



Victorian Curriculum and Assessment Authority

Annual Report 2010–11



The Hon. Martin Dixon, MP
Minister for Education
2 Treasury Place
East Melbourne Victoria 3002

Dear Minister

I have pleasure in submitting the annual report of the Victorian Curriculum and Assessment Authority (VCAA). All reporting is conducted in accordance with the *Financial Management Act 1994*.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Adam Shoemaker', with a stylized flourish at the end.

Professor Adam Shoemaker
Chair

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Report of the Chair



2010–11 was a year of continuing achievement, engagement with the national education agenda and setting directions for the future. The year was one in which the Australian Curriculum proceeded with some substantial milestones achieved. At the same time, it has become clearer that Victoria will continue to develop and innovate in curriculum, both in contributing to the national work and by maintaining a critical edge that builds on the strengths of our Victorian Essential Learning Standards (VELS) framework and the senior secondary curriculum of Victorian schools.

Major progress was made in the early years domain with the implementation of the Victorian Early Years Learning and Development Framework (VEYLDF). Research projects investigating the learning and development outcomes that children demonstrate in the birth – 8 years were initiated, together with the development of tools and resources to document and analyse these outcomes. This work continues to be a united effort with high levels of engagement of the early years sector vital to the continued success of the framework. Implementation of the National Quality Framework (NQF) will provide the environment in which the early years outcomes can become a real focus, with long-term benefits for all learners.

Preparation for the 2013 implementation of the Australian Curriculum is ongoing with the development of AusVELS, which combines the current VELS with the Australian Curriculum. AusVELS will be central in the change to Australian Curriculum in Victoria in the areas of English, Maths, Science and History. The VCAA has been heavily involved in the validation program of the Australian Curriculum achievement standards and is further developing resources for schools and the community to help inform the path towards transition.

In 2010 and 2011, the VCAA reported another successful round of National Assessment Program – Literacy and Numeracy (NAPLAN) testing and results release, and end-of-year Victorian Certificate of Education (VCE) examinations. Advancements in information technology and communication (ICT) saw improvements to the On Demand system, the introduction and expansion of online marking for VCE subjects and an update to the VCE Data Service. Sustaining a modern, 21st century education will require the continuing development of ICT across all elements of curriculum and assessment.

The transition to a new State Government in November led to a change in machinery-of-government with vocational education and training returning to the education portfolio. This provides the VCAA with the opportunity to work productively with each of the three Ministers in key aspects of their portfolios. The VCAA will be working with the Department of Education and Early Childhood Development (DEECD) to implement the new emerging agenda. The year ahead promises to be an engaging and stimulating one hallmarked by innovation in all domains of education.

For the delivery of another successful year, I would like to thank John Firth, Chief Executive Officer, VCAA, and all of the staff for their continued commitment to education in Victoria, the Ministers for Education, Children and Early Childhood Development, and Higher Education and Skills for their effective and supportive leadership, and to Professor Peter Dawkins and Jeff Rosewarne who as Secretary and Acting Secretary of the Department of Education and Early Childhood Development respectively, continuously supported the work and achievements of the VCAA. I would especially like to extend my personal thanks to my fellow Board and committee members for their continuing enthusiasm, commitment and expertise.

A handwritten signature in black ink, reading 'Adam Shoemaker', with a stylized flourish at the end.

Professor Adam Shoemaker

Report of the Chief Executive Officer



The 2010–11 reporting period saw increased participation in the national education initiatives, as well as the further development of a number of our curriculum and assessment programs. The VCAA Board reiterated the importance of looking internationally when benchmarking our work, and providing greater exposure of our programs to potential partners and students overseas. We need to continue to offer world-class services to Victorian students, and in the 21st century this requires an international perspective and increasingly sophisticated use of technology in all aspects of teaching, learning and assessment.

During this period we have strengthened our ties with university researchers with the commencement of three Australian Research Council Linkage projects. These projects are critical in linking us with the most contemporary academic research and our participation ensures that this research is connected to the real world of student learning. We are also working very closely with the University of Melbourne in the early years domain to develop indicators of learning. This is critical and groundbreaking work if we are going to better understand and more effectively act to promote the foundations for learning. We have increased our work with the Australian Curriculum, Assessment and Reporting Authority (ACARA) on the development of Phase One of the Australian Curriculum in the four areas of English, Mathematics, Science and History for Prep to Year 10. State and Territory Education Ministers agreed to the content of these areas in December 2010 and during 2011 the VCAA has been working with ACARA on the validation of the associated achievement standards, managing a validation program with 57 Victorian schools participating.

National Assessment Program – Literacy and Numeracy

NAPLAN tests were conducted between 10 and 12 May 2011 and staff from across the organisation contributed to their successful delivery to more than 250,000 Victorian students. I take this opportunity to once again thank the teachers and principals throughout Victoria for their support in ensuring that the implementation of this national program was successful. The information available to parents, schools, systems and the VCAA as a result of the tests is invaluable in the planning and development of improved teaching and learning. The data inform priorities for resource development, targeted intervention and the evaluation of the effectiveness of existing programs. We are continuing to develop our services to assist schools in using these data to improve student learning through statewide professional development and new reports in the NAPLAN Data Service.

On Demand Testing

Usage of the VCAA's On Demand Testing service continues to increase. The VCAA also continues to add new functionality and expand the service's scope as resources allow. This service is a critical example of how the VCAA is increasingly embedding the smart use of ICT into classroom practice. We are investigating with DEECD ways of linking this service with advice to teachers about strategies and approaches to improve student learning in areas of identified gaps.

Victorian Certificate of Education

The VCE continues to be a highly valued, end-of-school certificate that is accepted internationally as the basis for selection into university study. It continues to promote high-quality curriculum for the overwhelming majority of Victorian Year 12 students. The VCE is offered in China, the Middle East and Vanuatu by schools working in partnership with Victorian schools. We are continuing to expand the offering of the VCE in China on a sustainable basis. The success of VCE students from China gaining access into university study throughout Australia is testimony to its value.

The security and integrity of VCE examinations remains the highest priority to the VCAA. The examinations in June and November were conducted and marked accurately, securely and in a timely manner.

Online marking of VCE examinations was introduced in June 2010. It expanded in November 2010 to include the five science studies. As we develop the project, which will lead to further enhancements in our quality assurance processes, allowing for more monitoring of marking to ensure accuracy and timelines, teachers and suitably qualified curriculum experts from around Victoria will have more opportunities to participate in this important work.

Accurate results for all students were reported and distributed on schedule. This achievement requires a substantial effort from staff. Our examination setters, chief assessors, markers and numerous casual staff operate a 24-hour, 7-days-a-week program from October to early December to ensure that students receive their results mid-December. This provides students with the time to receive feedback, advice and counselling before finalising their tertiary entrance applications.

In relation to the 2010 end-of-year VCE examinations, the VCAA Review Committee penalised eight serious breaches of examination rules with reductions of one to four grades in the subjects in which the breach of rules occurred.

Victorian Certificate of Applied Learning

The Victorian Certificate of Applied Learning (VCAL) provides a very important vocational pathway for senior secondary students. Participation continues to grow in terms of both students and providers, and it is now a well-established and necessary component of our senior secondary offerings. The annual VCAL awards ceremony always provides many inspiring stories of how students have developed and thrived under the applied learning of VCAL. It continues to cement partnerships between schools and communities, especially in rural Victoria.

In 2010, there were 19,175 certificate enrolments with 429 VCAL providers. In 2012, nine new providers will deliver VCAL for the first time. The On Track destination data for 2010 Intermediate and Senior VCAL students indicated that 27.4 per cent of the VCAL students continued with further education or training, and 59.5 per cent commenced an apprenticeship, traineeship or employment. This means that 86.9 per cent of VCAL students had a direct pathway to further education, training or work – an outstanding achievement.

Victorian Early Years Learning and Development Framework

During the reporting period, Victorian early years providers began implementation of the VEYLDF. This is a wide-ranging reform program involving education professionals across the whole of the early years. Our particular area of responsibility is to assist providers and our colleagues in DEECD to understand and use the VEYLDF to enhance early learning. This is a long-term cultural change. We are working closely on a number of research projects that are designed to assist practitioners in understanding the nature of learning, especially in the 0–3 years cohort where there is very little existing practice to build on. Our work on the Early Years Outcomes project is particularly important and exciting. It is vital that we continue to build mutual understanding between early years practitioners and teachers in the early primary years. Developing shared language and understanding of how learning is demonstrated and how it develops into literacy and numeracy at school is a great challenge and opportunity.

Victorian Essential Learning Standards

The VELS are now well established as the curriculum for Victorian schools in the P–10 years. While our focus has shifted somewhat to participation in the development of the Australian curriculum, we have maintained our commitment to continue supporting schools in the use of the VELS. We are very conscious that Victorian schools wish to maintain and further develop their understanding of the VELS design as the national curriculum is introduced. This informs our input into the national work and preparation for its use in Victoria.

Various VCAA curriculum teams have worked with DEECD on innovative and groundbreaking approaches to assessment. The first of these is in the area of health and physical education where we have produced validated tasks for use in assessing and reporting achievement against the standards in the area. The validated tasks and findings have been presented to State and national forums and conferences to great acclaim.

The VCAA also made substantial progress in the development of an online Bushfire Education curriculum resource as part of the Government's response to Recommendation 6 from the 2009 Victorian Bushfires Royal Commission.

Australian Curriculum

The VCAA has continued its strong contribution to the development of the curriculum. The VCAA Board Australian Curriculum Steering Committee continues to monitor Australian curriculum developments and to oversee consultation with Victorian stakeholders. David Howes, our General Manager, Curriculum, is an active member of a number of ACARA Reference Groups and Working Parties. Our senior curriculum staff are all actively involved in development work in their respective learning areas. Our experience with the VELS provides us with a unique perspective on the seven student general capabilities being developed by ACARA.

A priority for all school sectors is to continue to embrace a common cross-sectoral approach in Victoria which supports the effective implementation of the Australian Curriculum.

The implementation of Phase One of the Australian Curriculum, the ongoing development of Phases Two and Three, and the provision of effective professional development and associated resources will be an important and increasing focus of the VCAA's work in 2011–12. In particular, advice will be provided to schools that will enable teachers to work from a single curriculum source during the transition to full implementation of the curriculum. We are developing a website for Victorian schools that will detail information about AusVELS, the new Victorian curriculum framework which is a revised version of the VELS that includes the Australian Curriculum for English, Mathematics, Science and History. The AusVELS will continue to be developed for the foreseeable future, as the Australian curriculum is being introduced in phases over an extended period of time.

All jurisdictions will be implementing the Australian Curriculum within their own policies, timelines and processes. Victoria will incorporate Australian Curriculum as it is endorsed by Ministers but Victorian curriculum will not be constrained by the Australian Curriculum. The elements of the VELS that focus on innovation in the context of school decision making will be retained and further developed.

The VCAA conducted 27 sessions of professional development throughout the State during May and June 2011 to support the introduction of Phase One of the curriculum. Schools are seeking clarity about the use of the achievement standards for reporting when the curriculum is introduced in 2013. It is important that implementation is managed in ways that allow schools to exercise flexibility and innovation in responding to the needs and aspirations of their own students. We will be developing a program of support that includes more extensive trialling in 2012 so that Victoria schools will be well prepared for implementation.

Board membership

Professor Adam Shoemaker made a major contribution in his first full year as Chair. He has participated fully in the range of Board events and is a passionate advocate for recognition of student achievement, and our need to be international in outlook and to embrace ICT more comprehensively.

Both Vicki Miles and Professor Collette Tayler's terms expired in May 2011. In August 2010, Polly Flanagan and Tony Larkin were reappointed for another three-year term.

Professor Sue Willis retired from the Board after serving nine years as a member. She chaired the Post-compulsory Assessment and Curriculum Committee over recent years and was a fully engaged, active and vibrant member. Her contributions were always sharp and incisive. Tony Coppola also retired after a three-year term, during which time he also served as a member of the Audit Committee and Review Committee. I thank both Sue and Tony for their service.

Finally I would like to thank staff for their outstanding work which reflects a real sense of shared purpose and commitment to improving the learning of all young Victorians.

A handwritten signature in black ink that reads "John Firth". The signature is written in a cursive, flowing style.

John Firth

The year in review

Vision

Every young Victorian thrives, learns and grows to enjoy a productive, rewarding and fulfilling life while contributing to their local and global communities.

Mission

To provide high-quality curriculum, assessment and reporting that promote individual lifelong learning.

Outcomes

Early childhood years 0–8

Provide a framework for the early years that supports children's learning and development across early childhood and school settings.

Middle years 8–16

Provide curriculum and assessment services that give students a solid foundation of knowledge, skills and personal attributes for further study.

Post-compulsory years 16+

Provide study choices, assessment and reports of student learning to promote successful transition to further work or study.

Key achievements

The following major achievements, specific to the VCAA outcomes, occurred during the reporting period.

Early childhood years 0–8 and middle years 8–16

- Fifty early childhood professionals participated in a project facilitated by University of Melbourne academics Jane Page and Kylie Smith, and Estelle Irving and Anne Stonehouse, experts in the birth to 3 years age group, to develop indicators to assist early years educators in identifying evidence of the achievement of early years outcomes in their daily work with children.
- Victorian engagement in the development of and preparation for the implementation of the Australian Curriculum was coordinated by the VCAA on behalf of and in partnership with DEECD, the Catholic Education Commission Victoria and Independent Schools Victoria. This included 27 professional development sessions across the state for school leaders from all sectors.

- Development of an online Bushfire Education Resource for all Victorian schools (and other states and territories) commenced in response to Recommendation 6 from the 2009 Victorian Bushfires Royal Commission.
- Stage 1 of the Collaborative Internet Innovation Fund (cIIF)-funded project to utilise Web 2.0 technologies to teach Aboriginal languages in Victoria was completed.
- Three Australian Research Council Linkage Projects, developed in partnership with the VCAA, commenced:
 - Senior Secondary Certification: Meeting the National Agenda, with the University of Melbourne
 - Moments in Time: Investigating a National History Curriculum in Early Childhood Settings and Primary Classrooms, with Deakin University
 - Peopling Education Policy: Realising the New Australian English and Mathematics Curricula, with Monash University.
- The VCAA updated the software used for the On Demand program. The updated software provides a diagnostic report for the computer-adaptive English and Mathematics tests. For the first time, teachers can see which items their students completed in the computer-adaptive tests, their students' responses and which skill was addressed by each question. The VCAA also expanded the range of computer-adaptive tests to include English and Mathematics tests for Years 9 and 10.

Post-compulsory years 16+

- During 2010, eight VCE studies were reviewed: Accounting, International Politics (International Studies and National Politics), English Language, Industry and Enterprise, Media, Outdoor and Environmental Studies, Design and Technology, and Sociology. The revised VCE Study Designs will be implemented in 2012. Two studies were renamed in the review process: Australian and Global Politics replaces National Politics; and Product Design and Technology replaces Design and Technology.
- The following VCE VET programs were redeveloped for implementation in 2011: Automotive, Engineering, Electrotechnology (renamed Integrated Technologies to reflect the broader range of elective streams within the qualification), Furnishing, Laboratory Skills and Music.
- The VCAA provided statewide briefings on new developments in VCE VET programs and the VCAL to approximately 900 VET coordinators, VCAL coordinators, teachers, Local Learning and Employment Networks (LLENs) and Registered Training Organisations in 13 locations during November and December 2010.
- During February and March 2011, the VCAA conducted 18 VCE School Leaders Briefings across regional and metropolitan Victoria, covering a curriculum update, enrolment, school assessment, examination conduct and administration, special provision and statistical moderation. The briefings were attended by 462 participants from 363 schools, and were rated extremely highly on evaluation forms. Feedback from experienced VCE coordinators suggested that the sessions gave them confidence by confirming their own established practices. Teachers new to the responsibility of managing VCE programs found the sessions were invaluable in providing an overview of the whole cycle from enrolments through to study score calculation.

