gotafe

Annual Report **2020**





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Report of Operations

Preamble

The 2020 Annual Report has been prepared in accordance with all relevant legislation and subordinate instruments, including, but not limited to, the following:

Education and Training Reform Act 2006 (ETRA)

The Constitution of the Goulburn Ovens Institute of Technical and Further Education Order 2016

Directions of the Minister for Training and Skills and the Minister for Higher Education (or predecessors)

Commercial Guidelines - TAFE Institutes

Strategic Planning Guidelines - TAFE Institutes

Public Administration Act 2004

Financial Management Act 1994

Freedom of Information Act 1982

Building Act 1993

Public Interest Disclosure Act 2012

Local Jobs First Act 2003

The required reporting appears throughout the Annual Report. A disclosure index appears at the end of the Annual Report to facilitate identification of compliance with statutory disclosure requirements.

Annual Report Declaration

GOTAFE has implemented and maintained a process to ensure its Annual Report is prepared in accordance with the *Financial Management Act 1994*, Standing Directions, Instructions, Financial Reporting Directions, applicable Australian Accounting Standards and relevant legislation and instruments.

The information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents a true and fair view of the financial transactions during the year ended 31 December 2020 and the financial position of GOTAFE as at 31 December 2020.

I am pleased to present the GOTAFE Annual Report for the year ending 31 December 2020.



Diana Taylor
Chair of the Board

25 March 2021

Introduction

For more than 20 years, GOTAFE has been an intrinsic part of our local communities, delivering quality vocational education and training that aligns to the policy objectives of government and the growing needs of industry and the local community. The principal region GOTAFE services includes 11 local government areas with an estimated resident population of over 242,000 people.

The heart of GOTAFE's mission has – and always will be – supporting our communities to prosper and adapt as economies change and affect local industries and opportunities.

Establishment and charter

GOTAFE was established on 1 October 1996 with the merger of Goulburn Valley Institute of TAFE and Wangaratta Institute of TAFE.

GOTAFE is established under the *Education and Training Reform Act 2006*. Its powers and duties are primarily established in its Constitution, the *Education and Training Reform Act 2006* and the *Financial Management Act 1994*.

The principal objectives and functions of GOTAFE are to:

- Provide vocational education and training and quality outcomes through excellent teaching, innovation and educational leadership.
- Provide tertiary education and consultancy services that meet the unique skill needs of the region and lead to workforce development, industry productivity and enterprise business success.

- Build community capacity and enrich the lives of young people and adults through lifelong learning and personal development.
- Issue vocational training qualifications to eligible individuals.

As a Victorian State Government entity, GOTAFE supports government education priorities and the economic development of the region and its industry workforce.

The Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education, is responsible for TAFE institutes and the broader tertiary education sector in Victoria.

Strategic Plan

The GOTAFE Strategic Plan 2018-23 establishes four strategic goals, namely:

- · Deliver excellence in education.
- Optimise the student experience through efficient and productive operations.
- Develop and foster meaningful partnerships with government, industry and other stakeholders.
- Strategically diversify and maximise revenue.

Values

GOTAFE's people, practices and processes commit to the following values:

- Integrity
- Collaboration
- Accountability
- Respect
- Excellence

Purpose: Enabling people to realise their potential and enhance their communities.

Vision: A thriving organisation known for inspiring, motivating and equipping people for success **Drivers** Goals **Initiatives** Develop the education strategy (incl. program portfolio Strategic Goal 1 and strategic education projects) **Government** Deliver excellence in education Build culture and capability to deliver quality education Optimise business processes through a redesigned and Strategic Goal 2 **Students** Optimise the student experience enhanced workforce capability Review infrastructure and asset utilisation through efficient and productive 5. Review our operating model operations **Industry** 6. Implement a quality management framework (incl. Strategic Goal 3 processes, people, accountabilities and systems) to Develop and foster meaningful meet all compliance requirements partnerships with government, Develop a strategic partnership framework industry and other stakeholders 8. Develop our advocacy model Community Develop and implement a commercial development Strategic Goal 4 strategy (incl. growth corridors and digital marketing Strategically diversify and 10. Explore and pursue targeted national and international Staff maximise revenue education opportunities

Board Chair Report

Through 2020, GOTAFE has continued to make a significant contribution to the regional community that it serves – responding to industry needs and equipping students for success in the workforce. As the largest provider of vocational education and training in northern Victoria, GOTAFE believes in the profound value of education and the opportunities that it creates.

It has been my great privilege to lead the GOTAFE Board and organisation for another year.

Our achievements and success through 2020 reflect the work of many. Our committed staff work determinedly to ensure student learning is front and centre, and we are very proud of our 2020 student and employer satisfaction results which are amongst the highest in the State for any TAFE. In addition, our People Matter Survey results place GOTAFE as one of the highest performing Victorian TAFEs, reflecting the inclusive and values-based culture that we are striving to cultivate.

We are extremely grateful for the collaboration and support of our many and varied industry and community partners through 2020. Our partners are highly valued and enhance GOTAFE's ability to deliver quality education and training that contributes to the broader economic prosperity of the region.

One of the absolute highlights of 2020 involved the launch of our Social Justice Charter, setting a clear mandate for social justice within our organisation. GOTAFE's communities are rich and diverse, and our Social Justice Charter shares GOTAFE's commitment to creating an environment where everyone feels safe and welcome, and where everyone feels able to be themselves. Our Social Justice Charter was developed in consultation with over 500 students and staff and represents the values and principles we all want to see alive at GOTAFE. I would like to personally thank our student champions as well as Board Director and Commissioner for LGBTIQ+, Ro Allen, for their deep investment and support in the development of our Charter.

We were exceptionally proud to be nominated for two prestigious awards at the Victorian Training Awards – the Inclusive Provider of the Year Award and the Large Training Provider of the Year Award. Winning the Inclusive Provider of the Year Award reflected our sector-leading work in the social justice space and shone a very bright light on our Social Justice Charter.

Amidst the achievements of 2020, the year also proved to be a very challenging one for the organisation, as well as the regional community. In January, bushfires threatened parts of the region and in March, the first lockdowns associated with the Covid-19 pandemic impacted our education and training delivery. The way in which GOTAFE responded to these events was exceptional. Our management team ensured that students and staff were supported holistically and that the organisation grasped every opportunity to assist the community and improve service delivery.

The impacts of the pandemic and bushfires have been felt strongly in the regional community and GOTAFE will continue to play a critical role in the coming year as the community bounces back. Our role in working with industry to upskill and reskill the workforce will be vitally important to reduce unemployment and ensure the community is appropriately skilled for the jobs of tomorrow.

Mid-year, the Board farewelled Directors Dean Walton, Fiona Lloyd and Jon Lee. I would like to sincerely thank Dean, Fiona and Jon for their commitment and contributions to the Board and for supporting GOTAFE's vision to be a thriving organisation known for inspiring, motivating and equipping people for success.

At the same time, the Board welcomed new Directors Daniel Briggs, Jenny Wilson, Philip Eggleston and Celia Turnbull, all of whom bring a wealth of experience and expertise that will ensure GOTAFE continues to prosper.

The Board gratefully acknowledges the support of the Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education as well as the Department of Education and Training Victoria for their great support through a trying year.

My sincere thanks and appreciation is extended to GOTAFE's Board of Directors, CEO Travis Heeney and the Executive Team for their ongoing commitment to GOTAFE's endeavours as a provider of high quality vocational education and training. We look forward to the year ahead and to strengthening the integral role that GOTAFE plays in the regional community.

Diana Taylor Chair of the Board

Chief Executive Officer Report

GOTAFE continued to strengthen its role and operations as a responsive provider of vocational education and training in regional Victoria in 2020. Our renewed and energised organisation is focused on providing the best possible student experiences and outcomes that ensure students are ready for the workplace.

A key achievement through the year involved the development of our new Education Strategy 2020–23, articulating our vision for education delivery and setting our plan to make education at GOTAFE dynamic, holistic and innovative, with student success at the core of everything we do. The TAFE landscape is dramatically changing, with major reforms underway in the VET sector. Throughout this transformation, our foremost priority is to deliver contemporary education and training, of an exemplary standard, that is accessible and equitable for regional students.

We also introduced our new Workforce Strategy 2020, which defines how GOTAFE's people will support delivery of our educational aspirations and objectives. GOTAFE's people are our greatest strength and the most important enablers in delivering quality education to our students. Accordingly, our Workforce Strategy was developed to reflect the commitment, experience, and insights of our staff and leaders.

In January, severe bushfires threatened parts of the regional catchment. A number of our students and staff were forced to evacuate their homes and many of our staff contributed to the emergency response through local service organisations. During these events, GOTAFE was proud to work with the Rural City of Wangaratta by opening the Tone Road Campus as a refuge for horses and livestock threatened by the fires.

In March, the Covid-19 pandemic presented new challenges for GOTAFE, requiring the organisation to swiftly respond to the remote learning landscape. For an organisation largely focused on delivering face-to-face vocational education and training, I am incredibly proud of the way that GOTAFE pivoted by introducing Covid-safe operating protocols and a more blended model of education delivery. Our contribution to the community through the pandemic was strong, with trainers and students contributing to the Shepparton Food Share program as well as other local initiatives.

As we look to 2021, GOTAFE is well positioned to go from strength to strength. This includes leveraging all the advancements we have made in response to COVID-19. Our service offerings and mode of delivery are now far more flexible and responsive to student needs, and this will be pivotal in our delivery of contemporary education and training in the coming years.

I would like to sincerely thank our executive team, management and staff for their dedication and energy in transforming our organisation. I would also like to sincerely thank the GOTAFE Board Chair, Diana Taylor and the entire Board for their steadfast support and commitment to our vision. We are also very grateful to the Victorian Minister for Training and Skills and Minister for Higher Education, the Hon. Gayle Tierney MP, as well as the Department of Education and Training for their encouragement of GOTAFE.



Travis Heeney

Student Experience

VTA Finalists and Award Winner

GOTAFE was thrilled and proud to receive the 2020 Victorian Inclusive Training Provider of the Year Award at the Victorian Training Awards. Supported by the Department of Education and Training and now in its 66th year, the Victorian Training Awards recognise the outstanding achievements of individuals and organisations in the Victorian TAFE and training sector.

GOTAFE was awarded the Inclusive Training Provider of the Year in recognition of its ongoing focus on diversity and inclusion. GOTAFE was also extremely proud to be nominated for the large training Provider of the Year Award, recognising the excellent contribution GOTAFE makes to the learning outcomes and experiences of students in regional Victoria.



Social Justice Charter

The completion of GOTAFE's Social Justice Charter was a key highlight in 2020. The Social Justice Charter is about creating equal opportunities, addressing systemic barriers and actively celebrating diversity. GOTAFE is committed to embedding the Social Justice Charter across all areas of the organisation to ensure that we operate through an equity lens.

The Social Justice Charter is the result of several months of consultation with over 500 students and staff. This consultation was led by 18 Social Justice Champions including current and past students. It focused on how GOTAFE can ensure it is welcoming, equitable and inclusive for everyone.

The principles and actions throughout the Social Justice Charter have been informed by a broad range of voices from across our incredibly vibrant and diverse communities. The key actions, principles and commitments are designed to create social justice for everybody at GOTAFE. This includes careful consideration of how equity can be realised for people experiencing disadvantage. It also recognises that access to rights is highly individual and context-specific.



GOTAFE is extremely proud to be leading the way in providing inclusive and welcoming environments for everyone.

The GOTAFE Social Justice symbol for inclusivity was also introduced and proudly displayed on all GOTAFE staff signature banners in 2020.

2020 Victorian Student Satisfaction Survey Results

In 2020, GOTAFE was commended for achieving outstanding results across all metrics of the 2020 Victorian Student and Employer Satisfaction Survey. We remain exceptionally proud that students and employers in our region are satisfied with their GOTAFE experience and that studying with us leads to job-readiness and positive employment outcomes.

Student Support Services

The Student Success team were able to provide a range of support services to our students during a challenging year. A total of 4570 students accessed support services in 2020, equating to 57 per cent of the total student population.

Counselling support was the most used service, and nearly 400 students accessed our equitable learning support service.

Operating Result (2020)

GOTAFE recorded a net deficit from transactions of \$12.3m, compared to the 2019 deficit of \$11.2m. The 2020 deficit includes the write off of an historical debt of \$2.3m. Training income was lower and additional costs were incurred in 2020 as a result of the pandemic. The Department of Education and Training provided Crisis Support funding and Business Continuity grants to assist GOTAFE with its immediate response to the pandemic, provide support to retain staff, assist with the GOTAFE's transition to online and remote learning and to maintain government funding at pre-pandemic levels.

Operating Result (2020) continued

GOTAFE has continued with its strategic direction to improve financial sustainability and reduce its reliance on Victorian government grants in the future. GOTAFE opened a new campus in Wallan in 2020 and several major campus upgrades commenced during the year that will be completed in 2021. GOTAFE's closing cash balance decreased in 2020 to \$11.3m due to the operating deficit and capital works program. The value of fixed assets increased by \$4.7m.



Student Graduation

Graduation ceremonies offer a fitting and well-deserved opportunity for our students to celebrate their significant achievements at GOTAFE.

In February and March, student graduation ceremonies were held at the Wangaratta, Benalla and Seymour campuses. Attended by hundreds of staff, students, families and friends, the events were hosted by Tim Campbell and featured special guest speaker Samuel Johnson.

Unfortunately, due to COVID-19, planned celebrations for our Shepparton and Werribee campuses were cancelled, with students provided with the opportunity to celebrate their graduation at our 2021 events.

GOTAFE Showcase (Open Week)

GOTAFE opened its digital doors to celebrate the first ever GOTAFE Open Week in September, called 'The GOTAFE Showcase'. Campuses were virtually brought to life to showcase our courses, careers and experiences through live webinars, interactive Q&A panels, workshops and on-demand presentations. The Showcase included the GOTAFE Health Conference, an exciting program of online events and guest speakers delivered to over 100 attendees interested in the health industry. Over 200 people engaged with the Showcase, and the Showcase website received 3,500 views during the successful two week event.

Education and Training

Our Vision

'By 2025, education at GOTAFE will be dynamic, holistic and innovative. Student Success will be at the core of everything we do.'

Education Strategy

In June, the GOTAFE Education Strategy 2020–2023 was launched. The Strategy articulates the vision, strategic intent, directions, and initiatives for GOTAFE's education offer and defines what success looks like. We see this as a key strategic document in ensuring that our education delivery is of an exceptionally high standard and responsive to the needs of students and local industry.

The Strategy was developed following extensive student, staff and stakeholder consultation and sets a strategic path for the next three years.

Transition to Blended Learning

Whilst the impacts of COVID-19 were disruptive for education, they enabled a large strategic shift for GOTAFE. This included implementing better online resources and investing in the blended learning space, paving the way for our future of flexible learning.

