

Victorian Institute of Teaching



Letter of transmittal

August
2010

Bronwyn Pike, MP
Minister for Education
2 Treasury Place
East Melbourne Victoria 3002

Dear Minister

I am pleased to submit the annual report of the Victorian Institute of Teaching in accordance with the *Financial Management Act 1994* and the *Education and Training Reform Act 2006*.

Yours sincerely

A handwritten signature in black ink, reading "Susan Halliday". The signature is written in a cursive style with a large initial 'S' and a long, sweeping underline.

Susan Halliday
Chairperson



Abbey Dusink, Education Coordinator at Eureka Skydeck

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About this report

The Institute's annual report is printed on paper independently certified by the Forest Stewardship Council (FSC). Any paper with the FSC logo meets internationally recognised principles and criteria. It is elemental chlorine free (not bleached with chlorine gas) and dioxin and acid free.

The Institute prints 2600 copies to provide a copy to each government, Catholic and independent school and a number of stakeholders with an interest in the work of the Institute. The full report is published on the Institute website at <www.vit.vic.edu.au>. Extra copies may be obtained by phone (03) 8601 5800.

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

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Report of the Chairperson

Susan Halliday
Chairperson
Victorian Institute
of Teaching Council

An extensive amount of work was undertaken during the financial year as a result of the government's response to the Ministerial Review into the Victorian Institute of Teaching. Thus far two of the three resulting Bills have been passed, namely the *Education and Training Reform Amendment Act 2010* and the *Education and Training Reform Further Amendment Act 2010*. On 1 January 2011 both are to be proclaimed.

Key legislative amendments include reducing the size of the Institute Council from 20 to 12 and the necessary provisions to move the profession to annual registration. There has also been an important series of increases in the Institute's disciplinary and investigatory powers. In addition the Institute will now be positioned to conduct informal and formal hearings as well as appoint medical panels to deal with certain issues in a sensitive manner.

The Institute Council has mapped the foundations for a new strategic plan to facilitate the results of the Review, and in turn throughout the year has focused much attention on the financial and budgetary implications for the period ahead. In addition Council Committees and their Chairpersons have been instrumental in the successful administration and rollout of the compliance related responsibilities of the Institute.

The work of the Australasian Teacher Regulatory Authorities (ATRA) continued with significant contributions being made by the Victorian Institute of Teaching as we moved towards national standards for professional practice. National standards will replace the Victorian Institute of Teaching standards, hence the Institute has engaged fully in the development of national standards and the related consultation phase.

More broadly the Institute has also been working with ATRA colleagues to ensure sound understanding of the complexities associated with a buoyant framework for national consistency in teacher registration.

Over the past year Institute Council and Institute staff have worked together, embracing the growth, core changes and challenges that have emerged from the approved Review Recommendations and the increasing national regulatory regime led by the federal government.

On behalf of the Institute Council I wish to acknowledge the high calibre work of the Institute's four Group Managers during a significant transition phase. Also of particular note are the exceptional efforts, professionalism and dedication of Andrew Ius the Institute's inaugural Chief Executive Officer. Retiring in April 2010, Andrew Ius successfully delivered on the Victorian Government's ambitious agenda to regulate the Victorian teaching profession. His historic contribution and personal commitment to excellence have ensured the public interest in Victoria, and across the nation, will be well served for many years to come.

Susan Halliday



In this reporting period the Institute has undertaken significant planning and development in preparation for the outcomes of the legislative, policy and operational changes arising from the Victorian Government's Response to the Institute Review. It has been a period that has demanded hard work and flexibility from Institute Council and Committee members, staff and our stakeholders.

The number of registered teachers has again grown and was 113,022 at the end of June 2010 – an increase of 3 per cent over last year. When compared to the number on our initial register in 2003 – 82,055 – it outlines not only the healthy growth of the profession, but also the increasing workload of the Institute in managing the regulation of the profession.

We continued our important work in supporting those entering the profession, the updating of criminal record checks and accrediting and reviewing teacher education programs. There was ongoing focus on developing local, national and international partnerships, particularly in working to establish a national teacher education accreditation system, and contributing to key Victorian Government initiatives such as the annual *Teacher Supply and Demand Report*, *Teach for Australia* and the Career Change Program.

It was extremely pleasing to see the excellent results obtained by both the internal audit of the operations of the Registration Unit and the external audit conducted for CrimTrac. We saw a major change within the Institute's Secretariat Management Group with the retirement of Wendy Bradly, as the Institute's inaugural Group Manager, Communications and Research.

Whilst this reporting period can be seen as a one of consolidation and preparation, the year(s) ahead will see significant changes to the regulatory environment. Moving from five yearly to annual renewal of registration and the changes to the powers of hearing panels are just two examples of the ways the outcomes of legislative changes will significantly affect the work of the Institute.

In the light of all the forthcoming changes, simpler, more streamlined online processes were seen as a high priority. Work commenced toward the design and implementation of a new website and portals for principals and teachers, which will enable us to offer improved services and communications.

Added to this has been the move towards national harmonisation of teacher regulation, which has involved the Institute in close collaborative work with our partner members of the Australasian Teacher Regulatory Authorities (ATRA) under the auspices of the Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA). As part of ATRA, the Institute has also produced a new national online magazine for all registered teachers.

The Institute Review, coming at the end of the period covered by our first Strategic Plan, will provide a timely focus as the Institute works towards a new Strategic Plan to guide it into the next phase of development.

As this is my last report of operations as CEO, having retired from the post in April this year, I place on the public record my sincere appreciation for the rare opportunity I have been afforded in making a contribution to the public and institutional recognition of teaching as a most noble and genuine profession that upholds high standards in the sole interest of our future generations.

It has been a privilege to be able to contribute to the growth of the Institute from the very beginning in 2001, and its significant list of achievements in that time, many of them ahead of schedule.

I thank all current and previous members of the Institute Council and Committees, staff past and present, and our stakeholders, for their continued commitment to the growth, efficiency and responsiveness of the Institute, in its role as regulator of the teaching profession in Victoria. I particularly thank the Institute Chairperson, Susan Halliday, for her inspirational leadership and support throughout my term as Chief Executive Officer.

A handwritten signature in black ink, appearing to be 'AI' with a stylized flourish.

Andrew Ius

Our establishment



Who we are

The Victorian Institute of Teaching is an independent statutory authority for the regulation of the teaching profession in Victoria. It is the single registration authority for all teachers in Victorian schools. Established in December 2002, the Institute operates under and administers Part 2.6 of the *Education and Training Reform Act 2006* and reports to Parliament through the Minister for Education.

What we do

The Institute is governed by a 20-member Council which administers the functions laid down in our legislation. The Institute's main functions are to recognise and regulate members of the teaching profession, and recognise and promote the role and activities of the Institute.

The Institute's other functions include:

- reviewing and approving teacher education courses
- recommending the qualifications, criteria and standards for registration and renewal of registration of teachers in Victorian schools
- granting registration or permission to teach in Victorian schools
- maintaining the register of teachers
- developing and maintaining standards of professional practice
- developing, maintaining and promoting a code of conduct for the teaching profession
- investigating the conduct, competence and fitness to teach of registered teachers, imposing sanctions where appropriate
- developing a Professional Learning Framework to support teachers' continuing education
- undertaking professional development programs and activities for teachers related to the Institute's functions
- undertaking and promoting research about teaching and learning practices
- providing advice to the Minister about the professional development needs of teachers.

How we deliver

The Council of the Institute oversees and sets policy directions for the Secretariat which is structured into six operational branches and units. Council appoints committees to provide strategic policy advice to guide their deliberations or to administer, upon delegation, certain Institute functions.

The Secretariat carries out the work of the Council in relation to its functions under the *Education and Training Reform Act 2006*.

Two branches, the Registration and Accreditation Branch and the Standards and Professional Learning Branch, attend to the core business areas of registration, accreditation, standard setting and professional learning.

The Corporate Services Branch manages the Institute's finances, facilities and information systems as well as human and physical resources.

The Communications and Research Branch manages the Institute's communications, including a telephony service, website, email correspondence, print communications and publications such as the annual report. This branch also coordinates the Institute's research agenda.

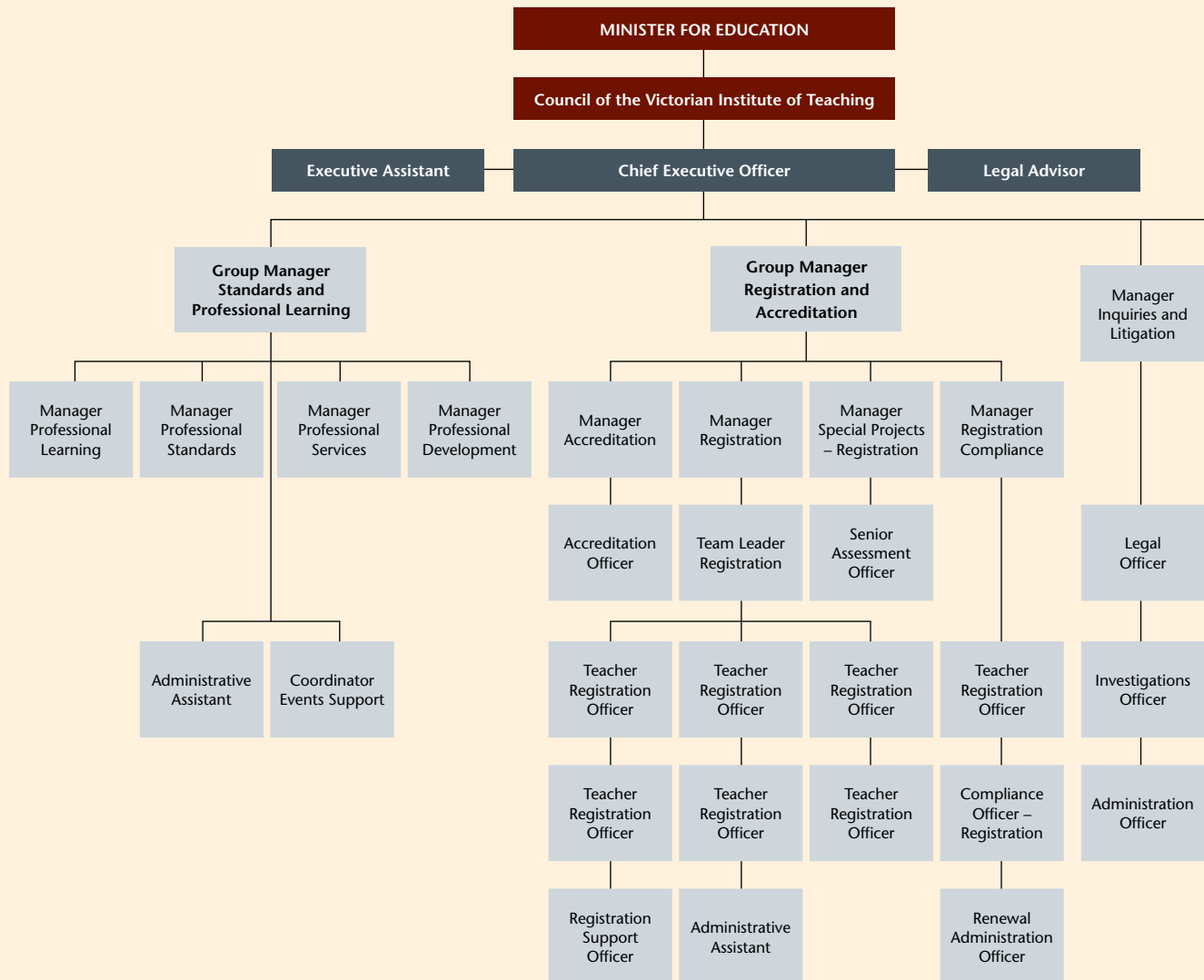
Two units, the Litigation and Inquiries Unit and the Conduct and Panels Unit, administer the Institute's disciplinary function.

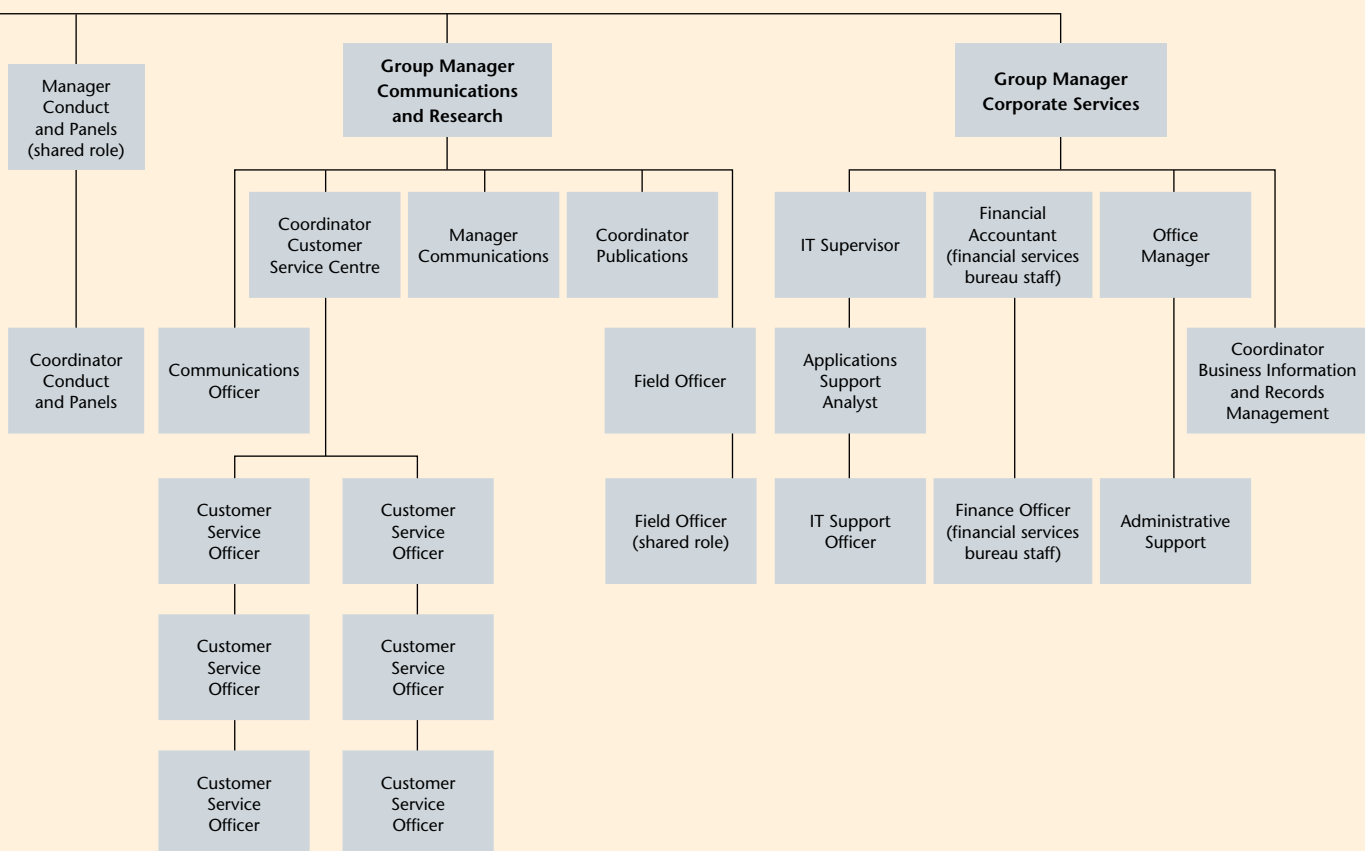
Our mission

The Institute's mission is to build a profession that aspires to the highest standards of teaching practice and conduct. We act in the public interest, behaving honestly, openly and accountably. We acknowledge the professionalism, needs and commitment of teachers and others with a legitimate stake in our work. We are aware of the impact the Institute's work and decisions have on teachers, students and the wider community. We strive to be knowledgeable, objective, responsive, efficient and effective in all that we do.



Organisational structure







The Secretariat

Chief Executive Officer

The Chief Executive Officer is responsible to the Chairperson for implementing Council decisions, and oversees a Secretariat comprising four branches and two work units. The Secretariat provides advice and support to Council and Committees on administration of the *Education and Training Reform Act 2006*.

Overview of the work of the Registration and Accreditation Branch

The Registration and Accreditation Branch comprises two business units, the Registration Unit and the Accreditation Unit. The Registration Unit is accountable for maintaining the Register of Teachers by ensuring that registrants meet the requirements of the *Education and Training Reform Act 2006*. The Accreditation Unit manages the process for accreditation of initial teacher education programs.

Outlook

In 2010–11, the Registration Unit will implement required processes arising from legislative amendments following the review of the Institute. The unit will also be assisting with the development and implementation of the Institute's new information system.

The Registration Unit and the Accreditation Unit will contribute to the national agenda for establishing national consistency in teacher registration and the national accreditation of initial teacher education programs.

Overview of the work of the Standards and Professional Learning Branch

The Standards and Professional Learning Branch develops and implements standards of professional practice for initial and continuing registration with the Institute. This has been a period of consolidation for the branch as the professional learning framework continues to be implemented, reviewed and revised to support high standards of professional practice for all registered teachers.

Outlook

During 2010–11 the branch will prepare to move to national standards for teachers and nationally consistent processes for teachers to meet and maintain standards. The branch will continue to support provisionally registered teachers and train experienced teachers as mentors. Teachers will be supported in their professional learning as the Institute changes from five-yearly renewal of registration to an annual process. The development of an online environment for teachers to complete their renewal will be complemented with a secure individual portal for teachers where they can record their professional development hours and manage their renewal requirements. Networks supporting the continuing professional learning for casual relief teachers will continue to expand. During this period, the Institute will prepare for the certification of teachers who meet standards at higher levels. The branch will continue to take an active role in national developments related to teacher standards and professional learning, while continuing an active research agenda to inform work.



Barbara Carter
Group Manager

Registration and
Accreditation Branch



Fran Cosgrove
Group Manager

Standards and
Professional Learning
Branch



Overview of the work of the Communications and Research Branch

The Communications and Research Branch manages Institute communications and research, including a quarterly newsletter, the internet and intranet websites, a customer service centre incorporating a Teachers' and Principals' Hotline, and the Institute e-mailbox. The branch also conducts a number of programs for education stakeholders. Quarterly Twilight Seminars are offered for the education community and each year the branch manages a statewide celebration of World Teachers' Day. The Institute exhibits at major metropolitan and regional career expos and the branch coordinates these activities.

Outlook

The Institute's stakeholders will see a range of improvements to our communications technologies during the next reporting period. We will offer teachers the facility to manage many registration functions via a portal to a revamped Institute website. We will offer online video access to our quarterly seminars for teachers in remote locations, and move to a more sustainable approach with online delivery of our quarterly newsletter.

Overview of the work of the Corporate Services Branch

The Corporate Services Branch manages the Institute's finance, risk, human resources, information and communications technology, records and office management functions of the Institute.

Outlook

In 2010–11 we will see the branch working on the implementation of a new online teacher communication system. This system will allow teachers and principals to communicate with the Institute in a secure portal environment. It will also improve the quality and work-flow of registration information through the replacement of our current teacher registration system with a more intuitive relationship-based management system.



