THE VICTORIAN INSTITUTE OF TEACHING IS DEDICATED TO IMPROVING THE QUALITY OF EDUCATION IN VICTORIAN SCHOOLS. THE INSTITUTE WILL RAISE THE PROFILE AND STATUS OF THE TEACHING PROFESSION, ADVOCATING HIGH STANDARDS AND BEST PRACTICE AND CELEBRATING THE CONTRIBUTION OF ITS MEMBERS.
10 October 2003

Lynne Kosky, MP
Minister for Education and Training
2 Treasury Place
East Melbourne Victoria 3002

Dear Minister

I am pleased to submit the first annual report of the Victorian Institute of Teaching (the Institute) in accordance with the Financial Management Act 1994 and the Victorian Institute of Teaching Act 2001.

The Institute has been in operation since 20 June 2002. This annual report documents the establishment and achievements of the Institute during its first 12 months and 10 days of operation.

I wish to thank my colleagues on the Institute Council and the staff of the Institute Secretariat for their commitment to the goals of the organisation.

Yours sincerely

Susan Halliday
Chairperson
Legal Officer Kylie Dow with Christine Heazlewood, Group Manager, Investigations and Hearings
Contents

Report of the Chairperson vii
Report of the Chief Executive Officer viii

Overview of the Victorian Institute of Teaching 1
  Organisation chart 4
  At a glance 5
  Members of the Council of the Institute 6
  Members of the First Council of the Institute 6
  Summary of financial position 8

Registration 9

Accreditation 12

Standards and Professional Learning 15

Investigations and Hearings 19

Communications 21

Corporate Services 24

Financial statements for the year ended 30 June 2003 26

Appendix: Index of compliance 40
  Acronyms and abbreviations 42
  Additional information available on request 42

The Institute welcomes feedback from the profession and the community and can be contacted:

Email  vit@edumail.vic.gov.au
Internet  www.vit.vic.edu.au
Telephone  1300 888 067
Mail  Victorian Institute of Teaching
      PO Box 531
      Collins Street West
      Victoria 8007
The Ministerial Advisory Committee for the Victorian Institute of Teaching was established in May 2000 and reported to the Education Minister one year later. A new chapter in the history of school education in Victoria began to unfold. Legislation to establish the Institute was introduced into parliament in November and with broad community and political support, the Bill was passed in December 2001. The Victorian Institute of Teaching Act 2001 was in part proclaimed in June 2002 coinciding with the announcement of an interim or First Council of the Institute, appointed by the Minister for Education Services and Youth Affairs, the Hon. Monica Gould, MLC, for six months.

The job of the First Council was to oversee the development of the initial teachers' register and manage the election process for ten positions on Council to be filled by teachers and principals elected by the profession. The Act was fully proclaimed in late December 2002 and in March 2003, after the Victorian State election, the Minister for Education and Training, Lynne Kosky, MP, appointed the remaining Council members. The inaugural Institute Council, comprising 20 members appointed for a three year term, was then introduced to the profession and the broader community. The Institute Council has continued the work begun by the First Council, including the consolidation of the register of some 85,000 teachers and principals, and administration of the profession's new legislation.

It is an honour to have been appointed the inaugural Chairperson of the Victorian Institute of Teaching, and a privilege to have worked in the start-up phase with the esteemed members of the First Council. Their dedication and enthusiasm laid the foundation stones for a dynamic, independent professional body. The ongoing work of the current Council, Institute staff, stakeholder groups and thousands of teachers has, within a very short period of time, astutely positioned the Institute to serve the teaching profession well.

While the establishment of the Institute provides every member of the profession working in Victoria with a mechanism to shape the future, it also provides the profession with an independent voice. For the first time, equitable and transparent registration processes irrespective of whether employment is based in government, Catholic or independent schools, provide professional recognition enshrined in law.

As skilled professionals, teachers and principals support and develop every young person in our community. The establishment of the Institute attests to their invaluable contribution and commitment, and serves simultaneously to educate the broader community about the diverse and complex nature of the work undertaken by teachers and principals in the 21st century.

Susan Halliday
Chairperson
Victorian Institute of Teaching
The decision to establish a single common contemporary registration authority for all Victorian school teachers and principals was a landmark event in Victorian education. Consequently, the first year of the Institute’s operation has been a period of exciting and intense activity. The priorities were to establish the administrative structures and processes necessary to carry out the Institute’s functions and start the detailed policy work for management of teacher registration.

The Institute’s legislation embraces teachers and principals in government, Catholic and independent schools and the Institute is therefore uniquely placed to develop policy which draws upon the educational views and values of the whole profession. The Institute has particularly valued policy input from teachers and principals in all sectors, and is proud of the constructive relationships established with key education stakeholders in Victoria, including parent organisations, teacher and principal professional associations, the education unions and education academics.

The Institute’s first annual report documents the enactment of legislation to put in place the Council of the Institute and establish the register of teachers. The report outlines the structure and operations of the Institute secretariat and describes the objectives and achievements of the five branches which, under the direction of the Institute Council, administer core Institute functions.

New headquarters and new corporate identity
The Institute occupied its own premises at Transport House, Collins Street, in May 2002, relocating from offices at the Department of Education & Training in East Melbourne. Tenders were called later in the year to develop concurrently the Institute’s strategic plan and corporate identity. The brand design approved by Council positions the Institute as a forward looking and aspirational professional body. Since April 2003, all Institute communications have reflected the new corporate identity. The distinctive ‘windows’ logo provides teachers and the community with a visual reference point for the Institute as a peak Victorian body for the teaching profession.

The teachers’ register
The teachers’ register provides for the first time, a single register of all teachers eligible for employment in Victorian schools. The development of an integrated registration and financial management system has been a major achievement of the Institute in its first year. Apart from meeting the Institute’s regulatory obligations, the system enables the Institute to provide the best possible service to teachers and principals with current, accurate information relevant to their registration.

The standards and professional learning project
The major policy initiative of the Institute has been the standards and professional learning project which has engaged all sectors of the profession across the State in the development of standards for full registration. The project brings together the professional insights of experienced teachers and new knowledge of recent graduates. The breadth of this project has been considerable. The importance the project has attached to listening to and talking with teachers, provides a benchmark for future Institute projects.

Andrew Ius
Chief Executive Officer
Victorian Institute of Teaching
Establishment

The Institute was established as a statutory authority under the Victorian Institute of Teaching Act 2001 and became fully operational on 31 December 2002. Its purpose is to promote and improve, for the public benefit, the quality of teaching in all Victorian schools through the regulation of the teaching profession*.

As the new single registration authority for primary and secondary government and non-government school teachers, the Institute provides an assurance to the Victorian community that all teachers are qualified, competent, fit to teach and of good character.

The Institute came into being following the work of a ministerial advisory committee. The committee was appointed by government in May 2000 to enquire into, and consult widely, on the best possible model for an independent and representative professional body for the promotion of the teaching profession. The government accepted the committee’s recommendation that an independent regulatory body for the teaching profession be established as a statutory authority reporting to parliament through the Minister for Education and Training.

The legislation which established the Institute follows broadly the recommendations of the committee and reflects the government’s focus on the integral role teachers and principals play in the delivery of quality teaching and learning in all Victorian schools.

* References to the teaching profession and to registered teachers throughout this report include school principals.
The Institute’s work is linked directly to the following government goals for school education in Victoria:

- to improve the standards of literacy and numeracy in primary schooling
- to increase the percentage of young people successfully completing Year 12 or the equivalent.

Improving teacher quality is a strategic direction of the Victorian Government for achieving a high quality education and training system. The recent establishment of the Institute complements other changes instituted by the government including a salary and career structure for government school teachers and the development of a quality assurance framework for non-government schools.

The functions of the Institute provide a regulatory framework for teacher quality by:
- accrediting pre-service teacher education courses to ensure teachers are prepared for teaching according to guidelines issued by the Institute
- approving for registration only those teachers who meet the Institute’s qualifications, criteria and standards
- requiring provisionally registered teachers to meet the standards for full registration on completion of their first year of teaching
- supporting the professional development needs of teachers to ensure they maintain high standards of professional practice throughout their teaching career
- investigating instances of serious misconduct, incompetence and the continued fitness to teach of a registered teacher and, where appropriate, imposing sanctions, including the deregistration of a teacher.

**Governance**

The Victorian Institute of Teaching Act 2001 (the Act) was passed by the Victorian Parliament in November 2001. The establishment of the Institute has created a single registration authority for all Victorian school teachers. When the Teachers’ Registration Board was abolished in 1992, teachers working in government schools were not required to be registered. Teachers employed in Catholic and independent schools however were required to be registered with the Registered Schools Board. Registration with either of these bodies was effectively ‘for life’ and did not require payment of an application fee or annual registration fee.

From 1 January 2003, the Institute took responsibility for the registration of teachers in both government and non-government schools. The Registered Schools Board continues its responsibility for the registration of non-government schools.

Registration with the Institute is now a legal requirement for teachers and principals working in Victorian schools. This brings teaching into line with other regulated professions, such as medicine, nursing and law.

The main purpose of the Act, set out in section 1, is to recognise, promote and regulate the teaching profession by:

- providing for the registration of teachers in schools in Victoria
- regulating the conduct of those teachers
- providing a procedure for handling complaints about teachers registered or permitted to teach under this Act.

**Functions**

The functions of the Institute set out in section 5 of the Act are to:

- recognise and promote the profession of teaching and regulate members of the teaching profession
- approve teacher education courses that will lead to qualifications or competencies in teaching that satisfy the requirements for registration as a teacher
- recommend for the approval of the Minister qualifications, criteria and standards for the registration and renewal of registration of teachers in Victoria
- develop, establish and maintain standards of professional practice for entry into the teaching profession and for continuing membership of the profession
- grant registration or permission to teach in Victorian schools
- issue certificates of registration to those teachers who are registered to, or have permission to, teach schools in Victoria
- maintain a register of teachers who are registered to, or have permission to, teach in schools in Victoria
- develop, maintain and promote a code of conduct for the teaching profession
- investigate the conduct, competence and fitness to teach of registered teachers and impose sanctions where appropriate
- undertake professional development programs and activities in relation to the functions of the Institute
- undertake and promote research about teaching and learning practices
- advise the Minister about any matters concerning teachers including the professional development needs of teachers
- prepare for the approval of the Minister a strategic plan and an annual business plan of the Institute
- perform any other function conferred on the Institute by this or any other Act.

**Key relationships**

The Institute is required to give due regard to any advice given by the Minister for Education and Training in relation to its powers and functions.

Based upon the Institute Council’s recommendations, the Minister:

- approves the qualifications, criteria and standards for the registration and renewal of registration of teachers in Victorian schools
• approves a strategic plan and an annual business plan of the Institute
• fixes the registration fees for a period of 12 months, and may amend or vary the fee at the end of that period
• nominates nine of the Governor-in-Council appointments to the Institute Council including the Chairperson.