GOTAFE was able to support the regional community with training and upskilling, particularly for those affected by the COVID-19 pandemic. During this time DET increased the number of Free TAFE positions available.

GOTAFE quickly responded to the COVID-19 restrictions with a range of student study and engagement options. Education delivery and training shifted to a range of blended delivery modes including a mix of on campus learning and remote online learning. Student access to counsellors, student success coordinators, disability support officers, career and pathway advisors and trainers remained critical throughout GOTAFE's response and staff worked tirelessly to build upon this work.

GOTAFE's Digital Solutions team quickly actioned the shift for all staff to a remote work environment. By deploying software, computers and other IT equipment, GOTAFE was able to ensure that staff and students were connected and adequately supported.



Wallan Campus Opening

In March, over 150 community members celebrated the official opening of the GOTAFE and La Trobe University Wallan Campus by the Hon. Gayle Tierney, Minister for Training and Skills and Minister for Higher Education. Also attending were the Minister for Regional Development, Minister for Agriculture and Minister for Resources, Jaclyn Symes; Member for Yan Yean, Danielle Green; and the Member for McEwan, Rob Mitchell.

The flexible, purpose-built campus offers courses in Business & IT, Health & Community, Education, Animal Studies, Hair & Beauty, Building & Construction, and Hospitality & Tourism. The campus also hosts a dedicated Skills and Jobs Centre and additional courses and training options to meet local industry demands as the population expands over the coming years. The new High Street Wallan Campus emphasises GOTAFE and La Trobe University's combined commitment to providing quality training and career support services across regional Victoria.

Pathways to University

In June, GOTAFE introduced its 'Pathways to University' information guide on the GOTAFE website. The information guide provides guidance and support for current and former students to continue their lifelong learning and showcases GOTAFE's articulation arrangements with La Trobe University and Charles Sturt University.

Strategic Partnership with La Trobe University

GOTAFE and La Trobe University have a strong collaborative history in delivering post-secondary education with a focus on developing and supporting pathways from VET to University qualifications.

GOTAFE and La Trobe University continue to work together to improve participation in post-secondary education in regional Victoria, facilitate pathways for students, respond to regional workforce needs and advocate for parity of esteem between TAFE and University.

Charles Sturt University Partnership

In October, Charles Sturt University (CSU) and GOTAFE held working groups to support student pathways from Community Services and Viticulture study areas into CSU Bachelor programs. The working groups commenced establishing business and implementation plans and explored the upskilling and endorsement of GOTAFE staff as adjunct CSU Lecturers to deliver practical specifications across the Bachelor program.



GOTAFE and SPC Scholarships

In 2020 SPC, one of Australia's most iconic food processing brands, partnered with GOTAFE to create a scholarship opportunity for young people in the Greater Shepparton area. GOTAFE and SPC's relationship continued to be strengthened, with the awarding of the first GOTAFE SPC Scholarships in May. The scholarships support students from the Greater Shepparton area to overcome financial barriers impeding their progression into trade-based training and employment, and include a highly valuable work placement at the SPC facility in Shepparton. Three full-fee tuition scholarships were awarded via a digital presentation ceremony.

Australian Nursing & Midwifery Accreditation Council (ANMAC) Accreditation

In January, GOTAFE formally attained five years unconditional accreditation as an accredited training provider of the Diploma of Nursing. GOTAFE received a commendation from ANMAC on the quality of its program. This was a tremendous achievement and reflects the high standard of training delivered by GOTAFE and the esteem with which our nursing courses are held.

Milk Tanker Operators Short Course

GOTAFE was market-ready to deliver the nationally accredited Milk Tanker Operators Short Course in 2020. GOTAFE was integral in developing the Dairy Australia endorsed course with industry and is one of 13 'Dairy Learn Network' providers nationally. GOTAFE is working with Skills Impact to have the course recognised as a national skill set.



New Plumbing Stack at Wangaratta

The construction of a new plumbing stack at the Docker Street Campus was completed in December 2020. The new stack provides a significantly larger area for plumbing students to work and train. The upgraded facility will allow trainers to run training tasks simultaneously, allowing students to undertake the practical task immediately after completing their theory.

Transition from Werribee Campus

Through the year, GOTAFE undertook a review of its operations on the Werribee campus and considered the organisation's footprint more broadly. The infrastructure on the campus is considerably dated, falling short of providing our students with the best possible experience that we strive to achieve. In addition, GOTAFE determined it would focus on the delivery of vocational education and training in northern and central Victoria, aligned to the location of other GOTAFE campuses.

In consultation with the Minister for Training and Skills and the Minister for Higher Education, GOTAFE took the decision to transition course delivery from the Werribee campus at the end of 2020, paving the way for other TAFES with greater regional prominence to serve students local to the area. GOTAFE's courses in Engineering Composites, Marine Craft, Pet Grooming and Food Sciences will continue to be delivered in 2021 from other locations where necessary, and in greater partnership with industry.

People and Culture

Workforce Strategy

GOTAFE's people are our greatest strength and the most important enablers in delivering quality education to our students. Accordingly, GOTAFE launched a new Workforce Strategy in 2020 to further embed a positive culture that enables and inspires our employees to thrive and contribute to our vision.

Our Workforce Strategy has four key priorities relating to culture, leadership, performance and talent, and defines how GOTAFE's people will support delivery of our organisational and education vision.



Staff Development Day

The GOTAFE Staff Development Day was held virtually in September and provided a great opportunity for the entire GOTAFE family to gather. During the day we reflected on a triumphant but tumultuous year, and shared some humour with Dave Hughes who dropped in for a session.

Staff Wellbeing Program

In efforts to adopt a more holistic approach to wellness for the entire GOTAFE community, we introduced a new staff wellbeing portal called the Healthy Mind Hub. Under the four pillars of Mind, Soul, Body and Heart, GOTAFE created an array of wellness resources, webinars, team challenges, and mindfulness exercises to ensure all staff felt safe and supported during the COVID-19 pandemic.

The four focus areas address all aspects of staff physical and mental health.







Mind



Heart Body

Soul

Community Engagement

Bushfire Response

During the Victoria/NSW bushfire emergency of summer 2019/20, GOTAFE worked closely with the Rural City of Wangaratta to coordinate the relocation and temporary housing of horses and livestock impacted by the fires. The GOTAFE Tone Road campus at Wangaratta made paddocks, stables and toilet facilities available for those in need in the local community. During their stay, all horses, ponies and foals were fed, watered and regularly monitored by the GOTAFE Equine team.



Prep for Success Webinar series goes international

In July, Careers Counsellors from the GOTAFE Skills and Jobs Centre delivered a range of seminars on career transition and job seeking skills for people finding themselves out of work. The 'Prep for Success' webinar series gained international appeal and was widely attended locally and across the globe.

Medcon Partnership

GOTAFE partnered with Australia's only surgical mask manufacturer, Medcon, to help ramp up production of vital PPE equipment to support the national COVID-19 response. With an immediate need to ramp up production and skill up dozens more employees, GOTAFE was able to assist by providing free Occupational Health and Safety training to Medcon staff.



GOTAFE participation in Shepparton Food Share

The GOTAFE Baking Department was able to get into the community spirit helping to relieve pressure as local Foodshare supplies diminished, and as the number of people in need grew. GOTAFE was able to donate over 350 loaves of bread and over 500 servings of soup to families in need during the pandemic.

Work Ready Program

With the national unemployment rate the highest it has been in a decade, GOTAFE was extremely proud to partner with the Growing Regional Opportunities for Work (GROW) Program in 2020 to create the GOTAFE Work Ready Program.

Funded by the Victorian Government and the Committee for Greater Shepparton, the collaborative project provides comprehensive training and mentoring support to people looking to re-enter the workforce.

The four-week pilot program saw four unemployed Shepparton residents successfully graduating with skills in the construction industry, covering everything from getting a White Card to OH&S, as well as the use of tools and specialised machinery.

GOTAFE was proud to launch the successful program virtually with the Hon, Gayle Tierney, Minister for Training and Skills and Minister for Higher Education.

2020 Objectives, Key Performance Indicators and Achievements

Summary of key financial results

A summary of the financial results and financial position of the Institute with comparative results for the previous four years, appears in the following table:

Financial indicator	2020 \$′000	2019 \$'000	2018 \$′000	2017 \$′000	2016 \$'000
Operating Revenue (Income from transactions, including capital contributions)	58,447	55,132	56,271	63,135	58,744
Operating Surplus/(Deficit) (Net result from transactions, including capital contributions)	-12,260	-11,197	100	2,319	2,132
Liquidity Ratio (Current Assets/ Current Liabilities adjusted to exclude long-term benefits)	1.2:1	3.3:1	5.10:1	5.20:1	7.50:1
EBITDA (Earnings before interest expense, tax, depreciation and amortisation) (excludes capital contributions)	-6,495	-6,276	4,921	6,837	6,734
Total Assets	122,047	132,474	143,859	142,917	134,957
Total Liabilities	15,994	16,158	15,327	14,213	11,230

Summary of key non-financial results

A summary of key training activity results for 2020 appears in the following table:

Classification	2020 result
Students (head count)	7,914
Student Admissions (course enrolments)	8,887
Student Contact Hours (delivered)	2,768,424

Statement of Performance

Statement of Performance for the year ended 31 December 2020

Statement of Performance for the year ended 31 December 2020:

In our opinion, the accompanying Statement of Performance of the Goulburn Ovens Institute of Technical and Further Education for the year ended 31 December 2020, is presented fairly.

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

At the date of signing, we are not aware of any circumstance that would render any particulars included in the Statement to be misleading or inaccurate.

Chair of the Board Diana Taylor

25 March 2021

Chief Executive Officer
Travis Heeney

25 March 2021

Chief Finance & Accounting Officer Nicholas Gray

25 March 2021

Key Performance Indicators

Statement of Performance for the year ended 31 December 2020

Indicator title	Description and methodology	Measure	2020 Target	2020 Actual	Explanation of variances	Prior year result
	Breakdown of training revenue by				Overall, training income was below target due to the effect of the pandemic.	
Training revenue	Government Funded (GF)	%	73.00%	73.31%	However, Fee for Service was higher than forecast	70.40%
diversity	Fee for Service (FFS)		13.30%	14.86%	due to higher VET in schools income. Student fees were lower in 2020 due	16.10%
	Student Fees and Charges		13.70%	11.83%	to course deferrals.	13.50%
Employment costs as a proportion of training revenue	Employment and third party training delivery costs as a proportion of training revenue (Employment costs – Workforce reduction expenses + 3rd party training delivery costs) / Training revenue	%	111.70%	125.51%	Employment costs were higher than planned due to increases in leave accrued as less leave was taken during 2020 and restructuring costs were also higher. Training revenue was lower than target due to the pandemic.	125.30%
Training revenue per teaching FTE	Training revenue (excl. revenue delivered by third parties) per Teaching FTE* Training revenue (excl. revenue delivered by 3rd parties) / Teaching FTEs*	\$	\$198,453	\$162,382	Training revenue was lower than target due to the pandemic. Teaching FTEs were slightly higher than planned.	\$144,219
Operating margin percentage	Operating margin % EBIT (excl. capital contributions) / Total revenue (excl. capital contributions)	%	-20.3%	-22.7%	EBIT was below target predominantly due to the write off of prior year debtor balance. With the effect of the write off removed, EBIT would be favourable to target (18%) as total income was higher as result of Crisis funding received from the DET.	-20.80%

Statement of Performance for the year ended 31 December 2020

GOTAFE Board

The Board's membership comprises six Ministerial directors, three co-opted directors, the Chief Executive Officer and a staff elected director. Board directors bring expertise and experience providing GOTAFE with the skills necessary for quality leadership and governance.

The Board representation in the 2020 calendar year appears in the following table:

Mambay	Divertor enterem	Term			
Member	Director category	From	То		
Diana Taylor	Ministerial	01/07/2019	30/06/2022		
Angela Verde	Ministerial	01/07/2019	30/06/2022		
Ro Allen	Ministerial	01/07/2019	30/06/2021		
Catherine Scott	Ministerial	01/07/2019	30/06/2022		
Kate Fraser	Co-Opted Director	11/02/2019	10/02/2022		
Deborah Spring	Co-Opted Director	11/02/2019	10/02/2022		
Daniel Briggs	Co-Opted Director	5/06/2020	04/06/2023		
Jenny Wilson	Ministerial	01/07/2020	30/06/2023		
Philip Eggleston	Ministerial	01/07/2020	30/06/2023		
Celia Turnbull	Staff Elected Director	01/07/2020	30/06/2022		
Travis Heeney	CEO	02/07/2018	01/07/2023		
Former Board members during 202	0				
Fiona Lloyd	Ministerial	15/12/2017	30/06/2020		
Dean Walton	Ministerial	15/12/2017	30/06/2020		
Jon Lee	Staff Elected Director	01/07/2019	30/06/2020		

Statement of Performance for the year ended 31 December 2020

Board Sub-Committees

As at the end of 2020, the following Board Sub-Committees were in place at GOTAFE:

- · Audit and Risk Committee, Chair: Kate Fraser
- Remuneration & Succession Committee, Chair: Angela Verde
- Governance Committee, Chair: Deborah Spring

Board Sub-Committee Membership - 24 August 2020 to 31 December 2020

Audit and Risk	Governance	Remuneration
Kate Fraser (Chair)	Deborah Spring (Chair)	Angela Verde (Chair)
Diana Taylor	Diana Taylor	Diana Taylor
Catherine Scott	Daniel Briggs	Kate Fraser
Angela Verde	Celia Turnbull	Travis Heeney
Jenny Wilson	Philip Eggleston	
Travis Heeney	Travis Heeney	
Michael Ulbrick (Independent Member)	Michael Ulbrick (Independent Member)	

Board Sub-Committee Membership - 1 July 2020 to 23 August 2020

Audit and Risk	Governance	Remuneration
Kate Fraser (Chair)	Deborah Spring (Chair)	Angela Verde (Chair)
Diana Taylor	Diana Taylor	Diana Taylor
Catherine Scott	Travis Heeney	Kate Fraser
Angela Verde	Michael Ulbrick (Independent Member)	Travis Heeney
Travis Heeney		
Michael Ulbrick (Independent Member)		

Board Sub-Committee Membership – 1 January 2020 to 30 June 2020

Audit and Risk	Governance	Remuneration
Kate Fraser (Chair)	Deborah Spring (Chair)	Angela Verde (Chair)
Diana Taylor	Diana Taylor	Diana Taylor
Catherine Scott	Fiona Lloyd	Kate Fraser
Angela Verde	Jon Lee	Travis Heeney
Jon Lee	Dean Walton	
Travis Heeney	Travis Heeney	
Michael Ulbrick (Independent Member)	Michael Ulbrick (Independent Member)	

Statement of Performance for the year ended 31 December 2020

Board members' expertise



Angela Verde | Deputy Board Chair

Angela Verde has been a member of the GOTAFE Board since July 2016. Angela holds a Bachelor of Applied Science and a Diploma of Business Management, is a Graduate of the Australian Institute of Company Directors and has extensive executive level leadership experience across multiple Victorian state government departments and the not for profit sector.

