	9.1a	211	2	225	(83)
Other gains/(losses) from other economic flows	9.1b	(3,014)	(120)	(3,014)	(120)
Total other economic flows included in net result		(2,784)	(102)	(2,770)	(186)
Net result		758	(967)	883	(873)
<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	254	(332)	-	-
Items that will not be reclassified to net result					
Changes in physical asset revaluation surplus	9.2	(16,676)	-	(16,676)	-
Comprehensive result		(15,664)	(1,299)	(15,793)	(873)

Balance Sheets

As at 31 December 2021

	Note	Consolidated		Institute	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
ASSETS					
Financial assets					
Cash and deposits	6.1	23,609	23,974	21,554	18,736
Receivables	5.1	2,759	1,603	2,150	1,795
Investments and other financial assets	4.4	3,544	463	3,013	3,013
Total financial assets		29,912	26,040	26,717	23,544
Non-financial assets					
Property, plant and equipment	4.1	185,032	199,557	185,014	199,534
Right of use assets	6.3	10,448	11,766	9,907	10,823
Intangible assets	4.2	2,251	6,215	2,240	6,199
Other non-financial assets	5.2	1,367	1,250	1,205	1,088
Total non-financial assets		199,098	218,788	198,366	217,644
Total assets		229,010	244,828	225,083	241,188
LIABILITIES					
Payables	5.3	3,060	3,914	6,406	7,401
Contract liabilities	5.4	5,122	3,954	4,457	3,687
Employee provisions	5.5	7,517	7,003	7,468	6,970
Other provisions	5.6	858	819	787	751
Lease liabilities	6.3	12,917	13,938	12,367	12,988
Total liabilities		29,474	29,628	31,485	31,797
Net assets		199,536	215,200	193,598	209,391
EQUITY					
Accumulated surplus / (deficit)		26,674	25,943	20,374	19,491
Contributed capital	6.2	29,436	29,436	29,436	29,436
Reserves	9.2	143,426	159,821	143,788	160,464
Net worth		199,536	215,200	193,598	209,391

Statements of Changes in Equity

For the year ended 31 December 2021

	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 2020	160,464	(324)	2	26,921	29,436	216,499
Net result for the year	-	-	-	(967)	-	(967)
Other economic flows - other comprehensive income	-	(332)	-	-	-	(332)
Total comprehensive income	-	(332)	-	(967)	-	(1,299)
Transfer from accumulated surplus	-	-	11	(11)	-	-
Year ended 31 December 2020	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
INSTITUTE						
As at 1 January 2020	160,464	-	-	20,364	29,436	210,264
Net result for the year	-	-	-	(873)	-	(873)
Other economic flows - other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	(873)	-	(873)
Year ended 31 December 2020	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

Cash Flow Statements

For the year ended 31 December 2021

	Note	Consolidated		Institute	
		2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts					
Government contributions		40,180	29,054	40,180	29,054
User fees and charges received		23,194	29,242	21,186	25,503
Goods and services tax recovered		(266)	112	(255)	104
Interest received		64	136	52	116
Other receipts		757	947	642	704
Total receipts from operating activities		63,929	59,491	61,805	55,481
Payments					
Payments to suppliers and employees		(55,048)	(53,256)	(52,740)	(51,002)
Short-term, low value and variable lease payments		(24)	(24)	-	-
Interest paid – lease liabilities		(584)	(579)	(571)	(561)
Total payments from operating activities		(55,656)	(53,859)	(53,311)	(51,563)
Net cash flows from operating activities	6.1.1	8,273	5,632	8,494	3,918
CASH FLOWS FROM INVESTING ACTIVITIES					
Payment to related entities		-	-	(55)	(62)
Payments for property, plant and equipment		(4,942)	(1,497)	(4,942)	(1,497)
Proceeds from sales of non-financial assets		20	16	20	48
Payments for investments		(3,000)	-	-	-
Receipts of dividend income		156	-	-	-
Net cash flows used in investing activities		(7,766)	(1,481)	(4,977)	(1,511)
CASH FLOWS FROM FINANCING ACTIVITIES					
Payment of lease liabilities - principal		(1,125)	(1,155)	(699)	(631)
Net cash flows used in financing activities		(1,125)	(1,155)	(699)	(631)
Net increase in cash and cash equivalents		(618)	2,996	2,818	1,776
Cash and cash equivalents at beginning of year		23,974	21,131	18,736	16,960
Effect of foreign currency transactions		253	(153)	-	-
Cash and cash equivalents at end of year	6.1	23,609	23,974	21,554	18,736

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).

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.

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 7.3);
- 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);
- the recognition of revenue in relation to contracts with customers (refer to Note 2.2); and
- AASB 16 Leases and the requirements to determine the lease term to the extent that extension options are certain (refer to Note 6.3).

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.

The assets and liabilities are presented on a liquidity basis in the balance sheet.

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.

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.

WILLIAM ANGLISS INSTITUTE OF TAFE

1. ABOUT THIS REPORT

1.1 Basis of preparation (continued)

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 State 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 objectives, policies and processes for managing funding risk or the methods used to measure this risk from the previous reporting period however its economic dependency on State Government has increased due to the prolonged impact of COVID-19.

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 2021.

Various restrictions such as lockdowns and closure of the state's borders continue to be enforced and implemented by the government as required to contain the spread of the virus and to prioritise the health and safety of our communities. These actions have in turn, continued to impact the manner in which businesses operate, including William Angliss Institute of TAFE and its controlled entities.

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 remote learning where possible, hold examinations online, place restrictions on non-essential campus based work, perform COVID-19 testing and implement work from home arrangements where appropriate.

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

The key impacts on the performance is summarised as follows:

Basis of preparation

The Consolidated Entity has a sound financial position, with a net asset position of \$200m (2020: \$215m), a net current asset position of \$15m (2020: \$12m), net surplus of \$0.758m (2020: \$0.967m deficit) and positive operating cash flows of \$8.273m (2020: \$5.632m).

- Additionally William Angliss Institute of TAFE has received a Letter of Comfort from the Department of Education and Training which provides assurance that financial assistance will be made available until 25 March 2023 (if required) to enable it to continue as a going concern.

- The Consolidated Entity has also implemented a number of measures including reduced contract and professional services and redeployment of staff internally to fill existing vacancies, to reduce costs as well as to ensure it has adequate cash reserves to satisfy its obligations as and when it falls due.

Considering the group's financial position, together with the impacts of COVID-19 on the business as discussed below, the Consolidated Entity 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 changing its education delivery by transferring to remote learning where possible and adjusting physical class sizes to accommodate COVID-19 social distancing protocols as well as deferment of certain practical training course elements.

Key COVID-19 factors impacting revenue include: specific hospitality, tourism and events sector impacts, international travel restrictions and alternative course delivery modes. These factors have negatively impacted both B2B demand for training services and student enrolments across most Institute programs. This is further discussed in Note 2.2.