- Online marking of VCE studies was expanded in November 2010 to include Chemistry, Physics, Agricultural and Horticultural Studies, Psychology and Environmental Science.
- The VCAA introduced a program of observer visits in schools during VCE examinations. VCAA observers visited 246 schools hosting VCE examinations during the October–November 2010 VCE examination period and 80 schools during the June 2011 examination period. The information obtained will assist the VCAA to evaluate its approach to training examination supervisors and to better support schools in the administration of VCE examinations. The overwhelming evidence from the visits was that schools were complying with the VCAA's requirements in relation to the conduct and administration of VCE examinations.
- A major upgrade of the VCE Data Service involved some redesign to improve the useability of the application. The feedback from school staff has been overwhelmingly positive.
- The VCE examination results service included more graphical displays of information to improve the readability of reports. Schools have responded positively to the changes.
- Information on statistical moderation and the study score was successfully delivered to school leaders.
- The VCE and VCAL results were successfully delivered in 2010 by mail and the internet to students and schools.

Future plans and challenges

The following plans and challenges are anticipated for the 2011–12 reporting period.

Early childhood years 0–8 and middle years 8–16

- The Early Years Unit is finalising the pilot Early Years Outcomes Project 2010–2011 evidence collection and report. The findings will be communicated in a second series of the online resource *Early Years Exchange*, under the title 'Making Learning Visible in the Early Years'.
- The Assessment for Learning and Development project, which will have a particular focus on learning in the birth to 3 years period, will be developed in consultation with a range of early childhood professionals in 2012.
- Further opportunities to consider the links between the VEYLDF and the implementation of the Australian curriculum have been generated by the new AusVELS curriculum framework and the development of a discussion paper entitled 'Learning and Assessment F–2: Implementing the Victorian Framework'.
- A *Research in Practice* paper entitled 'Exemplars of Best Practices in Assessment for Learning 0–5' will be developed for general release in 2012. This paper will provide specific guidance in best-practice expectations of reporting in the five learning and development outcomes within the NQF.

- A fourth module of the training manual *Supporting Children Learning English as a Second Language in the Early Years (Birth to Six Years)* will be developed. A resource folder will also be developed for early years services to support the planning of experiences and inclusive environments for children learning English as a second language.
- Griffith University has been commissioned to conduct an independent evaluation from July 2010 to October 2011 of the VEYLDF implementation. The evaluation will provide feedback on the reach and appropriateness of implementation activities and resources to date for different service types. The Stage 3 evaluation in July 2011 is focused on practice change and emerging trends in leadership. The Final Evaluation Report is to be available in October 2011 and will inform the further development of implementation activities and resources.
- The VCAA plans to redevelop the On Demand assessment platform to ensure that its functionality is enhanced and that it can grow to support greater content in the future. This is subject to funding and will be completed in conjunction with the development of the DEECD online assessment platform.

Post-compulsory years 16+

- New Higher Education studies will be introduced for the first time as part of the Victorian Certificate of Education.
- A new VCE study, the Extended Investigation, will be piloted.
- A new VCE VET program, Health, will be introduced.
- Aspects of the new National Trade Cadetships will be developed and trialled in partnership with ACARA.
- Nine education institutions will become new VCAL providers.
- The VCAA will continue to lead and coordinate Victoria's engagement in the development of senior secondary courses as part of the Australian curriculum.
- The VCAA plans to expand online marking in November 2011 to include English (ESL) and History (Revolutions). This is part of an ongoing expansion of the use of online marking for VCE studies that commenced in 2010.
- The VCAA continues to plan for the redevelopment of its core Assessment Processing System so that it can fulfil a wider range of assessment processing and analytical functions, can be used more easily, and can be more readily adapted to meet any new national and state assessment requirements. Following consultation with potential suppliers about the most appropriate design, a revised business case will be developed by the end of 2011 to seek the funding required. This work is being done in consultation with DEECD and the Department of Treasury and Finance.

Summary of financial results

The financial year ended 30 June 2011 was the ninth full operating year for the VCAA.

The main source of funding for the VCAA's operations is the Department of Education and Early Childhood Development. The balance of funding is derived from a number of external sources, including overseas student fees, publication sales, student services and royalties.

A surplus of \$2.9 million is reported for the 2010–11 financial year, compared with \$0.2 million for the previous year.

The 2010–11 income totalled \$58.7 million, compared with \$51.3 million the previous year. This was due primarily to an additional \$7.5 million in operating appropriation contingency funding for the Transition to the Australian Curriculum project, Victorian Student Register project, Bushfire Education Resource Material project and the NAPLAN persuasive writing task implementation.

Expenses totalled \$55.8 million, compared with \$51.2 million in the previous year. This was due primarily to increases in employee costs of \$2.5 million, contractor payments of \$0.9 million, examination centre and supervisor grants of \$0.3 million, return-of-prior-year appropriations of \$0.4 million and printing and production of \$0.2 million.

During the 2010–11 financial year, the balance sheet net assets increased by \$2.9 million, due to a \$2.3 million increase in total assets and a reduction in total liabilities of \$0.6 million.

Total assets over the 2010–11 financial year increased by \$2.3 million. In relation to the financial assets, cash and cash equivalents increased by \$4.0 million while receivables decreased by \$2.0 million. In relation to the non-financial assets, plant and equipment and work in progress increased by \$0.9 million and prepayments by \$0.4 million, while intangible assets decreased by \$0.9 million and leasehold improvements by \$0.1 million.

Liabilities decreased by \$0.6 million due to a decrease in payables of \$0.6 million, while other liabilities remained stable at \$0.1 million.

There are presently no known events that could adversely affect the operation of the VCAA during the next reporting year.

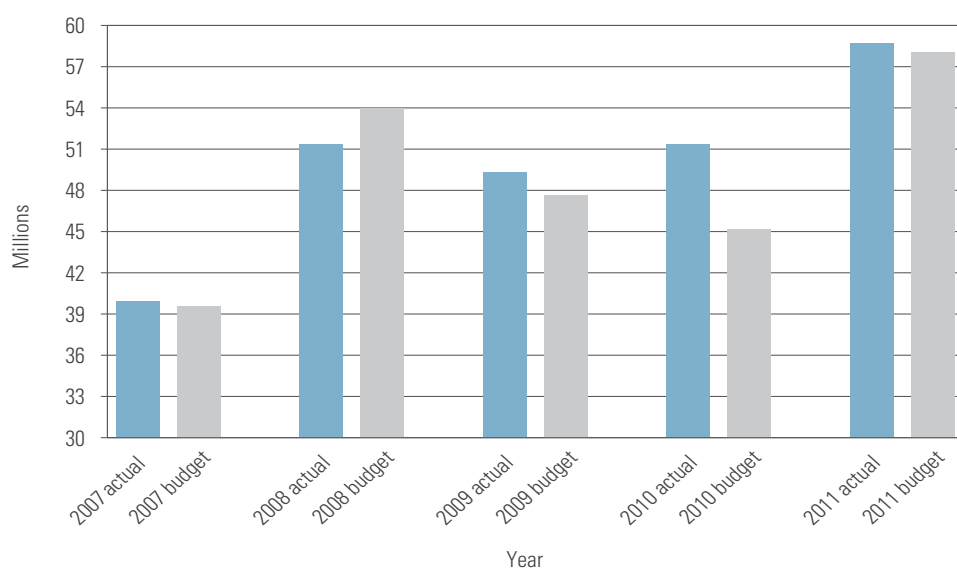
Summary of financial results

	Net result \$	Income \$	Expenses \$	Assets \$	Liabilities \$
30 June 2011	2,935,912	58,749,302	55,813,390	17,762,594	4,819,506
30 June 2010	157,732	51,338,210	51,180,478	15,454,302	5,447,126
30 June 2009	168,839	49,334,999	49,166,160	16,055,259	6,205,815
30 June 2008	5,291,207	51,353,394	46,062,187	18,166,565	8,485,960
30 June 2007	(509,283)	39,932,858	40,442,141	13,861,233	9,471,835

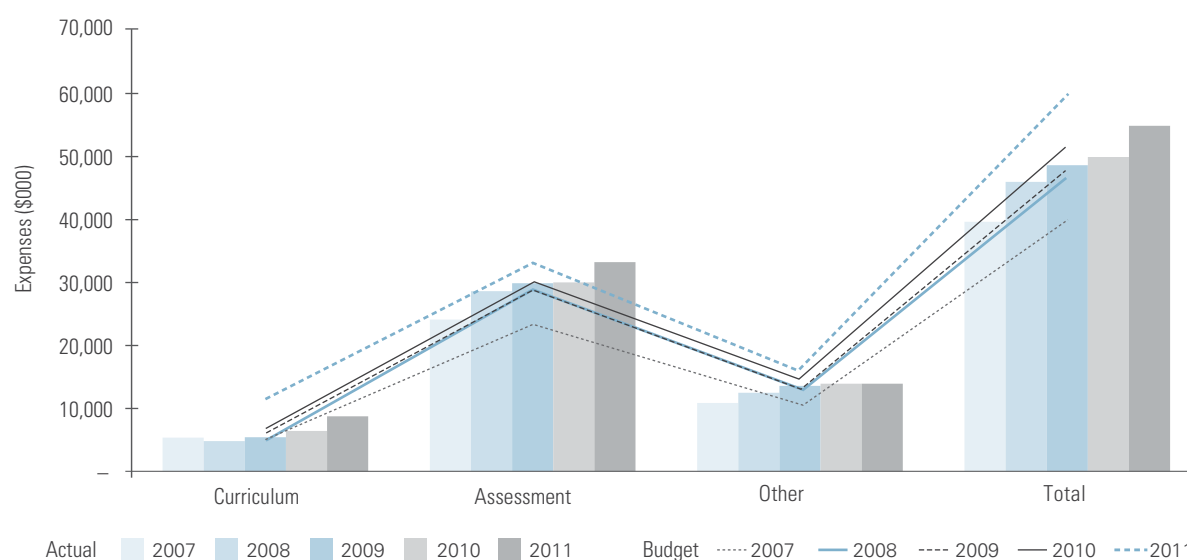
Performance against budgetary objectives as at 30 June 2011

	Actual \$					Budget \$				
	2011	2010	2009	2008	2007	2011	2010	2009	2008	2007
Income	58,749,302	51,338,210	49,334,999	51,353,394	39,932,858	58,430,266	45,138,433	47,662,688	53,950,784	38,667,748
Expenses										
Assessment	33,486,486	30,670,240	29,992,737	28,589,757	23,942,312	32,669,768	30,160,033	29,009,121	28,620,021	23,091,763
Curriculum	8,393,784	6,605,884	5,554,409	4,977,108	5,635,421	13,170,638	6,623,427	6,020,618	5,041,535	6,036,460
Other	13,933,120	13,904,354	13,619,014	12,495,322	10,864,408	14,591,360	14,563,108	12,915,809	13,088,995	9,986,786
Total	55,813,390	51,180,478	49,166,160	46,062,187	40,442,141	60,431,766	51,346,568	47,945,548	46,750,551	39,115,009
Net result	2,935,912	157,732	168,839	5,291,207	(509,283)	(2,001,500)	(6,208,135)	(282,860)	7,200,233	(447,261)

Income (actual vs budget)



Expenses (actual vs budget)



About the Victorian Curriculum and Assessment Authority

Governance

Establishment

The VCAA came into operation on 1 March 2001 and is the successor to the Board of Studies. The Chief Executive Officer (CEO) is responsible to the VCAA for policy and operational matters and to the Secretary for budgetary, personnel and other administrative matters. The VCAA is primarily accountable to the Minister for Education. The VCAA is also responsible to the Minister for Children and Early Childhood Development and the Minister for Higher Education and Skills in relation to sections of Part 2.5 of the *Education and Training Reform Act 2006* (the Act) that they administer.

Objectives

The Act sets out the following objectives for the VCAA:

- to develop high-quality courses and curriculum and assessment products and services
- to carry out functions as a body registered under Chapter 4¹
- to provide linkages that will facilitate movement between those courses and other courses.

The VCAA must act within the scope of the functions and powers conferred upon it by the Act and other relevant legislation. The functions and powers of the VCAA are set out in sections 2.5.3 and 2.5.5 of the Act.

VCAA Board

Board membership

The 13 members of the VCAA Board are drawn from educationists and community representatives.

The members of the Board for the reporting period were Esmerelda Bamblett, Tony Coppola, Professor Peter Dawkins, Polly Flanagan, Tony Larkin, John Maddock, Vicki Miles, Glen Pearsall, Debra Punton, Jeff Rosewarne, Professor Adam Shoemaker, Helen Staindl, Professor Collette Tayler and Professor Sue Willis.

During 2010–11, Polly Flanagan and Tony Larkin were each reappointed for a three-year term from 31 August 2010, while the terms of Vicki Miles and Professor Collette Tayler expired on 31 May 2011. In December 2010, Jeff Rosewarne was appointed Acting Secretary of DEECD, replacing Professor Peter Dawkins on the Board, who retired as Secretary.

¹ Pursuant to section 4.3.10 of the Act, the VCAA is registered for a five-year period, commencing 30 September 2007, as a body that awards, confers and issues registered qualifications (VCE and VCAL) with the Victorian Registration and Qualifications Authority (VRQA).

VCAA committees

Executive Committee

The Executive Committee established under section 2.5.7 of the Act comprised the VCAA Chair Professor Adam Shoemaker, Chief Executive Officer John Firth, Professor Peter Dawkins, Tony Larkin, Debra Punton and Jeff Rosewarne.

Audit Committee

The VCAA Audit Committee comprised three Board members, John Maddock (Committee Chair), Tony Coppola and Tony Larkin, and two coopted external members, Stuart Alford and Peter McMullin.

The Audit Committee is responsible for governance, risk management and business assurance of the VCAA. The prime functions of the Committee are to:

- foster an ethical culture within the VCAA in conjunction with senior management and the VCAA Board
- monitor compliance with relevant acts and regulations, and with any agreements negotiated with funding bodies
- provide advice to the VCAA Board on governance matters
- monitor, improve and maintain the credibility and objectivity of the accountability process (including financial reporting)
- provide a formal forum for communication between the VCAA Board and senior financial management
- improve the effectiveness of the internal and external audit functions, providing a forum for communication and reporting between the VCAA Board and the internal and external auditors
- monitor the quality of internal and external reporting of financial and non-financial information
- respond to the VCAA Board on matters referred by the VCAA Board to the Committee for further consideration or advice.

Early Years–10 Curriculum and Assessment Committee

The Early Years–10 Curriculum and Assessment Committee comprised VCAA Board members plus the following coopted members: Professor Jillian Blackmore and Tony Mackay.

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

- policies, standards and criteria for the development of curriculum and assessment programs for students in Early Years to Year 10
- implementation of the Australian curriculum
- the relationship between the VEYLDF and the P–10 curriculum, and the P–10 curriculum and the post-compulsory pathways in education and training, including the VCE, VET in Schools and the VCAL

- the administration of the NAPLAN program (Years 3, 5, 7 and 9)
- the monitoring and reporting of student participation and performance in Early Years–10 assessment programs
- the provision of resources for schools and teachers to support the implementation of VCAA Early Years–10 curriculum and assessment programs
- research on matters relating to Early Years–10 curriculum, standards and assessment at national and international levels.

Post-compulsory Curriculum and Assessment Committee

The Post-compulsory Curriculum and Assessment Committee comprised VCAA Board members plus the following coopted members: Professor Jillian Blackmore, Tony Mackay and Professor Peter Stacey.

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

- the development, evaluation and approval of curriculum and assessment in the post-compulsory years
- policies, criteria and standards for curriculum, assessments and courses designed to be undertaken in the post-compulsory years
- policy and procedures for the design, delivery and evaluation of assessments and assessment products and services for the VCE, the VCAL and other post-compulsory qualifications available to students
- patterns of participation and quality of outcomes relating to courses of study in the post-compulsory years, including related professional development and research
- provision of material for schools and professional development for teachers to support the implementation of post-compulsory curriculum and assessment programs
- research on matters relating to post-compulsory curriculum and assessments.