She has worked in clinical, research, management, policy and governance roles and is currently the Deputy Chair of the GOTAFE Board and a Non-Executive Director on the Albury Wodonga Health and North East Water Boards. Angela is also a member of the Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANCOG) Appeals Committee and works as an independent consultant

A background in strategic regional development and knowledge of the challenges and opportunities facing regional communities brings an important perspective to Angela's work.

With a strong record of achievement in facilitating change, leading teams, delivering regional programs and building sustainable partnerships, Angela also brings an enduring passion and commitment to improving outcomes for regional communities.



Catherine Scott

Catherine Scott has been a member of the GOTAFE Board since July 2019. Catherine is a highly experienced Chairperson and Non-Executive Director who has held directorships across a portfolio of organisations in transport, water, education and natural resources.

In her prior professional career Catherine held senior positions in the investment banking and finance industries. Catherine was appointed as a Commissioner at the Australian Transport Safety Bureau effective 8 September 2020, is a Non-Executive Director of the National Heavy Vehicle Regulator, Board Director of GOTAFE and a member of the Finance Committee at Edmund Rice Ministries Oceania. Catherine is a past Non-Executive Director and Chair of the Audit and Risk Committee for the Office of National Rail Safety Regulator, Chair of Goulburn Valley Water and past Director of VicWater.

Statement of Performance for the year ended 31 December 2020

Board members' expertise



Celia Turnbull

Celia was appointed to the GOTAFE Board as the GOTAFE Staff Representative in July 2020. With nearly 20 years at GOTAFE, Celia is an experienced and highly qualified education leader with a broad depth of knowledge and expertise across many educational and corporate managerial roles in VET.

A qualified Veterinary Surgeon Celia owned and ran in partnership several Veterinary practice businesses in Sydney prior to her Education career. Her tertiary qualifications include Bachelor Veterinary Science, Certificate IV in Training and Assessment, Graduate Diploma in VET Education and Masters of Education. She is a graduate of the Women and Leadership Executive Ready Program and the Alpine Valleys Community Leadership Program and holds an International Specialised Skills Institute (ISSI) Fellowship.

Celia has generational ties to NE Victoria with family history in both farming and Alpine tourism and transport. She possesses a keen business acumen and an intuitive understanding of customer service and market demand. Passionate about ethical and equitable educational practice, she values innovative educational programs designed to inspire learning and improve students' self-belief and future opportunities.

Celia is the Director of Education Governance and Academic Registrar at GOTAFE and Chairs the GOTAFE Animal Ethics Committee.



Daniel Briggs

Daniel was appointed to the GOTAFE Board in June 2020. Daniel grew up in the Goulburn Valley and is a proud Yorta Yorta and Wemba Wemba man. Daniel holds a Bachelor of Laws (LLB) and has extensive experience both in the legal industry and in working with members of marginalised communities. Daniel is currently the Executive Director of Yurringa, an organisation which creates employment opportunities for disadvantaged community members. He also works with local indigenous business and economic development in the Goulburn Murray region through the Kaiela institute's Business Development Unit.



Deborah Spring

Debbie Spring was appointed to the GOTAFE Board in February 2019. Debbie has extensive experience as a senior executive and Board member in Australia and overseas, across a broad range of industry sectors including energy, manufacturing, rail and general logistics. In various roles, she has implemented major business transformation programs in large, complex, capital intensive, highly regulated and unionised industries. Debbie has over 15 years experience as a professional Director, including as Chair, on the Boards of unlisted companies, government businesses and start-ups.

Her Board roles have included membership of sub-committees responsible for finance, audit and risk, remuneration and culture, and infrastructure. The Boards she has served on include Ambulance Victoria, Federation University of Australia, Mount Hotham Resort Management Board (Chair), the Donric Group (Chair) and V/Line Corporation. Debbie was appointed Chair of the Rail Industry Standards and Safety Board in November 2016 and Executive Chair and Chief Executive Officer on 1 June 2019.

Debbie has a Bachelor of Science in Mechanical Engineering from Union College, a Master of Science in Mechanical Engineering from Rensselaer Polytechnic Institute and a Master in Business Administration from Harvard Business School. She is a licensed professional engineer and a Fellow of the Australian Institute of Company Directors.

Statement of Performance for the year ended 31 December 2020

Board members' expertise



Diana Taylor | Board Chair

Diana Taylor has been a member of the GOTAFE Board since July 2019 and Chair of the Board since August 2019.

Diana is a qualified lawyer, company director and consultant. Diana has worked as a lawyer within top tier law firms and as a senior in-house counsel for some of Australia's largest businesses and is currently the General Counsel for Netball Australia. For over a decade, Diana has also run her own consultancy business. In 2016, Diana was awarded the Telstra Business Woman of the Year Award for Victoria – Corporate & Private category.

Diana is also a Trustee on the Melbourne Convention and Exhibition Trust, a Board Member of the Geelong Authority and is Chair of Geelong's community hospice, Anam Cara House Geelong.

One of Diana's life-long passions has been the game of Australian Rules Football (AFL) and the Geelong Football Club. With over 20 years' experience as an AFL administrator, Diana joined the Board of the Geelong Football Club in 2010 as a Director. In December 2019, Diana became the first woman in the Club's 161 year history to be appointed as the Vice President of the Geelong Football Club.



Jenny Wilson

Jenny was appointed to the GOTAFE Board in July 2020. She is currently the Regional Manager and Chief Executive Officer of Murray Dairy, and is on the Board of Goulburn Valley Water and National People in Dairy Development Council. Jenny has previously worked in senior management roles for multiple Victorian State government departments in the areas of agriculture and natural resource management.

Passionate about regional Victoria, Jenny has led a number of programs supporting agricultural communities in the adoption of new science, innovation and skills, particularly in response to water policy reform, climate change and market disruption. Jenny has extensive government and cross industry experience having led a number of national, state and regional funded initiatives. Jenny's skills include collaborative leadership, relationship building, strategic planning, community engagement, training and development, emergency response and organisational change management. Jenny is a graduate from Charles Sturt University having completed a Bachelor of Environmental Science, holds an Advanced Certificate in Sustainability and a Diploma of Project Management and is a graduate member of the Australian Institute of Company Directors.

Statement of Performance for the year ended 31 December 2020

Board members' expertise



Kate Fraser

Katharine (Kate) Fraser has been a member of the GOTAFE Board since February 2019 and is the current Chair of the Audit and Risk Committee and a member of the Remuneration Committee.

Kate has over 25 years' commercial experience in strategic planning, corporate governance and partnerships in high profile roles with a number of well-known organisations including the Sydney Olympic Games, the Australian Grand Prix Corporation, and the Melbourne Commonwealth Games. Kate holds a Bachelor of Economics, is a Fellow of the Australian Institute of Company Directors and a Graduate of the AICD Company Directors Course.

With over a decade of Board Director experience, Kate has served on several state and federal government Boards in the utilities, education and health sectors and has considerable Committee Chair experience. In addition to her board duties, Kate is a business consultant working throughout regional Victoria predominantly in tourism, marketing and business development. Kate also has considerable experience in the not for profit and for-purpose sectors.



Philip Eggleston

Philip has been a member of the GOTAFE Board since July 2020. Philip is a senior professional with a background in Government, Education, Legislation & Policy, Landscape Architecture and the Funeral Industry. Philip has wide and diverse skills across State and Local Government and the private sector. Most recently Philip was Manager of Operations and Development and Human Resources Manager in the Private office of the Premier of Victoria. Philip brings experience as Executive Director Corporate Governance and Company Secretary for Box Hill Institute and as Secretary of the Audit and Risk Committee of RMIT University. Philip demonstrates effective leadership with an ability to set strategy and direction; to refine and tailor leadership to the business environment, is highly risk aware and is a decisive operator capable of influencing agendas by successfully negotiating with decision–makers.



Ro Allen, Commissioner for LGBTIQ+ Communities

Ro Allen has been a member of the GOTAFE Board since July 2018.

Ro is the current Victorian Commissioner for LGBTIQ+ Communities. Ro is a former CEO of UnitingCare in the Goulburn Valley and former Hume Regional Skills Coordinator for the Department of Education.

Ro has also been Chair of the Victorian Adult, Community and Further Education Board, the Victorian Skills Commission, the Youth Affairs Council of Victoria (YACVIC), and former member of the Hume Regional Development Australia Committee.

Ro has been recognised for extensive community service, and in 2003 was awarded a Centenary Medal. Ro was inducted into the Victorian Government Honour Roll for Women in 2009, was recognised in the Top 50 Public Sector Women (Victoria) in 2017 and won Hero of the Year in the 2017 Australian LGBTI Awards.

Statement of Performance for the year ended 31 December 2020

Board members' expertise



Travis Heeney

Travis Heeney has been the CEO of GOTAFE since July 2018.

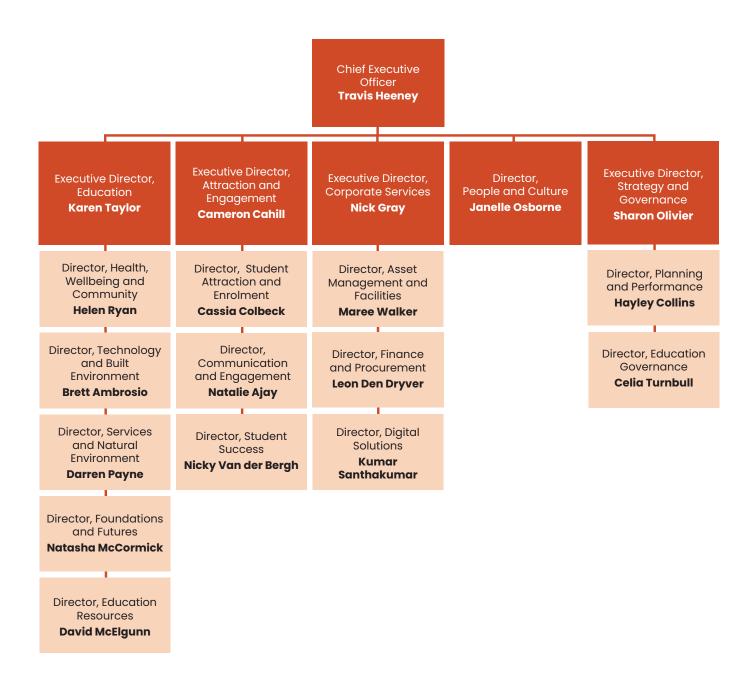
Travis is a tertiary-qualified, results-driven executive with strong business, political, and financial acumen. He is a transformational leader with natural enthusiasm for innovation, in-depth knowledge and awareness of regulatory obligations, and the ability to facilitate significantly improved, community-focused outcomes. He has specific skills in strategic positioning and in resolving organisational challenges and driving operational improvement. Travis is a highly analytical and strategic thinker, with a unique and insightful view of organisational performance. Whether it is culture, processes, business models or individual behaviours, his ability to understand and influence these forces leads to the successful achievement of desired outcomes at both strategic and tactical levels.

Travis has significant experience in community-focused organisations, having held leadership positions in the Public Health, Not-for-Profit and Local Government sectors. Most recently, Travis has held executive positions in Local Government at both Director and CEO level. Travis has also worked with various organisations in a transformational capacity at Director and CEO level, to assist in the achievement of improvement activities.

To ensure his own professional growth, Travis has also completed the Company Director's Course at the Australian Institute for Company Directors and has been an active member of Australian Institute of Company Directors and various peak bodies.

Statement of Performance for the year ended 31 December 2020

Organisational Structure as at 31 December 2020



Diversity at GOTAFE

GOTAFE is committed to creating equal opportunities, addressing systemic barriers and actively celebrating diversity. GOTAFE had a highly successful year bringing social justice and diversity and inclusion to life amidst the difficulty of COVID-19.

Workforce Inclusion Policy

The GOTAFE People and Culture Policy recognises the importance of an inclusive workforce by valuing flexibility, equal opportunity and inclusiveness and diversity – which ensures our people feel valued for their unique contributions.

GOTAFE is also committed to our Anti-Discrimination, Bullying and Harassment Policy, which obligates all staff to providing safe, flexible and respectful environments free from harm. The policy also commits GOTAFE to equal employment opportunity.

Social Justice Charter

The GOTAFE Social Justice Charter (the Charter) was publicly released in 2020, detailing how GOTAFE will embed the universal principles of equity, fairness and respect into all GOTAFE operations, systems and infrastructure.

The Charter was informed by 540 voices, with engagement led by 19 Social Justice Champions, appointed, employed and remunerated from the GOTAFE student body.

The Charter articulates an intersectional approach and has a focus on five priority cohorts: Aboriginal and Torres Strait Islander peoples, people with disability, younger people, multicultural people and LGBTIQ+ people.

Victorian Training Awards 2020 Inclusive Training Provider of the Year

GOTAFE was the recipient of the Victorian Training Awards Inclusive Training Provider of the Year for 2020 – in recognition of the work surrounding the Social Justice Charter and in particular, the support GOTAFE provides for students with disability. GOTAFE is extremely proud to have been the recipient of the award and commits to continuing to work towards an inclusive training environment for all students.

Support for people with disability

Supporting students with disability is a key priority for GOTAFE. In 2020, Student Success implemented a new support model which focusses on developing independence while accessing support, ensuring the student is at the center of developing a support plan together with their support networks and the GOTAFE teaching team. This model is boosted further through a coaching approach. The model has proven successful with 89 per cent of students accessing support not only staying engaged in their learning but also completing on time. The following support was accessed by students with disability throughout 2020:

- Supported Individual Learning Plans with Reasonable Adjustments
- Support with Assessments (reading and writing)
- · In-class support
- Advocacy
- Auslan interpretation
- Out of class tutorial and group support networks
- Loan of technology to increase self-help and accessibility

GOTAFE has had a Disability Action Plan in place since 2004. GOTAFE recognises that both Federal and State legislation sets the minimum requirements – which GOTAFE aims to exceed with every version. GOTAFE has been implementing the latest iteration - the Reasonable Adjustment Plan 2018 – 2021 which has included completing a considerable project ensuring all courses which have an online component is fully accessible, achieving at least a minimum of an AA level Web Content Accessibility Guidelines (WCAG) rating. All GOTAFE websites and Social Media platforms have undergone the same process. GOTAFE was recognised by Blackboard for this work, by winning their Inclusive Education Award in 2020. From 2018 to 2020, the number of students with disability increased from 9.6 per cent to 10.4 per cent and currently 4.0 per cent of staff identify

with disability, up from 3.61 per cent in 2019.