Tony Brandenburg
Acting
Group Manager

Communications and
Research Branch



Matthew Hibbert
Group Manager

Corporate Services

Overview of the work of the Inquiries and Litigation Unit

The Inquiries and Litigation Unit conducts inquiries into allegations of a teacher's serious misconduct, serious incompetence or lack of fitness to teach. The unit oversees all matters referred for investigation. It manages the appointment and training of investigators. The unit prepares cases for formal hearings. The unit also prepares cases for review at VCAT and all other legal proceedings on behalf of the Institute. The unit also investigates potential prosecutions regarding unregistered teachers.

The unit farewelled Kim Magnussen who resigned from the Institute in January 2010.

Outlook

The unit will review the disciplinary procedures to facilitate transition to and compliance with the amendments to the *Education and Training Reform Act 2006*. The unit will refine the investigative processes, including the introduction of a home visit policy and changes as required by the amendments to the Act.

The unit will also consult with key stakeholders about changes to the disciplinary procedures; review and amend information pamphlets; develop documentation and file management procedures, and develop Key Performance Indicators to monitor performance against objectives.



Katrina Galanos
Acting Manager

Inquiries and
Litigation Unit

Overview of the work of the Conduct and Panels Unit

The Conduct and Panels Unit is responsible for the administrative and legal support for all hearings held by the Institute. The unit's staff establish the hearing panels, implement and monitor panel decisions, and prepare panel decisions for publication on the Institute's website. The unit supports the Institute's Disciplinary Proceedings Committee and Professional Practice and Conduct Committee. The unit prepares reports relating to complaints and notifications from employers. The unit also prepares reports relating to the criminal records of applicants for registration and registered teachers. It implements the procedures for the suspension of registration following charges of sexual offences and implements the procedures for deregistration following a finding of guilt or conviction of a sexual offence. The unit also supports the delivery of the Code of Ethics and the Code of Conduct.

Outlook

The unit will facilitate the introduction of medical hearing panels and persons appointed to a panel as required by the amendments to the *Education and Training Reform Act 2006*; review compliance procedures to improve the monitoring of teachers with conditions or restrictions on their registration and facilitate transition to a new database.



Carolyn Pickett
Manager

Conduct and Panels
Unit



Kylie Dow
Manager

Conduct and Panels
Unit

Summary of financial position



Reporting period

The financial report and accompanying notes are for the financial year ended 30 June 2010.

Table 1
Financial results 2009–10

	2009–10 \$000
OPERATIONS	
Registration, application and criminal record check fees	9,190
Fees from DEECD	600
Sponsorship	23
Interest	315
Other	229
Total income	10,358
Operating expenses	10,247
Net result	111
FINANCIAL POSITION	
Financial assets	8,671
Non-financial assets	1,934
Total assets	10,605
Provisions, borrowings and payables	2,703
Revenue received in advance	4,097
Total liabilities	6,800
Total equity	3,805

Figure 1
Total revenue for 2009–10

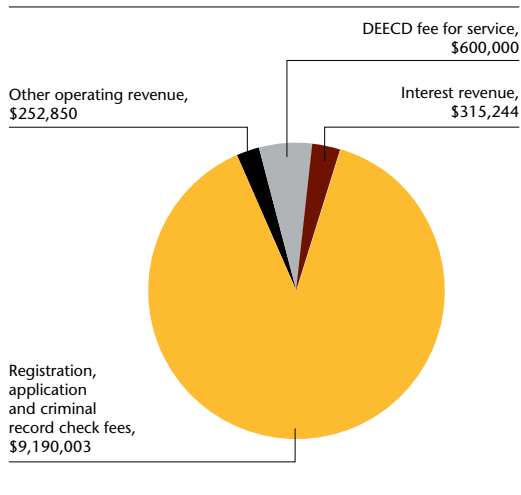
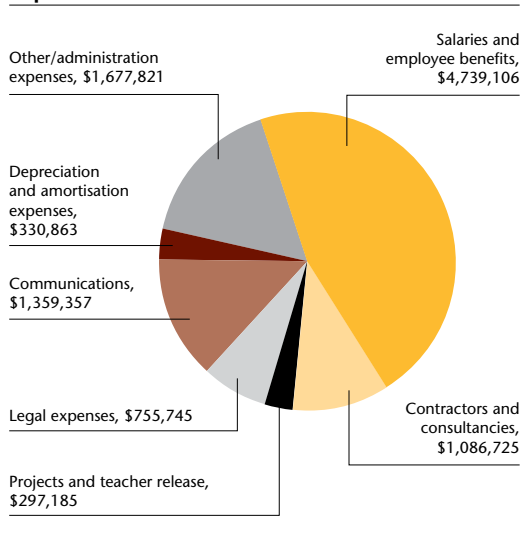


Figure 2
Expenses for 2009–10



In 2009–10 annual registration fees were increased from \$68 to \$70 per annum. Teacher registration fees are paid annually in advance and are prorated to each of the 12 months. Fee revenue belonging to July 2010 or after, is considered revenue in advance, a current liability in this year's balance sheet.

Interest revenue increased in 2009–10 despite a decrease in the fees from DEECD and a fall in interest revenue.

Operating expenses increased in 2009–10 with additional recruitment and other contractor expense. The number of criminal records checks carried out increased also.

In summary, 2009–10 generated a surplus of \$111,295 compared to \$109,366 in the previous year. The Institute's balance sheet and cash position contribute remain at appropriate levels to cover the Institute's current and future commitments.



Highlights



- Six initial teacher education programs were reviewed and re-accredited.
- Seven new initial teacher education programs were reviewed and accredited.
- Three teacher education programs that further qualify teachers in specialist areas were reviewed and endorsed.
- 6716 teachers were newly registered, bringing the total of registered teachers to 113,022, an increase of 3 per cent over last year.
- 31,802 criminal record checks processed.
- An internal audit of registration processes confirmed operation at a high level of compliance.
- A partnership agreement was reached to increase LOTE teachers in the Barwon South Western Region.
- 5480 beginning teachers and teacher mentors attended induction support programs in metropolitan and regional locations.
- Support structures for casual relief teachers continued, with 9 CRT seminars attended by 910 teachers.
- Casual relief teacher networks increased from 5 to 17.
- The number of PD activities and registered providers on the Institute's online search facility, Pdi continued to expand.
- the Institute exhibited at three major career expos, with 52,480 total visitors to the Institute stand, an increase of 5997 from the previous year.
- Four twilight seminars were held for education stakeholders.
- the Institute's field officers visited 100 schools and presented to more than 5000 teachers



A standards-based regulatory framework for Victoria's teachers



Professional standards lie at the heart of the Institute's work. They provide the basis for decision making at three points in the professional education of a teacher:

- their pre-service preparation
- their induction to the profession
- their ongoing professional learning as experienced teachers.

The standards for graduating teachers

Developed by teachers and teacher educators as part of the Institute's Future Teachers Project, these standards reflect the characteristics of knowledge, practice and professional engagement considered essential for the preparation of members of the teaching profession.

The Institute's Accreditation Committee reviews initial teacher education programs for their capacity to provide candidates with this essential practice and to demonstrate that graduates meet these standards. Higher education providers must ensure that they provide pre-service teachers with the opportunity to develop this essential body of knowledge and practice.

The standards for full registration

On graduation from an approved teacher education course, the Institute grants provisional registration for up to two years. During this time, in order to be granted full registration, the teacher must demonstrate through an evidence-based process that they meet these standards.

The Standards for renewal of registration

The community expects that members of a profession maintain their active practice and ensure their knowledge is current and references recent research. The Institute's standards and requirements for renewal of registration embody this expectation and the principle that initial registration is not 'for life'.

During this financial year, the Institute focused on preparing for new legislation, including the move to annual renewal of registration, and putting in place the processes to facilitate this change in the next financial year.

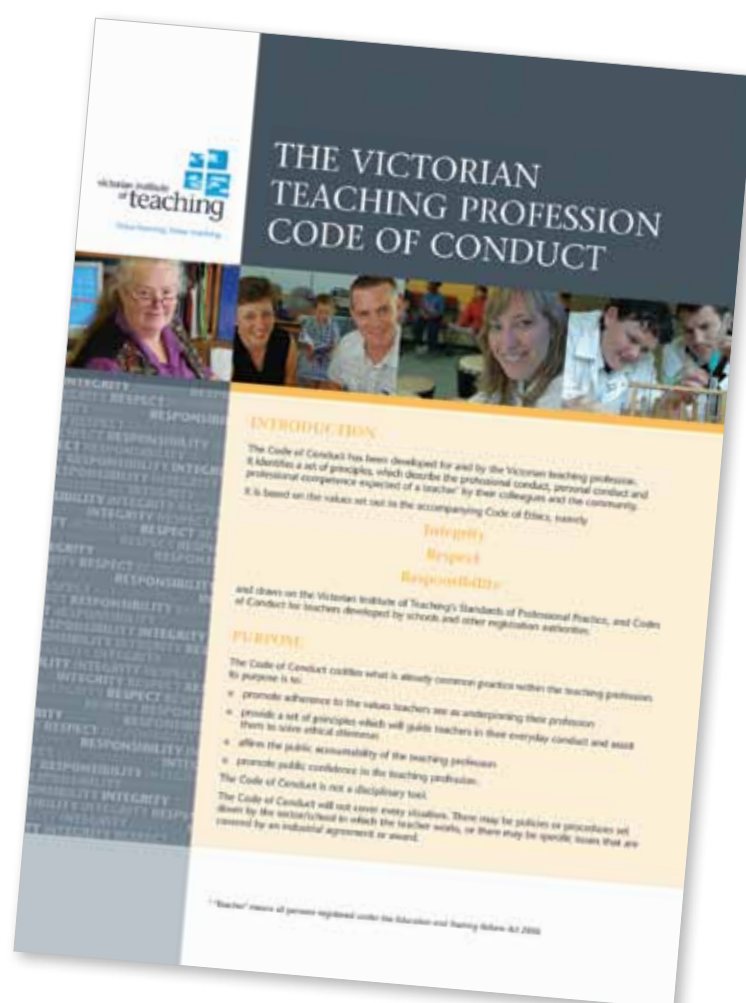
The standards-based regulatory framework provides the structure for the 2009–10 annual report. The Institute's programs are founded on the framework which is designed to deliver quality outcomes for:

- graduates of pre-service teacher education programs
- beginning teachers
- experienced teachers
- students, parents, carers and the broader community.

The Victorian Teaching Profession Code of Conduct

Underpinning the standards are the ethical values and principles identified in the *Victorian Teaching Code of Conduct*.

The Institute is committed to maintaining and promoting the Code of Conduct launched in June 2008. During 2009–10 the Institute developed updates to the Code of Conduct support materials to increase relevance and accessibility for teachers. These updates will be launched on the Institute's new website in 2010. The Institute has also conducted workshops and briefings in schools in promotion of the Code of Conduct.



Accreditation



The standards and process described in *Preparing Future Teachers* are used by the Institute's Accreditation Committee to approve all Victorian initial teacher education programs.

The Accreditation Unit provides advice to the Accreditation Committee of the Council and manages the process for accreditation of initial teacher education programs to ensure graduates are well prepared to enter the profession.

The Accreditation Unit also works collaboratively with Victorian providers of initial teacher education programs to ensure they satisfy the standards for accreditation. Regular liaison with teacher educators located at both regional and metropolitan campuses is an essential component of this work.

To facilitate teaching in initial teacher education programs, the Institute annually distributes posters describing the standards for graduating teachers to all higher education providers.

The accreditation process

The Accreditation Committee reviews, assesses and accredits all the initial teacher education

programs in Victoria on a cyclical basis every five years. New programs need to be approved and accredited before students commence.

Higher education providers applying for program accreditation submit documentation that describes the program and indicates how it will prepare graduates to meet Institute standards. A Committee Review Panel examines the documents and identifies issues for discussion with the higher education provider. Aspects of the program may be changed to ensure that the standards are better met.

The Review Panel puts its recommendation to the Accreditation Committee for a decision. The Committee may accredit the program, or it may call for further discussion with the provider. If the Committee intends to refuse an application, the higher education provider is given the opportunity to provide further evidence or to revise the program application.

In 2009–10, the Accreditation Committee re-accredited nine continuing programs and accredited six new programs. One proposed new program was reviewed but not accredited, and another proposed new program was withdrawn.

A list of the accredited programs that accept enrolments is available on the Institute's website.

Table 2

Shows the total number of approved initial teacher education programs accepting enrolments as at 30 June 2010.

Total number of approved initial teacher education programs	
secondary postgraduate	17
secondary undergraduate	20
primary postgraduate	12
primary undergraduate*	12
P-10 or P-12 postgraduate	3
P-10 or P-12 undergraduate	3
early childhood/primary postgraduate	1
early childhood/primary undergraduate	3
Total	71

*2 programs have an optional P-10 pathway

Practicum partnerships

During 2009, the Institute partnered with the Victorian Council of Deans of Education in an Australian Learning and Teaching Council project to explore models of practicum organisation in teacher education. The findings of the study were published in October 2009 and indicated that a program of change is needed to address the professional learning needs of pre-service

teachers in the practicum complement of initial teacher education programs offered by Victorian providers. Work is underway to review the design of school placements and the professional learning needs of pre-service teachers, but the Accreditation Committee and the Victorian Council of Deans of Education will be considering other recommendations of the report.

The full report may be found at <<http://www.altc.edu.au/project-practicum-partnerships-exploring-melbourne-2007>>.

The national context

The accreditation of initial teacher education programs is currently undertaken by the regulatory authorities in each Australian state and territory. The Ministerial Council for Education, Early Childhood Development and Youth Affairs (MCEECDYA) has resolved that a national accreditation system should be developed for all Australian initial teacher education programs.

The Institute believes that a national system will support greater national and international recognition of the quality and qualifications of Australian graduates regardless of the institution or state from which they graduate.

The Institute has therefore been working closely with members of the Australian Institute for Teaching and School Leadership to develop draft accreditation program standards as well as an accreditation process. The Accreditation Unit has played a leadership role in this process by actively contributing to the draft and the process.



The Accreditation Unit has also provided advice and support to the Teachers Registration Board of Tasmania, the Western Australian College of Teachers and the Teacher Registration Board of the Northern Territory. All three jurisdictions have been developing program standards and processes for the accreditation of initial teacher education programs.

International engagement

In October 2009, the Accreditation unit hosted a ten-day study tour for the Mongolian Ministry of Education, Culture and Science. A team of seven delegates from the Mongolian National Council for Education Accreditation and the Professional Council for Teachers Educational Program worked with the Accreditation Unit to study the accreditation standards and processes used by the Institute and explore possibilities for future co-operative work. The program included input from staff from the Victorian Registration and Qualifications Authority and the Australian Universities Quality Agency, as well as site visits to La Trobe University and the University of Ballarat.

The Institute has also commenced an accreditation consultancy project in Saudi Arabia, sponsored by the Saudi Arabian Minister for Higher Education. The project is to review and develop a comprehensive improvement implementation plan for the professional field experience component of the initial teacher education programs offered by Al-Imam Muhammad Ibn Saud Islamic University (Imam University). The project is expected to be completed by October 2010.

Liaison with other bodies

The Institute has continued to work with the Department of Education and Early Childhood Development (DEECD) to implement the government's Teacher Supply and Demand Initiatives. These initiatives include providing opportunities for teachers in rural schools to retrain in particular subject/curriculum areas where there are problems attracting appropriately qualified teachers.

The Institute collects enrolment data from Victorian higher education providers to provide advice on the supply of teachers state-wide to the cross-sectoral Teacher Supply and Demand Reference Group convened by the Department of Education and Early Childhood Development.

The Institute and the Victorian Registration and Qualifications Authority have streamlined their approval and accreditation processes for initial teacher education programs offered by non-self-accrediting higher education providers. Instead of two separate panels, a single panel comprising nominees from both authorities reviews these initial teacher education programs to ensure they meet both Institute and Victorian Registration and Qualifications Authority standards before they are approved.

The Institute Accreditation unit is currently working with Early Childhood Australia Inc. (Victoria branch) to develop a similar streamlined approach for higher education programs that prepare graduates to teach in both early childhood and primary school settings.





Registration



The Registration Unit is accountable for maintaining the Victorian Register of Teachers by ensuring that registrants meet the requirements of the *Education and Training Reform Act 2006* (the Act). The Unit has met the demand to register teachers during the reporting period. There are now 113,022 registered teachers in Victoria, an increase of 3273 from the previous year.

The Institute continues to work with employers and has again conducted a census that ensures all persons undertaking the duties of a teacher hold current registration. The census has assisted in the resolution of a number of outstanding registration issues.

Registration requirements

To be registered as a teacher, an applicant is required to be appropriately qualified, suitable to teach, and competent in the English language. Most commonly, graduates who have completed four years of approved tertiary study that includes an approved course of primary or secondary teacher education apply to become provisionally registered teachers. There are combinations

of other qualifications that can lead to teacher registration and these are assessed on a case by case basis.

Provisionally registered teachers become eligible for full registration when they have gained teaching experience and can demonstrate that they have achieved the standards of professional practice for full registration.

In certain circumstances, permission to teach can be granted to individuals who may not have the teacher education qualifications required for registration mentioned above, but have the appropriate skills and experience to teach. Permission to teach has facilitated pathways into the teaching profession for career change applicants and Teach for Australia associates.

All registered teachers are required to renew their registration every five years by demonstrating they have met the standards for renewal of registration. During the reporting period, 3322 teachers renewed their registration. In addition, 87 teachers requested an extension of registration to allow more time to meet the standards, and 122 others opted for non-practising registration because

they could not meet all the requirements for renewal. The 8 per cent reduction in the number of non-practising teachers in the reporting period is indicative of teachers actively returning to the profession. Non-practising registration means the teacher cannot be employed as a teacher in a Victorian school but can maintain professional registration.

Registered teachers must have a current and satisfactory National Criminal History Record Check (NCHRC) recorded with the Institute. The NCHRC is required routinely to be updated before the end of five years, which is consistent with the Working with Children (WWC) check requirements. Teachers holding a valid registration card with a current NCHRC date are exempt from the WWC check. The Registration Unit has managed the processing of 31,802 NCHRCs in the reporting period.

The Institute was included in the 2009 National Criminal History Record Checking Internal Audit process of CrimTrac. The audit was conducted by Deloitte Touche Tohmatsu in July 2009. The audit report confirmed that the Institute operates at the highest level of compliance with regard to its performance as an accredited CrimTrac agency.

Supporting the registration of teachers

The Registration Unit continues to develop initiatives that will reduce handling, processing and assessment time for applications. Under the delegation of the Institute Council to the Chief Executive Officer, applicants who meet all the requirements for provisional and full registration

can be approved to commence teaching. Additional delegations ensure that teachers who are suspended for non-payment of fees have their suspensions revoked in a timely manner following payment of the fee and supply of the reason for their non-payment.

To ensure that Registration staff are kept up to date with qualification assessments, a specialised training program is provided to enhance their skills in relation to Victorian, interstate and overseas qualifications.

To further assist an expeditious registration process, the cataloguing of the Institute's library and qualifications resources has commenced. This will make qualification assessment materials more accessible to officers and support their assessment outcomes.