The Department of Education and Training provided Business Continuity Grants and other support fundings to assist the Institute and maintain government training funding at pre-pandemic levels. This is further discussed in Note 2.1. There was also an increase in the level of other government grant funding received relative to 2020.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

1. ABOUT THIS REPORT

1.3 Impact of COVID-19 (continued)

Expenses

The Institute's daily activities were impacted by the pandemic. Lower training activity levels and extended lockdown periods contributed to significant decreases in utilities, contract and professional services. Restricted work activities enabled redeployment of staff internally to fill existing vacancies. This is further discussed in Note 3.3 and Note 3.4.

Liquidity Risk

The impact of the COVID-19 pandemic on William Angliss Institute finances is expected to continue in 2022, which may require William Angliss Institute to draw on their cash reserves to cover their operating costs.

Where there is a risk of a low cash reserve position, the Department of Education and Training (the Department) has provided a Letter of Comfort to guarantee the cash solvency of William Angliss Institute as a state-owned entity.

The Letter of Comfort provides assurance that financial assistance will be made available to William Angliss Institute until March 2023 (if required) and to enable William Angliss Institute to continue as a going concern."

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

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) 103I. A full revaluation of education assets normally occurs every five years, with this independent revaluation last occurring for the year ended 31 December 2017. Additionally, a management revaluation of land was undertaken in 2019 and 2021 as a result of annual fair value assessment indicating a material change in value. Due to COVID-19, there is an increased element of estimation uncertainty with regard to the fair values of the Institute'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;
- service concession arrangement assets (whether tangible or intangible) which are measured at current replacement cost in accordance with AASB 1059;
- 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 Institute has received the prior written approval of the Assistant Treasurer to be measured at cost

1.4 Economic dependency

The Institute is dependent on the continued financial support of the State Government and in particular, the Department of Education and Training. The Department of Education and Training has provided confirmation that it will continue to provide William Angliss Institute of TAFE adequate cash flow support, if required, to meet its current and future obligations as and when they fall due for a period up to 25 March 2023.

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.1 Government contributions

2.1.1 Revenue from government contributions

	Consolidated		Institute	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Grants and other transfers				
Government contributions – operating				
State government – contestable	10,681	12,631	10,681	12,631
State government – other contributions	22,185	13,782	22,185	13,782
Total government contributions – operating	32,866	26,413	32,866	26,413

IMPACT OF COVID-19

In 2021 the Institute received \$14.5m (2020: \$6.2m) in support funding in addition to \$1.2m (2020: \$3.5m) 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 grant or contract is enforceable and contains sufficiently specific performance obligations.

Revenue from government contributions

Where grants or contracts are recognised over time, the input method of costs incurred-to-date will be used to measure progress towards satisfaction of the performance obligation. The nature of the service or product and its satisfaction is directly related to the expert knowledge used to provide the service or produce the product. Costs incurred-to-date mainly comprise salaries accordingly, costs incurred-to-date is the best measure of the transfer of control over the service or product. Where government contributions have been received for services to be delivered in the following year, these amounts are deferred as a contract liability (Note 5.4).

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. Specific revenue recognition criteria are set out below.

Revenue type	Nature	Performance obligation	Timing of satisfaction
State government – contestable	Refers to contributions received from a limited pool of government funding for which the Institute must compete with other registered training providers. Funding is allocated primarily through a competitive tendering process and a 'User Choice' system.	Provision of education services.	Over time, as the student receives and consumes the educational services.
State government – other contributions	Refers to funding such as specific-purpose grants and additional contributions relating to students who are eligible for concession discounts. Business continuity grants to support the retention of staff, transition to online and remote learning and maintain government funding at pre-pandemic levels.	These categories meet the criteria to be recognised as a contract with a customer if the below facts and circumstances exist. Otherwise, they are recognised on receipt or right to receive payment.	
		Provision of a final product. For example, a conceptual framework with measures or an evaluation report containing data and recommendations.	At the point-in-time when the final product is delivered. Where the customer controls the benefit throughout the agreement term, the revenue will be recognised over time as the service is provided.
		Provision of a specific number of internships with an industry partner.	Over time as each internship is being completed. Transaction price is the amount agreed with the customer for each internship.

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.1 Government contributions (continued)

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	2022 \$'000	2023 \$'000	2024 \$'000
Revenue expected to be recognised	1,033	-	-

Institute	2022 \$'000	2023 \$'000	2024 \$'000
Revenue expected to be recognised	1,033	-	-

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

2.1.2 Income from government contributions

	Consolidated 2021 \$'000	2020 \$'000	Institute 2021 \$'000	2020 \$'000
Government contributions – capital				
State government – capital	3,098	-	3,098	-
Total government contributions - capital	3,098	-	3,098	-

Income type	Nature	Performance obligation	Timing of satisfaction
State government – capital	Where the Institute receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by the Institute.	Whilst the Institute has an obligation 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 5.4).

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.2 Revenue from fees, charges and sales

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Student fees and charges	4,639	5,025	4,639	5,025
Fee for service – government	-	1	-	1
Fee for service – international operations – onshore	13,072	18,793	13,071	18,791
Fee for service – international operations – offshore	2,730	2,773	400	435
Fee for service – other	2,223	2,071	2,223	2,071
Other non-course fees and charges				
Sale of goods	637	733	637	733
Total revenue from fees, charges and sales	23,301	29,396	20,970	27,056

*Student fees and charges revenue includes student fees paid by the Federal Government through the VET Student Loan and Fee Help Schemes. For 2021 this amount was \$2.160m (2020: \$2.438m).

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

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Revenue recognised over time	22,664	28,663	20,333	26,323
Revenue recognised at a point in time	637	733	637	733
Total revenue from fees, charges and sales	23,301	29,396	20,970	27,056

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 or the public. For example, consumables and non-training services revenue is recognised as the Institute sells the items to the public.

The Institute 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	The Institute provides educational services to the general public, both nationally and internationally.	Provision of education services	Course fees and charges revenue is recognised over time 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.
Fee for service – government, international operations	Fee for service relates to course fees funded by government or students.	Provision of services	Revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered. Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as a contract liability.
Fee for service – other	Relates to non-course fees and charges.	Provision of services	Other non-course fees and charges are recognised either over time or at a point in time as or when the service is delivered to the student or the public. For example, consumables and non-training services revenue is recognised as Consolidated Entity sells the items to the public.
Revenue from sale of goods	Physical goods sold.	Delivery of goods	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.

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.

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.2 Revenue from fees, charges and sales (continued)

Revenue recognised that was included in the contract liability balance at the beginning of the period:

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Student fees and charges	552	696	552	696
Fee for service	3,402	5,060	3,135	4,641
Total	3,954	5,756	3,687	5,337

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	2022 \$'000	2023 \$'000	2024 \$'000
Revenue expected to be recognised	5,122	-	-

Institute	2022 \$'000	2023 \$'000	2024 \$'000
Revenue expected to be recognised	4,457	-	-

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

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Interest income	64	136	52	116
Rental income	300	259	300	259
Donations, bequests and contributions	14	92	-	54
Dividend income	156	-	-	-
Other	443	596	342	391
Total other income	977	1,083	694	820

WILLIAM ANGLISS INSTITUTE OF TAFE

2. HOW WE EARNED OUR FUNDS

2.3 Other income (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	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.	Provision of services.	Rental income is recognised on a time proportional basis and is brought to account when the Institute's right to receive the rental is established.
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.	