Diversity at GOTAFE

Support for Aboriginal and Torres Strait Islander peoples

The Koorie Unit at GOTAFE underwent a major transformation in 2020 and has enacted the vision of 'Empowering Aboriginal students and community on their journey through Education and Training, to a Culturally Safe Pathway to Success'. To support this vision, GOTAFE employed both female and male Koorie Liaison Officers, ensuring culturally appropriate support for Koorie students and that both women's and men's business is addressed. Cultural Pathways Education and Training Plans were also enacted for all Koorie students, ensuring a culturally safe pathway for success. Student Referral Records and Progressions were also enacted to support the Cultural Pathways Plans, these are to ensure Koorie students are supported throughout their time with GOTAFE by having their identified needs met. Between 2019 and 2020 the number of students identifying as Aboriginal and/or Torres Strait Islander increased from 4.27 per cent to 4.6

The Koorie Unit has also led and enacted the creation of the GOTAFE Aboriginal Staff Network, to provide a culturally safe space for Aboriginal and Torres Strait Islander staff to share local perspectives, experiences and seek support, along with leading the creation of Education Partner reporting, for partners delivering a service to Koorie students through a brokerage arrangement – 2.3 per cent of staff identified as being Aboriginal and/or Torres Strait Islander, up from 1.62 per cent in 2019. All above demonstrates GOTAFEs commitment to the Wurreker Implementation Plan and most importantly its commitment to local communities.

Support for multicultural people

GOTAFE is committed to supporting students from multicultural backgrounds and have rolled out a discounted laptop purchasing program in 2020. GOTAFE is also committed to providing prayer, reflection and quiet spaces on all campuses and started planning for the infrastructure delivery of these spaces in 2020. Finally, like every year, GOTAFE marked Harmony Week as a celebration of multiculturalism within GOTAFE's communities. Figures show that 5.9 per cent of staff identified as being from a country other than Australia and 6.63 per cent of students identify as speaking a language other than English, with a total of 64 languages spoken among the student cohort. The most common non-English languages were Arabic, Swahili, Dari, Hazaraghi and Punjabi.

Youth Engagement success

In 2020, GOTAFE had 8,286 students enrolled from 998 different towns. 61.5 per cent of students were aged 25 years or under with 27.5 per cent of all students being within school age (14 to 18) and 34 per cent of all students falling within the ages of 19 and 25.

GOTAFE priorities its younger students through a dedicated Youth Engagement team. In 2020, the Youth Engagement Team provided guidance to 377 students from 77 different secondary schools. Of these students, 65 per cent (248 students) indicated they will remain at school – emphasising GOTAFE's commitment to retention of students at school.

Gender Equality: Planning for Gender Equality Act 2020

GOTAFE started planning for the delivery of the GOTAFE Gender Equality Action Plan, which will be publicly released in 2021. Women make up 64 per cent of the GOTAFE workforce.

LGBTIQ+

GOTAFE has demonstrated support for local LGBTIQ+ communities in 2020, financially supporting Goulburn Valley Pride's Founding Leadership with an EDGE Program – where three staff from GOTAFE graduated. GOTAFE also financially supported their flagship Out in the Open Festival.

GOTAFE has continued to fly the rainbow flag at all campuses, showing solidarity to LGBTIQ+ students and staff. GOTAFE also started planning for all-gender toilets in all facilities during 2020, for rollout in future years.

Statement of Performance for the year ended 31 December 2020

Workforce data full time equivalent (FTE)

	Full Time		Part Time		Casual		
2020 December	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	Total
PACCT Staff	145.0	13.0	24.5	2.2	NA	4.0	188.7
Executive	0.0	5.0	-	-	NA	-	5.0
Other	1.0*	13.0	-	0.8	NA	NA	14.8
Teacher	137.0	9.0	42.3	4.2	25.1	_	217.6
Total	283.0	40.0	66.8	7.2	25.1	4.0	426.1

^{*} Workcover (1.0)

	Full Ti	me	Part Ti	Part Time		Casual	
2019 December	Ongoing	Fixed Term	Ongoing	Fixed Term	Teacher	Other	Total
PACCT Staff	123.0	23.0	22.9	8.1	NA	10.5	187.5
Executive	-	4.0	-	-	NA	-	4.0
Other	1.0*	13.0	-	0.8	NA	NA	14.8
Teacher	139.0	21.0	39.0	3.4	32.5	-	234.9
Total	263.0	61.0	61.9	12.3	32.5	10.5	441.2

^{*} Workcover (1.0)

Statement of Performance for the year ended 31 December 2020

Workforce data by gender, age and classification

	All Employ	ees		Ongoing		Fixed Term and	d Casual
2020 December	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Women Exec	2	2	-	-	-	2	2
Women (total staff)	303	257	171	79	224	53	33
Men Exec	3	3	-	-	-	3	3
Men (total staff)	168	145	112	19	125	37	20
Self-described	_	-	_	_	-	_	_
Age							
15-24	16	14	7	-	7	9	7
25-34	65	54	35	16	45	14	8
35-44	91	78	56	16	67	19	11
45-54	141	123	89	21	104	31	19
55-64	134	117	86	34	110	14	8
Over 64	24	16	*10	11	16	3	0
Total Employees	471	403	283	98	349	90	54

^{*}Workcover (1.0)

	All Employees			Ongoing	Fixed Term and Casual		
2019 December	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
Gender							
Women Exec	2	2	_	-	-	2	2
Women (total staff)	297	260	153	87	212	57	48
Men Exec	2	2	-	-	-	2	2
Men (total staff)	148	137	101	17	112	30	26
Self-described	_	_	-	_	_	_	_
Age							
15-24	18	14	8	-	8	10	6
25-34	57	49	29	13	37	15	12
35-44	77	71	37	20	52	20	20
45-54	142	133	92	24	109	26	24
55-64	128	112	77	37	101	14	11
Over 64	23	18	*11	10	16	2	2
Total Employees	445	398	254	104	323	87	74

^{*}Workcover (1.0)

Statement of Performance for the year ended 31 December 2020

Application of employment and conduct principles

GOTAFE is committed to recruiting the best available people into the organisation and remunerating them appropriately.

Recruitment practices are in accordance with the government guidelines to ensure that GOTAFE meets the requirements of the *Public Sector Management and Employment Act 1998*. Recruitment processes are detailed in the Recruitment Policy and associated procedures.

GOTAFE observes an Employee Code of Conduct Policy, detailing the minimum obligations and standards of personal behaviour and conduct expected of staff employed. The purpose of the code is to promote adherence to the public sector values prescribed in the *Public Administration Act 2004*. The code outlines standards of behaviour rather than detailed policies and procedures.

All new staff are provided with a copy of the Code of Conduct for Victorian Public Sector Employees.

Employees have been correctly classified in workforce data collections prepared during the 2020 calendar year.

Statement of Performance for the year ended 31 December 2020

Occupational Health and Safety (OH&S)

GOTAFE is committed to providing a safe and healthy work environment for all employees, students, contractors and visitors and takes proactive steps to implementing industry best practice occupational health and safety systems. It also recognises that good OH&S practices not only provides a safer working environment but improves employee morale and productivity and overall performance outcomes.

The organisation also acknowledges that improving workplace safety standards is best achieved through consultation, communication, engagement and training, and will continue to further develop and embed a positive safety culture in collaboration with our staff, students and stakeholders.

Notable Achievements in 2020

- Relaunch and refresh of GOTAFE's Health, Safety and Wellbeing Policy Statement
- Comprehensive redevelopment and refresh of GOTAFE's Corporate OH&S Procedures and associated systems
- Establishment of our dedicated Health and Wellbeing Committee and program of initiatives
- Procurement and configuration of incident reporting software system to support electronic reporting of hazards and incidents

OH&S performance

Performance Indicators	2020	2019	2018	2017	2016	2015	2014
Number of reported hazards and incidents per 100 FTE staff*	8.03	17.67	44.31	36.43	45	NA	NA
Lost time standard claims per 100 FTE staff	0.142	0.50	0.23	0.45	0.86		ured – LTIFR see below.
Lost-time injury frequency ratio (Standard claims per million hours worked)	1.29	0.34	1.25	2.53	4.54	6.63	1.8
Average cost per claim	\$30,919	\$4,466	\$3,661	\$28,241	\$1,703	\$65,527	\$44,586
Outstanding claim costs (estimate)	0	\$4,840	\$9,687	\$127,902	\$2,290	\$61,811	\$46,162
Fatalities	0	0	0	0	0	0	0

Note: 2020 figures are based on FTE of 426. There has been a decrease in the number of reported incidents and hazards as a result of COVID-19 and working from home arrangements implemented for a significant portion of the 2020 reporting period. Average cost per claim increased in 2020 due to severity of injury and duration of the associated claims.

Other Disclosures

Statement of Performance for the year ended 31 December 2020

Major commercial activities

GOTAFE has undertaken no major commercial activities during 2020 that equate to more than five per cent of the annual revenue.

Controlled entities

GOTAFE does not have any controlled entities.

Government advertising

GOTAFE has had no government advertising campaigns with media spend of \$100,000 or greater during the 2020 year.

Information and communication technology (ICT) expenditure

Business As Usual (BAU) ICT expenditure (Total)	BAU \$2,729,520
Non Business As Usual (non BAU) ICT expenditure (Total = Operational expenditure and Capital Expenditure)	\$720,388
Operational expenditure (non-BAU) ICT	\$5,930
Capital expenditure (non-BAU) ICT	\$714,458

Consultants

In 2020, there were 14 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred to December 2020 in relation to these consultancies is \$1,406,043 (excl. GST). Details of individual consultancies can be viewed on the GOTAFE Public website at: gotafe.vic.edu.au/contact/about-us/corporate-publications .

In 2020, there were 10 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred to December 2020 in relation to these consultancies is \$61,524 (excl. GST).

National Competition Policy

GOTAFE operates in an environment which is competitively neutral with the private sector, and compliant with the National Competition Policy and the Victorian Competitive Neutrality Policy. The Victorian Competitive Neutrality Policy is to ensure that significant Government business activities compete fairly in the market. Prices for courses and services are set taking into account factors such as demand and competition, while ensuring that as a whole the organisation can recover the competitively neutral cost of providing services over the medium to long term.

Local Jobs First

The Local Jobs First Act 2003 introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately. The Local Jobs First initiative is focused on promoting employment and business growth by expanding market opportunities for local industry and providing for industry development.

The Act requires departments and public sector bodies to apply the Local Jobs First policy to all projects over \$3 million in metropolitan Melbourne or state-wide, and \$1 million in regional Victoria. In 2020 GOTAFE commenced two Local Jobs First Standard Projects with a total value of \$6,381,683. No Local Jobs First Strategic or Standard Projects were completed in 2020.

Other Disclosures

Statement of Performance for the year ended 31 December 2020

Freedom of Information

The Freedom of Information Act 1982 provides the right of the community to access information in the possession of the Government of Victoria and its departments and agencies. GOTAFE is a body established for a public purpose and as a State Government 'agency' is subject to the provisions of the Act and requests for information. Any requested document that is regarded as sensitive shall require the enquirer to make a Freedom of Information request.

Enquiries regarding access to a document or record can be made by phone to the authorised Freedom of Information Officer, on 1300 GOTAFE (1300 468 233). As detailed in s17 of the Freedom of Information Act 1982 formal requests for access to documents or records are required to be directed in writing to:

CEO

Attention: Freedom of Information Officer, GOTAFE

152 – 200 Fryers Street, Shepparton, Victoria 3630

The requirements for making a Freedom of Information request are:

- · it should be in writing;
- it should identify as clearly as possible which document or record is being requested; and
- it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances). Charges for access are in accordance with the Freedom of Information (Access Charges) Regulations 1983.

No requests were made to GOTAFE to access information under Freedom of Information in 2020.

Further information regarding Freedom of Information can be found at www.foi.vic.gov.au

Public Interest Disclosures Act 2012

The Public Interest Disclosures Act 2012 enables people to make disclosures about improper or corrupt conduct within the public sector without fear of reprisal. The Act aims to ensure openness and accountability by encouraging people to make disclosures and protecting them when they do.

GOTAFE has revised and updated its procedure to meet its obligations under the Act and any regulations made pursuant to the Act or guidelines issued by the Independent Broad-Based Anti-Corruption Commission (IBAC). Any disclosures relating to GOTAFE personnel must be made directly to IBAC.

IBAC has not advised GOTAFE of any disclosures or sought any response to disclosures during 2020.

Victorian Ombudsman

There were no requests for information from the Victorian Ombudsman in 2020.

Carers Recognition Act 2012

The Carers Recognition Act 2012 officially recognises care relationships and the role of carers in the community. The Act specifies obligations for state government agencies and other organisations that interact with people in care relationships.

GOTAFE recognises that some of its staff and students have carer responsibilities. Staff and/ or students in a carer's role are encouraged to access a range of support services, which may include leave provisions, counselling, disability and welfare support and flexible work arrangements.

Other Disclosures

Statement of Performance for the year ended 31 December 2020

Building and maintenance provisions

Compliance to Building Act 1993

Buildings constructed pre 1993 are maintained as per building regulations for the period constructed. All new buildings since promulgation of the 1993 Act comply with the relevant legislation and standards. Building practitioners and consultants engaged maintain current registration and certificates of currency.

Compliance to Essential Safety Measures were recorded and reported by external consultants.

Compliance to Cooling Towers are maintained to Department of Health and Human Services legislation.

Skills First Stronger TAFE Funding was received to support Backlog Maintenance. Whilst GOTAFE contributed \$5,174,786 in operations expenditure towards the following:

- Repairs and maintenance of electrical, plumbing and building elements
- HVAC Compliance
- Lift Compliance
- Cleaning
- Waste Services
- Grounds
- · Essential Safety Measures
- · Security Contracts
- Equipment Maintenance.

Victorian Public Sector Travel Policy

GOTAFE has a policy and procedures in place to ensure it is compliant with the Victorian Public Sector Travel Principles. Travel for staff during 2020 was quite restricted due to the COVID-19 pandemic. GOTAFE initiated strategies and procedures to ensure staff only travelled when absolutely necessary during the restrictions and were compliant with Government requirements at all times.

Non-academic student fees

Students enrolling in government-subsidised programs in 2020 were provided a brochure on Fees and Charges. This detailed information on:

- · Fees and charges.
- · Exemptions and concessions.
- Student loans.
- Payment options and fee refunds.

Fees and charges and Student Services information were also available on GOTAFE's website and the 2020 Student Handbook.

In 2020 the Institute charged a Student Services Fee which contributed to the provision of student engagement, administration, learning and support services. It did not apply to short course participants. The amount of Student Services Fees collected in 2020 was \$252,325.