Review Committee

The Review Committee comprises three persons who are either members of the VCAA Board or staff of the VCAA. A Board member chairs Review Committee hearings. The Review Committee acts on the VCAA Board's behalf and is responsible for:

- hearing student appeals against penalties imposed by schools on them for breaches of rules relating to school-assessed tasks and school-assessed coursework
- hearing charges alleging serious breaches of rules relating to VCE examinations and imposing penalties where appropriate
- when necessary, cancelling or altering student results.

Appeals Committee

The Appeals Committee is an independent body with panel members appointed by the Minister for Education. Members must not be members of the VCAA Board or staff.

A student affected by a decision of the Review Committee, other than a decision made under section 2.5.2.1 of the Act, may apply for a review of the decision by the Appeals Committee on the grounds that the decision was unreasonable and/or the penalty imposed was too harsh.

VCE Study Review Panels and Teams and Study Reference Groups

VCE Study Review Panels and Teams are established to review and evaluate VCE studies and to prepare proposals for new and revised studies for approval by the VCAA Board. These panels and teams comprise practising VCE teachers from each education sector, academic and curriculum experts, and business and training sector representatives and are chaired by the relevant Curriculum Managers (see Appendix 1).

VCAA Study Reference Groups oversee the development of new VCE studies.

Organisational structure

Chair, VCAA Board

Professor Adam Shoemaker

Adam Shoemaker was appointed VCAA Chair in December 2009 and commenced at Monash University as Deputy Vice-Chancellor (Education) on 3 September 2007.

Previously, Adam was Dean of the College of Arts and Social Sciences at the Australian National University (ANU) and Foundation Director of the ANU Research School of Humanities. He has a strong background in higher education management, including two years as Pro Vice-Chancellor at Queensland University of Technology and four years as Professor and Dean, Faculty of Arts at ANU.

Adam graduated with a Bachelor of Arts with honours from Queen's University at Kingston (Canada) and has a doctorate from the ANU. His sustained research interest is Indigenous Australian history, literature, culture and politics, and he has published extensively in these areas.

Adam is active in community engagement and has held a variety of national and international appointments, most notably as Chair of the Brisbane Writers Festival, President of the Association for Canadian Studies in Australia and New Zealand, and President of the Australasian Council of Deans of Arts, Social Sciences and Humanities.

Chief Executive Officer

John Firth

John Firth has been CEO of the VCAA since August 2005. Previously he managed the Curriculum Branch at the VCAA and its predecessor, the Board of Studies, for 12 years. John was responsible for the development of the first P–10 curriculum framework for Victorian schools, the Curriculum and Standards Framework; its substantial revision in 1998 and its replacement by the VELs in 2004. He played a leading role in the full recognition of VCE VET and the successful development and implementation of the VCAL. John is a member of the Portfolio Strategy Board and has forged close relationships with each of the sector authorities in Victoria. In 2009, he was appointed as a member of ACARA.

General Manager, Assessment and Reporting

Dr David Philips

The General Manager, Assessment and Reporting Division, is responsible for policies and procedures associated with assessment, certification, analysis and reporting of student achievement. The Branch also collects and processes students' enrolment and assessment data, and conducts measurement activities.

David has held management positions in educational knowledge and research, secondary examination implementation, policy and research, and assessment research and development project contracts.

Assistant General Manager, Assessment Centre

Joe Pellegrino

The responsibilities of the Assistant General Manager, Assessment Centre, include Centre Management, Assessment Operations, Assessment Services and Resources, P–10 Assessment and VCE examinations. The primary task of staff at the Assessment Centre is to develop and implement operational processes associated with the setting, security, assessment and processing of VCE written examinations, VCE Arts Performance and Languages other than English (LOTE) oral examinations; Years 3, 5, 7 and 9 NAPLAN tests; school-assessed coursework and visitation review; and appointment of all sessional assessment staff.

Joe has worked in the areas of P–10 assessment, assessment operations and project management.

General Manager, Curriculum

David Howes

The General Manager, Curriculum, is responsible for the operations of the Curriculum Division, which include leadership of project teams, VCE Review Panels and Teams and Study Reference Groups, VELS Working Groups, the Vocational Education Reference Group and the Curriculum and Assessment committees of the VCAA Board. These panels, committees and groups provide advice and recommendations to the VCAA on the development, implementation and monitoring of the VCE and VCAL, including VET programs, the P–10 VELS and early childhood.

David's professional background includes acting executive roles within DEECD and education advisory roles for state government.

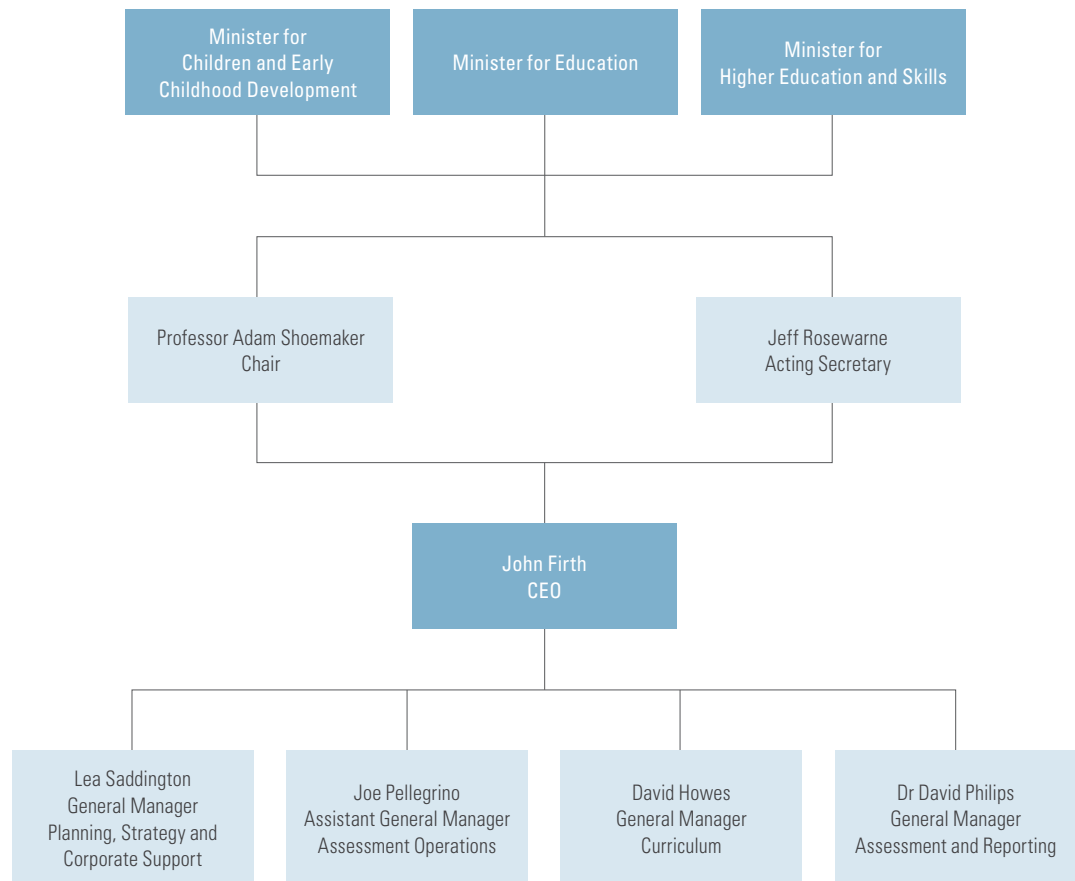
General Manager, Planning, Strategy and Corporate Support

Lea Saddington

The General Manager, Planning, Strategy and Corporate Support, manages the Corporate Services Division, which is responsible for supporting VCAA business, including Board Governance, Strategic Policy and Planning, Corporate Governance, Finance, Human Resources, Information Technology, Public Affairs and Legal Services.

Lea has worked at executive level in a number of statutory authorities and in the private sector.

Organisational chart as at 30 June 2011



VCAA staff establishment

At June 2011, the VCAA had an establishment of 202.7 full-time equivalent positions. During the year, the VCAA also employed approximately 356 casual employees and just over 3840 sessional employees.

More detail is provided in the workforce data section (see Appendix 3).

Working with the community

The VCAA ensures that the diverse nature of Australian society is reflected in all aspects of its operations. It has a strong commitment to the principles set out in Victoria's multicultural policy, All of Us. This policy sets out a framework for strengthening multiculturalism across the state and stresses the need for partnerships, harmonious community relations, advocacy and supportive programs. The VCAA is committed to valuing, respecting and meeting the needs of our culturally and linguistically diverse communities, as well as those of women, youth and Aboriginal people.

Cultural and linguistic diversity

Culturally responsive programs developed by the VCAA ensure that respect and appreciation for cultural and linguistic diversity are a normal part of all curriculum and assessment policies, programs and procedures. The VCAA supports DEECD's Cultural Diversity Plan and the Victorian Government's strategy for schools, Education for Global and Multicultural Citizenship 2009–2013, through its interaction with schools and within its own administrative structures and procedures.

In 2010–11, the VCAA:

- offered 46 languages at VCE level for Victorian students
- provided P–10 VELS standards for six categories of languages, including Australian Sign Language (Auslan), the language of the Australian deaf community
- provided information leaflets about VELS for parents in 16 community languages
- continued participation in a national project to develop courses for heritage learners in four Asian languages
- participated in the Australia-wide Collaborative Curriculum and Assessment Framework for Languages (CCAFL) project, preparing national examinations for 28 small-candidature community languages
- conducted a statewide consultation on the ACARA paper 'Shape of the Australian Curriculum: Languages' and prepared a Victorian response to this paper on behalf of DEECD, the Catholic Education Commission Victoria and Independent Schools Victoria (ISV)
- conducted a wide range of seminars and workshops on VCE languages and on strategies for teaching languages in the VELS, including interdisciplinary approaches and approaches to teaching, and assessing the standards of intercultural knowledge and language awareness
- provided a professional development program on course writing for VCE language studies for teachers and principals from 50 community-based, single-study providers

- provided access to VCE courses and assessment in English as a second language (ESL) for students from non-English-speaking backgrounds
- continued to provide data for a national project conducted by the University of South Australia and the Melbourne Language Testing Research Centre to study student proficiency in Asian languages at Years 3, 5, 9 and 12
- collaborated on two projects conducted by Monash University, devising a Certificate IV course in Community Languages Teaching for teachers in after-hours community language schools and developing a program to connect younger second-language learners with older bilingual community members
- presented sessions at the Modern Language Teachers' Association of Victoria's annual conference, the Ballarat LOTE Conference, Southern Region LOTE network, the Japanese Language Teachers' Association annual conference and at the annual general meetings of the Victorian Indonesian Language Teachers' Association and the Victorian Association of Teachers of Italian.

Indigenous affairs

The VCAA continued to develop a project supported by the Victorian government's Collaborative Internet Innovation Fund (clIF) to use Web 2.0 technologies to support schools in implementing the VELS Aboriginal Languages curriculum document. This document sets out protocols for teaching Aboriginal languages, cultures and reclamation in Victorian schools, and generic standards for Aboriginal languages. Reference group meetings were conducted across Victoria to consult Aboriginal community members on the proposed content of learning modules. The VCAA is leading this project, which involves the Victorian Aboriginal Corporation for Languages, the Victorian Aboriginal Education Association Inc., the Victorian School of Languages, the DEECD Wannik Unit, the DEECD Student Learning Division and Monash University. Strong endorsement has been provided for the project by the Aboriginal community.

The VCAA continued to offer support to schools that are teaching, or planning to teach, the VCE Indigenous Languages study – Indigenous Languages of Victoria: Revival and Reclamation.

The VCAA Aboriginal Languages Implementation Group continued to meet regularly to provide support for teachers of Aboriginal Languages through planning professional development activities and the development of implementation support materials. This group is also a reference group for the clIF project.

Women

The VCAA is committed to the promotion of equality of women, both in its communication with schools and within its own workforce. Within the VCAA, eligible female staff can nominate for the Julia Flynn Leadership program, which aims to develop women's leadership and management skills. In developing educational programs that remain fair and accessible to all, the VCAA assures a commitment to equity and diversity at all times.

Youth

The VCAA provides advice and support for young people to help them make informed choices about pathways that will direct them into work and further study. This support includes a wide range of study options in the post-compulsory years of schooling.

The VCAA also supports young people by providing a telephone and email enquiry service, a range of publications offering advice on post-compulsory study options, face-to-face advice to students at Education Expos and a post-VCE and -VCAL results call centre in collaboration with the Victorian Tertiary Admissions Centre (VTAC).

Recognising achievement

The VCAA celebrates and promotes young people's achievements in several ways.

The annual VCE Season, of Excellence presents a representative sample of exemplary work in design, technology, media and the visual and performing arts by VCE students from the previous year. Works are presented in two exhibitions – Top Arts and Top Designs.

At Top Screen, short films are shown and the performing arts are showcased in the Top Class concert series and the final event, Top Acts. Season events are complemented by associated education programs, publications and online content.

The VCE Achiever Awards recognise the efforts of VCE students in promoting community involvement in their local school and wider community.

The VCAL Achievement Awards recognise the outstanding achievements of young people who participate in the VCAL, and the contributions and achievements of VCAL teachers and partner organisations in the development and delivery of innovative VCAL programs.

The Plain English Speaking Award provides an excellent opportunity for students to build self-confidence and extend their skills in oral communication, speech-writing and research.

The Margaret Schofield Memorial scholarship, coordinated by the VCAA on behalf of the Margaret Schofield Memorial Trust, is awarded to a government school student of VCE Music Performance who has been accepted into a tertiary course and is committed to a career in music performance.

In 2011, the VCAA became an education supporter of the John Button School Prize. Established by the John Button Foundation, the prize encourages young Victorians to express their ideas about Australian politics and public policy. The Foundation provides cash prizes for a winning essayist and their school. The VCAA supports the competition by providing publicity and two members of the bipartisan judging panel.

Disability

The VCAA continued to implement a Disability Action Plan to review and refine its processes over the 2010–11 reporting period. The plan is aimed at improving outcomes for people with disabilities in relation to accessible curriculum, consultation, information and communication processes, employment, physical access to facilities and awareness among staff.

The 2011 VCE Season of Excellence program included events and information designed to improve accessibility for people with disabilities, their carers and families. Season staff were trained to conduct audio tours at Top Designs at Melbourne Museum and Top Arts at the National Gallery of Victoria. A captioned screening of Top Screen was presented at the Australian Centre for the Moving Image. Auslan interpreters were available for Top Class concerts.

Appropriate eating facilities for people with vision impairment and for those with wheelchairs were provided at Top Class and Top Acts. Details about accessibility at all Season of Excellence event venues were posted on the Season of Excellence web pages. Events were promoted through disability organisation websites.

Early childhood years 0–8 and middle years 8–16

Early childhood

The Early Years Unit manages the implementation of the VEYLDF in partnership with the DEECD. The VEYLDF is aligned with the Early Years Learning Framework for Australia and links to the VELs in the early years of schooling.

Implementation of the VEYLDF requires significant cultural change among all early childhood professionals. Implementation resources are being developed in stages involving ongoing consultation with early childhood professionals and through an independent evaluation of implementation.

The NQF aims to improve the quality of early childhood education and care services and is being introduced over a number of years, with formal implementation beginning in January 2012. Implementation resources and activities make reference to the NQF to support early childhood professionals in their work with children and families.

The implementation of the Australian Curriculum in Victoria provides an opportunity to strengthen the continuum of learning from birth to 8 years as outlined in the VEYLDF.

