

VICTORIAN CURRICULUM AND ASSESSMENT AUTHORITY

ANNUAL REPORT 2016–2017



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September 2017

The Hon. James Merlino MP
Deputy Premier and Minister for Education
1 Treasury Place
East Melbourne Victoria 3002

Dear Minister

In accordance with the *Education and Training Reform Act 2006* and the *Financial Management Act 1994*, I am pleased to present the Victorian Curriculum and Assessment Authority Annual Report for the year ending 30 June 2017.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Chris Wardlaw', written in a cursive style.

Chris Wardlaw
Chair

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Report of operations – year in review

Report of the Chair

Education empowers people to be engaged citizens in the community and help to shape its values and practices. It supports individuals to identify their attributes and pursue their passions, and prepares them for social and economic participation.

Victoria has a strong commitment to providing formative and transformative learning opportunities for all. The Victorian Curriculum and Assessment Authority (VCAA) helps make this a reality by providing high-quality curriculum, assessment and reporting while also encouraging lifelong learning.

In 2016–17, the VCAA has developed and implemented many exciting initiatives that equip students with the skills and knowledge they need to thrive throughout all stages of life. It is my privilege to highlight some of the VCAA's outstanding achievements this year.

The foundational learning and the development of children in their early years is a high priority for the VCAA. From birth, children engage and explore the capabilities that lay the grounds for their self-development, wellbeing and long-term educational success. The VCAA, in partnership with the Department of Education and Training (DET), is committed to providing the resources for early childhood professionals to guide our youngest learners. In 2016–17 this included supporting the implementation of the Victorian Early Years Learning and Development Framework (VEYLDF) through the development of a wellbeing practice guide and a range of resources to assist in strengthening early childhood learning.

Ensuring our curriculum is contemporary and meets current and emerging needs of students is paramount. In the reporting period the Victorian Curriculum Foundation–10 (F–10) was implemented in all government and Catholic schools across the state from the beginning of 2017.

The new curriculum represents a significant milestone in Victorian education. It promotes critical and creative thinking, and personal and social, ethical, and intercultural capability. Of particular note is the introduction of Digital Technology. This new curriculum area will develop students for careers in diverse businesses and industries relying on digital technologies, building their skills to meet the challenges of future global economies.

Providing schools with support and resources during this transition has been essential to ensuring the successful implementation of this contemporary curriculum. Throughout the last year the Specialist Teachers initiative, professional development sessions, and comprehensive online resources provided by the VCAA have been key in ensuring we are educating Victoria's students to be global citizens who are prepared for the challenges of the future.

We will continue to develop additional resources in consultation with teachers and schools to support this. This allows us to achieve and measure progress towards the targets set out for the Education State.

Our commitment to educational advancement was also demonstrated in the ongoing implementation of Victorian Certificate of Education (VCE) on a Northern Hemisphere Timetable (NHT). In May and June 2017, Unit 3 and 4 NHT examinations were conducted for the first time. I am delighted to say they were a great success. The VCE on an NHT continues to grow and we are seeing benefits across the education sector, including new partnerships between Victorian and International schools and increased flexibility for domestic VCE students.

Every year, we celebrate and showcase student achievements. I was delighted to see the continued success of our VCE Season of Excellence. This inspiring festival provides an opportunity for students in VCE and VCE Vocational Education and Training (VET) design, visual and performing arts to demonstrate their imagination, commitment and skill, and is a testament to the diversity of creative opportunities available through our uniquely robust and flexible curriculum. Our partnerships with Melbourne's iconic arts and cultural bodies continue to be instrumental in presenting the Season of Excellence.

The Victorian Certificate of Applied Learning (VCAL) Achievement Awards honoured many remarkable students, teachers and providers. The stories of students who have undertaken the VCAL were truly inspiring, reminding us all of the importance of this senior secondary qualification that allows students to undertake hands-on learning pathways that meet their individual needs.

Going forward the VCAA will continue to position itself as a leader in education in an increasingly collaborative, digital and global world.

In 2017, VCAA CEO John Firth retired. I would like to take this opportunity to thank John Firth for his outstanding contribution to education. John, of course, has led the VCAA through some impressive achievements over his 12 years as CEO, but also as a curriculum leader in various roles in the decades prior to his rise to CEO. John has also played a significant role in national forums and debates and retires as an acknowledged leader in all things curriculum in this State and nationally. As Chair I have valued John's intellectual power and his wisdom about why and how curriculum and assessment can influence the learning opportunities of all children and young people in Victoria. On behalf of the Board of the VCAA we wish John a fulfilling next stage in his life.

Our new CEO, Dr David Howes, will continue to drive development of our education system, and the parents and students, teachers and school leaders that it serves. Dr Howes is supported by our talented senior managers and staff.

My thanks to my colleagues on the VCAA Board, and Gill Callister, Secretary for the Department of Education and Training, for their expertise, strong leadership, commitment, and above all, the creativity and professionalism they bring to their roles.



Chris Wardlaw
Chair

Report of the Chief Executive Officer

This is my twelfth and final CEO report for the VCAA. I retired shortly after the reporting period, having started my career as a secondary teacher at Williamstown High and then working for the VCAA and its predecessors in various roles for 34 years.

It has been an immense privilege to serve in these roles, and contribute to and lead some of the most important curriculum and assessment initiatives in Victorian and Australian education history.

Victorian education has always been a vibrant and exciting environment in which to work. We have a well-deserved reputation for innovation while maintaining a commitment to excellence and equity.

Education influences and is influenced by the dynamics of social, cultural, technological, and economic change. Consequently we must regularly review the policies and priorities of our curriculum and assessment to ensure they align with what we want our young people to know and be able to do. The VCAA's work is central to this and it discharges these responsibilities to the Victorian community conscientiously and effectively.

A major achievement for the VCAA in 2016–2017 was the implementation of the Victorian Curriculum F–10 in all government and Catholic schools.

This marks an important moment in the history of education in Victoria. This new curriculum provides a common basis for all schools to develop teaching and learning programs that will ensure every young Victorian is equipped for life and work in the 21st century. It includes a range of learning opportunities for students including languages curricula such as Auslan and Victorian Aboriginal Languages. The curriculum also supports students with disabilities and additional learning needs, to help teachers to support students' learning as they transition into Foundation level.

Our commitment to continuous improvement and innovation provides young people with world class senior secondary curriculum that is dynamic and contemporary. The Victorian Certificate of Education (VCE) is a world-recognised senior secondary certificate because of our constant revision and improvement of our diverse range of studies. Throughout the past year we reviewed ten studies, and three new study designs were implemented: Units 1 and 2 of Chinese Language, Culture and Society, and Units 3 and 4 of Karen (a language of Myanmar) and Vietnamese First Language.

The expanded delivery of VCE on the Northern Hemisphere Timetable in 2017 is another exciting example of our vision to be a global leader in education. Units 1–4 of a VCE Northern Hemisphere Timetable were offered for the first time and Units 3 and 4 examinations were successfully completed in May and June 2017. Five schools delivered VCE offshore studies on the Northern Hemisphere Timetable (NHT); four in China and one in the Philippines.

The Victorian Certificate of Applied Learning (VCAL) remains an important study option for Victorian students and is still the only senior secondary qualification of its kind in Australia. All VCAL programs support students to explore hands-on learning that meets their individual needs and career aspirations. Delivery of VCAL continued to grow in 2016, with 23,784 enrolments and a total of 448 providers, including government, Catholic and independent schools, TAFE institutes and Adult and Community Education centres.

More Victorian students are forging a path to further study or work by choosing to undertake nationally recognised vocational education and training (VET) through either the VCE or VCAL. In 2016 51,024 students were enrolled with 606 providers, resulting in 68,384 certificate enrolments across a range of industries, including 3367 enrolments in school-based or part-time apprenticeships or traineeships.

VET qualifications open doorways and avenues for students to attend tertiary institutions, TAFEs or gain employment once they complete high school. The VCAA reviewed ten proposed VCE VET programs in 2016, and implemented these studies in 2017 to broaden the choices of senior secondary students. The VCE VET programs available cover 16 diverse industry areas comprising 43 distinct qualifications. Thirteen VCE VET programs gave students the option of undertaking scored assessment of designated Unit 3 and 4 sequences, further supporting students who wish to enter tertiary study.

The delivery of education in Victoria is underpinned by an extensive network of education providers whose work is multi-faceted and wide-ranging. In 2016–2017 the VCAA organised and facilitated a diverse range of professional learning opportunities to support teachers across the education sector, from early years to senior secondary.

Online professional learning sessions, face-to-face sessions, seminars, specialist teacher support and keynote presentations were provided at major conferences and to groups of teachers and schools. During Term 2, 2017, 28 specialist teachers delivered 37 face-to-face sessions and seven online sessions to support teachers to build understanding of the curriculum and develop high-quality teaching and learning programs.

Coordinating assessment programs is an extraordinary undertaking, and this reporting period was no exception. Our high level of expertise and program development in testing and assessment continues across the full range of programs and includes both summative and formative assessment for use in classrooms.

During the reporting period the VCAA established and implemented sample assessment programs for Critical and Creative Thinking and the Arts to assist in the establishment of baseline measures of excellence in Victoria to inform progress against the Education State targets.

In May 2016 the National Assessment Program – Literacy and Numeracy Testing (NAPLAN) tests were administered to more than 260,000 students in Victoria, and by August the VCAA completed marking of these tests. VCAA also undertook marking of an additional 24,000 Tasmanian NAPLAN writing tests.

In 2016, the VCAA administered VCE examinations to more than 84,000 students across Victoria, and calculated an astounding 257,070 study scores. Following the accidental release of VCE and Australian Tertiary Admissions Rank (ATAR) results in December 2016, the Department of Education and Training commissioned Deloitte to undertake an independent review into the incident. The Deloitte report confirmed that the incident was the result of an error with the third party service provider's configuration of the SMS registration system. The VCAA and VTAC reviewed the key recommendations of the report and will not be proceeding with an SMS service in 2017.

I want to take my final opportunity to personally thank my colleagues past and present.

To the VCAA Chairs – Stuart Hamilton AO, Professor Peter McPhee, Professor Adam Shoemaker and our current Chair Chris Wardlaw – your leadership, direction and wise counsel were always invaluable.

And to the many Board and Board Committee members: we have benefited greatly by your time, commitment and expertise.

I thank my colleagues the Department of Education and Training for your support and collegiality, especially Secretary Gill Callister and my fellow Executive Board members, past and present, and the Catholic and independent sectors. Victorian students in all schools are well served by the genuinely cross-sectoral nature of our work.

Thank you to the thousands of teachers for their professional commitment to reference groups and working parties, and marking VCE Exams and NAPLAN scripts.

Finally I would like to thank my VCAA staff. It has been truly an honour and privilege to lead you over the past 12 years. Your constant energy, compassion and commitment to best serve the interests of Victorian students have been remarkable.

Victoria is well placed to face the major educational challenges ahead. The curriculum is well designed, robust and under constant development. I have full confidence in the VCAA's capacity to engage the community in this critical work to ensure that Victoria is well-placed to meet its expectations as the Education State.



John Firth
Chief Executive Officer

Objectives and functions

The Victorian Curriculum and Assessment Authority (VCAA) came into operation on 1 March 2001, succeeding the Board of Studies. It was established under the *Victorian Curriculum and Assessment Authority Act 2000 (repealed)* and is continued under the *Education and Training Reform Act 2006 (the Act)*.

The VCAA operates within the scope of the functions and powers conferred upon it by Part 2.5 of the Act and other relevant legislation.

Under the Act, the VCAA is responsible for:

- developing high-quality courses and curriculum and assessment products and services
- providing linkages that will facilitate movement between those courses and other courses
- carrying out functions as a body registered under Chapter 4 of the Act.

Vision

A global leader in curriculum, assessment and reporting.

Mission

To provide the foundations for lifelong learning through high quality curriculum, assessment and reporting.

Values

The VCAA upholds the Victorian Public Sector values:

- Responsiveness
- Integrity
- Impartiality
- Accountability
- Respect
- Leadership
- A commitment to human rights.

Outcomes for learners

Early Years

We support children to build foundational learning and development capabilities.

Foundation–10

We support students to gain a breadth of knowledge, skills and personal attributes for self-development, personal wellbeing and further study.

Senior Secondary

We aim to ensure young people are well prepared for adult educational, social, economic and civic participation.

Support for educators

- Designing and delivering curriculum and assessment, informed by contemporary teaching and learning principles.
- Developing high quality assessments that indicate how well learners are progressing, where improvements are required and which interventions are likely to succeed.
- Supporting improved knowledge of learning and the capacity to foster learning.
- Providing effective support of students and education during transitional stages from birth to adulthood.

Key achievements

During the reporting period, the VCAA recorded the following major achievements specific to the outcomes.

Early Years and Foundation–10

- The VCAA, in partnership with the Department of Education and Training (DET), designed and delivered a range of Victorian Early Years Learning and Development Framework (VEYLDF) interactive seminars and presentations to early years leadership and practitioner groups, including family day care, maternal and child health, early childhood education and care, the school sector and cultural organisations. This communication work has supported regional colleagues to strengthen existing networks and identify the establishment of new early years partnerships.
- The VCAA developed and distributed a DVD resource *What, why and how? Pedagogy with very young children* in partnership with Anne Stonehouse AM. This resource is designed for leaders in early childhood education and care, and is applicable to maternal and child health nurses and families. It provides an overview of elements of good quality practice and highlights how the quality of the encounters adults have with very young children impacts greatly on the learning that takes place.
- The VCAA has embarked on a project to produce Literature Reviews and Practice Guides for each VEYLDF Learning and Development Outcome. In February 2017, the VCAA published the *Wellbeing Practice Guide* (following on from the 2015 *Wellbeing Literature Review*). The VCAA has commissioned a team of researchers from Charles Sturt University to undertake a literature review that focuses on the Learning Outcome 'Children are effective communicators'. The review will be published in November 2017; following this a Communication Practice Guide will be developed in conjunction with practitioners across the early years.
- From 2017, the Victorian Curriculum F–10 is being implemented in all government and Catholic schools. The Victorian Curriculum sets out what every student should learn during their first 11 years of school – the common set of knowledge and skills required by students for lifelong learning, social development and active and informed citizenship. The Victorian Curriculum F–10 is available digitally on a dedicated website (<http://victoriancurriculum.vcaa.vic.edu.au>).
- The Victorian Curriculum Languages curricula are now complete. The Victorian Aboriginal Languages curriculum was released in September 2016 and Auslan, Classical Greek and Latin were released in March 2017.
- The VCAA organised and facilitated a diverse range of professional development opportunities to help familiarise schools with the new Victorian Curriculum F–10, enable comprehensive whole-school curriculum planning and develop teaching and learning programs. Sessions were delivered face-to-face and online.
- The On Demand program was updated to align to the Victorian Curriculum. This involved a significant review of content and configuration of the program to realign from the former curriculum.
- The VCAA established and implemented sample assessment programs for Critical and Creative Thinking and the Arts to assist in the establishment of baseline measures of excellence in Victoria to inform progress against the Education State targets.

Senior Secondary

- Three new study designs were implemented in 2017:
 - Units 3 and 4 of Karen (a language of Myanmar) were implemented in 2017, following the implementation of Units 1 and 2 in 2016.
 - Units 3 and 4 of Vietnamese First Language were implemented in 2017, following the implementation of Units 1 and 2 in 2016.
 - Units 1 and 2 of VCE Chinese Language, Culture and Society were implemented in 2017, with Units 3 and 4 to be implemented in 2018.
- A review of ten VCE studies commenced in February 2017: Accounting (continued from 2016), Classical Studies, Dance, Drama, Extended Investigation, Industry and Enterprise, Philosophy, Systems Engineering, Theatre Studies and those language studies using the VCE second languages template – Arabic, Chinese Second Language, Chinese Second Language Advanced, French, German, Greek, Indonesian Second Language, Italian, Japanese Second Language, Korean Second Language, Spanish and Vietnamese Second Language. Units 1–4 of a VCE Northern Hemisphere Timetable were offered for the first time. A timetable for Units 3 and 4 subjects operates from September to June. Examinations were successfully completed in May and June 2017.
- The 2017 annual audit of school-based assessment has commenced. In 2016, a total of 1864 audits were performed across 581 VCE providers.
- VCAL delivery continued to grow in 2016 with 23,784 enrolments and a total of 448 providers, including government, Catholic and independent schools, TAFE institutes and Adult and Community Education centres.
- VCAL providers were offered the following professional development opportunities:
 - Three VCAL Showcase events focusing on best-practice VCAL programs and initiatives, offered in association with the Catholic Education Office Melbourne and Narre Warren South P–12 College
 - The VCAL Induction 2016 workshop for new VCAL providers and teachers
 - The annual conference and induction workshop of the Victorian Applied Learning Association, presented with support from the VCAA.
- Ten VCE VET programs were reviewed in 2016 and implemented in 2017. Outcomes included: changes to the structure and units of VCE VET Agriculture, Horticulture and Conservation and Land Management, Applied Fashion Design and Technology, Applied Language, Automotive, Furnishing, Hospitality, Creative and Digital Media, Laboratory Skills, Music and Sport and Recreation. Previously-approved program structures were implemented for Community Services, Health, and Integrated Technologies.
- A VCE VET Hair and Beauty program comprising four qualifications was developed.
- The VCAA became involved with the federal government Multi-Industry Pathways project.

Working with the community

The VCAA ensures that the diverse nature of Australian society is reflected in all aspects of its operations. It has a strong commitment to the principles set out in Victoria's Multicultural Affairs and Citizenship Policy, *Victoria's Advantage – Unity, Diversity, Opportunity*.

The VCAA is committed to valuing, respecting and meeting the needs of Victoria's culturally and linguistically diverse communities, as well as those of women, young people and Koorie people.

Cultural and linguistic diversity

In 2016–17, the VCAA:

- offered 49 languages at VCE level for Victorian students
- provided Foundation–10 language-specific curriculum documents for 20 languages on the Victorian Curriculum website
- began planning a Languages Assessment project to provide online F–10 Language tests for teachers implementing the Victorian Curriculum, free of charge to all Victorian schools
- participated in the national reference group for the Collaborative Curriculum and Assessment Framework for Languages project, preparing national senior secondary examinations for 27 small-candidature community languages
- conducted workshops to support teachers of Collaborative Curriculum and Assessment Framework for Languages in the development of their language programs
- implemented Units 1 and 2 of an innovative new VCE study design for Chinese Language, Culture and Society
- implemented Units 3 and 4 of Karen (a language of Myanmar) and Vietnamese First Language.
- implemented 13 new F–10 Language curriculum documents in the Victorian Curriculum including Arabic, Auslan (the language of the Australian Deaf community), Classical Greek, German, Hindi, Japanese, Korean, Latin, Spanish, Turkish, Vietnamese, Victorian Aboriginal Languages and a framework for Classical Languages
- provided information for parents on the VCAA website about the VCE and VCAL curriculum in 24 community languages
- supported Victorian schools wishing to offer VET Certificate II and Certificate III courses in Languages, including Chinese, French, German, Greek, Indonesian, Italian and Japanese at Years 9 to 12
- conducted seminars, webinars and workshops on curriculum planning for VCE languages, strategies for teaching and assessing languages as part of the Victorian Curriculum, the VCE auditing process and an introduction for teachers new to VCE languages
- provided a professional development program on course writing for VCE language studies for teachers and principals from 80 community-based, single-study providers
- collaborated with Community Languages Victoria to provide training on an updated online authorisation process to deliver senior secondary single studies process for principals and administrators from 60 community-based, single-study language providers
- provided access to VCE courses and assessment in English as an Additional Language for students from non-English-speaking backgrounds
- presented the keynote address at the annual conferences of Community Languages Victoria and the Victorian School of Languages, and conducted professional learning sessions for the Chinese Language Teachers' Association of Victoria, Victorian Indonesian Language Teachers' Association, the Ethnic Schools Association of Victoria, Victorian Association of Teachers of Spanish, the Association of French Teachers of Victoria, the Modern Greek Teachers' Association of Victoria, the Modern Language Teachers' Association of Victoria, Turkish Teachers' Association of Victoria, Australian Catholic University trainee teachers' forum, the Victorian School of Languages and the Melbourne Graduate School of Education
- included works with diverse cultural perspectives on the VCE Drama and Theatre Studies Units 3–4 play list including a work by an Indian playwright who lives and works in Melbourne, a work that featured perspectives of Asians living in Australia and two works by contemporary Aboriginal playwrights/theatre companies.