The expenditure on student support services and activities included: orientation activities, youth pathway plans, counselling, disability support, learning support, library services, first aid assistance and student activities. The moneys are spent on internal GOTAFE services and are not paid to other organisations.

Information was provided in the student handbook and personally by support staff on various topics, including accommodation, public transport, health information, course advice and fee payment assistance. This expenditure amounted to:

- Salary of Student Services, Disability and Counselling Officers - \$1,292,948
- Non-Salary \$17,565

The services provided for students were further detailed within the Student Services brochures displayed and made freely available throughout the organisation and on the GOTAFE website and through orientation.

Design and print requirements

GOTAFE's Annual Report complies with the Financial Reporting Direction FRD 30C Standard requirements for the publication of annual reports.

Environmental Sustainability

Statement of Performance for the year ended 31 December 2020

The following tables note GOTAFE's environmental indicators for 2020.

Energy

		2019	2020		
Indicator	Electricity	Natural gas	Electricity	Natural gas	
Total energy usage (MJ)	15,461,837	11,710,039	3,619,342	10,364,468	
Greenhouse gas emissions associated with energy use (t CO2 e)	5,756	645	1,312	571	

Actions undertaken

Comment: Energy data above is for both training operations and office and is not able to be differentiated for office only.

Transport

		2019			2020	
Indicator	Diesel vehicles	LPG vehicles	Petrol vehicles	Diesel vehicles	LPG vehicles	Petrol vehicles
Total fuel consumption by vehicles (litres)	40,579	14,667	70,925	6,508	3,992	52,180
Total vehicle travel (km)	609,082	114,417	901,651	74,354	25,068	700,465
Total greenhouse gas emissions from vehicle fleet (t CO2 e)	103	23	163	17	6	119
Total distance travelled by aircraft (km)		48,689				
Total greenhouse gas		10				
emissions from aircraft travel (t CO2 e)		orate Travelle ns methodole				

Actions undertaken

Comment: Vehicles include cars (pool cars and allocated vehicles) and buses for transport of students. Training vehicles (tractors, quad bikes) are excluded. Aircraft travel includes staff flights; any student excursion.

Environmental Sustainability

Statement of Performance for the year ended 31 December 2020

Waste

Indicator	2019			2020		
	Landfill	Co-mingle recycling	Compost	Landfill	Co-mingle recycling	Compost
Total units of waste disposed of (kg/yr)	116,540	34,414	Not available	86,121	20,825	Not available
Recycling rate (percentage of total waste)	22.8%			19.5%		
Total greenhouse gas emissions from waste (t CO2 e)	Not available				Not available	

Actions undertaken

Waste management system Continuing to sort waste

Comment: Waste is for both training operations and office. Paperboard and paper are included with comingle recycling data above. Scrap metal and garden organics are additionally recycled or composted.

Paper

Indicator	2019	2020	
Total units of copy paper used (reams)	7,594	3,242	
Actions undertaken			
Copy paper purchase	Copy paper is Australian Forestry Standard certified and primarily		

certified as carbon neutral and 20% recycled

Comment: Aggregate paper use on GOTAFE printer/photocopier machines by staff and students or outsourced to the contracted printer. travel is excluded.

Water

Indicator	2019	2020
Total units of metered water consumed (kilolitres)	38,877	31,165

Actions undertaken

Water harvesting	A number of campuses feature rainwater harvesting for toilet flushing,
	landscaping and wash-down areas

Comment: Kilolitres consumed data is potable/town water for training operations, grounds maintenance and office use for campuses.

Diana Taylor

Chair of the Board

GOTAFE Financial Management Compliance Attestation Statement

Statement of Performance for the year ended 31 December 2020

I, Diana Taylor, on behalf of the Responsible Body, certify that for the period 1 January 2020 to 31 December 2020, GOTAFE has no Material Compliance Deficiency with respect to the applicable Standing Directions made under the Financial Management Act 1994 and Instructions.

Additional information available on request

In compliance with the requirements of the Standing Directions of the Minister for Finance, details in respect of the items listed below have been retained by GOTAFE and are available on request, subject to the provisions of the *Freedom of Information Act 1982*.

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

Enquiries regarding details of any of the above should be addressed to:

Chief Executive Officer GOTAFE

152 – 200 Fryers Street, Shepparton, Victoria 3630

Phone: 1300 GOTAFE (1300 468 233)

Chair of the Board Diana Taylor

25 March 2021

Audit Committee

The Board complies with the 'Standing Directions of the Minister for Finance 2016' item 3.2.1.1 (c); the Audit and Risk Committee have reviewed the annual financial statements and recommended these be authorised by the Board before they are released to Parliament by the Responsible Minister.



Auditor-General's Independence Declaration

To the Board, Goulburn Ovens Institute of TAFE

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General, an independent officer of parliament, is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised.

Under the *Audit Act 1994*, the Auditor-General is the auditor of each public body and for the purposes of conducting an audit has access to all documents and property, and may report to parliament matters which the Auditor-General considers appropriate.

Independence Declaration

As auditor for Goulburn Ovens Institute of TAFE for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

- no contraventions of auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* in relation to the audit.
- no contraventions of any applicable code of professional conduct in relation to the audit.

MELBOURNE 26 March 2021 Charlotte Jeffries as delegate for the Auditor-General of Victoria

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Financial Report

How this report is structured

Goulburn Ovens Institute of TAFE has presented its audited general purpose financial statements for the financial year ended 31 December 2020 in the following structure to provide users with the information about Goulburn Ovens Institute of TAFE's stewardship of resources entrusted to it.

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Independent Auditor's Report

To the Board of Goulburn Ovens Institute of TAFE

Opinion

I have audited the accompanying statement of performance of Goulburn Ovens Institute of TAFE (the institute) which comprises the:

- statement of performance for the year ended 31 December 2020
- statement of performance management certification.

In my opinion, the statement of performance of Goulburn Ovens Institute of TAFE in respect of the year ended 31 December 2020 presents fairly, in all material respects.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the statement of performance* section of my report.

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

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

Board's responsibilities for the statement of performance

The Board is responsible for the preparation and fair presentation of the statement of performance 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.

Auditor's responsibilities for the audit of the statement of performance

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the statement of performance based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the statement of performance 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 statement of performance.

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

- identify and assess the risks of material misstatement of the statement of performance, 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 statement of performance, including the disclosures, and whether the statement of performance 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 26 March 2021 Charlotte Jeffries as delegate for the Auditor-General of Victoria

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Declaration in the Financial Statements

FINANCIAL REPORT FOR YEAR ENDED 31 DECEMBER 2020

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

The attached financial statements for Goulburn Ovens Institute of TAFE (GOTAFE) have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents a true and fair view of the financial transactions during the year ended 31 December 2020 and the financial position of GOTAFE as at 31 December 2020.

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

The Board Chair, Chief Executive, and Chief Finance and Accounting Office sign this declaration as delegates of, and in accordance with a resolution of, the Board of GOTAFE.

Chair of the Board Diana Taylor

25 March 2021

Chief Executive Officer Travis Heeney

25 March 2021

Chief Finance & Accounting Officer

Nicholas Gray

25 March 2021

Independent Auditor's Report



To the Board of Goulburn Ovens Institute of TAFE

Opinion

I have audited the financial report of Goulburn Ovens Institute of TAFE (the institute), which comprises the:

- balance sheet as at 31 December 2020
- comprehensive operating statement for the year then ended
- statement of changes in equity for the year then ended
- cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- declaration by the chair of the board, chief executive officer and chief finance and accounting officer.

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

- presenting fairly, in all material respects, the financial position of the institute as at 31
 December 2020 and of its financial performance and its cash flows for the year then ended
- complying with Australian Accounting Standards.

Basis for Opinion

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

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

I confirm that the independence declaration required by the *Australian Charities and Not-for-profits Commission Act 2012*, which has been given to the Board of the institute, would be in the same terms if given to the Board as at the time of this auditor's report.

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

Board's responsibilities for the financial report

The Board of the institute is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Financial Management Act 1994*, and for such internal control as the Board determines is necessary to enable the preparation of a financial report that is free from material misstatement, whether due to fraud or error.

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

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

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

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

I communicate with the 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 26 March 2021 Charlotte Jeffries as delegate for the Auditor-General of Victoria

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Comprehensive operating statement

For the year ended 31 December 2020

		2020	2019
	Note	\$'000	\$′000
Continuing Operations			
Revenue and income from transactions			
Revenue from government contributions	2.1.1	47,173	43,469
Income from government contributions	2.1.2	884	199
Revenue from fees, charges and sales	2.2	9,436	10,035
Other income	2.3	954	1,429
Total income from transactions		58,447	55,132
Expenses from transactions			
Employee benefits	3.1.1	45,554	41,104
Depreciation and amortisation	3.4	5,271	5,107
Supplies and services	3.2	12,612	13,663
Other operating expenses	3.3	7,270	6,455
Total expenses from transactions		70,707	66,329
Net result from transactions		(12,260)	(11,197)
Other economic flows included in net result			
Net gain on disposal of non-financial assets	9.1	451	358
Net (loss) on disposal of financial assets	9.1	(338)	(29)
Other gains from other economic flows	9.1	381	41
Total other economic flows included in net result		494	370
Net result		(11,766)	(10,827)
Other economic flows - other comprehensive income			
Items that will not be reclassified to net result			
Gain on revaluation of physical assets	9.2	1,503	-
Comprehensive result		(10,263)	(10,827)

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

Balance sheet

As at 31 December 2020

	Note	2020 \$'000	2019 \$'000
Assets			
Financial assets			
Cash and deposits	6.1	11,276	27,444
Receivables	5.1	3,944	5,105
Total financial assets		15,220	32,549
Non-financial assets			
Inventories		54	37
Prepayments		1,081	813
Contract assets	5.1	2,108	150
Property, plant and equipment	4.1	97,575	93,138
Investment properties	4.2	2,710	2,349
Right of use asset	6.3	1,738	1,416
Intangible assets	4.3	1,561	2,022
Total non-financial assets		106,827	99,925
Total assets		122,047	132,474
Liabilities			
Payables	5.2	2,433	4,658
Contract liabilities	5.3	3,452	2,250
Lease liabilities	6.3	1,778	1,423
Employee provisions	5.4	8,331	7,827
Total liabilities		15,994	16,159
Net assets		106,053	116,316
Equity			
Contributed capital		46,080	46,080
Accumulated surplus		1,481	13,247
Reserves	9.2	58,492	56,989
Net worth		106,053	116,316

The comprehensive balance sheet should be read in conjunction with the notes to the financial statements.

Statement of changes in equity

For the year ended 31 December 2020

	Physical assets evaluation surplus	Accumulated surplus	Contributed capital	Total
	\$'000	\$′000	\$'000	\$′000
At 1 January 2019	56,989	25,462	46,080	128,531
Impact of change in accounting policy				
AASB 15: Revenue from contracts with customers	-	(1,381)	-	(1,381)
AASB 16: Leases	-	(7)	-	(7)
As at 1 January 2019 - adjusted	56,989	24,074	46,080	127,144
Net result for the year	-	(10,827)	-	(10,827)
Year ended 31 December 2019	56,989	13,247	46,080	116,316
Net result for the year	-	(11,766)	-	(11,766)
Other economic flows - other comprehensive income	1,503	-	-	1,503
Year ended 31 December 2020	58,492	1,481	46,080	106,053

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

Cash flow statement

For the year ended 31 December 2020

No.	ote	2020 \$'000	2019 \$'000
Cash flows from operating activities			
Receipts			
Government contributions		46,639	45,292
User fees and charges received		12,009	9,684
Goods and services tax recovered from the ATO		2,549	2,696
Interest received		121	611
Total receipts		61,318	58,283
Payments			
Payments to suppliers and employees		(67,145)	(62,967)
Goods and services tax paid		(2,671)	(2,898)
Interest paid - lease liability		(50)	(13)
Total payments		(69,866)	(65,878)
Net cash flows (used in) operating activities	5.1.1	(8,548)	(7,595)
Cash flows from investing activities			
Redemptions of investments		-	12,800
Payments for property, plant and equipment		(7,436)	(7,175)
Proceeds from sales of non-financial assets		288	304
Net cash (used in)/provided by investing activities		(7,148)	5,929
Cash flows from financing activities			
Payment of lease liabilities		(472)	(223)
Net cash flows (used in) financing activities		(472)	(223)
Net (decrease) in cash and cash equivalents		(16,168)	(1,889)
Cash and cash equivalents at the beginning of the financial year		27,444	29,333
Cash and cash equivalents at the end of the financial year	6.1	11,276	27,444

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

1. About this Report

For the year ended 31 December 2020

"GOTAFE 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:

GOTAFE Fryers Street Shepparton, Victoria, Australia 3630

1.1 Basis of preparation

These financial statements are presented in Australian dollars, the functional and presentation currency of GOTAFE, and have been prepared in accordance with the historical cost convention unless a different measurement basis is specifically disclosed in notes associated with the item measured on that 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 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);
- actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to note 5.4);

- AASB 16 Leases and the requirements to determine the lease term to the extent that extension options are certain (refer note 6.3); and
- the recognition of revenue in relation to contracts with customers (refer note 2.2).

These financial statements cover GOTAFE as an individual reporting entity. GOTAFE had no controlled entities for the year ended 31 December 2020.

Rounding

The amounts shown in the financial statements are expressed to the nearest thousand dollars unless stated otherwise. Minor discrepancies in the tables between totals and sum of components are due to rounding.

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.

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.

GOTAFE has substantial economic dependency on Government operating and capital contributions.

GOTAFE manages funding risk by continuing to diversify and endeavouring to increase funding from commercial activities.

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

1. About this Report

For the year ended 31 December 2020

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 Commission 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 the AASB 1049 Whole of Government and General Government Sector Financial Reporting.

For the purposes of preparing financial statements, GOTAFE is classed as a not-for-profit entity. Where appropriate, those AAS paragraphs applicable to notfor-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 accounting balance or financial statement matter is disclosed.

1.3 Impact of COVID-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020.

To contain the spread of the virus and to prioritise the health and safety of our communities various restrictions have been announced and implemented by the state government, which in turn has impacted the manner in which businesses operate, including GOTAFF

During the year, COVID-19 has made a material impact on the operations of GOTAFE and as a consequence has resulted in a number of material impacts on the performance of GOTAFE as well as the judgements and estimates used in assessing balances.

In response, GOTAFE transferred to remote learning where possible, placed restrictions on non-essential work, performed COVID-19 testing and implemented work from home arrangements where appropriate.

The key impacts on the performance 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:

GOTAFE's response to the pandemic included a move to more online delivery approach for theory and the deferral of onsite delivery. The Department of Education and Training provided Crisis Support funding and Business Continuity grants to assist GOTAFE with its immediate response to the pandemic, provide support to retain staff, assist with the GOTAFE's transition to online and remote learning and to maintain government funding at pre-pandemic levels. This is further discussed in Note 2.1.