Achievements

- The pilot Early Years Outcomes Project 2010–2011, a collaborative 12-month partnership of policy makers, researchers and 50 early childhood professionals, used an inquiry-based model of professional learning to:
 - examine and analyse in depth children’s learning and development outcomes
 - consider what learning children were demonstrating in the five learning and development outcomes from birth to 8 years
 - investigate a range of resources to support documentation and analysis of children’s learning.
- Six one-day workshops were facilitated by external providers from May 2010 to April 2011. Participants included family day-care fieldworkers; early childhood intervention professionals; representatives from long day-care services, family day-care services, primary schools, Outside School Hours care coordinators, kindergartens, maternal and child health services, supported playgroups and local government planning services.

A draft tool developed by the VCAA and the external facilitators helped to support observation, documentation and analysis of evidence. Participants found the tool to be a flexible instrument to focus attention on recording and analysing children’s learning in a format that can be shared with other professionals and children’s families.

- In partnership with the VCAA, Dr Priscilla Clarke and FKA Children's Services Inc. developed and piloted three professional learning modules to support early childhood professionals working with children learning English as a second language. Training days for modules 1 and 2 were run in April and May 2011 in Werribee and Richmond.
- The VCAA commissioned the University of Melbourne to prepare a 'Discussion Paper to Inform the Development of a Framework for Assessment and Reporting of Children's Learning 0–5, to support the Birth–18 Integrated Assessment Strategy', which included VCAA-convened expert assessment seminars to inform future directions. The paper focuses on assessment for learning and provides comprehensive information for government and policy makers to consider in the development of a framework for assessment and reporting from birth to 5 years.

P–10 curriculum

The VCAA develops curriculum for the P–10 years of schooling, as well as a range of curriculum and assessment support materials to assist teachers in the implementation of their teaching, learning and assessment programs. The VCAA also provides timely and high-quality advice to its stakeholders related to the implementation of curriculum and the development of teaching and learning programs.

Victorian Essential Learning Standards

The VCAA has continued to support all schools in the implementation of the VELs through the provision of high-quality resources. A particular focus of 2010–11 was to engage schools and other stakeholders in the Australian Curriculum development consultation processes.

Achievements

- The VCAA coordinated development and preparation for implementation of the Australian Curriculum including:
 - 27 statewide professional development sessions for school leaders from all sectors to assist schools prepare for implementing the Australian Curriculum in Victoria
 - development of an online program supporting face-to-face professional development, comprising workshops and online seminars
 - development of a new web portal, in conjunction with Education Services Australia, which will provide Victorian teachers with a single curriculum framework that incorporates the new Australian Curriculum for English, Mathematics, Science and History.
- Forums were held for graduate teachers and educators and were attended by approximately 200 participants.
- Stage 2 of the Sample Assessment Project in partnership with DEECD to develop new assessment instruments for Health and Physical Education was completed. Similar assessment instruments in the area of critical and creative thinking are being developed.

- A submission to the Parliamentary Inquiry into the Education of Gifted and Talented Students was prepared.
- A forum was held in May 2011, featuring Professor Robyn Ewing, who spoke about the ACER report *The Arts and Australian Education: Realising Potential*. The forum raised interest interstate, as an innovative approach to stakeholder communication.

P–10 assessment

National Assessment Program – Literacy and Numeracy 2010

The VCAA reported the results of NAPLAN 2010 to schools and parents on schedule in September 2010. Student results were referenced to the single national achievement scale, which consists of ten bands. Each year level was reported against a range of six bands:

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

The higher the band, the greater the complexity of the skills assessed.

Parents of each child who undertook the NAPLAN 2010 tests were issued with a report that showed their child's achievement in reading, writing, language conventions (spelling, grammar and punctuation) and numeracy. Individual results were referenced to the national average and the middle 60 per cent of all students who completed the test.

The NAPLAN parent reports also provided interpretive text to assist parents in reading the report, described the content of each test, and provided a summary of the typical skills and knowledge assessed at each particular band for each subject area.

One of the achievement bands for each year level is identified as the National Minimum Standard (NMS) for each year level. The NMS represents a wide range of the typical skills demonstrated by students at this level. Students with results in the band representing the NMS typically demonstrate the basic elements of literacy and numeracy for that year level. The skills typically demonstrated at the NMS for each domain and for each year level are published on the NAPLAN website at: www.nap.edu.au/NAPLAN/About+each+domain/index.html.

Relationship between year levels and the National Minimum Standard

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

National Assessment Program – Literacy and Numeracy 2011 and 2012

The VCAA implemented the NAPLAN in Victoria on 10–12 May 2011. More than 250,000 Victorian students from Years 3, 5, 7 and 9 undertook language conventions (spelling, grammar and punctuation), writing, reading and numeracy tests within the testing period.

The tests were developed under the project management of ACARA and based on the national Statements of Learning. The Australian Council for Educational Research (ACER) was responsible for the production of all test items.

Item development and test construction was done in consultation with the VCAA and Test Administration Authorities from all other jurisdictions, the Commonwealth Government and non-government school representatives. An independent Expert Advisory Group of internationally renowned experts in measurement and assessment also provided advice on issues relating to the quality of the tests and integrity of the data, and guided the methodologies applied in constructing and reporting on the national tests.

To ensure the validity of NAPLAN testing, all test items were trialled with a sample group of students across Australia. The results from the trials were used to shape the construction of the final tests used for NAPLAN 2011.

Work has commenced on development of the NAPLAN 2012 tests and ACARA has developed a secure online item review system to increase the ease of access to draft materials by expert item reviewers from across Australia. The VCAA continues to take a leading role in all aspects of item development and test construction, and provides expert advice about all other matters related to NAPLAN testing.

Achievements

- NAPLAN 2010 parent reports for more than 240,000 Victorian students across approximately 2300 schools were delivered on time and within budget.
- NAPLAN 2010 school reports were delivered on time via the secure NAPLAN Data Service and were supported with professional development for teachers, principals and curriculum leaders at multiple locations across Victoria.
- Tests for more than 250,000 Victorian students were delivered to, administered by and returned from more than 2300 schools during the NAPLAN 2011 testing period, within budget and to scheduled timelines. Marking of the NAPLAN Writing tests involved over 310 markers and centre leaders working at the VCAA Assessment Centre, Coburg and Nunawading, or from their own homes.

On Demand Assessment

The On Demand Assessment program is an online resource for teachers that offers tests linked to Victorian curriculum and standards. Both general ability tests and dimension-specific assessments are provided. On Demand tests can be administered to a single student and/or a whole class. The program provides both linear and computer-adaptive tests (CATs) in English and Mathematics. In linear tests students complete the same set of questions; in adaptive tests the questions presented to the student vary depending on their responses. The On Demand Assessment program is widely used in Victorian schools to assist in curriculum planning and longitudinal analysis of student achievement.

Achievements

- The software for the On Demand program was updated and now provides a diagnostic report for the CATs. Teachers are able to see the items their students completed in the CATs, their students' responses and the skill that was addressed by each question.
- The range of CATs was expanded to include English and Mathematics tests for Years 9 and 10.
- The On Demand Assessment program was successfully trialled with students and teachers in the Australian Capital Territory in 2010 as part of the VCAA's ongoing engagement with the national assessment agenda. Feedback from this trial was extremely positive.

Post-compulsory years 16+

The VCAA develops the curriculum and manages the assessment of the VCE and the VCAL.

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

Post-compulsory curriculum

Victorian Certificate of Education

The VCAA supports the delivery of the VCE curriculum through the provision of advice and resources to teachers. This support includes access to a wide range of VCAA curriculum materials and resources on the VCAA website. Statewide implementation sessions were conducted to accompany the introduction of revised VCE studies.

The VCE curriculum is subject to rigorous quality assurance processes through annual monitoring and cyclical evaluation and reaccreditation. This ensures that the highest quality curriculum is available to all Victorian students.

The VCE covers a broad range of studies. Over 130 options are available at Year 12 level, including 46 LOTE studies, 24 VCE VET programs and 13 school-based apprenticeships and traineeships. The VCAA provides curriculum implementation support for revised VCE studies. VCE VET programs are fully integrated with the VCE. These programs provide students with credit in the VCE and credit for national training qualifications, or parts thereof, issued within the Australian Qualifications Framework.

Victorian Certificate of Applied Learning

There are three VCAL levels: Foundation, Intermediate and Senior. Students start and complete the VCAL at the level that matches their needs and abilities. A VCAL student's learning program must comprise four compulsory curriculum strands. These are:

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

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

The VCAL Senior Extension (Folio Enhancement) course was reviewed by the VCAA and reaccredited by the VRQA.

Vocational Education and Training in Schools

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

Students undertaking VET in Schools through either the VCE or the VCAL are able to include nationally recognised vocational education and training. In Victoria, the term 'VCE VET' has been adopted to describe the incorporation of VET certificates into the VCE. Most students undertaking vocational education and training as part of their VCE or VCAL are enrolled in VCE VET programs.

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

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

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

In 2010, a total of 46,606 students were enrolled in VET programs delivered by 595 providers. This resulted in 63,806 certificate enrolments across a range of industry areas. These enrolments included 4050 certificate enrolments in school-based or part-time apprenticeships and traineeships. There has been continued growth in enrolments despite additional costs becoming a factor in schools being able to offer an extensive array of VET programs.

Achievements

- During 2011, the following VCE studies were under review: Systems Engineering and Visual Communication and Design. These revised study designs will be implemented in 2013.
- Work progressed on the development of the new VCE study Extended Investigation. The Post-compulsory Curriculum and Assessment Committee considered a first draft of the study.
- State-wide VCE school-leaders briefings were conducted, focusing on school assessment, special provision, examination conduct and statistical moderation.
- Assessment handbooks were provided to all schools for VCE studies that were revised in 2010.
- An annual publishers briefing was conducted.

- The VCAA continued the small-scale three-year trial of computer-based delivery and student response to the extended answer section of Mathematical Methods (CAS) Examination 2, using the Wolfram Research computer algebra system (CAS) software Mathematica. It is planned that students from seven schools across the sectors will undertake Section 2 of the Methods (CAS) Examination 2 in this mode in 2013.
- The VCAA provided:
 - professional development seminars and presentations in partnership with subject associations and Registered Training Organisations to teachers of VCE VET Information Technology, Sport and Recreation, Business, Music, Hospitality, Building and Construction, Community Services, Dance and Music
 - workshops for teachers and trainers from schools and Registered Training Organisations engaged in the delivery of VCE VET programs supporting scored assessment
 - advice to Service Skills Victoria and consultations with the Transport and Logistics Industry Skills Council and Innovation and Business Skills Australia
 - support to the ACACA VET group and the Performance Measurement and Reporting Taskforce on the issue of data gathering and reporting of VET activity by students undertaking senior secondary certificates.

Enrolments in VET certificates in the VCE or the VCAL continued to be popular as a result of greater flexibility in the choice of VET certificates. Changes in enrolment patterns within VCE VET programs reflected changing student preferences and reaction to employment opportunities. For example, Interactive Digital Media increased largely at the expense of Information Technology; Building and Construction (pre-apprenticeship) increased, reflecting employment opportunities in the industry; and Hospitality increased as a result of two separate qualifications being available.

Post-compulsory assessment

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

The VCAA also develops programs that lead to VET qualifications, which are popular with students within both senior secondary qualifications.

Victorian Certificate of Education

During the November 2010 examination period, 111 written examinations – including those provided by CCAFL – were conducted over 15 days.

All student examinations were processed and assessed, and examination scores finalised, over a period of 42 days.

VCE graded assessment and study scores 2010

Graded assessment comprises school-assessed coursework and/or school-assessed tasks and external examinations. In 2010, there was a total of 797,445 graded assessments. The median grade awarded was B and 56.2 per cent of grades were B or higher.

VCE graded assessments and study scores 2010

	2005	2006	2007	2008	2009	2010
Number of study scores	255,024	256,297	251,366	259,687	258,184	262,936
Students with at least one study score	74,781	74,406	74,509	75,541	76,208	77,017
Students with at least one study score of 40+	14,567	14,458	14,317	14,597	14,650	14,947
Students with at least one study score of 50	614	631	599	625	604	637
Number of study scores of 50	684	701	672	687	684	695

VCE VET programs

In 2010, 24 VCE VET programs comprising 32 distinct qualifications were available. Fourteen VCE VET programs provided students with the option of undertaking scored assessment of designated Units 3 and 4 sequences.

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

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

Victorian Certificate of Applied Learning

The VCAL is available for students in Years 11 and 12. It provides a statewide credential through which participating students can receive recognition for their achievements in programs that have traditionally not provided credit within a formal qualification. This can include recognition of learning that occurs in structured workplace settings, locally developed programs, community projects and youth development programs.

Since its inception in 2002, there has been constant growth in the number of VCAL enrolments. Over the last four years there has been an average growth of 10.8 per cent per year.

In 2010, a total of 429 providers, comprising government schools, Catholic and independent schools, TAFE institutes, and adult and community education organisations had 19,175 certificate enrolments.

In 2010, a new VCAL unit, Skills for Further Study Senior (SFS), was developed for implementation in 2011. The unit offers specific skill development to students who are planning to continue with further studies after their Senior VCAL. The SFS learning outcomes focus on time management, strategies for learning, research, pathway planning and preparation of a portfolio. This unit is available only at the Senior VCAL level.

The VCAL Achievement Awards recognise the outstanding achievements of young people who participated in the VCAL in 2010. The awards also recognise the contribution and achievement of VCAL teachers and partner organisations that have contributed to the development and delivery of innovative VCAL programs. In 2010, there were 24 student, 4 partner, 16 teacher and one Chair's Award winners.

Achievements

During the reporting period the VCAA:

- recorded:
 - 50,057 VCE completions
 - 10,159 VCAL certificate completions
- delivered to students' homes:
 - 79,906 VCE statements of results
 - 78,333 GAT statements
 - 3,829 VCAL statements of results
 - 16,695 VET statements of results
 - 324 statements of equivalent qualification
- recorded 582 successful completions of at least one university extension study
- delivered to students through their school:
 - 65,729 VCE statements of results
 - 13,710 VCAL statements of results
 - 32,689 VET statements of results
- delivered:
 - 556 GAT statements to overseas students (Crawford Schools)
 - 282 certificates and 404 statements of results to overseas VCE providers
- provided the VCAA and the VTAC joint information service for students, whereby:
 - 706 students accessed their results by telephone
 - 25,196 students accessed their results by SMS
 - 56,005 students accessed their results by the web and 3334 students accessed the web via their mobile phones.

Financial Statements – 30 June 2011

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Comprehensive operating statement for the financial year ended 30 June 2011

Continuing operations	Note	2011 \$	2010 \$
Income from transactions			
Operating appropriations	2	50,506,656	42,650,400
Capital appropriations	2	972,802	170,000
Commonwealth grants	2	0	0
Other grants	2	1,849,348	3,388,649
User charges	2	3,394,615	3,281,567
Interest	2	243,146	172,482
Fair value of assets and services received free of charge	2	1,782,735	1,675,112
Total income from transactions		58,749,302	51,338,210
Expenses from transactions			
Employee expenses	3	32,614,125	30,132,714
Depreciation and amortisation	3	1,460,465	1,446,040
Supplies and services	3	19,987,911	17,935,380
Resources received free of charge	3	1,782,735	1,675,112
Total expenses from transactions		55,845,236	51,189,246
Net result from transactions		2,904,066	148,964
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	4	31,846	13,678
Net gain/(loss) on financial instruments	4	0	(4,910)
Total other economic flows included in net result		31,846	8,768
Net result		2,935,912	157,732
Other economic flows – other non-owner changes in equity			
		0	0
Comprehensive result		2,935,912	157,732

The comprehensive operating statement should be read in conjunction with the accompanying notes.

