

# Annual Report 2021

# Our ambition

At Chisholm, we transform lives through relevant and responsive high-quality education and training.

# Our purpose

Educating and skilling our communities and industries for generations to come.

# Our values



## Collaboration

We are one united team, working together with each other and our partners to meet the needs of our students, customers and government.



## Accountability

We take responsibility for our work, focusing on the best outcomes for the student, customer, Chisholm and its people.



## Integrity

We always do the right thing, guided by our values and ethical principles even when faced with difficult decisions.



## Respect

We respect our organisation, its people and its guiding principles in all our interactions.

## Womin Djeka, welcome to Chisholm

Chisholm respectfully acknowledges the Traditional Custodians of this land. We pay respect to Elders past, present and emerging, for they hold the memories, the traditions, the culture and hopes of our nation's First Peoples.

Chisholm is committed to supporting and empowering our Aboriginal and Torres Strait Islander workforce, students and their communities through providing quality teaching and learning opportunities.



# Chisholm

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# Chisholm

## About Chisholm

At Chisholm, we transform lives through relevant and responsive quality education and training across Victoria, nationally and internationally, collaborating with our strategic partners.

We are a Victorian Government-owned technical and further education (TAFE) provider established under the *Education and Training Reform Act 2006*. The responsible Minister is the Hon. Gayle Tierney MP, Minister for Training and Skills and Minister for Higher Education.

In 2021, we employed more than 1700 people. We enrolled almost 38,500 students across our campus locations at Dandenong, Frankston, Berwick, Cranbourne, Mornington Peninsula and Bass Coast, and through Chisholm Online, workplace training and offshore delivery.

With a range of qualifications, including certificates, diplomas, degrees and postgraduate study, we deliver more than 300 courses designed to be accessible, flexible and relevant for students, employers, industry and our community.

As one of Victoria's largest training organisations, we are committed to supporting and enhancing culturally diverse communities in Melbourne's fast-growing south east region through the provision of outstanding education and training programs and positive student and employer experience – now and into the future.



**Wonthaggi**

# About this report

This document reports on the 2021 operations of Chisholm Institute, TAFE Online (trading as Chisholm Online) and the Caroline Chisholm Education Foundation.

It provides a consolidated financial statement, performance statement and other information required under the Standing Directions 2018 under the *Financial Management Act 1994*.

It is based on the model Annual Report issued with the guidelines, in accordance with the Financial Management Act, the Standing Directions, Australian Accounting Standards, Statement of Accounting Concepts, authoritative pronouncements of the Australian Accounting Standards Board and other legislative requirements.

All financial information presented in this report is consistent with the consolidated financial report for Chisholm Institute.

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More information about Chisholm is available at [chisholm.edu.au](http://chisholm.edu.au).



**STEPHEN VARTY**  
**Director and Chief Executive Officer**

Date: 28 February 2022

Place: Frankston



**TONIANN STITZ**  
**Chief Finance Officer**

Date: 28 February 2022

Place: Frankston

## Board Chair's message



I am pleased to present Chisholm Institute's Annual Report for 2021. This year the Chisholm community demonstrated continued resilience and excellence, despite extraordinary challenges in delivering education and training during the global health pandemic.

I am immensely proud of our students who persevered in the face of adversity; in particular, I congratulate our VCE and VCAL students on their achievements that have spanned the continuum of the past two years. There are many contributors to the success of each student, including our employees, who are the lifeblood of Chisholm. They have worked with tireless dedication, capability and professionalism and I am inspired by their shared and unwavering commitment to provide positive outcomes for our students and our partners.

The Caroline Chisholm Education Foundation provided financial support and scholarships for 294 students this year. I extend my thanks to the Foundation as well as individuals who donated to support the Foundation's incredibly important work. Participation in education is at the heart of our purpose and the Foundation ensures that all members of the community can access high-quality education and training.

In supporting our local communities in 2021, many Chisholm students were involved in the front line of the pandemic. Nursing students were supporting the growing demands in the health sector, trades students were supporting the Big Build across Victoria and other students were working to support the demands of aged care centres, supermarkets and other essential services. Chisholm campuses were also used as COVID-19 testing centres during the peak of cases. To all those students and employees who showed outstanding community service during this time, I would like to personally thank you and acknowledge your work and effort.

This year the Board approved the 2021–2023 Strategic Plan with an ambition to transform lives through relevant and responsive high-quality education and training. The implementation of our Strategic Plan is supported by our renewed organisation values – collaboration, Accountability, Integrity and Respect. The Strategic Plan is being delivered through Board-approved investments that are aligned to the Victorian Government skills reforms.