In August 2009, the Institute entered into a three-year partnership agreement with the Barwon-South-Western Region of DEECD and the Australian Catholic University, Ballarat. The agreement is designed to foster the education and employment in that region of persons with LOTE qualifications but lacking in teacher education qualifications. The Institute's key roles are to assess the qualifications for possible candidates for the specialised program of teacher education which includes induction and mentoring under a grant of permission to teach. The first cohort under this agreement comprised 13 candidates.

The internal audit of the operations of the Registration Unit conducted by WHK Horwath in the previous reporting period confirmed compliance of operations in their report released in May 2009.



Registering new graduates

The Institute has established efficient processes for the receipt and assessment of registration applications to ensure graduates can start teaching as soon as possible. The Institute works with higher education providers so that with the student's consent, academic records can be received electronically and the application process expedited.

Improved processing has resulted in 3200 end-of-year graduates being available to teach by late February 2010.

Registering teachers

The number of registered teachers has grown by 3273, a 3 per cent increase over the previous reporting period (Table 3).

Table 3
Number of teachers registered as at 30 June

	2010	2009	% change
Full Registration	98,265	95,817	3 ↑
Provisional Registration	9,618	8,869	8 ↑
Permission to Teach	4,034	3,862	4 ↑
Non-practising	1,105	1,201	8 ↓
TOTAL	113,022	109,749	3 ↑

Receiving and processing applications

Teacher registration officers assess applications for registration according to the requirements of the *Education and Training Reform Act 2006* and the criteria and standards approved by the Minister for Education. During 2009–10, the Institute received 13,836 applications compared with 13,912 in 2008–09.

These applications include new applications, re-applications for provisional registration or permission to teach and applications for full registration by those holding provisional registration. A large number of applications lapse because the applicant has withdrawn the application, has failed to provide the required documents or pay the relevant fees. Table 4 reports the number of new registrants by application type.

Table 4
Number of new registrants

	2010	2009	% change
Victorian qualifications	3816	4105	1 ↓
Interstate qualifications	677	722	6 ↓
Overseas qualifications	926	1084	15 ↓
Mutual recognition	645	572	13 ↑
Permission to teach	652	884	26 ↓
TOTAL	6716	7367	9 ↓

During the reporting period, 78 applications (including Permission to Teach) were refused compared with 84 in the previous year.

The grounds for these refusals included:

- insufficient academic or teacher education qualifications
- insufficient Supervised Practice Teaching
- inability to demonstrate competence in the English language
- not in the public interest.

One applicant sought review by the Victorian Civil and Administrative Tribunal (VCAT) for unsuccessful application for registration. This matter is reported on page 25 under VCAT reviews.

Provisional to full registration

Graduate teachers are provisionally registered. To be granted full registration, they must demonstrate through an evidence-based process that they meet the standards of professional practice for full registration. This generally occurs at the end of their first year of teaching, but may be completed over two years. Teachers who fail to apply for full registration after two years are no longer registered and must re-apply for registration.

Experienced applicants who are able to provide evidence that they already meet the standards for full registration may be granted full registration at the time they are registered or shortly afterwards. Table 5 presents these situations.

Table 5
Provisional to full registration

	2010	2009	% change
Immediate full registration granted	991	884	12 ↑
Immediate full registration under Mutual Recognition	352	328	7 ↑
Full registration – experienced teachers meeting standards	476	493	3 ↓
Full registration – after evidence-based process	3450	3682	6 ↓
Provisional registration extended after one year	2801	2149	30 ↑
Reapplication for provisional registration made this year after previous provisional registration expired	1187	1135	5 ↑

The register of teachers

The Institute is required under legislation to maintain the register of teachers. The public register of teachers is available for inspection during office hours at the Institute's office on Level 24, 570 Bourke Street, Melbourne. Visitors to the Institute website at <www.vit.vic.edu.au> can search the register to check that a teacher has current registration.

During the reporting period 1678 teachers left the profession. Of these, the largest numbers occur in the age ranges of 60–64 years (351), 55–59 years (274) and the 65–69 years (221). Significantly the majority of teachers leaving the profession (80 per cent) were not in a school.

Age and gender of registered teachers

The largest group of registered teachers (16,719) is aged between 50 and 54 years. There is however a continued growth (3 per cent) in the number of teachers in the 25- to 29-year age group. It is also noted that there is an 80 per cent increase in the number of teachers in the 70 and above age range. Table 6 provides the age profile of registered teachers.

Males continue to account for 28 per cent of the teaching population, which is a similar proportion to previous reporting periods. The proportion of males over 65 years, however increases to 40 per cent.

Table 6
Age profile of registered teachers

	2010	2009	% change
<25	4536	4407	3 ↑
25–29	13,493	13,047	3 ↑
30–34	13,322	12,455	7 ↑
35–39	11,937	11,723	2 ↑
40–44	12,326	12,121	2 ↑
45–49	13,278	13,625	3 ↓
50–54	16,719	17,410	4 ↓
55–59	15,398	14,537	6 ↑
60–64	8692	7652	14 ↑
65–69	2403	2265	6 ↑
70+	914	507	80 ↑

Schedule of fees

In accordance with the *Education and Training Reform Act 2006*, the following fees concerning teacher registration were fixed by the Minister for 2010.

Initial registration – applicants with Victorian qualifications	\$121*
Initial registration – applicants with interstate or overseas qualifications	\$141*
Annual registration	\$70
National Criminal History Record Check	\$25
Late payment processing fee	\$30
Replacement of registration card processing free	\$22

* includes the cost of an NCHRC

Standards and professional learning



The Institute has developed a framework for the use of professional standards in registration processes and support for teachers to meet these on entry to the profession, for full registration and for renewal of registration every five years.

Table 7
The Professional Standards Framework

Standards of Professional Practice	Standards of professional practice for graduating teachers	Standards of professional practice for full registration	Standards of professional practice for renewal of registration
Use of standards	The review and accreditation of initial teacher education courses	An evidence-based process with three options for gathering evidence	Maintenance of: <ul style="list-style-type: none"> • fitness to teach • professional practice (comprising currency of practice and a defined quantity and scope of professional development activities)
Support for teachers to meet the standards	Guidelines for the approval of pre-service teacher education courses	<ul style="list-style-type: none"> • Induction and mentoring of teachers new to the profession • Two mentor support days • Seminars for PRTs • Materials provided by the Institute 	An online database of available professional development activities (Pdi) Seminars relating to professional practice and other support for teachers not in schools

Supporting teachers new to the profession

Teachers entering the profession who do not meet standards of professional practice are provisionally registered for up to two years. During this time the Institute supports the development of practice to meet the standards with:

- after school seminars
- comprehensive program materials to guide the evidence-based process for full registration
- school-based induction with a focus on mentoring.

School-based teacher mentors undertake two days of training conducted by the Institute in partnership with the DEECD and with the support of the diocesan Catholic Education Offices and the independent school sector. The program of support and training for 2009–10 is outlined in Table 8.

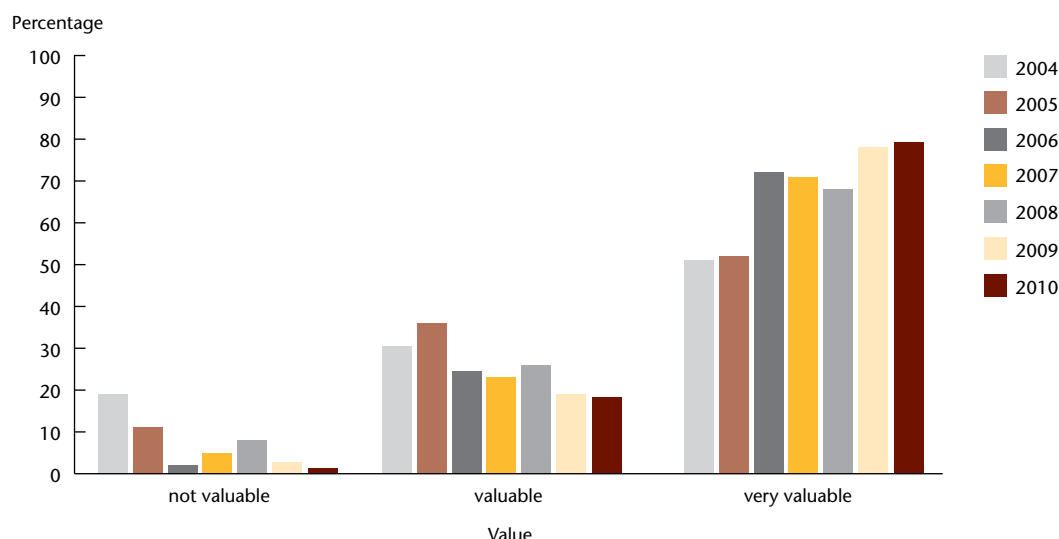
Table 8
Support program for provisionally registered teachers

Date	Teacher support	Location(s)	No. attending
June 2009	Provisionally registered teachers working as CRTs seminar	1 location Melbourne	94
July/August 2009	Provisionally registered teacher seminar (repeat of seminar 1)	18 locations 9 metropolitan 9 regional	561
November 2009	Experienced mentor update	13 locations 4 metropolitan 9 regional	248
February 2010	Mentor training – day 1	28 locations 15 metropolitan 13 regional	955
February/March 2010	Provisionally registered teacher seminar	29 locations 15 metropolitan 14 regional	2480
February/March 2010	Principal briefing	28 locations 15 metropolitan 13 regional	238
May 2010	Mentor training – day 2	28 locations 15 metropolitan 13 regional	904
TOTAL			5480

The importance of school leadership in the success of these programs is recognised through the continuation of strong communication with school principals, including briefing sessions, regular bulletins and the provision of support materials to schools.

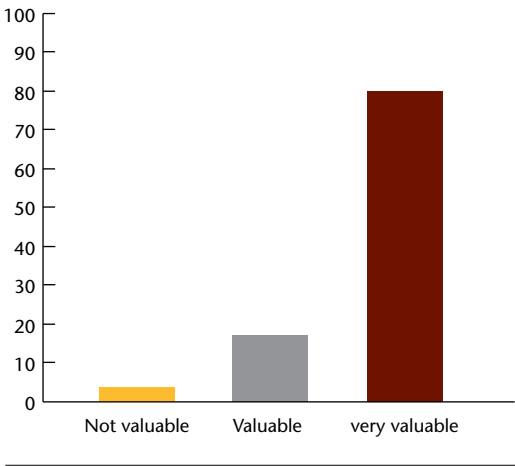
Provisionally registered teachers continue to rate the program of support highly as shown in Figure 3.

Figure 3
Evaluation of support program by PRTs



Mentors have identified the two-day training program as significant professional learning which assists with their collegial relationships in addition to providing them with the skills and understanding to support new teachers. Figure 4 indicates the high value mentors place on the training.

Figure 4
Evaluation of training program by mentors



The Institute recognises teachers who have fewer opportunities for professional learning and continues to develop programs of support for these teachers. While seminars for CRTs have continued to be a significant professional contribution from the Institute, their number has been reduced from 12 to nine in the 2009–10 year, with focus on regional areas where there is the most need. Table 9 shows the dates and locations of CRT seminars during this period.



CRT networks have continued to increase from 5 to 17 during 2009-10 (Table XXX) and close relationships are being established between the networks and local schools. The model of local networks between CRTs and schools has proven to be a sustainable way for CRTs to continue their professional learning and schools to build the knowledge and capacity of their relief workforce. CRTs are finding that networks connect them to the profession and provide them with relevant professional activities and peer support.

Table 9
Seminars for CRTs

Date	Location	Nos. Attending
July 2009	Melbourne	229
September 2009	Sale	28
September 2009	Wodonga	18
October 2009	Warrnambool	38
March 2010	Geelong	134
April 2010	Darebin	204
May 2010	Mildura	17
June 2010	Skye	109
June 2010	Moonee Ponds	133
TOTAL		910

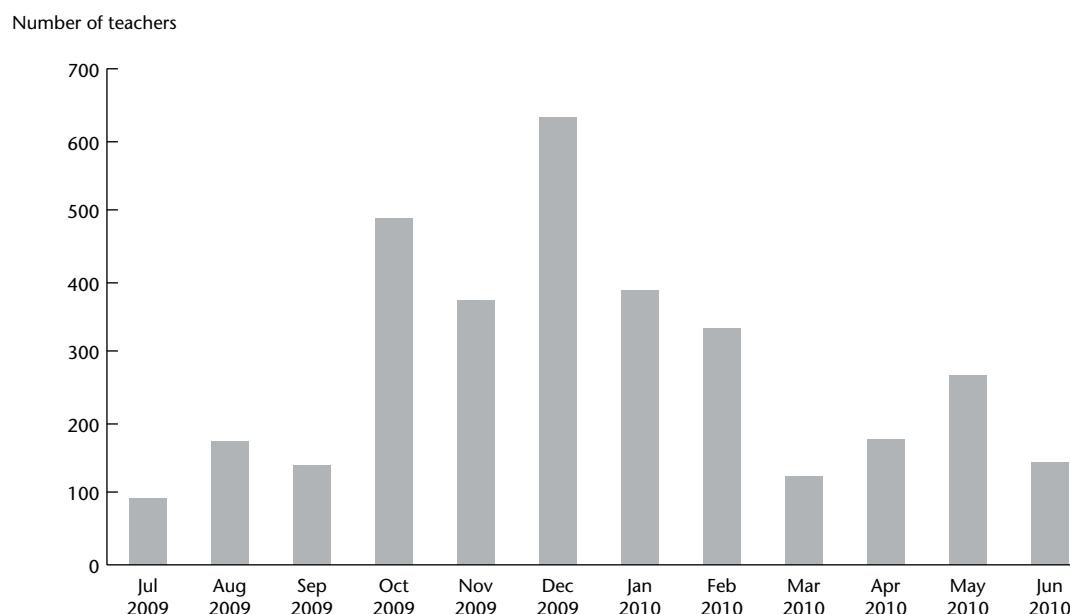
Table 10
CRT networks

Regional	Metropolitan
Ballarat	Donvale
Bendigo	Rowville (Eastern)
Geelong	Glenroy
Shepparton	Hawthorn
Traralgon (Latrobe Valley)	Richmond
Leongatha	Keysborough (Upper Southern Metropolitan)
South West Gippsland	Somerville (lower Southern Metropolitan)
Warrnambool	Sunbury
Wodonga	

Supporting teacher professional learning

Teachers demonstrate their continuing maintenance of professional knowledge and practice through the renewal process. During 2009–10 reporting period 3322 teachers renewed their registration. Validation processes continued to show the range of activities teachers identify as contributing to their professional learning. Figure 5 shows the number of teachers renewing their registration each month for the reporting period.

Figure 5
Renewal of Registration July 2009 to June 2010



Pdi

Pdi, the online search facility developed by the Institute to inform teachers about available professional development has continued to be valued by registered providers and teacher users. Pdi has been further developed to assure teachers of the quality of activities listed on Pdi in relation to standards of professional practice and principles of effective professional learning. This enables the Institute to recognise activities listed on Pdi

as being validated for renewal of registration purposes and streamlines this process for teachers. Numbers of providers registering on Pdi and listing activities continues to grow as shown in Figures 6 and 7.

During the reporting period 36 conferences for teachers were featured on the Pdi home page.

Figure 6
Pdi listed courses and activities 2008 vs. 2009

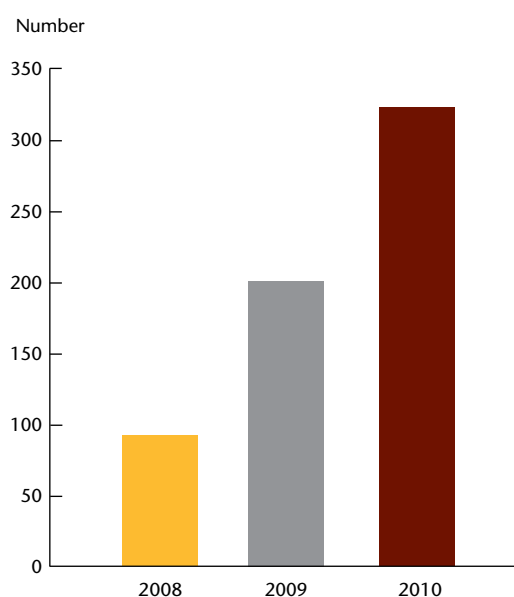
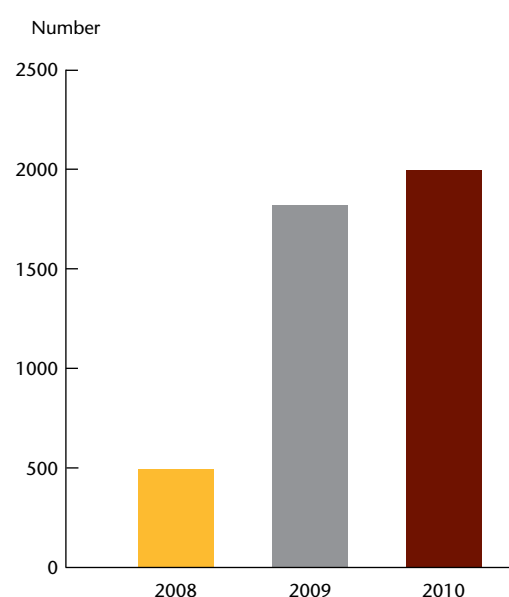


Figure 7
PD Activities on Pdi





Disciplinary proceedings



The *Education and Training Reform Act 2006* sets out the Institute's responsibilities for the administration of the disciplinary proceedings. These responsibilities are implemented by the Inquiries and Litigation Unit and the Conduct and Panels Unit.

The Institute conducts inquiries into allegations of a teacher's serious misconduct, serious incompetence or a lack of fitness to teach.

An inquiry may commence following the lodging of a complaint, a notification from an employer, information received about a teacher's conviction or finding of guilt for an indictable offence, a teacher's failure to comply with a condition on registration or information that a teacher's registration may have been obtained by fraud or misrepresentation.

The Institute has established the Disciplinary Proceedings Committee under the Act to make decisions about these inquiries. During the inquiry process the Disciplinary Proceedings Committee may decide to take no further action, refer to an investigation, defer the decision, not continue with an inquiry or conduct an informal or formal hearing.

A decision will be made to take no further action when, if all the allegations were proved, the conduct of the teacher would not amount to serious misconduct, serious incompetence or a lack of fitness to teach. The Institute has found that in some cases, particularly complaints the conduct of the teacher may amount to misconduct, but not serious misconduct and therefore the Institute is not able to inquire into the complaint.

The Institute may decide to defer a decision and request information from the teacher. If the matter relates to a teacher's competence, the Institute may request information related to the teacher's employment history and recent references. If the matter relates to a teacher's criminal history the information requested may relate to an explanation of the circumstances behind the offences and the teacher's current fitness to teach.

Investigations are held to gather relevant information about allegations against a teacher. This may involve talking to an employer and witnesses who have information about the allegations. The teacher is provided with an opportunity to participate in a recorded interview with the investigator.

The Institute may decide not to continue with an inquiry when the teacher is no longer registered with the Institute.

The Institute may decide to hold a formal hearing when there is probative evidence to substantiate allegations of serious misconduct, serious incompetence or a lack of fitness to teach.