COVID-19 has also had a direct impact on the way classes have been conducted by GOTAFE and as a consequence has impacted student enrolments in various courses. The following course enrolments have been significantly impacted:

- Certificate III in Information Digital Media and Technology
- · Diploma of Nursing
- Victorian Certificate Of Applied Learning (Foundation)
- Certificate III in Engineering Fabrication Trade
- Certificate IV in Accounting and Bookkeeping
- · Certificate IV in Design

It is estimated that the reduction in training income due the pandemic was \$7M but as noted above, the reduction in training revenue was offset by funding from the Department of Education and Training.

1. About this Report

For the year ended 31 December 2020

Expenses

GOTAFE's daily activities were impacted by the pandemic. This resulted in direct and indirect costs being incurred, such as additional costs for new or expanded services, additional cleaning and security costs for remaining onsite training and costs for staff to transition to working from home arrangements. These costs were estimated to be \$1.8M. Similarly, some cost reductions have occurred such as reductions in consumables and utility costs.

Employee provisions

COVID-19 forced the cancellation of a number of instances of planned leave by staff. Additionally staff have been unable to take leave during the Victoria state lockdown. While the exact impact is difficult to measure, the level of leave provisions has increased to \$8.3M (2019: \$7.8M). This is further discussed in Note 5.4.

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) 103H. A full revaluation of education assets normally occurs every five years, with this last occurring for the year ended 31 December 2017. Due to COVID-19, there is an increased element of estimation uncertainty with regard to the fair values of GOTAFE's nonfinancial physical assets. This is further discussed in Note 7.3.
- Going Concern

The impact of the COVID-19 pandemic on TAFE finances is expected to continue in 2021, which may require TAFEs 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 GOTAFE as a state-owned entity.

The Letter of Comfort provides assurance that financial assistance will be made available to GOTAFE until April 2022 (if required) and to enable GOTAFE to continue as a going concern. On that basis, the financial statements for GOTAFE have been prepared on a going concern basis.

For the year ended 31 December 2020

2.1 Government contributions

2.1.1 Revenue from government contributions

Owner, and all automotions	2020	2019
Grants and other transfers	\$'000	\$'000
Government contributions - operating		
State government - contestable	25,800	23,149
State government - other contributions	21,373	20,320
Total government contributions - operating	47,173	43,469

In 2020, GOTAFE received \$9.1 million in crisis support funding to assist them with its immediate response to the pandemic, and \$5.7 million in business continuity grants to support the retention of staff, transition to on-line and remote learning, and 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.

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.

Revenue is measured at the amount of consideration to which GOTAFE 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 GOTAFE 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.	
Rental Income	Refers to funding such as specific- purpose grants and additional contributions relating to students who are eligible for concession discounts.	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 when the right to receive payment is established.		
	For example, a conceptua framework with measures	For example, a conceptude framework with measures	Provision of a final product. For example, a conceptual framework with measures or an evaluation report	At the point-in-time when the final product is delivered.
		containing data and recommendations.	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.	At the point-in-time when each internship is completed. Transaction price is the amount agreed with the customer for each internship.	

For the year ended 31 December 2020

2.1.2 Revenue from government contributions

	2020	2019
	\$'000	\$'000
Government contributions - capital		
State government - capital	884	199
Total government contributions - capital	884	199
Total government contributions	48,057	43,668

State government – capital	Where GOTAFE receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by GOTAFE.	To acquire or construct a non-financial asset.	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.
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2.2 Revenue from fees, charges and sales

	2020	2019
	\$'000	\$'000
Student fees and charges	4,207	4,442
Fee for service - government	4,231	3,811
Fee for service - international operations - onshore	-	77
Fee for service - other	861	1,315
Other non-course fees and charges		
Sale of goods	137	390
Total revenue from fees, charges and sales	9,436	10,035

For the year ended 31 December 2020

2.2 Revenue from fees, charges and sales (continued)

The following table provides a breakdown of contractual sales with customers based on the timing of when revenue is recognised.

	2020	2019
	\$'000	\$'000
Revenue recognised over time	9,299	9,645
Revenue recognised at a point in time	137	390
otal revenue from fees, charges and sales	9,436	10,035

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 GOTAFE 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, rent and student accommodation revenue is recognised as GOTAFE provides the accommodation or use of the space to the student or the public.

For the year ended 31 December 2020

2.2 Revenue from fees, charges and sales (continued)

GOTAFE recognises contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as contract liabilities in the balance sheet. Similarly, if GOTAFE satisfies a performance obligation before it receives the consideration, GOTAFE recognises either a contract asset or a receivable in its balance sheet, depending on whether something other than the passage of time is required before the consideration is due to recognise revenue over time in line with AASB 15.

Revenue Type	Nature	Performance obligation	Timing of satisfaction
Student fees and charges	GOTAFE provides educational services to the general public.	Provision of education services.	Course fees and charges revenue is recognised as the course is delivered to the student and is measured as the amount GOTAFE 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	Mainly relates to short courses paid directly by students or other organisations on behalf of students.	Provision of services.	Other fee for service fees and charges are recognised as the service is delivered to the student.
Revenue from sale of goods	-	Delivery of goods.	Revenue is recognised 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.

For the year ended 31 December 2020

2.2 Revenue from fees, charges and sales (continued)

	2020	2019
	\$'000	\$'000
Student fees and charges	261	493
Fee of service	62	53
Other	37	-
	361	546

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:

	2020	2019
	\$'000	\$'000
Revenue expected to be recognised	1,193	-

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), where a credit check has been performed on the party being invoiced (payment terms are 14 days).

Students are generally entitled to a refund (less administration fee) if they withdraw from a course within 28 days of course commencement. Students who withdraw after this time are generally not entitled to a refund.

2.3 Other income

	2020	2019
	\$'000	\$'000
Interest income	121	500
Rental income	445	386
Donations, bequests and contributions	-	1
Other	388	543
Total other income	954	1,429

For the year ended 31 December 2020

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	GOTAFE receives rental income for facilities it leases to third parties. The income mainly relates to two childcare centres.	Provision of services	Rental income is recognised on a time proportional basis and is brought to account when GOTAFE'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 GOTAFE. 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 or it cannot be identified when the obligation is satisfied. Typically, the stated purpose of the gift is not specific enough for the requirements of the standard. In the rare circumstances where a gift has a sufficiently specific performance obligation revenue will be recognised when or as the obligation is satisfied.
Other income	-	Other income is recognised payment is established.	when GOTAFE's right to receive

2.3.1 Leases receivable

	2020	2019
	\$'000	\$'000
Within one year	197	195
Later than one year but not later than five years	615	743
Later than five years	-	70
Total leases receivable	812	1,007
GST payable on the above	81	101
Net operating leases receivable	893	1,108

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

For the year ended 31 December 2020

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. Wage inflation rates and discount rates used are those advised by the Assistant Treasurer.

All assumptions are reviewed at each reporting date.

3.1.1 Employee benefits in the comprehensive operating statement

	2020	2019
Expense	\$'000	\$'000
Salaries, wages, overtime and allowances	33,270	32,577
Superannuation	3,428	3,471
Payroll tax	910	999
Long service leave	1,591	(37)
Annual leave	2,941	2,090
Termination benefits	1,742	776
Other	1,672	1,228
Total employee benefits	45,554	41,104

Employee expenses include all costs related to employment, including wages and salaries, fringe benefits tax, leave entitlements, termination payments and WorkCover premiums. Superannuation expenses/benefits disclosed above are employer contributions that are paid or payable during the reporting period.

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

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

For the year ended 31 December 2020

3.1.2 Superannuation

GOTAFE employees are entitled to receive superannuation benefits and GOTAFE contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provide benefits based on year of service and final average salary.

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

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

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

Paid and in the fact the second	2020	2019
Paid contribution for the year	\$'000	\$'000
Defined benefit plans:		
State Superannuation Fund	72	84
Total defined benefit plans	72	84
Accumulated contribution plans:		
VicSuper	1,473	1,546
Other	1,872	1,790
Total accumulation contribution plans	3,345	3,336
Total paid contribution for year	3,417	3,420
Contribution outstanding at year end		
Defined benefit plans:		1-7
State Superannuation Fund		17
Total defined benefit plans	-	17
Accumulated contribution plans:		
VicSuper	-	141
Other	_	165
Total accumulation contribution plans	-	306
Total contribution outstanding at year end	-	322

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.

For the year ended 31 December 2020

3.2 Supplies and services

	2020	2019
	\$'000	\$'000
Purchase of supplies and consumables	1,464	1,958
Communication expenses	801	532
Contract and other services	4,977	4,642
Cost of goods sold/distributed (ancillary trading)	223	335
Building repairs and maintenance	1,118	1,055
Fees and charges	4,029	5,141
Total supplies and services	12,612	13,663

Supplies and services are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when the inventories are distributed.

Please refer to note 6.3 for lease-related expenses.

Non-cancellable operating lease commitments - short-term and low-value leases

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

Paraulta.	2020	2019
Payable:	\$'000	\$'000
Within one year	188	226
Later than one year but not later than five years	-	107
Total short-term and low value lease commitments	188	333
GST payable on the above	(17)	(30)
Net short-term and low-value lease commitments	171	303

Other expenditure commitments

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

Davadeles	2020	2019
Payable:	\$'000	\$'000
Within one year	1,954	3,436
Later than one year but not later than five years	1,558	71
Total other expenditure commitments	3,512	3,507
GST payable on the above	(319)	(319)
Net other expenditure commitments	3,193	3,188

For the year ended 31 December 2020

3.3 Other operating expenses

	2020	2019
	\$'000	\$'000
General expenses	1,261	1,681
Marketing and promotional expenses	1,036	1,117
Utilities	1,059	1,351
Audit fees and services	193	151
Bad debt expense	2,322	_
Staff development	557	509
Travel and motor vehicle expenses	344	793
Insurances	180	183
Ex gratia expense	58	47
Direct operating expenses of investment properties generating rental income	-	4
Equipment below capitalisation threshold	210	606
Interest on lease liabilities	50	13
Total other operating expenses	7,270	6,455

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.

Please refer to note 6.3 for further information on lease-related expenses.

3.4 Depreciation and amortisation

	2020	2019
	\$'000	\$'000
Depreciation of property, plant and equipment	4,301	4,415
Depreciation of right of use assets	509	231
Amortisation of intangible assets	461	462
Total other operating expenses	5,271	5,107

For the year ended 31 December 2020

4.1 Property, plant and equipment

Goulburn Ovens Institute of TAFE has made the judgement that certain depreciation expense of plant and equipment used during construction of a new building is recognised in the comprehensive operating statement.

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

	Gross carrying amount		Accumi deprec		Net carrying amount		
	2020	2019	2020	2020 2019		2019	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Land	16,148	14,645	-	-	16,148	14,645	
Buildings	71,860	76,020	(9,494)	(6,450)	62,366	69,570	
Leasehold improvements	4,727	-	(194)	-	4,533	-	
Construction in progress	11,059	5,964	-	-	11,059	5,964	
Plant and equipment	14,726	13,107	(11,335)	(10,453)	3,391	2,654	
Motor vehicles	604	1,138	(524)	(833)	80	305	
Right of use assets	2,475	1,647	(739)	(231)	1,736	1,416	
Net carrying amount	121,599	112,521	(22,286)	(17,967)	99,313	94,554	

Refer to 4.1.1 for reconciliation of movements in carrying amounts 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.

Subsequent measurement

Property, plant and equipment 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 below by asset category.

Specialised land and specialised buildings: The market approach is 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 GOTAFE's specialised buildings, the depreciated 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 depreciated replacement cost.

The last formal revaluation of land and building assets (including land improvements) were conducted for the year ended 31 December 2017. For the year ended 31 December 2020, an assessment was conducted using indices provided by the Office of the Victoria Valuer-General. The assessment of the land indices movements identified a material movement in land values (10.3%) and an index based revaluation was undertaken. No revaluation was required to building values as a result of this assessment.

For the year ended 31 December 2020

4.1 Property, plant and equipment (continued)

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.

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

	Land	Buildings	Leasehold Improvements	Construction in progress	Plant and equipment	Motor Vehicles	Right of use assets	Total
2020	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening net book amount	14,645	69,570	-	5,964	2,654	305	1,416	94,554
Additions	-	-	-	7,570	-	-	829	8,399
Revaluations	1,503	-	-	-	-	-	-	1,503
Disposals	-	(198)	-	(2)	-	(133)	-	(333)
Transfers	-	(3,803)	4,652	(2,473)	1,624	-	-	-
Depreciation	-	(3,203)	(119)	-	(887)	(92)	(509)	(4,810)
Net carrying amount	16,148	62,366	4,533	11,059	3,391	80	1,736	99,313

	Land	Buildings	Leasehold Improvements	Construction in progress	Plant and equipment	Motor Vehicles	Right of use assets	Total
2019	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening net book amount	14,645	67,982	-	4,992	2,394	389	-	90,402
Adoption of AASB16 Leases	-	-	-	-	-	-	296	296
Additions	-	-	-	6,785	455	-	1,351	8,591
Disposals	-	-	-	-	(74)	(15)	-	(89)
Transfers	-	4,857	-	(5,813)	871	85	-	-
Depreciation	-	(3,269)	-	-	(992)	(154)	(231)	(4,646)
Net carrying amount	14,645	69,570	-	5,964	2,654	305	1,416	94,554

For the year ended 31 December 2020

4.1.2 Capital commitments

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

	2020	2019
Payable:	\$'000	\$'000
Within one year	11,339	6,026
Later than one year but not later than five years	-	-
Later than five years	-	_
Total capital expenditure commitments	11,339	6,026
GST payable on the above	(1,031)	(548)
Net capital expenditure commitments	10,308	5,478

4.2 Investment properties

	2020	2019
	\$'000	\$'000
Opening net book amount	2,349	2,270
Revaluations	361	79
Net carrying amount	2,710	2,349

Investment properties represent properties held to earn rentals or for capital appreciation, or both. Investment property excludes properties held to meet service delivery objectives. Investment properties are initially recognised at cost. Cost incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of the originally assessed performance of the asset will flow to GOTAFF.

Subsequent to initial recognition at cost, investment properties are revalued to fair value with changes in the fair values recognised as other economic flows in the comprehensive operating statement in the period that they arise. Fair values are determined based on a market comparable approach that reflects recent transaction prices for similar properties. These properties are neither depreciated nor tested for impairment.