In the first year of implementing our Strategic Plan, we completed a range of critical work to improve student experiences and education quality. The launch of our Education Quality Framework will provide increased governance, quality control and assurance for training and assessment services. Our Dandenong campus benefited from a new, purpose-built Student Hub that provides dedicated and engaging student-centred spaces. We launched our Higher Education College and established a new pathway degree model that incorporates a VET diploma in the first year. I am also proud of our efforts to build capability to respond and to prevent family violence. This includes the establishment of a dedicated family violence training hub and leading initiatives to strengthen family violence responses across the TAFE sector.

At Chisholm, we continue to put people at the centre of everything we do. In 2021, we strengthened our international partnerships by working together to identify creative solutions to continue delivery throughout the pandemic. We worked with TAFE providers across the state and nationally to share resources, improve our services and respond to commercial opportunities. Importantly, we continued to invest in relationships with our employees. Our recent Victorian People Matter Survey results demonstrate continued year-on-year improvements in employee experience.

I wish to acknowledge the support and guidance provided by the Board members, the exceptional performance of the Executive team and the continued strength and leadership of Chisholm CEO, Stephen Varty.

Finally, to government, education, business and industry partners who invest in us and our capabilities, I trust that we consistently achieve our goals to provide students with quality education and robust experience that exceed expectations.

I take great pride in the achievements of 2021 and look confidently towards Chisholm successfully meeting the challenges of the coming year.

**STEPHEN G. MARKS**  
Board Chair

Date: 28 February 2022  
Place: Frankston

# CEO's message



It is with exceptional pride that I reflect on the past year. A year in which the resilience of our employees and students was ever-present and we achieved significant progress across our organisation, despite ongoing challenges presented locally and globally.

Although we were well-practised in our response to COVID-19 restrictions, 2021 required our organisation to stay focused, positive, and proactive to lead our students and community through further COVID-19 outbreaks, lockdowns and the rollout of vaccinations.

The challenges of adapting to remote working environments while delivering high-quality education and training produced strong and resilient employees with innovative and creative ideas. We accelerated our online learning delivery through Chisholm Online, developed a Higher Education College and created more flexible and blended options for all students.

In a period where we could have easily put on hold our international relationships, we instead used this valuable time to strengthen them. Our teachers continued to deliver through remote teaching modes, providing customised delivery to partner colleges in China. The successful launch of Chisholm programs at the CINEC campus in Sri Lanka demonstrated the commitment of Chisholm, CINEC and alankaEd to this still-young collaborative project.

A virtual meeting to sign a three-year extension to our education partnership with the Ministry of Education and Higher Education in Qatar was a milestone. It brought our organisations together despite the distance, and our collective optimism and collaborative spirit was evident.

In August, the Premier announced the appointment of architects Gray Puksand, who will oversee the 9600 square metre design at our Frankston campus. Following a series of community consultation sessions, groundworks commenced on the \$67.6 million Stage 2 redevelopment. The Frankston Redevelopment Project Stage 2, part of the wider Frankston Campus Master Plan, will respond to growing industry needs, including spaces for community services, VCE/VCAL and Foundation College courses and art and design. The precinct will also bring together a range of student support services into a Student Connect Hub, along with a gallery space and onsite food and retail outlets. The Stage 2 multi-level development complements the \$85 million Frankston Learning and Innovation Precinct completed two years earlier.

Our infrastructure and campus management planning also realised the completion of the Berwick campus Student Services and Support Hub, officially opened by Member for Narre Warren, Gary Maas MP. The Hub creates an open, refreshed student area with improved spaces for the many services provided to prospective and current students. It is also home to a large, multi-use auditorium and meeting place for students.

The Member for Dandenong, Gabrielle Williams MP, visited our Stud Road campus earlier in the year when work had just commenced on the \$6.8 million government-funded redevelopment of the Trades Centre and Student Services and Support Hub. The Trade Centre redevelopment consolidates trade delivery, complementing our Frankston campus facilities, and increases our training capacity by 10 per cent. Together with a range of additional student facilities, refurbished classrooms and corporate office suites, the project was fully operational by December.

The success stories of our students were a highlight of the year, and many received well-deserved recognition of their dedication to studying and future careers. Our Chisholm Education Awards recognise eight different categories, and our 2021 finalists and winners feature in this report.



This year we developed our 2021–2023 Strategic Plan in consultation with the Chisholm Board, with broad input from our employees, local community and industry under the direction and guidance of the Executive team and in line with Victorian Government direction. The plan evolved during significant change and opportunity and provides the focus and priorities of work to be completed over the next two years. The Strategic Plan is delivered through four foundational and four enabling plans that guide our priorities and investment.