The Minister has an obligation under section 5, subsection (2) of the Act to only approve qualifications, criteria and standards for registration or renewal of registration that have been recommended by the Institute.

The Council of the Institute

The Council of the Institute has 20 members comprising:
• ten members (eight teachers and two principals) elected by teachers and principals
• nine members including the Chairperson, as ministerial nominees for Governor-in-Council appointment
• the nominee of the Secretary of the Department of Education & Training (DE&T).

To manage the Institute's establishment phase, the Minister for Education Services and Youth Affairs, Monica Gould, MLC, appointed the Chairperson, Susan Halliday, and an interim or First Council of the Institute in June 2002. This body was charged with the responsibility of preparing the initial register of teachers and conducting elections for the 10 positions on the Council to be filled by practising teachers and principals.


With the exception of the Chairperson, the term of office of members of the First Council of the Institute concluded with the appointment of the 10 elected members. Some of the current members of the First Council were elected to Council.

Eight of the ministerial nominees to the Council are appointed following consideration of names submitted by bodies and organisations with professional interests relevant to the remaining categories of Council membership. The categories are:
• teacher (three)
• principal (one)
• parent (one)
• persons representing employers of teachers (two)
• person with experience or expertise in preparing people to be teachers (one).

One member of the Council is to be the Secretary of the Department of Education & Training or the Secretary's nominee.

All members of the Council hold office for three years and are eligible for re-election or re-appointment. The 20 members of the Council were announced by the Chairperson, Susan Halliday, on 24 March 2003.

Structure and operations of the Institute Secretariat

The Secretariat of the Institute provides advice and reports to the Council on:
• pre-service teacher education courses that prepare teachers for entry to the profession
• the assessment of applications for registration
• standards of professional practice for entry to, and continuing membership of the profession
• the professional development needs of registered teachers
• accounting policies, practices and reporting
• governance
• internal and external audit
• risk management
• personnel policy
• disciplinary procedures as set out in Part 4 of the Act
• standards of professional conduct.

Chief Executive Officer

The Chief Executive Officer is responsible to the Chairperson of the Institute for the effective and efficient implementation of the Council’s decisions. Mr Andrew Ius was appointed to the position of Chief Executive Officer on 1 April 2003. Mr Ius was previously the Project Director of the Victorian Institute of Teaching Project Team, prior to the formal establishment of the Institute in June 2002.

Staff

The Chief Executive Officer administers five branches each supported by a team of staff:
• Registration Branch incorporating accreditation of pre-service teacher education courses
• Corporate Services Branch
• Standards and Professional Learning Branch
• Investigations and Hearings Branch
• Communications Branch.

As at 30 June the Institute employed 20.8 full-time equivalent staff (FTE) - 6.2 male and 14.6 female. Of the 20.8 FTE staff, 7.2 were direct Institute employees and 10.6 were seconded, 9.6 from the DE&T and 1.0 from a Catholic school.

The Institute actually employed 23 persons – 16 full-time staff and 6 part-time staff. In addition a number of contractors, and agency and temporary staff were employed. Merit and equity principles are included in performance management, personnel practices and professional development.

Offices

Since May 2002, the Institute Secretariat has occupied premises on Level 13, Transport House, 589 Collins Street, Melbourne.
* Dotted outline indicates position is currently filled by contract staff.
The following overview of the Institute's achievements demonstrates performance against objectives which target the Institute’s core purpose to recognise, promote and regulate the teaching profession.

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Achievements</th>
<th>Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Registration and Accreditation</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish the register of teachers</td>
<td>77,606 teachers finalised their registration with the Institute</td>
<td>Ensure faster processing of applications</td>
</tr>
<tr>
<td></td>
<td>4,449 applications for registration, approved by the Institute Council</td>
<td>Develop online registration services</td>
</tr>
<tr>
<td>Assess and approve pre-service teacher education courses</td>
<td>Five teacher education courses approved during the reporting period</td>
<td>Review Permission to Teach policy</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complete collaborative research project on expectations for graduate teachers and guidelines for course reviews</td>
</tr>
<tr>
<td><strong>Standards and Professional Learning</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Establish registration standards and supportive professional learning processes</td>
<td>Standards and Professional Learning Project implemented</td>
<td>Fully implement the standards for full registration</td>
</tr>
<tr>
<td></td>
<td>Interim standards for full registration established</td>
<td>Complete collaborative research project on expectations for graduate teachers and guidelines for course reviews</td>
</tr>
<tr>
<td></td>
<td>Two state-wide Teachers' Forums conducted</td>
<td>Further develop the Standards Framework</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Develop a professional learning framework</td>
</tr>
<tr>
<td><strong>Investigations and Hearings</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implement fair disciplinary procedures for conducting inquiries</td>
<td>Disciplinary procedures established</td>
<td>Collaboratively develop standards of professional conduct</td>
</tr>
<tr>
<td>Investigate all valid complaints</td>
<td>Information sheets developed</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Investigated 13 cases</td>
<td></td>
</tr>
<tr>
<td><strong>Communications</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Deliver communications to support the Institute's core purpose</td>
<td>Establishment of the Institute promoted in several mainstream and specialist publications</td>
<td>Implement activities which promote public awareness of the Institute</td>
</tr>
<tr>
<td>Ensure quality and comprehensive communications to members</td>
<td>Institute's corporate identity launched</td>
<td>Implement activities to promote the profession</td>
</tr>
<tr>
<td></td>
<td>First newsletter published</td>
<td>Develop a new Institute website and intranet</td>
</tr>
<tr>
<td></td>
<td>Website and teacher email facility established</td>
<td></td>
</tr>
<tr>
<td><strong>Corporate Services</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ensure high level of financial accountability and reporting</td>
<td>Complied with financial and reporting legislation</td>
<td>Review and consolidate services of the five Institute Secretariat branches</td>
</tr>
<tr>
<td>Establish the Institute's business functions</td>
<td>Business and personnel processes installed</td>
<td>Development of complete VITIS and online services</td>
</tr>
<tr>
<td></td>
<td>Institute's database and registration system (VITIS) established</td>
<td></td>
</tr>
</tbody>
</table>
INSTITUTE COUNCIL MEMBERS

Susan Halliday
Chairperson

Nicholas Abbey
President, Kingsbury Primary School Council and Vice-President, Macleod Prep-12 College Council

John Fry
Lalor North Secondary College

Professor Maureen Ryan
Victoria University

Dr Heather Schnagl
Principal, Ivanhoe Girls Grammar School

Kerry Willcox-McGinnes
St Anthony’s School, Alphington

Dawn Davis
Nominee of the Secretary of DE&T Office of School Education

Pepe Gillies
Braybrook College

Jean Cooke
Princess Elizabeth Junior School for Deaf Children

Janet Sherry
Carey Baptist Grammar School

Nicholas Abbey
Kingsbury Primary School Council and Macleod Prep-12 College Council

Elain Bakker
Warragul Primary School

Carolyn Clancy
Cambridge Primary School

Jean Cooke
Princess Elizabeth Junior School for Deaf Children

Frances Cosgrove
Loyola College

John Fry
Lalor North Secondary College

Pepe Gillies
Braybrook College

Greg Gibbs
Nominee of the Secretary of DE&T

Terry Hayes
Joint Council of Subject Associations of Victoria, now Council of Professional Teaching Associations of Victoria (CPTAV)
The Institute was established as a fully operating entity on 20 June 2002 and the Minister for Finance approved that the Institute's first financial reports be prepared for the period 20 June 2002 to 30 June 2003. Because this is the first year of operations, there is no comparative, previous year data provided against the actual results.

### 2002–03 results

<table>
<thead>
<tr>
<th>2002–03</th>
<th>$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATIONS</strong></td>
<td></td>
</tr>
<tr>
<td>Operating revenue</td>
<td></td>
</tr>
<tr>
<td>Revenue from Teacher Registration and Application Fees</td>
<td>2,689</td>
</tr>
<tr>
<td>Fees from Department of Education &amp; Training</td>
<td>944</td>
</tr>
<tr>
<td>Grants from Department of Education &amp; Training</td>
<td>1,720</td>
</tr>
<tr>
<td><strong>Total operating revenue</strong></td>
<td><strong>5,353</strong></td>
</tr>
<tr>
<td>Operating expenses</td>
<td>4,774</td>
</tr>
<tr>
<td>Operating surplus (deficit)</td>
<td>579</td>
</tr>
<tr>
<td>Non operating revenue from ordinary activities</td>
<td>154</td>
</tr>
<tr>
<td>Surplus (deficit) from ordinary activities</td>
<td>732</td>
</tr>
</tbody>
</table>

### FINANCIAL POSITION

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Current assets</td>
<td>4,200</td>
</tr>
<tr>
<td>Non-current assets</td>
<td>447</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>4,647</strong></td>
</tr>
<tr>
<td>Current liabilities</td>
<td>3,777</td>
</tr>
<tr>
<td>Non-current liabilities</td>
<td>138</td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>3,915</strong></td>
</tr>
<tr>
<td>Net assets</td>
<td>732</td>
</tr>
<tr>
<td>Total Equity</td>
<td>732</td>
</tr>
</tbody>
</table>

Total revenue for the year was $5,505,973 of which operating revenue was $5,352,466 and non-operating revenue was $153,507.

The net result for 2002–03 was a surplus of $731,523.

### The future

This 2002–03 surplus will not be a typical result for the Institute. Total revenue for the year was higher than would otherwise be expected because:

- of the requirement to recognise all of the Establishment Grant as 2002–03 revenue, even though part of it is being applied to 2003–04 activity, and
- both 2002–03 grants being ‘once-only’ grants.

In future, teacher registration fees will be a higher proportion of total revenue as subsequent accounting periods will recognise fee revenue attributable to the whole year. The current reporting period only recognises six months of fee revenue, January – June 2003.

Operating expenses are expected to increase and their mix will change. For example:

- legal expenses are expected to increase as the Institute addresses registration and code of conduct issues, and
- as the Institute employs its full complement of staff, salary and related expenses will increase and contractor expenses will decrease. Contracting will still be used to supplement staff numbers and skills, as required.

It is expected that 2003–04 will be more in line with a ‘break even’ position. There is even a case for a deficit as a means of maximising the level of Institute services within a given fee structure while managing and accessing retained earnings.
Registration

Branch objectives

The objectives of the Registration Branch are:
• to establish the teachers’ register
• to administer a relevant policy and operational framework to support a contemporary standards based registration system for entry to and continuing membership of the profession.

Compiling the teachers’ register

In preparation for the full implementation of the Act on 1 January 2003, registration policies and processes were developed by the First Council of the Institute and approved by the Minister for Education and Training. During this establishment phase, the operational focus was to create the teachers’ register comprising:
• teachers already practising in government and non-government schools and deemed to be registered under the Act (deemed registrations)
• teachers not eligible for deemed registration who would need to apply for registration (new registrations).