For the year ended 31 December 2020

4.3 Intangible assets

	ICT so	ftware	Tot	al
	2020	2019	2020	2019
	\$′000	\$'000	\$'000	\$'000
Gross carrying amount			-	
Opening balance	4,611	4,611	4,611	4,611
Closing balance	4,611	4,611	4,611	4,611
Accumulated amortisation				
Opening balance	(2,589)	(2,112)	(2,589)	(2,112)
Amortisation of intangible assets	(461)	(462)	(461)	(462)
Adjustment to accumulated amortisation	-	(15)	-	(15)
Closing balance	(3,050)	(2,589)	(3,050)	(2,589)
Net carrying amount at end of the year	1,561	2,022	1,561	2,022

Initial recognition

When recognition criteria is AASB 138 Intangible Assets are 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.

Subsequent measurement

Intangible assets are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Refer to Note 4.4 for additional information on useful lives of intangible assets.

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.

For the year ended 31 December 2020

4.4 Depreciation and amortisation

Depreciation and amortisation is provided on software, property, plant and equipment, and freehold buildings.

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. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight-line method.

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

Class of assets	Useful Life	Method
Buildings	25 - 40 years (2019: 25 - 40 years)	Straight Line
Plant and equipment	3 - 7 years (2019: 7 years)	Straight Line
Motor vehicles	4 years (2019: 4 years)	Straight Line
ICT software	3 - 7 years (2019: 3 - 7 years)	Straight Line
Intangible assets	10 years (2019: 10 years)	Straight Line
Right of use asset	Contractual lease term	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

For the year ended 31 December 2020

5.1 Receivables

	2020	2019
Contractual	\$'000	\$'000
Accounts receivable	4,061	4,967
Loss allowance on accounts receivable	(424)	(227)
Contract assets	2,108	150
Total receivables from contracts with customers	5,745	4,890
Statutory		
GST input tax credit recoverable	307	365
Total current receivables	6,052	5,255

Receivables consist of:

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

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 not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for 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. GOTAFE 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 the current receivables, their carrying amount is considered to be the same as their fair value.

Impairment

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

The movement in the allowance for impairment in respect of trade receivables during the year was as follows.

	2020	2019
	\$'000	\$'000
Balance at the beginning of the year	(227)	(310)
Amounts written off	167	(29)
Net remeasurement of loss allowance	(70)	-
Increase in loss allowance recognised in net result	(268)	-
Reversal of loss allowance for uncollectable receivables written off during the year	(26)	112
Balance at the end of the year	(424)	(227)

In respect of trade and other receivables, GOTAFE 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 geographical areas. Based on historical information about customer default rates management consider the credit quality of trade receivables that are not past due or impaired to be good.

For the year ended 31 December 2020

5.1 Receivables (continued)

Ageing analysis of contractual receivables

		Not past	Pe					
	Carrying amount	amount and r	, ,		1-3 months	3 months - 1 year	1-5 years	Impaired financial assets
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
2020								
Trade receivables	3,637	1,013	654	180	2,093	121	(424)	
Contract assets	2,108	-	2,087	21	-	-	-	
Total	5,745	1,013	2,741	201	2,093	121	(424)	
2019								
Trade receivables	4,740	1,164	135	241	1,133	2,294	(227)	
Revenue receivable	150	-	102	21	27	-	-	
Total	4,890	1,164	237	262	1,160	2,294	(227)	

Note: The disclosures above exclude statutory receivables (e.g. amounts arising to Victorian Government and GST credits).

The average credit period on sales of goods is 31 days. No interest is charged on receivables.

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 Payables

	2020	2019
Contractual	\$'000	\$'000
Supplies and services	1,397	3,293
Other employee entitlements payable within 12 months	771	1,042
Statutory		
FBT payable	26	26
GST payable	239	277
Payroll tax payable	-	20
Total current payables	2,433	4,658

Payables consist of:

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

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

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

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.

For the year ended 31 December 2020

5.2 Payables (continued)

Maturity Analysis of contractual payables

	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1 - 5 years	5+ years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$′000
2020							
Supplies and services	1,397	1,397	1,056	44	53	10	234
Other employee entitlements payable within 12 months	771	771	771	-	-	-	-
Total	2,168	2,168	1,827	44	53	10	234
2019							
Supplies and services	3,293	3,293	1,296	1,722	274	1	-
Other employee entitlements payable within 12 months	1,042	1,042	1,042	_	-	-	_
Total	4,335	4,335	2,338	1,722	274	1	

Note: The disclosures above excludes statutory payables (e.g. amounts arising to Government and GST taxes 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.

5.3 Contract liabilities

	2020	2019
	\$'000	\$'000
Current		
Contract liabilities - student fees	988	261
Contract liabilities - fees for service	25	62
Contract liabilities - capital projects	1,835	1,889
Contract liabilities - other	604	1,926
	3,452	2,250

Contract liabilities

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

For the year ended 31 December 2020

5.4 Contract liabilities

	2020	2019
	\$'000	\$'000
Annual leave	2,778	2,570
Long service leave	4,335	4,214
Accrued days in lieu	103	87
Total short-term benefits	7,216	6,870
Long service leave	1,115	957
Total long-term benefits	1,115	957
Total employee provisions	8,331	7,827

The leave obligations cover GOTAFE'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. The entire amount of the provision of \$7,216,158 (2019: \$6,870,300) is presented as current, since GOTAFE does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, GOTAFE does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

COVID-19 forced the cancellation of a number of instances of planned leave by staff. Additionally staff have been unable to take leave during the Victoria state lockdown. While the exact impact is difficult to measure, the level of leave provisions has increased to \$8.3M (2019: \$7.8M).

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

	2020	2019
	\$'000	\$'000
Unconditional and expected to wholly settle within 12 months	3,142	2,823
Unconditional and expected to wholly settle after 12 months	4,074	4,048
Total current employee provisions	7,216	6,870

6. How we financed our operations

For the year ended 31 December 2020

6.1 Cash and deposits

	2020	2019
	\$'000	\$'000
Cash at bank and on hand	11,276	27,444
Total cash and deposits	11,276	27,444

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

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

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

	2020	2019
	\$'000	\$'000
Net result for the year	(11,766)	(10,827)
Non cash movements		
Depreciation and amortisation of non-financial assets	5,271	5,107
Net gain on sale of non-financial assets	(90)	(279)
Net gain on revaluation of investment property	(361)	(79)
Impact of change of accounting policy	-	(1,388)
Net loss on other economic flows	-	15
Movements in assets and liabilities		
Decrease in trade receivables	1,161	302
(Increase) in inventories	(17)	33
(Increase) in contracts assets	(1,958)	(150)
(Increase) / decrease in prepayments	(268)	265
(Decrease) in revenue in advance	-	(570)
Increase / (decrease) in payables	(2,225)	(1,795)
Increase in employee provisions	504	(479)
Increase in contract liabilities	1,202	2,250
Net cash flows (used in) operating activities	(8,548)	(7,595)

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 ATO are presented as operating cash flows.

6. How we financed our operations

For the year ended 31 December 2020

6.2 Contributed capital

	2020	2019
	\$'000	\$'000
Balance at 1 January	46,080	46,080
Balance at 31 December	46,080	46,080

6.3 Leases

Policy

At inception of a contract, all entities 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.

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

As a lessee

GOTAFE 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 incentives received.

The right of use asset is subsequently 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.

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, GOTAFE 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 rate or rate as at the commencement
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that GOTAFE is reasonably certain to exercise, lease payments in an optional renewal period if GOTAFE is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless GOTAFE is reasonably certain not to terminate early.

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
- if there is a change in GOTAFE's estimate of the amount expected to the payable under a residual value guarantee; or
- if GOTAFE 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.

6. How we financed our operations

For the year ended 31 December 2020

Peppercorn leases

GOTAFE has elected to apply the option available under AASB 16 which allows not-for-profit entities to not measure right of use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

GOTAFE has a number of peppercorn leases which provide the right to use premises from other entities to facilitate training services.

Right of use assets	Property	Vehicles	Other	Total
Right of use ussets	\$'000	\$′000	\$'000	\$'000
2020				
Balance as at 1 January 2020	-	1,156	260	1,416
Additions	582	247	-	829
Amortisation	(97)	(220)	(190)	(507)
Balance at 31 December 2020	485	1,183	70	1,738
2019				
Balance as at 1 January 2019	-	-	-	-
Adoption of AASB 16 Leases	-	-	296	296
Additions	-	1,193	158	1,351
Amortisation	-	(37)	(194)	(231)
Balance as at 31 December 2019	-	1,156	260	1,416
			2020	2019
Lease liabilities			\$'000	\$'000
Maturity analysis - contractual undiscounted cash flow	ıs			
Within one year			491	419
Later than one year but not later than five years			1,329	1,085
Total undiscounted lease liabilities as at 31 December:			1,820	1,504
Future finance charges			(42)	(81)
Total discounted lease liabilities as at 31 December:			1,778	1,423
Lease liabilities included in the Balance Sheet at 31 Decei	mber:			
Current			461	547
Non-current			1,317	876
Total lease liabilities			1,778	1,423

Short-term and low value leases

GOTAFE has elected not to recognise right of use assets and lease liabilities for short-term leases 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. GOTAFE recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

7. Managing risks and uncertainties

For the year ended 31 December 2020

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

Contractual financial assets	2020	2019
	\$'000	\$'000
Financial assets measured at amortised cost		
Cash and deposits	11,276	27,444
Trade receivables	3,637	4,740
Total contractual financial assets	14,913	32,184
	2020	2019
Contractual financial liabilities	\$'000	\$'000
Loans and payables		
Supplies and services	1,397	3,293
Other employee entitlements payable within 12 months	771	1,042
At amortised cost		
Lease liability	1,778	1,423
Total contractual financial liabilities	3.946	5.759

Note: The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable and taxes payable).

Categories of financial instruments

GOTAFE classifies its financial assets at amortised cost only if both of the following criteria 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).

GOTAFE recognises the following financial assets in this category:

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

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. GOTAFE recognises the following liabilities in this category:

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

For the year ended 31 December 2020

7.1 Financial instruments (continued)

Financial risk management objectives and policies

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

GOTAFE's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

GOTAFE'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. GOTAFE 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 management. The review and monitoring of these risks rests with the Audit and Risk Committee of GOTAFE with oversight by the Board.

Credit risk

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

Credit risk is measured at fair value and is monitored on a regular basis. GOTAFFE 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 GOTAFE's strict credit policies may only purchase in cash or using recognised credit cards.

The trade receivables balance at 31 December 2020 and 31 December 2019 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

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

In addition, GOTAFE 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. GOTAFE'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 GOTAFE'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.

For the year ended 31 December 2020

7.1 Financial instruments (continued)

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

	Financial institutions (AA- rating)	Other counterparty	Total
	\$′000	\$'000	\$'000
2020			
Cash and deposits	11,271	5	11,276
Trade receivables	-	4,061	4,061
Total contractual financial assets	11,271	4,066	15,337
2019			
Cash and deposits	27,439	5	27,444
Trade receivables	-	4,967	4,967
Total contractual financial assets	27,439	4,973	32,411

Note: The total amounts disclosed here exclude statutory amounts (e.g. GST input tax credit recoverable and taxes payable).

Under AASB 9, 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 the expected credit losses, the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due.

The expected loss rates are based on the payment profile for sales over the past 60 months before 31 December 2020 and the past 48 months before 31 December 2019, 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. GOTAFE 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 according 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.

For the year ended 31 December 2020

The following table provides information about the estimated exposure to credit risk and ECLs for trade and other receivables as at 31 December 2020:

	Estimated gross carrying amount	Weighted average loss rate	Estimated loss allowance	Credit impaired
	\$'000	%	\$'000	(yes/no)
31 December 2020		-		
Current (not past due)	1,013	2%	20	Yes
31–60 days past due	654	1%	9	Yes
61–90 days past due	180	6%	11	Yes
More than 90 days past due	2,214	17%	384	Yes
	4,061		424	
31 December 2019				
Current (not past due)	1,164	0%	-	No
31–60 days past due	135	0%	-	No
61–90 days past due	241	0%	-	No
More than 90 days past due	3,427	7%	227	Yes
	4,967		227	

For the year ended 31 December 2020

7.1 Financial instruments (continued)

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 GOTAFE'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 GOTAFE, and a failure to make contractual payments for a period of greater than 120 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, \$423,708 (2019 – \$227,000) relate to receivables arising from contracts with customers.

Liquidity risk

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

GOTAFE's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in 7.1. GOTAFE manages liquidity risk by:

- maintaining an adequate short term reserves and banking facilities that can be drawn at short notice to meet its short-term obligations;
- holding investments and other contractual financial assets that are readily tradeable in the financial market;
 and
- careful maturity planning of its financial obligations based on forecasts of future cash flows.

GOTAFE's exposure to liquidity risk is deemed not material based on prior periods' data and current assessment of risk.

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

For the year ended 31 December 2020

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.

Contingent assets

Contingent assets are possible assets that arise from past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. These are classified as either quantifiable, where the potential economic benefit is known, or non-quantifiable.

	2020	2019
Quantifiable contingent asset	\$'000	\$'000
Compensation - purchase of water shares	543	245
	543	245

Notes:

GOTAFE holds water entitlements in relation to the William Orr Campus, 260 Wanganui Road, Shepparton. The value in the table above represents the estimated value of the permanent sale of the high-reliability water entitlements. Noting that permanent sale of the high-reliability water would be subject to the Minister's approval as the shares are in the Minister's name. In 2020 a market price was obtained for the permanent sale, the 2019 values was based on a valuation received in 2015.

In 2019, \$67,221 was received for the temporary trade of water entitlements. No allocation trades for the sale of water were completed in 2020.

Contingent liabilities

Contingent liabilities are:

- possible obligations that arise from past events, whose existence will be confirmed only by the
 occurrence or non-occurrence of one or more uncertain future events not wholly within the control of
 the entity; or
- present obligations that arise from past events but are not recognised because:
- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligations; or
- the amount of the obligations cannot be measured with sufficient reliability.

Contingent liabilities are also classified as either quantifiable or non-quantifiable

There are no quantifiable or non quantifiable contingent liabilities.

For the year ended 31 December 2020

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 GOTAFE.

This section sets out information on how GOTAFE 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:

Iand, buildings, investment properties, plant and equipment and vehicles.

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

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

Fair value estimation

In determining fair values a number of inputs are used. 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.

GOTAFE 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 table 7.3 (a).

For the year ended 31 December 2020

7.3 Fair value determination (continued)

The Valuer-General Victoria (VGV) is GOTAFE's independent valuation agency.

Fair value determination of financial assets and liabilities

GOTAFE 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 2020.

(a) Fair value determination of non-financial assets

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

GOTAFE, in conjunction with the Valuer-General Victoria, 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 3 unobservable inputs due to the nature and characteristics of GOTAFE'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.

Below are the relevant fair value information relating to those assets.