In 2022, we will prioritise innovating to deliver on student and employer expectations, and provide a responsive and reliable end-to-end experience regardless of location, channel, area of study or needs. Our student experience will be enabled by inviting and inspiring campus experiences, people and culture, and continued investment in modern and reliable technology platforms. We will also invest in strengthening our partnerships with industry, community, other TAFE institutes and government so that we can increase education participation and access in Melbourne's south east.

The collaboration with our state's TAFE network and the Victorian Government to finalise the TAFE Network Statement of Priorities was a hallmark of 2021. The priorities for the network include high-quality work placements, industry partnerships, more robust student pathways, improved access, engagement and support for learners, financial accountability and environmental sustainability.

I was extremely proud that Chisholm was recognised as a finalist in the Large Training Provider of the Year in the Victorian Training Awards. This achievement recognised the significant work we have undertaken to strengthen and develop our organisation and connections across the sector, industry and our local communities.

I extend my gratitude to Mr Stephen Marks, our Board Chair, and Board members for their direction and support throughout this challenging year.

Although 2022 will no doubt present more challenges, we are well-positioned to make the most of the opportunities ahead of us. I very much look forward to the next stage in fulfilling our Strategic Plan, powered by our focus to transform lives through relevant and responsive high-quality education and training.

**STEPHEN VARTY**  
**Director and Chief Executive Officer**

Date: 28 February 2022

Place: Frankston

# Chisholm Strategic Plan

Our Strategic Plan was developed in consultation with the Chisholm Board, with broad input from our employees, local community and industry, under the direction and guidance of the Executive team and in line with Victorian Government direction and priorities.

The plan evolved during a time of significant change and opportunity. Over the past two years, the challenges of adapting to remote working environments while delivering high-quality education and training produced strong and resilient employees with innovative and creative ideas. We accelerated our online learning delivery through Chisholm Online, developed a Higher Education College and created more flexible and blended options for all students.

Our investment in technology improves the student, employer and employee experience and supports the digital transformation required to realise components of this new strategy. We are also preparing for government policy changes and reform within an evolving education environment designed to support and enhance the tertiary sector.

Our focus on people will help drive significant improvements in the student experience across their entire journey. We will develop and support our employees to nurture a collaborative culture that will extend beyond Chisholm to include partnerships across the tertiary education sector, industry and community. Our communities will benefit from us working better together.

We are committed to delivering on student and employer expectations and adapting as needs evolve. We are equally committed to providing consistent, high-quality, relevant education and learning opportunities to produce successful work-ready graduates. We want to create an outstanding experience at every point of interaction with Chisholm.

To achieve this, we will put the needs of our students and our customers at the centre of every decision we make.

Our Strategic Plan consists of:

- > our ambition and purpose
- > four enabling pillars
- > four foundational pillars
- > ten guiding principles.

Our Values have also been refreshed to support our strategic plan.

## Ambition statement

Our ambition guides our strategy and defines what we aim to deliver for our customers. Our purpose explains why we exist and what we aim to achieve.

**At Chisholm, we transform lives through relevant and responsive high-quality education and training.**

Our commitment to excellence in teaching and training provision is at the core of our ambition. We strive to deliver consistently outstanding experiences that empower students, employers and industry to reach their true potential.

“We are well-positioned to make the most of opportunities ahead of us and support the growing industries across our communities in the south east of Melbourne and beyond. Our Strategic Plan builds on our major strengths across the health, trades and education sectors while extending our influence and growing our markets where there is a clear student, business or industry need that we can meet.”  
Stephen Varty, Director and CEO, Chisholm.

## Our eight pillars

### Foundation pillars

- > Deliver on student and employer expectations
- > Provide consistent, high-quality education
- > Extend our influence to grow our markets
- > Engage our communities and industries in the south east

### Enabling pillars

- > Develop our people and nurture a collaborative culture
- > Design inviting and inspiring campus experiences
- > Ensure modern and reliable technology platforms
- > Achieve sustainable financial and investment performance.

## Ten guiding principles

We identified a set of 10 guiding principles that have helped shape the priorities and objectives of the Strategic Plan and will form the basis for strategic decision making now and into the future.

1. Focus on the south east
2. Deliver a responsive and reliable experience
3. Partner for outcomes
4. Connect and engage with industry for the long term
5. Continuously improve education quality and relevance
6. Retain a broad education offer
7. Focus on areas of strength and opportunity
8. Invest in our people
9. Maintain financial sustainability
10. Promote agility and nimbleness.