The Institute also had 228 general enquiries from teachers, the community and employers about matters relating to the disciplinary process, a teacher's conduct or fitness to teach and the Code of Conduct. These enquiries are resolved without the Institute commencing an inquiry under the Act by discussion, the provision of information and/or referral to a more appropriate organisation, such as an employer, union, parent support group or independent legal advice.

Complaints

A member of the public may make a complaint to the Institute related to a teacher's serious misconduct, serious incompetence and unfitness to teach. The Institute may decide not to inquire into a complaint if a complainant does not provide evidence to support the complaint; this is referred to as an unconfirmed complaint. If a complainant provides information to show evidence of the teacher's serious misconduct, serious incompetence, unfitness to teach, then the allegations will be considered by the Disciplinary Proceedings Committee, who will make a decision whether to inquire into the complaint and if so, what form the inquiry will take.

Table 11
Complaint files opened 2009–2010

Complaint files opened	44
Unconfirmed complaints	21
Committee decision deferred	0
No further action	9
Referred to Investigation	7
No further action	0
Formal hearing	0
Investigation continuing	4
Awaiting investigation	1
Investigation not proceed	1
Awaiting consideration by Committee	1
Referred direct to Formal Hearing	0
Waiting for complaint form	5
Yet to be considered by Committee	2

One teacher complained to Ombudsman Victoria about the inadequacy of the Institute's response and failure to provide reasons to the complainant for its decision not to take any further action on a complaint. However, after the Institute met with the Ombudsman's office and reviewed its processes, the Ombudsman decided not to investigate the complaint.

One complaint was withdrawn by the complainant after the matter was referred for investigation.

Notification from employer

The Act requires that employers of registered teachers notify the Institute if they have taken action against teachers in relation to serious misconduct, serious incompetence or lack of fitness to teach. An employer is also required under the Act to provide the Institute with all relevant documents related to the notification. The employer's notification will usually occur following a teacher resigning after the employer has raised allegations with them, or if the teacher has been dismissed.

Table 12
Notifications from employers 2009–2010

Notifications from employers	47
No further action	15
Committee decision deferred	2
Referred to Investigation	18
No further action	0
Formal hearing	1
Investigation continuing	4
Awaiting investigation	12
Awaiting consideration by Committee	1
Referred direct to Formal Hearing	0
Yet to be considered by Committee	12

Indictable offences

The Institute must conduct an inquiry into a teacher's fitness to teach if the teacher is convicted or found guilty of an indictable offence. If a teacher is charged with an indictable offence (not a sexual offence), the Institute will monitor the charges during the criminal legal proceedings.

Registered teachers are required to advise the Institute if they are committed for trial or convicted or found guilty of an indictable offence. The Chief Commissioner of Police is also required to notify the Institute if a teacher has been charged, committed for trial, convicted or found guilty of indictable offences specified in the Act.

Table 13
Indictable offences 2009–2010

Indictable offences	38
No further action	25
Waiting for further information	3
Referred to Investigation	0
Referred to Formal Hearing	1
Legal proceedings pending	5
Not proceed/outside jurisdiction	4

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. In 2009–10 there were no inquiries into a teacher who had obtained their registration because of fraud or misrepresentation or their qualifications withdrawn.

Failure to comply with a condition

The Institute may conduct an inquiry into whether a teacher has failed to comply with a condition imposed on their registration. In 2009–10 one formal hearing was held into a teacher who had failed to meet the conditions of a formal hearing panel of the Institute.

Investigations

The Act authorises the Institute to delegate its power to conduct an investigation. Investigations may be delegated to an employee of the Institute, an investigator retained by the Institute or the employer of a teacher. The Institute currently employs one investigations officer and has six persons contracted to undertake investigations.

Hearings

Informal hearings

The Professional Practice and Conduct Committee has the power to conduct informal hearings. There have been no informal hearings this financial year and the Institute has only held two since the Institute's inception. The Institute has found that the informal hearing has not been very effective in the disciplinary process as it lacks the power under the Act to make findings and determinations about a teacher's conduct. The informal hearing can only decide to take no further action or refer a matter to a formal hearing.

Formal hearings

Formal hearing procedures are similar to those of a tribunal. The Institute will engage a barrister to assist the panel. A teacher may be self-represented or have legal or union representation.

The formal hearing is open to the public unless it is closed because the evidence being given by a witness to the panel is of an intimate, personal or financial nature. The identity of a complainant cannot be published or broadcast and if the hearing is closed, the panel may decide that the



identity of witnesses should not be published or broadcast. Notice of the formal hearing is published in the law notices. The Institute publishes a de-identified summary of the decision and reasons of a formal hearing panel on the Institute's website at <www.vit.vic.edu.au> under Professional Conduct.

A formal hearing panel following a finding of serious misconduct, serious incompetence or unfitness to teach, may:

- impose conditions, limitations or restrictions on the teacher's registration
- suspend the teacher's registration for a period with or without conditions, or
- cancel the teacher's registration.

In 2009–10 14 formal hearings were held by the Institute. Of these, one hearing was adjourned to a date to be fixed, one hearing was abandoned and there are two panel decisions outstanding. One formal hearing adjourned from last financial year was finalised.

Members of the formal hearing panels

The Act sets out the constitution of a formal hearing panel. Each formal hearing panel is composed of the Chairperson who must be a member of Council, a registered teacher and a third member who may be a registered teacher or a person with special expertise. In July 2009 the Institute Council appointed ten new members to its list of sessional panel members and in January 2010 the Institute Council reappointed 14 members to its list of sessional panel members. All members were appointed for a three-year period. There are currently 24 persons appointed as sessional members and 12 Council members who sit on formal hearing panels.

All panel members are required to attend training held by the Institute prior to eligibility to sit on formal hearing panels. The Institute has also held a sessional panel members forum and two panel chair training sessions this financial year.

Sexual offences

The definition of a sexual offence is set out in the Act. If a registered teacher is charged with a sexual offence defined in the Act, the Institute may suspend the registration of a teacher without inquiry. In 2009–10, the Institute has served six notices of suspension without inquiry on teachers charged with sexual offences in Victoria.

If a registered teacher has been convicted or found guilty of a sexual offence as defined in the Act, the teacher's registration must be cancelled from the date of the conviction or finding of guilt.

In 2009–10, seven teachers had their registration cancelled as a result of a conviction or finding of guilt for sexual offences.

Registration matters

Criminal history checks are undertaken on all persons applying for registration. If an applicant for registration has been convicted or found guilty of an indictable offence or a relevant summary offence, the Conduct and Panels Unit prepares a special attention report for the Registration Committee of Council. In 2009–10, 78 reports were prepared. The Committee found in 74 cases that the matters did not affect the applicant's suitability to be a teacher and subsequently recommended the applicants for registration. Two applicants were refused registration and two matters are outstanding.

Prosecutions

The Act provides for prosecution for offences set out in the Act. The Institute has established procedures for the following:

- initiating a prosecution for a person teaching without registration and a person or body employing a person to teach who is not registered
- a registered teacher not notifying the Institute of having been committed for trial or having been convicted or found guilty of a sexual offence or other indictable offence
- false representation as a teacher
- fraudulently obtaining registration as a teacher
- not returning the teacher registration card after registration is cancelled or suspended.

In 2009–10 the Institute opened four files in relation to unregistered teachers.

VCAT reviews

A teacher may seek a review of a determination of a formal hearing panel or of the Institute Council decision to refuse registration or permission to teach at the Victorian Civil and Administrative Tribunal (VCAT). The Inquiries and Litigation Unit is responsible for representing the Institute at reviews by VCAT of Institute decisions.

In 2009–10 there were three applications for review of Institute hearing panel decisions.

In one application for review of the Institute formal hearing panel decision the teacher also requested an urgent directions hearing for leave for a stay of publication of the decision. At the directions hearing and return of the teacher's stay application, the teacher's application for a stay was denied by VCAT and the matter was set down for hearing. The teacher later withdrew his application for review and the scheduled hearing was vacated.

One teacher applied for a review of the Institute formal hearing panel decision and applied for a stay application of the Institute's decision. As a model litigant the Institute consented to the stay.

VCAT ordered that the Institute's decision would be stayed until further order of the tribunal and the matter was listed for a hearing. The applicant withdrew his application and the scheduled hearing was vacated. VCAT's order staying the decision of the Institute until further order of the tribunal was set aside and the undertakings recorded by the teacher in that order were discharged.

One application for review of the Institute formal hearing panel decision was listed for a five-day hearing in May 2010. Following a compulsory conference, the Institute and the teacher reached an agreement and the teacher withdrew his application for review.

From the previous financial year there were two applications for review of Institute formal hearing panel decisions which were listed for hearing at VCAT. In one matter the teacher withdrew her application for review during the hearing. In the second matter the Institute hearing panel's decision included a finding of serious misconduct and that the teacher was not fit to teach. The panel cancelled the teacher's registration. In a decision handed down on 15 December 2009,

VCAT found the teacher had engaged in serious misconduct. It ordered that the decision of the Panel dated 14 January 2009 be set aside and the teacher's registration be suspended until 14 January 2011. Five conditions were placed on the teacher's suspension and reinstatement set out in VCAT's orders.

In 2009–10 one person applied to VCAT for review of the Institute's decision to refuse them registration. The person was refused registration on the grounds that their character was such that it would not be in the public interest to allow them to teach in a school. The matter is yet to be listed for hearing. From the previous financial year there was one application for review of the Institute's decision to refuse registration that was withdrawn by the applicant during 2009–10 prior to the hearing.

Court proceedings

The Inquiries and Litigations Unit is responsible for conducting court proceedings on behalf of the Institute. No court proceedings were issued in a court relevant to the Institute during 2009–10.

Communications and research



Teachers and the Victorian community receive information from the Institute via a range of print, electronic and face-to-face communications:

- the Institute newsletter *Professional Practice* and *Professional Practice Online*
- regular news and policy updates on the Institute website
- regular circulars emailed to all schools
- direct mail
- a periodic online research digest presenting recent findings on professional issues
- school visits by the Field Officer
- quarterly seminars for teachers and other education stakeholders.

Numbers of website visits rose from an average 37,198 visits per month in the previous reporting period to 47,402 per month in the current period. The most popular web pages provided information on:

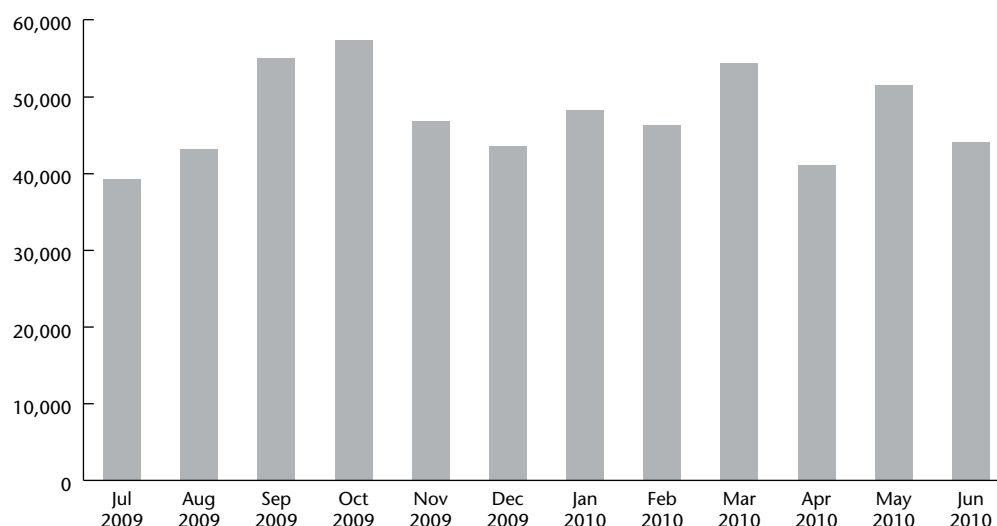
- how to qualify as a teacher
- how to apply for registration
- registration matters
- professional learning.

A major focus for the Institute was the continuing success of Pdi (www.pdi.vit.vic.edu.au) – a website designed to help teaching professionals source high-quality professional development activities.

www.vit.vic.edu.au

The Institute's website is a key information resource for registered teachers, applicants for registration and members of the community; it continues to attract an increasing amount of visitors.

Figure 8
Visits to the Institute's website, July 2009 – June 2010



Search the register

The Institute website gives members of the public access to a 'Search the Register' function to check that a teacher is registered and fit to teach. The information provided is an extract from the Register of Teachers and is current at the date of viewing. Each person shown is a registered teacher and eligible to teach in Victoria. A search provides the following information about a registered teacher:

- surname and given names
- type of registration held
- date of registration
- registration number.

The Teachers' Hotline

The Teachers' Hotline is a telephone advisory service to practising teachers, applicants for registration and the general community.

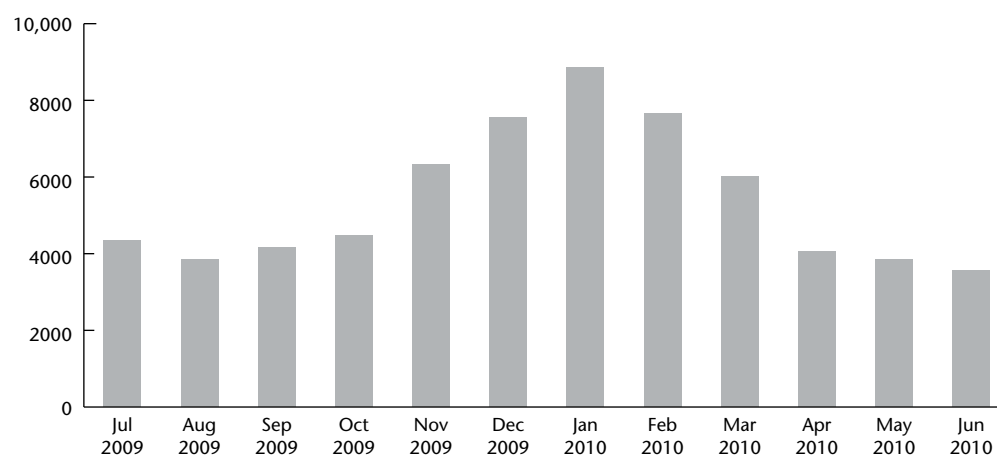
Six Customer Service Officers staff the centre from 8.30 am to 5.30 pm, Monday to Friday. Figure 9 below shows the number of calls to the Teachers' Hotline in 2009–10.

The total calls for the reporting period was 64,445, with a peak call rate during January of 8966

Email circulars to principals

The Institute regularly communicates with principals by email to ensure they have current information on registration issues affecting teachers in their schools. In the reporting period 14 email circulars were sent to principals.

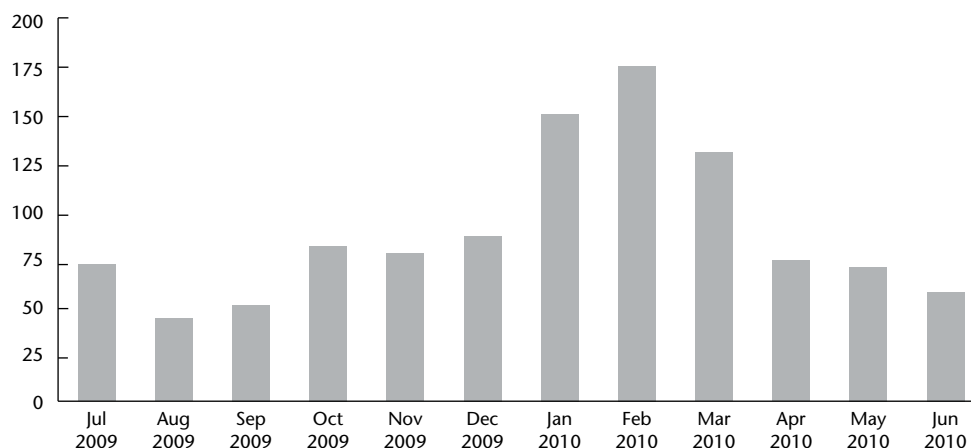
Figure 9
No. of calls to Teachers' Hotline per month, July 2009 – July 2010



The Principals' Hotline

Principals and their delegates have immediate access to professional advice from the Institute via the Principals' Hotline, operating from 8.30 am to 5.30 pm, Monday to Friday. Up to six Institute officers answer calls to this hotline. Per month, an average of 92 calls were answered, with a total of 1099 calls for the reporting period. Compared to the previous reporting period this was a decrease of approximately 200 calls.

Figure 10
No. of calls to Principals' Hotline per month, July 2009 – June 2010



vitonline

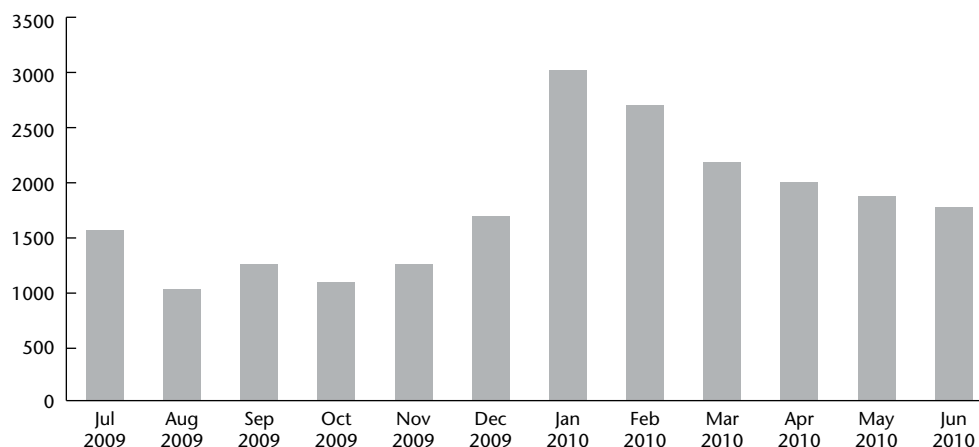
Principals can access a secure internet-based online facility, *vitonline*, using unique login details provided by the Institute. *vitonline* allows principals to confirm:

- current registration status of all teachers at their school
- current registration status of a teacher they wish to appoint to the school
- that a beginning teacher has been granted provisional registration and can start teaching.

General correspondence and our email box

The Communications and Research Branch also responds to general written correspondence and emails sent to the Institute's electronic mailbox. A total of 19,716 emails were received and processed in the reporting period, at an average of 1643 per month, an increase of 4422 from the previous year.

Figure 11
No. of emails responded to per month, July 2009 – June 2010



Field Officer Program

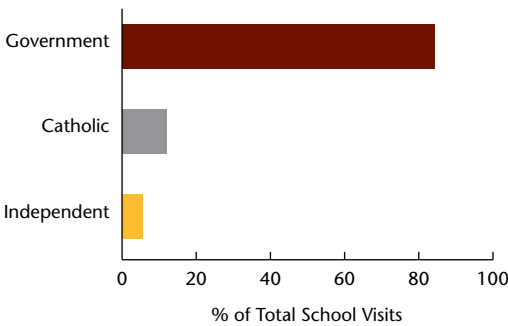
Institute Field Officers have continued to visit schools and inform teachers about the latest work of the Institute. They have also helped individual teachers resolve registration issues.