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Salaries, wages, overtime and allowances	28,118	27,759	26,926	26,550
Superannuation	3,051	3,497	2,920	3,351
Payroll tax	1,548	1,521	1,530	1,502
Workers compensation	207	218	203	213
Annual leave	2,646	2,596	2,623	2,586
Long service leave	583	713	573	704
Total employee benefits	36,153	36,304	34,775	34,906

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.

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

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.2 Superannuation

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Paid contribution for the year				
Defined benefit plans:				
State Superannuation Fund – revised and new	92	115	92	115
Total defined benefit plans	92	115	92	115
Accumulation contribution plans:				
VicSuper	1,188	1,179	1,176	1,170
Other	2,041	1,801	2,032	1,786
Total accumulation contribution plans	3,229	2,980	3,208	2,956
Total paid contribution for the year	3,321	3,095	3,300	3,071
Contribution outstanding at year end				
Defined benefit plans:				
State Superannuation Fund – revised and new	7	-	7	-
Total defined benefit plans	7	-	7	-
Accumulation contribution plans:				
VicSuper	83	232	82	229
Other	143	370	143	368
Total accumulation contribution plans	226	602	225	597
Total contribution outstanding at year end	233	602	232	597

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Building repairs and maintenance	778	885	777	886
Rental payments	280	281	228	222
Contract and other services	2,630	2,545	2,533	2,445
Cost of goods sold / distributed (ancillary trading)	957	1,554	924	1,530
Purchase of supplies and consumables	2,123	2,286	2,114	2,271
Professional fees and charges	3,609	2,988	3,462	2,801
Third party training providers	1,645	1,670	1,389	1,505
Computer software and hardware expenses	92	21	53	21
Total supplies and services	12,114	12,230	11,480	11,681

IMPACT OF COVID-19

The impact of COVID-19 is further discussed in Note 1.3.

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.

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Payable				
Within one year	-	24	-	-
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total lease commitments	-	24	-	-
GST payable on the above	-	1	-	-
Net short-term and low-value lease commitments	-	23	-	-

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Payable				
Within one year	47	58	47	43
Later than one year but not later than five years	72	83	72	83
Later than five years	-	-	-	-
Total other expenditure commitments	119	141	119	126
GST payable on the above	11	11	11	11
Net other expenditure commitments	108	130	108	115

WILLIAM ANGLISS INSTITUTE OF TAFE

3. HOW WE EXPENDED OUR FUNDS

3.4 Other operating expenses

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Audit fees and services	306	255	244	190
Bad debts from transactions	197	213	166	202
Equipment below capitalisation threshold	43	48	41	48
Marketing and promotional expenses	626	645	625	642
Staff development	166	150	155	144
Travel and motor vehicle expenses	163	258	120	204
Utilities	591	951	581	937
General expenses	558	718	458	589
Total other operating expenses	2,650	3,238	2,390	2,956

IMPACT OF COVID-19.

The impact of COVID-19 is further discussed in Note 1.3.

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

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

3.5 Finance costs

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Interest on lease liabilities	584	579	571	561
Total finance costs	584	579	571	561

3.6 Depreciation and amortisation

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Depreciation of property, plant and equipment	2,761	2,867	2,756	2,864
Depreciation of right of use assets	1,422	1,523	994	999
Amortisation of intangible assets	1,016	1,016	1,009	1,009
Total depreciation and amortisation	5,199	5,406	4,759	4,872

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 Institute's property, plant and equipment are assets used for the purpose of education. Property, plant and equipment includes all operational assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
CONSOLIDATED						
Land	126,460	143,136	-	-	126,460	143,136
Buildings	55,447	53,280	(6,402)	(4,754)	49,045	48,526
Construction in progress	1,100	165	-	-	1,100	165
Plant and equipment	21,752	19,931	(18,232)	(17,750)	3,520	2,181
Motor vehicles	306	327	(294)	(267)	12	60
Leasehold improvements	6,941	6,934	(2,090)	(1,515)	4,851	5,419
Library books	1,321	1,314	(1,277)	(1,244)	44	70
Net carrying amount	213,327	225,087	(28,295)	(25,530)	185,032	199,557
INSTITUTE						
Land	126,460	143,136	-	-	126,460	143,136
Buildings	55,447	53,280	(6,402)	(4,754)	49,045	48,526
Construction in progress	1,100	165	-	-	1,100	165
Plant and equipment	21,302	19,498	(17,800)	(17,340)	3,502	2,158
Motor vehicles	306	327	(294)	(267)	12	60
Leasehold improvements	6,762	6,762	(1,911)	(1,343)	4,851	5,419
Library books	1,321	1,314	(1,277)	(1,244)	44	70
Net carrying amount	212,698	224,482	(27,684)	(24,948)	185,014	199,534

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.

The last formal independent revaluation of land and building assets (including land improvements) was conducted for the year ended 31 December 2017. Additionally, a management revaluation of land was undertaken in 2019 and 2021 as a result of annual fair value assessment indicating a material change in value. For the year ended 31 December 2021, an assessment was conducted using indices provided by the Office of the Victorian Valuer-General which indicated a material change in value which resulted in a management revaluation of land only.

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	Total \$'000
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
Consolidated								
2020								
Opening net book amount	143,136	48,922	447	2,279	122	5,994	80	200,980
Additions	-	-	1,474	-	-	-	23	1,497
Revaluations	-	-	-	-	-	-	-	-
Disposals	-	-	-	(27)	-	(6)	-	(33)
Transfers	-	1,205	(1,756)	532	-	-	-	(19)
Depreciation	-	(1,601)	-	(602)	(62)	(569)	(33)	(2,867)
Effects of movement in exchange rate	-	-	-	(1)	-	-	-	(1)
Net carrying amount	143,136	48,526	165	2,181	60	5,419	70	199,557
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
Institute								
2020								
Opening net book amount	143,136	48,922	447	2,279	122	5,994	80	200,980
Additions	-	-	1,474	-	-	-	23	1,497
Revaluations	-	-	-	-	-	-	-	-
Disposals	-	-	-	(27)	-	(6)	-	(33)
Transfers	-	1,205	(1,756)	505	-	-	-	(46)
Depreciation	-	(1,601)	-	(599)	(62)	(569)	(33)	(2,864)
Net carrying amount	143,136	48,526	165	2,158	60	5,419	70	199,534

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Payable				
Within one year	1,033	4,130	1,033	4,130
Later than one year but not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total capital expenditure commitments	1,033	4,130	1,033	4,130
GST payable on the above	94	375	94	375
Net capital expenditure commitments	939	3,755	939	3,755

On 16 September 2020, the Institute was awarded a \$4.1million asset maintenance grant under the Government Building Works Package to improve the facility of the Institute, meet industry standards, compliance requirements and students' expectations. As at 31 December 2021, \$1.033million remains committed to be spent and is disclosed in Note 5.4 as a contract liability.

4.1.3 Gain / loss on property, plant and equipment

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net gain/(loss) on disposal of property plant and equipment	19	17	19	17
Net foreign exchange gain/(loss) arising from non-financial assets	-	(1)	-	-
Net gain/(loss) on disposal of property plant and equipment	19	16	19	17

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 capitalised software development expenditure for the SMS - Student Management System software. The asset is amortised over its useful life of 15 years and will be fully amortised by 2028. Maintenance and upgrade costs are expensed as incurred. Other software acquired is capitalised and amortised over its useful life of 3-5 years.