## Values

 <h3>Collaboration</h3> <p>We are one united team, working together with each other and our partners to meet the needs of our students, customers and government.</p>	 <h3>Accountability</h3> <p>We take responsibility for our work, focusing on the best outcomes for the student, customer, Chisholm and its people.</p>	 <h3>Integrity</h3> <p>We always do the right thing, guided by our values and ethical principles even when faced with difficult decisions.</p>	 <h3>Respect</h3> <p>We respect our organisation, its people and its guiding principles in all our interactions.</p>
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# COVID-19 response and recovery

## Response, resilience and reactivation

Navigating 2021 through the many changes brought about by the COVID-19 pandemic required a sustained effort from our workforce, students and communities to continue delivering education and achieving results in an unpredictable environment.

As an essential service, our organisation's role throughout the year was to provide as much consistency for our students as possible in their study, training, assessments and support networks while maintaining employee wellbeing.

Our employees had become well-versed in remote work processes while forging ahead with infrastructure planning projects and major projects that required investment.

Our business operations continued remotely during the most stringent lockdowns. Where required, select teachers and support employees returned to campus to deliver training to students enrolled in courses listed as authorised work.

Through careful management, our campus environments operated under COVIDSafe planning, reducing student numbers on campus to support the restrictions that were in place.

As restrictions shifted the focus to a safe return to campus, our priority remained the health and wellbeing of students and employees.

## Returning to campus

The mandate for returning students to be vaccinated required a whole-of-organisation response to manage the volume of personal data collection, enquiries and support for our students.

A collaborative approach developed the complex workflows required to process the information safely. Student Enrolment and Enquiries began structuring their teams to accommodate the influx of information, and within days it became evident that the student response was overwhelmingly positive. More than 5000 vaccination confirmation emails were received within eight weeks.

Our IT and Academic Administration departments created new technologies to manage the information flows. This functionality helped our teachers to readily adapt their training environments to accommodate the new requirements.

Collaboration across the organisation allowed us to be proactive in our space planning, workforce resource allocation and improved monitoring of our on-campus activity to assist students when and where needed.

Campus Services and Infrastructure aligned their workforce schedule to on-campus activation to deliver cleaning services, signage, QR codes, manual check-in stations, readily available face masks, hand sanitiser and support for students navigating the on-campus environment.

## Placements

Many courses require students to complete on-the-job training and experience in their field of study. This requirement extends to critical work sectors, including health, childcare and community services. The combined impact of increased case numbers in some environments and closure of industries for short periods added to the pressure for students.

We developed a centralised framework for managing student placements. This consolidation of resources and energies served us well, with improved communications between delivery areas, industry and students. It was realised by the second half of 2021 that many students could not be allocated the experience required. As a result, their qualifications were extended until a work placement opportunity could be facilitated in 2022. Student appreciation of the logistics necessary to allocate them into on-site training was evident in their ongoing patience and support for our employees and host organisations.



## COVID support activities

Teaching and Learning supported our employees and students through 2021, training teachers and students to support the remote learning environment.

Teacher support materials included workshops on digital and technology skills, training in remote learning pedagogy and learning design. A total of 49 digital literacy electives were offered to teachers, resulting in 249 registrations, with 95 per cent of teachers surveyed acknowledging the positive effect the training had on their teaching.

The Library and Moodle teams developed a range of online workshops for students who wanted to improve their skills in the remote environment.

## Student support

Throughout 2021, Student Support and Engagement provided extensive support to students, with many programs designed to keep them motivated and connected to their studies. Workshops, check-ins and counselling sessions were available for all students, combined with access to social clubs through group Zoom meetings and activities.

The Student Support and Engagement team remained the conduit for students requiring urgent or emergency assistance. It connected students with external community organisations that provided specialist care, security or resources.

## Communications and knowledge sharing

Throughout 2021 we continued to work closely with the Department of Health and Department of Education and Training to adapt to changes to regulations and our role as an essential service provider.

The communications foundations we created in 2020 were critical to our ongoing ability to support our student and employee communities effectively.

Regular Executive and project team meetings drove actions in response to government directives. People, Culture and Safety, and Student Success and Support managed large volumes of information through various digital channels, including the MyChisholm app, which provides employees and students with targeted, easily accessible updates.

## Infrastructure and IT

The Frankston Redevelopment Project Stage 2, the development of the Dandenong Trades Centre and other major infrastructure work progressed, and the milestones were delivered to schedule.

The Student Hubs at Berwick and Dandenong were completed and additional landscaping was finalised by year's end. Students returning to campus in 2022 will experience new levels of training facilities, state-of-the-art learning space design, and improved student support, counselling and networking spaces.