Balance sheet as at 30 June 2011

	Note	2011 \$	2010 \$
Assets			
Financial assets			
Cash and cash equivalents	5	10,532,876	6,532,923
Receivables	6	2,317,174	4,348,061
Total financial assets		12,850,050	10,880,984
Non-financial assets			
Prepayments	7	904,690	522,921
Plant and equipment	8	914,431	765,928
Leasehold improvements	8	103,195	256,749
Leased assets	8	132,985	111,104
Intangible assets	9	2,028,917	2,882,199
Work in progress	10	828,327	34,417
Total non-financial assets		4,912,544	4,573,318
Total assets		17,762,594	15,454,302
Liabilities			
Payables	11	4,684,879	5,336,683
Other liabilities	13	134,627	110,443
Total liabilities		4,819,506	5,447,126
Net assets		12,943,088	10,007,176
Equity			
Contributed capital	14	4,698,492	4,698,492
Accumulated surplus	15	8,244,596	5,308,684
Net worth		12,943,088	10,007,176

The balance sheet should be read in conjunction with the accompanying notes.

Statement of changes in equity for the financial year ended 30 June 2011

	Note	Accumulated surplus \$	Contribution by owner \$	Total \$
Balance at 1 July 2009		5,150,952	4,698,492	9,849,444
Net result for year		157,732	0	157,732
Transactions with owner in its capacity as owner		0	0	0
Balance at 30 June 2010		5,308,684	4,698,492	10,007,176
Net result for year		2,935,912	0	2,935,912
Transactions with owner in its capacity as owner		0	0	0
Balance at 30 June 2011		8,244,596	4,698,492	12,943,088

The statement of changes in equity should be read in conjunction with the accompanying notes.

Cash flow statement for the financial year ended 30 June 2011

	Note	2011 \$	2010 \$
Cash flows from operating activities			
Receipts			
Receipts from government		55,617,335	44,267,800
Interest received		243,146	172,482
Goods and Services Tax received from ATO		2,451,726	1,753,298
Other receipts		3,190,235	3,538,525
Total receipts		61,502,442	49,732,105
Payments			
Payments to employees		(33,123,225)	(30,141,823)
Goods and Services Tax paid to ATO		(229,657)	(217,260)
Payments to suppliers		(22,787,716)	(20,269,117)
Total payments		(56,140,598)	(50,628,200)
Net cash flows from/(used in) operating activities	20	5,361,844	(896,095)
Cash flows from investing activities			
Payments for non-financial assets		(556,884)	(436,398)
Proceeds from sale of non-financial assets		71,227	45,455
Payment for work in progress		(793,910)	(34,417)
Net cash flows from/(used in) investing activities		(1,279,567)	(425,360)
Cash flows from financing activities			
Repayment of finance leases		(82,324)	(75,762)
Net cash flows from/(used in) financing activities		(82,324)	(75,762)
Net increase/(decrease) in cash and cash equivalents		3,999,953	(1,397,217)
Cash and cash equivalents at beginning of the financial year		6,532,923	7,930,140
Cash and cash equivalents at the end of the financial year	21	10,532,876	6,532,923

The cash flow statement should be read in conjunction with the accompanying notes.

Notes to the financial statements

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Note 1 Summary of significant accounting policies

The annual financial statements represent the audited general purpose financial statements for the Victorian Curriculum and Assessment Authority.

The purpose of the report is to provide users with information about the Victorian Curriculum and Assessment Authority's stewardship of resources entrusted to it.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 27.

a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include Interpretations, issued by the Australian Accounting Standards Board (AASB). In particular, they are presented in a manner consistent with the requirements of the AASB 1049 *Whole of Government and General Government Sector Financial Reporting*.

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

The annual financial statements were authorised for issue by the Chief Executive Officer of the Victorian Curriculum and Assessment Authority on 27 July 2011.

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.

b) Basis of accounting 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 Victorian Curriculum and Assessment Authority.

In the application of AAS, management is required to make judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstance. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are effected by the revision. Judgements made by management in the application of AAS that have significant effect on the financial statements and estimates, with a risk of material adjustments in the next year, are disclosed throughout the notes to the financial statements.

This report has been prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Note 1 Summary of significant accounting policies

(continued)

Exceptions to the historical cost convention include:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the 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;
- the fair value of an asset other than land is generally based on its depreciated replacement value.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2011 and the comparative information presented in these financial statements for the year ended 30 June 2010.

c) Reporting entity

The financial statements cover the Victorian Curriculum and Assessment Authority (VCAA) as an individual reporting entity, established under the *Education and Training Reform Act 2006*. The principal address is:

Victorian Curriculum and Assessment Authority
41 St Andrews Place
East Melbourne VIC 3002

The VCAA is headed by the Chief Executive Officer (CEO), whose powers and functions are set out in Part 2.5 of the Act. The CEO is responsible to the Board for the VCAA policy and operational matters and to the Secretary of the Department of Education and Early Childhood Development (DEECD) for budgetary, personnel and other administrative matters.

d) Objectives and funding

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

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

DEECD has provided letters of comfort in past years to support their request that the VCAA draw on accumulated reserves to fund operating activities. The current letter of comfort documents the agreement by DEECD to fund any operational shortfall for the 2010–11 financial year activities and its current and future obligations as and when they fall due, should it occur, to enable the VCAA to meet its financial commitments as and when they fall due, subject to the shortfall arising as a result of costs being incurred by the VCAA in its good-faith endeavours to achieve the outcomes agreed between the VCAA and DEECD.

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.

'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, impairments of non-current physical and intangible assets and fair value changes of financial instruments.

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. All income received by the VCAA is required to be paid into the VCAA Fund.

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

Grants

Grants are recognised as income when the VCAA gains control of the underlying assets. Where grants are reciprocal, income is recognised as performance occurs under the grant. Non-reciprocal grants are recognised as income when the grant is received or receivable. Conditional grants may be reciprocal or non-reciprocal depending on the terms of the grant.

Royalties

VCAA intellectual property is captured and maintained in a register, with royalties recognised as income when the VCAA gains control of the underlying asset.

Note 1 Summary of significant accounting policies

(continued)

Fees, publications and other

Fees from overseas students are recognised in the period that the service is provided. Where student fees of a reciprocal nature have been received in respect of services to be delivered in the following financial year, such amounts are deferred and disclosed as fees in advance.

Publication and other miscellaneous revenue received are recognised as revenue on provision of service.

Interest revenue

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

Fair value of resources provided and received free of charge or for nominal consideration

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

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

g) Expenses from transactions

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

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. They include transactions such as grants, subsidies and other transfer payments.

Employee benefits

Employee benefits expenses include all costs related to employment including salaries, leave entitlements and superannuation contributions. These are recognised when incurred.

Superannuation

State superannuation defined benefit plans

The VCAA does not recognise any defined benefit liability in respect of these superannuation plans because the VCAA 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 (DTF) in their Annual Financial Statements, disclose on behalf of the State as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to the DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

Fair value of resources provided free of charge or for nominal consideration

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

Supplies and services

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

Depreciation and amortisation

All infrastructure assets, buildings, plant and equipment and other non-financial physical assets (excluding items under operating leases, assets held for sale, land and investment properties) that have finite useful lives are depreciated. Depreciation is generally calculated on a straight line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Refer to Note 1(k) for the depreciation policy for leasehold improvements.

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

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

The following are typical estimated useful lives for different asset classes for current and prior years.

Asset class	Useful life (in years)	
	2011	2010
Plant and equipment (including computer equipment)	3–5	3–5
Leased assets (motor vehicles)	5–10	5–10
Leasehold improvements	3–5	3–5
Intangible assets (including computer software)	5	5

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

h) 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.

i) Other economic flows included in net result

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

Note 1 Summary of significant accounting policies

(continued)

Impairment of non-financial assets

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 whether there is an indication that the asset may be impaired. All other assets are assessed annually for indications 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 as an other economic flow to the comprehensive 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 or destruction 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 depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

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.

j) Financial assets

Cash and deposits

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

Receivables

Receivables consist predominantly of amounts owing from the Victorian Government, 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.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using effective interest rate method, less an allowance for impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected. Bad debts are written off when identified.

Derecognition of financial assets

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

- the rights to receive cash flows from the asset have expired; or

- the VCAA retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement; or
- the VCAA has transferred its rights to receive cash flows from the asset and either:
 - (a) has transferred substantially all the risks and rewards of the asset, or
 - (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

k) Non-financial assets

Plant and equipment, leasehold improvements and leased assets (motor vehicles)

Plant and equipment, leasehold improvements and leased assets are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The fair value of non-financial assets is normally determined by reference to the asset's depreciated replacement cost. For plant, equipment and vehicles, existing depreciated historical cost is generally a reasonable proxy for depreciated replacement cost because of the short lives of the assets concerned.

Intangible assets

Purchased intangible assets are initially recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and impairment losses. Costs incurred subsequent to initial acquisition are capitalised when it is expected that additional future economic benefits will flow to VCAA.

Intangible assets with finite useful lives are amortised on a systematic (typically straight-line) basis 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.

l) 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.

Non-financial assets constructed by the VCAA

The cost of non-current assets constructed by the VCAA represents the expenditure on building the core software upgrade, Windows 7 SOE migration and the infrastructure replacement program that was not operational as at 30 June 2011. Upon completion the cost will be fully depreciated over the useful life of the asset.

Note 1 Summary of significant accounting policies

(continued)

m) Liabilities

Payables

Payables consist of:

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

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 1(m)). Statutory payables are recognised and measured similarly to contractual payables but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Employee benefits

Long service leave and annual leave

The liabilities for long service leave and annual leave are recognised by the Department of Education and Early Childhood Development (DEECD).

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 are classified as finance 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.

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

n) Equity

Contributions by owners

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

Transfers of net assets arising from administrative restructuring are treated as distributions to or contributions by owners.

o) Cash flow statement

For the purpose of the cash flow statement, cash comprises cash on hand, cash at bank, bank overdrafts and deposits at call, and highly liquid investments with short periods to maturity that are readily convertible to cash on hand and are subject to an insignificant risk of changes in value.

p) Functional and presentation currency

The functional currency of the VCAA is the Australian dollar, which has also been identified as the presentation currency of the VCAA.

q) Rounding of amounts

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

r) Commitments

Commitments are disclosed at their nominal value and inclusive of the GST payable.

s) Contingent assets and 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.

t) Events after reporting date

Assets, liabilities, income and expenses arise from past transactions or other past events. Where the transactions result from an agreement between the VCAA 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 date and before the date the financial statements are authorised for issue, where those events provide information about conditions which existed at the reporting date. Note disclosure is made about events between the balance date and the date the financial statements are authorised for issue where the events relate to condition which arose after the reporting date and which may have a material impact on the results of subsequent years.

u) Goods and Services Tax

Income, expenses, assets and liabilities are recognised net of the amount of associated Goods and Services Tax (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 flows.

v) AASs issued that are not yet effective

Certain new AASs have been published that are not mandatory for the 30 June 2011 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises of their applicability and early adoption where applicable.

Note 1 Summary of significant accounting policies

(continued)

As at 30 June 2011, the following standards and interpretations that are applicable to the VCAA had been issued but were not mandatory for the financial year ending 30 June 2011. Standards and Interpretations that are not applicable to the VCAA have been omitted. The VCAA 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 VCAA financial statements
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 124 Related party disclosures (Dec 2009)	Government related entities have been granted partial exemption with certain disclosure requirements	Beginning 1 Jan 2011	Impact not expected to be significant.
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	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	Impact is being evaluated.
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	Impact not expected to be significant.
AASB 2010-4 Further amendments to Australian Accounting Standards arising from the Annual Improvement Project	Amendments include accounting policy changes in the year of adoption, revaluation basis as deemed cost, use of deemed cost for operations subject to rate regulation, clarification of disclosures and clarification of statement of changes in equity	Beginning 1 Jan 2011	Impact not expected to be significant.
AASB 2010-5 Amendments to Australian Accounting Standards	The standard makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to test of IFRS's by the IASB	Beginning 1 Jan 2011	Impact not expected to be significant.
AASB 2010-6 Amendments to Australian Accounting Standards—Disclosures on Transfers of Financial Assets	This standard adds and amends disclosure requirements about transfers of financial assets, including in respect of the nature of the financial assets involved and risks associated with them	Beginning 1 Jan 2011	Impact not expected to be significant.
AASB 2010-7 Amendments to Australian Standards arising from AASB 9 (December 2010)	This amendment arises from the issuance of AASB 9 Financial Instruments, issued in December 2010	Beginning 1 Jan 2013	Impact not expected to be significant.
Erratum General Terminology changes	Editorial amendments to a range of Australian Accounting Standards and Interpretations	Beginning 1 Jan 2010	Impact not expected to be significant.

Note 2 Income from transactions

	2011 \$	2010 \$
Operating appropriations	50,506,656	42,650,400
Capital appropriations	972,802	170,000
Commonwealth grant	0	0
Other grants	1,849,348	3,388,649
User charges	2,464,032	1,958,016
Royalties	152,035	458,539
Miscellaneous income	778,548	865,012
Interest	243,146	172,482
Resources received free of charge		
Property rental and outgoings	1,782,735	1,675,112
Total revenue	58,749,302	51,338,210

The VCAA receives an operating appropriation from which the employee costs are met.

Free of charge relates to two separate building occupancy agreements:

- * Occupancy of 41 St Andrews Place, East Melbourne
- * Occupancy of VCAA's Assessment Centre at Coburg

Property rentals and outgoings were paid on the VCAA's behalf by the DEECD. These amounts have been recognised in the comprehensive operating statement as expenditure offset by an increase to revenue as resources received free of charge.

Note 3 Expenses

	2011 \$	2010 \$
Employee expenses		
Salaries and allowances	18,564,510	17,120,781
Fees for setting, vetting and assessment examinations	9,198,751	8,533,377
Salary on-costs	4,771,104	4,414,921
Other	79,760	63,635
	32,614,125	30,132,714
Depreciation and amortisation		
Depreciation of VCAA Assets	408,381	344,943
Amortisation of Leasehold buildings	153,554	205,898
Amortisation of Leased assets (motor vehicles)	45,248	41,916
Amortisation of Intangible assets	853,282	853,283
	1,460,465	1,446,040
Supplies and services		
Administrative expenses	882,302	684,253
Victorian Auditor General fees	29,000	28,246
Internal audit fees	3,600	6,744
Computer and internet expenses	1,556,244	1,433,129
Contractors	8,375,682	7,454,767
Consultants	238,606	190,185
Doubtful debts	0	7,378
Examination centre and supervisor grants	3,186,031	2,907,003
Freight and cartage	637,022	615,085
Furniture and equipment	94,870	61,919
Hire and leasing of venues	518,415	462,469
Motor vehicles expenses	73,829	51,040
Office supplies	210,829	189,768
Printing and production	1,509,624	1,356,643
Staff training	102,868	125,018
Teacher release and development grants	562,437	667,342
Travelling and personal expenses	517,946	476,108
Utilities	914,875	965,695
Warehouse rental and outgoings	218,723	252,588
Return of prior year appropriations	355,008	0
	19,987,911	17,935,380
Resources received free of charge	1,782,735	1,675,112
Total expenses	55,845,236	51,189,246

Note 4 Other economic flows included in result

	2011 \$	2010 \$
Net gain/(loss) on non-financial assets – leased motor vehicles	31,846	13,678
Net gain/(loss) on financial instruments and contractual receivables	0	(4,910)
	31,846	8,768

Note 5 Cash and cash equivalents

	2011 \$	2010 \$
Cash on hand	400	400
Cash at bank	10,532,476	6,532,523
	10,532,876	6,532,923

Note 6 Receivables

	2011 \$	2010 \$
Current receivables		
Contractual		
Fee-paying overseas students	522,557	572,366
Other receivables	376,194	356,772
Provision for doubtful contractual receivables	(10,000)	(10,000)
	888,751	919,138
Statutory		
Department of Education and Early Childhood	891,622	2,756,444
GST input tax credit recoverable	536,801	672,479
	1,428,423	3,428,923
Total receivables	2,317,174	4,348,061