In 2021 the Institute's impairment testing of its Student Management software indicated a reduction in the expected useful life of the asset with a resulting impairment adjustment expense of \$3.0m.

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Software				
Gross carrying amount				
Opening balance	15,311	15,275	15,194	15,148
Transfer	29	46	28	46
Additions	-	-	-	-
Impairments	(2,978)	-	(2,978)	-
Net foreign currency exchange differences	5	(10)	-	-
Closing balance	12,367	15,311	12,244	15,194
Accumulated amortisation and impairment				
Opening balance	(9,096)	(8,088)	(8,995)	(7,986)
Amortisation charge	(1,016)	(1,016)	(1,009)	(1,009)
Net foreign currency exchange differences	(4)	8	-	-
Closing balance	(10,116)	(9,096)	(10,004)	(8,995)
Net carrying amount at end of the year	2,251	6,215	2,240	6,199

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.2 Intangible assets (continued)

Initial recognition

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.

Subsequent measurement

Intangible assets with finite lives are amortised on a straight basis over their useful lives. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period.

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.

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% (2020: 2% - 14%)	Straight Line
Plant and equipment	5% - 33% (2020: 5% - 33%)	Straight Line
Motor vehicles	20% (2020: 20%)	Straight Line
Leasehold improvements	10% - 20% (2020: 10% - 20%)	Straight Line
Library books	10% - 20% (2020: 10% - 20%)	Straight Line
Right of use assets	Lease term (2020: lease term)	Straight Line
Intangible assets	7% - 33% (2020: 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

4. THE ASSETS WE INVESTED IN

4.4 Investments and other financial assets

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current investments and other financial assets				
Term deposits > three months	463	463	463	463
Managed fund investment	3,081	-	-	-
Non-current investments and other financial assets				
Unlisted shares in subsidiaries	-	-	2,550	2,550
Total investments and other financial assets	3,544	463	3,013	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.

Ageing analysis of investments and other financial assets

	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000
Consolidated 2021						
Term deposits	463	463	-	-	-	-
Managed fund investment	3,081	3,081	-	-	-	-
Total	3,544	3,544	-	-	-	-

Consolidated 2020

Term deposits	463	463	-	-	-	-
Managed fund investment	-	-	-	-	-	-
Total	463	463	-	-	-	-

	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000
Institute 2021						
Term deposits	463	463	-	-	-	-
Investments in subsidiary	2,550	2,550	-	-	-	-
Total	3,013	3,013	-	-	-	-

Institute 2020

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Contractual				
Account receivables	2,699	2,020	1,455	1,507
Loss allowance on accounts receivable	(191)	(484)	(139)	(352)
Other amount owing from Angliss (Shanghai) Education Technology Co Ltd	-	-	579	589
Other amount owing from William Angliss Institute Foundation	-	-	5	-
Other receivables	3	15	-	2
Total contractual receivables	2,511	1,551	1,900	1,746
Statutory				
GST input tax credit recoverable	248	52	250	49
Total current receivables	2,759	1,603	2,150	1,795

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 is considered to be the same as their fair value.

Impairment

The Institute 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.1 Receivables (continued)

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

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Balance at the beginning of the year	(484)	(315)	(352)	(287)
Amounts written off	-	-	-	-
Net remeasurement of loss allowance	-	-	-	-
(Increase)/decrease in loss allowance recognised in net result	94	(382)	46	(267)
Reversal of loss allowance for uncollectable receivables written off during the year	199	213	167	202
Balance at the end of the year	(191)	(484)	(139)	(352)

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 impaired \$'000	Less than		3 months		1-5 years \$'000
			1 month \$'000	1-3 months \$'000	to 1 year \$'000		
2021							
Trade receivables	2,699	1,379	29	169	965	157	
Other receivables	3	3	-	-	-	-	
Total	2,702	1,382	29	169	965	157	
Consolidated 2020							
Trade receivables	2,020	1,106	79	347	207	281	
Other receivables	15	10	-	-	-	5	
Total	2,035	1,116	79	347	207	286	

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.1 Receivables (continued)

Ageing analysis of contractual receivables (continued)

Institute 2021	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months to 1 year \$'000	1-5 years \$'000
Trade receivables	1,455	989	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	2,039	1,394	29	169	328	119
Institute 2020						
Trade receivables	1,507	1,042	54	42	179	190
Other amount owing from Angliss (Shanghai) Education Technology Co Ltd	589	589	-	-	-	-
Other amount owing from William Angliss Institute Foundation	-	-	-	-	-	-
Other receivables	2	1	-	-	-	1
Total	2,098	1,632	54	42	179	191

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

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 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 Other non-financial assets

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Prepayments	1,303	1,184	1,141	1,022
Inventories	64	66	64	66
Total current other non-financial assets	1,367	1,250	1,205	1,088
Total other non-financial assets	1,367	1,250	1,205	1,088

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

5.3 Payables

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Current				
Contractual				
Supplies and services	2,874	3,658	2,685	3,566
Other amount owing to Angliss Consulting Pty Ltd	-	-	818	835
Other amount owing to William Angliss Institute Pte Ltd	-	-	2,766	2,809
Total contractual payables	2,874	3,658	6,269	7,210
Statutory				
FBT payable	6	-	6	-
Other taxes payable	180	256	131	191
Total statutory payables	186	256	137	191
Total current payables	3,060	3,914	6,406	7,401

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	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months to 1 year	1-5 years
2021	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Supplies and services	2,874	2,874	1,791	885	198	-
Total	2,874	2,874	1,791	885	198	-
Consolidated 2020						
Supplies and services	3,658	3,658	3,313	37	6	302
Total	3,658	3,658	3,313	37	6	302

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.3 Payables (continued)

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	-

Institute 2020	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	3,566	3,566	3,222	37	6	301
Other amount owing to Angliss Consulting Pty Ltd	835	835	-	-	835	-
Other amount owing to William Angliss Institute Pte Ltd	2,809	2,809	-	-	2,809	-
Total	7,210	7,210	3,222	37	3,650	301

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 considered to be the same as their fair values.