Dandenong corporate employees returned to refurbished office spaces and dedicated meeting facilities in Building A. The revitalisation of the three-storey building extended to improved classrooms and IT support areas.

Information technologies and support for employees and students evolved significantly throughout the year, with many projects delivered to create a more seamless and secure digital environment. The Online Enrolment project facilitated the shift from in-person manual enrolments to an online end-to-end self-managed process for the customer. The number of courses transitioned increased from 30 to 97 per cent of enrolments processed through the Student Enrolment and Enquiries Services team.

Technology upgrades for employees included the introduction of the more secure multi-factor authentication, ongoing cloud migration and transition from hand-held desk phones to call management via the Microsoft Teams platform.

Towards the end of 2021, planning commenced to manage the return to campus for students and employees, ensuring there was the scope and flexibility to allow us to adapt as needed.



# Awards and recognition

It was a year of success for our students, and the skills and talent of apprentices shone brightly in the statewide arena. Our Apprentice of the Year Carley Attard claimed the State Apprentice of the Year at the Master Builders Awards, with design students and an international high achiever also among this year's award winners.

Our Annual Education Awards recognise the exceptional achievements and contributions made by Chisholm students across nine categories. Our teachers are also recognised for their tireless education, training and support of students throughout their journey at Chisholm.

**Trainee of the Year:** Rebecca Tuff

**Apprentice of the Year:** Carley Attard

**Vocational Student of the Year:** Elena Bridger

**Secondary Studies Student of the Year:** Nellie Vance

**Higher Education Student of the Year:** Clinton Calleja

**International Student of the Year:** Natalie D'Rozario

**Koorie Student of the Year:** Jacynta Lehtinen

**Bill Norling Award for Outstanding Automotive Apprentice:** Sophanith (Dean) Oum

**Educator of the Year:** Joseph Zollo

## Building success

### Master Builders Association: State Apprentice of the Year

Former Chisholm engineering fabrication apprentice Carley Attard was awarded Employer Nominated Apprentice of the Year and overall winner of the 2021 Master Builders Association of Victoria 2021 State Apprentice of the Year in May.

Also recognised for their outstanding work were nine current Chisholm students: Firas Al-Najjar, Renee Brash, Simon Carey, Mitchell Elliot, Brent Maloney, James Mase, Thomas Nuttall, Izaiah Sinclair and Dale Pryor.

The Master Builders Victoria Apprentice of the Year Awards applaud the outstanding achievements of building and construction apprentices. Nominees must demonstrate excellence in their trade and an exceptional commitment to their apprenticeship and training.



Natalie D'Rozario (International Student of the Year) and Paul Konig (Chisholm General Manager) – Workforce Solutions) Carley Attard (Apprentice of the Year)

## Two wins at the Housing Industry Association Awards

The Housing Industry Australia Victorian Apprentice Awards expanded in 2021 to recognise outstanding apprentices across multiple year levels and various trades in the residential building industry.

Chisholm's Harry Waterfall from HIA Apprentices, hosted by Jeff Taylor Constructions, won the first-year category, while third-year apprentice Cameron Stephens from Beach House Constructions won his division.

## Dandenong Chamber of Commerce Youth Enterprise Award

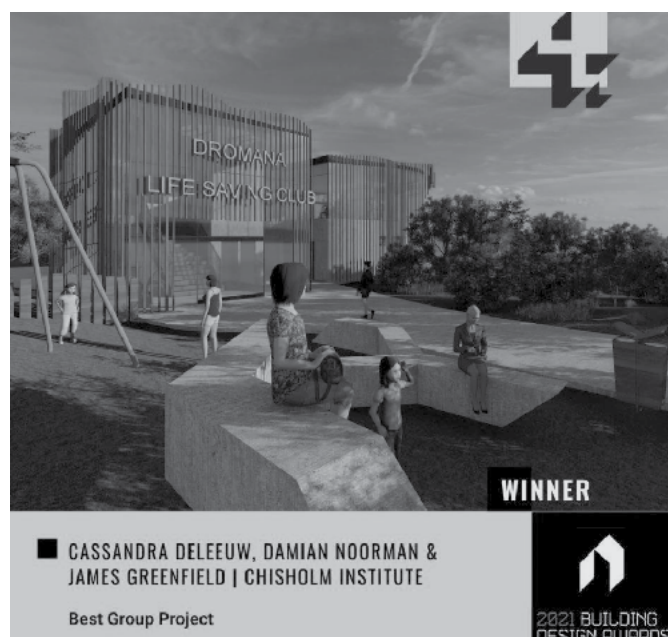
Four Chisholm students were nominated for the Youth Enterprise Award at this year's Dandenong Chamber of Commerce business awards.