Deemed registrations

The Act provides that teachers who were employed in government schools during the years 2001 or 2002, and those teachers registered with the Registered Schools Board or the former Council of Public Education, were eligible to be deemed registered.

From August 2002, approximately 90,000 eligible teachers were invited to verify their personal and
contact details prior to confirming their place on the teachers’ register with the payment of the $60 annual registration fee. A communications strategy was implemented to ensure all eligible teachers, including those not known to the Institute, were identified.

Interestingly, this process revealed that one of the state’s practising teachers was born in 1920.

Progressively the Institute was able to refine its database as teachers validated their details. At 30 June 2003, 77,606 teachers eligible for deemed registration had been issued with the Institute’s registration card.

The Act required that teachers eligible for deemed registration pay the annual registration fee by 30 April 2003. For a number of reasons, some teachers had not finalised their registration by this date. Many of these teachers were overseas or on family leave at the time the Institute communicated with them or they had permanently left the teaching profession. Under the Act, the Institute may suspend the registration of a teacher who fails to pay the annual registration fee without reasonable excuse. The Institute has continued its efforts to contact these teachers in order to gain an accurate understanding of their circumstances before suspending their registration. As at 30 June 2003, the Institute had not suspended the registration of any teacher deemed to be registered for failure to pay the fee.

New registrations
This group of teachers includes:
• experienced teachers ineligible for deemed registration
• teachers from interstate or overseas seeking employment in a Victorian school
• Victorian teacher education graduates seeking to enter the profession.

Processing of registration applications
The qualifications, criteria and standards for registration have been approved by the Minister for Education and Training, on the recommendation of the Institute Council.

Qualifications
The minimum qualifications requirement for new registrations is the completion of four years of approved tertiary study including at least one year of approved pre-service teacher education.

Fitness to teach
Applicants for teacher registration must satisfy the Institute that they meet the criteria for fitness to be a teacher through a satisfactory criminal record check and a character reference.

Criminal record checks for possible criminal histories of applicants are carried out by CrimTrac, the agency established by the Commonwealth Government to facilitate Australian Police Services’ access to national law enforcement information systems. In June 2003, the Institute underwent a successful audit by CrimTrac of its confidentiality and administrative procedures.

At 30 June 2003, the Registration Branch had received 6,976 new applications, of which 4,449 were approved (the balance of applications were still being processed or were incomplete). This included applications from 833 teachers with overseas qualifications and 585 teachers with interstate qualifications. The Institute recognises and registers teachers under existing Mutual Recognition Legislation.

2003 registration fees

<table>
<thead>
<tr>
<th>Fee Type</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual registration fee</td>
<td>$60</td>
</tr>
<tr>
<td>Registration application fees</td>
<td></td>
</tr>
<tr>
<td>Applicants with Victorian</td>
<td>$35</td>
</tr>
<tr>
<td>qualifications</td>
<td></td>
</tr>
<tr>
<td>Applicants with interstate or</td>
<td>$55</td>
</tr>
<tr>
<td>overseas qualifications</td>
<td></td>
</tr>
</tbody>
</table>

Under section 81 of the Act, the Minister must fix the fee for a period of 12 months and may amend or vary the fee at the end of that period.

Registration refusals
At 30 June 2003, 33 applicants were refused registration by the Institute Council. All of these refusals were determined on the grounds of insufficient qualifications.

Categories of registration

Provisional registration
Provisional registration is granted to those teachers who are new to the profession or who are yet to demonstrate that they meet the standards for full registration.

Full registration
Full registration is granted to:
• teachers eligible for deemed registration on payment of the annual registration fee
• provisionally registered teachers who, before the end of the first year of registration, have demonstrated that they meet the standards for full registration
• new applicants, where they are recognised as fully registered in another jurisdiction, under the Commonwealth Mutual Recognition Act 1992 or the Trans Tasman Mutual Recognition Act 1997
• new applicants who are experienced teachers and are able to demonstrate that they meet the Institute’s 2003 Interim Standards for Full Registration approved by the Minister. A large number of these applications are from Victorian teachers returning to the profession.

Permission to Teach
The Institute recognises that there may be compelling reasons why a small number of people who meet the Institute’s standards for character and fitness, but do not meet the qualification standards, may be employed in schools to undertake specific teaching roles. Permission to Teach may be granted in these
circumstances to permit a school that has been unable to fill a vacancy with a registered teacher, to employ a person who is not fully qualified.

Four categories of Permission to Teach were established to meet the needs of schools in particular areas of the curriculum. A comprehensive review of the Permission to Teach process will take place over the next reporting period, for implementation of the revised policy in 2005.

The teachers' register

The teachers' register is available for inspection during office hours by any person, free of charge, at the Institute’s offices at Level 13, Transport House, 589 Collins Street, Melbourne. The register currently provides the teacher’s name, number, registration category and date of registration. When the Institute is able to confirm a teacher’s qualifications and the teacher’s professional expertise, the register will also include this information as required by the Act.

Registration Committee

The Registration Committee manages the business of registration on behalf of the Institute Council. Its major functions are to develop and implement policy underpinning the different categories of registration, and to make recommendations to the Institute Council on applications for registration.

This hard-working committee comprises teacher and employer representatives of all relevant sectors: primary, secondary, special, Catholic, independent and government. The committee operates with professional support from Registration Branch officers.

Meetings of the Registration Committee are held at least monthly. As of 30 June 2003, eight committee meetings had been conducted through a mixture of face-to-face and electronic meeting formats.

The Registration Committee

Ms Jean Cooke (Chair) Teacher, Princess Elizabeth Junior School
Ms Janet Sherry Teacher – Independent Sector
Mr Tony O’Meara Catholic Education Office
Mr Stephen Newton Principal, Caulfield Grammar School
Ms Carolyn Clancy Teacher, Cambridge Primary School
Mr Robert Adams DE&T
Ms Julia Wake Teacher, Penola Catholic College.

Outlook for 2004

In 2003–4, the Registration Branch will

• further develop the professional skills of Registration Branch officers
• review Permission to Teach policies
• develop online registration services
• support the development of consistent registration standards nationally.

Registration Branch staff

<table>
<thead>
<tr>
<th>Position</th>
<th>Name</th>
</tr>
</thead>
<tbody>
<tr>
<td>Group Manager, Registration and Accreditation</td>
<td>Cynthia Merrill</td>
</tr>
<tr>
<td>Manager, Registration</td>
<td>Barry Parker</td>
</tr>
<tr>
<td>Registration Co-ordinators</td>
<td>Bruce Stephens, Ros Fournier</td>
</tr>
<tr>
<td>Registration Officers</td>
<td>Marie Agrotis, Shehan Ahlip, Nicki Chaperon, Kirsty Iversen, Ross McKinnon, Sarah Mead, Beth Woolley</td>
</tr>
<tr>
<td>Reception</td>
<td>Dinah Maxwell</td>
</tr>
</tbody>
</table>

Number of teachers registered by category

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deemed – full</td>
<td>77,147</td>
</tr>
<tr>
<td>Deemed – Permission to Teach</td>
<td>459</td>
</tr>
<tr>
<td>Full registration – new</td>
<td>127</td>
</tr>
<tr>
<td>Provisional registration – new</td>
<td>3,008</td>
</tr>
<tr>
<td>experienced</td>
<td>569</td>
</tr>
<tr>
<td>Permission to Teach – new</td>
<td></td>
</tr>
<tr>
<td>Division 1</td>
<td>18</td>
</tr>
<tr>
<td>Division 2</td>
<td>591</td>
</tr>
<tr>
<td>Division 3</td>
<td>22</td>
</tr>
<tr>
<td>Division 4</td>
<td>114</td>
</tr>
<tr>
<td>TOTAL REGISTERED TEACHERS</td>
<td>82,055</td>
</tr>
</tbody>
</table>

Registration Branch staff
Back row: Beth Woolley, Bruce Stephens, Kirsty Iversen, Sarah Mead, Barry Parker
Seated: Marie Agrotis, Shehan Ahlip
Preparing a first-class teaching profession

The Accreditation Unit operates within the Registration Branch of the Institute and provides advice to the Accreditation Committee of Council.

Unit objectives
To ensure graduating teachers are well prepared to enter the teaching profession, by working with the profession and with universities in the development and conduct of high quality pre-service teacher education programs.

The Accreditation Committee of Council
The Accreditation Committee commenced operation on 26 February 2003. It was set up under section 72 of the Victorian Institute of Teaching Act 2001 to assess and approve pre-service teacher education courses for the purposes of registration. The Institute Council approves the standards and guidelines that the committee uses to assess and approve these courses.

Members of the Accreditation Committee come from primary and secondary schools in government, Catholic and independent sectors; university faculties of education; or represent teacher employers or parents. The committee is a large one to ease the workload on members. Each course review involves two to four committee members.

The period through to 30 June 2003 was largely spent in professional development activities for
committee members to assist their understanding of their roles in the work of the committee.

Only one course has been approved by the Accreditation Committee during this period. The Graduate Diploma of Education (Secondary) at RMIT was approved for 2003, pending finalisation and approval of a new program to commence in 2004.

**Review and accreditation standards**

The Institute has taken over the role of review and accreditation of teacher education courses from the Department of Education & Training which was assisted by the Standards Council of the Teaching Profession (SCTP) in these matters during the period 1994–99. The Institute Council has adopted as interim policy for 2003 and 2004, the standards developed by the Standards Council and the Department of Education & Training for the approval of pre-service teacher education courses. These standards are documented in the following publications available on the Institute’s website.

- Guidelines for the evaluation of teacher education courses, SCTP, 1999
- Interim guidelines for the expectations of courses specifically preparing teachers for the middle years, 2001
- Specialist area guidelines, DE&T, 2002

**The accreditation process**

The Accreditation Committee assesses and approves pre-service teacher education courses in Victoria on a cyclical basis – so all courses will be reviewed over a five-year period. Any new course needs to be approved before students commence studies.

Nineteen courses in seven universities are scheduled for review during 2003–04.

Universities apply for course approval, providing documents describing the course and indicating how the course will prepare graduates to meet the expectations listed in the Guidelines (see publications listed above). A Committee Review Panel examines the documents provided, then raises any questions or issues for discussion with university representatives. Aspects of the course may be changed to ensure that the Guidelines are better met.

The Review Panel puts its recommendation to the Accreditation Committee for approval. The committee may call for further discussion with university representatives. If the committee intends to refuse an application, the university will be given the opportunity to provide further evidence or revise its application.

**Transitional arrangements**

In the period 20 June 2002 – 25 February 2003, the Institute’s Accreditation Unit continued the previous course approvals processes on behalf of the Department of Education & Training. The Institute’s Manager (Accreditation) was the executive officer for the Teacher Education Approval Committee which continued to review pre-service teacher education courses and make recommendations for course approvals to the Secretary of the Department of Education & Training.