Over the reporting period the Field Officers visited 100 schools and attended several career expos across the state. Overall, Field Officers have presented to more than 5000 teachers.

Field Officers also spoke at TAFE Colleges, Universities and Australian Education Union Victorian Branch Regional and Sub-Branch meetings.

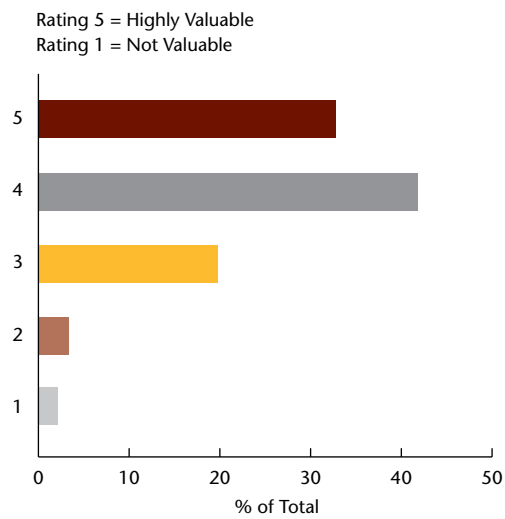
Figure 12 shows the breakdown by school system of these school visits.

Figure 12
School visits 2009–10 by sector



Written feedback from presentations indicates that teachers react positively to the Field Officers' visits.

Figure 13
Evaluation of Field Officer presentations



Parent and school council organisations

The Institute convenes quarterly meetings of parent and school council organisations to keep them informed about Institute operations. Representatives from the Victorian Parents Council, Parents Victoria, the Association of School Councils in Victoria, the Victorian Catholic Schools Parent Body and the Victorian Council of School Organisations attend these meetings. The meetings are chaired by Council member, Gail McHardy. There were four meetings in the reporting period.

Twilight seminars for the education community

The Communications and Research Branch conducts regular seminars for education stakeholders to promote discussion on education issues of common interest. In the reporting period, the branch hosted four seminars for stakeholders. Audiences comprised teachers, representatives from education unions, teacher and professional associations, teacher educators, teacher employers, parent and school council groups.

Seminars for stakeholders included:

- *Effective strategies for Teacher Professional Learning*
(Guest speaker: Geoff Howard MP, Chair of the Victorian Parliament Education and Training Committee)
- *Classroom management: are we seeking obedience or responsibility?*
(Guest speaker: Professor Ramon Lewis, La Trobe University)
- *A whole school framework for adolescent psychological health, safety and wellbeing*
(Guest speaker: Dr Simon Crisp, clinical psychologist)
- *There's nothing you can't talk about – creating a safe and supportive place for kids*
(Guest speaker: Carla Meurs, 'Solving the Jigsaw')

The Standards and Professional Learning Branch also regularly consults with key stakeholders including principal groups, unions, professional subject associations and parent groups.

Professional Practice

Five issues of our newsletter for teaching professionals – *Professional Practice* – were published in the reporting period. It was distributed to approximately 89,000 teachers by mail and to approximately 24,500 teachers by email.

The online version of the newsletter has proved very popular and will replace the hard copy during the next year.

Topics this year included: Institute disciplinary hearings, supporting new teachers, CRTs, computer games, council members, learning outside the classroom, teacher career paths, World Teachers' Day, professional ethics and cybersafety.

The Digest

The Digest is an online journal produced in partnership with the teacher regulatory authorities in other Australian states and territories. In the reporting period, two digests were published on the Institute's website: *Talking to learn: dialogue in the classroom* and *Successful professional learning*.

Career expos

To promote teaching as a desirable career choice with an emphasis on the role and purpose of the Victorian Institute of Teaching, the Institute exhibited at three major career expos in the reporting period, for a total of eight days: the *Herald Sun* Expo in July, the Education Show in August 2009 and *The Age* VCE and Career Expo in April 2010. Visitors to these expos were able to access the Institute's website to see the initial teacher education programs approved by the Institute. The total number of visitors to the VIT stand was 52,480, an increase of 5997 from the previous year. At the *Herald Sun* Expo, Sally Wilkinson gave a presentation on why she chose teaching and her early experiences in the classroom. At *The Age* VCE Career Expo, Sally again presented and shared the stage with Donald Eddington from Rosanna Golf Links Primary School.

World Teachers' Day

The Institute has been promoting UNESCO's World Teachers' Day since 2003. World Teachers' Day provides an opportunity to promote the profession to the broader community and to show teachers how much their work and professional commitment is valued. In 2009 the Institute's chosen theme was 'World's Greatest Teacher'. The campaign included:

- promotional posters distributed to schools, libraries and universities
- email circular to principals encouraging schools to mark the day
- letters to key stakeholders, local and municipal councils, MPs and school councils
- a competition inviting students to prepare a short video about their teacher
- regional radio releases
- a selection of media releases including teacher case studies.

Table 14
Institute research activities 2009–10

Research topic	Partner/Contractor	Completion date
Australian Learning and Teaching Council project: Practicum Partnerships: Exploring Models of Practicum organization in Teacher education for a Standards-Based Profession	Victorian Council of Deans of Education	October 2009
Imam University practicum review	Imam Muhammad Bin Saud Islamic University, Kingdom of Saudi Arabia	Expected Completion Date October 2010
Commencing a teaching career: initial employment pathways for primary/secondary qualified teachers	Charles Sturt University, Queensland College of Teachers	Expected Completion Date July 2011
Authentically Assessing Beginning Teaching: Professional Standards and Teacher Performance Assessment	Deakin University, Department of Education and Early Childhood Development	Expected Completion Date December 2010

Our business operations



Banking

The Institute operates a corporate cheque account and invests in term deposits held with the Westpac Banking Corporation. The Institute seeks to minimise risk and maximise return on funds available to meet its future needs.

Financial services

The Institute's accounts and IT accounting systems continue to be maintained by Milura Pty Ltd. This outsourced service assists the Institute in ensuring it maintains contemporary systems and can draw upon up-to-date accounting advice.

Mail house services

The Institute contracts its mail house operations to Computershare Investment Services. Most letter printing and mailing is carried out by Computershare using encrypted files provided by the Institute under strict privacy arrangements. The arrangement enables the Institute to access favourable bulk postage rates.

Records management

An electronic records and document management system, Hummingbird, stores all of the Institute's administrative files in accordance with relevant information and retention standards.

Consultancies and other major contracts

No major contracts greater than \$10m were entered into in 2008–09. A number of consultants were engaged in 2008–09 to provide advice on short-term projects requiring research design and communication strategies. The total value of these consultancies was \$297,745, with the largest single consultancy paid \$53,574.

Freedom of Information

The *Freedom of Information Act 1982* (FOI Act) provides the community some access to information held by the Institute. The Freedom of Information Officer determines right of access on a document by document basis in accordance with the Act.

Table 15
Analysis of freedom of information requests, 2009–10

Nature of requests		No. of requests
Personal (relating to a single identified person)		1
Non-personal (request for non-specific and/or summative information)		0
Outcome of request	Full access	0
	Partial access	0
	Denied	1
	Pending	0
Request for internal review partial access granted		1
Internal review confirmed initial FOI decision		0
Appeal of internal decision to VCAT		0
Carried forward to next year		0

National Competition Policy

The Institute is the sole registration authority for teachers in all Victorian primary and secondary schools. The Institute maintains a watching brief on National Competition Policy.

Whistleblowers protection

As of 30 June 2010, no disclosures had been received under the *Whistleblowers Protection Act 2001*, nor had any matter under this Act been referred to the Ombudsman for investigation.

Environmental sustainability

The Institute continues to further refine its practices to reduce its carbon footprint.

In 2009–10 it released an online alternative version to its newsletter, and worked on the development of a new online teacher communication system to be released in 2010. These new initiatives, combined with existing recycling and waste minimisation initiatives are helping the Institute in its endeavours to be an environmentally responsible organisation.

Occupational Health and Safety

The Institute, through its Occupational Health and Safety Committee is committed to providing a safe and secure environment for its staff and visitors, and fully complies with the *Building Act 1993*.

Staff and community wellbeing

Employees of the Institute, through a Working Environment Group, are encouraged to participate in activities that promote morale and wellbeing. Funds are raised for charities from various social events and functions. A series of lunchtime seminars were introduced for staff, featuring guest speakers and facilitators, dealing with topics ranging from health and wellbeing to general interest.

Merit and equity

The Institute applies Victorian Public Service merit and equity principles in selecting and recruiting staff.

Professional development

The Institute has an ongoing professional development program for its employees. Alongside its staff induction program, training needs are identified to ensure core functions are able to be carried out in an effective manner.

Human Rights Charter

Every care has been taken to ensure that all acknowledged human rights of the individual are not compromised by the operations, policies and procedures of the Institute.

Staff by operation

Staff	Full-time equivalent
Communication and Publication	4.6
Customer Service Centre	6.0
Field Officer	1.2
Teacher Registration	15.6
Course Accreditation	2.0
Standards and Professional Learning	6.4
Professional Practice and Conduct	7.6
Secretariat and Corporate Services	8.0
Casual staff	3.0
Total	54.4

Members of the Council of the Institute

Reporting to Parliament through the Minister for Education, the Institute is the single registration authority for all Victorian school teachers, whether they are employed in government, Catholic or independent schools. The Council of the Institute administers its legislation in the public interest to ensure students in Victorian schools are taught by teachers who meet high professional standards.

The Council of 20 members comprises:

- Ten elected 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 and Early Childhood Development.

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 (3)
- Principal (1)
- Parent (1)
- Persons representing employers of teachers (2)
- Person with experience or expertise in preparing people to be teachers (1).

All members of the Council hold office for three years and are eligible for re-election or reappointment.

A full 3rd Council has been in operation for the duration of the financial year. Once there was certainty about the outcomes of the Institute Review, the Council has been able to put attention to a new strategic plan which will be developed in the next reporting period.

Key relationships

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

Based upon the 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 approve only the qualifications, criteria and standards for registration or renewal of registration that have been recommended by the Institute.

MEMBERS OF THE COUNCIL OF THE INSTITUTE



Susan Halliday
Chairperson



Stephen Bhogal
Ballarat Grammar School



Michael Butler
Reservoir District Secondary College



Dale Hendrick
Principal, Pakenham Hills Primary School



Nicole Lylak
Narre Warren South P-12 College



Diane Mayer
Head of School of Education, Deakin University



Gail McHardy
Executive Officer, Parents Victoria



Debra Punton
Assistant Director, School Services,
Catholic Education Office Melbourne



Garry Salisbury
Echuca College



Dr Anne Sarros
Principal, Fribank Grammar School



Jean Cooke
Aurora School



Jennifer Costello
Carranballac P-9 College



Marino D'Ortenzio
Caroline Springs College



Kevin Moloney
Loreto Mandeville Hall



Jane O'Shannessy
Santa Maria College



Judy Petch
General Manager, School Workforce
Reform and School Improvement Division,
Department of Education and Early
Childhood Development



Mary-Anne Pontikis
Meadow Heights Primary School



Dr Heather Schnagl
Principal, Ivanhoe Girls'
Grammar School



Leonie Sheehy
St Joseph's Primary School Boronia



Gaylene Watts
Principal, St Philip's Primary School

Number of Council meetings attended by each member

Name	Meetings attended
Stephen Bhogal	8
Michael Butler	7
Jean Cooke	8
Jennifer Costello	7
Marino D'Ortenzio	8
Susan Halliday	8
Dale Hendrick	6
Nicole Lylak	7
Diane Mayer*	6/6
Gail McHardy	8
Kevin Moloney	7
Jane O'Shannessy	6
Judy Petch	2
Mary-Anne Pontikis	7
Debra Punton	7
Anne Sarros	7
Garry Salisbury	8
Heather Schnagl	8
Leonie Sheehy	8
Christine Ure**	–
Gaylene Watts	6

* Diane Mayer was appointed 28/10/2009

** Resigned from Council

Our commitment to good governance

The Committees of Council

Registration Committee

The Registration Committee provides advice and makes recommendations to the Institute Council on registration matters including the approval/refusal of registration or Permission to Teach. In some cases, the Committee will conduct an interview to make an informed decision about the applicant's suitability as a teacher.

During 2009–10, the Registration Committee held eleven meetings at the Institute's offices and one email meeting was conducted.

Registration Committee members as at 30 June 2009

Jean Cooke (Chairperson), Aurora School
Jennifer Costello, Carranballac P-9 College
Michael Butler, Reservoir District Secondary College
Tom Delahunty, Trinity Grammar School
Linda Kowski, Killester College
Nicole Lylak, Narre Warren South College
Kieran McCrohan, Wesley College
Mary-Anne Pontikis, Meadow Heights Primary School
Janedin River, La Trobe University
Heather Schnagl, Ivanhoe Girls' Grammar School
Leonie Sheehy, St Joseph's Primary School
Brian Wheeler, Department of Education and Early Childhood Development
Pauline Zappulla, Catholic Education Office, Melbourne

Administration and Finance

Committee

The Administration and Finance Committee oversees the financial and general administrative functions of the Institute. It makes recommendations to Council on the financial requirements of the Institute's governing legislation and other legislation regulating the financial management and accountabilities of the Institute. On behalf of Council, the Committee manages the development and implementation of the Institute's strategic and business plan budgets. In addition, the Committee advises Council on the adequacy and effectiveness of the Institute's financial and accounting policies and related control systems.

During 2009–10, the Administration and Finance committee met nine times.

Members

Susan Halliday (Chairperson)
Stephen Bhogal, Ballarat Grammar School
Michael Butler, Reservoir District Secondary College
Jean Cooke, Aurora School
Kevin Moloney, Loreto Mandeville Hall
Debra Punton, Catholic Education Office, Melbourne
Heather Schnagl, Ivanhoe Girls' Grammar School

Audit Committee

The Audit Committee is bound by a charter developed under guidelines determined in financial directions and issued by the Minister for Finance.

Under that charter, the Audit Committee oversees:

- financial performance and the financial reporting process, including the annual financial statements
- the scope of work, performance and independence of internal audit
- the engagement and dismissal by management of any chief internal audit executive
- the scope of work, independence and performance of the external auditor
- the operation of the risk management framework
- matters of accountability and internal control affecting the operation of a public sector agency
- the effectiveness of management information systems and other systems of internal control
- the acceptability of, and correct accounting treatment for and disclosure of, significant transactions which are not part of the public sector agency's normal course of business
- formal approval of accounting policies
- the public sector agency's process for monitoring compliance with laws and regulations and its own code of conduct and code of financial practice.

During 2009–10, the Audit Committee met three times.

Members

David Nairn (Chairperson), HLB Mann Judd
Craig Geddes, Acumen Alliance
Debra Punton, Catholic Education Office, Melbourne
Heather Schnagl, Ivanhoe Girls' Grammar School
Warwick Spargo, RSM Bird Cameron

Remuneration Committee

The Remuneration Committee implements Government Sector Executive Remuneration Panel (GSERP) policies and guidelines for the employment of the Institute's executive officers. Specifically the Remuneration Committee determines the performance criteria of the Chief Executive Officer, conducts their annual performance review and advises Council of any other relevant matters in the jurisdiction of GSERP.

During 2009–10 Council delegated to the committee the responsibility for shortlisting and recommending replacement members of Council for its consideration.

During 2009–10, the Remuneration Committee met once.

Members

Susan Halliday, Chairperson
Debra Punton, Catholic Education Office, Melbourne
Jean Cooke, Aurora School
Heather Schnagl, Ivanhoe Girls' Grammar School

Professional Practice and Conduct Committee

The Professional Practice and Conduct Committee advises on standards of professional conduct and is responsible for promoting the *Victorian Teaching Profession Code of Conduct*. The Committee also conducts informal hearings and determines whether a matter should be referred to a formal hearing.

During 2009–10, the Committee met five times.

Members

Gaylene Watts (Chairperson),
St Philip's School, Blackburn North
Roger Gill, Loreto Mandeville Hall
Dale Hendrick, Pakenham Hills Primary School
Anne Moloney, Special Education Consultant
Jane O'Shannessy, Santa Maria College

Accreditation Committee

The Accreditation Committee assesses and approves initial teacher education programs for the purposes of registration, consistent with the standards and guidelines issued by the Institute and described in *Preparing Future Teachers*. The membership of the Committee comprises teachers and principals from Victorian government and non-government schools, teacher educators, parents, and representatives of Victorian teacher employers.

During 2009–10, the Committee held eight meetings.

Members

Dale Hendrick (Chairperson),
Pakenham Hills Primary School
Professor Lawrence Angus, University of Ballarat
Lynne Baker, Old Orchard Primary School
Stephen Bhogal, Ballarat Grammar School
Diane Bourke, Melbourne Girls Grammar School
Associate Professor Deborah Corrigan, Monash University
Anne-Maree Dawson, ACU National University
Dr Bill Eckersley, Victoria University
Dr Julie Faulkner, RMIT University
Stephen Franzi-Ford, Association of School Councils in Victoria
Peter Godden, Department of Education and Early Childhood Development
Eleni Goulas, Lowther Hall Anglican Grammar School
Joseph Haddad, Carwatha P-12 College
Helen Hughes, Strathcona Baptist Girls Grammar School
Peter Kelly, Christian Brothers College St Kilda
Alan Marshall, Deakin University
Dr Patricia McCann, La Trobe University
Debbie Mierisch, Milgate Primary School
Glenn Proctor, Hume Central Secondary College
Margaret Ricardo, St John Vianney Primary School
Dr Vicki Steinle, The University of Melbourne
Lorraine Tran, Victorian Curriculum and Assessment Authority
Johanna Walker, Lilydale High School
Dr David Warner, Eltham College
Dr Amanda Watson, University High School

Disciplinary Proceedings Committee

The Disciplinary Proceedings Committee is responsible for the administration of the Institute's disciplinary procedures. In its decision making the Committee reflects the standards of fitness, conduct and competence the teaching profession expects of registered teachers.

During 2009–10, the Committee met 12 times.

Members

Susan Halliday, (Chairperson),
Institute Council Chairperson
Michael Butler, Reservoir District Secondary College
Marino D'Ortenzio, Caroline Springs College
Michael Lester, Kyneton Secondary College
(leave of absence)
Nicole Lylak, Narre Warren South P-12 College
Kevin Moloney, Loreto Mandeville Hall
Marilyn Mooney, casual relief teacher
Jane O'Shannessy, Santa Maria College, Northcote
Mary-Anne Pontikis, Meadow Heights Primary School
Kevin Pope, Meadow Heights Primary School
Anne Sarros, Firbank Grammar School
Leonie Sheehy, St Joseph's Primary School, Boronia
Carmel White, Department of Education and Early Childhood Development

**Standards and Professional Learning
Committee**

The Standards and Professional Learning Committee makes recommendations to the Institute Council about the development, establishment and maintenance of professional standards and provides advice about research into teaching and learning practices to inform this work. During the reporting period the committee undertook significant work to guide and develop a Council response to the draft national standards for teachers.

During 2009–10 the committee met seven times.