5.4 Contract and other liabilities

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

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contract liabilities				
Contract liabilities - student fees	539	139	539	139
Contract liabilities - fee for service	3,550	3,402	2,885	3,135
Contract liabilities - other	1,033	413	1,033	413
Total contract liabilities	5,122	3,954	4,457	3,687

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'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 to support facility upgrades to the Angliss restaurant kitchen, interactive classrooms and airconditioning and 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.4 Contract and other liabilities (continued)

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contractual				
Deferred capital grants at beginning of the year	-	-	-	-
Grant consideration for capital works received during the year	4,131	-	4,131	-
Grant consideration recognised as income under AASB 1058	(3,098)	-	(3,098)	-
Closing balance of deferred capital grants	1,033	-	1,033	-

5.5 Employee benefits in the balance sheet

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Annual leave	1,753	1,409	1,711	1,381
Long service leave	3,804	3,645	3,804	3,645
Performance payments	-	-	-	-
On-costs	886	780	879	775
Total short-term benefits	6,443	5,834	6,394	5,801
Long service leave	925	1,012	925	1,012
On-costs	149	157	149	157
Total long-term benefits	1,074	1,169	1,074	1,169
Total employee provisions	7,517	7,003	7,468	6,970

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 \$6.433 million (2020 - \$5.834 million) and the Institute's provision of \$6.394 million (2020 - \$5.801 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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Unconditional and expected to wholly settle within 12 months	1,916	1,622	1,887	1,601
Unconditional and expected to wholly settle after 12 months	4,527	4,212	4,507	4,200
Total current employee provisions	6,443	5,834	6,394	5,801

WILLIAM ANGLISS INSTITUTE OF TAFE

5. BALANCES FROM OPERATIONS

5.6 Other provisions

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Make good provision	858	819	787	751
Total other provisions	858	819	787	751

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Opening balance	819	825	751	751
Additional provisions recognised	-	-	-	-
Reductions arising from payments	-	-	-	-
Adjustments resulting from re-measurement or settlement without cost	39	(6)	36	-
Closing balance	858	819	787	751

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.1 Cash and deposits

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Cash at bank and on hand	22,352	20,007	21,554	18,736
Deposits at call	1,257	3,967	-	-
Total cash and deposits	23,609	23,974	21,554	18,736

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Net result for the year	758	(967)	883	(873)
Less: Dividend income	(156)	-	-	-
Add: Gain on investment	(81)	-	-	-
Non-cash movements				
Depreciation of property, plant and equipment	2,761	2,867	2,756	2,864
Depreciation of right of use assets	1,422	1,523	994	999
Amortisation of intangible assets	1,016	1,016	1,009	1,009
Net (gain) / loss on sale of non-financial assets	(19)	(16)	(19)	(17)
Loss allowance	(293)	169	(213)	65
Impairment of intangible assets	2,978	-	2,978	-
Movements in assets and liabilities				
Decrease / (increase) in trade receivables	(863)	1,543	(146)	179
Decrease / (increase) in inventories	2	(4)	2	(4)
Decrease / (increase) in contract assets	-	-	-	-
Decrease / (increase) in prepayments	(119)	442	(119)	414
(Decrease) / increase in payables	(854)	395	(935)	460
(Decrease) / increase in employee benefits liabilities	514	472	498	472
(Decrease) / increase in contract liabilities	1,168	(1,802)	770	(1,650)
(Decrease) / increase in other provisions	39	(6)	36	-
Net cash flows from operating activities	8,273	5,632	8,494	3,918
Per cash flow statement	8,273	5,632	8,494	3,918

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'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, which are 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 Institute 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 Institute 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 Institute's estimate of the amount expected to be payable under a residual value guarantee; or
- if the Institute 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 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

Consolidated 2020

Balance as at 1 January 2020	11,985	117	24	12,126
Additions	1,122	23	18	1,163
Amortisation	(1,473)	(32)	(18)	(1,523)
Balance as at 31 December 2020	11,634	108	24	11,766

	Property \$'000	Vehicles \$'000	Other \$'000	Total \$'000
--	--------------------	--------------------	-----------------	-----------------

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

Institute 2020

Balance as at 1 January 2020	11,667	108	5	11,780
Additions	-	23	19	42
Amortisation	(965)	(24)	(10)	(999)
Balance as at 31 December 2020	10,702	107	14	10,823

WILLIAM ANGLISS INSTITUTE OF TAFE

6. HOW WE FINANCED OUR OPERATIONS

6.3 Leases (continued)

Lease liabilities

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Maturity analysis – contractual undiscounted cash flows				
Within one year	1,719	1,637	1,302	1,203
Later than one year but not later than five years	5,544	5,773	5,406	5,240
Later than five years	8,783	10,201	8,781	10,199
Total undiscounted lease liabilities as at 31 December	16,046	17,611	15,489	16,642
Future finance charges	(3,129)	(3,673)	(3,122)	(3,654)
Total discounted lease liabilities as at 31 December	12,917	13,938	12,367	12,988
Current	1,208	1,089	796	668
Non-current	11,709	12,849	11,571	12,320
Total lease liabilities	12,917	13,938	12,367	12,988

Short-term and low value leases

The Consolidated Entity has elected not to recognise right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, and leases of low-value assets (individual assets worth less than \$10,000), including IT equipment. The Consolidated Entity recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Contractual financial assets				
Financial assets measured at fair value through profit or loss				
Managed fund investment	3,081	-	-	-
Financial assets measured at amortised cost				
Cash and deposits	23,609	23,974	21,554	18,736
Trade receivables	2,508	1,536	1,316	1,155
Amounts owed from subsidiaries	-	-	584	589
Other receivables	3	15	-	2
Term deposits	463	463	463	463
Investments at cost				
Investments in subsidiaries	-	-	2,550	2,550
Total contractual financial assets	29,664	25,988	26,467	23,495
Contractual financial liabilities				
Loans and payables				
Supplies and services	2,874	3,658	2,685	3,566
Amounts owed to subsidiaries	-	-	3,584	3,644
At amortised cost				
Lease liabilities	12,917	13,938	12,367	12,988
Total contractual financial liabilities	15,791	17,596	18,636	20,198

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 2021 and 31 December 2020 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 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
Consolidated 2020				
Cash and deposits	20,007	3,967	-	23,974
Trade and other receivables	-	-	1,551	1,551
Investments and other financial assets	463	-	-	463
Total contractual financial assets	20,470	3,967	1,551	25,988

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 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
Institute 2020				
Cash and deposits	18,736	-	-	18,736
Trade and other receivables	-	-	1,746	1,746
Investments and other financial assets	463	-	-	463
Total contractual financial assets	19,199	-	1,746	20,945

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 2021 and the past 12 months before 31 December 2020, 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 2021:

WILLIAM ANGLISS INSTITUTE OF TAFE

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 2021				
Current (not past due)	1,382	0%	-	No
31 – 60 days past due	29	0%	-	No
61 – 90 days past due	169	0%	-	No
91-180 days past due	965	17%	164	No
More than 180 days past due	157	17%	27	Yes
	2,702		191	
31 December 2020				
Current (not past due)	1,116	13%	144	No
31 – 60 days past due	79	17%	13	No
61 – 90 days past due	347	22%	76	No
91-180 days past due	207	31%	64	No
More than 180 days past due	286	66%	187	Yes
	2,035		484	
Institute				
31 December 2021				
Current (not past due)	989	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
	1,455		139	
31 December 2020				
Current (not past due)	1,043	13%	148	No
31 – 60 days past due	54	17%	10	No
61 – 90 days past due	42	22%	10	No
91-180 days past due	179	31%	56	No
More than 180 days past due	191	66%	128	Yes
	1,509		352	

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, \$191 thousand (2020: \$484 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 2022 with a net cash outflow forecasted. The Department of Education and Training has provided a letter of comfort to the Institute to provide a level of assurance that financial assistance will be made available for the Institute to continue as a going concern if required. 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 4.625 and 0.9799 respectively (2020: 5.0298 and 1.0189), while other variables remains constant:

- the Consolidated Entity's result and equity would have been \$419 thousand lower/\$467 thousand higher (2020: \$319 thousand lower/\$355 thousand higher); and
- the Institute's result and equity would have been \$20 thousand lower/\$23 thousand higher (2020: \$19 thousand lower/\$22 thousand higher).