During the transitional period this committee concentrated on new course approvals and completed only one cyclical review. Four courses were approved in this period:

- Graduate Diploma of Education (Secondary), Australian Catholic University
- Bachelor of Education/Bachelor of Technology, University of Ballarat
- Bachelor of Physical Education, Deakin University
- Bachelor of Science/Bachelor of Science Education, La Trobe University

![Number of currently approved courses](chart.png)
The Institute Council has accepted as ‘approved courses’, all those pre-service teacher education courses previously approved by the Secretary of the Department of Education & Training.

Each year, universities provide student enrolment information. In 2002, roughly equal numbers commenced primary or P–12 programs as commenced secondary teacher education programs. 53.4% of new commencements were in one- or two-year postgraduate programs.

Policy development and outlook for 2004

The standards expected for graduating teachers must dovetail with the Institute’s standards for full registration. The Accreditation Committee will work with the Standards and Professional Learning Committee to review the expectations for graduates, the associated expectations for pre-service teacher education programs, and the processes that the Accreditation Committee uses to review these programs. It is intended that this review will commence late in 2003 and be completed by mid-to-late 2004.

Universities (campuses) with courses currently approved by the Institute

Australian Catholic University (Aquinas, St Patrick’s)  
University of Ballarat  
Charles Sturt University (Albury)  
Deakin University  
La Trobe University  
Monash University  
The University of Melbourne  
RMIT University  
Victoria University

Accreditation Committee members

Nicholas Abbey, parent representative,  
Kingsbury Primary School Council and Macleod Prep-12 College Council  
Stephen Bhogal, teacher, Geelong Grammar School  
Barry Brockley, La Trobe University, Bendigo  
Anne Maree Dawson, Australian Catholic University  
Sue Deacon, employer representative: DE&T  
Marie Emmitt, Deakin University  
Stephen Franz-Ford, parent representative, Chief Executive Officer, Association of School Councils in Victoria  
Pepe Gillies, teacher, Braybrook Secondary College  
Dale Hendrick, principal of Bass Valley Primary School  
Peter Kelly, teacher, Our Lady of Sion College  
Geoff MacLeod, teacher, Glen Waverley Secondary College  
Rob Newton, principal of Heatherhill Secondary College  
Debra Punton (Chair), principal of St Elizabeth’s School  
Margaret Ricardo, teacher, St Finbar’s Primary School  
Andrew Skourdiebousis, teacher, Williamstown Secondary College  
Christine Ure, The University of Melbourne  
Mary Walker, teacher, Templestowe Heights Primary School  
Don Walkley, principal of Sholem Aleichem College  
Sylvia Walton, principal of Tintern Grammar School; employer representative, independent schools  
Nicola Yelland, RMIT University

Number of commencing students in 2002

- Secondary postgraduate
- Secondary undergraduate
- Primary or P–12 postgraduate
- Primary or P–12 undergraduate
Standards and Professional Learning

Trevor Johns, teacher mentor, with new teacher, Matthew Stone

Branch objectives
The Victorian Institute of Teaching has responsibility for the development of a Standards Framework for the Teaching Profession and a Professional Learning Framework to support the continuing education of teachers and the further development of the teaching profession in Victoria.

The Standards and Professional Learning Branch aims to:
• work directly with teachers to develop the standards, criteria and processes used to determine entry to and continuing membership of the profession
• recognise the knowledge, experience and quality of professional practice within the teaching profession in Victoria
• support and promote high standards of professional practice and professional conduct
• support teachers’ professional learning through all the stages of professional development
• assist and support the processes of registration.

The Standards and Professional Learning Project
Launched in February 2003, by the Minister for Education and Training, Lynne Kosky, MP, the Standards and Professional Learning Project is the first major policy initiative of the Institute. Working with teachers, the project will develop the standards for full registration and supportive processes for moving from provisional to full registration. In 2002–03 590 teachers and principals were involved directly in the project.
The standards and processes developed by the project will apply from the start of 2004. An interim process and interim standards for moving from provisional to full registration, to be used in 2003, have been developed with the advice and agreement of employers, teacher unions and other professional organisations.

The development of standards for full registration represents the starting point for the Standards Framework for the Teaching Profession which will emerge over time.

The Standards and Professional Learning Project in 2003 involved:
- approximately 220 graduate and mentor teacher pairs
- 110 schools (10 independent, 18 Catholic and 82 government schools)
- teachers working in every region across the state and in all types of school
- a research-based evaluation team from ACER
- representatives from stakeholder groups
- the Institute’s Standards and Professional Learning Committee.

There are three groups of schools working together on this project, each offering a different perspective: one government schools group, one cross-sectoral and one regional group.

The project team is also liaising with the Department of Education & Training centrally and through regional offices, with the Catholic Education Office, and other professional bodies to develop a common understanding of the processes and structures which benefit beginning teachers.

Participating teachers and schools are sharing the findings of the project with all schools across Victoria through project reports. A report was distributed to schools at the end of Term 1. Another report will be distributed at the end of Term 3, 2003.

**The Standards and Professional Learning Committee**

The Standards and Professional Learning Committee makes recommendations to the Institute Council on the development of the Standards Framework for the Teaching Profession and the Professional Learning Framework. This committee oversees the Standards and Professional Learning Project and advises the Institute and its members on research into teaching and learning practice.

The focus of the committee’s work this year has been on supporting teachers joining the profession for the first time. Broad and inclusive consultation with teachers and key stakeholders, and direct involvement of teachers are essential features of the way the Standards and Professional Learning Committee operates.

The 15 members bring to the committee a valuable range of professional expertise and broad experience of teaching in Victoria.

**Standards and Professional Learning Committee members**

| Gary Salisbury (Chairperson), Echuca Secondary College |
| Carolyn Clancy, Cambridge Primary School |
| Marilyn Mooney, casual replacement teacher |
| Terry Hayes, Council of Professional Teaching Associations of Victoria |
| Stephen Bellisini, St Andrew’s Parish School, South Clayton |
| Jennifer Haynes, Mentone Girls Grammar School |
| Judith Warner, St Jude the Apostle’s School, Scoresby |
| Gerry Tickell, educational consultant and writer |
| Guy Evans, Haileybury College |
| Emma Taylor, Westernport Secondary College |
| Robert Bertagnolli, Altona Secondary College |
| Brenton Doecke, Monash University |
| Nicholas Abbey, Kingsbury Primary School Council and Macleod Prep-12 College Council |
| Stephen Newton, Caulfield Grammar School |
| Alan McLean, Department of Education & Training |
The interim standards framework
An interim standards framework has been developed in consultation with teachers, drawing on the best of national and international standards statements and frameworks and, more recently, subject-specific standards developed by Mathematics, Science and English/Literacy teachers.

Consultation - the Teachers’ Forum
The Teachers’ Forum is part of the commitment the Institute Council has made to ensuring that teachers, in both regional and metropolitan Victoria, have the opportunity to meet and contribute to the policy and program development of the Institute. Two Teachers’ Forum programs were conducted in August 2002 and March 2003. More than 1,500 teachers have attended a forum event in the following 41 locations around Victoria:

- Wodonga
- Moorabbin
- South Morang
- Forest Hill
- Horsham
- Ballarat
- St Albans
- Bayside
- Morwell
- Swan Hill
- Portland
- Seymour
- Lilydale
- St Arnaud
- Wonthaggi
- Shepparton
- Tullamarine
- Preston
- Wangaratta
- Ouyen
- Charlton
- Benalla
- Camberwell
- Moonee Ponds
- Mildura
- Bendigo
- Dandenong
- Warrnambool
- Geelong
- Sunshine
- Echuca
- Colac
- Frankston
- East Ringwood
- Kyneton
- Werribee
- Hawthorn
- Nunawading
- Warragul
- Hamilton
- Traralgon

A further Teachers’ Forum program is being held in July and August 2003 and will provide an opportunity for teachers to contribute to the discussion and development of the standards and processes for full registration.

Research program

Australian Research Council Linkage Projects
- Developing portfolio assessment in English and Mathematics: insider and outsider perspectives on the implementation of professional teaching standards.
  Partners: Monash University, Victorian Association for the Teaching of English, Mathematics Teachers Association Victoria, Victorian Institute of Teaching.
- The development and validation of professional standards and performance assessment portfolios for primary and secondary teachers of History.
  Partners: Monash University, History Teachers Association Victoria, Victorian Curriculum Assessment Authority, Victorian Institute of Teaching.
Other projects
Three further research projects have been commissioned by the Institute to support the work of the Standards and Professional Learning Branch:
• Comparison of national and international standards frameworks, ACER, commissioned October 2002
• Effective principles and practices of induction for beginning teaching, Victoria University of Technology and Melbourne University Private, commissioned November 2002
• Professional learning audit, beginning teachers in Victorian schools, Victoria University of Technology, commissioned June 2002

Outlook for 2004
Over a five-year period, the Institute’s Standards and Professional Learning Project will develop, trial and evaluate standards and processes to be used to describe, support and recognise teachers’ professional practice for:
• provisional registration on graduation from a pre-service teacher education course
• full registration
• renewal of registration
• recognition of high accomplishment in teaching
• recognition of education leadership.

The Institute will begin the implementation of the new process for full registration for provisionally registered teachers from 2004.
The Standards and Professional Learning Branch aims to support the process with a professional development program for beginning teachers, mentors and principals and detailed advice to schools for developing effective school-based induction programs.
The next phase of development of the Standards Framework and work on the Professional Learning Framework, will proceed in 2004. The Standards and Professional Learning Committee will work with the Accreditation Committee to review the expectations for graduates, the associated expectations for pre-service teacher education programs, and the processes that the Accreditation Committee uses to review these programs in relation to the standards for full registration. It is intended that this review will commence late in 2003 and be completed by mid-to-late 2004.
Role of the Investigations and Hearings Branch

The Investigations and Hearings Branch commenced operation on 24 September 2002 and the power to implement the disciplinary proceedings came into force on 31 December 2002. This branch is responsible for regulating the conduct of registered teachers by implementing a fair procedure for conducting inquiries into allegations of a registered teacher’s serious misconduct, serious incompetence or lack of fitness to teach.

Inquiries may be initiated by:
- a person lodging a complaint about a registered teacher with the Institute
- action being taken against a registered teacher by an employer
- a registered teacher being convicted or found guilty of an indictable offence or
- a person gaining registration as a result of fraud or misrepresentation.

If a registered teacher is convicted or found guilty of a sexual offence, as defined in the Victorian Institute of Teaching Act 2001, that teacher will automatically be disqualified from teaching in a school in Victoria.

Committees

Disciplinary Proceedings Committee

The Investigations and Hearings Branch is responsible for developing and implementing disciplinary procedures under Part IV of the Act. The Disciplinary Proceedings Committee, a subcommittee of the Institute Council is responsible for administering the disciplinary process. The members of the committee are: Janet Sherry (Chair), Garry Salisbury, Marilyn Mooney, Peter Ryan and Dr Heather Schnagl.