Members

- Jane O’Shannessy (Chairperson), Santa Maria College
 - Helen Astarte, DEECD (from May 2010)
 - Stephen Bhogal, Ballarat Grammar School
 - Michael Butler, Reservoir District Secondary College
 - Jean Cooke, Aurora School
 - Jennifer Costello, Carranballac P–9 College
 - Brenton Doecke, Monash University
 - Olwyn Gray, Council of Professional Teaching Associations of Victoria (CPTAV)
 - Sue Mackay, Tintern Schools
 - Diane Mayer, Deakin University
 - Gail McHardy, Parents Victoria
 - Miranda Price, Chatham Primary School
 - Anne Sarros, Firkbank Grammar School
 - Rosemarie Smith, DEECD (until April 2010)
-

Communications Committee

The Communications Committee makes recommendations to the Institute Council on the overall direction of the Institute’s communications and their implementation. The Committee oversees the management of the Institute’s communications strategy, which is used to guide and inform all Institute communications, and is a vital link between the Institute and the teaching profession. The Committee also provides guidance and advice in relation to communications activities such as the publication of the quarterly newsletter, the annual World Teachers’ Day promotional campaign and other initiatives of the Communications and Research Branch.

During 2009–10, the committee held eight meetings.

Members

- Gail McHardy (Chairperson), Executive Officer, Parents Victoria
 - Marino D’Ortenzio, Caroline Springs College
 - Nicole Lylak, Narre Warren South P–12 College
 - Diane Mayer, Deakin University
 - Jan Sherry, registered teacher
 - Gaylene Watts, St Philip’s Primary School
-



Risk Management Attestation

I, Susan Halliday certify that the Victorian Institute of Teaching has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit Committee verifies this assurance and that the risk profile of the Victorian Institute of Teaching has been critically reviewed within the last 12 months.

A handwritten signature in black ink that reads "Susan Halliday".

Susan Halliday
Chairperson- Victorian Institute of Teaching

Melbourne
9 September 2010



Financial statements for the year ended 30 June 2010



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Comprehensive operating statement for the financial year ended 30 June 2010

	Note	2010 \$	2009 \$
INCOME FROM TRANSACTIONS			
Interest	2 (a)	315,245	394,802
Fees	2 (b)	9,190,001	8,144,921
Government grant	2 (c)	600,000	1,288,183
Other income	2 (d)	252,851	86,573
Total income from transactions		10,358,097	9,914,479
EXPENSES FROM TRANSACTIONS			
Grants and other payments	3 (a)	297,185	106,016
Employee benefits	3 (b)	4,739,106	4,461,797
Depreciation and amortisation	3 (c)	330,863	340,453
Supplies and services	3 (d)	4,621,942	4,613,440
Borrowing costs	3 (e)	11,391	11,283
Other expenses	3 (f)	234,847	233,552
Total expenses from transactions		10,235,334	9,766,541
Net result from transactions (net operating balance)		122,763	147,938
OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT			
Net gain/(loss) on non-financial assets	4 (a)	(3,897)	(28,025)
Other gains/(losses) from other economic flows	4 (b)	(7,571)	(10,547)
Total other economic flows included in net result		(11,468)	(38,572)
Net result from continuing operations		111,295	109,366
Comprehensive result		111,295	109,366

The above comprehensive operating statement should be read in conjunction with the notes included on pages 47–79.

Balance sheet

as at 30 June 2010

	Note	2010 \$	2009 \$
FINANCIAL ASSETS			
Cash and deposits	18(a)	1,303,421	8,343,514
Investments	5	7,000,000	–
Receivables	6	367,614	248,038
Total financial assets		8,671,035	8,591,552
NON-FINANCIAL ASSETS			
Plant and equipment	8	991,703	1,036,922
Intangible assets	9	862,382	303,689
Other non-financial assets	7	79,977	53,134
Total non-financial assets		1,934,062	1,393,745
Total assets		10,605,097	9,985,297
LIABILITIES			
Payables	10	1,634,780	1,225,663
Borrowings	11	30,996	38,119
Provisions	12	1,037,417	1,049,482
Income received in advance	13	4,097,306	3,978,729
Total liabilities		6,800,499	6,291,993
Net assets		3,804,598	3,693,304
EQUITY			
Accumulated surplus	19	3,804,598	3,693,303
Net worth		3,804,598	3,693,303

The above balance sheet should be read in conjunction with the notes included on pages 47–79.

Statement of changes in equity

for the financial year ended 30 June 2010

	Note	Equity at 1 July 2009 \$	Total comprehensive result \$	Transactions with owners in their capacity as owners \$	Equity at 30 June 2010 \$
Accumulated surplus/(deficit)	19	3,693,303	111,295	–	3,804,598
Total equity at end of financial year		3,693,303	111,295	–	3,804,598

	Note	Equity at 1 July 2008 \$	Total comprehensive result \$	Transactions with owners in their capacity as owners \$	Equity at 30 June 2009 \$
Accumulated surplus/(deficit)		3,583,937	109,366	–	3,693,303
Total equity at end of financial year		3,583,937	109,366	–	3,693,303

The above statement of changes in equity should be read in conjunction with the notes included on pages 47–79.

Cash flow statement

for the financial year ended 30 June 2010

	Note	2010 \$	2009 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts			
Receipts from Government		600,000	1,288,183
Receipts from customers		9,485,107	8,474,737
Goods and Services Tax recovered from the ATO		465,061	64,357
Interest received		204,176	600,152
Total Receipts		10,754,344	10,427,429
Payments			
Payments to suppliers and employees		(9,939,086)	(9,385,485)
Interest and other costs of finance paid		–	–
Total Payments		(9,939,086)	(9,385,485)
Net cash flows from/(use in) in operating activities	18 (b)	815,258	1,041,944
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(142,680)	(68,589)
Payments for intangible assets		(707,796)	(99,845)
Proceeds from sale of plant and equipment		2,246	288
Payments from redemption of investments		–	5,000,000
Payments for investments		(7,000,000)	–
Net cash flows from/(use in) in investing activities		(7,848,230)	4,831,854
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of finance lease		(7,121)	(6,041)
Net cash flows from/(use in) in financing activities		(7,121)	(6,041)
Net increase/(decrease) in cash and deposits		(7,040,093)	5,867,757
Cash and deposits at the beginning of the financial year		8,343,514	2,475,757
Cash and deposits at the end of the financial year	18 (a)	1,303,421	8,343,514

The above cash flow statement should be read in conjunction with the notes included on pages 47–79.

Notes to the financial statements

for the financial year ended 30 June 2010

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Notes to the financial statements

for the year ended 30 June 2010

NOTE 1 Summary of significant accounting policies

(a) Statement of compliance

The general purpose financial report of the Victorian Institute of Teaching (the Institute) has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards including Interpretations (AASs). AASs include Australian equivalents to International Financial Reporting Standards.

Where applicable, those paragraphs of the AASs applicable to not for profit entities have been applied.

(b) Basis of preparation and measurement

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

These financial statements are presented in Australian dollars, the functional and presentation currency of the Institute.

In the application of AASs, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision, and future periods if the revision affects both current and future periods. Judgments made by management in the application of AASs that have significant effects on the financial statements and estimates, with a risk of material adjustments in the subsequent reporting period, are disclosed throughout the notes to the financial statements.

The report has been prepared in accordance with the historical cost convention except for non-current physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value.

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

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010 and the comparative information presented for the year ended 30 June 2009.

(c) Reporting entity

The financial statements include all the activities of the Victorian Institute of Teaching, a Statutory Authority established under the Victorian Institute of Teaching Act 2001 for the regulation of the teaching profession in Victoria, and now operates under Part 2.6 of the Education and Training Reform Act 2006. The Institute reports directly to the Parliament of Victoria through the Minister for Education.

(d) Objectives and funding

The legislated objectives of the Institute are to recognise, promote and regulate the members of 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 Institute operates as a single unit, with no associated entities and has not entered into any joint venture arrangements. The Institute has no administrative responsibility for transactions and balances relating to trust funds of third parties external to Victorian government revenues.

(e) Scope and presentation of financial statements

Comprehensive operating statement

Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format and is allowed under AASB 101 Presentation of financial statements.

'Transactions' and 'other economic flows' are defined by the Australian system of government finance statistics: concepts, sources and methods 2005 Cat. No. 5514.0 published by the Australian Bureau of Statistics. Refer to Note 25 Glossary of terms.

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

'Other economic flows' are changes arising from market re-measurements. They include gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; and gains and losses arising from revaluation of long service leave liability.

The net result is equivalent to profit or loss derived in accordance with AASs.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets. Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the reporting period to the closing balance at the end of the reporting period. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities, or financing activities. This classification is consistent with requirements under AASB 107 Statement of cash flows.

(f) Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured. Amounts disclosed as revenue are, where applicable, net of returns, allowances and duties and taxes. Income is recognised for each of the Institute's major activities as follows:

(i) Grants

Income from grants is recognised when 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. Income is recognised in the year to which the registration relates. Registration fees are recognised with reference to the stage of completion method, based on the registration period that has expired. The unexpired portion is recognised as unearned income.

The Institute does not recognise debtors in relation to registration fees, as non-payment of registration fees results in suspension of registration and cancellation of the registration fee invoice. Income relating to a future period, in accordance with the above income recognition policy, is carried forward in the balance sheet as Income Received In Advance.

(iii) Application fees and criminal records checks fees

Application fees and Criminal records checks fees (CRCs) are charged to prospective teachers and recognised as revenue in the period of payment. Application and CRC fees are non-refundable.

(iv) Late fees

Late fees are recognised on payment.

(v) Interest income

Interest income includes interest received on bank term deposits and interest from investments. Interest income is recognised on a time proportionate basis that takes into account the effective yield on the financial asset (cash).

(vi) Other income

Other income primarily consists of grants and sponsorship provided for various activities conducted by the Institute.

(g) Expenses from transactions

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

(i) Grants and other payments

Grants and other payments to third parties are recognised as an expense in the reporting period in which they are paid or payable. Grants are made to schools to reimburse the cost of releasing teachers to attend Institute activities.

(ii) Employee benefits

Employee benefits expenses include all costs related to employment, including wages and salaries, leave entitlements, redundancy payments and superannuation contributions. Superannuation expenses are reported differently depending upon whether employees are members of defined benefit or defined contribution plans. In relation to defined contribution (i.e. accumulation) superannuation plans, the associated expense is simply the employer contributions that are paid or payable in respect of employees who are members of these plans during the reporting period.

Employer superannuation expenses in relation to employees who are members of defined benefit superannuation plans are described below.

Superannuation

The amount recognised in the comprehensive operating statement in relation to employer contributions for members of defined benefit superannuation plans is simply the employer contributions that are paid or payable to these plans during the reporting period. The level of these contributions will vary depending upon the relevant rules of each plan, and is based upon actuarial advice.

The Department of Treasury and Finance (DTF) in their Annual Financial Statements, recognise on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

On commencement of the Institute a number of staff were transferred to the Institute from the Department of Education and Early Childhood Development (DEECD – previously Department of Education). The leave entitlements accrued by these staff members while employed by DEECD where transferred to the Institute under a reciprocal agreement. These entitlements are recognised as both a current receivable from DEECD and a current liability in the Institute's accounts. As the transferred leave entitlements are taken, the Institute is reimbursed by DEECD for the nominal value of the leave taken (the DEECD contribution is based on the final salary at the time the employee transferred to the Institute, while the Institute pays leave entitlements based on the salary at the time leave is taken from the Institute).

(iii) Depreciation

Depreciation is generally calculated on a reducing balance method to write the assets off over their estimated useful lives (assets purchased for less than \$1,000 are expensed, whereas assets purchased greater than or equal to \$1,000 are capitalised).

Leasehold improvements and plant and equipment under finance lease are depreciated on a straight line method over the period of the lease (10 years) or estimated useful life, whichever is the shorter, using the reducing balance method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period.

Refer to Note 8(a) for depreciation rates for each asset class.

(iv) Amortisation

Intangible produced assets with finite useful lives are amortised as an expense from transactions on a reducing balance method over the asset's useful life. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be

capable of operating in the manner intended by management. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each annual reporting period.

Intangible assets in indefinite useful lives are not amortised, but are tested for impairment annually or whenever there is an indication that the asset may be impaired. The useful lives of intangible assets that are not being amortised are reviewed each period to determine whether events and circumstances continue to support an indefinite useful life assessment for that asset.

(v) Borrowing costs

Borrowing costs are recognised as expenses in the period in which they are incurred and include:

- finance lease charges
- the increase in financial liabilities and non-employee provisions due to the unwinding of discounts to reflect the passage of time.

(vi) Supplies and services

Supplies and services generally represent cost of services delivered and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Institute. These items are recognised as an expense in the reporting period in which they are incurred.

(vii) Bad and doubtful debts

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. Those written off unilaterally and the allowance for doubtful receivables, are classified as other economic flows (refer to Note 1(i)(iii) Financial assets – Impairment of financial assets).

(h) Other economic flows included in the net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from transactions.

Net gain/(loss) on non-financial assets

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

(i) Disposal of non-financial assets

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

(ii) Impairment of non-financial assets

Goodwill and intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment (i.e. as to whether their carrying value exceeds their recoverable amount, and so require write-downs) and whenever there is an indication that the asset may be impaired.

All other assets are assessed annually for indication of impairment, except for financial assets.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the operating statement except to the extent that the write-down can be debited to an asset revaluation reserve amount applicable to that class of asset.

It is deemed that, in the event of the loss of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of the depreciated replacement cost and fair value less costs to sell. The recoverable amount for an asset held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or held-for-trading
- impairment and reversal of impairment for financial instruments at amortised cost
- disposals of financial assets.

Other gains/(losses) from other economic flows

Other gains/(losses) from other economic flows include the gains or losses from:

- the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

(i) Financial assets

(i) Cash and deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank (net of outstanding cheques yet to be presented by the Institute's suppliers and creditors), deposits at call and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(ii) Receivables

Receivables consist predominantly of debtors in relation to goods and services, accrued investment income and GST input tax credits recoverable. Receivables that are contractual are classified as financial instruments. Amounts owing from the Victorian Government, taxes and other statutory receivables are not classified as financial instruments.

All debtors are recognised at the amounts receivable as they are due for settlement at no more than 30 days from the date of recognition. Bad debts are written off when identified.

(iii) Investments and other financial assets

Investments are recognised and derecognised on trade date where purchase or sale of an investment is under a contract whose terms require delivery of the investment within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs.

The Institute classifies its other investments in the following categories: loans and receivables and investments. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Loans and receivables

Term deposits with maturity greater than three months, trade receivables, loans and other receivables are recorded at amortised cost, using the effective interest method, less impairment.

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Impairment of financial assets

The Institute assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. All financial assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

Bad and doubtful debts for financial assets are assessed on a regular basis. Those bad debts considered as written off by mutual consent are classified as a transaction expense. The bad debts not written off by mutual consent and allowance for doubtful receivables are classified as 'other economic flows'.

In assessing impairment of statutory (non-contractual) financial assets which are not financial instruments, the Institute applies professional judgment in assessing materiality and using estimates, averages and computational shortcuts in accordance with AASB 136 Impairment of assets.

(j) Non-financial assets

(i) Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses.

Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to the Institute.

Research and development costs

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase on an internal project) is recognised if, and only if, all of the following are demonstrated:

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

Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period as incurred.

Intangible assets are measured at cost less accumulated amortisation and impairment, and are amortised on a reducing balance method over their useful lives at the following rate:

Capitalised software development – 33.33% p.a.

(ii) Plant and equipment

All non-current physical assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

Leasehold improvements are measured initially at cost less accumulated depreciation and impairment.

Non-current physical assets arising from finance leases

Refer to Note 1(l) Leases

Revaluations of non-current physical assets

Non-current physical assets are measured at fair value in accordance with FRD 103D issued by the Minister for Finance. A full revaluation normally occurs every five years, based on the asset's government purpose classification, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are used to conduct these scheduled revaluations and any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value. Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in other comprehensive income and accumulated in equity under the revaluation surplus, except that the net revaluation increase shall be recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as expenses (other economic flows) in the net result, except that the net revaluation decrease shall be recognised in other comprehensive income to the extent that a credit balance exists in the revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in other comprehensive income reduces the amount accumulated in equity under revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against one another within that class, but are not offset in respect of assets in different classes.

Any revaluation surplus is not normally transferred to accumulated funds on de-recognition of the relevant asset.

(iii) Other non-financial assets

Prepayments

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

Impairment of non-financial assets

Refer to Note 1(h) (ii) Other economic flows included in net result.

(k) Liabilities

(i) Payables

Payables consist predominantly of accounts payable and other sundry liabilities. Accounts payable represent liabilities for goods and services provided to the Institute prior to the end of the financial year that are unpaid, and arise when the Institute becomes obliged to make future payments in respect of the purchase of those goods and services. Other liabilities included in payables mainly consist of unearned/prepaid income, goods and services tax, fringe benefits tax payables and unused lease incentive for Marland House.

Payables are initially recognised at fair value, being the cost of the goods and services, and subsequently measured at amortised cost.

(ii) Income received in advance

Registration fees are raised in advance. Income is recognised in the year to which the registration relates. The unexpired portion is recognised as unearned income. Refer to Note 2(b) Fees.

(iii) Borrowings

Borrowings are recorded initially at fair value, being the cost of the interest bearing liabilities, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest bearing liability using the effective interest rate method.

(iv) Provisions

Provisions are recognised when the Institute has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recognised from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

(v) Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered to the reporting date.

a) Wages, salaries and annual leave

Liabilities for wages and salaries, including non-monetary benefits, and annual leave expected to be settled within 12 months of reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

b) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits:

- Current liability – unconditional LSL (representing 7 or more years of recognised continuous service for Institute staff) is disclosed as a current liability even where the Institute does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- present value – component that the Institute does not expect to settle within 12 months
- nominal value – component that the Institute expects to settle within 12 months

- Non-current liability – conditional LSL (representing less than 7 years of recognised continuous service for Institute staff) is disclosed as a non-current liability. There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an other economic flow, refer Note 1(h).

c) Employee benefits on-costs

Employee benefits on-costs (payroll tax, workers compensation, superannuation, annual leave and LSL accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

d) Termination benefits

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

Employee benefits on-costs

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

(I) Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment. Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance infrastructure leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Institute as lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum lease payments are allocated between the principal component of the lease liability, and the interest expense calculated using the interest rate implicit in the lease, and charged directly to the operating statement. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

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

Lease incentive

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

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

The cost of the leasehold improvements is capitalised as an asset and depreciated over the remaining term of the lease or the estimated useful life of the improvements, whichever is the shorter.

(m) Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources and are disclosed at their nominal value inclusive of GST payable.

(n) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(o) Accounting for the Goods and Services Tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

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

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

(p) Events after reporting date

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Institute and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events which occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions that arose after the end of the reporting period and which may have a material impact on the results of subsequent reporting periods.

(q) Rounding of amounts

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

(r) AASs issued that are not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises the Institute and other entities of their applicability and early adoption where applicable.