Note 7 Prepayments

	2011 \$	2010 \$
Current	848,305	503,954
Non-current	56,385	18,967
Total prepayments	904,690	522,921

Note 8 Plant and equipment, Leasehold improvements and Leased assets

Table 8.1 Classification by "Purpose Groups" – Carrying Amount (i)

	2011		2010	
	Public administration \$	Total \$	Public administration \$	Total \$
Table disclosure reference	Table 8.3		Table 8.3	
Plant and equipment	914,431	914,431	765,928	765,928
Leasehold improvements	103,195	103,195	256,749	256,749
Leased assets	132,984	132,984	111,104	111,104
Net carrying amount of plant and equipment, leasehold improvements and leased assets	1,150,610	1,150,610	1,133,781	1,133,781

Note:

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

Table 8.2 Gross carrying amount and accumulated depreciation

	2011 \$	2010 \$
Plant and equipment		
At fair value	2,059,774	1,502,889
Less accumulated depreciation	1,145,343	736,961
Net carrying amount	914,431	765,928
Leasehold improvements		
At fair value	1,140,129	1,140,129
Less accumulated amortisation	1,036,934	883,380
Net carrying amount	103,195	256,749
Leased assets		
Motor vehicles at fair value	170,033	202,400
Less accumulated amortisation	37,049	91,296
Net carrying amount	132,984	111,104
Total plant and equipment, leasehold improvements and leased assets	1,150,610	1,133,781

Table 8.3 Classification by 'Public Administration' Purpose Group – movements in carrying amounts

	Plant & equipment \$	Leasehold improvements \$	Leased assets \$	Total assets \$
2011				
Opening balance	765,928	256,749	111,104	1,133,781
Additions	556,884	0	106,507	663,391
Disposals	0	0	(39,379)	(39,379)
Depreciation/Amortisation	(408,381)	(153,554)	(45,248)	(607,183)
Closing balance	914,431	103,195	132,984	1,150,610
2010				
Opening balance	674,473	462,647	121,273	1,258,393
Additions	436,397	0	63,525	499,922
Disposals	0	0	(31,778)	(31,778)
Depreciation/Amortisation	(344,942)	(205,898)	(41,916)	(592,756)
Closing balance	765,928	256,749	111,104	1,133,781

Note 9 Intangible assets

Table 9.1 Classification by “Purpose Groups” – Carrying Amount (i)

	2011		2010	
	Public administration \$	Total \$	Public administration \$	Total \$
Table disclosure reference	Table 9.3		Table 9.3	
Intangible assets	2,028,917	2,028,917	2,882,199	2,882,199
Net carrying amount of intangible assets	2,028,917	2,028,917	2,882,199	2,882,199

Note:

(i) Intangible assets are classified primarily by the “purpose” for which the assets are used, according to one of six purpose groups based upon government purpose classification (GPC). All assets within a purpose group are further sub categorised according to the asset’s “nature” (i.e. intangible assets etc), with each sub category being classified as a separate class of asset for financial reporting purposes.

Table 9.2 Gross carrying amount and accumulated depreciation

	2011 \$	2010 \$
Intangible assets		
At fair value	4,266,414	4,266,414
Less accumulated amortisation	2,237,497	1,384,215
Net carrying amount	2,028,917	2,882,199

Table 9.3 Classification by 'Public Administration' Purpose Group – movements in carrying amounts

Reconciliations of the carrying amounts at the beginning and end of the financial year are set out below:

	Intangible assets \$	Total intangible assets \$
2011		
Opening balance	2,882,199	2,882,199
Additions	0	0
Disposals	0	0
Amortisation	(853,282)	(853,282)
Closing balance	2,028,917	2,028,917
2010		
Opening balance	3,735,482	3,735,482
Additions	0	0
Disposals	0	0
Amortisation	(853,283)	(853,283)
Closing balance	2,882,199	2,882,199

Note 10 Work in progress

	2011 \$	2010 \$
Work in progress	828,327	34,417
	828,327	34,417
Reconciliation		
Reconciliations of the carrying amounts at the beginning and end of the financial year are set out below:		
Opening balance	34,417	0
Additions	1,350,794	34,417
Transfer to plant and equipment and leasehold improvements	556,884	0
	828,327	34,417

Note 11 Payables

	2011 \$	2010 \$
Current Payables		
Contractual		
Accrued employee benefits	1,851,137	2,272,180
Fees in advance	460,413	501,131
Amounts payable to government departments	355,677	264,232
Accrued expenses	1,884,882	2,171,507
Other payables	51,712	61,451
	4,603,821	5,270,501
Statutory		
GST payable	81,058	55,470
Group tax payable	0	10,712
	81,058	66,182
Total current payables	4,684,879	5,336,683

(a) Maturity analysis of contractual payables

Please refer to Table 16.4 in Note 16 for the maturity analysis of contractual payables.

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

Please refer to Note 16 for the nature and extent of risks arising from contractual payables.

Note 12 Employee benefits

(a) Provision for employee benefits

Under the *Education and Training Reform Act 2006*, VCAA staff are recognised as DEECD employees.

(b) Government employee's superannuation fund

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

VCAA paid contributions on behalf of eligible casual and sessional employees into 82 different funds.

Contributions are calculated at a rate of 9 per cent pursuant to the provisions of the *Superannuation Guarantee Act 1992*. The name, details and amounts of the major employee superannuation funds and contributions made by the VCAA are as follows:

	Paid contribution for the year		Contributions outstanding at year end	
	2011 \$	2010 \$	2011 \$	2010 \$
Defined contribution plans				
Vic Super	745,024	552,309	156,479	147,659
Catholic Super Fund	27,298	15,977	6,779	5,475
Tertiary Education Super Scheme	25,004	9,091	9,507	7,496
Other	77,527	39,686	14,845	10,538
Total	874,853	617,063	187,610	171,168

Note 13 Other liabilities

	Minimum future lease payments		Present value of minimum future lease payments	
	2011 \$	2010 \$	2011 \$	2010 \$
Other financial lease liabilities payable				
Not longer than one year	49,871	68,283	43,663	62,157
Longer than one year and not longer than five years	93,858	54,700	90,963	48,286
Longer than five years	0	0		0
Minimum future lease payments	143,729	122,983	134,626	110,443
	143,729	122,983	134,626	110,443
Less future finance charges	(9,102)	(12,540)	0	0
Present value of minimum lease payments	134,627	110,443	134,626	110,443

The VCAA has entered into leasing arrangements with Vic Fleet to lease motor vehicles for lease periods between 24 and 36 months.

Note 14 Contributed capital

	2011 \$	2010 \$
Balance at 1 July	4,698,492	4,698,492
Contributions of equity	0	0
Balance at 30 June	4,698,492	4,698,492

Note 15 Accumulated surplus

	2011 \$	2010 \$
Accumulated surplus/(deficit) at the beginning of the financial year	5,308,684	5,150,952
Comprehensive result for the reporting period	2,935,912	157,732
Accumulated surplus at the end of the financial year	8,244,596	5,308,684

Note 16 Financial instruments

Financial risk management objectives and policies

VCAA's principal financial instruments comprise:

- cash assets;
- receivables (excluding statutory receivables);
- payables (excluding statutory payables); and
- finance lease payables.

Significant accounting policies

Details of significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instruments are disclosed in Note 1 to the financial statements.

Table 16.1 Categorisation of financial instruments

	Contractual financial assets – loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
2011			
Contractual financial assets			
Cash and cash equivalents	10,532,476	0	10,532,476
Receivables	888,751	0	888,751
Total contractual financial assets	11,421,227	0	11,421,227
Contractual financial liabilities			
Payables	0	4,248,144	4,248,144
Borrowings			
Lease liabilities	0	134,627	134,627
Total contractual financial liabilities	0	4,382,771	4,382,771

Note:

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

	Contractual financial assets – loans and receivables \$	Contractual financial liabilities at amortised cost \$	Total \$
2010			
Contractual financial assets			
Cash and cash equivalents	6,532,523	0	6,532,523
Receivables	919,138	0	919,138
Total contractual financial assets	7,451,661	0	7,451,661
Contractual financial liabilities			
Payables	0	5,006,269	5,006,269
Borrowings			
Lease liabilities	0	110,443	110,443
Advances from government	0	0	0
Total contractual financial liabilities	0	5,116,712	5,116,712

Note:

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

Note 16 Financial instruments

(continued)

a) Interest rate exposure of financial instruments

The VCAA's exposure to interest rate risks and the weighted interest rate by maturity periods is set out in the table below. Interest rates of financial assets and financial liabilities, recognised at balance date, are as follows:

			Interest rate exposure		
	Weighted average interest rate %	Carrying amount \$	Fixed interest rate \$	Variable interest rate \$	Non-interest rate \$
2011					
Financial assets					
Cash and cash equivalents	4.17%	10,532,876	0	10,532,876	0
Receivables		2,317,174	0	0	2,317,174
		12,850,050	0	10,532,876	2,317,174
Financial liabilities					
Payables		4,224,466	0	0	4,224,466
Financial liabilities	6.98%	134,627	134,627	0	0
		4,359,093	134,627	0	4,224,466
2010					
Financial assets					
Cash and cash equivalents	3.15%	6,532,923	0	6,532,923	0
Receivables		4,348,061	0	0	4,348,061
		10,880,984	0	6,532,923	4,348,061
Financial liabilities					
Payables		4,835,552	0	0	4,835,552
Financial liabilities	6.98%	110,443	110,443	0	0
		4,945,995	110,443	0	4,835,552

b) Fair values

VCAA considers the carrying amount of financial instrument assets and liabilities recorded in the financial statements to be a fair approximation of their fair value, 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 value of the contracted financial assets and liabilities are the same as the carrying amount.

	Total carrying amount and aggregate net fair value as per balance sheet	
	2011 \$	2010 \$
(i) Financial assets		
Cash and cash equivalents		
Cash at bank and on hand	10,532,876	6,532,923
Contractual receivables	888,751	919,138
Statutory receivables	1,428,423	3,428,923
Total financial assets	12,850,050	10,880,984
(ii) Financial liabilities		
Current payables		
Contractual	4,603,821	5,270,501
Statutory	81,058	66,182
Other liabilities		
Statutory	134,627	110,443
Total financial liabilities	4,819,506	5,447,126

c) Credit risk

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

Credit risk associated with the VCAA's contractual financial assets is minimal because the main debtor is the Victorian Government.

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

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

Note 16 Financial instruments

(continued)

Table 16.2 Credit quality of contractual financial assets that are neither past due nor impaired

	Financial institutions Triple-A credit rating \$	Government agencies Triple-A credit rating \$	Government agencies Triple-B credit rating \$	Other Min Triple-B credit rating \$	Total \$
2011					
Cash and deposits					
(i) Cash and cash equivalents	0	0	0	0	0
Investments and other financial assets	0	0	0	0	0
Total	0	0	0	0	0
2010					
Cash and deposits					
(i) Cash and cash equivalents	0	0	0	0	0
Total	0	0	0	0	0

Note: The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input).

Table 16.3 Ageing analysis of contractual financial assets

	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 \$
2011							
Receivables							
Fee paying overseas students	522,557	493,711	0	0	28,846	0	0
Other receivables	376,194	353,054	23,140	0	0	0	0
Total	898,751	846,765	23,140	0	28,846	0	0
2010							
Receivables							
Fee paying overseas students	572,366	0	564,167	0	8,199	0	0
Other receivables	356,772	96,016	122,683	129,484	8,589	0	0
Total	929,138	96,016	686,850	129,484	16,788	0	0

Note: The carrying amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input).

d) Liquidity risk

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

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

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

The VCAA's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk. Cash for unexpected events is generally sourced from liquidation of available for sale financial investments.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements, and Nil (2010: Nil) in relation to financial guarantees granted for loans to other entities, represents the VCAA's maximum exposure to liquidity risk.

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

Note 16 Financial instruments

(continued)

Table 16.4 : Maturity analysis of contractual financial liabilities

	Carrying amount \$	Nominal amount \$	Less than 1 month \$	1–3 months \$	3 months –1 year \$	1–5 years \$
2011						
Payables						
Supplies and services	4,196,432	4,196,432	4,196,432	0	0	0
Amounts owing to government and agencies	355,677	355,677	355,677	0	0	0
Other payables	51,712	51,712	51,712	0	0	0
Total	4,603,821	4,603,821	4,603,821	0	0	0
2010						
Supplies and services	4,944,818	4,944,818	4,944,818	0	0	0
Amounts owing to government and agencies	264,232	264,232	264,232	0	0	0
Other payables	61,451	61,451	61,451	0	0	0
Total	5,270,501	5,270,501	5,270,501	0	0	0

Note

(i) The carrying amounts disclosed exclude statutory amounts (e.g. GST payables).

(ii) Maturity analysis is presented using the contractual undiscounted cash flows.

e) Market risk

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

Interest rate risk

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

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

The VCAA has minimal exposure to cash flow interest rate risks through its cash and deposits and term deposits that are at floating rates.

The VCAA 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, as a financial asset that can be left at floating rate without necessarily exposing the VCAA to significant bad risk, management monitors movement in interest rates on a daily basis.

The carrying amount of financial assets and financial liabilities that are exposed to interest rates are set out in Table 16.5. In addition, the VCAA's sensitivity to interest rate risk is set out in Table 16.5.

f) Sensitivity disclosure analysis and assumptions

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

- a movement of 200 basis points up and down (2010: 200 points up and down) in the market interest rates (AUD)

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

Table 16.5: Interest rate sensitivity analysis

At 30 June 2011, the effect on the profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

Interest rate					
		-200 basis points		+ 200 basis points	
	Carrying amount \$	Net result \$	Available-for-sale revaluation surplus \$	Net result \$	Available-for-sale revaluation surplus \$
2011					
Contractual financial assets					
Cash and deposits	10,532,876	(210,658)	0	210,658	0
Other contractual financial assets	888,751	0	0	0	0
Total impact		(210,658)	0	210,658	0
2010					
Contractual financial assets					
Cash and deposits	6,532,923	(130,658)	0	130,658	0
Other contractual financial assets	919,138	0	0	0	0
Total impact		(130,658)	0	130,658	0

The above interest rate sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Only cash and cash equivalents would be affected by a movement in interest rates as other financial instruments are either interest free or subject to fixed interest rates.

No sensitivity analysis has been performed on foreign exchange risk, as the VCAA is not exposed to foreign currency fluctuations.

Note 17 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 the responsible persons for the reporting period.

Names

The persons who held the positions of Ministers and accountable officers in the VCAA at any time during the financial period are as follows:

Responsible Minister		
Minister for Education		
The Hon. Martin Dixon MP		2 December 2010 to 30 June 2011
The Hon. Bronwyn Pike MP		1 July 2010 to 1 December 2010
Acting Minister for Education		
The Hon. Maxine Morand MP		1 October 2010 to 4 October 2010
Accountable Officer		
Mr John Firth		
VCAA Board Members		
Professor Adam Shoemaker, Chair		
Ms Esmerelda Bamblett		
Mr Tony Coppola		Term concluded 31 May 2011
Professor Peter Dawkins (Ex Officio)		Term concluded 14 December 2010
Ms Polly Flanagan		Re-appointed 31 August 2010
Mr Tony Larkin		Re-appointed 31 August 2010
Mr John Maddock		
Ms Vicki Miles		Term concluded 31 May 2011
Mr Glen Pearsall		
Ms Debra Punton		
Mr Jeff Rosewarne (Ex Officio)		Commenced 15 December 2010
Ms Helen Staindl		
Professor Collette Tayler		Term concluded 31 May 2011
Professor Sue Willis		Term concluded 31 May 2011

Remuneration of responsible persons

Remuneration received or receivable by the accountable officer and VCAA Board members (responsible persons) in connection with the management of the VCAA during the reporting is shown below in relevant income bands.