Professional Practice and Conduct Committee

The Investigations and Hearings Branch will also assist the Professional Practice and Conduct Committee develop standards of professional conduct for the teaching profession in Victoria. This committee conducts informal hearings under Part IV of the Act. The members are: Janet Sherry (Chair), John Fry and Kerry Willcox-McGinnes.

Disciplinary procedures

The process developed for conducting inquiries including holding hearings must conform with the requirements of the Act and with the rules of natural justice.

Complaints

When the Institute receives a complaint, decisions are made about whether the complaint is within the Institute's jurisdiction and whether it is frivolous or vexatious. The Institute has received a number of complaints from teachers about their conditions of employment. These complaints are not within the Institute's jurisdiction. A complaint must relate to a teacher's serious misconduct, serious incompetence or lack of fitness to teach and not be frivolous or vexatious.

Complaints within jurisdiction may be subject to a preliminary investigation. In many cases the teacher's employer will be asked to conduct the preliminary investigation on behalf of the Institute. The Institute conducted one preliminary investigation in 2003. Because the complaint was made by the principal against the teacher, a private investigator was engaged to investigate the complaint.

Following a preliminary investigation a matter may be referred to an informal or a formal hearing.

Action taken against a teacher

When the Institute is advised that an employer has taken action against a registered teacher because of serious incompetence or lack of fitness to teach, the Disciplinary Proceedings Committee will ask the employer to provide copies of all relevant documents. The matter may be referred to an informal or a formal hearing.

Indictable offence

If a registered teacher has been convicted or found guilty of an indictable offence the Institute must inquire into the teacher's fitness to teach. Further information about the offence will be obtained from the teacher, the Victoria Police and any other person or organisation that might hold relevant information. The matter may be referred to an informal or a formal hearing.
Registration by fraud or misrepresentation
If it is alleged that a registered teacher has obtained their registration because of fraud or misrepresentation or their qualifications have been withdrawn, the Institute must conduct a formal hearing into whether the teacher should remain registered.

Informal hearings
Informal hearings are conducted by the Professional Practice and Conduct Committee. The hearing is inquisitorial – a process of investigation to establish the facts. This committee can make a decision that no further action is to be taken or that the matter is to be referred to a formal hearing.

Formal hearings
The Institute selects a panel of at least three persons to conduct the formal hearing. One member of the panel is to be a member of the Institute Council, another a registered teacher and the third and subsequent members may be selected because of their expertise. The proceedings of the formal hearing will be more adversarial. Counsel assisting the panel bears the onus of proving the matters in issue to the satisfaction of the panel.

The panel can cancel a teacher’s registration, suspend a teacher’s registration with or without conditions, limitations or restrictions, or continue a teacher’s registration but with conditions, limitations or restrictions.

The decisions and reasons made following the informal and formal hearings must be sent to the teacher within 28 days.

The Institute has not held either an informal or formal hearing to 30 June 2003.

Review of the panel’s decision
The teacher has the right to seek review by the Victorian Civil and Administrative Tribunal of a decision of the panel.

Deregistration
The Institute deregistered two teachers between 31 December 2002 and 30 June 2003.

The first teacher had been the subject of an inquiry and hearing by the Registered Schools Board. The Registered Schools Board with the consent of the Governor in Council decided to remove the name of this teacher from the register. The Institute was required under the Act to implement this decision.

The second teacher was convicted in March 2003 in Western Australia of a sexual offence. The Institute automatically cancelled this teacher’s registration.

Memorandum of Understanding
To facilitate the handling of complaints and action taken in relation to government registered teachers, the Department of Education & Training and the Institute propose entering into a Memorandum of Understanding. The Memorandum should ensure that government registered teachers will not be investigated by the Department and the Institute at the same time.

Information sheets
To assist teachers, employers and persons lodging complaints, the Institute has developed a number of information sheets that can be sent to a person on request. The information sheets cover the following areas:
- complaints
- action taken by an employer
- preliminary investigations
- informal hearings
- formal hearings
- review by VCAT
- indictable offences
- sexual offences.

The Institute intends developing more information sheets as the need arises.

Standards of professional conduct
The Institute intends to consult widely with the teaching profession and other stakeholders to develop a Code of Ethics and a Code of Conduct for teachers in Victoria.

The Code of Ethics will be an aspirational document containing a number of fundamental principles. The Code of Conduct will set out specific guidelines for members of the profession to follow.

Statistics
<table>
<thead>
<tr>
<th>Matters under active consideration</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complaints</td>
<td>6</td>
</tr>
<tr>
<td>Committed for trial - sexual offence</td>
<td>1</td>
</tr>
<tr>
<td>Found guilty of sexual offence</td>
<td>1</td>
</tr>
<tr>
<td>Facing charges of sexual offence</td>
<td>2</td>
</tr>
<tr>
<td>Committed for trial - indictable offence</td>
<td>2</td>
</tr>
<tr>
<td>Pending deregistration</td>
<td>1</td>
</tr>
<tr>
<td>Teachers being investigated by the Registered Schools Board</td>
<td>4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Closed files</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Deregistration</td>
<td>2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Complaints</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Preliminary investigation</td>
<td>1</td>
</tr>
<tr>
<td>Outside jurisdiction</td>
<td>1</td>
</tr>
<tr>
<td>Frivolous or vexatious</td>
<td>5</td>
</tr>
<tr>
<td>Telephone inquiries</td>
<td>23</td>
</tr>
</tbody>
</table>

Inquiries from the Ombudsman
The Institute has received two inquiries from the Ombudsman’s office. Both matters were successfully resolved by the Institute contacting the person involved.
Communications

Branch objectives

The Communications Branch supports the core purposes of the Institute to recognise, promote and regulate the teaching profession in Victoria.

Role of the Communications Branch

Through its publications and communications the Communications Branch seeks to raise the profile and status of the teaching profession in the community. It must also ensure that its communications with registered teachers are timely, clear and comprehensive.

Promoting the profession

In its first year of operation a key focus of the Communications Branch has been to establish a strong and readily identifiable presence in the Victorian education community. With the assistance of Interbrand Pty Ltd, the Institute adopted a corporate identity to be the brand mark for all Institute publications and communications. The publications of key education stakeholders representing a cross-section of the education community are regularly supplied with news from the Institute. The Communications Branch distributes media releases on Institute events to national, metropolitan and regional media.
The Communications Branch incorporates a media unit which maintains a file of print and electronic media clippings about the Institute and issues affecting the teaching profession in general. It also manages liaison between the media and authorised spokespersons for the Institute.

Communicating with teachers
It is now a legal requirement for all teachers in Victoria to be registered. On matters concerning their registration, the Institute communicates directly by mail to registered teachers.

A communications strategy is in place to ensure that teachers receive complete information about the Institute using a range of mediums:
- emails to school principals
- regular news and policy updates on the Institute website
- written advice to other employers of registered teachers such as school councils and school boards
- the Institute newsletter iteach which is distributed to all registered teachers and to education stakeholders in Victoria, interstate and overseas.

A small call centre handles teacher telephone enquiries. Alternatively teachers can email the Institute via its website. A principals’ hotline enabling school principals to speak directly to an Institute officer on registration issues, provides communications support to principals.

The Communications Branch manages email correspondence to the Institute.

Communications activities
The major communications task for the Institute during its establishment phase in 2002–03 was to ensure that all teachers were aware of their legal obligation to be registered. The Act requires all teachers eligible for deemed registration to have completed their registration by 30 April 2003.

From August 2002 the Institute began writing to teachers seeking to confirm their contact details to ensure they were placed on the teacher register. A brochure Introducing the Victorian Institute of Teaching was forwarded with this correspondence. An online facility was installed on the Institute website so that teachers could confirm their details via the internet. The Institute website was updated regularly to include copies of all communications to teachers and principals since August 2002. Advertisements were placed in major newspapers inviting teachers to call the Institute if they had not received a letter about their registration. The call centre was established at that time to handle inquiries from teachers about their registration.

Information about the Institute appeared in a number of stakeholder publications. A series of circulars to principals reinforced the necessity for schools to ensure that all teachers employed at the school were registered with the Institute. A poster Are you on the Institute register? was sent to every school for posting on noticeboards. A Frequently asked questions flyer was included in this package to principals to assist school-based discussion on registration. The Institute website was upgraded to provide an advisory service to school principals to assist their management of registration issues for the start of the 2003 school year.

In November 2002, the Institute wrote again to teachers who had not responded to earlier correspondence. Throughout this period, the Institute sought to contact those teachers who work as casual relief or emergency teachers employed through teacher placement agencies or by school councils.

It was also necessary for final year teacher education students at Victorian universities to understand the requirement for registration effective from the start of the school year 2003. The Institute wrote to Victorian deans of education to advise them of the new arrangements. Institute officers visited several campuses to speak to students. Registration application form kits were forwarded to faculties and the Institute website was expanded to provide advice to teacher graduates seeking registration in 2003.

Eight media releases promoting the Institute were distributed between January and March 2003. An advertisement was placed in metropolitan, regional and multicultural press during April as part of an information campaign to promote compliance and the professional benefits of registration. The same advertisement was published in stakeholder publications or included as an insert. A four-page supplement Introducing the Victorian Institute of Teaching was produced to appear in Education Times in April 2003.

The Communications Branch managed the production and distribution of the registration card as teachers confirmed their details and paid the registration fee.

The Institute launched its new corporate identity on 29 April at a function attended by education stakeholders including teacher and principal communications officer Alissa Badcock (left) with Wendy Bradly.
associations, education unions and parent and school council organisations. The Institute newsletter iteach mailed to teachers early in Term 2, was the first communication to carry the new ‘look’.

In May, Susan Halliday was invited by 774 ABC Melbourne, to be a regular guest on the afternoon program in a segment looking at school education. The first of these took place on 26 June and continue on a weekly basis. These events provide a significant opportunity for the Chairperson to promote the profession of teaching to the community.

Performance outcomes
Media interest in the Institute as a new professional body for the teaching profession has been strong with 124 mentions of the Institute in metropolitan and regional press as well as in stakeholder newsletters and journals.

The Communications Branch responded to 3,978 emails from teachers during the reporting period.

To 30 June 2003, 77,147 teachers eligible for deemed registration had responded to the Institute’s communications by confirming their registration with payment of the annual registration fee.

Privacy
the Institute has received and responded to one complaint about the use of personal information. The Institute’s Privacy Statement is published on the Institute website.

Policy development
The Institute Council has approved a communications strategy and media management policy prepared by the Communications Branch.

Outlook for 2004
In its second year of full operation, the Institute’s Communications Branch will focus less upon compliance with the Act and more upon activities consistent with the branch’s core objectives to recognise and promote the teaching profession. The Institute newsletter iteach will continue to inform teachers about important registration information and the policy work of the Institute Council and committees. A business case will be conducted to examine the feasibility of an Institute professional journal. An advertising campaign to promote the teaching profession to the community is also planned. A major undertaking will be the redevelopment of the Institute website reflecting the new corporate ‘look’ of the Institute and providing more user-friendly Internet services to members and clients.