The winner was Natalie D'Rozario, who recently graduated from Chisholm with a Bachelor of Engineering Technology. Natalie said that she had been inspired by strong women in her family in Bangladesh to follow her dreams. Natalie was an active member of the student community and served as vice-president of the student committee.

Finalists included Certificate IV in Youth Work graduate Jacynta Lehtinen, Bachelor of Community Services student Samantha Krause and trades apprentice Kurt Hoareau, who is working towards a Certificate III in Engineering – Fabrication Trade.

## 2021 Building Design Awards

Advanced Diploma of Building Design students Cassandra Deleeuw, Damian Noorman and James Greenfield won the Best Group Project category at the 2021 Building Design Awards for their design of the Dromana Bay Life Saving Club.



## Victorian Training Awards

Chisholm achieved a finalist nomination in the Large Training Provider of the Year category at the Victorian Training Awards. Achieving a top-three position was celebrated recognition of the commitment of our employees and the resilience of our students throughout 2021. Against the backdrop of the pandemic, our on-campus delivery was maintained to support the efforts of priority industries across the state. Our courses in trades, apprenticeships, health, aged care and early childhood education and care were developing the frontline workers who would become central to the Victorian Government's COVID-19 response strategy.

## Victoria Tourism Industry Council awards

VET delivered in secondary schools hospitality and tourism students Caitlin Redenbach (Lyndhurst Secondary College), Tasha Simpson-Dalton (Officer Secondary College) and Megan Du Preez (Flinders Christian Community College) were named finalists in the 2021 Victoria Tourism Industry Council Entrepreneurial Awards.

Their proposal to help rebuild the tourism and hospitality industries in the wake of the COVID-19 pandemic won them \$500 in prize money. The team was supported by Chisholm teachers Avril Switalla and Debby Hunter.



Caitlin Redenbach (left), Tasha Simpson-Dalton (centre), Megan Du Preez (right) – finalists in the 2021 Victoria Tourism Industry Council Entrepreneurial Awards



# Professional Educator College

The Professional Educator College delivers on a strategic initiative to build educational excellence through quality educational programs and practices that meet both student and industry needs.

In addition to providing targeted and relevant professional development to our teachers through the Educator Passport, in our sixth year of operations we broadened our focus to include all teacher requirements of the Standards for RTOs.

Against the backdrop of re-registration with the national regulator in 2022, we provide a comprehensive solution that includes systems for capturing and monitoring teacher currency (both vocational and professional) and additional training in the essential skills and knowledge required to be an outstanding educator.

We developed the Educator Passport to address a sector-wide problem and, in doing so, created a sector-wide solution. Our solution is robust and scalable to enable more institutes to adopt the Educator Passport system and avoid the duplication of resources. Four partner institutes currently benefit from the methodology and customised implementations.

Collaboration within the sector is a celebrated outcome of the Educator Passport. Thought leaders from partnering institutes work collaboratively with us to continually improve the Educator Passport functionality and share common ideas and challenges. A mini summit with partner institutes in July received an exceptionally positive response, and we will schedule more collaborative events in the future.

The professional practice domain provides new teachers with an understanding of the broader VET sector and their role as a professional educator.

The three- to six-month learning journey programs consist of workshops, online activities and workplace-based projects. Elective programs focus on meeting the needs of the just-in-time teacher requirements and have shorter timeframes from start to completion.

New online delivery programs elevate teachers from basic to advanced users of technology. These professional development programs build online and digital knowledge and capability, underpinned by core VET components. As remote learning extended throughout 2021, teachers developed their digital literacy skills.

## 2021 milestones

- > Profiling and benchmarking teacher capability and growth is a core strength of the Educator Passport, with more than 1300 profiles completed across our partner institutes.
- > A total of 522 programs were offered through the Educator Passport, with 1447 teachers completing 5416 sessions.
- > Online access to record professional and vocational currency activities provided easy step-by-step access for teachers to help them maintain their educator currency requirements. There were 4823 currency activities recorded and evidence stored.
- > Our mini summit program included six presentations across the day, with an average of 100+ teachers participating in each session. The day supported their teaching skills and provided an opportunity to network and contribute to professional currency.
- > We delivered 56 professional development workshops on behalf of the Victorian TAFE Association via Zoom to support their Department of Education and Training funded project to upskill Community of Practice teachers based across all Victorian TAFE institutes.
- > Teacher feedback was positive, confirming that they will continue to improve their teaching practice due to our workshops and contributing suggestions for future training programs.