	2011	2010
Income		
\$0	5	4
\$1–\$9,999	8	9
\$10,000–\$19,999	0	1
\$30,000–\$39,999	1	0
\$280,000–\$289,999	1	1
Total remuneration received, or due and receivable by responsible persons:	\$366,412	\$344,117

Amounts relating to the Ministers are reported in the financial statements of the Department of Premier and Cabinet.

Related party transactions

Mr Jeff Rosewarne is the Acting Secretary of the Department of Education and Early Childhood Development (DEECD). According to the *Education and Training Reform Act 2006*, membership of the authority must include the Secretary of the Department; and Mr John Maddock is the CEO of Box Hill Institute of TAFE, accordingly the following values of transactions between the VCAA and DEECD and the VCAA and Box Hill Institute of TAFE (since 1 January 2011) were as follows;

	2011 \$	2010 \$
Revenue received	2,495,876	2,023,970
Expenditure incurred	753,036	213,686

The revenue and expenditure disclosed in this note represents transactions conducted between the parties on normal commercial terms, excluding operating appropriations.

There were no other transactions between the VCAA or a related party with a responsible persons of the VCAA or related party of those responsible persons during the reporting period.

Note 17 Responsible persons

(continued)

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.

Several factors have affected total remuneration payable to executives over the year, including contract renegotiation, new appointments, retirements and bonus payments. These bonus payments depend on the terms of the individual employment contracts. This had an impact on total remuneration due to the inclusion of annual leave, long service leave payments and retirement benefits.

The executive officers receiving total remuneration exceeding \$100,000 during the reporting period are shown in the table below in their relevant income bands.

	Total remuneration		Base remuneration	
	2011	2010	2011	2010
Income band				
\$160,000–\$169,999				2
\$170,000–\$179,999		2	3	1
\$180,000–\$189,999	3	1		
	3	3	3	3
Total amount	\$558,689	\$537,893	\$524,331	\$509,058

Note 18 Economic dependency

The VCAA is dependant on the State Government, through the DEECD for a significant volume of its operating revenue, provision of human resources, information system support, financial facilities and ongoing financial support as reported in Note 1. A letter of comfort is negotiated annually with DEECD.

Note 19 Segmental reporting

The VCAA operates predominately in the education sector and its primary responsibility is the development of curriculum assessment for all Victorian schools.

Note 20 Reconciliation of net results for the period to net cash flows from operating activities

	2011 \$	2010 \$
Net result for the period	2,935,912	157,732
Non-cash movements		
Depreciation of plant and equipment	408,381	344,943
Amortisation of leasehold improvements	153,554	205,898
Amortisation of intangible assets	853,282	853,283
Amortisation of leased assets (motor vehicles)	45,248	41,916
Bad debts	0	7,378
Movements included in investing and financing activities		
Loss/(profit) on sale of assets	(31,846)	(13,676)
Movements in assets and liabilities		
Increase/(decrease) in receivables	2,030,887	(1,766,419)
Increase/(decrease) in prepayments	(381,771)	19,300
Increase/(decrease) in payables	(651,803)	(746,450)
Net cash flows from/(used in) operating activities	5,361,844	(896,095)

Note 21 Reconciliation of cash and cash equivalents

For the purpose of the statement of cash flows, the VCAA considers cash to include amounts on hand and amounts held in the bank and investment accounts. Cash at the end of the reporting period as shown in the statement of cash flows is reconciled to the related items in the balance sheet as follows:

	2011 \$	2010 \$
Cash on hand	400	400
Cash at bank	10,532,476	6,532,523
Balance as per cash flow statement	10,532,876	6,532,923

Note 22 Remuneration of auditors

	2011 \$	2010 \$
Victorian Auditor General fees	29,000	28,246
Internal audit fees	3,600	6,744
	32,600	34,990

Note 23 Operating leases

	2011 \$	2010 \$
Non-cancellable operating leases payable		
Not longer than one year	93,769	229,602
Longer than one year and not longer than five years	0	144,337
Longer than five years	0	0
Total non-cancellable operating leases payable	93,769	373,939

Note 24 Commitments for expenditure

	2011 \$	2010 \$
(a) Capital expenditure commitments		
Intangible assets		
Payable:		
Not more than one year	0	0
Plant and equipment		
Payable:		
Not more than one year	247,320	177,869
Total capital expenditure commitments	247,320	177,869
(b) Operating expenditure commitments		
Outsourcing commitments		
Payable:		
Not more than one year	2,495,195	4,352,542
Longer than one year and not longer than five years	133,574	1,191,463
Total operating expenditure commitments	2,628,769	5,544,005

Note 25 Contingent liabilities and contingent assets

	2011 \$	2010 \$
Contingent liabilities/assets	0	0

Note 26 Subsequent events

There were no significant events that have occurred subsequent to 30 June 2011.

Note 27 Glossary of terms and style conventions

Glossary

Actuarial gains or losses on superannuation defined benefit plans

Actuarial gains or losses reflect movements in the superannuation liability resulting from differences between the assumptions used to calculate the superannuation expense from transactions and actual experience.

Amortisation

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

Associates

Associates are all entities over which an entity has significant influence but not control, generally accompanying a shareholding and voting rights of between 20 per cent and 50 per cent.

Biological assets

Biological assets may comprise of commercial forests and also any living animal, plant or agricultural produce that is the harvested product of biological assets.

Borrowings

Borrowings refers to interest-bearing liabilities mainly raised from public borrowings raised through the Treasury Corporation of Victoria, finance leases and other interest-bearing arrangements. Borrowings also include non-interest-bearing advances from government that is acquired for policy purposes.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other non-owner movements in equity.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-financial physical assets used in the provision of outputs.

Note 27 Glossary of terms and style conventions

(continued)

Commitments

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

Current grants

Amounts payable or receivable for current purposes for which no economic benefits of equal value are receivable or payable in return.

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method

The effective interest method is used to calculate 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 instrument, or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments, defined benefits superannuation plans, and defined contribution superannuation plans.

Ex gratia payments

Ex gratia payment is the gratuitous payment of money where no legal obligation exists.

Financial asset

A financial asset is any asset that is:

- (a) cash
- (b) an equity instrument of another entity;
- (c) a contractual or statutory 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.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

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

Financial statements

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 (September 2007), which means it may include the main financial statements and the notes.

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. For this reason, grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers. Receipt and sacrifice of approximately equal value may occur, but only by coincidence. For example, governments are not obliged to provide commensurate benefits, in the form of goods or services, to particular taxpayers in return for their taxes.

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

General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

Note 27 Glossary of terms and style conventions

(continued)

Grants for on-passing

All grants paid to one institutional sector (e.g. a State general government entity) to be passed on to another institutional sector (e.g. local government or a private non-profit institution).

Intangible produced assets

Refer to produced assets in this glossary.

Intangible non-produced assets

Refer to non-produced asset in this glossary.

Interest expense

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

Interest income

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

Investment properties

Investment properties represent properties held to earn rentals or for capital appreciation or both. Investment properties exclude properties held to meet service delivery objectives of the State of Victoria.

Joint ventures

Joint ventures are contractual arrangements between the VCAA and one or more other parties to undertake an economic activity that is subject to joint control. Joint control only exists when the strategic financial and operating decisions relating to the activity require the unanimous consent of the parties sharing control (the venturers).

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. It includes only those increases or decreases in non-financial assets resulting from transactions and therefore excludes write-offs, impairment write-downs and revaluations.

Net gain on equity investments in other sector entities measured at proportional share of the carrying amount of net assets/(liabilities) comprises the net gains relating to the equity held by the GGS in other sector entities. It arises from a change in the carrying amount of net assets of the subsidiaries. The net gains are measured based on the proportional share of the subsidiary's carrying amount of net assets/(liabilities) before elimination of inter sector balances.

Net result

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

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income 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.

Net worth

Assets less liabilities, which is an economic measure of wealth.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'. It includes inventories, land, buildings, infrastructure, road networks, land under roads, plant and equipment, investment properties, cultural and heritage assets, intangible and biological assets.

Non-produced assets

Non-produced assets are assets needed for production that have not themselves been produced. They include land, subsoil assets, and certain intangible assets. Non-produced intangibles are intangible assets needed for production that have not themselves been produced. They include constructs of society such as patents.

Non-profit institution

A legal or social entity that is created for the purpose of producing or distributing goods and services but is not permitted to be a source of income, profit or other financial gain for the units that establish, control or finance it.

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-financial 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.

Produced assets

Produced assets include buildings, plant and equipment, inventories, cultivated assets and certain intangible assets. Intangible produced assets may include computer software, motion picture films, and research and development costs (which does not include the start up costs associated with capital projects).

Note 27 Glossary of terms and style conventions

(continued)

Public financial corporation sector

Public financial corporations (PFCs) are bodies primarily engaged in the provision of financial intermediation services or auxiliary financial services. They are able to incur financial liabilities on their own account (e.g. taking deposits, issuing securities or providing insurance services). Estimates are not published for the public financial corporation sector.

Public non-financial corporation sector

The public non-financial corporation (PNFC) sector comprises bodies mainly engaged in the production of goods and services (of a non-financial nature) for sale in the market place at prices that aim to recover most of the costs involved (e.g. water and port authorities). In general, PNFCs are legally distinguishable from the governments which own them.

Quasi corporation

An unincorporated enterprise that functions as if it were a corporation, has the same relationship with its owner as a corporation, and keeps a separate set of accounts.

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

Supplies and services

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

Taxation income

Taxation income represents income received from the State's taxpayers and includes:

- payroll tax; land tax; duties levied principally on conveyances and land transfers;
- gambling taxes levied mainly on private lotteries, electronic gaming machines, casino operations and racing;
- insurance duty relating to compulsory third party, life and non-life policies;
- insurance company contributions to fire brigades;
- motor vehicle taxes, including registration fees and duty on registrations and transfers;
- levies (including the environmental levy) on statutory corporations in other sectors of government; and
- other taxes, including landfill levies, licence and concession fees.

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.

Style conventions

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

The notation used in the tables is as follows:

..	zero, or rounded to zero
(xxx.x)	negative numbers
200x	year period
200x-0x	year period

The financial statements and notes are presented based on the illustration for a government department in the 2010–11 *Model Report for Victorian Government Departments*. The presentation of other disclosures is generally consistent with the other disclosures made in earlier publications of the VCAA's annual reports.

ACCOUNTABLE OFFICER'S AND CHIEF FINANCE AND ACCOUNTING OFFICER'S DECLARATION

The attached financial statements for the Victorian Curriculum and Assessment Authority (VCAA) have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards, including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2011 and financial position of the VCAA as at 30 June 2011.

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

We authorise the attached financial statements for issue on 27 July 2011



Prof. Adam Shoemaker
Chair

27 July 2011, Melbourne



John Firth
Chief Executive Officer

27 July 2011, Melbourne



Scott Moore
Chief Finance and
Accounting Officer

27 July 2011, Melbourne

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Victorian Curriculum and Assessment Authority

The Financial Report

The accompanying financial report for the year ended 30 June 2011 of Victorian Curriculum and Assessment Authority which comprises the operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the accountable officer's and chief finance and accounting officer's declaration has been audited.

The Board Members' Responsibility for the Financial Report

The Board Members of the Victorian Curriculum and Assessment Authority 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*, and for such internal control as the Board Members determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about 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 Board, 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.

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.

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Level 24, 35 Collins Street, Melbourne Vic. 3000

Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)


Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Victorian Curriculum and Assessment Authority as at 30 June 2011 and of its financial performance and its 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*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Victorian Curriculum and Assessment Authority for the year ended 30 June 2011 included both in the Victorian Curriculum and Assessment Authority's annual report and on the website. The Board Members of the Victorian Curriculum and Assessment Authority are responsible for the integrity of the Victorian Curriculum and Assessment Authority's website. I have not been engaged to report on the integrity of the Victorian Curriculum and Assessment Authority's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
2 August 2011


for D D R Pearson
Auditor-General

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Auditing in the Public Interest

Appendices

Appendix 1 2010–11 VCE Study Review Panels and Teams

VCE Visual Communication and Design Review Panel

Nuno Araujo	Keysborough Secondary College
Nicole Fowkes	Ivanhoe Grammar School
Mark Groves	Caroline Chisholm Catholic College
Christine Lloyd	Methodist Ladies' College
Jennifer McNulty	Geelong High School
David Morrison	Lauriston Girls School
Stephen Pascoe	Northern Melbourne Institute of TAFE (NMIT)
Dean Pearman	Caulfield Grammar School
Nicole Wragg	Swinburne University of Technology

VCE Systems Engineering Review Panel

Mr Alireza Bab-Hadiashar	RMIT University
Mr Paul Barton	Dromana Secondary College
Mr Douglas Byrt	Belmont High School
Mr Michael Caspar	Mt Erin College
Mr Bruce Eager	Upwey High School
Mr Roger Knight	St Patrick's College, Ballarat
Ms Naomi Mathers	Victorian Space Science Education Centre (VSSEC)
Mr Steven Penna	St Helena Secondary College
Mr Edoardo Viel	Parsons Brinckerhoff
Mr Neil Holton	Kardinia International College

Appendix 2 Statutory reporting requirements

Consultancies and major contracts

Disclosure is required of individual consultancies (within the accepted criteria) awarded during the reporting period that are in excess of, less than or equal to \$100,000 (excluding GST).

During the reporting period no consultancies (within the accepted criteria) in excess of, less than or equal to \$100,000 (excluding GST) were awarded, and no contracts with a value of \$10 million or above were awarded.

The *Victorian Industry Participation Policy Act 2003* requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPPP). The VIPPP is applied to all Victorian Government short-listed individual tender responses over \$3 million in metropolitan Melbourne and over \$1 million in regional Victoria. During the 2010–11 reporting period, the VCAA recorded no contractual engagements requiring application of the VIPPP provisions.

Competitive neutrality

In a report to the DEECD on the National Competition policy, the VCAA was identified as not subject to the Competition Code. The report found that the VCAA had little, if any, potential to be involved in anti-competitive practices. Although the VCAA's activities are mainly regulatory in nature, the VCAA is empowered to charge fees for the services it provides under section 2.5.5 of the *Education and Training Reform Act 2006*.

Building Act 1993

The building occupied by the VCAA at 41 St Andrews Place is a government-owned building. A formal occupancy arrangement with the DEECD is current. The VCAA is committed to providing a safe and secure building for staff and visitors and full compliance with the provisions of the *Building Act 1993*.

Most of the VCAA's assessment-related units are based at a site in Coburg. The VCAA also has the occupancy of a single warehouse facility to cater for the organisation's storage needs.

Public accountability and compliance

Under the accrual output-based appropriation, budgeting, performance monitoring and reporting model introduced by the Government in the 1998–99 budget, accountability for departments and government agencies commenced with the publication of budget portfolio financial statements in the annual Budget Paper No. 3 and ended with the publication of actual results in respective annual reports.

The VCAA, in conjunction with DEECD, reported its performance against outputs on a quarterly basis and its financial aggregates on a monthly basis to the Department of Treasury and Finance.

Industrial disputes and time lost due to injury

Industrial disputes

There were no staff hours lost as a result of industrial disputes during the financial year.

Industrial accidents

There were two new claims submitted in the 2010–11 financial year, resulting in 2219 staff hours lost.

Risk attestation compliance statement

We, Adam Shoemaker and John Firth, certify that the VCAA has risk management processes in place consistent with the Australian/New Zealand Risk Management Standard AS/NZS ISO 31000:2009 (or its successor) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The VCAA Audit Committee verifies this assurance and that the risk profile of the VCAA has been critically reviewed within the last 12 months.