A Communications Reference Group has been established to support the work of the Communications Branch, particularly its publications such as the newsletter iteach. The members of the Reference Group are Council members Janet Sherry, Nicholas Abbey, Carolyn Clancy, Pepe Gillies and Terry Hayes.
Corporate Services

Branch objectives

The Corporate Services Branch is the administrative arm of the Institute with a strategic objective to establish the Institute as an efficient and effective organisation focused on its core responsibilities.

This branch is primarily responsible for the Institute’s four key business functions: financial management, information and technology systems, human resource management and office management.

Corporate Services is overseen by the Institute’s Audit, Finance and Administration (AFA) Committee reporting directly to the Institute Council, in accordance with the Victorian Institute of Teaching Act 2001 and the Financial Management Act 1994.

The five-member AFA Committee comprises:

- the Council Chairperson (Susan Halliday)
- three elected members of Council holding teacher registration (Jean Cooke, John Fry, Stephen Newton)
- another person with high-level financial or audit expertise (Peter Gray – Milura Pty Ltd)
- ex officio, the Chief Executive Officer (Andrew Ius) and
- ex officio, the Group Manager, Corporate Services (Peter Gonzales).

The members of the AFA Committee, excluding the Chief Executive Officer and the Group Manager, Corporate Services, together with Council members Debra Punton and Nicholas Abbey, form the Remuneration Committee. This committee has specific responsibility for determining the Institute’s policy and practice for executive remuneration and the individual remuneration packages for its executives (that is, employees not covered by awards and collective agreements).

The year in review

The year has seen intensive activity directed to the establishment of the Institute's human resource, business, information technology and other infrastructure systems.

The Institute has:

- developed an integrated registration and financial management system
• installed business and personnel processes which meet Council and Institute operating needs
• successfully operated as a self-funded organisation with all expenditure covered by the teacher registration fee and a fee for service from the Department of Education & Training equal to the cost of services originally provided by the Department and now transferred to the Institute.

Human resource management
The Institute currently employs 23 staff, either directly or on secondment, principally from the Department of Education & Training. The Institute also employs a number of casual agency and contract staff to assist in shorter-term projects. Many Institute staff have had a long involvement in teaching and education. The Institute is committed to the health and well-being of all staff and currently applies the policies and procedures in relation to occupational health and safety developed by the DE&T.

Premises
Since May 2002, the Institute has occupied medium-term, easily-accessible, leased accommodation within Melbourne’s CBD at Level 13, Transport House, 589 Collins Street (near the corner of Collins and Spencer Streets). Initially there was limited occupation of the site with some functions housed in another section of the building. It was not until January 2003 that Level 13 was fully configured with provision for additional workspaces, a reception area and meeting rooms. With the additional amenities, the Institute’s staffing levels were also able to increase to its full complement.

The Institute is committed to providing safe and secure space for staff and visitors, and full compliance with the provisions of the Building Act 1993.

Victorian Institute of Teaching Information System (VITIS)
Significant resources and effort have been directed to the development of the Institute’s Lotus Notes database and registration system (VITIS). While the nucleus of the registration system was licensed from another Victorian professional regulatory authority, it has now been significantly enhanced. Work in development will provide an interface between VITIS and the Commonwealth Agency CrimTrac which undertakes criminal record checks for the Institute. Stylistic Pty Ltd provided a full-time project manager for VITIS to coordinate the contracting out of the development and enhancement work, principally through Groupware Pty Ltd.

Accounting and financial reporting system
To enable the immediate establishment of a fully functioning accounting and financial reporting system, Milura Pty Ltd was engaged as the Institute’s accounting bureau. This arrangement has proved to be most successful.

Freedom of Information
The Institute received one Freedom of Information request which was answered within the statutory time frame.

Senior staff changes
The Institute’s first Group Manager, Robert Rutter retired from the Institute in January 2003. Mr Rutter was instrumental in the establishment of all of the Corporate Services Branch’s processes. In the intervening period till the appointment of the current Group Manager, the Institute contracted the services of Advantage Consulting Alliance.

Consultancies and major contracts
No consultancies were commissioned by the Institute during 2002–03. The Institute did not enter into any major contracts greater than $10 million in value during 2002–03. The total value of contractor expenses during the year was $679,782 with the largest single contractor being paid $175,511.

National Competition policy
The establishment of the Institute as the sole registration authority for teachers in all Victorian schools has been identified as compliant with National Competition policy in an independent review commissioned by the DE&T. The report found that establishing the Institute provided for key public benefits that flow from improved education outcomes, through regulation of the profession.

Whistleblowers Protection Act 2001
During its establishment phase and as an interim measure, the Institute has adopted the Department of Education & Training Guidelines for management of disclosures of improper conduct by public officers and public bodies. These guidelines are published in the Department’s Annual Report 2002–03. As at 30 June 2003, the Institute had not received any disclosures made under the Act nor has the Ombudsman referred any disclosures made under the Act to the Institute for investigation.

Outlook for 2004
During 2003–4, the Corporate Services Branch will:
• finalise any outstanding developmental and establishment issues regarding the Institute’s day-to-day operations, policies, infrastructure, computer systems and online services
• review and consolidate services provided by the branch
• manage the direct employment of staff in a number of positions that are currently occupied by seconded employees and agency staff
• review and refine Corporate Services processes and policies.
Financial Statements for the year ended 30 June 2003

Statement of financial performance 27
Statement of financial position 28
Statement of cash flows 29
Notes to the financial statements 30
Accountable Officer’s declaration 38
Auditor-General’s report 39
## Statement of financial performance
for the year ended 30 June 2003

<table>
<thead>
<tr>
<th>Notes</th>
<th>2002/2003</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue from Ordinary Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating revenue from ordinary activities</td>
<td>2</td>
<td>5,352,466</td>
</tr>
<tr>
<td>Non operating revenues from ordinary activities</td>
<td>2</td>
<td>153,507</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>5,505,973</td>
</tr>
<tr>
<td><strong>Expenses from Ordinary Activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salaries and employee benefits</td>
<td></td>
<td>1,909,719</td>
</tr>
<tr>
<td>Contractors</td>
<td></td>
<td>679,782</td>
</tr>
<tr>
<td>Board elections</td>
<td></td>
<td>305,449</td>
</tr>
<tr>
<td>Projects and teacher release</td>
<td></td>
<td>282,182</td>
</tr>
<tr>
<td>Legal expenses</td>
<td></td>
<td>194,493</td>
</tr>
<tr>
<td>Communications</td>
<td></td>
<td>756,634</td>
</tr>
<tr>
<td>Administration expenses</td>
<td></td>
<td>511,867</td>
</tr>
<tr>
<td>Depreciation and amortisation expenses</td>
<td></td>
<td>134,324</td>
</tr>
<tr>
<td>Borrowing costs expenses</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td>4,774,450</td>
</tr>
<tr>
<td><strong>Net results for the Reporting Period</strong></td>
<td>3</td>
<td>731,523</td>
</tr>
<tr>
<td><strong>Total changes in equity other than those resulting from transactions with owners as owners</strong></td>
<td></td>
<td>731,523</td>
</tr>
</tbody>
</table>

The above statement of financial performance should be read in conjunction with the accompanying notes.
Statement of financial position
as at 30 June 2003

<table>
<thead>
<tr>
<th>Notes</th>
<th>2003 $</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Cash assets</td>
<td>4</td>
</tr>
<tr>
<td>Receivables</td>
<td>5</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NON-CURRENT ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>7</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Payables</td>
<td>8</td>
</tr>
<tr>
<td>Employee entitlements</td>
<td>9</td>
</tr>
<tr>
<td>Registration fees in advance</td>
<td>10</td>
</tr>
<tr>
<td><strong>TOTAL CURRENT LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NON-CURRENT LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td>Employee entitlements</td>
<td>9</td>
</tr>
<tr>
<td><strong>TOTAL NON-CURRENT LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES</strong></td>
<td></td>
</tr>
<tr>
<td><strong>NET ASSETS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>EQUITY</strong></td>
<td></td>
</tr>
<tr>
<td>Accumulated surplus</td>
<td>11</td>
</tr>
<tr>
<td><strong>TOTAL EQUITY</strong></td>
<td></td>
</tr>
</tbody>
</table>

The above statement of financial position should be read in conjunction with the accompanying notes.
Statement of cash flows
for the year ended 30 June 2003

<table>
<thead>
<tr>
<th>Notes</th>
<th>2002/2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
<td></td>
</tr>
</tbody>
</table>

**CASH FLOW FROM OPERATING ACTIVITIES**

- Receipts from customers: 7,889,292
- Goods and Services Tax recovered from ATO: 204,099
- Payments to suppliers and employees: (3,569,069)
- Goods and Services Tax paid to the ATO: (470,870)
- Interest received: 106,421

Net cash provided by (used in) operating activities: 4,159,873

**CASH FLOW FROM INVESTING ACTIVITIES**

- Payments for property, plant and equipment: (533,868)

Net cash provided by (used in) investing activities: (533,868)

Net increase in cash held: 3,626,005

Cash at beginning of reporting period: -

Cash at end of reporting period: 3,626,005

The above statement of cash flows should be read in conjunction with the accompanying notes.
Notes to the financial statements
for the year ended 30 June 2003

NOTE 1 Statement of accounting policies

The Institute was established under an Act of the Victorian Government to recognise, promote and regulate the teaching profession by providing for the registration of teachers in schools in Victoria, regulating the conduct of those teachers and providing a procedure for handling complaints about teachers registered or permitted to teach under the Act. The Victorian Institute of Teaching became a fully operating entity on 20 June 2002 and the Minister of Finance approved that the Institute’s first financial reports be prepared for the period 20 June 2002 to 30 June 2003. As this is the first year of operations there is no comparative data provided.

The general purpose financial report of the Victorian Institute of Teaching has been prepared in accordance with the provisions of the Financial Management Act 1994 and Australian Accounting Standards, Statement of Accounting Concepts and other authoritative pronouncements of the Australian Accounting Standards Board, and Urgent Issues Group Consensus Views.

Unless otherwise stated, the financial statements have been prepared in accordance with historical cost convention. The accounting policies adopted, and the classification and presentation of items, comply with Australian Accounting Standards or Urgent Issues Group Consensus View, or an alternative accounting policy permitted by an Australian Accounting Standards, is adopted to improve the relevance and reliability of the financial report.

(a) Cash
For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks or financial institutions, investments in money market instruments maturing within less than two months and net of bank overdrafts.

(b) Revenue recognition
(i) Grants
Revenue from grants is recognised in accordance with AAS15 Revenue, at the time the grant is controlled by the Institute. "Control" arises on the earlier event of receipt or notification of eligibility of grants by relevant authorities.