Koorie people

- The VCAA, in collaboration with the Victorian Aboriginal Education Association Inc. and the Victorian Aboriginal Corporation for Languages, developed modules in line with the Victorian curriculum to support schools in the teaching of Koorie languages.
- The VCAA provided professional learning opportunities in relation to the Koorie cross-curricular protocols for Victorian government schools and members of the Koorie Education Workforce. The protocols aim to guide schools in their consultations with the Traditional Owners or Custodians of the land, and support meaningful learning for Victorian students about Koorie and other Aboriginal and Torres Strait Islander cultures, traditions, histories and experiences. The Koorie community provided strong, ongoing support for these projects.
- Koorie language programs are currently offered at Bright P–12 College, Gowrie Street Primary School in Shepparton, Heywood and District Secondary College, Melton West Primary School, Mildura Primary School, Swan Hill Primary School and Thornbury Primary School. These schools are using the VCAA interactive website and the materials developed by several curriculum working groups.
- The VCAA continued to offer professional learning workshops and curriculum resources to support schools to teach the VCE Indigenous Languages study, Indigenous Languages of Victoria: Revival and Reclamation and the Victorian Curriculum F–10 – Victorian Aboriginal Languages.
- The VCAA participated in a working group set up by the Victorian Aboriginal Education Association Inc. The group aims to promote the teaching of Aboriginal and Torres Strait Islander cultures, histories and languages in Victorian schools and to compile a register of quality resources for use in schools.

Youth

The VCAA continues to provide advice and support to help young people make informed choices about pathways to work and further study. Support includes providing a wide range of study options in the post-compulsory schooling years.

The VCAA's support for young people includes a telephone and email enquiry service, a range of publications advising on post-compulsory study options, face-to-face advice to students at education expos, and a post-VCE and VCAL results call centre service in collaboration with the Victorian Tertiary Admissions Centre (VTAC).

The VCAA celebrates and promotes young people's achievements in the following ways:

- The VCE Season of Excellence – an annual festival showcasing a representative sample of exemplary work by previous years' VCE students. Participating students come from government, independent and Catholic schools across Victoria. Two exhibitions, Top Designs and Top Arts, present works in design, technology, media and the visual arts. A short film program, Top Screen, shows films created by Media students, and performing arts studies are showcased in the Top Class concert series with selected performers coming together for a final event, Top Acts. VCE Season of Excellence events are complemented by associated education programs, publications and online content.
- The VCE Leadership Awards recognise VCE students who promote leadership and participation in their local schools and wider communities. The awards celebrate students who demonstrate initiative, inspire others, work well in teams and are committed to making a difference.
- The VCAL Achievement Awards recognise outstanding achievements of young VCAL students, as well as those of VCAL teachers and partner organisations that have developed and delivered innovative VCAL programs.
- The VCAA Plain English Speaking Award provides students with an opportunity to extend their skills and confidence in oral communication, speech-writing and research. Each year the VCAA coordinates the Victorian competitions and the state winner attends the national public speaking final.

- The Margaret Schofield Memorial Scholarships are coordinated by the VCAA on behalf of the Margaret Schofield Memorial Trust. Two scholarship types are available to government schools' VCE students:
 - Music Performance Scholarship, awarded to VCE Music Performance or Music Investigation students as soloists
 - Music Composition Scholarship, awarded to VCE Style and Composition, VCE Music Investigation or VCE Music Performance students. Recipients have been accepted into tertiary courses in music and are committed to careers in music performance and/or composition.

People with a disability

The VCAA is committed to the DET Disability Action Plan, and aims to improve outcomes in relation to accessible curriculum, assessment, consultation, information and communication, employment, physical access to facilities and staff awareness.

Arrangements are made each year to ensure equitable access to facilities for all students undertaking examinations. This includes checking the accessibility of examination rooms and ensuring sufficient time for students to enter and leave. In addition, the VCAA provides a range of special provision options to enable students to access VCE examination material including clarifiers, scribes, extra writing time and the use of assistive technologies, including computers.

In June 2017 the VCAA commissioned AccessibiltyOz to conduct an audit of the corporate website (vcaa.vic.edu.au) and assess its accessibility for people with disabilities. The recommendations will be reviewed and necessary improvements will be implemented from late 2017.

The 2017 VCE Season of Excellence included events accessible by people with a disability, their carers and families. Season of Excellence and Melbourne Museum staff offered audio tours at Top Designs and exhibition video content was subtitled. Auslan interpreters and large print programs were available at the Melbourne Recital Centre for the Top Acts concert. The Australian Centre for the Moving Image (ACMI) provided a hearing loop for use during Top Screen. Appropriate seating facilities were arranged for the vision-impaired and people in wheelchairs. These were also made available at Top Class and Top Acts. Details about disability access at all Season of Excellence event venues were posted on the VCAA website.

International programs

The VCAA International program supports the VCAA to achieve its vision of being a 'global leader in curriculum, assessment and reporting' through the delivery of products and services internationally.

The VCE offshore partnership model establishes strong partnerships between Victorian and international schools that benefit students, teachers and school leaders locally and internationally.

There are 34 schools internationally that deliver VCAA programs. Twenty-six schools deliver the VCE (23 in China and one of each in Timor Leste, Vanuatu and the Philippines), five schools deliver the GAT and three deliver the Victorian Curriculum. The VCAA granted licences to five new VCE providers in China and one in the Philippines.

In 2016, 413 students completed the VCE offshore and more than 90 per cent subsequently enrolled at Australian tertiary institutions.

To further support the delivery of VCE in China, VCAA has worked closely with the DET and the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) to advertise the position of an Education Services Manager who will be based in Shanghai.

Five schools delivered VCE offshore studies on the Northern Hemisphere Timetable (NHT); four in China and one in the Philippines.

The VCAA International program also supports the achievement of the Victorian Government's International Education Sector Strategy.

Early Years and Foundation–10

Early Years

The VCAA, in partnership with the DET, manages the implementation of the Victorian Early Years Learning and Development Framework (VEYLDF), with links to the first three levels of the Victorian Curriculum Foundation–10 (F–10).

The VEYLDF was revised and updated in 2016 and is the foundation document for the Education State Reform in the early years. In partnership with DET, the VCAA has been actively engaged with the early years sector to embed the VEYLDF in practice to improve outcomes for all children.

In 2016–17, the VCAA, in partnership with DET, designed and delivered a range of VEYLDF interactive seminars and presentations to early years leadership and practitioner groups, including family day care, maternal and child health, early childhood education and care, the school sector and cultural organisations. This communication work has been a VEYLDF implementation priority to support regional colleagues to strengthen existing networks and identify the establishment of new early years partnerships.

Achievements

- The VCAA has continued to place specific emphasis on children in the birth-to-three-year period, their characteristics and strengths and the unique challenges they face. This supports the VEYLDF aim of focusing on learning and development for very young children under three years as a foundation for mental health, wellbeing and long-term educational success. In 2017, the VCAA developed and distributed a DVD resource, *What, why and how? Pedagogy with very young children* in partnership with Anne Stonehouse AM. This resource is designed for leaders in early childhood education and care and is applicable to maternal and child health nurses and families. This resource provides an overview of elements of good quality practice for children aged from 14 months to almost three years. It highlights how the quality of the encounters adults have with very young children impacts greatly on the learning that takes place. This supports educators and leaders to have high expectations of very young children's learning and their sense of identity.
- As part of ongoing VEYLDF implementation and communication, the VCAA embarked on a project to produce literature reviews and practice guides for each VEYLDF Learning and Development Outcome. In February 2017 the VCAA published the Wellbeing Practice Guide, with detail about the Child Safe Standards. VCAA has commissioned a team of researchers from Charles Sturt University to undertake a literature review focusing on the Learning Outcome: Children are effective communicators. The focus is on key concepts related to children's communication. This includes the important role that adults have in modelling and responding to children's communicative efforts and the ways in which children's learning is strengthened through responsive relationships.
- The VCAA has promoted and communicated its resources through three Twilight Seminars held at the Bastow Institute for Education Leadership, as well as with presentations at early childhood sector conferences.
- The VCAA continues its partnership with Queensland University of Technology, Monash University, Gowrie and DET in a Collaborative Research Agreement: Building Executive Function in Imaginary Play, 2016–19. This agreement links to Monash University's 2013 Inquiry to Implementation Project Evaluation, commissioned by the VCAA. The research aligns with the evidence base of the revised VEYLDF, and demonstrates the value of Assessment for Learning projects developed and evaluated from 2010–11 as part of ongoing improvements to assessment practices.
- The VCAA is reviewing and updating manual content for the Assessment for Learning – Supporting Early Years Networks professional learning program, and including an additional program for early years leaders. This review reflects VEYLDF revisions, and development and delivery of an accreditation program for facilitators.
- The VCAA has developed planning cycle resources, building on the Illustrative Maps, to support a continuum of learning from the VEYLDF Outcomes to the first three levels of the Victorian Curriculum F–10. This resource is designed to strengthen the place of well-considered intentional teaching and learning with children. New partnerships with researchers

and practitioners across the early years will be developed to trial and refine samples and collect evidence samples and case studies for each of the VEYLDF learning and development outcomes. Ongoing implementation has a key focus on how the Illustrative Maps can be used:

- to identify and monitor specific examples of the evidence of learning in the five Learning and Development Outcomes
- to make informed curriculum decisions and plan experiences and opportunities that advance children’s learning.

Foundation–10 curriculum

The VCAA develops curriculum for the Prep to Year 10 students. The curriculum sets out what every student should learn during their first 11 school years of schooling in simple, coherent and comprehensive sets of content descriptions and standards. This enables teachers to plan, monitor, assess and report on every student’s achievements. The Victorian Curriculum incorporates the Australian Curriculum and reflects Victorian priorities and standards.

During 2016, schools could elect to continue to use AusVELS, or they could begin to implement the new Victorian Curriculum F–10. From the beginning of 2017, schools were mandated to use the Victorian Curriculum F–10. Victorian government and Catholic schools are required to use these curricula. Independent schools may use these curricula as a model and resource for the effective implementation of the Australian Curriculum.

Both AusVELS and the Victorian Curriculum F–10 use an 11-level structure.

AusVELS

AusVELS incorporates four Australian Curriculum subjects (English, Mathematics, History and Science) and the remaining curriculum domains are from the Victorian Essential Learning Standards (VELS). It is represented in a triple-helix structure of three interconnected areas of learning: the Physical, Personal and Social Learning, Discipline-based Learning and Interdisciplinary Learning.

The VCAA’s dedicated AusVELS website, which has now been archived, provided information on the curriculum, and an overview of each learning domain and its content and achievement standards.

The Victorian Curriculum F–10

The new Victorian Curriculum F–10 is a learning continuum. The knowledge and skills are defined in eight learning areas and four capabilities. The content descriptions and achievement standards for all the curriculum areas describe what to teach and how well students are expected to learn. The Victorian Curriculum includes a curriculum for students with disabilities and additional learning needs, to help teachers to support students’ learning as they transition into Foundation level.

By supporting the Victorian Curriculum’s initial implementation, the VCAA is delivering a \$21.6 million Education State initiative. The focus in the last year has been on identifying and training specialist teachers across 10 priority areas, and for these teachers to facilitate both face-to-face and online professional learning for groups of teachers and schools. Government schools have also received funding to support time release for whole school and curriculum area specific planning.

The VCAA provides the Victorian Curriculum on a dedicated website (victoriancurriculum.vcaa.vic.edu.au) including an overview of each area, and its content and achievement standards.

The VCAA also provides a range of curriculum and assessment support materials to help teachers implement their teaching, learning and assessment programs. The VCAA offers stakeholders, including universities and teachers’ professional associations, timely and high quality advice about implementing curriculum and developing teaching and learning programs.

The VCAA website (vcaa.vic.edu.au) provides additional Foundation–10 resources and support, including the Revised Curriculum Planning and Reporting Guidelines, audit and planning templates, analysis questions, FAQs, PowerPoint presentations, teaching resources and information about professional development opportunities.

The Curriculum Planning website (curriculumplanning.vcaa.vic.edu.au) provides curriculum planning resources for school leaders and resources for assessing their curriculum planning practices, identifying strengths and challenges to planning and documenting a comprehensive, school-wide curriculum.

Achievements

- The remaining Language curricula were approved and released on the Victorian Curriculum website. This included Victorian Aboriginal Languages, Auslan, Classical Greek and Latin.
- The Victorian Curriculum F–10 website has had over 6,800,000 page views during this calendar year, with 352,234 users.
- The AusVELS website was only available for six months, being archived at the end of 2016, as the Victorian Curriculum F–10 was mandated from the beginning of 2017. The website maintained reasonably high usage in this period with over 880,000 page views and 120,929 users.
- Usage of the Curriculum Planning website has continued to increase with the introduction of the new Victorian Curriculum F–10. In 2016–2017 there were nearly 95,000 users and 518,000 page views compared with 67,500 users and 373,500 page views in 2015–16.
- The VCAA staff facilitated a large range of professional development programs to primary and secondary professionals from government, Catholic and independent schools, to familiarise and help them plan and implement the new Victorian Curriculum F–10. Online professional learning sessions were offered three nights a week on most weeks of the school year. Face-to-face sessions and keynote presentations were provided at major conferences and to groups of teachers and schools.
- During Term 2, 2017, 28 specialist teachers delivered 37 face-to-face sessions and seven online sessions to support teachers to build understanding of the curriculum and develop high quality teaching and learning programs.
- The VCAA staff offered professional learning sessions to support the government Senior Education Improvement Leaders and the Education Improvement Leaders to build a deeper understanding of the planning and implementation issues faced by schools when implementing the new curriculum.
- The number of subscribers to the online F–10 Curriculum Update continues to increase and now reaches more than 7,000 recipients.
- An Intercultural Capability project commenced in June 2017 and will continue until Term 1, 2018. This project involves 20 schools from across all sectors developing and trialling units of work to explicitly teach the new curriculum. This is a partnership project with the Department of Education and Training Internationalising Education Division.

Foundation–10 assessment

NAPLAN 2016

In August 2016, the VCAA reported to schools and parents the results of National Assessment Program – Literacy and Numeracy Testing (NAPLAN) 2016. Student results were referenced to the 10-band national achievement scale. Each year level was reported against a range of six bands (the higher the band, the greater the complexity of the skills assessed):

- Year 3: Bands 1–6
- Year 5: Bands 3–8
- Year 7: Bands 4–9
- Year 9: Bands 5–10.

Parents of each child who undertook the NAPLAN 2016 tests were issued with an individual student report showing their child's achievement in reading, writing, language conventions (spelling, grammar and punctuation) and numeracy. Individual results were referenced to the national average and to the middle 60 per cent of all students who completed the test.

These reports provided parents with an interpretation of results to help them read the NAPLAN report. They described each test's content, and provided a summary of the typical skills and knowledge assessed at each band for each subject area.

One of the achievement bands for each year level is identified as the national minimum standard for that year level. The national minimum standard represents a wide range of the typical skills demonstrated by students at this level. Students with results in the band representing the national minimum standard typically demonstrate the basic elements of literacy and numeracy for that year level. These skills are published on the National Assessment Program website for each learning domain and for each year level.

Table 1 – Relationship between year levels and the national minimum standard (NMS)

Year level	Below NMS	At NMS	Above NMS
Year 3	Band 1	Band 2	Bands 3–6
Year 5	Band 3	Band 4	Bands 5–8
Year 7	Band 4	Band 5	Bands 6–9
Year 9	Band 5	Band 6	Bands 7–10

NAPLAN 2017

In May 2017, the VCAA implemented the NAPLAN 2017 in Victoria. Within the testing period, more than 260,000 Victorian students from Years 3, 5, 7 and 9 undertook tests of language conventions (spelling, grammar and punctuation), writing, reading and numeracy.

Development of the tests was project managed by Australian Curriculum, Assessment and Reporting Authority (ACARA) who coordinated the tests' development in consultation with the VCAA and the other state and territory test administration authorities, the Commonwealth Government, and non-government school representatives.

To ensure that NAPLAN results can be reported on the same assessment scales from year to year, a common-person equating process is undertaken each year, with a number of Victorian schools participating.

Additionally, a pairwise comparison of writing scripts is conducted each year during test marking. This comparison ensures that different writing test prompts do not affect student results from year to year. In Victoria, there are eight markers involved.

The VCAA was responsible for marking Tasmanian NAPLAN writing tests (approximately 24,000) as well as Victorian tests (approximately 260,000).

More than 300 Victorian markers were employed to mark the tests' writing component.

The VCAA continued the operational implementation of NAPLAN Online with the Government, Catholic and independent sectors. In April 2017, the commencement of the transition was deferred to 2018 due to several technical issues with the NAPLAN Online platform and supporting technology. Working with our sector partners a revised transition model for NAPLAN Online has been developed, which is subject to ministerial approval.

The VCAA continues to participate in a number of reference groups and committees at a local and national level as part of the online transition.

Achievements

- NAPLAN 2016 reports to parents for Victorian students from approximately 2300 schools were delivered on schedule and on budget.
- NAPLAN 2016 school reports were delivered on schedule via the secure NAPLAN Data Service and were supported with professional development workshops for teachers, principals and curriculum leaders at multiple locations across Victoria.
- Tests for more than 260,000 Victorian students were delivered to, administered by, and returned from more than 2300 schools during the NAPLAN 2017 testing period, on schedule and within budget.

- To support the transition to NAPLAN Online in Victoria, the VCAA:
 - conducted a trial of NAPLAN Online with 199 pilot schools across the state in August 2016. This trial provided valuable feedback in preparation for the rollout of NAPLAN Online in the future
 - conducted face-to-face training in July 2016 (prior to the trial) and in March 2017. The VCAA provided funding for 1–2 staff to attend for all participating schools
 - developed a range of support materials for participating schools, including implementation guides, checklists and user manuals for the platform
 - participated in the National User Acceptance Testing of the NAPLAN Online system in December 2016, February 2017 and April 2017, which involved finding issues with the delivery platform
- While the 2017 NAPLAN Online Pilot did not proceed, 163 Victorian schools that participated in testing fully reached or exceeded the preparation requirements.