Professor Adam Shoemaker



John Firth

Appendix 3 Workforce data

Full-time equivalent of staff in the VCAA on pay by sex and classification, year ending June 2011

Classification	2010–11			2009–10		
	Males	Females	Total	Males	Females	Total
Victorian Public Service						
E02	3.0	1.0	4.0	3.0	1.0	4.0
E03	1.0	0.0	1.0	1.0	–	1.0
VPSTEC	1.0	0.0	1.0	1.0	–	1.0
VPSG6	18.0	17.8	35.8	17.0	12.4	29.4
VPSG5	19.9	41.3	61.2	18.9	44.9	63.8
VPSG4	13.0	18.2	31.2	14.0	15.8	29.8
VPSG3	18.7	26.5	45.2	13.8	27.7	41.5
VPSG2	8.7	12.6	21.3	10.4	15.0	25.4
Subtotal	83.3	117.4	200.7	79.1	116.8	195.9
Other non-VPS*	1.0	1.0	2.0			
Total	84.3	118.4	202.7	79.1	116.8	195.9

VCAA staff are included in DEECD workforce data.

* 2.0 FTE substantive Government Teaching Service staff acting in VPS roles in the VCAA

Occupational health and safety

The VCAA's occupational health and safety (OHS) objectives are:

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

To fulfil these objectives the VCAA:

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

Major initiatives in 2010–11 included:

- reviewing and upgrading, where necessary, the OHS management system
- introducing a regular OHS section in the staff newsletter
- actively encouraging staff to report any and all OHS and first aid issues
- continuing to review and upgrade the first aid skills, including AED (Automatic External Defibrillator) training, of all first aid officers
- maintaining the knowledge level of all building wardens through practical drills
- actively seeking additional wardens.

Performance targets

OHS performance met or exceeded its targets in 2010–11. During the reporting period, the VCAA received no standard claim and no Improvement or Prohibition Notices were issued to the VCAA.

The target for 2011–12 is to maintain this standard.

Workplace Consultative Committee

The Workplace Consultative Committee was established in 2004 as a forum to identify and resolve staff issues related to accommodation, OHS, professional development and training, planned changes to structures and programs, and human resource activities.

The Committee meets four times a year to develop and recommend policies and practices to promote a healthy and mutually supportive work culture and environment within the organisation, provide a consultation forum for staff and management, and act in an advisory capacity to executive management.

Merit training

Fourteen VCAA staff completed the accreditation training during the reporting period.

One hundred current staff have trained in merit-based selection procedures.

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

Appendix 4 Freedom of Information

Publication requirements

The information required to be published pursuant to section 7 of the *Freedom of Information Act 1982* (FOI Act) follows, except for information required by that section published elsewhere in this report.

Queries about the availability of and charges for other material prepared under Part II of the FOI Act should be directed to the following address:

The FOI Officer
41 St Andrews Place
East Melbourne 3002
Telephone (03) 9651 4535
Email: foi.vcaa@edumail.vic.gov.au

Categories of documents

The following are the general categories of documents maintained by the VCAA:

- correspondence, administrative and policy documents
- paper records on registered files
- minutes, agendas and papers.

Paper records of agendas, agenda papers and confirmed minutes of meetings are maintained in registered files. An index of outcomes is also maintained.

Personnel documents

Paper records on remuneration and appointments to the VCAA are maintained in registered files.

Accounting records

Accounting records are maintained on a computerised accounting system. The records deal with general ledger entries, accounts payable, payroll and other accounting functions. Paper records are also kept as registered files.

Student records

Personal, enrolment and assessment information for VCE and VCAL students is maintained using the Victorian Assessment Software System, a web-based system that provides direct communication between the VCAA and VCE and VCAL provider schools.

Other categories of documents maintained internally include records associated with curriculum and examinations. Some records are protected from public release on the grounds of personal privacy, others by the restrictions placed on examination materials. Previous examination papers are published on the VCAA website.

Information provided by the VCAA about its operations covers VCE and VCAL areas of study, school assessment, examinations, curriculum and standards for P–10, the VELs, NAPLAN, GAT and other more general information.

Freedom of Information arrangements

Access to records

Access to some records held by the VCAA, such as for VCE students wishing to obtain replacement statements and/or certificates, can be organised via established routine procedures. The VCAA's Information Services staff can provide initial information to people regarding such protocols. Applicants seeking access to documents that are not the subject of VCAA access procedures should address their request to the authorised officer.

Requesting access under the FOI Act

Applicants are required under the FOI Act to submit applications requesting access to documents in writing in a way that clearly describes the document(s) sought. The request should specify that the application is made under the FOI Act and should not form part of a letter on another subject. The applicant should provide the following information:

- name
- address
- telephone number (where applicant can be contacted during business hours)
- details of document(s) requested
- the form of access required, such as copies of documents, inspection of files or other.

Fees

An application fee is required unless evidence of hardship is provided. Applicants are advised that other charges may be made in accordance with the Freedom of Information (Access Charges) Regulations 2004. Details of the fee and access charges can be found at <www.foi.vic.gov.au>.

Appeals

Applicants may appeal against a decision made in response to requests for access to documents, for the amendments of records or against the cost levied for allowing access to documents. Information about the appropriate avenue of appeal will be conveyed to the applicant in the letter advising of the initial decision. Applicants are advised to consult Part VI of the FOI Act for further information about appeal rights.

Correction of personal information

A request for correction or amendment of personal information in a document held by the agency must be made in writing. It should specify particulars of how and why the person making the request believes the information to be incorrect, incomplete, misleading or out of date. It should also specify the amendments they wish to make.

Summary for year ended 30 June 2011

In 2010–11, no requests under the FOI Act were made.

Appendix 5 Additional information

In compliance with the requirements of the Standing Directions of the Minister of Finance, details in respect of the items listed below have been retained by the Authority and are available to the relevant ministers, members of parliament and the public on request (subject to the freedom of information requirements, if applicable):

- a statement that declarations of pecuniary interests have been completed by all relevant officers of the Authority
- details of shares held by senior officers as nominees or held beneficially in a statutory authority or subsidiary
- details of publications produced by the Authority about the activities of the Authority and where they can be obtained
- details of changes in price, fees, charges, rates and levies charged by the Authority for its services, including services that are administered
- details of any major external reviews carried out in respect of the operation of the Authority
- details of any other research and development activities undertaken by the Authority that are not otherwise covered either in the report of operations or in a document which contains the financial statement and report of operations
- details of overseas visits undertaken including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the Authority to develop community awareness of the services provided by the Authority
- details of assessments and measures undertaken to improve the occupational health and safety of employees, not otherwise detailed in the report of operations
- a general statement on industrial relations within the Authority and details of time lost through industrial accidents and disputes, which are not otherwise detailed in the report of operations
- a list of major committees sponsored by the Authority, the purposes of each committee and the extent to which the purposes have been achieved.

Enquiries regarding details of this information should be addressed to:

General Manager
 Planning, Strategy and Corporate Support
 VCAA 41 St Andrews Place
 East Melbourne 3002
 Telephone (03) 9651 4348
 Email: vcaa@edumail.vic.gov.au

Appendix 6 *Whistleblowers Protection Act 2001*

The *Whistleblowers Protection Act 2001* (WP Act) DEECD Guidelines have been adopted as the appropriate procedures for managing disclosures made under the Act concerning Board members and/or employees of the VCAA.

VCAA Guidelines

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

The VCAA recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or a substantial risk to public health and safety or the environment. The alleged conduct must be serious enough to constitute, if proven, a criminal offence or reasonable grounds for dismissal to satisfy the WP Act.

Corrupt conduct

Corrupt conduct means:

- conduct that adversely affects the honest performance of functions
- the dishonest performance of functions or performance with inappropriate partiality
- conduct that amounts to a breach of public trust
- conduct that amounts to the misuse of information/material acquired in the course of one's duties
- a conspiracy or attempt to engage in the above conduct.

The reporting system

Contact persons within the VCAA

Disclosures of improper conduct or detrimental action by employees of the VCAA may be made directly to the following:

Protected Disclosure Coordinator

Dr John McSwiney
Manager Corporate Governance
Telephone: (03) 9651 4311

Protected Disclosure Officer

Mr Doug Hamilton
Senior Investigator Compliance FOI and Privacy Officer
Telephone: (03) 9651 4535

All correspondence, telephone calls and emails from internal or external whistleblowers will be referred to the Protected Disclosure Coordinator. Where a person is contemplating making a disclosure and is concerned about confidentiality, he or she can call the Protected Disclosure Coordinator and request a meeting in a discreet location away from the workplace.

Alternative contact persons

A disclosure about improper conduct or detrimental action by employees of the VCAA may also be made directly to the Ombudsman.

The Ombudsman Victoria
459 Collins Street
Melbourne Victoria 3000
(DX 210174)

Internet: www.ombudsman.vic.gov.au
Email: ombudvic@ombudsman.vic.gov.au
Telephone: (03) 9613 6222

Report on activity under the *Whistleblowers Protection Act 2001*

No disclosures were made during the reporting period.

The number and types of disclosure made to the public body during the year	0
The number of disclosures referred during the year by the Ombudsman	0
The number and types of disclosed matters referred to the public body during the year by the Ombudsman	0
The number and types of disclosed matters referred during the year by the public body to the Ombudsman to investigate	0
The number and types of investigations of disclosed matters taken over by the Ombudsman from the public body during the year	0
The number of requests made under section 74 during the year to the Ombudsman to investigate disclosed matters	0
The number and types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	0
The number of types of disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	0
Any recommendations of the Ombudsman under this Act that relate to the public body	0

Appendix 7 Privacy policy

The VCAA is committed to the privacy principles in all its data-gathering procedures.

Complaints-handling procedures

Contacting the VCAA

The VCAA makes every attempt to settle queries or complaints about privacy through direct communication with the party involved.

First contact is made through the Privacy Officer or via email:
<privacy.vcaa@edumail.vic.gov.au>.

If, through informal discussion, a complaint is not resolved to the satisfaction of the complainant, then a written complaint is lodged with the VCAA.

Lodging a complaint in writing

Written complaints are lodged with:

The Privacy Officer
VCAA
41 St Andrews Place
East Melbourne 3002

Details provided in the complaint must include:

- name and address of person lodging the complaint
- privacy concern(s)
- if applicable, how concern(s) could be remedied.

Confirmation from the VCAA

Within 14 days of receipt of a complaint, the Privacy Officer:

- confirms receipt of the complaint in writing and informs the complainant that an investigation will be conducted and a response provided as soon as practicable, but in no more than 45 days from the day the complaint is received at the VCAA
- commences an investigation into the complaint.

Summary for the year

For the year ending 30 June 2011, no complaints were lodged during the reporting period.

For further information regarding privacy legislation, refer to the Victorian Privacy Commissioner's website at <www.privacy.vic.gov.au>.

Appendix 8 Disclosure index

Ministerial Directions

Report of operations

Legislation	Requirement	Page
Charter and purpose		
FRD 22B	Objectives, functions, powers and duties	14
FRD 22B	Nature and range of services provided	14
Management and structure		
FRD 22B	Organisation structure	18
Financial and other information		
FRD 8B	Budget portfolio outcomes	n/a
FRD 10	Disclosure index	94
FRD 12A	Disclosure of major contracts	84
FRD 15B	Executive officer disclosures	70
FRD 22B	Application and operation of the <i>Freedom of Information Act 1982</i>	88
FRD 22B	Application and operation of the <i>Whistleblowers Protection Act 2001</i>	91
FRD 22B	Compliance with building and maintenance provisions of the <i>Building Act 1993</i>	84
FRD 22B	Details of consultancies over \$100,000	84
FRD 22B	Details of consultancies under \$100,000	84
FRD 22B	Major changes or factors affecting performance	12
FRD 22B	Occupational health and safety	86
FRD 22B	Operational and budgetary objectives and performance against objectives	13
FRD 22B	Significant changes in financial position during the year	12
FRD 22B	Statement of availability of other information	90
FRD 22B	Statement of workforce data and merit and equity	86
FRD 22B	Statement on National Competition policy	84
FRD 22B	Subsequent events	73
FRD 22B	Summary of the financial results for the year	12
FRD 24C	Reporting of office-based environmental impacts	n/a
FRD 25	Victorian Industry Participation policy disclosures	84

Financial statements

Legislation	Requirement	Page
Financial statements required under Part 7 of the <i>Financial Management Act 1994</i>		
SD 4.2(c)	Compliance with Australian accounting standards and other authoritative pronouncements	41
SD 4.2(c)	Compliance with Ministerial Directions	n/a
SD 4.2(d)	Rounding of amounts	49
SD 4.2(c)	Accountable Officer's declaration	80
SD 4.2(f)	Compliance with model financial report	n/a
SD 4.2(b)	Operating statement	36
SD 4.2(b)	Balance sheet	37
SD 4.2(b)	Statement of cash flows during the year	39
SD 4.2(a)	Statement of change in equity	38
Other disclosures in notes to the financial statements		
FRD 9A	Departmental disclosure of administered assets and liabilities	n/a
FRD 11	Disclosure of ex-gratia payments	n/a
FRD 13	Disclosure of parliamentary appropriations	n/a
FRD 21A	Responsible person and executive officer disclosures	68

Legislation

<i>Freedom of Information Act 1982</i>	88
<i>Occupational Health and Safety Act 2004</i>	86
<i>Whistleblowers Protection Act 2001</i>	91
<i>Building Act 1993</i>	84

Appendix 9 Board meeting attendance

	A	B	C
Esmerelda Bamblett	4	7	
Tony Coppola	4	6	
Professor Peter Dawkins ¹	4	4	
Polly Flanagan	5	7	
Tony Larkin	4	7	
John Maddock	7	7	
Vicki Miles	5	6	
Glen Pearsall	3	7	
Debra Punton	7	7	
Jeff Rosewarne	3	3	
Professor Adam Shoemaker	6	7	1
Helen Staindl	5	7	2
Professor Collette Tayler	4	6	1
Professor Sue Willis	4	6	

A Number of meetings attended

B Number of meetings scheduled while in office

C Number of meetings for which leave of absence was granted

¹ Represented by Chris Wardlaw on 28 July 2010, by Chris Wardlaw on 15 September 2010, by Ian Burrage on 27 October 2010 and by Ian Burrage on 8 December 2010

Acronyms and abbreviations

AAS	Australian Accounting Standard
AASB	Australian Accounting Standards Board
ACACA	Australasian Curriculum, Assessment and Certification Authorities
ACARA	Australian Curriculum, Assessment and Reporting Authority
ACER	Australian Council for Educational Research
AED	Automatic External Defibrillator
ANU	Australian National University
ATAR	Australian Tertiary Admission Rank
ATO	Australian Tax Office
Auslan	Australian Sign Language
CAS	Computer algebra system
CAT	Computer-adaptive test
CCAFL	Collaborative Curriculum and Assessment Framework
CEO	Chief Executive Officer
cIIF	Collaborative Internet Innovation Fund
DEECD	Department of Education and Early Childhood Development
DTF	Department of Treasury and Finance
ESL	English as a second language
FTE	Full-time equivalent
FOI	Freedom of Information
GAT	General Achievement Test
GGs	General Government Sector
GPC	Government Purpose Classification
GST	Goods and services tax
ICT	Information and communications technology
ISV	Independent Schools Victoria
LLEN	Local Learning and Employment Network
LOTE	Languages other than English
NAPLAN	National Assessment Program – Literacy and Numeracy
NMS	National Minimum Standard

NQF	National Quality Framework
OHS	Occupational health and safety
PFC	Public financial corporations
PNFC	Public non-financial corporation
SFS	Skills for further study
TAFE	Training and Further Education
VCAA	Victorian Curriculum and Assessment Authority
VCAL	Victorian Certificate of Applied Learning
VCE	Victorian Certificate of Education
VELS	Victorian Essential Learning Standards
VET	Vocational education and training
VEYLDF	Victorian Early Years Learning and Development Framework
VIPP	Victorian Industry Participation Policy
VPS	Victorian Public Service
VRQA	Victorian Registration and Qualifications Authority
VTAC	Victorian Tertiary Admissions Centre