(ii) Registration Fees
Registration fees are raised annually in advance. Revenue is recognised evenly throughout the year to which the registration relates. Revenue relating to a future component of the year, in accordance with the above recognition policy, is carried forward in the Statement of Financial Position as Registration Fee In Advance, in accordance with AAS15 Revenue.

(iii) Application fees
Application fees are charged to prospective teachers at the time of application. Revenue is recognised at the time of application, in accordance with AAS15 Revenue.

(c) Employee Entitlements
(i) Wages and salaries, annual leave
Liabilities for wages and salaries and annual leave are recognised, and are measured as the amount unpaid at the reporting date in respect of the employee’s service up to the reporting date and are measured as the amounts expected to be paid when the liabilities are settled.

(ii) Long Service Leave
The liabilities for long service leave expected to be settled within 12 months of the reporting date are recognised in the provision for employee benefits and is measured in accordance with (i) above. The liability for long service leave expected to be settled more than 12 months from the reporting date is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using interest rates on notional Government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash flows.

(iii) Superannuation
The amount charged to the statement of financial performance in respect of superannuation represents the contributions made by the Institute to the superannuation fund.
(d) Property Plant and Equipment and Leasehold Improvements

Items of property, plant and equipment and leasehold improvements are recorded at cost less accumulated depreciation or amortisation. Assets are depreciated on a straight-line basis to write them off over their estimated useful lives. Leasehold improvements are amortised over the period of the lease or the estimated useful life of the improvement, whichever is the shorter.

The following estimated useful lives are used in the calculation of depreciation and amortisation:
- Leasehold Improvements: 18 months
- Plant and Equipment: 3 years
- Furniture and Fittings: 5 years

(e) Receivables

The Institute’s policy for settlement of receivables is 30 days from invoice.

Trade receivables and other receivables are recorded at amounts due less any provision for doubtful debts.

(f) Payables

The Institute policy for settlement of payables is 30 days from invoice.

Trade payables and other accounts payable are recognised when the Institute becomes obliged to make future payments resulting from the purchase of goods and services.

(g) Contingent Asset and Contingent Liability Policy

All contingencies will be discounted to their present value using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the contingencies. The recognition of contingent assets is to comply with accounting requirements of the new AASB1044 Provisions, Contingent Liabilities and Contingent Assets.

(h) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount for goods and services tax (GST) except:
- i) where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii) for receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

(i) Rounding Amounts

Amounts in the financial report have been rounded to the nearest dollar.

NOTE 2 Revenue

<table>
<thead>
<tr>
<th>Operating revenue from ordinary activities</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grants - Victorian Department of Education &amp; Training</td>
<td>$</td>
</tr>
<tr>
<td>— Establishment Grant</td>
<td>1,600,000</td>
</tr>
<tr>
<td>— Victorian College of Principals</td>
<td>120,000</td>
</tr>
<tr>
<td>Fee For Service</td>
<td>943,670</td>
</tr>
<tr>
<td>Teacher registrations &amp; applications</td>
<td>2,688,796</td>
</tr>
<tr>
<td>Total revenue</td>
<td>5,352,466</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Non operating revenue from ordinary activities</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>— Interest revenue</td>
<td>106,421</td>
</tr>
<tr>
<td>— Assets transferred from DE&amp;T free of charge</td>
<td>47,086</td>
</tr>
<tr>
<td>Total</td>
<td>153,507</td>
</tr>
</tbody>
</table>
NOTE 3  Results for the reporting period

Net Results from ordinary activities has been determined after:

Expenses:
Employee Benefits
Salaries and Wages 1,581,143
Superannuation 143,639
Oncosts (PRT, FBT and Workcover) 184,937

1,909,719

Depreciation and amortisation of non-current assets
Plant and equipment 82,450
Fixtures and fittings 1,093
Leasehold improvement 50,781

134,324

Remuneration of auditor
Victorian Auditor General’s Office 15,000

15,000

NOTE 4  Cash assets

Cash on hand 600
Cash at bank 3,625,405

3,626,005

NOTE 5  Receivables

CURRENT
Other debtors 39,438
Provision for doubtful debts -
Goods and Services Tax – ATO 315,731

355,169

NOTE 6  Other assets

CURRENT
Accrued revenue – DE&T employee entitlements 218,892

218,892
NOTE 7 Property, plant and equipment

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements at cost</td>
<td>154,450</td>
<td></td>
</tr>
<tr>
<td>Accumulated Amortisation</td>
<td>(50,781)</td>
<td>103,669</td>
</tr>
<tr>
<td>Fixtures &amp; Fittings at cost</td>
<td>16,354</td>
<td></td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>(1,093)</td>
<td>15,261</td>
</tr>
<tr>
<td>Plant &amp; Equipment</td>
<td>450,587</td>
<td></td>
</tr>
<tr>
<td>Accumulated Depreciation</td>
<td>(122,887)</td>
<td>327,700</td>
</tr>
<tr>
<td>Total Property, Plant and Equipment</td>
<td>446,630</td>
<td></td>
</tr>
</tbody>
</table>

a. Movements in Carrying Amounts
Movement in the carrying amounts for each class of property, plant and equipment between the beginning and the end of the reporting period.

<table>
<thead>
<tr>
<th></th>
<th>Balance at beginning of period</th>
<th>Additions</th>
<th>Disposals</th>
<th>Depreciation expense</th>
<th>Carrying amount at end of period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leasehold Improvements at cost</td>
<td>-</td>
<td>154,450</td>
<td>-</td>
<td>(50,781)</td>
<td>103,669</td>
</tr>
<tr>
<td>Fixtures &amp; Fittings at cost</td>
<td>-</td>
<td>16,354</td>
<td>-</td>
<td>(1,093)</td>
<td>15,261</td>
</tr>
<tr>
<td>Plant &amp; Equipment at cost</td>
<td>-</td>
<td>410,150</td>
<td>-</td>
<td>(82,450)</td>
<td>327,700</td>
</tr>
<tr>
<td>Total</td>
<td>-</td>
<td>580,954</td>
<td>-</td>
<td>(134,324)</td>
<td>446,630</td>
</tr>
</tbody>
</table>

NOTE 8 Payables

<table>
<thead>
<tr>
<th></th>
<th>2003</th>
<th>$</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade creditors</td>
<td>970,286</td>
<td></td>
</tr>
<tr>
<td>Victorian Department of Education &amp; Training</td>
<td>189,169</td>
<td>1,159,455</td>
</tr>
<tr>
<td>Total</td>
<td>1,159,455</td>
<td></td>
</tr>
</tbody>
</table>
NOTE 9  Employee benefits

CURRENT
Annual leave  66,052
Long service leave  13,967
80,019

NON-CURRENT
Long service leave  138,873
138,873

Aggregate employee entitlement liability  218,892

b. Number of direct employees of Institute at year end  8

As explained in Note 1, the amounts for long service leave and superannuation are measured at their present values. The following assumptions were adopted in measuring present values:

a. Long Service Leave

Weighted average rates of increase in annual employee entitlements to settlement of liabilities 4.60%
Weighted average discount rates 4.86%
Weighted average terms to settlement of liabilities 8 years

b. Superannuation

Government Superannuation Scheme 10.77%

Employees’ superannuation fund

No liability is recognised in the Statement of Financial Performance for the Institute's share of the State's unfunded superannuation liability. The State's unfunded superannuation liability has been reflected in the financial statements of the Department of Treasury and Finance.

Superannuation contributions for the reporting period are included as part of salaries and associated costs in the statement of financial performance of the Institute. The name and details of the employee superannuation funds and contributions made by the Institute are as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Contribution for the year 2003 $</th>
<th>Contribution Outstanding for the year 2003 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Superannuation Scheme</td>
<td>143,639</td>
<td>–</td>
</tr>
<tr>
<td>- revised and new</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The bases for contributions are determined by the various schemes.

All employees of the Institute are entitled to benefits on retirement, disability or death from the Government Employees’ Superannuation Fund. This Fund provides defined lump sum benefits based on years of service and final average salary.
NOTE 10 Registration fees in advance

Unearned teacher registration fees for the calendar year 2003 2,536,826

NOTE 11 Accumulated Surplus

Accumulated Surplus at the beginning of the financial year
Net result for the reporting period 731,523
Accumulated Surplus at the end of the financial year 731,523

NOTE 12 Cash flow information

a. Reconciliation of cash flow from operations with net result from ordinary activities

Net result for the reporting period 731,523
Non-cash flows in profit from ordinary activities (47,086)
Depreciation and amortisation 134,324

Changes in assets and liabilities

(Increase)/decrease in accrued income (218,892)
(Increase)/decrease in trade debtors (355,169)
Increase/(decrease) in payables 1,159,455
Increase/(decrease) in employee benefits 218,892
Increase/(decrease) in unearned fees 2,536,826

Cash flows from operations 4,159,873

b. Reconciliation of Cash

Cash at the end of the financial year as shown in the statements of cash flows is reconciled to the related items in the statement of financial position as follows:

Cash on hand 600
Cash at bank 3,625,405

3,626,005

NOTE 13 Remuneration of executives

The number of Executive Officers (including the Accountable Officer) whose remuneration exceeded $100,000 during the reporting period are shown below in their relevant income bands. Total remuneration includes long service leave payments and bonuses paid at the end of contracts. Base remuneration is exclusive of these items.

|----------------------|-------------------------------|-----------------------------|
NOTE 14  Responsible persons

The names of the persons who were Responsible Persons during the financial year are:

Lynne Kosky, MP, Minister for Education and Training

Ms S Halliday  Mr D Fraser  Ms P Gillies  Ms J Wake
Mr G Salisbury  Mr S Newton  Ms J Sherry  Ms K Willcox-McGinnes
Ms C Clancy  Ms J Cooke  Ms D Punton  Mr T Hayes
Ms D Davis  Dr H Schnagl  Ms M Mooney  Mr N Abbey
Ms M Ricardo  Professor M Ryan  Mr P Ryan  Mr J Fry

Total remuneration for Responsible Persons $125,787

The numbers of Responsible Persons are shown below in their relevant income bands

<table>
<thead>
<tr>
<th>Number of Persons whose remuneration was within</th>
</tr>
</thead>
<tbody>
<tr>
<td>$0 – $9,999</td>
</tr>
<tr>
<td>$60,000 – $69,999</td>
</tr>
</tbody>
</table>

NOTE 15  Related party transactions

There were no related-party transactions for the year ended 30 June 2003

NOTE 16  Remuneration of auditors

Audit fees paid or payable for the audit of the financial report

<table>
<thead>
<tr>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td>$</td>
</tr>
<tr>
<td>Paid as at 30 June</td>
</tr>
<tr>
<td>Payable as at 30 June</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

NOTE 17  Leasing commitments

The Institute has no leasing or financing arrangements.

NOTE 18  Contingent assets and liabilities

As at 30 June 2003 there were no contingent assets and liabilities.