On Demand

On Demand is an online application that provides tests linked to the Victorian Curriculum, both general ability tests and learning-domain-specific assessments. Teachers can administer On Demand tests for a single student or an entire class. The application provides linear tests, as well as computer-adaptive tests that automatically adapt to the ability of the student. Tests are available in English and Mathematics.

On Demand is widely used in Victorian schools for:

- assessing the ability levels of new-intake or late-arrival students
- identifying strengths and weaknesses of individual students
- corroborating teacher judgments of students' abilities
- assisting in the planning of teaching programs
- assisting in curriculum planning
- longitudinal analysis of student achievement.

Achievements

The On Demand program was updated to align to the Victorian Curriculum. This involved a significant review and update throughout 2016 of content and configuration of the program to realign from the former AusVELS curriculum.

The update was released for use by schools at the start of the 2017 school year.

Education State Targets Sample Assessments

Early in 2016, DET requested that the VCAA lead sample assessment programs for Critical and Creative Thinking (CCT) and the Arts to establish a baseline to establish measures of excellence in Victoria to inform the Education State targets over the next 10 years.

From June 2016, the VCAA developed an assessment program and in Term 3, 2016 implemented it across a sample of Victorian schools. For CCT, tasks were administered from an existing online assessment instrument to assess students in Year 6 and 10. For the Arts, new assessment tasks and rubrics were developed for Year 6 and 10 for each of the five Arts domains: Dance, Drama, Music, Media Arts and Visual Arts.

The VCAA drew a representative sample of schools for the assessments. Sampled schools typically provided one class for CCT or were sampled in either one or two Arts disciplines with up to 18 students selected per school.

The VCAA employed assessment supervisors to facilitate the CCT assessments in schools and Arts assessors to assess the visual art and media works and performances in schools.

Using psychometric modelling, the sample assessments were designed to inform the overall performance of the state.

Achievements

- CCT online assessments were delivered in 52 schools between Monday 22 August and Friday 2 September.
- Arts assessments were conducted in 46 schools between Monday 22 August and Friday 9 September.
- Following analysis of the results, recommendations were made to DET and the Minister regarding the setting of baseline measures for the Education State targets.
- Approval was given for the VCAA to further refine and expand the sample assessment program in 2017 with 90 schools participating in CCT assessments between 22 May and 9 June.

Senior Secondary

The VCAA has responsibility for both the VCE and the VCAL. The VCAA develops high quality curriculum and assessments, teacher support materials and related professional development activities to support the delivery of the two certificates.

The VCAA is also responsible for developing and maintaining the recognition arrangements for vocational education and training within the VCE and the VCAL.

Senior Secondary curriculum

VCE

The VCAA supports the delivery of the VCE curriculum by providing advice and resources to teachers, including a wide range of VCAA curriculum materials and resources on the VCAA website. Implementation sessions are held across the state to accompany the introduction of revised VCE studies.

The VCE curriculum is subject to rigorous quality assurance processes through annual monitoring, cyclical evaluation and re-accreditation to ensure that Victorian students have access to the highest quality curriculum.

The VCE covers a broad range of studies. More than 130 study options are available at Year 12 level, including 49 languages, 24 VCE VET programs, and school-based apprenticeships and traineeships in 13 industries.

VET programs are fully integrated within the VCE and provide students with credit in the VCE and credit for national training qualifications issued within the Australian Qualifications Framework.

VCAL

There are three VCAL levels: Foundation, Intermediate and Senior. Students start at the VCAL level matching their needs and abilities. A VCAL student's learning program comprises four compulsory curriculum strands:

- literacy and numeracy skills
- work-related skills
- industry-specific skills
- personal development skills.

VET qualifications form an important vocational aspect of VCAL programs and are essential at Intermediate and Senior levels. VCAL programs can also include School-based apprenticeships and traineeships.

Students who complete the Senior VCAL or the VCE are able to enrol in VCAL Senior Extension (Folio Enhancement). The VCAL Senior Extension is designed as a further year of study to develop skills, knowledge and understanding in areas where a folio is required for entry to higher education or employment, such as in the visual arts, design, photography or music.

All VCAL programs support students to explore pathways into employment and/or further training that meet their individual needs, learning styles and career aspirations.

VET

VET programs allow students to combine general and vocational studies with Senior Secondary education. Students are also provided with pathways into training, further education and employment, and direct experience in business and industry.

Students undertaking vocational education and training through either the VCE or the VCAL are able to include nationally recognised vocational education and training in their study program. In Victoria, the term 'VCE VET' has been adopted to describe the formalised arrangements under which VET certificates have been incorporated in the VCE. Most students undertaking vocational education and training as part of their VCE or VCAL are enrolled in VCE VET programs.

The VCAA develops VCE VET programs from national training package VET qualifications or the nationally-recognised curriculum that can form part of a VCE or VCAL certificate. Students are able to select from a suite of vocational certificates approved by the VCAA for inclusion in the VCE or the VCAL.

Students may enrol in a VET certificate undertaken as a school-based apprenticeship or traineeship program in a range of industry areas promoted by industry stakeholders. Students undertaking other VET training at or above Certificate II level are eligible for block credit recognition, which provides broader pathways for VCE students because they are given access to a range of VET programs and the opportunity to tailor their studies to local industry requirements and training opportunities. It enables greater student uptake of school-based apprenticeships and traineeships in a wider range of industries.

Through both the industry and the work-related skills strands of the VCAL, students are able to gain credit for vocational education and training undertaken in any industry or training setting.

VET enrolments

Enrolments in VET remained relatively high in 2016 when a total of 51,024 students were enrolled with 606 providers. This resulted in 68,384 certificate enrolments across a range of industries, including 3367 enrolments in school-based or part-time apprenticeships or traineeships.

Achievements

- During February and March 2017, 16 VCE leaders' briefings were conducted at eight metropolitan and eight regional locations across Victoria. These briefings covered many topics of interest for VCE leaders such as administrative procedures, special provision, curriculum updates, School-based Assessment audit, Examination conduct and supervision, Statistical moderation and study score calculation. These briefings were attended by 706 participants from metropolitan and regional schools across Victoria. Feedback indicated that participants found the professional development session both engaging and beneficial, particularly for those new to VCE leadership roles.
- VCE Accounting (continued from 2016), Classical Studies, Dance, Drama, Extended Investigation, Industry and Enterprise, Philosophy, Systems Engineering, Theatre Studies and those language studies using the VCE second languages template – Arabic, Chinese Second Language, Chinese Second Language Advanced, French, German, Greek, Indonesian Second Language, Italian, Japanese Second Language, Korean Second Language, Spanish and Vietnamese Second Language are being reviewed in 2017.
- Annual training days for teachers of studies that include School-assessed Tasks (Visual Arts, Technologies and Computing) were conducted and received positive feedback. Teachers unable to attend the training days were able to participate online via Adobe Connect.
- Nine universities participated in the Higher Education Studies in the VCE program and offered eligible VCE students a broad range of first-year undergraduate studies approved by the VCAA Board.
- State-wide briefings began in May 2017 in preparation for the 2018 implementation of revised study designs for VCE Health and Human Development, Legal Studies, Australian and Global Politics and Media. A video recording of an implementation session is available for each of the newly revised studies via the relevant study design page.
- A new VCE study: Chinese Language, Culture and Society was implemented at Units 1 and 2 with Units 3 and 4 of Karen (a language of Myanmar) and Vietnamese First Language being implemented, following the implementation of Units 1 and 2 in 2016.

- The transfer of Advice for Teachers digital publications from the DET Digipubs website to the corporate VCAA website commenced. Resources were made available for Computing, Mathematics studies, English Language and Sociology. Further Advice for Teachers publications are scheduled for the second half of 2017 including VCE Music, Outdoor and Environmental Studies, Australian and Global Politics, Health and Human Development, Legal Studies, Product Design and Technology, Visual Communication Design, Media and Chinese Language Culture and Society.
- The VCAA is the authorising body for non-school senior secondary providers, Catholic system and government system schools to deliver the VCE and VCAL. In 2017 this responsibility was transitioned successfully as a separate process from the Victorian Registration and Qualifications Authority (VRQA) registration process to the VCAA.
- The 2017 annual audit of school-based assessment commenced. In 2016, a total of 1864 audits were performed across 581 VCE providers. The Victorian Assessment Software System (VASS) was successfully used to provide notification and outcomes of the audit to schools/VCE providers and enabled them to track their audit status. An individual tailored report is delivered to each school/VCE provider on the outcome of their audit. Qualtrics, an online service provider, continues to be contracted for the purpose of collecting information from schools/VCE providers throughout the audit and was successful in resolving the majority of issues around the collection of information.
- A review of the VCAA Special Provision policy and procedures commenced in February 2017 focusing on the categories of Specific Learning Disorder (formerly Learning Disability) and Significant Health Impairment (with specific consideration to Mental Health conditions). Advisory Groups were established for each category to consider all information collected by the VCAA in consultation with stakeholders and develop recommendations relating to the VCAA's Special Provision Policy and procedures.
- The 2016 VCAL Achievement Awards recognised the outstanding achievements of young people, teachers and partner organisations that made a contribution to the qualification in the preceding year. The awards celebrated the outstanding achievements of 38 students, five teachers and four partner organisations. The Chair's Award was presented to Narre Warren South P-12 College for its outstanding contribution to the promotion and development of the VCAL.
- Eleven new providers were authorised to deliver the VCAL in 2017: four government schools, four Catholic schools and three independent schools.
- The VCAL Literacy and Numeracy Skills units are being reviewed in 2017.
- In 2016, 10 VCE VET programs were reviewed and one new program in Hair and Beauty was developed for implementation from 2017. Five of the revised programs saw changes to the scored Unit 3 and 4 sequences. A review of seven additional programs commenced in 2016.
- Further work was undertaken on the structured workplace learning credit proposal with pilot schools being identified; 2017 was dedicated to consulting with schools, industry, students and other government agencies.
- The VCAA was identified as a key participant in the 'Reform of VET Policy and Provision' announced by the Secretary of the Department of Education and Training. The projects will run over the next three years.

The VCAA provided:

- statewide workshops in partnership with the VRQA and DET on new developments in VCE VET programs and the VET sector to more than 750 participants from schools, RTOs and industry representatives in 12 locations across the state
- professional development seminars (in partnership with professional teaching associations, tertiary providers and RTOs) for VCE VET Agriculture, Automotive, Dance, Equine Industry, Health, Hospitality, Information Technology, Music and Sport and Recreation programs
- workshops for more than 270 teachers and trainers from schools and RTOs engaged in the delivery of scored VCE VET programs

- support to networks of teachers, trainers and VET personnel from schools, TAFE, private RTO's, industry and government organisations
- assistance to the DET, Independent Schools Victoria and the Catholic Education Commission Victoria in relation to VET in VCE and the VCAL
- assistance to the DET and VRQA to develop School-based Apprenticeship guidelines and revised processes for engaging with RTOs to provide VET to VCE or VCAL students in schools
- advice to Service Skills Organisations on the structure and content of qualifications appropriate for students undertaking Senior Secondary certificates
- support to the Australasian Curriculum, Assessment and Certification Authorities VET group and to ACARA, to help gather data and report VET activity by students undertaking Senior Secondary certificates
- materials to support training package implementation and scored assessment in VCE VET programs.

Senior Secondary assessment

VCE

During the October–November 2016 VCE written examination period, 108 examinations from 105 VCE studies were conducted over 19 days, including the Auslan examination and those provided by Collaborative Curriculum Assessment Framework for Languages (CCAFL). Further Mathematics, Specialist Mathematics and Mathematical Methods each had two written examinations in November.

All student examinations were processed and assessed and examination scores finalised over a period of 56 days.

VCE graded assessment and study scores 2016

Graded assessment comprises School-assessed Coursework or School-assessed Tasks and external assessments. In 2016, there were 778,975 graded assessments. The median grade awarded was B and 57 per cent of grades were B or higher.

Table 2 – Study scores 2011–2016

	2011	2012	2013	2014	2015	2016
Number of study scores issued	260,978	259,007	257,940	258,811	258,472	257,070
Students with at least one study score	76,699	76,493	76,325	76,320	76,655	77,058
Students with at least one study score of 40+	14,737	14,610	14,657	14,740	14,782	14,653
Students with at least one study score of 50	624	643	659	622	614	611
Number of study scores of 50	693	706	721	693	683	673

VCE VET programs

From 2017, 24 VCE VET programs across 16 broad industry areas comprising 43 distinct qualifications were available. Thirteen VCE VET programs gave students the option of undertaking scored assessment of designated Unit 3 and 4 sequences.

Scored assessment was available in the following VCE VET programs: Business, Community Services, Dance, Engineering Studies, Equine Industry, Furnishing, Hospitality, Information Technology, Integrated Technologies, Interactive Digital Media, Laboratory Skills, Music Industry and Sport and Recreation.

The study score for a VCE VET program is calculated through assessments on a set of coursework tasks and an examination at the end of the year. The score allows students to use their VCE VET programs for direct contribution to their Australian Tertiary Admissions Rank (ATAR).

VCAL

The VCAL provides a Senior Secondary credential through which participating students can receive recognition for their achievements in programs that have traditionally not provided credit within a formal qualification. This can include recognition of learning that occurs in structured workplace settings, locally developed programs, community projects and youth development programs.

Achievements

During the reporting period, the VCAA:

- recorded:
 - 49,801 VCE completions
 - 3808 students awarded the VCE (Baccalaureate)
 - 13,208 VCAL certificate completions
 - 623 students who had successfully completed at least one unit of a Higher Education study.
- delivered to students' homes:
 - 81,175 VCE statements of results
 - 78,855 General Achievement Test (GAT) statements
 - 15,820 VET statements of results
 - 3596 VCAL statements of results
- 507 statements of Equivalent Qualification.
- delivered to students through their school:
 - 67,052 VCE statements of results
 - 34,132 VET statements of results
 - 18,224 VCAL statements of results.
- delivered:
 - 561 GAT statements to overseas students (Crawford Schools)
 - 464 certificates and 569 statements of results to overseas VCE providers.
- provided the VCAA and VTAC joint information service for students, whereby:
 - 17,570 students accessed their results by SMS
 - 61,485 students accessed their results online
 - 37,109 students accessed their online results via their mobile phones.

Future plans and challenges

The following are planned for 2017–18:

- Redevelop the Assessment for Learning: Supporting Early Years Networks professional learning program to reflect the revised VEYLDF.
- Develop professional learning for practitioners working with children and families for whom English is an additional language in their transition from early childhood services to school.
- Develop assessment for learning tools and practice guidelines that focus on instructional support that is evident in rich interactions with very young children.
- Release a suite of online Language assessments for primary and secondary schools, in eight languages. High quality professional learning will be provided to support teachers to administer the assessments, interpret the results and support students' learning.
- Release the new English as an Additional Language (EAL) curriculum aligned to the Victorian Curriculum F–10 construct.
- Publish the complete set of indicative progress examples as stimulus to support teachers during the curriculum planning phase to articulate learning progression along the continuum.

- Develop examples for whole-school curriculum planning for special schools to support high quality curriculum planning in these settings.
- Appoint and train the remaining cohort of Specialist teachers.
- Release the existing Critical and Creative Thinking tasks to support teachers to assess students' learning and progression along the curriculum continuum.
- Develop and annotate work samples to assist teachers to develop a shared understanding of the standards and moderate work at the local level.
- Develop more sample teaching and learning resources providing ideas about teaching and learning strategies and assessment approaches.
- Publish Intercultural Capability case studies and work samples.
- Continue making professional development opportunities available to achieve deeper exploration of the curriculum and implications for curriculum planning and implementation including assessment.
- Undertake monitoring and evaluation of the Victorian Curriculum F–10.
- Continue working collaboratively with ACARA to introduce NAPLAN Online in 2018, and continue activities leading to a readiness test and the 2018 pilot delivery.
- Implement Units 3 and 4 of the new VCE Chinese Language, Culture and Society study in 2018.
- Implement eight revised VCE studies in 2018: Health and Human Development, Australian and Global Politics, Legal Studies, Media, Outdoor and Environmental Studies, Product Design and Technology, Sociology and Visual Communication Design.
- Finalise the review, redevelopment and provide implementation professional learning for VCE studies: Accounting, Extended Investigation, Philosophy, Systems Engineering, Industry and Enterprise, Classical Studies, Dance, Drama, Theatre Studies and Second Languages including: Arabic, Chinese Second Language, Chinese Second Language Advanced, French, German, Greek, Indonesian Second Language, Italian, Japanese Second Language, Korean Second Language, Spanish and Vietnamese Second Language.
- Publish Advice for Teachers in digital format on the VCAA website for Music, Outdoor and Environmental Studies, Australian and Global Politics, Health and Human Development, Legal Studies, Product Design and Technology, Visual Communication Design, Media and Chinese Language Culture and Society.
- Finalise processes and templates for publication on the VCAA website for use by providers applying for authorisation as senior secondary education providers.
- Offer and further develop the VCE Northern Hemisphere timetable for Units 3 and 4 studies, with examinations scheduled for June 2018.
- Develop a new VCE Results and ATAR Service to replace the SMS service.
- Publish Advice for teachers and other resources in digital format on the VCAA VCE study pages.
- Finalise the review of the VCAL Literacy and Numeracy Skills Units.
- Ensure that all changes to Training Packages are translated into VCE VET programs where appropriate and that the information provided to schools enables a smooth transition in 2017.
- Ensure that changes made to other VET qualifications are made available on VASS for school enrolment.
- Follow formal recognition of structured workplace learning with extensive schools consultations to inform development of policy and practices that support recognition.
- Remain abreast of the changes to the national VET sector, and of the impact of VET funding reforms in Victoria on VET delivered to secondary students.
- Commence projects relating to the appropriateness and quality of VET programs delivered to secondary students and the promotion of VET to school communities.

Summary of financial results

The table below provides a summary of financial information for 2016–17 and comparison with prior years.

In 2016–17 income totalled \$60.4 million. This was an increase of \$3.6 million from the previous year. Government appropriations increased by \$2.2 million, as a result of funding decisions applicable to the 2016–17 year. Other Income increased by \$1.4 million due to increased grant income.

Expenditure for 2016–17 increased slightly (\$2.9 million) to \$59.7 million from \$56.8 million in the previous financial year. This was due to increases in employee expenses of \$1.7 million and supplies and services of \$1.4 million.

The VCAA recorded a net surplus of \$0.62 million in 2016–17 compared with a deficit of \$0.03 million in 2015–16.

Total assets increased in 2016–17 by \$1.5 million, primarily due to increased cash reserves of \$0.6 million during 2016–17 to \$11.2 million and an increase in plant and equipment of \$0.6 million and in receivables of \$0.5 million.

Total Liabilities increased by \$0.8 million due to increased payables at year end.

Table 3 – Five-year financial summary

	2016–17	2015–16	2014–15	2013–14	2012–13
	\$,000	\$,000	\$,000	\$,000	\$,000
Government appropriations	52,056	49,880	47,278	43,177	42,643
Other income	8,296	6,881	8,772	8,380	9,703
Total income from transactions	60,352	56,761	56,050	51,557	52,346
Total expenses from transactions	59,732	56,792	54,468	53,659	52,697
Net result from transactions	620	(32)	1,582	(2,103)	(351)
Net result for the period	620	(32)	1,587	(2,088)	(351)
Net cash flows from operations	1,242	1,774	1,547	(453)	881

Report of operations – governance and organisational structure

Ministers

The VCAA is primarily accountable to the Minister for Education. It is also responsible to the Minister for Training and Skills and the Minister for Families and Children in relation to sections of Part 2.5 of the *Education and Training Reform Act 2006*.