		Fair value hierarchy		
Fair value measurement hierarchy		Level 1	Level 2	Level 3
	Carrying amount at 31 December	Quoted prices	Observable price inputs	Unobservable inputs
2020	\$'000	\$'000	\$'000	\$'000
Specialised land	16,148	-	-	16,148
Total land at fair value	16,148	_	-	16,148
Specialised buildings	62,366	-	-	62,366
Total buildings at fair value	62,366	-	-	62,366
Investment properties	2,710	-	-	2,710
Total investment properties at fair value	2,710	-	-	2,710
Plant and equipment	3,391	-	-	3,391
Motor vehicles	80	-	-	80
Total other assets at fair value	3,471	-	-	3,471
2019				
Specialised land	14,645	-	-	14,645
Total land at fair value	14,645	-	-	14,645
Specialised buildings	69,570	-	-	69,570
Total buildings at fair value	69,570	-	-	69,570
Investment properties	2,349	-	-	2,349
Total investment properties at fair value	2,349	-	-	2,349
Plant and equipment	2,654	-	-	2,654
Motor vehicles	305	-	-	305
Total other assets at fair value	2,959	-	_	2,959

For the year ended 31 December 2020

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

(b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 103H 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.

or the year ending 31 December 2020 GOTAFE 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; and
- (f) expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts.

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.

For the year ended 31 December 2020

7.3 Fair value determination (continued)

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 GOTAFE's majority of specialised buildings, the depreciated 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 GOTAFE'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.

Specialised and heritage buildings are valued using the depreciated replacement cost method for all but some minor exceptions. This represents the highest and best use when the market approach is not suitable. The replacement costs assessment is based on replacement of the existing building with a modern equivalent standard, and where heritage buildings are involved, a cost loading to reflect the likely need to replace any destroyed buildings with closely similar (i.e. heritage) architecture, then adjusting for the associated depreciations. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings and heritage buildings are classified as either Level 2 or Level 3 in the fair value hierarchy.

Construction in progress assets are held at cost. GOTAFE 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 depreciated replacement cost method. GOTAFE 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 GOTAFE 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 depreciated 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 assets.

There were non changes in valuation techniques throughout the period to year ended 31 December 2020. 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

2020 and 2019	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community service obligation (CSO) adjustment
Buildings	Depreciated replacement cost	Direct cost per square metre
Plant and equipment	Depreciated replacement cost	Useful life of plant and equipment
Motor vehicles	Depreciated replacement cost	Useful life of vehicles

For the year ended 31 December 2020

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 GOTAFE were as follows

Position	Name	Dates of appointment
Minister for Training and Skills	The Hon. Gayle Tierney, MP	1 January 2020 to 31 December 2020
Board Director and Chief Executive Officer (Accountable Officer)	Mr Travis Heeney	1 January 2020 to 31 December 2020
Board Chairperson	Ms Diana Taylor	1 January 2020 to 31 December 2020
Deputy Board Chair	Ms Angela Verde	1 January 2020 to 31 December 2020
Board Director	Mr Anthony (Dean) Walton	1 January 2020 to 30 June 2020
Board Director	Ms Fiona Lloyd	1 January 2020 to 30 June 2020
Board Director	Ms Rowena Allen	1 January 2020 to 31 December 2020
Board Director	Ms Kate Fraser	1 January 2020 to 31 December 2020
Board Director	Ms Deborah Spring	1 January 2020 to 31 December 2020
Board Director	Ms Catherine Scott	1 January 2020 to 31 December 2020
Board Director	Mr Daniel Briggs	5 June 2020 to 31 December 2020
Board Director	Mr Philip Eggleston	1 July 2020 to 31 December 2020
Board Director	Ms Jenny Wilson	1 July 2020 to 31 December 2020
Board Director (Staff representative)	Mr Jon Lee	1 January 2020 to 30 June 2020
Board Director (Staff representative)	Ms Celia Turnbull	1 July 2020 to 31 December 2020

For the year ended 31 December 2020

8.1 Responsible persons (continued)

Remuneration

Remuneration received or receivable by the Accountable Officer in connection with the management of GOTAFE during the reporting period was in the range: \$370,000 - \$379,999 (2019: \$280,000 - \$289,999).

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

Income range	2020	2019
Less than \$10,000	4	5
\$10,000 - \$19,999	4	_
\$20,000 - \$29,999	1	3
\$30,000 - \$39,999	4	6
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	_
\$70,000 - \$79,999	2	_
Total number	14	15
Total remuneration (\$'000)	321	332

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

For the year ended 31 December 2020

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.

	2020	2019
Remuneration		\$'000
Short-term benefits	740	580
Post-employment benefits	67	101
Other long-term benefits	6	(6)
Termination benefits	48	53
Total remuneration	862	728
Total number of executives	5	7
Total annualised employee equivalents (i)	3.8	3.0

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

For the year ended 31 December 2020

8.3 Related parties

Related parties of GOTAFE 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 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. There were no material transactions.

Key Management personnel of GOTAFE includes the Portfolio Minister and Board members noted in Note 8.1 and members of the executive team, which includes:

Position	Name	Period of position held
Executive Director, Attraction & Engagement	Kellie Vise	1 January 2020 to 9 September 2020
Executive Director, Attraction & Engagement	Cameron Cahill	7 October 2020 to 31 December 2020
Executive Director, Corporate Services	Nick Gray	1 January 2020 to 31 December 2020
Executive Director, Strategy & Governance	Sharon Olivier	1 January 2020 to 31 December 2020
Executive Director, Education	Karen Taylor	6 April 2020 to 31 December 2020

Power and the second se	2020	2019
Remuneration		\$'000
Short-term benefits	1,383	1,140
Post-employment benefits	115	150
Other long-term benefits	15	-
Termination benefits	26	53
Total remuneration	1,538	1,343

Transactions and balances with key management personnel and other related parties.

GOTAFE has no other material related party transactions for the period ending 31 December 2020.

8.4 Remuneration of auditors

	2020	2019
	\$'000	\$'000
Remuneration of the Victorian Auditor-General's Office		
Audit of the financial statements	115	24
Total remuneration of the Victorian Auditor-General's Office	115	24
Remuneration of other auditors		
Internal audit services	78	127
Total remuneration of the Victorian Auditor-General's Office	78	127
Total	193	151

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

9. Other disclosures

For the year ended 31 December 2020

9.1 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions.

	2020	2019
	\$'000	\$'000
Net gain on non-financial assets		
Gain on revaluation of investment properties	361	79
Net gain on sale of non-financial assets	90	279
Total net gain on non-financial assets	451	358
Net loss on financial instruments		
Remeasurement of provision for doubtful debts under AASB 9	(338)	(29)
Net loss on financial assets	(338)	(29)
Other gains from other economic flows		
Net gain arising from revaluation of long service leave liability	381	41
Total other gains from other economic flows	381	41
Total other gains from other economic flows	494	370

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

- · revaluations and impairments of non-financial physical and intangible assets; and
- remeasurements arising from employee benefits and the provision for doubtful debts disclosed above.

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

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

	2020	2019
	\$'000	\$'000
Physical asset revaluation surplus ¹		
Balance at 1 January	56,989	56,989
Revaluation increment on non-current asset	1,503	_
	58,492	56,989

Note:

9.3 Events after reporting date

No matters or circumstance has occurred subsequent to period end that has significantly affected, or may significantly affect, the operations of, the results of those operations or the state of affairs of GOTAFE in subsequent financial years.

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

Item no.	Source	Summary Of Reporting Requirement	Page no.
		Report of Operations	
		Charter and purpose	
1	FRD 22H 5.4 a	Manner of establishment and the relevant Minister	5, 6, 7, 10, 12, 82
2	FRD 22H 5.4 b 5.5	Purpose, functions, powers and duties linked to a summary of activities, programs and achievements	5 - 12
3	FRD 22H 5.4 c	Nature and range of services provided including the communities served	5
		Management and structure	
4	FRD 22H 5.4 d 5.6	Organisational structure and chart, detailing members of the governing board, Audit Committee, CEO, senior officers and their responsibilities.	16 - 23
		Financial and other information	
5	FRD 03A	Accounting for Dividends.	N/A
6	FRD 07B	Early adoption of authoritative accounting pronouncements.	N/A
7	FRD 10A	Disclosure Index.	87 - 90
8	FRD 17B	Wage inflation and discount rates for employee benefits.	56
9	FRD 22H 5.11 c	Operational and budgetary objectives, including performance against objectives and achievements.	15
10	FRD 22H 5.10	Occupational health and safety statement including performance indicators, performance against those indicators.	29
11	FRD 22H 5.8	Workforce data for current and previous reporting period, including a statement on the application of employment and conduct principles and that employees have been correctly classified in the workforce data collections.	26 - 28
12	FRD 22H 5.11 a	Summary of the financial results, with comparative information for the preceding four reporting periods.	13
13	FRD 22H 5.11 b	Summary of significant changes in financial position.	8
14	FRD 22H 5.7	Key initiatives and projects, including significant changes in key initiatives and projects from previous years and expectations for the future .	6 - 12, 25, 29
15	FRD 22H 5.11 d	Post-balance sheet date events likely to significantly affect subsequent reporting periods.	86
16	FRD 22H 5.18 a	Summary of application and operation of the <i>Freedom of Information Act 1982</i>	31
17	FRD 22H 5.12	The report of operations shall provide a discussion and analysis of the entity's operating results and financial position and include details about significant factors that affect the entity's performance.	8

Item no.	Source	Summary of reporting requirement	Page no.
18	FRD 22H 5.9	TAFE workforce inclusion policy (where a TAFE has one), including a measurable target and report on the progress towards the target.	24, 25
19	FRD 22H 5.16	Schedule of any government advertising campaign in excess of \$100,000 (exclusive of GST).	30
20	FRD 22H 5.18 e	Statement, where applicable, on the implementation and compliance with the National Competition Policy, including compliance with the requirements of Victoria's Competitive Neutrality Policy and any subsequent reform.	30
21	FRD 22H 5.18 g	Statement on the application and operation of the <i>Carers Recognition Act 2012 (Carers Act)</i> , and the actions that were taken during the year to comply with the Carers Act.	31
22	FRD 22H 5.18 c	Summary of application and operation of the Public Interest Disclosures Act 2012 including disclosures required by the Act.	31
23	FRD 22H 5.18 h	Summary of Environmental Performance.	33 - 34
24	FRD 22H 5.13 5.14 5.15	Consultants: Report of Operations must include a statement disclosing each of the following: 1. Total number of consultancies of \$10,000 or more (excluding GST) 2. Location (e.g. website) of where the schedule with the below details of the consultancies over \$10,000 has been made publicly available • Consultant engaged • Brief summary of project • Total project fees approved (excluding GST) • Expenditure for reporting period (excluding GST) • Any future expenditure committed to the consultant for the project 3. Total number of consultancies individually valued at less than \$10,000 and the total expenditure for the reporting period	30
25	FRD 22H 5.19	List of other information available on request from the Accountable Officer, and which must be retained by the Accountable Officer.	35
26	FRD 22H 5.17	 An entity shall disclose the following in the report of operations: a. Total entity ICT Business As Usual (BAU) expenditure for the full 12 month reporting period; and b. Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period; and provide a breakdown for: Operational expenditure (OPEX); and Capital expenditure (CAPEX). 	30
27	FRD 25D	Local Jobs First	30
28	AASB 16	Leases	55, 60, 70 - 71
29	SD 5.1.4	Financial Management Compliance Attestation Statement The Responsible Body must attest to compliance with applicable requirements in the FMA, the Standing Directions and the Instructions, and disclose all Material Compliance Deficiencies.	35
30	FRD 119A	Transfers through contributed capital	70

Item no.	Source	Summary of reporting requirement	Page no.
31	SD 5.2.1(a)	The Accountable Officer must implement and maintain a process to ensure the Agency's Annual Report is prepared in accordance with the FMA, the Standing Directions, the Instructions, applicable Australian Accounting Standards and Financial Reporting Directions.	47
32	SD 5.2.3	The report of operations must be signed and dated by a member of the Responsible Body.	4
33	CG 10 Clause 27	Summary of Major Commercial Activities	30
34	CG 12 Clause 33	TAFE Institute Controlled Entities.	30
		FINANCIAL REPORT	
35	SD 5.2.2(b)	 The declaration required under Direction 5.2.2(a) must state that in the joint opinion of the signing persons: the financial statements present fairly the financial transactions during the reporting period and the financial position at the end of that period; and the financial statements have been prepared in accordance with applicable requirements in the FMA, the Directions, the Financial Reporting Directions and Australian Accounting Standards. 	4
36	SD 5.2.2(a)	 An Agency's financial statements must include a signed and dated declaration by: the Accountable Officer; subject to Direction 5.2.2(c), the CFO; and for Agencies with a statutory board or equivalent governing body established by or under statute, a member of the Responsible Body. 	40 - 49
37	FRD 30D	Rounding of Amounts	47
38	SD 3.2.1.1(c)	The Responsible Body must establish an Audit Committee to: review annual financial statements and make a recommendation to the Responsible Body as to whether to authorise the statements before they are released to Parliament	35
	Other requirem	ents as per financial reporting directions in notes to the financial statements	
39	FRD 11A	Disclosure of ex-gratia payments	59
40	FRD 21C	Disclosures of Responsible Persons, Executive Officer and Other Personnel (contractors with significant management responsibilities) in the Financial Report	82 - 85
41	FRD 102A	Inventories	44
42	FRD 103H	Non-financial physical assets	61
43	FRD 105B	Borrowing costs	N/A
44	FRD 106B	Impairment of assets	63, 65, 80
45	FRD 107B	Investment properties	62
46	FRD 109A	Intangible assets	63

Item no.	Source	Summary of reporting requirement	Page no.
47	FRD 110A	Cash flow statements	46, 69
48	FRD 112D	Defined benefit superannuation obligations	57
49	FRD 113A	Investment in subsidiaries, jointly controlled entities and associates	N/A
50	FRD 114C	Financial instruments	72 - 76
51	FRD 120N	Accounting and reporting pronouncements applicable to the reporting period	47
	Comp	liance with other legislation, subordinate instruments and policies	
52	Legislation	The TAFE institute Annual Report must contain a statement that it complies with all relevant legislation, and subordinate instruments, including, but not limited to, the following: • 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 • Local Jobs First Act 2003	4
53	ETRA s3.2.8	Statement about compulsory non-academic fees, subscriptions and charges payable in 2020	32
54	Policy	Statement that the TAFE institute complies with the Victorian Public Service Travel Policy	32
55	Key Performance Indicators	Institutes to report against: • Employment costs as a proportion of training revenue; • Training revenue per teaching FTE; • Operating margin percentage; • Training revenue diversity.	15
		Overseas operations of Victorian TAFE Institutes	
56	PAEC and VAGO (June 2003 Special Review - Recom- mendation 11)	 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. 	N/A







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