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 2021					
Financial assets					
Cash and deposits	0.25	23,609	22,352	1,257	-
Investments and other financial assets	0.24	3,544	-	463	3,081
Trade receivables	0.00	2,508	-	-	2,508
Other receivables	0.00	3	-	-	3
Total financial assets		29,664	22,352	1,720	5,592
Financial liabilities					
Supplies and services	0.00	2,874	-	-	2,874
Lease liabilities	4.21	12,917	-	12,917	-
Total financial liabilities		15,791	-	12,917	2,874

	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 2020					
Financial assets					
Cash and deposits	0.54	23,974	20,007	3,967	-
Investments and other financial assets	1.40	463	-	463	-
Trade receivables	0.00	1,536	-	-	1,536
Other receivables	0.00	15	-	-	15
Total financial assets		25,988	20,007	4,430	1,551
Financial liabilities					
Supplies and services	0.00	3,658	-	-	3,658
Lease liabilities	4.06	13,938	-	13,938	-
Total financial liabilities		17,596	-	13,938	3,658

WILLIAM ANGLISS INSTITUTE OF TAFE

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 2021					
Financial assets					
Cash and deposits	0.25	21,554	21,554	-	-
Investments and other financial assets	0.60	463	-	463	-
Trade receivables	0.00	1,316	-	-	1,316
Other receivables	0.00	584	-	-	584
Total financial assets		23,917	21,554	463	1,900
Financial liabilities					
Supplies and services	0.00	2,685	-	-	2,685
Other liabilities	0.00	3,584	-	-	3,584
Lease liabilities	4.24	12,367	-	12,367	-
Total financial liabilities		18,636	-	12,367	6,269

	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 2020					
Financial assets					
Cash and deposits	0.55	18,736	18,736	-	-
Investments and other financial assets	1.40	463	-	463	-
Trade receivables	0.00	1,155	-	-	1,155
Other receivables	0.00	591	-	-	591
Total financial assets		20,945	18,736	463	1,746
Financial liabilities					
Supplies and services	0.00	3,566	-	-	3,566
Other liabilities	0.00	3,644	-	-	3,644
Lease liabilities	4.26	12,988	-	12,988	-
Total financial liabilities		20,198	-	12,988	7,210

Sensitivity analysis and assumptions

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

WILLIAM ANGLISS INSTITUTE OF TAFE

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 2020					
Financial assets					
Cash and deposits	20,007	(200)	(200)	200	200
Total impact	20,007	(200)	(200)	200	200

	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 deposits	21,554	(216)	(216)	216	216
Total impact	21,554	(216)	(216)	216	216

	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 2020					
Financial assets					
Cash and deposits	18,736	(187)	(187)	187	187
Total impact	18,736	(187)	(187)	187	187

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 2021 (31 December 2020: 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

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.

(a) 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 2021.

(b) 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 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

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 2020				
Non-specialised land	13,097	-	13,097	-
Specialised land	130,039	-	-	130,039
Total land at fair value	143,136	-	13,097	130,039
Non-specialised buildings	681	-	681	-
Specialised buildings	47,845	-	-	47,845
Total buildings at fair value	48,526	-	681	47,845
Plant and equipment	2,181	-	-	2,181
Motor vehicles	60	-	-	60
Leasehold improvements	5,419	-	-	5,419
Library books	70	-	-	70
Right of use assets	11,766	-	-	11,766
Total other assets at fair value	19,496	-	-	19,496
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
Institute 2020				
Non-specialised land	13,097	-	13,097	-
Specialised land	130,039	-	-	130,039
Total land at fair value	143,136	-	13,097	130,039
Non-specialised buildings	681	-	681	-
Specialised buildings	47,845	-	-	47,845
Total buildings at fair value	48,526	-	681	47,845
Plant and equipment	2,158	-	-	2,158
Motor vehicles	60	-	-	60
Leasehold improvements	5,419	-	-	5,419
Library books	70	-	-	70
Right of use assets	10,823	-	-	10,823
Total other assets at fair value	18,530	-	-	18,530

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.

(c) Fair value determination of financial assets and liabilities

The Company 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

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2021.

	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				
Managed fund investment	3,081	-	3,081	-
Total managed investments at fair value	3,081	-	3,081	-
Consolidated 2020				
Managed fund investment	-	-	-	-
Total managed investments at fair value	-	-	-	-

WILLIAM ANGLISS INSTITUTE OF TAFE

7. MANAGING RISKS AND UNCERTAINTIES

(d) 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) 1031 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 2017. Land was revalued by reference to the Valuer -General Victoria's indexation factors up to 31 December 2021.

For the year ending 31 December 2021, the Institute conducted a managerial revaluation. As part of the managerial revaluation, the following inputs and assumptions were included:

- (a) assumptions made about the future
- (b) source of estimation uncertainty
- (c) the nature or class of assets impacted
- (d) the carrying amount of the assets subject to the significant uncertainty
- (e) sensitivity of the carrying amounts to methods, assumptions and estimates including the reasons for their sensitivity;
- (f) expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts; and
- (g) reference to the Valuer-General Victoria's indexation factors up to 31 December 2021.

COVID-19 has caused an increase to the estimation uncertainty around the fair value of non-physical financial assets. The impact of COVID-19 is further discussed in Note 1.3.

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 2017. 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 Institute'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 Institute's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 31 December 2017.

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

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

Plant and equipment 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 depreciated 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 2021.

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

Description of significant unobservable inputs to Level 3 valuations

2021 and 2020	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)

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 Minister for Higher Education	The Hon. Gayle Tierney MP	1 January 2021 to 31 December 2021
Director and Chief Executive Officer (Accountable Officer)	Nicholas Hunt	1 January 2021 to 31 December 2021

Remuneration

Remuneration of the relevant Minister is disclosed in the financial report of the Department of Parliamentary Services. Other relevant interests are declared in the Register of Members' Interests which is completed by each member of the Parliament.

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 2021 to 31 December 2021
Ministerial Director	Mr R Clifton	1 January 2021 to 31 December 2021
Ministerial Director	Ms V McIver	1 January 2021 to 31 December 2021
Ministerial Director	Hon J Pandazopoulos	1 January 2021 to 31 December 2021
Ministerial Director	Mr M Pignatelli	1 January 2021 to 31 December 2021
Co-opted Director	Ms W Jones	1 January 2021 to 31 December 2021
Co-opted Director	Ms B Richardson	1 January 2021 to 31 December 2021
Co-opted Director	Mr P Sexton	1 January 2021 to 31 December 2021
Elected Director	Nicholas Hunt	1 January 2021 to 31 December 2021
Elected Director	Mr R Petts	1 January 2021 to 31 December 2021

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: \$310,000 – \$319,999 (2020: \$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	2021	2020
\$10,000 – \$19,999	-	-
\$20,000 – \$29,999	-	-
\$30,000 – \$39,999	7	7
\$40,000 – \$49,999	-	-
\$50,000 – \$59,999	1	1
\$60,000 – \$69,999	-	-
\$70,000 – \$79,999	-	1
\$80,000 – \$89,999	-	1
\$130,000 - \$139,999	-	-
\$180,000 - \$189,999	1	-
\$300,000 - \$309,999	-	-
Total number	9	10
Total remuneration (\$'000)	468	440

Remuneration of the Responsible Minister is included in the financial statements of the Department of Parliamentary Services.