VCAA Board

Chris Wardlaw PSM, BEc(Hons), DipEd
Chair, VCAA Board

Chris Wardlaw held Deputy Secretary roles in education in Hong Kong (2002–08) and Victoria (2009–13) before retiring. In the Hong Kong Government, Chris was responsible for curriculum, assessment and quality assurance for pre-primary, basic education and senior secondary education. In Victoria, he was responsible for strategy and review across the portfolio.

Before his time in Hong Kong, Chris had a long career in Victorian education, during which he took a leading role in major reforms supporting school-level decision-making, evaluation and review.

He taught economics and history at university and secondary levels before moving into educational administration.

Chris received an Australian Sports Medal in 2000 and the Public Service Medal in the 2013 Queen's Birthday Honours list. He was made a Fellow of Monash University in 2013.

He is currently a Director of the Board of Athletics Australia and Deputy Chair of the Australian Institute for Teaching and School Leadership.

Gill Callister BA, BSW(Hons)
Secretary, Department of Education and Training

Gill Callister commenced as Secretary of the Victorian Department of Education and Training on 1 January 2015.

Before joining the Department, Gill was Secretary of the Department of Human Services (2009–14) and led policy, legislative and service delivery reform. In this role, Gill led an organisation of more than 11,000 staff with an annual budget of approximately \$4 billion. She was responsible for the delivery of child protection, disability, youth, housing and family violence services.

Gill began her career in the community sector serving disadvantaged Victorians. She then led child protection, family services and mental health units within the Department of Human Services and, in 2009, was Deputy Secretary at Skills Victoria.

Gill is President of the Institute of Public Administration Australia (Victoria). Her leadership in public policy was recognised in 2013 when she was named in the Australian Financial Review's 100 Women of Influence, and received a Sir James Wolfensohn Public Service Scholarship to attend Harvard University's Kennedy School of Government. In October 2014, Gill was awarded the IPAA National Fellowship award and a Monash University Fellowship.

Catherine Dillon BEd, MEd, GradDipEd Studies, MACEL

Catherine Dillon holds the position of Manager, Leadership and School Development with Catholic Education Melbourne. Previously, she was Principal of Mount St Joseph Girls' College, Altona, from 2008–15 and Deputy Principal of Catholic Regional College, Sydenham from 2006–08. She is a registered teacher with 25 years of experience as a teacher, Deputy Principal and Principal. Her current role focuses on building systemic school leadership capacity and continuous and evidence informed school improvement for better student outcomes.

Suzy Chandler BA, MEd (Monash), MEd (Melb), DipEd, MACE, FACEL

Suzy Chandler was Vice-Principal of Westbourne Grammar School from 2000–06 and taught at Camberwell Grammar from 1995–2000, Scotch College from 1993–94, and Yeshivah College from 1987–92. She has been an educator for more than 30 years and also served on the committees of a number of community groups and has been the Mayoress of Prahran and Stonnington.

Suzy is a member of the Australian College of Educators, and a Fellow of the Australian Council for Educational Leaders. She is a supporter of the Northern Territory Danila Dilba Health Service, a non-government organisation that provides primary care to the Aboriginal and Torres Strait Islander peoples of the greater Darwin area.

Suzy is currently the Principal at Fintona Girls School.

Professor Wayne Hodgson BSc, PhD, GradCertHighEd

Professor Wayne Hodgson is Deputy Dean (Education) for the Faculty of Medicine, Nursing and Health Sciences at Monash University. In this role he is responsible for overseeing the faculty's undergraduate and postgraduate coursework programs in Australia and overseas.

Professor Hodgson is a past winner of the faculty's Jubilee Teaching Prize and continues to teach pharmacology to students in a range of courses. He has a keen interest in research examining the relationship between admissions criteria and subsequent performance at university, and widening access to courses for students from underserved populations.

Professor Hodgson is an internationally renowned pharmacologist who specialises in toxinology (the study of toxins produced by living organisms). His laboratory has been responsible for characterising a wide range of animal venoms and associated toxins. He serves on a number of editorial boards of scientific journals.

Pauline Jelleff DipT, GradDipEdAd, GradDipComp

Pauline Jelleff is the current South-Eastern Regional Professional Learning Communities project manager attached to the central office of Professional Practice and Leadership Division within the Department of Education and Training.

Pauline has more than 30 years' service with the department and during that time has had a number of roles, most recently as a Principal for the past 14 years at two different schools. Her other roles have included being network chair for a number of years, as an English teacher in China, as a mentor for aspiring Principals and in acting roles as Regional Network Leader. Most of her work in education has been in the South-East region and her current work continues to focus on continuous improvement in government schools.

Peter Moore DipT, BEd, MRE, GradCertRE

Peter Moore is Principal of St Monica's Catholic Primary School, Moonee Ponds, and was Principal of Our Lady of Immaculate Conception School, Sunshine 2003–12. He is a registered teacher and has more than 25 years' experience in the Catholic primary school sector as a teacher, Deputy Principal and Principal.

For the past decade, Peter has been the volunteer Chief Executive Officer of Melbourne Overseas Missions – a humanitarian organisation assisting communities in developing countries.

Dale Pearce BA, DipEd

Dale Pearce has more than 30 years of experience as a secondary school teacher and Principal. He is Chair of the Victorian Senior Secondary Principals Group, member of the Regional Advisory Board of La Trobe University, and sponsor of the Victorian Virtual Learning Network.

Dale is active with a range of professional associations and community organisations. He has a strong interest in international education including establishing, in partnership with the Chinese Government, a Confucius Classroom program providing Mandarin language programs to more than 3000 students in the Bendigo region.

He is currently Principal of Bendigo Senior Secondary College.

Russell Pettis MAppSc, FAIM

Russell Pettis was Chief Executive Officer of DENSO Automotive Systems Australia, where he worked for 19 years. He was responsible for the early implementation of the Certificate of Automotive Manufacturing at DENSO Australia.

Russell previously worked in the aerospace industry in manufacturing management roles with Commonwealth Aircraft Corporation and at Aerospace Technologies Australia. In his early working years as a scientist, he conducted marine research related to defence materials with the Defence Science and Technology Organisation.

In addition to his business career, Russell participates in a number of community activities including as a member of the board of the Sir Edward (Weary) Dunlop Medical Research Foundation and National President of the Naval Association of Australia.

Andrée Poulter BA, DipEd, GCert TESOL

Andrée Poulter has been involved in education for more than 30 years. She has worked in government schools in western Queensland and Melbourne, written curriculum materials for the *ESL Companion to the Curriculum Standards Framework*, and led the implementation of whole-school curriculum change. She introduced programs that promote the inclusion of all learners and delivered professional learning on a variety of topics including cognitive coaching, the integration of explicit teaching of higher order thinking skills into curriculum designs, literacy across the curriculum, collaborative learning, and philosophy for children.

Andrée is committed to pedagogies that engage young people with important ideas relating to our culture as well as equipping them with the skills and values that will allow them to have fulfilling lives and to become responsible adults and citizens.

Andrée is Assistant Principal responsible for Teaching and Learning at Melton Secondary College.

Claire Rasmussen MEd, BA, GradDipEd (Secondary), GradCertEd (Educational Leadership), DipPM, Cert IV Training and Assessment

Claire currently holds the position of Director, VET Practice at Federation University Australia where she is responsible for providing advice on the strategic direction of VET delivery and leading quality learning and teaching outcomes. Claire has extensive experience in teaching and learning in the secondary, VET and Higher Education sectors and over 25 years' involvement in education regionally, nationally and more recently through her consultancy and facilitation work for the Chinese government.

Claire is a member of Federation University Academic Board, Learning and Teaching committee, amongst others, and holds a strong interest in the development of professional learning of VET teachers, to ensure the unique and complex characteristics of VET teachers are maintained and enhanced to meet the demands of a complex vocational education and training environment. Claire is a recent recipient of the Berwyn Clayton Award for Distinguished Service to the education and development of VET educators and other professionals and a Fellow of the International Specialised Skills Institute.

Professor Mark Rose PhD, MEd Admin, BA DipT

Professor Mark Rose is traditionally linked to the Gunditjmarra Nation of Western Victoria. He has a 30-year career in education, contributing to a broad range of educational settings in Victoria, nationally and internationally. Professor Rose is currently Executive Director of Indigenous Strategy and Education at La Trobe University.

In ministerially-appointed arrangements, Professor Rose advised ministers Nelson, Bishop, Gillard and Garrett, co-chaired the Royal Commission into Aboriginal Deaths in Custody Review, and sat on numerous government task forces. He is involved with the United Nations Permanent Forum on Indigenous Issues in New York and is a delegate to the National Congress of Australia's First Peoples. Currently Professor Rose is Vice President of the Victorian Aboriginal Education Association Incorporated (VAEAI). He chairs the Indigenous advisory group of ACARA and is Chancellor of Batchelor Institute in the Northern Territory.

Professor Collette Tayler DipT, BEd, PhD, TCert, FACE

Professor Collette Tayler holds the Chair in Early Childhood Education and Care at the University of Melbourne. Within the Graduate School of Education, Professor Tayler leads the academic direction of the Master of Teaching Early Childhood, a specialist birth-to-age-eight teaching course bridging care, education and health.

Professor Tayler is leader of the E4Kids longitudinal study and a chief investigator in the National Science of Learning Centre and the 3a (Abecedarian Approach Australia) group of research and development projects for use in early childhood settings. She has an extensive background in early childhood education and has held numerous positions, including as a primary school teacher.

Senior executives

The Chief Executive Officer is responsible to the VCAA Board for all policy and operational matters and to the Secretary of the Department of Education and Training for budgetary, personnel and other administrative matters.

Chief Executive Officer

John Firth

John Firth was CEO of the VCAA from August 2005 until his retirement on 14 July 2017, having managed curriculum for the previous 12 years. John was a curriculum leader for many years and was responsible for the development of the Victorian Essential Learning Standards as the curriculum for Victorian schools for the Prep to 10 years.

John oversaw the continuing development of the VCE as a Year 12 credential of international status, the full recognition of VET within the VCE, and the implementation of the VCAL as an additional vocational pathway for senior secondary students. Under his leadership, the VCAA considerably expanded its international work, especially increasing the number of schools working with international partners to offer the VCE. John also supported the VCAA's development and implementation of the first educational framework for pre-school children, the VEYLDF, reviewed in 2015–16.

John was a member the Executive Board of the DET. He continues to be a member of many state and national groups and speaks frequently at state and national forums. In 2008, he was a member of the Interim National Curriculum Board and in 2009 he was appointed to the Board of ACARA and served the maximum six-year term.

John holds a Bachelor of Commerce and a Diploma of Education, and is a Fellow of the Australian College of Educators.

David Howes commenced as CEO of the VCAA on 17 July 2017.

Executive Director, Assessment and Reporting

Joe Pellegrino

The Executive Director, Assessment and Reporting is responsible for policies and procedures associated with assessment, certification, analysis and reporting of student achievement, and for coordinating the division's work programs, including the strategic redevelopment of the VCAA's assessment technology.

Under his leadership, the Division also collects and processes student enrolment and assessment data, manages the Victorian Student Register, and conducts measurement activities.

Joe Pellegrino previously held the position of Director, Assessment Centre at VCAA from 2007 and the role of Manager, P–10 Assessment prior to that. Joe has worked as an English and Media teacher and had close involvement with early development of the VCE Media study design, in curriculum and assessment development, teacher professional development, multimedia project management, and literacy and numeracy testing.

Acting Directors, Assessment Centre Justin Seabury and Taylor Ashton

The Director, Assessment Centre is responsible for centre management, assessment programs, assessment services and assessment operations. The centre's primary task is to manage operational processes for developing, delivering, securing, assessing and processing the General Achievement Test and VCE written examinations, VCE arts performance and languages oral examinations, NAPLAN tests for years 3, 5, 7 and 9, On Demand literacy and numeracy testing, and select-entry high school testing. The Centre is also responsible for the appointment of all sessional assessment staff.

Justin Seabury and Taylor Ashton have shared the responsibilities of the Director position in an acting capacity during 2016/2017. Responsibilities have been split between Senior Secondary and F-10. Justin Seabury is the Manager of the Assessment Operations unit, which has direct responsibility for the overall delivery and marking of VCE external assessments including overseeing the VCAA's Special Provision policy and procedures. Justin has managed the unit since 2010 and was previously Manager of Student Records and Results Unit.

Taylor Ashton is the Acting Manager of the Assessment Programs unit, which oversees the delivery of NAPLAN, On Demand testing and selective entry high school testing programs. Taylor joined the VCAA in 2001 and has occupied senior roles across both senior secondary and F-10 and currently has primary responsibility for the development of the VCAA's digital assessment platforms.

Executive Director, Curriculum Dr Mary Oski

The Executive Director, Curriculum is responsible for the operations of the Curriculum Division, which includes leadership of Early Years project teams, the Victorian Curriculum F-10 Steering Committee, the Vocational Education Reference Group and the VCE Study Review and Examination Setting panels, as well as the Curriculum and Assessment Committees of the VCAA Board. These groups and committees provide the VCAA with advice and recommendations on development, implementation and monitoring of early childhood learning and development, the Victorian Curriculum F-10, the VCE and VCAL, including VET programs and setting VCE examinations.

Mary Oski was appointed to the role of Executive Director of Curriculum at the Victorian Curriculum and Assessment Authority in February 2017. Her professional background includes senior leadership roles within Catholic education with responsibility for learning and teaching, school improvement, review practices and processes, principal appointments and leadership initiatives. Prior to her system leadership roles, Mary taught for many years within secondary schools and held leadership roles in curriculum and student wellbeing. Mary is a National Fellow of the Australian Council of Educational Leaders (ACEL) for contribution to educational leadership. Mary has held a number of state representative positions for the Victorian Catholic education sector, a reflection of her professional pedigree and commitment to the education sector.

Director, Curriculum Services Charmaine Taylor

The Director, Curriculum Services is responsible for leading the development of the VCAA digital delivery strategy.

Charmaine commenced in this newly-created role in May 2014. She was previously responsible for coordinating and delivering professional services to schools to support implementation of the curriculum from early years to senior secondary. Charmaine has held a range of school leadership positions at principal class level in suburban and regional colleges, where she initiated blended learning pedagogies, online assessment and electronic student management systems. She was previously employed at the VCAA as Information Technology Study Manager, Chief Examiner and Chief Assessor for several VCE studies. Charmaine has won a number of awards for curriculum innovation and excellence, including the South Australian Premier's Award for Excellence in Educational Software and the Hume Council Inspiring Teacher Award.

Executive Director, Planning, Strategy and Corporate Support
Lea Saddington

The Executive Director, Planning, Strategy and Corporate Support leads the Infrastructure and Business Services Division, which is responsible for providing support and information services to the community and supporting VCAA business operations including finance, human resources, governance, legal services, information technology infrastructure, communications, planning and international.

Lea has worked at executive level in several Victorian public sector entities and in the private sector.

Committees of the VCAA Board

Executive Committee

The Executive Committee established under section 2.5.7 of the Act comprises the VCAA Chair, Chris Wardlaw, the Chief Executive Officer, John Firth, and Board members Suzy Chandler, Dale Pearce and Professor Wayne Hodgson.

Audit Committee

The VCAA Audit Committee comprised Board members Russell Pettis, Catherine Dillon and Collette Taylor, and two independent external members, Stuart Alford and Peter McMullin.

The VCAA Audit Committee is constituted as a Committee of the Authority. It assists the Authority in fulfilling its monitoring and oversight responsibilities, and in the independent review and assessment of the effectiveness of systems and controls. The responsibilities include financial management, risk management, corporate governance, performance and sustainability, and audit and business assurance activities. The *Education and Training Reform Act 2006* and the *Financial Management Act 1994* guide the Committee in compliance accountabilities and responsibilities.

Early Years–10 Curriculum and Assessment Committee

The Early Years–10 Curriculum and Assessment Committee comprises VCAA Board members and representatives of the following organisations and sectors:

- Catholic Education Commission of Victoria
- Independent Schools Victoria
- Department of Education and Training.

The committee provides expert advice and makes recommendations to the VCAA in relation to the Early Years to Year 10 on:

- policies, criteria and standards for curriculum and assessment for the Early Years to Year 10
- the relationship between VEYLDF and F–10 curriculum and the F–10 curriculum and senior secondary pathways in education and training, including the VCE, VETiS and VCAL
- administration of the NAPLAN program (years 3, 5, 7 and 9)
- monitoring and reporting student participation and performance in Early Years to Year 10 assessment programs
- the provision of materials for schools and early childhood settings, and of professional development for teachers and educators, to support the implementation of Early Years to Year 10 curriculum and assessment programs
- research on matters relating to Early Years–Year 10 curriculum, standards and assessment at a national and international level.

Senior Secondary Curriculum and Assessment Committee

The Senior Secondary Curriculum and Assessment Committee comprises nominated VCAA Board members and representatives from the senior secondary education sector, tertiary education sector, industry, Catholic, independent and government sectors.

The Committee provides expert advice and makes recommendations to the VCAA Board on:

- the development, evaluation and approval of curriculum and assessment designed to be undertaken in the senior secondary years
- policies and procedures for the design, delivery and evaluation of curriculum and assessment products and services for the VCE, VCE VET and the VCAL
- patterns of participation and quality of outcomes relating to courses of study in the senior secondary years

- provision of material for schools and professional development for teachers to support the implementation of senior secondary curriculum and assessment programs
- research on matters relating to senior secondary curriculum and assessments.

Review Committees

A review committee is a committee of the VCAA Board. It consists of three members, one of whom must be a Board member and committee Chair. A review committee is established only when required, and is responsible for:

- hearing student appeals against decisions of their school to impose penalties in respect of contraventions of VCAA assessment rules relating to school-based assessment
- conducting hearings into allegations that students have breached VCE examination rules and imposing penalties where appropriate in accordance with the requirements of the *Education and Training Reform Act 2006*. Penalties range from reprimands to amending or cancelling students' grades.