During 2021, teachers were trained and coached on a suite of professional development programs to build capability across priority quality requirements. This supported VET teachers and Education Managers to deliver quality programs to our students. A series of workshops covered training and assessment strategies, industry engagement, post-validation and course planning. More than 400 teachers attended the workshops to improve their ability to create high-quality vocational currency maps and vocational currency activities.

The Teacher Essentials Kit is embedded as a sought-after resource that includes a set of self-paced online modules. Teachers completed more than 1430 modules throughout the year. The Education Manager Essentials Series complements the Teacher Essentials Kit, with a suite of resources created to improve the operational knowledge of critical roles and responsibilities for Education Managers.

# Higher Education College

The Higher Education College realised its first full year of operation in 2021. Our marketing campaigns to domestic students resulted in the highest ever mid-year enrolment of 66 new students into our courses and the awarding of 60 Commonwealth-supported places allowed us to offer new undergraduate certificates in mental health, engineering and the Graduate Certificate in Family Violence at no cost to students.

The sector's preference for employees to have attained a relevant academic qualification resulted in significant uptake of our Graduate Certificate in Family Violence. Course components met all Royal Commission recommendations, enabling graduates to register as family violence practitioners and attracting significant interest from industry employees. As a result, student numbers increased by more than 500 per cent from the previous year.

We developed and delivered a Tertiary Access Program that aims to develop well-informed and culturally aware graduates from every Chisholm higher education course. This program, designed in conjunction with the Foundation College, offers flexibility and supports students in academic writing, numeracy, referencing and academic integrity. It also includes teachings in cultural awareness of our nation's First Peoples.

We developed a psychology degree and a business degree that includes management, leadership and accounting streams. These adopt an innovative structure, incrementally awarding students a qualification with the option of a vocational diploma or progression through to an associate or bachelor degree. Each Chisholm degree will adopt this pathway model into the future. The model is a unique innovation in the sector and will identify Chisholm as a leader of higher education in TAFE. We will deliver a Tertiary Education Quality and Standards Agency accredited psychology degree for the first time in 2022.

A comprehensive professional development schedule for all College employees was launched and will continue into 2022. The programs encompass moderation, academic integrity and learning outcomes design.

A cohort of nine employees opted to study a Graduate Certificate of Tertiary Education through Federation University. We selected Federation University as the preferred provider due to its strong reputation in this academic field and campus proximity to Chisholm, strengthening our partnership and collaboration opportunities.

We strengthened our governance framework by implementing a new academic governance structure. Recommendations that emerged from an external review led to the development and implementation of new policies and encouraged continuous, sustained improvement in workflows and delivery. The review recognised the work undertaken, commending employees and management on their commitment to progress throughout 2021.

## Supporting the health sector

We partnered with Ramsay Health to support 80 nurses returning to the healthcare system. The Higher Education College hosted the nursing students from Ramsay Health at our state-of-the-art health wards at the Frankston campus. The week-long professional pathways program provided experienced, skilled nurses with essential training to prepare them to re-enter the healthcare workforce.



The Higher Education Academic Board, which is responsible for academic quality and integrity, student outcomes, teaching and scholarship, welcomed several external academic members in 2021.

## Higher Education Academic Board membership (Q4 2021)

### Members

Chair (HEAB)	Prof Bas Baskaran, Associate Dean (International & Partnerships), Faculty of Science, Engineering & Built Environment, Deakin University
Deputy Chair (HEAB) and Chair (AQCC)	Dr Ben Allitt, Deputy Dean (Teaching, Learning & Scholarship)
Elected internal academic members	Dr Ilsa Evans, Course Coordinator (BCS, GCFV) Mr Glen Davidson, Course Coordinator (BAcc, BIT)
External academic members	Dr Sabi Kaphle, Central Queensland University Dr Louisa Lam, Federation University Dr Abdul Mazid, Central Queensland University Dr Kali Nepal, Central Queensland University
Student representative	Ms Muskan Taneja (BCMHAOD)

### Members (ex officio)

Chief Executive Officer	Mr Stephen Varty
Chief of Education	Mr Conor Mullan
Dean, Higher Education College	Dr Andy Bridges
Higher Education Course Coordinators	Ms Philippa Ashworth (BN) Mr Glen Davidson (BAcc, BIT) Ms Georgina Hubbard (BCMHAOD) Dr Ilsa Evans (BCS, GCFV) Dr Tharshan Vaithianathan (BET)
Chief of Student Success & Support	Ms Jane McLennan
Academic Registrar, Academic Administration	Mr Peter Smith
Head of Governance Audit & Risk	Mr Geoffrey Hardwicke

# Foundation College

Our broad education offer provides students with choices and pathways between different types and levels of education. A foundation course can open up pathways to employment, more advanced study, VCE/VCAL or a trade. At the Foundation College, we offer courses for those newly arrived in Australia who need to learn English to help with further study and employment opportunities. We also provide services such as careers counselling, personal counselling, mentoring and tutoring support to students.