NOTE 19  Events after reporting date

There were no matters that have arisen since the end of the financial year that have significantly affected or may significantly affect the operations of the Institute, the results of its operations or state of affairs of the Institute in the financial future.
NOTE 20 Financial instruments

(a) Significant Accounting Policies
Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which revenues and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 1 to the accounts.

(b) Interest Rate Risk
The following details the Institute’s exposure to interest rate risk as at the reporting date.

<table>
<thead>
<tr>
<th></th>
<th>Average Interest rate</th>
<th>Variable Interest rate</th>
<th>Fixed Interest rate (Less than 1 year)</th>
<th>Fixed Interest rate (1 to 5 years)</th>
<th>Non Interest Bearing</th>
<th>Total 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>%</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Financial Assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>4.48%</td>
<td>3,625,405</td>
<td>-</td>
<td>-</td>
<td>600</td>
<td>3,626,005</td>
</tr>
<tr>
<td>Receivables</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>355,169</td>
<td></td>
<td>355,169</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>218,892</td>
<td></td>
<td>218,892</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,625,405</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>574,661</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,200,066</td>
</tr>
<tr>
<td>Financial Liabilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>1,159,455</td>
<td></td>
<td>1,159,455</td>
</tr>
<tr>
<td>Other</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2,536,826</td>
<td></td>
<td>2,536,826</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3,696,281</td>
</tr>
</tbody>
</table>

(c) Credit Risk
Credit risk refers to the risk that a counterpart will default on its contractual obligations resulting in financial loss to the Institute. The Institute has adopted the policy of only dealing with creditworthy counterparts, as a means of mitigating the risk of financial losses from defaults.

The carrying amount of financial assets recorded in the statement of financial position, not of any provision for losses, represents the Institute’s maximum exposure to credit risk, without taking account of the value of collateral or other security obtained.

(d) Net Fair Value
The net fair value as at the reporting date of each class of financial asset and financial liability is represented by the amounts recorded in the statement of financial position determined in accordance with the accounting policies disclosed in note 1 of the accounts.
COUNCIL DECLARATION

The Council Members of the Victorian Institute of Teaching declare that:

The financial statements and notes, as set out on pages 26 to 37, are in accordance with Part 9 of the Directions of the Minister for Finance under the Financial Management Act 1994, applicable Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the statement of financial performance, statement of financial position, statement of cash flows and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2003 and financial position of the Institute as at 30 June 2003.

We are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

Susan Halliday
Chairperson – Victorian Institute of Teaching
Melbourne
8 October 2003

Peter Gonzales
Group Manager – Corporate Services
Melbourne
8 October 2003
AUDITOR-GENERAL'S REPORT

To the Members of the Parliament of Victoria, responsible Ministers and Members of the Council of the Victorian Institute of Teaching

Audit Scope

The accompanying financial report of the Victorian Institute of Teaching for the financial period 20 June 2002 to 30 June 2003, comprising a statement of financial performance, statement of financial position, statement of cash flows, and notes to the financial statements, has been audited. The Members of the Council of the Victorian Institute of Teaching are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the Members of the Parliament of Victoria, responsible Ministers and Members of the Council as required by the Audit Act 1994.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, so as to present a view which is consistent with my understanding of the Institute’s financial position, and its financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the Financial Management Act 1994, the financial position of the Victorian Institute of Teaching as at 30 June 2003 and its financial performance and cash flows for the period then ended.

MELBOURNE
9 October 2003

J.W. CAMERON
Auditor-General
APPENDIX 1 INDEX OF COMPLIANCE

The annual report of the Victorian Institute of Teaching is prepared in accordance with the Financial Management Act 1994 and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

### Report of operations

<table>
<thead>
<tr>
<th>Clause</th>
<th>Disclosure</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Charter and purpose</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.1.3 (i) (a)</td>
<td>Manner of establishment and Ministers</td>
<td>1</td>
</tr>
<tr>
<td>9.1.3 (i) (b)</td>
<td>Objectives, functions, powers and duties</td>
<td>2-3</td>
</tr>
<tr>
<td>9.1.3 (i) (c)</td>
<td>Nature and range of services provided</td>
<td>2-3</td>
</tr>
<tr>
<td><strong>Management and structure</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.1.3 (i) (d) (i)</td>
<td>Name of Chief Executive Officer</td>
<td>3</td>
</tr>
<tr>
<td>9.1.3 (i) (d) (ii)</td>
<td>Names of senior office holders and a brief description of each office</td>
<td>9, 12, 15, 19, 21, 24</td>
</tr>
<tr>
<td>9.1.3 (i) (d) (iii)</td>
<td>Organisational structure</td>
<td>4</td>
</tr>
<tr>
<td><strong>Financial and other information</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9.1.3 (i) (e)</td>
<td>Statement of workforce data and merit and equity</td>
<td>3</td>
</tr>
<tr>
<td>9.1.3 (ii) (a)</td>
<td>Summary of financial results for the year</td>
<td>8</td>
</tr>
<tr>
<td>9.1.3 (ii) (b)</td>
<td>Significant changes in financial position during the year</td>
<td>8</td>
</tr>
<tr>
<td>9.1.3 (ii) (c)</td>
<td>Operational and budgetary objectives for the year and performance against objectives</td>
<td>5, 8, 9–25</td>
</tr>
<tr>
<td>9.1.3 (ii) (d)</td>
<td>Major changes or factors affecting achievement</td>
<td>9–25</td>
</tr>
<tr>
<td>9.1.3 (ii) (e)</td>
<td>Subsequent events</td>
<td>26</td>
</tr>
<tr>
<td>9.1.3 (ii) (f)</td>
<td>Application and operation of the Freedom of Information Act 1982</td>
<td>25</td>
</tr>
<tr>
<td>9.1.3 (ii) (f)</td>
<td>Details of consultancies over $100,000</td>
<td>25</td>
</tr>
<tr>
<td>9.1.3 (ii) (g)</td>
<td>Details of consultancies under $100,000</td>
<td>25</td>
</tr>
<tr>
<td>9.1.3 (ii) (h)</td>
<td>Compliance with building and maintenance provisions of the Building Act 1993</td>
<td>25</td>
</tr>
<tr>
<td>9.1.3 (ii) (k)</td>
<td>Statement on National Competition policy</td>
<td>25</td>
</tr>
<tr>
<td>9.1.3 (ii) (l)</td>
<td>Statement of availability of other information</td>
<td>42</td>
</tr>
<tr>
<td>9.1.3 (ii) (j)</td>
<td>Compliance index</td>
<td>40</td>
</tr>
<tr>
<td>9.6.2 (i) (ii) (iii) (iv)</td>
<td>Disclosure of major contracts</td>
<td>25</td>
</tr>
<tr>
<td>9.8.2</td>
<td>Occupational health and safety</td>
<td>25</td>
</tr>
</tbody>
</table>
Financial Statements

Clause  Disclosure                                                                 Page

Preparation
9.2.2 (ii) (a)  Statement of preparation on an accrual basis 30
9.2.2 (ii) (b)  Statement of compliance with Australian Accounting Standards and associated pronouncements 30
9.2.2 (ii) (b)  Statement of compliance with accounting policies issued by the Minister for Finance 30

Statement of Financial performance
9.2.2 (i) (a)  A statement of financial performance for the period ended 30 June 03 27
9.2.3 (ii) (a)  Operating revenue by class 27, 31
9.2.3 (ii) (b)  Investment income by class 31
9.2.3 (ii) (c)  Other material revenue by class including sale of non-goods assets and contributions of assets 31
9.2.3 (ii) (d)  Material revenues arising from exchanges of goods or services 31
9.2.3 (ii) (e)  Depreciation, amortisation or diminution in value 32, 33
9.2.3 (ii) (f)  Bad and doubtful debts 32
9.2.3 (ii) (g)  Financing costs 37
9.2.3 (ii) (h)  Net increment or decrement on the revaluation of each category of assets 33
9.2.3 (ii) (i)  Auditor-General’s fees 36

Statement of financial position
9.2.2 (i) (b)  A statement of financial position for the year 28

Assets
9.2.3 (iii) (a) (i)  Cash at bank or in hand 32
9.2.3 (iii) (a) (ii)  Inventories by class n/a
9.2.3 (iii) (a) (iii)  Receivables, including trade debtors, loans and other debtors 32, 37
9.2.3 (iii) (a) (iv)  Other assets, including prepayments 32
9.2.3 (iii) (a) (v)  Investments by class n/a
9.2.3 (iii) (a) (vi)  Property, plant and equipment 33
9.2.3 (iii) (a) (vii)  Intangible assets n/a

Liabilities
9.2.3 (iii) (b) (i)  Overdrafts n/a
9.2.3 (iii) (b) (ii)  Bank loans, bills payable, promissory notes, debentures and other loans 37
9.2.3 (iii) (b) (iii)  Trade and other creditors 33
9.2.3 (iii) (b) (iv)  Finance lease liabilities 36
9.2.3 (iii) (b) (v)  Provisions, including employee entitlements 34

Equity
9.2.3 (iii) (c) (i)  Authorised capital n/a
9.2.3 (iii) (c) (ii)  Issued capital n/a
9.2.3 (iii) (d)  Reserves, and transfers to and from reserves (shown separately) 35

Statement of cash flows
9.2.2 (i) (c)  A statement of cash flows for the year 29

Notes to the financial statements
9.2.2 (i) (d)  Ex-gratia payments n/a
9.2.2 (i) (d)  Amounts written off n/a
9.2.3 (iv) (a)  Charges against assets n/a
9.2.3 (iv) (b)  Contingent liabilities 36
9.2.3 (iv) (c)  Commitments for expenditure n/a
9.2.3 (iv) (d)  Government grants received or receivable and source 31
9.2.3 (iv) (e)  Employee superannuation funds 34
9.2.3 (iv) (f)  Assets received without adequate consideration 31
9.4.2  Transactions with responsible persons and their related parties 36
9.7.2  Motor vehicle lease commitments n/a
9.10  Consistency of Budget and Departmental Reporting (Departments only) 30
ACRONYMS AND ABBREVIATIONS

* References to the teaching profession and to registered teachers throughout this report include school principals

ACER  Australian Council of Educational Research
The Act  The Victorian Institute of Teaching Act 2001
AFA  Audit, Finance and Administration
The Council  The Council of the Institute
DE&T  Department of Education & Training
The Institute  The Victorian Institute of Teaching
The Minister  The Minister for Education and Training
MP  Member of Parliament
P–12  Preparatory (year of schooling) to Year 12
VCAT  Victorian Civil and Administrative Tribunal
VITIS  Victorian Institute of Teaching Information System

Additional information available on request

Relevant information not included in this report is available on request to the Institute and includes:
• declarations of pecuniary interests
• shares held beneficially by senior officers as nominees of a statutory authority
• publications produced by the Institute and where they can be obtained
• overseas visits undertaken
• industrial relations issues.

Enquiries regarding details of this information should be made to:
Andrew Ius
Victorian Institute of Teaching
Level 13, 589 Collins Street
Melbourne Victoria 3000