International Committee

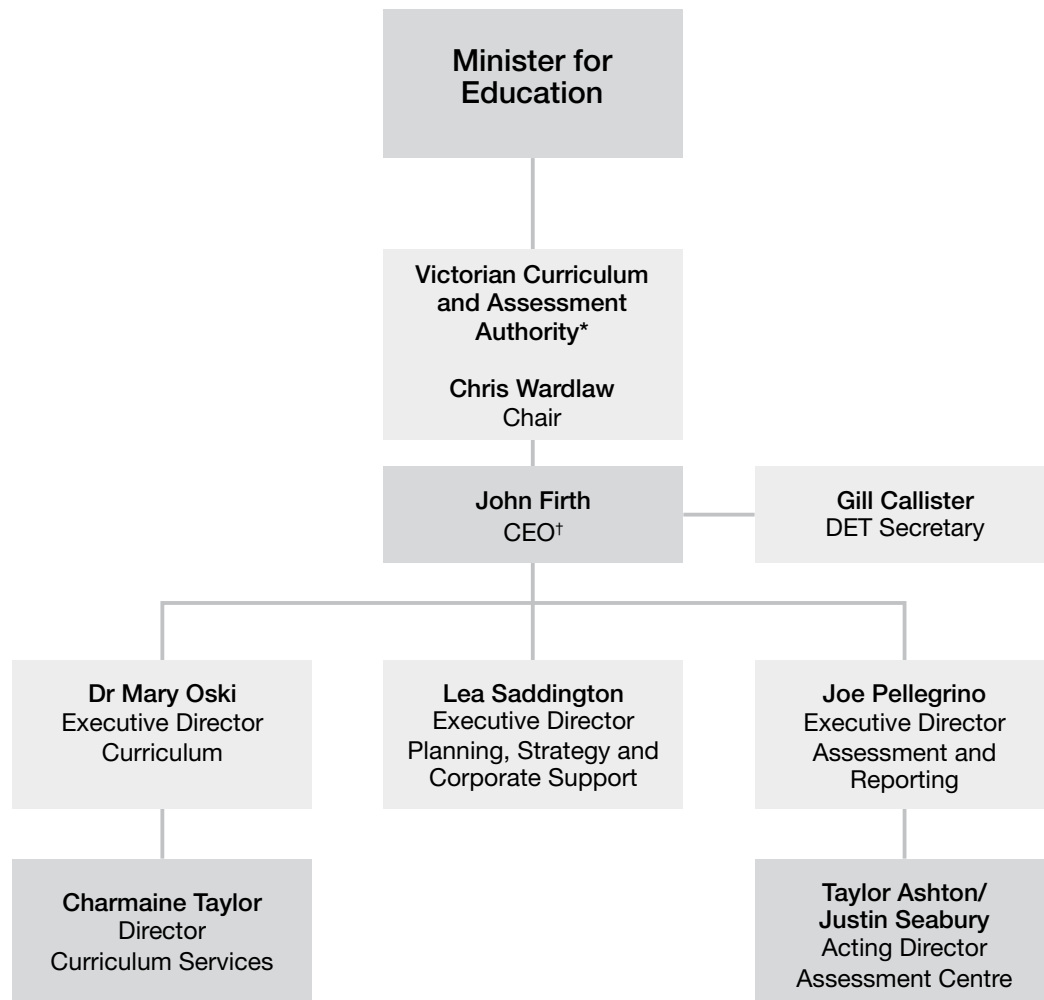
The International Committee comprises VCAA Board members and representatives of the following organisations and sectors:

- The Department of Education and Training
- The Department of Economic Development, Jobs, Transport and Resources
- The Victorian tertiary sector
- Independent international education and business consultants.

The VCAA International Committee gives advice to the VCAA Board and makes recommendations on policy, strategy and operational matters on VCAA international activities and engagement, including:

- Assessing applications from schools to deliver VCAA curriculum and assessment offshore
- Licensing of VCAA products and services for use overseas
- Risk management and quality assurance related to the offshore delivery of VCAA products and services
- Alignment of VCAA international activities with VCAA, departmental and government policy and strategy objectives.

Organisational structure (as of 30 June 2017)



* The VCAA reports to the Minister for Training and Skills, the Minister for Families and Children, and the Minister for International Education, in relation to relevant provisions in the *Education and Training Reform Act 2006* (Vic) administered by those Ministers.

† John Firth retired as CEO of the VCAA on 14 July 2017. Dr David Howes commenced as CEO on 17 July 2017.

VCAA staff establishment

At 30 June 2017, the VCAA had an establishment of 162 full-time equivalent (FTE) ongoing employees. During the year, the VCAA also employed 4696 casual employees.

More detail is provided in the following section of this report.

Report of operations – workforce data

Occupational health and safety

The VCAA's occupational health and safety objectives are to:

- prevent injury/illness from occurring in the workplace
- maintain the health and wellbeing of all staff
- comply with all statutory requirements of Acts and Regulations, codes of practice and standards.

To fulfil these objectives, the VCAA:

- is proactively ensuring that the workplace is safe and without risk to health
- is continually monitoring the health and wellbeing of the employees and conducting regular risk assessments of the work environment
- is actively assisting occupational health and safety representatives to maintain their knowledge and keep abreast of any legislative changes to the *Occupational Health and Safety Act 2004*
- developed and applied occupational health and safety policies, procedures and practices in accordance with statutory requirements and accepted health and safety standards.

Major initiatives in 2016–17 included:

- supporting management representatives and occupational health and safety representatives to maintain the skills and knowledge required for their roles
- actively encouraging staff to report all occupational health and safety issues
- continuing to review and upgrade the first aid skills, including automatic external defibrillator training, of all first aid officers
- maintaining the knowledge level of all building wardens through practical drills
- appointment of additional wardens
- appointment of additional first aid officers.

Performance targets

Occupational health and safety performance met or exceeded VCAA targets in 2016–17. During the reporting period, no new standard claims were received by the VCAA, and no Improvement or Prohibition Notices were issued to the VCAA.

The target for 2017–18 is to maintain this standard.

Workplace Consultative Committee

The VCAA Workplace Consultative Committee is an employee representative committee whose membership was decided following an employee nomination and consultation process. It is also the VCAA's Occupational Health and Safety Committee.

The role of the committee is to foster an ethical, positive and healthy workplace culture. It is a consultation forum to identify and resolve matters related to accommodation, building safety and security, professional development and training, staff health and wellbeing, and matters related to human resources.

The committee met once a month throughout 2016–17.

Merit training

Six VCAA staff completed accreditation training during the reporting period. Seventy-nine current staff have trained in merit-based selection procedures.

A merit protection-accredited person is required to be included on all selection panels and in many other situations where personnel decisions are made.

Industrial relations

All VCAA employees are covered by the Victorian Public Service Enterprise Agreement 2016. The *Fair Work Act 2009* provides that no industrial action will be taken on matters within an enterprise agreement from the day on which the enterprise agreement is approved by the Fair Work Commission (FWC) until its nominal expiry date has passed.

No time was lost due to industrial action during 2016–17.

Workforce data

Table 4: Full Time Equivalent (FTE) staffing trends from 2013 to 2017

Year	2017	2016	2015	2014	2013
FTE	178	174	178	185	177

Table 5: Summary of employment levels in June of 2016 and 2017

	All employees		Ongoing			Fixed Term		Casual employees
	Headcount	FTE	Full-time headcount	Part-time headcount	FTE	Headcount	FTE	Headcount
June 2017	186	178	144	25	162	17	16	659
June 2016	182	174	149	28	169	5	5	1048

Table 6: Victorian Public Service staff employment levels, June 2016 and 2017¹

	June 2017						June 2016												
	All employees		Ongoing		Fixed Term		Casual Employee		All employees		Ongoing		Fixed Term		Casual Employee				
	Headcount	FTE	Full-time Headcount	Part-time Headcount	FTE	Headcount	FTE	Headcount	FTE	Headcount	FTE	Full-time Headcount	Part-time Headcount	FTE	Headcount	FTE	Headcount	FTE	
Gender																			
Male	66	65	59	1	59	6	6	192	65	64	63	1	63	1	1	353			
Female	120	113	85	24	103	11	10	467	117	110	86	27	106	4	4	695			
Age																			
Under 25	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
23-34	18	18	11	1	12	6	6	6	20	20	17	2	19	1	1				
35-44	46	42	29	11	37	6	5	5	40	36	27	12	35	1	1				
45-54	56	55	46	6	51	4	4	4	51	49	43	7	48	1	1				
55-64	59	57	54	4	56	1	1	1	62	60	54	6	58	2	2				
Over 64	7	6	4	3	6	-	-	-	9	9	8	1	9	-	-				
VPSG1-6	179	171	137	25	155	17	16	16	175	167	142	28	162	5	5				
VPSG1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-				
VPSG2	10	9	6	2	7	2	2	2	13	12	9	3	11	1	1				
VPSG3	42	39	27	9	34	6	6	6	41	39	30	9	37	2	2				
VPSG4	33	31	23	5	26	5	4	4	30	27	21	8	26	1	1				
VPSG5	62	60	49	9	56	4	4	4	59	57	50	8	56	1	1				
VPSG6	32	32	32	-	32	-	-	-	32	32	32	-	32	-	-				
Senior employees	7	7	7	-	7	-	-	-	7	7	7	-	7	-	-				
STS	2	2	2	-	2	-	-	-	2	2	2	-	2	-	-				
Executive Officer	5	5	5	-	5	-	-	-	5	5	5	-	5	-	-				
Total	186	178	144	25	162	17	16	659	182	174	149	28	169	5	5			1048	

Figures are for Victorian Public Service staff on pay during the last full pay period in June of each year and exclude those on leave without pay or absent on secondment, external contractors and consultants, temporary staff employed by employment agencies.

¹ VCAA Public Service staff are also included in the DET workforce data

Table 7: Annualised total salary, by \$20 000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
< \$160 000	1	1				
\$160 000 – \$179 999		1				
\$180 000 – \$199 999						
\$200 000 – \$219 999	2					
\$220 000 – \$239 999						
\$240 000 – \$259 999	1					
\$260 000 – \$279 999						
\$280 000 – \$299 999						
\$300 000 – \$319 999	1					
\$320 000 – \$339 999						
\$340 000 – \$359 999						
\$360 000 – \$379 999						
\$380 000 – \$399 999						
\$400 000 – \$419 999						
\$420 000 – \$439 999						
\$440 000 – \$459 999						
\$460 000 – \$479 999						
\$480 000 – \$499 999						
Total	5	2				

Note: Senior Technical Specialists (STS), Principal Scientists (PS), Senior Medical Advisors (SMA), Senior Regulatory Analysts (SRA).

Report of operations – other disclosures and attestations

Victorian Industry Participation Policy

The *Victorian Industry Participation Policy Act 2003* requires departments and public sector bodies to report on the implementation of the 'Local Jobs First – Victorian Industry Participation Policy' (Local Jobs First – VIPP). Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for statewide projects, or \$1 million or more for procurement activities in regional Victoria.

During the 2016–17 reporting period, the VCAA did not commence any Local Jobs First–VIPP applicable procurements.

Consultancy expenditure

In 2016–17, there were two consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2016–17 in relation to these consultancies is \$41,809 (excluding GST). Details of individual consultancies are outlined below.

Table 9 : Consultancy expenditure

Consultant	Purpose of consultancy	Total approved project fee (\$ excluding GST)	Expenditure 2016–17 (\$ excluding GST)	Future expenditure (\$ excluding GST)
Partners Pty Ltd	Website enhancement options report	43,727	24,909	18,818
Quantum Market Research Pty Ltd	VCAA client/stakeholder research	33,800	16,900	16,900

In 2016–17 there were two consultancies where the total fees payable to the consultant was less than \$10,000. The total expenditure incurred during 2016–17 in relation to these consultancies was \$17,180 (excluding GST).

Information and Communications Technology (ICT) expenditure

For the 2016–17 reporting period, the VCAA had a total ICT expenditure of \$7.7 million (excluding GST), all of which was Business as Usual (BAU) ICT.

Freedom of Information

The *Freedom of Information Act 1982 (Vic)* allows the public a right of access to documents held by the VCAA. For the 12 months ending 30 June 2017, the VCAA received 14 applications, eight of which were valid. These applications were from members of the public.

Of these requests, five requests were not pursued beyond the application stage, and two were not due for response until after 30 June 2017. Three requests were acceded to, one request was transferred, and three requests were refused.

The information required to be published pursuant to section 7 of the *Freedom of Information Act 1982 (Vic)* is available at: vcaa.vic.edu.au.

Making a request

Access to documents may be obtained through written request to the Freedom of Information officer, as detailed in section 17 of the *Freedom of Information Act 1982 (Vic)*.

In summary, the requirements for a request are:

- it should be in writing
- it should identify as clearly as possible which document is being requested
- it should be accompanied by the appropriate application fee (\$27.90 as of 1 July 2016. The fee may be waived in certain circumstances).

Requests for documents in the possession of the VCAA should be addressed to:

Freedom of Information Officer
Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street
Melbourne Victoria 3000
Telephone: (03) 9032 1662
Email: foi.vcaa@edumail.vic.gov.au

Access charges may also apply once documents have been processed and a decision on access is made; for example, photocopying and search and retrieval charges.

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

Compliance with the *Building Act 1993*

The VCAA does not own or control any government buildings and consequently is exempt from notifying its compliance with the building and maintenance provisions of the *Building Act 1993 (Vic)*.

National Competition Policy

In 1995, the Commonwealth, state and territory governments agreed to implement the National Competition Policy to promote greater competition and encourage economic growth. Three requirements of the policy are:

- legislative reviews to eliminate restrictions on competition
- assessment of new legislation and regulation to ensure continued policy compliance
- competitive neutrality to ensure consistency in pricing of goods and services.

Legislative reviews

The VCAA did not undertake any reviews of legislation under the National Competition Policy in 2016–17.

Assessment of new legislation and regulations

No new Acts or regulations relating to the VCAA were enacted during 2016–17.

Competitive neutrality

Competitive neutrality requires government businesses to ensure, where services may compete with the private sector, that any advantages arising from their government ownership are removed if they are not in the public interest. The VCAA does not conduct any businesses. The VCAA was not involved in any complaints for the year 2016–17.

Compliance with the *Protected Disclosure Act 2012* (formerly *Whistleblowers Protection Act 2001*)

The *Protected Disclosure Act 2012* (Vic) encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The VCAA does not tolerate improper conduct by its employees or officers, nor the taking of reprisals against those who come forward to disclose such conduct.

The VCAA is committed ensuring transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment.

The VCAA will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Under the Act, the VCAA is not able to receive disclosures of improper conduct or detrimental action by the VCAA or any of its employees or officers. Disclosures of improper conduct or detrimental action by the VCAA or any of its Board members and/or employees should be made to the Independent Broad-based Anti-corruption Commission (IBAC):

Level 1, North Tower, 459 Collins Street

Melbourne Victoria 3000

Phone: 1300 735 135

Internet: www.ibac.vic.gov.au – see the website for online complaint form

Email: info@ibac.vic.gov.au – see the IBAC website for complaint form

Further information

The VCAA's Protected Disclosure procedures, which outline the VCAA's responsibilities in respect of protected disclosures, are available online (under Corporate Policies) at: vcaa.vic.edu.au/Pages/aboutus/index.aspx. A hard copy of these procedures can also be obtained by requesting a copy by mail from the VCAA's Protected Disclosure Coordinator:

Lea Saddington

Executive Director, Planning, Strategy and Corporate Support

Level 7, 2 Lonsdale Street

Melbourne Victoria 3000

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 the VCAA and are available on request, subject to the provisions of the *Freedom of Information Act 1982 (Vic)*:

- 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
 - expenditure committed for each engagement.

The information is available on request from:

Chief Executive Officer
Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street
Melbourne Victoria 3000

Risk attestation compliance statement

We, Chris Wardlaw and John Firth, certify that the Victorian Curriculum and Assessment Authority has complied with the Ministerial Standing direction 3.7.1 – Risk Management Framework and Processes. The Victorian Curriculum and Assessment Authority Audit Committee verifies this.



Chris Wardlaw
Chair



John Firth
Chief Executive Officer

Financial report

How this report is structured

The Victorian Curriculum and Assessment Authority (VCAA) has pleasure in presenting its audited general purpose financial statements for the financial year ended 30 June 2017 and provides users with the information about the VCAA's stewardship of resources entrusted to it. It is presented in the following structure:

Financial statements

Declaration of Accountable Officers and Chief Finance and Accounting Officer

Comprehensive operating statement

Balance sheet

Statement of changes in equity

Cash flow statement

Notes to the financial statements

1 About this report

The basis on which the financial statements have been prepared and compliance with reporting regulations

2 Funding delivery of our services

Revenue recognised in respect of appropriations and other income sources

3 The cost of delivering services

Operating expenses of the VCAA

4 Key assets available to support output delivery

Plant and equipment

5 Other assets and liabilities

Working capital balances and other key assets and liabilities

6 How we financed our operations

Borrowings, cash flow information, leases

7 Risks, contingencies and valuation judgments

Financial risk management, contingent assets and liabilities as well as fair value determination

8 Other disclosures

Financial statements

Declaration of Accountable Officers and Chief Finance and Accounting Officer

The attached financial statements for the Victorian Curriculum and Assessment Authority (VCAA) have been prepared in accordance with Direction 5.2 of the Standing Directions of the Minister for Finance under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including Interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2017 and financial position of the VCAA at 30 June 2017.

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

We authorise the attached financial statements for issue on 23 August 2017.



Chris Wardlaw

Chair

Melbourne

23 August 2017



David Howes

Chief Executive Officer

Melbourne

23 August 2017



Bruce Rohde

Chief Finance and Accounting Officer

Melbourne

23 August 2017

Independent Auditor's Report

To the Board Members of the Victorian Curriculum and Assessment Authority

Opinion	<p>I have audited the financial report of the Victorian Curriculum and Assessment Authority (the authority) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2017 • 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 a summary of significant accounting policies • accountable officer's and chief finance and accounting officer's declaration. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the authority as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the authority in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Board Members' responsibilities for the financial report	<p>The Board Members of the authority are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board Members determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Board Members are responsible for assessing the authority's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the authority's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members
- conclude on the appropriateness of the Board Members' 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 authority'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 authority 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 Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
25 August 2017



Simone Bohan
as delegate for the Auditor-General of Victoria

Comprehensive operating statement for the year ended 30 June 2017

	Note(s)	2017 \$	2016 \$
Continuing operations			
Income from transactions			
Appropriations	2.2	52,056,487	49,879,961
Interest	2.3.1	96,205	121,178
Other income	2.3.4	3,889,799	3,569,299
Grants	2.3.2	1,918,365	840,417
Resources received free of charge	2.3.3	2,391,472	2,349,702
Total income from transactions		60,352,328	56,760,557
Expenses from transactions			
Employee expenses	3.1.1(a)	37,071,402	35,350,176
Depreciation and amortisation expense	4.1.1	437,003	616,031
Interest expense	6.1.2	5,095	7,317
Supplies and services	3.1.2	19,827,095	18,469,128
Resources received free of charge	3.1.2	2,391,472	2,349,702
Total expenses from transactions		59,732,067	56,792,354
Net result from transactions (net operating balance)		620,261	(31,797)
Net result		620,261	(31,797)
Comprehensive result		620,261	(31,797)

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

Balance sheet as at 30 June 2017

	Note(s)	2017 \$	2016 \$
Assets			
Financial assets			
Cash and deposits	6.3	11,161,896	10,941,508
Receivables	5.1	2,216,914	1,676,442
Total financial assets		13,378,810	12,617,950
Non-financial assets			
Plant and equipment	4.1	1,469,345	870,273
Other non-financial assets	5.3	368,722	267,656
Total non-financial assets		1,838,067	1,137,929
Total assets		15,216,877	13,755,879
Liabilities			
Payables	5.2	7,212,632	6,433,424
Borrowings	6.1	150,952	89,423
Total liabilities		7,363,584	6,522,847
Net assets		7,853,293	7,233,032
Equity			
Accumulated surplus		3,154,801	2,534,540
Contributed capital		4,698,492	4,698,492
Net worth		7,853,293	7,233,032

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

Statement of changes in equity for the year ended 30 June 2017

	Note(s)	Accumulated Surplus \$	Contributions by owner \$	Total \$
Balance at 1 July 2015		2,566,337	4,698,492	7,264,829
Net result for the year		(31,797)	–	(31,797)
Balance at 30 June 2016		2,534,540	4,698,492	7,233,032
Net result for the year		620,261	–	620,261
Balance at 30 June 2017		3,154,801	4,698,492	7,853,293

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

Cash flow statement for the year ended 30 June 2017

	Note(s)	2017 \$	2016 \$
Cash flows from operating activities			
Receipts			
Receipts from Government		53,841,535	50,730,378
Interest received		96,205	121,178
Goods and Services Tax recovered from ATO		10,804	12,131
Other receipts		3,546,529	3,370,353
Total receipts		57,495,073	54,234,040
Payments			
Payments to employees		(36,933,923)	(34,833,311)
Goods and Services Tax paid to ATO		(100,605)	(92,331)
Payments to suppliers		(19,218,676)	(17,534,493)
Total payments		(56,253,204)	(52,460,135)
Net cash flows from/(used in) operating activities	6.3.1	1,241,869	1,773,905
Cash flows from investing activities			
Payments for non-financial assets		(27,310)	(163,747)
Payments for work in progress		(911,244)	(134,836)
Net cash flows from/(used in) investing activities		(938,554)	(298,583)
Cash flows from financing activities			
Repayment of finance leases		(82,927)	(56,117)
Net cash flows from/(used in) financing activities		(82,927)	(56,117)
Net increase/(decrease) in cash and cash equivalents		220,388	1,419,206
Cash and cash equivalents at the beginning of the financial year		10,941,508	9,522,303
Cash and cash equivalents at the end of the financial year	6.3	11,161,896	10,941,508
Consisting of:			
Committed cash (Government grant funding received in advance)		4,649,962	4,171,989
Non-committed cash (cash reserve for short term liabilities)		6,511,934	6,769,519

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

Notes to the financial statements

1 About this report

The VCAA is statutory authority continued under the *Education and Training Reform Act 2006 (Vic)* (ETR Act) and a public body sector agency under the *Financial Management Act 1994 (Vic)*. The VCAA directly reports to, and is primarily accountable to, the Victorian Minister for Education. The ETR Act 2006 sets out the functions and powers of the VCAA.