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Remuneration				
Short-term employee benefits	769	759	769	759
Post-employment benefits	73	70	73	70
Other long-term benefits	10	9	10	9
Termination benefits	-	13	-	13
Total remuneration	852	851	852	851
Total number of executives	4	6	4	6
Total annualised employee equivalents (i)	4	5	4	5

(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

Transaction between the Institute and other related parties

	Transaction values for year ended 31 December		Balances outstanding as at 31 December	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Loans provided by subsidiary				
Angliss Consulting Pty Ltd	17	16	(818)	(835)
William Angliss Institute Pte Ltd	43	(366)	(2,766)	(2,809)
Loans provided to subsidiary				
Angliss (Shanghai) Education Technology Co Ltd	(10)	412	579	589
William Angliss Institute Foundation	5	-	5	-
Management service charge provided to subsidiary				
Management service charges payable by Angliss (Shanghai) Education Technology Co Ltd	400	410	400	410
Other services provided to subsidiary				
Service charges payable by William Angliss Institute Pte Ltd	-	-	-	-
Total	455	472	(2,600)	(2,645)

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Remuneration				
Short-term employee benefits	1,480	1,453	1,480	1,453
Post-employment benefits	136	130	136	130
Other long-term benefits	13	11	13	11
Termination benefits	-	13	-	13
Total remuneration	1,629	1,607	1,629	1,607

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 2021.

WILLIAM ANGLISS INSTITUTE OF TAFE

8.4 Remuneration of auditors

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Remuneration of the Victorian Auditor-General's Office				
Audit of the financial statements	152	152	99	100
Total remuneration of the Victorian Auditor-General's Office	152	152	99	100
Remuneration of other auditors				
Internal audit services	56	59	56	59
Total remuneration of other auditors	56	59	56	59
Total	208	211	155	159

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
(a) Net gain/(loss) on financial instruments				
Foreign currency exchange gain/(loss)	(175)	187	(1)	(4)
Gain on investments measured at fair value through profit or loss	81	-	-	-
Impairment of loans and receivables	305	(185)	226	(79)
Total net gain/(loss) on financial instruments	211	2	225	(83)
(b) Other gains/(losses) from other economic flows				
Net gain/(loss) arising from revaluation of long service leave liability	(33)	(112)	(33)	(112)
Net gain/(loss) arising from revaluation of annual leave liability	(3)	(8)	(3)	(8)
Gain/(loss) on impairment of intangible assets	(2,978)	-	(2,978)	-
Total other gains/(losses) from other economic flows	(3,014)	(120)	(3,014)	(120)
Total other economic flows included in net result	(2,803)	(118)	(2,789)	(203)

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 Other equity reserves

	Consolidated		Institute	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Physical asset revaluation surplus¹				
Balance at 1 January	160,464	160,464	160,464	160,464
Revaluation increment/(decrement) on non-current assets	(16,676)	-	(16,676)	-
Reversal of impairment losses	-	-	-	-
Total physical asset revaluation surplus	143,788	160,464	143,788	160,464
Foreign currency translation reserve²				
Balance at 1 January	(656)	(324)	-	-
Revaluation movement on translation of foreign subsidiaries	254	(332)	-	-
Total foreign currency translation reserve	(402)	(656)	-	-
Statutory reserve fund (China)³				
Balance at 1 January	13	2	-	-
Contribution of current year profit	27	11	-	-
Total statutory reserve fund (China)	40	13	-	-
Balance at 31 December	143,426	159,821	143,788	160,464

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	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Compensation for economic loss	-	7	-	7
Total ex gratia payments	-	7	-	7

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	2021 %	2020 %
Angliss Consulting Pty Ltd	Australia	Ordinary	100	100
William Angliss Institute Foundation	Australia	Ordinary	100	100
Angliss Solutions Pty Ltd	Australia	Ordinary	100	100
Angliss Multimedia Pty Ltd	Australia	Ordinary	100	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.

Angliss Multimedia Pty Ltd

The company is a wholly owned subsidiary of Angliss Consulting Pty Ltd and has never traded.

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.

9.5 Events after reporting date

No 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.

WILLIAM ANGLISS INSTITUTE OF TAFE

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 2021 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises the Institute of their applicability and early adoption where applicable.

As at 31 December 2021, there were no new accounting standards issued by the AASB, which are applicable for the year ending 31 December 2021 that are expected to impact the Institute.

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 *2020-6 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 Institute and the Institute will not early adopt the standard.

9.7 New or amended Accounting Standards and Interpretations adopted

9.7.1 Conceptual Framework for Financial Reporting (Conceptual Framework)

The Consolidated Entity has adopted the revised Conceptual Framework from 1 January 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several Accounting Standards, but it has not had a material impact on the consolidated entity's financial statements.

9.7.2 IFRIC Agenda Decision - Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets)

The Institute has adopted the IFRIC Agenda Decision - Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets) from 1 January 2021. The Agenda Decision clarifies how a customer accounts for costs of configuring or customising a supplier's application software in a Software as a Service (SaaS) arrangement. The Agenda Decision requires management to capitalise elements of expenditure that meet the definition of an *Intangible Asset* as defined by AASB 138 *Intangible Assets* and recognise any additional amounts as an expense as the entity benefits from the expenditure either by applying AASB 138 or applying another accounting standard.

Effectively, if a SaaS arrangement does not contain a lease and there is no intangible asset controlled by the Institute, then expenditure will be expensed. The pattern of expenditure will depend on whether the configuration or customisation services are distinct. Services which are not distinct are recognised as an expense on the same pattern as the SaaS arrangement. Services which are distinct however, are recognised as the services are delivered.

The Agenda Decision did not have any impact on the Institute's consolidated financial statements as all expenditure incurred in relation to Cloud Computing Arrangements were appropriately capitalised or expensed in accordance with the requirements of AASB 138.



Performance Statement

Independent Auditor's Report

To the Board of William Angliss Institute of TAFE

Opinion	<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 2021 • 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 2021 presents fairly, in all material respects.</p>
Basis for Opinion	<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>
Board's responsibilities for the performance statement	<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>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p>

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
25 March 2022



Charlotte Jeffries
as delegate for the Auditor-General of Victoria

WILLIAM ANGLISS INSTITUTE OF TAFE
PERFORMANCE STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021, 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 23 March 2022

Place Melbourne, VIC



Mr N Hunt, Chief Executive Officer

Date 23 March 2022

Place Melbourne, VIC



Ms E Sargent, Chief Finance and Accounting Officer

Date 23 March 2022

Place Melbourne, VIC

Performance Statement

During 2021 the Institute worked towards achieving key performance targets. The table below provides a snapshot of these measures.