As at 30 June 2010, the following standards and interpretations had been issued, but were not mandatory for financial years ending 30 June 2010. The Institute has not, and does not intend to, adopt these standards early.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on departmental financial statements
AASB 2009-5 Further amendments to Australian Accounting Standards arising from the annual improvements project [AASB 5, 8, 101, 107, 117, 118, 136 and 139]	Some amendments will result in accounting changes for presentation, recognition or measurement purposes, while other amendments will relate to terminology and editorial changes.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 2009-9 Amendments to Australian Accounting Standards – additional exemptions for first-time adopters [AASB 1]	Applies to entities adopting Australian Accounting Standards for the first time, to ensure entities will not face undue cost or effort in the transition process in particular situations.	Beginning 1 Jan 2010	No impact. Relates only to first-time adopters of Australian Accounting Standards.
Erratum <i>General Terminology changes</i>	Editorial amendments to a range of Australian Accounting Standards and Interpretations.	Beginning 1 Jan 2010	Terminology and editorial changes. Impact minor.
AASB 124 Related party disclosures (Dec 2009)	Government-related entities have been granted partial exemption with certain disclosure requirements.	Beginning 1 Jan 2011	Preliminary assessment suggests that impact is insignificant.
AASB 2009-12 Amendments to Australian Accounting Standards [AASB 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 and 1031 and Interpretations 2, 4, 16, 1039 and 1052]	This standard amends AASB 8 to require an entity to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for purposes of certain operating segment disclosures. This standard also makes numerous editorial amendments to other AASBs.	Beginning 1 Jan 2011	AASB 8 does not apply to the Institute, therefore no impact expected. Otherwise, only editorial changes arising from amendments to other standards, no major impact. Impacts of editorial amendments are not expected to be significant.
AASB 2009-14 Amendments to Australian Interpretation – Prepayments of a minimum funding requirement [AASB Interpretation 14]	Amendment to Interpretation 14 arising from the issuance of prepayments of a minimum funding requirement.	Beginning 1 Jan 2011	Expected to have no significant impact.
AASB 9 Financial instruments	This standard simplifies requirements for the classification and measurement of financial assets resulting from Phase 1 of the IASB's project to replace IAS 39 Financial instruments: recognition and measurement (AASB 139 financial Instruments: recognition and measurement).	Beginning 1 Jan 2013	Impact not expected to be significant
AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 and 1038 and Interpretations 10 and 12]	This gives effect to consequential changes arising from the issuance of AASB 9.	Beginning 1 Jan 2013	Detail of impact is still being assessed.

NOTE 2 Income

	2010 \$	2009 \$
INCOME FROM TRANSACTIONS		
(a) Interest income		
Interest from financial assets not at fair value through P/L:		
Interest on bank deposits	89,869	121,915
Interest on investments	225,376	272,887
Total interest income	315,245	394,802
(b) Fees		
Teacher registration	7,742,699	7,202,870
Teacher application	371,337	299,081
Criminal record check	752,025	642,970
Late registration payment	323,940	–
Total fees	9,190,001	8,144,921
(c) Government grant		
Fees for service – Department of Education and Early Childhood Development	600,000	1,288,183
Total income from Government	600,000	1,288,183
(d) Other income		
Sponsorship	22,727	31,818
Pdi	25,259	47,927
Accreditation consultancies	204,865	6,828
Total other income	252,851	86,573

NOTE 3 Expenses

	2010 \$	2009 \$
EXPENSES FROM TRANSACTIONS		
(a) Grants and other payments		
Projects and teacher release	297,185	106,016
Total grants and other payments	297,185	106,016
(b) Employee benefits		
Salaries and wages	4,086,081	3,862,279
Superannuation	414,330	378,428
Oncosts (Payroll tax, Fringe benefits tax and Workcover)	238,695	221,090
Total employee benefits	4,739,106	4,461,797
(c) Depreciation and amortisation		
Depreciation of property, plant and equipment		
Plant and equipment	88,093	98,249
Plant and equipment under finance lease	7,410	6,261
Fixtures and fittings	13,380	16,608
Leasehold improvements	72,877	80,975
Total depreciation of property, plant and equipment	181,760	202,093
Software amortisation	149,103	138,360
Total depreciation and amortisation	330,863	340,453
(d) Supplies and services		
Contractors	1,076,916	720,782
Consultancies	9,809	297,745
Legal expenses	127,198	149,455
Legal expenses other – Criminal record check fees	628,547	493,246
Communications expenses – other	285,037	395,023
Communications expenses – mail house and packaging	724,367	611,315
Communications expenses – printing	349,953	409,381
Administration expenses – other	1,149,685	1,179,288
Administration expenses – events	270,430	357,205
Total supplies and services	4,621,942	4,613,440
(e) Borrowing costs*		
Finance lease disposal costs	–	4,478
Unwinding of discounts	11,391	6,805
Total borrowing costs	11,391	11,283
(f) Other expenses		
Operating lease rental expenses:		
Minimum lease payments (expense)	234,847	233,552
Total other expenses	234,847	233,552

* (Interest paid to VIC Fleet for car lease 09/10 = \$2,659, total costs recovered through employee contributions)

NOTE 4 Other economic flows

	2010 \$	2009 \$
OTHER ECONOMIC FLOWS INCLUDED IN NET RESULT		
(a) Net gain/(loss) on non-financial assets		
Net gain/(loss) on disposal of physical assets	(3,897)	(28,025)
Total net gain/(loss) on non-financial assets and liabilities	(3,897)	(28,025)
(b) Other gains/(losses) from other economic flows		
Net gain/(loss) arising from revaluation of long service liability	(7,571)	(10,547)
Total other gain/(loss) from other economic flows	(7,571)	(10,547)

NOTE 5 Investments

	2010 \$	2009 \$
Current investments		
Term deposits	7,000,000	–
Total current investments	7,000,000	–

(a) Ageing analysis of investments and other financial assets

Please refer to Table 17.4 in Note 17 for the ageing analysis of investments and other financial assets.

(b) Nature and extent of risk arising from investments and other financial assets

Please refer to Note 17 for the nature and extent of risks arising from investments and other financial assets.

NOTE 6 Receivables

	2010 \$	2009 \$
Current Receivables		
Contractual		
Debtors	96,197	19,870
Department of Education and Early Childhood Development		
employee benefits	46,359	121,284
Accrued investment income	111,068	–
	253,624	141,154
Statutory		
Net GST receivable	113,990	106,884
	113,990	106,884
Total current receivables	367,614	248,038
Total receivables	367,614	248,038

(a) Ageing analysis of contractual receivables

Please refer to Table 17.4 in Note 17 for the ageing analysis of contractual receivables.

(b) Nature and extent of risk arising from contractual receivables

Please refer to Note 17 for the nature and extent of risks arising from contractual receivables.

NOTE 7 Other non-financial assets

	2010 \$	2009 \$
Current other assets		
Prepayments	79,977	53,134
Total current other assets	79,977	53,134
Total other non-financial assets	79,977	53,134

NOTE 8 Plant and equipment

	2010 \$	2009 \$
Carrying amounts		
Classification by nature		
Leasehold improvements:		
At cost	1,178,172	1,178,172
Less: accumulated depreciation	(522,277)	(449,400)
	655,895	728,772
Fixtures and fittings:		
At cost	148,675	148,676
Less: accumulated depreciation	(94,979)	(84,458)
	53,696	64,218
Plant and equipment:		
At cost	697,551	591,212
Less: accumulated depreciation	(445,803)	(385,054)
	251,748	206,158
Plant and equipment under finance lease:		
At cost	41,479	41,479
Less: accumulated depreciation (i)	(11,115)	(3,705)
	30,364	37,774
Net carrying amount of PPE	991,703	1,036,922

(i) Plant and equipment under finance lease is depreciated in accordance with the VIC Fleet lease agreement (whole of life depreciation over 3-year term of lease = \$22,330.04)

NOTE 8 (a) Plant and equipment

Movements in carrying amount	Leasehold improvements		Fixtures and fittings		Plant and equipment		Plant and equipment under finance lease		Total	
	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Opening balance	728,772	809,747	64,218	82,642	206,158	245,861	37,774	24,579	1,036,922	1,162,829
Additions	–	–	4,430	2,187	138,252	66,402	–	41,479	142,682	110,068
Write-offs	–	–	–	–	–	–	–	–	–	–
Disposals	–	–	(1,572)	(4,003)	(4,569)	(7,856)	–	(22,023)	(6,141)	(33,882)
Depreciation expense	(72,877)	(80,975)	(13,380)	(16,608)	(88,093)	(98,249)	(7,410)	(6,261)	(181,760)	(202,093)
Closing balance	655,895	728,772	53,696	64,218	251,748	206,158	30,364	37,774	991,703	1,036,922

The following rates are used in the calculation of depreciation:

	2010	2009
Leasehold improvements	10%	10%
Furniture and fittings	20%	20%
Plant and equipment	33.3%	33.3%
Plant and equipment under finance lease	18%	18%

NOTE 8(b) Aggregate depreciation recognised as an expense during the year

	2010 \$	2009 \$
Leasehold improvements	72,877	80,975
Fixtures and fittings	13,380	16,608
Plant and equipment	88,093	98,249
Plant and equipment under finance lease	7,410	6,261
	181,760	202,093

NOTE 9 Intangible assets

	Capitalised software development	
	2010 \$	2009 \$
Gross carrying amount		
Opening balance	858,619	784,600
Additions(i)	707,796	99,845
Disposals	–	(25,826)
Closing balance	1,566,415	858,619
Accumulated amortisation and impairment		
Opening balance	(554,930)	(425,932)
Amortisation expense	(149,103)	(138,360)
Disposals	–	9,362
Closing balance	(704,033)	(554,930)
Net book value at the end of the financial year	862,382	303,689

(i) Increase in intangible assets relate to software development associated with the Institute's increasing online capabilities and new registration database.

NOTE 10 Payables

	2010 \$	2009 \$
Current payables		
Contractual		
Trade creditors and accruals	1,233,068	756,649
Unused lease incentive – Marland House (Note 15)	401,712	469,014
Total payables	1,634,780	1,225,663

NOTE 11 Borrowings

	2010 \$	2009 \$
Current		
Secured		
VIC Fleet Exec. Vehicle Lease (i) (Note 15)	7,682	7,123
Total current interest bearing liabilities	7,682	7,123
Non-current		
Secured		
VIC Fleet Exec. Vehicle Lease (i) (Note 15)	23,314	30,996
Total non-current interest bearing liabilities	23,314	30,996
Total interest bearing liabilities	30,996	38,119

(i) Secured by the assets leased.

NOTE 12 Provisions

	2010 \$	2009 \$
Current		
Employee benefits (i) (Note 12(a)) – annual leave		
Unconditional and expected to be settled within 12 months (ii)	181,224	173,905
Unconditional and expected to be settled after 12 months (iii)	119,061	115,622
Employee benefits (i) (Note 12(a)) – long service leave		
Unconditional and expected to be settled within 12 months (ii)	93,835	206,508
Unconditional and expected to be settled after 12 months (iii)	46,695	11,833
	440,815	507,868
Employee benefit on-costs		
Unconditional and expected to be settled within 12 months (ii)	51,473	72,062
Unconditional and expected to be settled after 12 months (iii)	29,665	24,182
	81,138	96,244
Total current provisions	521,953	604,112
Non-current		
Employee benefits (Note 12(a))	174,397	123,702
Employee benefit on-costs (ii)	33,371	25,363
Make good provision Marland House (Note 12(b)) (ii)	307,696	296,305
Total non-current provisions	515,464	445,370
Total provisions	1,037,417	1,049,482

NOTE 12(a) Employee benefits and related on-costs

	2010 \$	2009 \$
Current employee benefits:		
Annual leave entitlements	300,285	289,527
Unconditional long service leave entitlements	140,530	218,341
Non-current employee benefits		
Conditional long service leave entitlements	174,397	123,702
Total employee benefits	615,212	631,570
Current on-costs	81,138	96,244
Non-current on-costs	33,371	25,363
Total on-costs	114,509	121,607
Total employee benefits and related on-costs	729,721	753,177

(i) Provisions for employee benefits consist of amounts for annual leave and long service leave accrued by employees, not including on-costs.

(ii) The amounts disclosed are nominal amounts.

(iii) The amounts disclosed are discounted to present values.

NOTE 12(b) Movement in provisions

	Make good provision 2010 \$	On-costs 2010 \$	Total 2010 \$
Opening balance	296,305	121,607	417,912
Reductions of provisions recognised	–	(7,098)	(7,098)
Unwinding of discount and effect of changes in the discount rate	11,391	–	11,391
Closing balance	307,696	114,509	422,205
Current	–	81,138	81,138
Non-current	307,696	33,371	341,067
	307,696	114,509	422,205

NOTE 13 Income received in advance

	2010 \$	2009 \$
Unearned teacher registration fees	4,097,306	3,978,729
Grants in advance	–	–
Total revenue received in advance	4,097,306	3,978,729

NOTE 14 Superannuation

Employees of the Institute are entitled to receive superannuation benefits and the Institute contributes to both defined benefit and defined contribution plans. The defined benefit plan provides benefits based on years of service and final average salary.

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

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

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

Fund	Contribution for the Year		Contribution Outstanding at Year End	
	2010 \$	2009 \$	2010 \$	2009 \$
Defined benefit plans:				
State Superannuation Fund:				
Revised and new	60,880	65,434	1,213	–
SERB	11,042	10,465	365	–
Defined contribution plans:				
VicSuper	151,409	155,216	4,279	–
Other (i)	177,069	147,312	8,073	320
Total	400,400	378,427	13,930	320

(i) Includes payments made to Department of Education and Early Childhood Development for superannuation on-costs in relation to secondments.

NOTE 15 Leases

DISCLOSURES FOR LESSEES – FINANCE LEASES

Leasing arrangements

Finance lease relates to equipment with lease terms of 5 years.

	Minimum future lease payments		Present value of minimum future lease payments	
	2010 \$	2009 \$	2010 \$	2009 \$
Finance lease liabilities payable				
– Not longer than 1 year	9,779	9,782	7,682	7,123
– Longer than 1 year but not longer than 5 years	24,138	33,918	23,314	30,996
– Longer than 5 years	–	–	–	–
Minimum future lease payments	33,917	43,700	30,996	38,119
Less future finance charges	(2,921)	(5,581)		
Present value of minimum lease payments	30,996	38,119	30,996	38,119
Included in the financial statements as:				
Current interest bearing liabilities (Note 11)			7,682	7,123
Non-current interest bearing liabilities (Note 11)			23,314	30,996
			30,996	38,119

DISCLOSURES FOR LEASES – OPERATING LEASES

Leasing Arrangements

Operating lease relates to the Institute premises at Marland House with lease terms of 10 years.

The lease incentive provided is apportioned evenly over the term of the lease and recorded in current liabilities as 'Unused lease incentive Marland House' (Note 10).

	2010 \$	2009 \$
Non-cancellable operating leases payable		
Non-cancellable leases at the reporting date contracted for but not recognised as liabilities payable		
– Not longer than 1 year	423,841	410,997
– Longer than 1 year but not longer than 5 years	1,433,037	1,776,501
– Longer than 5 years	–	80,377
	1,856,878	2,267,875
In respect of non-cancellable operating leases the following liabilities have been recognised:		
Current		
Unused lease incentive Marland House (note 10)	401,712	469,014
	401,712	469,014

NOTE 16 Contingent assets and liabilities

As at 30 June 2010 there were no contingent assets and liabilities (2009: \$0)

NOTE 17 Financial instruments

(a) Financial risk management objectives and policies

The Institute's principal financial instruments comprise of:

- cash assets
- receivables (excluding statutory receivables)
- investments (deposits receivable)
- payables (excluding statutory payables)
- finance lease payables.

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.

The main purpose in holding financial instruments is to prudentially manage the Institute's financial risks within the Government policy parameters.

TABLE 17.1: Categorisation of financial instruments

	Contractual financial assets, loans and receivables	Contractual financial liabilities at amortised cost	Total
2010			
Contractual financial assets			
Cash and deposits	1,303,421		1,303,421
Receivables			
– Sale of goods and services	96,197		96,197
– DEECD employee benefits	46,360		46,360
– Accrued investment income	111,069		111,069
Investments			
– Term deposits	7,000,000		7,000,000
Total contractual financial assets	8,557,047	–	8,557,047
Contractual financial liabilities			
Accounts payable			
– Supplies and services		1,233,068	1,233,068
– Unused lease incentive Marland House		401,712	401,712
Borrowings			
– VIC Fleet Exec. Vehicle lease		30,996	30,996
Total contractual financial liabilities	–	1,665,776	1,665,776
2009			
Contractual financial assets			
Cash and deposits	8,343,515		8,343,515
Receivables			
– Sale of goods and services	19,870		19,870
– DEECD employee benefits	121,284		121,284
Investments			
– Term deposits	–		–
Total contractual financial assets	8,484,669	–	8,484,669
Contractual financial liabilities			
Accounts payable			
– Supplies and services		756,649	756,649
– Unused lease incentive Marland House		469,014	469,014
Borrowings			
– VIC Fleet Exec. Vehicle lease		38,119	38,119
Total contractual financial liabilities	–	1,263,782	1,263,782

TABLE 17.2: Net holding gain/(loss) on financial instruments by category

	Net holding gain/loss	Net interest income/ expense	Fee income/ (expense)	Impairment loss	Total
2010					
Contractual financial assets					
Financial assets – loans and receivables	–	315,244	–	–	315,244
Total contractual financial assets	–	315,244	–	–	315,244
Contractual financial liabilities					
Financial liabilities at amortised cost	–	–	–	–	–
Total contractual financial liabilities	–	–	–	–	–
2009					
Contractual financial assets					
Financial assets – loans and receivables	–	394,802	–	–	394,802
Total contractual financial assets	–	394,802	–	–	394,802
Contractual financial liabilities					
Financial liabilities at amortised cost	–	–	–	–	–
Total contractual financial liabilities	–	–	–	–	–

The net holding gains or losses disclosed above are determined as follows:

- For cash and cash equivalents, loans or receivables the net gain or loss is calculated by taking the interest revenue, minus any impairment recognised in the net result.

(b) Credit risk

Credit risk arises from the financial assets of the Institute, which comprise cash and deposits, trade and other receivables. The Institute's exposure to credit risk arises from the potential default of counter party on their contractual obligations resulting in financial loss to the Institute. Credit risk is measured at fair value and is monitored on a regular basis.

The Institute has adopted the policy of only dealing with entities with high credit ratings of a minimum BBB rating and to obtain sufficient collateral or credit enhancements where appropriate.

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

The Institute does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the balance sheet, net 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.

TABLE 17.3: Credit quality of contractual financial assets that are neither past due nor impaired

	Financial institutions (AAA credit rating)	Govt agencies (AAA credit rating)	Govt agencies (BBB credit rating)	Other (min BBB rating)
2010				
Cash and deposits	1,303,421			
Receivables		157,429		96,197
Investments and other financial assets		7,000,000		
Total contractual financial assets	1,303,421	7,157,429	–	96,197
2009				
Cash and deposits	8,343,514			
Receivables		121,284		19,870
Investments and other financial assets				
Total contractual financial assets	8,343,514	121,284	–	19,870

Contractual financial assets that are either past due or impaired

Currently the Institute does not hold any collateral as security nor credit enhancements relating to any of its financial assets. As at the reporting date, there is no event to indicate that any of the financial assets were impaired.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The following table discloses the ageing only of financial assets that are past due but not impaired.