Its principal address is: Victorian Curriculum and Assessment Authority
Level 7, 2 Lonsdale Street
Melbourne Vic 3000

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing 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.

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

Judgments, estimates and assumptions are required to be made about financial information being presented. The significant judgments made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgments are disclosed. Estimates and associated assumptions are based on professional judgments derived from historical experience and various other factors that are believed to be reasonable under the circumstance. Actual results may differ from these estimates.

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. Judgments and assumptions made by management in the application of Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates are disclosed in the notes under the heading: 'Significant judgment or estimates'.

These financial statements cover the VCAA as an individual reporting entity and include all the controlled activities of the agency.

Where necessary, changes to the presentation of comparative figures have been made for disclosure purposes.

Amounts in the financial statements have been rounded to the nearest dollar, unless otherwise stated.

Compliance information

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994*, and applicable AAS which include Interpretations issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. For the purposes of preparing financial statements, VCAA is classed as a not-for-profit entity.

Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

Accounting policies selected and applied in these financial statements ensure 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.

These annual financial statements were authorised for issue by the Chairman of the Board on 23 August 2017.

2 Funding delivery of our services

Introduction

The VCAA's objective is to provide high-quality curriculum, assessment and reporting that promotes individual lifelong learning.

The VCAA is predominantly funded by accrual-based appropriations from the Department of Education and Training (DET) for the provision of outputs. As a statutory authority, the VCAA also derives revenue from a number of external sources, including the Commonwealth Government, overseas student fees, publication sales, student services, royalties and other administrative fees.

As in previous years, the DET provided the VCAA with a letter of comfort dated 21 August 2015 recognising that if required, the DET will provide supplementary appropriation funding to the VCAA to meet its current and future financial commitments as and when they fall due.

Structure

- 2.1 Summary of income that funds the delivery of our services
- 2.2 Appropriations
- 2.3 Income from transactions
 - 2.3.1 Interest
 - 2.3.2 Grants
 - 2.3.3 Fair value of services received free of charge
 - 2.3.4 Other income

2.1 Summary of income that funds the delivery of our services

	Note(s)	2017 \$	2016 \$
Appropriations	2.2	52,056,487	49,879,961
Interest	2.3.1	96,205	121,178
Grants	2.3.2	1,918,365	840,417
Fair value of services received free of charge	2.3.3	2,391,472	2,349,702
Other income	2.3.4	3,889,799	3,569,299
Total income from transactions		60,352,328	56,760,557

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

Where applicable, amounts disclosed as revenue are net of returns, allowances and duties and taxes. Revenue is recognised for each of the major activities as follows:

2.2 Appropriations

	2017	2016
	\$	\$
Operating appropriations	51,326,487	49,879,961
Capital appropriations	730,000	–
Total appropriations	52,056,487	49,879,961

VCAA receives an operating appropriation from DET, from which both employee and non-employee costs are met.

2.3 Income from transactions

2.3.1 Interest

	2017	2016
	\$	\$
Interest on bank deposits	96,205	121,178
Total interest	96,205	121,178

Interest income includes interest received on bank deposits in the operational bank account.

Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset.

2.3.2 Grants

	2017	2016
	\$	\$
General purpose grants	1,918,365	840,417
Total grants	1,918,365	840,417

Grant income arises from transactions in which a party provides goods or services (or extinguishes a liability) to the VCAA without receiving approximately equal value in return. While grants may result in the provision of some goods or services to the transferring party, they do not provide a claim to receive benefits directly of approximately equal value (and are termed 'non-reciprocal' transfers). Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For non-reciprocal grants, the VCAA recognises revenue when the grant is receivable or received.

Grants can be received as general purpose grants which refer to grants which are not subject to conditions regarding their use. Alternatively, they may be received as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

2.3.3 Fair value of assets and services received free of charge or for nominal consideration

	2017	2016
	\$	\$
Accommodation	2,391,472	2,349,702
Total fair value of assets and services received free of charge or for nominal consideration	2,391,472	2,349,702

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the VCAA obtains control over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

Fair value of assets and services received free of charge or from nominal consideration relates to two separate building occupancy agreements:

- 2 Lonsdale Street, Melbourne
- VCAA Assessment Centre at Coburg

The value of the VCAA accommodation costs from DET is recognised in the comprehensive operating statement as an expense offset by an increase to revenue as resources received free of charge.

2.3.4 Other income

	2017	2016
	\$	\$
User charges	3,010,766	2,643,849
Royalties	164,242	207,087
Miscellaneous income	714,791	718,363
Total other income	3,889,799	3,569,299

User charges include income for student fees and charges from overseas students and the offshore delivery of the VCE.

3 The cost of delivering services

Introduction

This section provides an account of the expenses incurred by the VCAA on delivering services and outputs. In Section 2, the funds that enable the provision of services were disclosed and in this note the cost associated with provision of services are recorded.

Structure

- 3.1 Expenses incurred in delivery of services
 - 3.1.1 Employee benefits
 - 3.1.2 Other Operating expenses

3.1 Expenses incurred in delivery of services

	Note(s)	2017 \$	2016 \$
Employee benefit expenses	3.1.1	37,071,402	35,350,176
Other operating expenses	3.1.2	22,218,567	20,818,830
Total expenses incurred in delivery of services		59,289,969	56,169,006

3.1.1(a) Employee benefits – comprehensive operating statement

	2017 \$	2016 \$
Salary & wages (including annual leave and long service leave)	18,668,299	18,294,102
Wages for setting, vetting and assessing examinations	13,383,280	12,282,775
Superannuation	3,027,853	2,874,824
Other on-costs (fringe benefits tax, payroll tax and WorkCover levy)	1,991,970	1,898,475
Total employee benefits	37,071,402	35,350,176

Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and superannuation contributions. These are recognised when incurred, except for contributions in respect of defined benefit plans.

3.1.1(b) Employee benefits in the balance sheet

As per the *Education and Training Reform Act 2006*, for employees in the VCAA recognised as employees of the DET, the liabilities for long service leave and annual leave are recognised by DET. When a staff member accesses their leave entitlement, it is paid by DET and reduces the accumulated balances of the provision accounts in the DET balance sheet.

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

3.1.1(c) Superannuation contributions

As per the *Education and Training Reform Act 2006*, employees in the VCAA recognised as employees of the DET are entitled to receive superannuation benefits. The Department contributes to both defined benefit and defined contribution plans. The defined benefit plan(s) provides benefits based on years of service and final average salary.

The VCAA 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 total defined benefit liabilities in its disclosure for administered items. However, superannuation contributions paid or payable for the reporting period are included as part of employee benefits in the comprehensive operating statement of the VCAA.

Superannuation contributions for the reporting period are included as part of salaries and associated costs in the comprehensive operating statement of the VCAA.

The VCAA paid contributions on behalf of eligible casual and sessional employees into 218 different funds.

Contributions are calculated at a rate of 9.5 per cent (2016: 9.5 per cent) pursuant to the provisions of the *Superannuation Guarantee Act 1992*. The names, details and amounts of the major employee superannuation funds and contributions made by the VCAA are as follows:

Defined contribution plans:	Paid contribution for the year		Contribution outstanding at year end	
	2017 \$	2016 \$	2017 \$	2016 \$
Victorian Superannuation Scheme	936,884	717,838	–	149,658
Catholic Superannuation Fund	61,477	38,192	–	10,997
Australian Superannuation fund	32,498	17,201	–	3,241
Various other	237,475	158,599	–	44,040
Total	1,268,334	931,830	–	207,936

3.1.2 Other operating expenses

	2017	2016
	\$	\$
Supplies and services:		
Examination centre, supervisor and other payments	3,809,465	3,490,790
Teacher release and development payments	612,750	466,298
Contractors and consultants	8,641,729	8,208,795
Administrative expenses	2,146,313	2,127,368
Information, technology and communication expenses	1,810,552	1,834,523
Purchase of other supplies and services	2,078,155	1,631,581
Total supplies and services	19,098,964	17,759,355
Fair value assets and services provided free of charge or for nominal consideration:		
Accommodation	2,391,472	2,349,702
Total fair value assets and services provided free of charge or for nominal consideration	2,391,472	2,349,702
Other expenses:		
Lease payments	692,076	682,807
Bad debts from transactions	36,055	26,966
Total other expenses	728,131	709,773
Total other operating expenses	22,218,567	20,818,830

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes bad debts expense from transactions that are mutually agreed.

Supplies and services are recognised as an expense in the reporting period in which they are incurred and generally represent cost of goods sold and the day-to-day running costs, including school requisites and maintenance costs, incurred in the normal operations of the VCAA.

Contributions of resources received free of charge or for nominal consideration are recognised at their fair value when the VCAA obtains control over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation.

The value of the VCAA accommodation costs from DET is recognised in the comprehensive operating statement as an expense offset by an increase to revenue as resources received free of charge.

Operating lease payments, including any contingent rentals, are recognised on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset.

4 Key assets available to support output delivery

Introduction

The VCAA controls assets that are utilised in fulfilling its objectives and conducting its activities. They represent the key resources that have been entrusted to the VCAA for the delivery of these outputs.

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.

Structure

- 4.1 Property, plant and equipment: carrying amount
 - 4.1.1 Depreciation / amortisation and impairment
 - 4.1.2 Carrying values by purpose groups
 - 4.1.3 Reconciliation of movements in carrying values

4.1 Property, plant and equipment:

	Gross carrying amount		Accumulated depreciation/amortisation		Net carrying amount	
	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$
Plant and equipment	4,828,142	4,214,268	(4,010,259)	(3,610,703)	817,883	603,565
Motor vehicles	176,823	194,339	(26,677)	(104,267)	150,146	90,072
Work in progress (WIP)	501,316	176,636	–	–	501,316	176,636
Total	5,506,281	4,585,243	(4,036,936)	(3,714,970)	1,469,345	870,273

Initial recognition:

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 acquired for no or nominal cost, the is its 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 initial cost for non-financial physical assets under a finance lease is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Subsequent measurement:

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.

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

4.1.1 Depreciation/amortisation and impairment

Charge for the period	2017 \$	2016 \$
Plant and equipment	399,556	562,466
Motor vehicles	37,447	53,565
Total	437,003	616,031

All plant and equipment and other non-financial physical assets that have finite useful lives are depreciated. Depreciation 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.

Amortisation is provided on computer software and other intangible assets. Amortisation is generally calculated on a straight-line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.

Typical estimated useful lives for the different asset classes for current and prior years are included in the table below:

Asset	Useful life: years
Plant and equipment (including computer equipment)	3–5
Leased assets (motor vehicles)	5–10

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

Where items of plant and equipment have separately identifiable components, which are subject to regular replacement, those components are assigned useful lives distinct from the item of plant and equipment to which they relate.

Impairment of non-financial assets

Non-financial assets, including items of 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 '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 or amortised 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.

4.1.2 Carrying values by 'purpose' groups

	Education		Total	
	2017 \$	2016 \$	2017 \$	2016 \$
Plant and equipment ¹	817,883	603,565	817,883	603,565
Motor vehicles	150,146	90,072	150,146	90,072
Work in progress	501,316	176,636	501,316	176,636
	1,469,345	870,273	1,469,345	870,273

4.1.3 Reconciliation of movements in carrying values of property, plant and equipment

	Plant and equipment		Motor vehicles		WIP		Total	
	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$	2017 \$	2016 \$
Opening balance	603,565	648,424	90,072	136,779	176,636	395,660	870,273	1,180,863
Additions	27,310	173,853	177,475	33,795	911,244	124,730	1,116,029	332,378
Disposals	–	–	(79,954)	(26,937)	–	–	(79,954)	(26,937)
Transfer to Plant and equipment	586,564	343,754	–	–	(586,564)	(343,754)	–	–
Depreciation/ amortisation expense	(399,556)	(562,466)	(37,447)	(53,565)	–	–	(437,003)	(616,031)
Closing balance	817,883	603,565	150,146	90,072	501,316	176,636	1,469,345	870,273

¹ Plant and equipment are classified primarily by the 'purpose' for which the assets are used according to one of six 'purpose groups' based upon government purpose classifications. All assets within a purpose group are further sub categorised according to the asset's 'nature' (i.e. plant and equipment, etc.), with each sub-category being classified as a separate class of asset for financial reporting purposes.

5 Other assets and liabilities

Introduction

This section sets out those assets and liabilities that arose from the VCAA's controlled operations.

Structure

- 5.1 Receivables (and guidance on de-recognition of financial assets)
 - 5.1.1 Movement in the provision for doubtful debt
 - 5.1.2 Aging analysis of contractual receivables
- 5.2 Payables
 - 5.2.1 Maturity analysis of contractual payables
- 5.3 Other non-financial assets

5.1 Receivables

	2017 \$	2016 \$
Contractual		
Fee paying overseas students	1,038,710	864,462
Provisions for doubtful receivables	(31,091)	(24,593)
Other receivables	1,075,978	836,573
Statutory		
Amounts owing from the Department of Education and Training	133,317	–
Total receivables	2,216,914	1,676,442
<i>represented by:</i>		
Current receivables	2,216,914	1,676,442

Contractual receivables are classified as financial instruments and categorised as loans and receivables. They are initially recognised at fair value and subsequently measured at amortised cost, using effective interest rate method, less an allowance for impairment.

Statutory receivables do not arise from contracts and are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments. The statutory amounts incorporate funding for all commitments included in the appropriations drawn down from the Consolidated Fund.

5.1.1 Movement in the provision for doubtful debt

	2017 \$	2016 \$
Balance at beginning of the year	(24,593)	(28,109)
Increase in provision recognised in the net result	(31,091)	(23,921)
Reversal of provision of receivables written off during the year as uncollectable	24,593	27,437
Balance at end of the year	(31,091)	(24,593)

Doubtful debts: receivables are assessed for bad and doubtful debts on a regular basis. A provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. In assessing impairment of statutory (non-contractual) financial assets, which are not financial instruments, professional judgment is applied in assessing materiality using estimates, averages and other computational methods in accordance with AASB 136 *Impairment of Assets*.

A provision is made for estimated irrecoverable amounts from the sales of goods when there is objective evidence that an individual receivable is impaired. The increase in the provision for the year is recognised in the net result.

Bad debts considered as written off by mutual consent are classified as a transaction expense. Bad debts not written off, but included in the provision for doubtful debts, are classified as other economic flows in the net result.

5.1.2 Aging of contractual receivables

	Carrying amount \$	Not past due and not impaired \$	Past due but not impaired			
			Less than 1 month \$	1–3 months \$	3 months – 1 year \$	1–5 years \$
			\$	\$	\$	\$
2017						
Fee paying overseas students	1,007,619	965,768	–	–	–	41,851
Other receivables	1,075,978	1,073,433	–	1,625	920	–
Total	2,083,597	2,039,201	–	1,625	920	41,851
2016						
Fee paying overseas students	839,869	792,612	–	–	–	47,257
Other receivables	836,573	804,233	16,500	10,000	5,840	–
Total	1,676,442	1,596,845	16,500	10,000	5,840	47,257

The average credit period for fee paying overseas students is 45 days and for other receivables is 30 days. A provision has been made for estimated irrecoverable amounts from the fee paying students.

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

5.2 Payables

	2017 \$	2016 \$
Contractual		
Supplies and services	2,832,611	1,725,426
Accrued wages and salaries	2,168,628	2,031,149
Accrued expenses	1,198,314	1,998,191
Other payables	589,330	514,640
Statutory		
Group tax payable	–	1,872
Amounts owing from the Department of Education and Training	423,749	162,146
Total payables	7,212,632	6,433,424
<i>represented by:</i>		
Current payables	7,212,632	6,433,424

Payables consist of:

- **contractual payables**, classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the VCAA prior to the end of the financial year that are unpaid, and arise when the VCAA becomes obliged to make future payments in respect of the purchase of those goods and services.
- **statutory payables**, that 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 contracts.

Payables for supplies and services have an average credit period of 30 days. The terms and conditions payable to government and agencies vary according to the particular agreements and as they are not legislative payables, they are not classified as financial instruments.

5.2.1 Maturity analysis of contractual payables¹

	Carrying amount	Not past due and not impaired	Maturity dates			
			Less than 1 month	1– 3 months	3 months – 1 year	1– 5 years
			\$	\$	\$	\$
2017						
Supplies and services	2,832,611	2,832,611	2,832,611	–	–	–
Accrued wages and salaries	2,168,628	2,168,628	2,168,628	–	–	–
Accrued expenses	1,198,314	1,198,314	1,198,314	–	–	–
Other payables	589,330	589,330	589,330	–	–	–
Total	6,788,883	6,788,883	6,788,883	–	–	–
2016						
Supplies and services	1,725,426	1,725,426	1,725,426	–	–	–
Accrued wages and salaries	2,031,149	2,031,149	2,031,149	–	–	–
Accrued expenses	1,998,191	1,998,191	1,998,191	–	–	–
Other payables	514,640	514,640	514,640	–	–	–
Total	6,269,406	6,269,406	6,269,406	–	–	–

5.3 Other non-financial assets

	2017 \$	2016 \$
Current other assets		
Prepayments	368,722	267,656
Total current other assets	368,722	267,656
Total other non-financial assets	368,722	267,656

Other non-financial assets include prepayments which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

¹ Maturity analysis is presented using the contractual undiscounted cash flows.

6 How we financed our operations

Introduction

This section provides information on the sources of finance utilised by the VCAA during its operations, along with interest expenses (the cost of borrowings) and other information related to financing activities of the VCAA.