Indicator Title	Description and methodology	Metric	2021 Target	2021 Actual	Explanation of variances	Prior year result 2020 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>					
	• Government Funded (GF)	%	33.0%	32.5%	Results in line with target expectations reflecting continued COVID-19 related contraction of fee for service revenue relative to government funded.	30.6%
	• Fee for Service (FFS)	%	51.0%	53.7%	COVID-19 lockdown periods and travel restrictions negatively impacting international FFS revenue. Higher than target due to focused efforts on recruitment.	57.2%
	• Student Fees and Charges	%	16.0%	13.8%	Impact of lower student enrolments.	12.2%
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>	%	<102%	112.6%	Lower student numbers largely associated with COVID-19 impacts and restrictions negatively impacting training revenue and proportion of training revenue per trainer.	92.0%
Training revenue per teaching FTE	Training Revenue (excl. revenue delivered by 3rd parties) / Teaching FTEs	\$	>\$218,000	\$182,272	COVID-19 lockdown periods and travel restrictions negatively impacting training revenue.	\$212,809
Operating margin percentage	Operating margin % EBIT (excluding Capital Contributions) / Total Revenue (excl Capital Contributions)	%	(21.0%)	1.8%	Favourable to budget due to COVID-19 government support funding and expense savings exceeding revenue budgetary shortfalls.	(0.5%)

Disclosure Index

Item No.	Source Reference	SUMMARY OF REPORTING REQUIREMENT	Page
REPORT OF OPERATIONS			
CHARTER AND PURPOSE			
1.	FRD 22I	Manner of establishment and the relevant Minister	11
2.	FRD 22I	Purpose, functions, powers and duties	2-11
3.	FRD 22I	Key initiatives and projects	6-10, 19
4.	FRD 22I	Nature and range of services provided	11
MANAGEMENT AND STRUCTURE			
5.	FRD 22I	Organisational structure	12-17
FINANCIAL AND OTHER INFORMATION			
6.	FRD 10A	Disclosure Index	100
7.	FRD 22I	Employment and conduct principles	22
8.	FRD 22I	Workforce data disclosures	22-23
9.	FRD 22I	Occupational health and safety policy	21-22
10.	FRD 22I	Summary of the financial results for the year	28
11.	FRD 22I	Significant changes in financial position during the year	28
12.	FRD 22I	Summary of operational and budgetary objectives	28, 99
13.	FRD 22I	Major changes or factors affecting performance	28
14.	FRD 22I	<i>Subsequent events</i>	92
15.	FRD 22I	Application and operation of the Freedom of Information Act 1982	18
16.	FRD 22I	Compliance with building and maintenance provisions of Building Act 1993	18
17.	FRD 22I	Statement on National Competition Policy	18
18.	FRD 22I	Application and operation of the Public Interest Disclosures Act 2012	18
19.	FRD 22I	Application and operation of the Carers Recognition Act 2012 (Carers Act)	18
20.	FRD 22I	<p>Details of consultancies over \$10 000</p> <p>1. Total number of consultancies individually valued at \$10,000 or greater (ex GST) and the total expenditure (ex GST) on these engagements for the reporting period.</p> <p>2. Location (e.g. website link) where the schedule with the below details of the consultancies over \$10,000 has been made publicly available:</p> <ul style="list-style-type: none"> • Consultant engaged • Brief summary of project • Total project fees approved (ex GST) • Expenditure for reporting period (ex GST) • Any future expenditure committed to the consultant for the project 	29
21.	FRD 22I	Details of consultancies under \$10 000	29
22.	FRD 22I	Disclosure of government advertising expenditure	N/A
23.	FRD 22I	Disclosure of ICT expenditure	29
24.	FRD 22I	Asset Management Accountability Framework (AMAF) maturity assessment	19
25.	FRD 22I	Summary of Environmental Performance	24-26
26.	FRD 22I	Statement of availability of other information	20
27.	FRD 25D	Local Jobs First	18
28.	SD 5.2	Specific requirements under Standing Direction 5.2	36
29.	CG 10 Clause 27	Summary of Major Commercial Activities	19
30.	CG 12 Clause 33	TAFE Institute Controlled Entities	92

Item No.	Source Reference	SUMMARY OF REPORTING REQUIREMENT	Page
COMPLIANCE ATTESTATION AND DECLARATION			
31.	SD 5.1.4	Financial Management Compliance Attestation Statement	19
32.	SD 5.2.3	Declaration in report of operations	2
FINANCIAL STATEMENTS			
DECLARATION			
33.	SD 5.2.2	Declaration in financial statements	36
OTHER REQUIREMENTS UNDER STANDING DIRECTIONS 5.2			
34.	SD 5.2.1(a)	Compliance with Australian accounting standards and other authoritative pronouncements	2, 36, 44
35.	SD 5.2.1(a)	Compliance with Standing Directions	2, 20, 36
OTHER DISCLOSURES AS REQUIRED BY FINANCIAL REPORTING DIRECTIONS IN NOTES TO THE FINANCIAL STATEMENTS			
36.	FRD 11A	Disclosure of ex-gratia expenses	29, 92
37.	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report	87
38.	FRD 103I	Non-financial physical assets	57-59
39.	FRD 110A	Cash flow statements	42
40.	FRD 112D	Defined benefit superannuation obligations	54
COMPLIANCE WITH OTHER LEGISLATION, SUBORDINATE INSTRUMENTS AND POLICIES			
41.	Legislation	<p>Compliance statement</p> <p>The Annual Report must contain a statement of compliance with all relevant legislation, and subordinate instruments, including, but not limited to, the following:</p> <ul style="list-style-type: none"> • Education and Training Reform Act 2006 (ETRA) • TAFE Institute Constitution • Directions of the Minister for Training and Skills (or predecessors) • TAFE Institute Commercial Guidelines • TAFE Institute Strategic Planning Guidelines • Public Administration Act 2004 • Financial Management Act 1994 • Freedom of Information Act 1982 • Building Act 1993 • Public Interest Disclosure Act 2012 • Carers Recognition Act 2012 • Local Jobs First Act 2003 	19
42.	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2021	24
43.	Policy	Statement of compliance with the Victorian Public Service Travel Policy	18
44.	KPIs	<p>Key Performance Indicators:</p> <ul style="list-style-type: none"> • Employment costs as a proportion of training revenue • Training revenue per teaching FTE • Operating margin percentage • Training revenue diversity 	99
45.	PAEC and VAGO (June 2003 Special Review – Recommendation 11)	<p>Overseas operations:</p> <ul style="list-style-type: none"> • Financial and other information on initiatives taken or strategies relating to the institute's overseas operations • Nature of strategic and operational risks for overseas operations • Strategies established to manage such risks of overseas operations • Performance measures and targets formulated for overseas operations • The extent to which expected outcomes for overseas operations have been achieved 	9-10



For over 80 years William Angliss Institute has been a learning community devoted to students with a passion for foods, hospitality, tourism and events, inspiring them and nurturing their careers with expert training, education and mentoring.

Call 1300 ANGLISS or visit: www.angliss.edu.au

RTO No. 3045 | CRICOS Provider No. 01505M | HEP 9534 | ABN: 66266583978

William
Angliss
Institute

Specialist centre
for foods, tourism,
hospitality & events