TABLE 17.4: Ageing analysis of contractual financial assets

			Past due but not impaired				
	Carrying amount	Not past due and not impaired	Less than 1 month	1–3 months	3 months – 1 year	1–5 years	Impaired financial assets
2010							
Receivables:							
– Sale of goods and services	96,197	96,197	18,672	77,500	25	–	–
– DEECD employee benefits	46,360	46,360	–	–	–	–	–
– Accrued investment income	111,069	111,069	–	–	–	–	–
Investments:							
Term deposit	7,000,000	7,000,000	–	–	–	–	–
	7,253,626	7,253,626	18,672	77,500	25	–	–
2009							
Receivables:							
– Sale of goods and services	19,870	19,870	–	–	–	–	–
– DEECD employee benefits	121,284	121,284	–	–	–	–	–
	141,154	141,154	–	–	–	–	–

(c) Liquidity risk

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

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

- maintaining an adequate level of uncommitted funds that can be drawn at short notice to meet its short-term obligations
- careful maturity planning of its financial obligations based on forecasts of future cash flows; and
- a high credit rating for the State of Victoria (Moody's Investor Services & Standard & Poor's triple-A), which assists in assessing debt market at a lower interest rate.

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

The following table discloses the contractual maturity analysis for the Institute's contractual financial liabilities.

TABLE 17.5: Maturity analysis of financial liabilities

	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 month	1–3 months	3 months – 1 year	1–5 years	5+ years
2010							
Payables:							
Supplies and services	1,233,067	1,233,067	–	–	–	–	–
Other payables	401,712	401,712	–	–	–	–	–
Borrowings:							
VIC Fleet Exec. Vehicle lease	30,999	30,999	640	1,280	5,762	23,314	–
	1,665,778	1,665,778	640	1,280	5,762	23,314	
2009							
Payables:							
Supplies and services	756,649	756,649	–	–	–	–	–
Other payables	469,014	469,014	–	–	–	–	–
Borrowings:							
VIC Fleet Exec. Vehicle lease	38,119	38,119	593	1,187	5,340	30,996	–
	1,263,782	1,263,782	593	1,187	5,340	30,996	–

d) Market risk

The Institute's exposures to market risk are primarily through interest rate risk with almost no exposure to foreign currency and other price risks. Objectives, policies and processes used to manage each of these risks are disclosed in the paragraphs below.

Foreign currency risk

The Institute is exposed to insignificant foreign currency risk through its payables relating to purchases of supplies and consumables from overseas. This is because of a very limited amount of purchases denominated in foreign currencies and a short timeframe between commitment and settlement. The Institute manages its risk through monitoring of movements in exchange rates against the US dollar and ensures availability of funds through rigorous cash flow planning and monitoring. Based on past and current assessment of economic outlook, it is deemed unnecessary for the Institute to enter into any hedging arrangements to manage the risk.

Interest rate risk

Fair value interest rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates. The Institute does not hold any interest bearing financial instruments that are measured at fair value, therefore has nil exposure to fair value interest rate risk.

Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Institute has minimal exposure to cash flow interest rate risks through its cash and deposits, term deposits and bank overdrafts that are at floating rate.

The Institute manages this risk by mainly undertaking fixed rate or non interest bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded for cash at bank and bank overdraft, as financial assets that can be left at floating rate without necessarily exposing the Institute to significant bad risk, management monitors movement in interest rates on a daily basis.

TABLE 17.6: Interest rate exposure of financial instruments

	Weighted average effective interest rate %	Carrying amount	Interest rate exposure		
			Fixed interest rate	Variable interest rate	Non- interest bearing
2010					
Financial assets					
Cash and deposits	3.49%	1,303,421	–	1,303,421	–
Receivables:					
– Sale of goods and services		96,197	–	–	96,197
– DEECD employee benefits		46,360	–	–	46,360
– Accrued investment income		111,069	–	–	111,069
Investments:					
Term deposit	3.91%	7,000,000	7,000,000	–	–
Total financial assets		8,557,047	7,000,000	1,303,421	253,626
Financial liabilities					
Payables:					
– Supplies and services		1,233,067	–	–	1,223,067
– Other payables		401,712	–	–	401,712
Borrowings:					
VIC Fleet Exec. Vehicle lease	7.62%	30,999	30,999	–	–
Total financial liabilities		1,665,778	30,999	–	1,624,779
2009					
Cash and deposits	3.90%	8,343,515	–	8,343,514	–
Receivables:					
– Sale of goods and services		19,870	–	–	19,870
– DEECD employee benefits		121,284	–	–	121,284
– Accrued investment income		–	–	–	–
Investments:					
Term deposit		–	–	–	–
Total financial assets		8,484,669	–	8,343,514	141,154
Financial liabilities					
Payables:					
– Supplies and services	–	756,649	–	–	756,649
– Other payables		469,014	–	–	469,014
Borrowings:					
VIC Fleet Exec. Vehicle lease	7.62%	38,119	38,119	–	–
Total financial liabilities		1,263,782	38,119	–	1,225,663

Sensitivity disclosure analysis

The Institute's sensitivity to market risk is based on the observed range of actual historical data for the preceding 5-year period, with all variables other than the primary risk variable held constant. The Department's fund managers cannot be expected to predict movements in market rates and prices, sensitivity analyses shown are for illustrative purposes only.

The following movements are 'reasonably possible' over the next 12 months:

- a movement of 200 basis points up and down (2009: 200 down and 200 up) in market interest rates (AUD).

Table 17.7 discloses the impact on the Institute's net result for each category of financial instrument held by the Institute at year-end as presented to key management personnel if the above were to occur.

TABLE 17.7: Market risk exposure

		Interest rate risk	
		-2% (200 basis points)	+2% (200 basis points)
	Carrying	Net result	Net result
2010			
Contractual financial assets:			
(i) Cash and deposits	1,303,421	(26,068)	26,068
Investments:			
Term deposits	7,000,000	(140,000)	140,000
Total impact		(26,068)	26,068
Contractual financial liabilities:			
Borrowings:			
VIC Fleet Exec. Vehicle lease	30,996	(620)	620
Total impact		(620)	620
2009			
Contractual financial assets:			
(i) Cash and deposits	8,343,514	(166,870)	166,870
Total impact		(166,870)	166,870
Contractual financial liabilities:			
Borrowings:			
VIC Fleet Exec. Vehicle lease	38,119	(762)	762
Total impact		(762)	762

Notes:

(i) Cash and cash deposits includes a deposit of \$694,370 (2009: \$8,343,514) that is exposed to floating rates movements. Sensitivities to these movements are calculated as follows:

- 2010: $\$694,370 \times -.02 = -\$13,887$; and $\$694,370 \times .02 = \$13,887$; and
- 2009: $\$8,343,514 \times -.02 = -\$166,870$; and $\$8,343,514 \times .02 = \$166,870$

(e) Fair value

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

- the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices
- the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The Institute considers that the carrying amount of financial assets and financial liabilities recorded in the financial report to be a fair approximation of their fair values, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

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

TABLE 17.8: Comparison between carrying amount and fair value

	Carrying amount 2010	Fair value 2010	Carrying amount 2009	Fair value 2009
Contractual financial assets				
Cash and deposits	1,303,421	1,303,421	8,343,514	8,343,514
Receivables:				
– Sale of goods and services	96,197	96,197	19,870	19,870
– DEECD employee benefits	46,360	46,360	121,284	121,284
– Accrued investment income	111,069	111,069		
Investments:				
Term deposit	7,000,000	7,000,000	–	–
Total contractual financial assets	8,557,047	8,557,047	8,486,677	8,486,677
Contractual financial liabilities:				
Payables:				
– supplies and services	1,233,067	1,233,067	756,649	756,649
– other payables	401,712	401,712	469,014	469,014
Borrowings:				
VIC Fleet Exec. Vehicle lease	30,999	30,999	38,119	38,119
Total contractual financial liabilities	1,665,778	1,665,778	1,263,782	1,263,782

NOTE 18 Cash flow information

	2010 \$	2009 \$
(a) Reconciliation of cash and cash equivalents		
Total cash and cash equivalents disclosed in the balance sheet	1,303,421	8,343,514
Bank overdraft	–	–
Balance as per cash flow statement	1,303,421	8,343,514
(b) Reconciliation of net result for the period to net cash flows from operating activities		
Net result for the reporting period	111,295	109,366
Non-cash movements:		
(Gain)/loss on sale or disposal of non-current assets	3,897	28,025
(Gain)/loss arising from revaluation of long service leave liability	7,571	
Depreciation and amortisation of non-current assets	330,863	340,454
Movements in assets and liabilities		
(Increase)/decrease in current receivables	(119,577)	218,691
(Increase)/decrease in other current assets	(26,854)	49,883
(Increase)/decrease in current payables	409,119	(62)
(Increase)/decrease in unearned fees	118,577	294,259
(Increase)/decrease in net provisions	(19,633)	(1,328)
Net cash flows from/(used in) operating activities	815,258	1,041,944

NOTE 19 Movements in equity

	2010 \$	2009 \$
Accumulated surplus		
Balance at beginning of financial year	3,693,303	3,583,937
Net result for the reporting period	111,295	109,366
Balance at end of financial year	3,804,598	3,693,303
Total equity at the end of the financial year	3,804,598	3,693,303

NOTE 20 Responsible persons

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

Names

The Hon. B Pike, MP	Minister for Education and Early Childhood Development
Mr Andrew Ius	Accountable Officer (CEO) resigned effective 16 April 2010

Assignment of the CEO responsibilities have been delegated to an interim Leadership Group since 17 April 2010 comprising of:

- ‡Mrs Barbara Carter – Group Manager, Registration and Accreditation
- ‡Mrs Fran Cosgrove – Group Manager, Standards and Professional Learning
- ‡Mr Matthew Hibbert – Group Manager, Corporate Services.

‡Salaries included in Note 21 Remuneration of executives

Council members

*Ms S Halliday – Council chairperson	*Ms J Cooke
*Ms D Punton	*Mr K Moloney
*Mr G Salisbury	*Ms Nicole Lylak
*Dr H Schnagl	*Mr Michael Butler
*Ms J O'Shannessy	*Ms A Sarros
*Mr D Hendrick	Ms G McHardy
*Ms G Watts	*Mrs J Costello
*Ms J Petch	*Mr M D'Ortenzio
*Mrs L Sheehy	*Ms M Pontikis
*Mr S Bhogal	

Council members whose term of office concluded in February 2010

Assoc. Prof. C Ure

Council members whose term of office commenced in October 2009

Ms D Mayer

Related party transactions

*Indicates council member who paid to the Institute a teacher registration fee of \$70 in the year ended 30 June 2010. Any other transactions are at arms length between the Institute and the council member.

Remuneration

Remuneration received or receivable by Council members as Council members are shown below in their relevant income bands:

Income band	2010	2009
\$0	16	20
\$1 – \$9,999	4	8
\$10,000 – \$19,999		1
\$50,000 – \$59,999	1	
\$60,000 – \$69,999		1
\$70,000 – \$79,999		
Total numbers	21	30
Total remuneration for Council members	\$66,130	\$97,619

Chief Executive Officer

Remuneration received or receivable by the Chief Executive Officer in connection with the management of the Institute during the reporting period was in the range: \$330,000 – \$339,999 (2009: \$200,000 – 209,999).

Note: remuneration includes payout of long service leave entitlements.

Amounts relating to the Minister for Education are reported in the financial statements of the Department of Premier Cabinet.

NOTE 21 Remuneration of executives

The number of executive officers, other than Ministers and accountable officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long service leave payments, redundancy payments and retirement benefits.

Income band	Total remuneration		Base remuneration	
	2010 No.	2009 No.	2010 No.	2009 No.
\$80,000–\$89,999				1
\$90,000–\$99,999				
\$100,000–\$109,999		1		2
\$110,000–\$119,999	1	2	1	1
\$120,000–\$129,999	1	2	2	1
\$130,000–\$139,999			1	
\$140,000–\$149,999	3		1	
Total numbers	5	5	5	5
Total amount	\$670,891	\$659,356	\$656,360	\$617,954

NOTE 22 Remuneration of auditors

	2010 \$	2009 \$
Victorian Auditor General's Office		
Audit or review of the financial report	21,800	20,020
	21,800	20,020

NOTE 23 Commitments for expenditure

The following commitments have not been recognised as liabilities in the financial statements.

	2010 \$	2009 \$
Expenditure commitments:		
Pdi Management and Maintenance fee to ACER for 12 months service		
Payable:		
– Not longer than 1 year	107,910	–
– Longer than 1 year and not longer than 5 years	–	–
– Longer than 5 years	–	–
Total commitments for expenditure (inclusive of GST)	107,910	–
Less GST recoverable from the Australian Taxation Office	9,810	–
Total commitments for expenditure (exclusive of GST)	98,100	–

NOTE 24 Subsequent events

Ms Melanie Saba became the Institute's new Accountable Officer (CEO) on 23 August 2010.

NOTE 25 Glossary of terms

Comprehensive result

Total comprehensive result is the change in equity for the period other than changes arising from transactions with owners. It is the aggregate of net result and other non-owner changes in equity.

Commitments

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

Employee benefits expenses

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

Financial asset

A financial asset is any asset that is:

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

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return.

Grants can either be operating or capital in nature. While grants to governments may result in the provision of some goods or services to the transferor, they do not give the transferor a claim to receive directly benefits of approximately equal value. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which

are paid for a particular purpose and/or have conditions attached regarding their use.

Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense

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

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and other interest received.

Net acquisition of non-financial assets (from transactions)

Purchases (and other acquisitions) of non-financial assets less sales (or disposals) of non-financial assets less depreciation plus changes in inventories and other movements in non-financial assets. Includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write downs and revaluations.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non owner changes in equity'.

Non-financial assets

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

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes

of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re measurements.

Payables

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

Receivables

Includes amounts owing from government through appropriation receivable, short- and long-term trade credit and accounts receivable, accrued investment income, grants, taxes and interest receivable.

Sales of goods and services

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

Net result from transactions/net operating balance

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

Supplies and services

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

Transactions

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

Unwinding of discounts

Increase in financial liabilities and provisions in regards to 'Make good provision Marland House' due to the unwinding of discounts to reflect the passage of time.



DECLARATION BY THE CHAIRPERSON AND CHIEF FINANCIAL OFFICER

We certify that the attached financial statements for the Victorian Institute of Teaching have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian accounting standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Comprehensive Operating Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, presents fairly the financial transactions during the year ended 30 June 2010 and the financial position of the Victorian Institute of Teaching at 30 June 2010.

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

The annual financial statements were authorised by the Chairperson of the Victorian of Institute Council and the Chief Financial Officer on the 9 September 2010.

A handwritten signature in black ink, appearing to read "Susan Halliday".

Susan Halliday
Chairperson

9 September 2010

A handwritten signature in black ink, appearing to read "Matthew Hibbert".

Matthew Hibbert
Chief Financial Officer

9 September 2010

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VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Council Members, Victorian Institute of Teaching

The Financial Report

The accompanying financial report for the year ended 30 June 2010 of the Victorian Institute of Teaching which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the chair person's and chief financial officer's declaration has been audited.

The Council Members' Responsibility for the Financial Report

The Council Members of the Victorian Institute of Teaching are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, and the reasonableness of accounting estimates made by the Council Members, as well as evaluating the overall presentation of the financial report.

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

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Auditing in the Public Interest

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Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of the Victorian Institute of Teaching for the year ended 30 June 2010. The Council Members of the Victorian Institute of Teaching are responsible for the integrity of the web site. I have not been engaged to report on the integrity of the web site. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Victorian Institute of Teaching web site.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victorian Institute of Teaching as at 30 June 2010 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
9 September 2010



D D R Pearson
Auditor-General

2

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Auditing in the Public Interest

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

Clause	Disclosure	Page
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9.1.3 (i) (b)	Objectives, functions, powers and duties	vii, 1, 4–6, 8–35
9.1.3 (i) (c)	Nature and range of services provided	4–6, 8–35
Management and structure		
9.1.3 (i) (d) (i)	Name of Chief Executive Officer	vi
9.1.3 (i) (d) (ii)	Names of senior office holders and a brief description of each office	4–6
9.1.3 (i) (d) (iii)	Organisational structure	2–3
Financial and other information		
9.1.3 (i) (e)	Statement of workforce data and merit and equity	33
9.1.3 (ii) (a)	Summary of financial results for the year	7
9.1.3 (ii) (b)	Significant changes in financial position during the year	7
9.1.3 (ii) (c)	Operational and budgetary objectives for the year and performance against objectives	7, 11–35
9.1.3 (ii) (d)	Major changes or factors affecting achievement	7
9.1.3 (ii) (e)	Subsequent events	77
9.1.3 (i) (f)	Application and operation of the <i>Freedom of Information Act 1982</i>	33
9.1.3 (ii) (f)	Details of consultancies over \$100,000	33
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9.1.3 (ii) (h)	Compliance with building and maintenance provisions of the <i>Building Act 1993</i>	34
9.1.3 (ii) (k)	Statement on National Competition policy	34
9.1.3 (ii) (i)	Statement of availability of other information	86
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9.6.2 (i) (ii) (iii) (iv)	Disclosure of major contracts	33
9.8.2	Occupational health and safety	34

Financial statements

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9.2.3 (ii) (f)	Bad and doubtful debts	n/a
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9.2.3 (ii) (h)	Net increment or decrement on the revaluation of each category of assets	43, 58
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9.2.3 (iii) (b) (i)	Overdrafts	n/a
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9.2.3 (iii) (d)	Reserves, and transfers to and from reserves (shown separately)	45, 75

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APPENDIX 2

Acronyms and abbreviations

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

AASs	Australian Accounting Standards and Interpretations
AASB	Australian Accounting Standards Board
The Act	The <i>Education and Training Reform Act 2006</i>
ACER	Australian Council for Educational Research
AGTA	Australian Geography Teachers' Association
ATO	Australian Tax Office
AUD	Australian dollars
CEO	Chief Executive Officer
The Council	The Council of the Institute
CRC	Criminal records check
CRT	Casual relief teacher
DEECD	Department of Education and Early Childhood Development
FOI	Freedom of Information
The FOI Act	The <i>Freedom of Information Act 1982</i>
GFS	Government Finance Statistics
GST	Goods and Services Tax
GTAV	Geography Teachers' Association of Victoria
IASB	International Accounting Standards Board
IPSASB	International Public Sector Accounting Standards Board
IFRS	International Financial Reporting Standards
The Institute	The Victorian Institute of Teaching
IT	Information technology
LSL	Long service leave
The Minister	The Minister for Education
MP	Member of Parliament
NCHRC	National criminal history record check
P-9	Preparatory (year of schooling) to Year 9
P-12	Preparatory (year of schooling) to Year 12
PD	Professional development
PRT	Provisionally registered teacher
SERB	State Employees Retirement Benefits
VCAT	Victorian Civil and Administrative Tribunal
VRQA	The Victorian Registration and Qualifications Authority
VIT	The Victorian Institute of Teaching
WWC	Working with Children

2009–2010
VICTORIAN INSTITUTE OF TEACHING

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APPENDIX 3

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:

CEO

Victorian Institute of Teaching

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Australia

Acknowledgements

The Victorian Institute of Teaching thanks all those who have participated in Institute professional development activities, events and working parties in 2009–10, for their time and professional commitment. These include the registered teachers, Council and committee members, guest presenters and stakeholder representatives who have given the Institute permission to reproduce the images used throughout this report.