This section includes disclosures of balances that are financial instruments (such as borrowings and cash balances). Notes 7.1 and 7.3 provide additional, specific financial instrument disclosures.

Structure

- 6.1 Borrowings
 - 6.1.1 Maturing analysis of borrowings
 - 6.1.2 Interest expense
- 6.2 Finance lease liabilities
 - 6.2.1 Finance lease liabilities (VCAA as lessee)
 - 6.2.2 Operating leases (VCAA as lessee)
- 6.3 Cash flow information and balances
 - 6.3.1 Reconciliation of net results for the period to cash flow from operating activities
- 6.4 Commitments for expenditure
 - 6.4.1 Total commitments payable

6.1 Borrowings

	2017 \$	2016 \$
Current borrowings		
Finance lease liabilities ¹	33,013	64,488
Total current borrowings	33,013	64,488
Non-current borrowings		
Finance lease liabilities ¹	117,939	24,935
Total non-current borrowings	117,939	24,935
Total borrowings	150,952	89,423

'Borrowings' refer to interest bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest bearing arrangements.

Borrowings are classified as financial instrument. All interest bearing borrowings are initially recognised at the fair value of the consideration received less directly attributable transaction costs. The measurement basis subsequent to initial recognition depends on whether the VCAA has categorised its interest as either 'financial liabilities designated at fair value through profit or loss', or financial liabilities at 'amortised cost'. The classification depends on the nature and purpose of the interest bearing liabilities. The VCAA determines the classification of its interest bearing liabilities at initial recognition.

¹ Secured by the assets leased. Finance leases are effectively secured as the rights to the leased assets revert to the lessor in the event of default.

6.1.1 Maturing analysis of borrowings

	Carrying amount	Nominal amount	Maturity dates			
			Less than 1 month	1-3 months	3 months – 1 year	1-5 years
	\$	\$	\$	\$	\$	\$
2017						
Finance lease liabilities	150,952	158,998	2,751	5,502	24,760	117,939
	150,952	158,998	2,751	5,502	24,760	117,939
2016						
Finance lease liabilities	89,423	92,356	5,374	10,748	48,366	24,935
	89,423	92,356	5,374	10,748	48,366	24,935

6.1.2 Interest expense

	2017	2016
	\$	\$
Interest on finance leases	5,095	7,317
Total interest expense	5,095	7,317

Interest expense includes costs incurred in connection to the interest component of finance leases repayments. Interest expense is recognised in the period in which it is incurred.

6.2 Leases

6.2.1 Finance lease liabilities (VCAA as lessee)¹

	Minimum future lease payments ¹		Present value of minimum future lease payments	
	2017 \$	2016 \$	2017 \$	2016 \$
Finance lease liabilities payable ²				
Not longer than one year	37,678	66,226	33,013	64,488
Longer than one year and not longer than five years	121,320	26,130	117,939	24,935
Minimum future lease payments	158,998	158,998	150,952	89,423
less future finance charges	(8,046)	(2,933)	–	–
Present value of minimum lease payments	150,952	89,423	150,952	89,423
<i>Included in the financial statements as:</i>				
Current borrowing lease liabilities (Note 6.1)	–	–	33,013	64,488
Non-current borrowing lease liabilities (Note 6.1)	–	–	117,939	24,935
Total	–	–	150,952	89,423

The lease commitments relate to the VCAA's motor vehicle leases. The VCAA entered into leasing arrangements with VicFleet to lease motor vehicles for lease periods between 24 and 36 months.

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is accounted for as a non financial physical asset. If there is certainty that the VCAA will obtain the ownership of the lease asset by the end of the lease term, the asset shall be depreciated over the useful life of the asset. If there is no reasonable certainty that the lessee will obtain ownership by the end of the lease term, the asset shall be fully depreciated over the shorter of the lease term and its useful life.

Minimum finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense, which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

¹ Minimum future lease payments include the aggregate of all base payments and any guaranteed residual.

² Finance lease liabilities include obligations that are recognised on the balance sheet; the future payments related to operating and lease commitments are disclosed in Note 6.4.

6.2.2 Operating leases (VCAA as lessee)

	2017 \$	2016 \$
Non-cancellable operating lease payable		
Not longer than one year	149,792	245,709
Longer than one year and not longer than five years	–	125,775
Total non-cancellable operating lease payable	149,792	371,484

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

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

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

6.3 Cash flow information and balances

Cash and deposits recognised in the balance sheet 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 readily convertible to known amounts of cash with an insignificant risk of changes in value.

	2017 \$	2016 \$
Total cash and deposits disclosed in the balance sheet	11,161,896	10,941,508
Balance as per cash flow statement	11,161,896	10,941,508

6.3.1 Reconciliation of net result for the period to cash flow from operating activities

	2017 \$	2016 \$
Net result for the period	620,261	(31,797)
Non cash movements:		
Depreciation and amortisation of non-current assets	437,003	616,031
Movements in assets and liabilities:		
(Increase)/decrease in receivables	(546,970)	(222,230)
(Increase)/decrease in other non-financial assets	(101,066)	78,374
Increase/(decrease) in payables	826,143	1,337,043
Increase/(decrease) in provisions	6,498	(3,516)
Net cashflows from (used in) operating activities	1,241,869	1,773,905

6.4 Commitments for expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. These commitments are disclosed at their nominal value and inclusive of the goods and services tax (GST) payable. In addition, where it is considered appropriate and provides additional relevant information to users, the net present values of significant individual projects are stated. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

6.4.1 Total commitments payable¹

	Less than 1 year \$	1–5 years \$	Total \$
Nominal amounts 2017			
Capital expenditure commitments payable	243,679	–	243,679
Operating commitments payable	1,953,410	696,744	2,650,154
Total commitments (inclusive of GST)	2,197,089	696,744	2,893,833
Less GST recoverable from the Australian Tax Office			263,076
Total commitments (exclusive of GST)			2,630,757
Nominal amounts 2016			
Operating commitments payable	3,771,727	1,355,459	5,127,186
Total commitments (inclusive of GST)	3,771,727	1,355,459	5,127,186
Less GST recoverable from the Australian Tax Office			466,108
Total commitments (exclusive of GST)			4,661,078

¹ Future finance lease and non-cancellable operating lease payments are recognised on the balance sheet.

7 Risks, contingencies and valuation judgments

Introduction

The VCAA is exposed to risk from its activities and outside factors. In addition, it is often necessary to make judgments and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information, (including exposures to financial risks) as well as those items that are contingent in nature or require a higher level of judgment to be applied, which for the VCAA related mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
 - 7.1.1 Financial instruments: Categorisation
 - 7.1.2 Financial risk management objectives and policies
 - 7.1.3 Financial instruments: Credit risk
 - 7.1.4 Financial instruments: Liquidity risk
 - 7.1.5 Financial instruments: Market risk
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination
 - 7.3.1 Finance lease liabilities (VCAA as lessee)
 - 7.3.2 Fair value determination: Non-financial physical assets

7.1 Financial instruments specific disclosures

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. Due to the nature of the VCAA's activities, certain financial assets and financial liabilities arise under statute rather than contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes, fines and penalties do not meet the definition of financial instruments as they do not arise under contract.

Where relevant for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of financial instruments

Cash and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs.

The cash and receivables category includes cash and deposits, trade receivables, and other receivables, but not statutory receivables.

Financial liabilities at amortised cost are initially recognised on the date they are originated. 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. Financial instrument liabilities measured at amortised cost include all of the VCAA's contractual payables and lease liabilities.

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

- the rights to receive cash flows from the asset have expired; or
- the VCAA retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or

- the VCAA has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset; or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

7.1.1 Financial instruments: Categorisation

	Contractual financial assets- loans and receivables	Contractual financial liabilities at amortised cost	Total
	\$	\$	\$
2017			
Contractual financial assets			
Cash and deposits	11,161,896	–	11,161,896
Receivables¹			
Receivables	2,083,597	–	2,083,597
Total contractual financial assets	13,245,493	–	13,245,493
Contractual financial liabilities			
Payables¹			
Supplies and services	–	6,788,884	6,788,884
Borrowings			
Lease liabilities	–	150,952	150,952
Total contractual financial liabilities	–	6,939,836	6,939,836
2016			
Contractual financial assets			
Cash and deposits	10,941,508	–	10,941,508
Receivables¹			
Receivables	1,676,442	–	1,676,442
Total contractual financial assets	12,617,950	–	12,617,950
Contractual financial liabilities			
Payables¹			
Supplies and services	–	6,269,406	6,269,406
Borrowings			
Lease liabilities	–	89,423	89,423
Total contractual financial liabilities	–	6,358,829	6,358,829

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

7.1.2 Financial risk management objectives and policies

The VCAA's financial risk management program seeks to manage risks and the associated volatility of its financial performance. The VCAA's main financial risks include credit risk, liquidity risk and interest rate risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement, and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument above are disclosed in Note 7.3.

7.1.3 Financial instruments: Credit risk

Credit risk arises from the contractual financial assets of the VCAA, which comprise cash and cash equivalents and receivables. The VCAA's exposure to credit risk arises from the potential default of a counter party on their contractual obligations resulting in financial loss to the VCAA. Credit risk is measured at fair value and is monitored on a regular basis. Credit risk associated with the VCAA's financial assets is minimal because the main debtor is the Victorian Government.

Provision of impairment for contractual financial assets is recognised when there is objective evidence that the VCAA will not be able to collect a receivable. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue and changes in debtor credit rating.

Except as otherwise detailed in the following table, the carrying amount of contractual financial assets recorded in the financial statements, net of any allowance for losses, represents the VCAA's maximum exposure to credit risk without taking account of the value of any collateral obtained.

The carrying amount of financial assets recorded in the financial report represents the VCAA's maximum exposure to credit risk as indicated in the following table.

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

	Financial institutions (AA-credit rating)	Other	Total
	\$	\$	\$
2017			
Contractual financial assets			
Cash and deposits	11,161,896	–	11,161,896
Receivables ¹	–	2,083,597	2,083,597
Total contractual financial assets	11,161,896	2,083,597	13,245,493
2016			
Contractual financial assets			
Cash and deposits	10,941,508	–	10,941,508
Receivables ¹	–	1,676,442	1,676,442
Total contractual financial assets	10,941,508	1,676,442	12,617,950

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

7.1.4 Financial instruments: Liquidity risk

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

The VCAA's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet. VCAA manages its liquidity risk by:

- close monitoring of its short-term and long-term borrowings by senior management, including monthly reviews on current and future borrowing levels and requirements
- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- holding investments and other contractual financial assets that are readily tradeable in the financial markets
- careful maturity planning of its financial obligations based on forecasts of future cash flows
- a high credit rating for the State of Victoria (Moody's Investor Services & Standard & Poor's AAA), which assists in accessing the debt market at a lower interest rate.

The DET has provided the VCAA with a letter of comfort dated 21 August 2015 recognising that if required, the DET will provide supplementary appropriation funding to the VCAA to meet its current and future financial commitments as and when they fall due.

The VCAA's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

7.1.5 Financial instruments: Market risk

The VCAA's exposure to market risk is primarily through interest rate risk. Objectives, policies and processes used to manage this risk is disclosed below.

Sensitivity disclosure analysis and assumptions

VCAA's sensitivity to market risk is determined based on the observed range of actual historical data for the preceding five-year period, with all variables other than the primary risk variable held constant. The following movements are 'reasonably possible' over the next 12 months:

- a movement of 100 basis points up and down (2016: 100 points up and down) in the market interest rates (AUD)

The VCAA has performed a sensitivity analysis relating to its exposure to interest risk at balance date. This sensitivity analysis demonstrates the effect on the current year results and equity which could result from a change in this risk.

Interest rate risk

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

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The VCAA actively manages this risk by monitoring movement in interest rates on a daily basis. Management has concluded for cash at bank, as a financial asset can be left at floating rate without necessarily exposing the VCAA to significant bad risk.

The carrying amount of financial assets and financial liabilities that are exposed to interest rates are set out below. In addition, the VCAA's sensitivity to interest rate risk is set out in the table that follows.

Interest rate exposure of financial instruments

	Weighted average effective interest rate	Carrying amount	Interest rate risk exposure		
			Fixed interest rate	Variable interest rate	Non-interest bearing
	%	\$	\$	\$	\$
2017					
Financial assets					
Cash and deposits	1.08	11,161,896	–	11,161,896	–
Receivables ¹		2,083,597	–	–	2,083,597
Total financial assets		13,245,493	–	11,161,896	2,083,597
Financial liabilities					
Payables¹					
Supplies and services		6,788,884	–	–	6,788,884
Borrowings					
Lease liabilities		150,952	150,952	–	–
Total financial liabilities		6,939,836	150,952	–	6,788,884
2016					
Financial assets					
Cash and deposits	1.46	10,941,508	–	10,941,508	–
Receivables ¹		1,676,442	–	–	1,676,442
Total financial assets		12,617,950	–	10,941,508	1,676,442
Financial liabilities					
Payables¹					
Supplies and services		6,269,406	–	–	6,269,406
Borrowings					
Lease liabilities		89,423	89,423	–	–
Total financial liabilities		6,358,829	89,423	–	6,269,406

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

Interest rate sensitivity analysis

	Carrying amount \$	-100 basis points		+100 basis points	
		Net result \$	Available-for-sale revaluation surplus \$	Net result \$	Available-for-sale revaluation surplus \$
2017					
Contractual financial assets					
Cash and deposits	11,161,896	(111,619)	-	111,619	-
Total impact	11,161,896	(111,619)	-	111,619	-
2016					
Contractual financial assets					
Cash and deposits	10,941,508	(109,415)	-	109,415	-
Total impact	10,941,508	(109,415)	-	109,415	-

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 benefits is known, or non-quantifiable.

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 rise 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.

At 30 June 2017 the VCAA had no contingent assets (nil at 30 June 2016) and no contingent liabilities (nil at 30 June 2016).

7.3 Fair value determination

Significant judgment: Fair value measurement of assets and liabilities

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

This section sets out information on how the VCAA 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:

- Financial assets and liabilities at fair value through operating result
- Plant and equipment

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

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

Fair value hierarchy

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
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

How this section is structured

For those assets and liabilities for which fair values are determined, the following disclosures are provided:

- carrying amount and the fair value (which would be the same for those assets measured at fair value);
- which level of the fair value hierarchy was used to determine the fair value; and
- in respect of those assets and liabilities subject to fair value determination using Level 3 inputs:
 - a reconciliation of the movements in fair values from the beginning of the year to the end; and
 - details of significant unobservable inputs used in the fair value determination.

This section is divided between disclosures in connection with fair value determination for financial instruments (refer Note 7.3.1) and non-financial physical assets (refer Note 7.3.2).

7.3.1 Fair value determination of financial assets and liabilities

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instrument with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using unobservable market inputs.

The VCAA considers that the carrying amount of financial assets and financial liabilities recorded in the financial statements approximates their fair values because of the short-term nature of the financial instruments and the expectation that they will be paid in full by the end of the 2016–17 reporting period.

For the purpose of fair value disclosures, the VCAA has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, the VCAA determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as their carrying amounts.

	Carrying amount 2017	Fair value 2017	Carrying amount 2016	Fair value 2016
	\$	\$	\$	\$
Contractual financial assets				
Cash and deposits	11,161,896	11,161,896	10,941,508	10,941,508
Receivables ¹	2,083,597	2,083,597	1,676,442	1,676,442
Contractual financial liabilities				
Payables¹				
Supplies and services	6,788,884	6,788,884	6,269,406	6,269,406
Borrowings				
Lease liabilities	150,952	150,952	89,423	89,423

The VCAA did not have any financial instruments that are measured subsequent to initial recognition at fair value as at 30 June 2017 (2016: Nil).

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

Historical cost is based on the fair values of the consideration given in exchange for assets.

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

7.3.2 Fair value determination: Non-financial physical assets

Fair value measurement hierarchy

	Carrying amount as at 30 June 17 \$	Fair value measurement at end of reporting period using:		
		Level 1 ¹	Level 2 ¹	Level 3 ¹
		\$	\$	\$
2017				
Plant, equipment and vehicles at fair value				
Vehicles ²	150,146	–	–	150,146
Plant and equipment ³	817,883	–	–	817,883
Total of plant, equipment and vehicles at fair value	968,029	–	–	968,029

	Carrying amount as at 30 June 16 \$	Fair value measurement at end of reporting period using:		
		Level 1 ¹	Level 2 ¹	Level 3 ¹
		\$	\$	\$
2016				
Plant, equipment and vehicles at fair value				
Vehicles ²	90,072	–	–	90,072
Plant and equipment ³	603,565	–	–	603,565
Total of plant, equipment and vehicles at fair value	693,637	–	–	693,637

There have been no transfers between levels during the period.

The VCAA acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers in the Department of Treasury and Finance 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.

There were no changes in valuation techniques throughout the period to 30 June 2017.

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

¹ Classified in accordance with the fair value hierarchy, see Note 7.3.

² Vehicles are categorised to Level 3 assets as the depreciated replacement cost is used in estimating the fair value.

³ Plant and equipment are classified primarily by the 'purpose' for which the assets are used according to one of six 'purpose groups' based upon government purpose classifications. All assets within a purpose group are further sub categorised according to the asset's 'nature' (i.e. plant and equipment, etc.), with each sub-category being classified as a separate class of asset for financial reporting purposes.

Reconciliation of Level 3 fair value

	Vehicles		Plant and equipment	
	2017 \$	2016 \$	2017 \$	2016 \$
Opening balance	90,072	136,779	603,565	648,424
Purchases (sales)	97,521	6,858	613,874	517,607
Gains or losses recognised in net result				
Depreciation	(37,447)	(53,565)	(399,556)	(562,466)
Closing balance	150,146	90,072	817,883	603,565
Total gains or losses for the period included in profit or loss for assets held at the end of the period.	-	-	-	-

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs
Vehicles, plant and equipment	Depreciated replacement cost	Useful life of vehicles, plant and equipment

The significant unobservable inputs have remained unchanged from 2016.

8 Other disclosures

Introduction

This section provides additional material disclosures required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Subsequent events
- 8.2 Remuneration of executives
- 8.3 Responsible persons
- 8.4 Related parties
- 8.5 Remuneration of auditors
- 8.6 Ex-gratia expenses
- 8.7 Economic dependency
- 8.8 Other accounting policies
- 8.9 Australian Accounting Standards issued that are not yet effective
- 8.10 Glossary of technical terms

8.1 Subsequent events

There were no significant events that have occurred subsequent to 30 June 2017.

The policy in connection with recognising subsequent events is as follows; where events occur between the end of the reporting period and the date when the financial statements are authorised to be issued:

- adjustments are made to amounts recognised in the financial statements where those events provide information about conditions which existed at the reporting date; and/or
- disclosure is made where the events to conditions which arose after the end of the reporting period that are considered to be of material interest.

8.2 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are 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 benefit or deferred compensation.

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

Several factors affected total remuneration payable to executives over the year, including re-negotiated contracts and retirements. Acting arrangements are not included.

Remuneration of executive officers

(including Key Management Personnel disclosed in Note 8.5).

	2017
Short-term employee benefits	\$737,853
Post-employment benefits	\$70,384
Other long-term benefits	\$12,183
Total remuneration^{1 2}	\$820,420
Total number of executives	5
Total annualised employee equivalents³	3.9

8.3 Responsible persons

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

Remuneration received or receivable by Board members including the Accountable Officer in connection with the management of the VCAA during the reporting period was in the range:

Income band	2017 Number	2016 Number
\$0	7	9
\$1 to \$9,999	2	5
\$10,000 to \$19,999	3	–
\$40,000 to \$49,999	1	–
\$50,000 to \$59,999	–	1
\$310,000 to \$319,999	–	1
\$320,000 to \$329,999	1	–
Total Numbers	14	16
Total Amount	\$414,412	\$386,161

Amounts relating to the Ministers are excluded and reported in the Financial Statements of the Department of Premier and Cabinet. For information regarding related party transactions of ministers, the register of members' interests is publicly available from: www.parliament.vic.gov.au/publications/register-of-interests.

- 1 No comparatives have been reported because remuneration in the prior year was determined in line with the basis and definition under FRD 21B. Remuneration previously excluded non-monetary benefits and comprised any money, consideration or benefit received or receivable, excluding reimbursement of out-of-pocket expenses, including any amount received or receivable from a related party transaction.
- 2 The total number of executive officers includes persons who meet the definition of Key Management Personnel (KMP) of the entity under AASB 124 *Related Party Disclosures* and are also reported within the related parties note disclosure (Note 8.5)
- 3 Annualised employee equivalent is based on the time fraction worked over the reporting period.

Names

The persons who held the positions of Responsible Minister, Members of the VCAA are as follows:

- Responsible Minister – Minister for Education:
 - The Hon James Merlino, MP
 - The Hon Gavin Jennings acted in the office of the Minister for Education for the period 4–5 July 2016)
 - The Hon Steve Herbert acted in the office of the office of Minister for Education for the period of 6–10 July 2016 and 21–30 September 2016
 - The Hon Gayle Tierney acted in the office of the Minister for Education for the period 28–7 April 2017.
- Responsible Minister – Minister for Families and Children:
 - The Hon Jenny Mikakos, MP
 - The Hon Martin Foley acted in the office of the Minister for Families and Children for the period of 17 July to 7 August 2016; 1–7 January 2017; 22–28 January 2017 and 12–17 February 2017
 - The Hon Jill Hennessy acted in the office of the Minister for Families and Children for the period of 10–17 April 2017
 - The Hon Gavin Jennings acted in the office of the Minister for Families and Children for the period of 3–9 July 2016.
- Responsible Minister – Minister for Training and Skills:
 - The Hon Steve Herbert, MP for the period of 1 July to 9 November 2016
 - The Hon Gayle Tierney MP for the period of 9 November 2016 to 30 June 2017
 - The Hon James Merlino acted in the office of the Minister for Training and Skills for the period 1 July 2016; and 9–19 April 2017
 - The Hon Lisa Neville MP acted in the office of the Minister for Training and Skills for the period of 2–6 July 2016
 - The Hon Jenny Mikakos acted in the office of the Minister for Training and Skills for the period of 22–29 September 2016.
- Accountable Officer – Chief Executive Officer
 - John Firth
- VCAA Board Members
 - Chris Wardlaw, Chair – term recommenced 29 April 2017
 - Gill Callister (Ex Officio)
 - Suzy Chandler – term recommenced 19 July 2016
 - Prof Wayne Hodgson
 - Pauline Jelleff
 - Peter Moore
 - Dale Pearce
 - Russell Pettis – term recommenced 19 July 2016
 - Andree Poulter– term recommenced 19 July 2016
 - Prof Mark Rose
 - Prof Collette Tayler
 - Claire Rassussen – term commenced 16 May 2017

8.4 Related parties

The VCAA is a wholly owned and controlled entity of the State of Victoria within the education portfolio. Related parties of the VCAA include:

- all key management personnel and their close family members
- all cabinet ministers and their close family members
- all departments and public sector entities that are controlled and consolidated into the whole of state consolidated financial statements.

Key management personnel of the VCAA include the Portfolio Ministers, the Secretary of the Department of Education and Training (DET), Board members, the Accountable Officer and senior executive managers. These include:

- David Philips – Executive Director, Assessment and Reporting (until 29 December 2016)
- Joe Pellegrino – Executive Director, Assessment and Reporting (from 10 April 2017)
- Mary Oski – Executive Director, Curriculum (from 6 February 2017)
- Lea Saddington – Executive Director, Planning, Strategy and Corporate Support

The compensation details below excludes the salaries and benefits of Ms Gill Callister, the Secretary of the Department of Education and Training (DET). According to the *Education and Training Reform Act 2006*, membership of the authority must include the Secretary of the Department, however the Secretary's remuneration and allowances are reported within the DET's Financial Report.

Compensation

	2017 \$
Short-term employee benefits	805,215
Post-employment benefits	84,512
Other long-term benefits	16,141
Total	905,868

Acting arrangements for Executive Officers that are KMPs are not included.

Transactions with key management personnel and other related parties

Given the breadth and depth of State government activities, related parties transact with the Victorian public sector in a manner consistent with other member of the public (for example, stamp duty and other government fees and charges). Further employment of processes within the Victorian public sector occur on terms and conditions consistent with the *Public Administration Act 2004* and Codes of Conduct and Standards issued by the Victorian Public Sector Commission. Procurement processes occur on terms and conditions with the Victorian Government Procurement Board requirements.

Related party transactions with the members of the Governing Board and their related parties, which occurred during the normal course of business, apart from remuneration of Board directors which is disclosed in Note 8.3, are listed below.

The value of transactions below are between the VCAA and the DET. They do not include appropriations which are disclosed in Note 2.2, however they do include resources received free of charge (Notes 2.3.3 and 3.1.2).

	2017 \$	2016 \$
Revenue received	4,276,134	3,180,483
Expenditure incurred	2,834,749	2,771,400

The VCAA transacts with other government-related entities in the course of performing its statutory functions. Individual transactions are not being considered material for this disclosure and there is no individual impact on the VCAA's financial position or profit and loss.

Outside of normal citizen type transactions with the VCAA, there were no related party transactions that involved key management personnel and their close family members. No provision has been required, nor any expense recognised for impairment of receivables from related parties.

8.5 Remuneration of auditors

The VCAA is a wholly owned and controlled entity of the State of Victoria within the education portfolio. Related parties of the VCAA include:

	2017 \$	2016 \$
Victorian Auditor-General's Office		
Audit of the financial statements	29,000	30,900
Other non-audit services ¹	-	-
Total remuneration of auditors	29,000	30,900

8.6 Ex-gratia expenses

As at 30 June 2017 the VCAA had not made any ex-gratia payments (nil at 30 June 2016).

8.7 Economic dependency

The VCAA is dependent on the State Government, through the DET, for a significant volume of its operating revenue, provision of human resources, information system support, financial facilities and ongoing financial support.

8.8 Other accounting policies

Foreign currency balances/transactions

All foreign currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction.

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

8.9 Australian Accounting Standards issued that are not yet effective

The following AASs become effective for reporting periods commencing after the operative dates stated.

Certain new AAS have been published that are not mandatory for the 30 June 2017 reporting period. DTF assesses the impact of all these new standards and advises of their applicability and early adoption where applicable. Please refer below to the detailed list of the AASs issued but are not yet effective for the 2016-17 reporting period.

¹ The Victorian Auditor General's Office is not allowed to provide non-audit services

Standard/ Interpretation ¹	Summary	Applicable for annual reporting periods beginning on	Impact on entity financial statements
<i>AASB 9 Financial Instruments</i>	The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.	1 January 2018	The assessment has identified that the amendments are likely to result in earlier recognition of impairment losses and at more regular intervals. While there will be no significant impact arising from AASB 9, there will be a change to the way financial instruments are disclosed
<i>AASB 2010–7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)</i>	The requirements for classifying and measuring financial liabilities were added to AASB 9. The existing requirements for the classification of financial liabilities and the ability to use the fair value option have been retained. However, where the fair value option is used for financial liabilities the change in fair value is accounted for as follows: <ul style="list-style-type: none"> • The change in fair value attributable to changes in credit risk is presented in other comprehensive income (OCI); and • Other fair value changes are presented in profit and loss. If this approach creates or enlarges an accounting mismatch in the profit or loss, the effect of the changes in credit risk are also presented in profit or loss. 	1 January 2018	The assessment has identified that the financial impact of available for sale (AFS) assets will now be reported through other comprehensive income (OCI) and no longer recycled to the profit and loss. Changes in own credit risk in respect of liabilities designated at fair value through profit and loss will now be presented within other comprehensive income (OCI). For entities with significant lending activities, an overhaul of related systems and processes may be needed. Hedge accounting will be more closely aligned with common risk management practices making it easier to have an effective hedge. For entities with significant lending activities, an overhaul of related systems and processes may be needed.
<i>AASB 2014–7 Amendments to Australian Accounting Standards arising from AASB 9</i>	Amends various AASs to incorporate the consequential amendments arising from the issuance of AASB 9.	1 January 2018	The assessment has indicated that there will be no significant impact for the public sector.
<i>AASB 15 Revenue from Contracts with Customers</i>	The core principle of AASB 15 requires an entity to recognise revenue when the entity satisfies a performance obligation by transferring a promised good or service to a customer.	1 January 2018	The changes in revenue recognition requirements in AASB 15 may result in changes to the timing and amount of revenue recorded in the financial statements. The Standard will also require additional disclosures on service revenue and contract modifications.

Standard/ Interpretation ¹	Summary	Applicable for annual reporting periods beginning on	Impact on entity financial statements
<p>AASB 2014–5 <i>Amendments to Australian Accounting Standards arising from AASB 15</i></p>	<p>Amends the measurement of trade receivables and the recognition of dividends. Trade receivables, that do not have a significant financing component, are to be measured at their transaction price, at initial recognition.</p> <p>Dividends are recognised in the profit and loss only when:</p> <ul style="list-style-type: none"> • the entity’s right to receive payment of the dividend is established; • it is probable that the economic benefits associated with the dividend will flow to the entity; and • the amount can be measured reliably. 	<p>1 Jan 2017, except amendments to AASB 9 (Dec 2009) and AASB 9 (Dec 2010) apply from 1 Jan 2018</p>	<p>The assessment has indicated that there will be no significant impact for the public sector.</p>
<p>AASB 2015–8 <i>Amendments to Australian Accounting Standards – Effective Date of AASB 15</i></p>	<p>This Standard defers the mandatory effective date of AASB 15 from 1 January 2017 to 1 January 2018.</p>	<p>1 January 2018</p>	<p>This amending standard will defer the application period of AASB 15 for for-profit entities to the 2018–19 reporting period in accordance with the transition requirements.</p>
<p>AASB 2016–3 <i>Amendments to Australian Accounting Standards – Clarifications to AASB 15</i></p>	<p>This Standard amends AASB 15 to clarify the requirements on identifying performance obligations, principal versus agent considerations and the timing of recognising revenue from granting a licence. The amendments require:</p> <ul style="list-style-type: none"> • A promise to transfer to a customer a good or service that is ‘distinct’ to be recognised as a separate performance obligation; • For items purchased online, the entity is a principal if it obtains control of the good or service prior to transferring to the customer; and • For licences identified as being distinct from other goods or services in a contract, entities need to determine whether the licence transfers to the customer over time (right to use) or at a point in time (right to access). 	<p>1 January 2018</p>	<p>The assessment has indicated that there will be no significant impact for the public sector, other than the impact identified for AASB 15 above.</p>

Standard/ Interpretation ¹	Summary	Applicable for annual reporting periods beginning on	Impact on entity financial statements
AASB 2016–7 <i>Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities</i>	This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.	1 January 2018	This amending standard will defer the application period of AASB 15 for not-for-profit entities to the 2019–20 reporting period.
AASB 2016–8 <i>Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for-Profit Entities</i>	This Standard amends AASB 9 and AASB 15 to include requirements to assist not-for-profit entities in applying the respective standards to particular transactions and events. The amendments: <ul style="list-style-type: none"> • require non-contractual receivables arising from statutory requirements (i.e. taxes, rates and fines) to be initially measured and recognised in accordance with AASB 9 as if those receivables are financial instruments; and • clarifies circumstances when a contract with a customer is within the scope of AASB 15. 	1 January 2019	The assessment has indicated that there will be no significant impact for the public sector, other than the impacts identified for AASB 9 and AASB 15 above.
AASB 16 <i>Leases</i>	The key changes introduced by AASB 16 include the recognition of most operating leases (which are current not recognised) on balance sheet.	1 January 2019	The assessment has indicated that as most operating leases will come on balance sheet, recognition of the right-of-use assets and lease liabilities will cause net debt to increase. Rather than expensing the lease payments, depreciation of right-of-use assets and interest on lease liabilities will be recognised in the income statement with marginal impact on the operating surplus. No change for lessors.
AASB 2016–4 <i>Amendments to Australian Accounting Standards – Recoverable Amount of Non-Cash-Generating Specialised Assets of Not-for-Profit Entities</i>	The standard amends AASB 136 Impairment of Assets to remove references to using depreciated replacement cost (DRC) as a measure of value in use for not-for-profit entities.	1 January 2017	The assessment has indicated that there is minimal impact. Given the specialised nature and restrictions of public sector assets, the existing use is presumed to be the highest and best use (HBU), hence current replacement cost under AASB 13 <i>Fair Value Measurement</i> is the same as the depreciated replacement cost concept under AASB 136.

Standard/ Interpretation ¹	Summary	Applicable for annual reporting periods beginning on	Impact on entity financial statements
AASB 1058 <i>Income of Not-for-Profit Entities</i>	This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.	1 January 2019	The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.

In addition to the new standards and amendments above, the AASB has issued a list of other amending standards that are not effective for the 2016–17 reporting period (as listed below). In general, these amending standards include editorial and references changes that are expected to have insignificant impacts on public sector reporting.

- *AASB 2017–2 Amendments to Australian Accounting Standards – Further Annual Improvements 2014–16 Cycle*

8.10 Glossary of technical terms

The following is a summary of the major technical terms used in this report:

Actuarial gains or losses on superannuation defined benefit plans

Actuarial gains or losses are changes in the present value of the superannuation defined benefit liability resulting from:

- experience adjustments (the effects of differences between the previous actuarial assumptions and what has actually occurred)
- the effects of changes in actuarial assumptions.

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an other economic flow.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

¹ For the current year, given the number of consequential amendments to AASB 9 *Financial Instruments* and AASB 15 *Revenue from Contracts with Customers*, the standards/interpretations have been grouped together to provide a more relevant view of the upcoming changes.

Financial asset

A financial asset is any asset that is:

- (a) cash
- (b) an equity instrument of another entity
- (c) a contractual right
 - to receive cash or another financial asset from another entity; or
 - to exchange financial assets or financial liabilities with another entity under conditions that are potentially favourable to the entity
- (d) a contract that will or may be settled in the entity's own equity instruments and is:
 - a non-derivative for which the entity is or may be obliged to receive a variable number of the entity's own equity instruments
 - a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments.

Financial liability

A financial liability is any liability that is:

- (a) a contractual or statutory obligation:
 - (i) to deliver cash or another financial asset to another entity
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) a contract that will or may be settled in the entity's own equity instrument and is:
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

A complete set of financial statements comprises:

- (a) a balance sheet as at the end of the period
- (b) a comprehensive operating statement for the period
- (c) a statement of changes in equity for the period
- (d) a statement of cash flows for the period
- (e) notes, comprising a summary of significant accounting policies and other explanatory information
- (f) comparative information in respect of the preceding period as specified in paragraph 38 of AASB 101 *Presentation of Financial Statements*
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraph 41 of AASB 101.

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

Grants can be paid as general purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants, which are paid for a particular purpose and/or have conditions attached regarding their use.

Interest expense

Costs incurred in connection with the borrowing of funds. Interest expenses include interest on bank overdrafts and short-term and long-term borrowings, amortisation of discounts or premiums relating to borrowings, interest component of finance leases repayments, and the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

Interest income

Interest income includes unwinding over time of discounts on financial assets and interest received on bank term deposits and other investments.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial asset

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows included in net result

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

- (a) gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets
- (b) depletion of natural assets (non-produced) from their use or removal
- (c) fair value changes of financial instruments.

Payables

Includes short-term and long-term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short-term and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Sales of goods and services

Refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services, fees from regulatory services and work done as an agent for private enterprises. It also includes rental income under operating leases and on produced assets such as buildings and entertainment, but excludes rent income from the use of non-produced assets such as land. User charges include sale of goods and services revenue.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the VCAA.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. They also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (such as assets provided/given free of charge or for nominal consideration) or where the final consideration is cash. In simple terms, transactions arise from the policy decisions of the government.

Style conventions

Figures in the tables and in the text have been rounded. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

– or 0	zero, or rounded to zero
(xxx)	negative numbers
20xx	year period
20xx–xx	year period

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Appendix 2 – Board meeting attendance

Board member name	24 Aug 2016	26 Oct 2016	7 Dec 2016	22 Feb 2017	19 April 2017	28 June 2017	Attendance
Suzy Chandler	●	●	●	●	○	●	5/6
Cath Dillon	●	●	●	●	●	●	6/6
Gill Callister (ex-officio)	D	D	D	D	D	D	6/6
Prof Wayne Hodgson	▲	●	●	●	●	●	5/5
Pauline Jelleff	○	●	●	●	●	●	5/6
Peter Moore	●	●	●	●	●	●	6/6
Dale Pearce	●	●	●	●	●	●	6/6
Russell Pettis	●	●	●	●	●	●	6/6
Andrée Poulter	○	●	●	▲	●	●	4/5
Claire Rasmussen						●	1/1
Prof Mark Rose	●	●	●	●	●	●	6/6
Prof Collette Tayler	▲	▲	▲	●	▲	▲	1/1
Chris Wardlaw	●	●	●	●	●	●	6/6

● Attended ▲ Leave of absence D Delegated ○ Apology

*Claire Rasmussen appointed 16 May 2017.

Appendix 3 – Acronyms and abbreviations

ACARA	Australian Curriculum, Assessment and Reporting Authority
AM	Member of the Order of Australia
ATAR	Australian Tertiary Admissions Rank
Auslan	the language of the Australian Deaf community
AusVELS	Foundation to Year 10 curriculum: Australian Curriculum learning areas for English, Mathematics, History and Science, plus the Victorian Essential Learning Standards
CAS	computer algebra system (i.e. Mathematical Methods CAS)
DET	Department of Education and Training
EAL	English as an Additional Language
FWC	Fair Work Commission
FTE	Full-time equivalent
HESS	Higher Education Scored Study
IBAC	Independent Broad-based Anti-corruption Commission
NAPLAN	National Assessment Program – Literacy and Numeracy
NMS	National Minimum Standard
RTO	Registered Training Authority
TAFE	Technical and Further Education
VASS	Victorian Assessment Software System
VCAA	Victorian Curriculum and Assessment Authority
VCAL	Victorian Certificate of Applied Learning
VCE	Victorian Certificate of Education
VCE VET	Approved program combining VCE and VET qualification
VELS	Victorian Essential Learning Standards
VET	Vocational Education and Training
VETiS	Vocational Education and Training in Schools
VEYLDF	Victorian Early Years Learning and Development Framework
VFE	Victorian Further Education
VPS	Victorian Public Sector
VRQA	Victorian Regulation and Qualifications Authority
VTAC	Victorian Tertiary Admissions Centre