## Work Education

Certificates designed for people with specific learning needs or disabilities attracted 73 enrolments in 2021. During the year the move to remote delivery was swift and well received by students who had experienced remote delivery in the previous year. Students who could not complete a practical placement as part of their certificate had their completion date extended to the end of Term 1, 2022.

## General Education

Our General Education programs develop literacy and numeracy skills in an adult learning environment, providing an entry point for young people who prefer an alternative setting to secondary school. More than 300 students engaged in General Education programs in 2021. We introduced mixed-age classes at Frankston and Dandenong campuses and younger students benefited from the older students' maturity.

## Employability Skills Training

Employability Skills Training is an intensive program conducted in two three-week blocks to prepare people for the workforce. A total of 218 students were referred and participated. Outcomes were encouraging, with approximately 25 per cent of participants gaining employment.

## Academic Learning Skills Unit

The Academic Learning Skills Unit provided more than 1800 students with literacy and numeracy support to complete their vocational studies. Language, literacy and numeracy specialists also worked across Dandenong, Frankston and Berwick campuses to conduct 183 drop-in consultations.

The embedded program brings a language, literacy and numeracy teacher into vocational classrooms to support students in a co-delivery model. Co-delivery models operated across plumbing, early childhood education, community services, hair, barbering and beauty, cyber security, education support, allied health and engineering.

## English Language Studies

Our English Language Studies team presented the Adult Migrant Education Program to more than 2500 participants who continued their studies, enrolling in two or more courses throughout the year.

International delivery included remote delivery to 875 students in China and a new industry-based program, Business English for Finance, to 14 participants in Vanuatu and 10 participants in Melbourne.

Reforms to program eligibility and an influx of Afghan migrants to Melbourne's south east resulted in 1845 pre-training assessments.

Youth-focused English classes from beginner to Certificate IV partnered with the Ucan2 program from Foundation House. Delivered to students at Dandenong, Berwick, and Cranbourne campuses and remotely, the 10-week program complemented our youth-specific English language programs in addressing the needs of students aged 16 to 25 with their settlement, recovery from trauma and social inclusion. English Language Studies Pathways Officers engaged with more than 800 students to provide critical support and guidance, including laptop loan applications, scholarship applications, further study information, referrals to services and understanding visa eligibilities.

Collaborations extended to the Water Well Project, Foundation House, Deakin CREATE, Services Australia, Country Fire Authority, Life Saving Victoria, Legal Aid, Multicultural Centre for Women's Health and the Migrant Workers Centre.

# The student and employer experience

We are committed to understanding the needs of our students and providing an outstanding student experience to support their success. We work collaboratively with employers and placement organisations to ensure our students are job-ready on completion and their skills meet the needs of industry.

## Student support and counselling

Our experience in responding to student needs through remote options is well advanced, using a range of technology platforms.

During the year, our Student Support teams proactively delivered workshops to ensure students were supported and set up for learning success. Over 300 students attended workshops to deal with issues including coping in times of uncertainty and building resilience. Our network of Chisholm counsellors was also in high demand online and on campus to deal with increased mental health issues presented across this challenging year.

## Student success and retention

In 2021 we continued the student success and retention model to guide the delivery of targeted engagement campaigns. Designed to adapt quickly to the shifting needs of the students, the model helps them to achieve their study goals, stems attrition at critical points through the student journey and improves the student experience.

The service model provides additional support to students in high priority courses and those identified at risk of withdrawal. We provide these cohorts with a dedicated and tailored support program, connecting with them across the student journey. Dedicated Student Engagement Officers provide support through increased communication, including regular checks to discuss any questions or concerns so that students receive support quickly.

Our Student Engagement Officers performed almost 8000 check-ins throughout 2021.

## Equitable learning and disability support

This year our focus on equitable learning and disability support evolved to expand our offering in response to a significant increase in demand for services. Almost 150 prospective students sought pre-enrolment assistance, while 349 students registered with us to receive support throughout their studies and training.

Student Support and Engagement teams facilitated over 10,000 direct student support sessions in 2021.

The Library, Engagement, Koori and Careers teams engaged with over 15,000 students through events and workshops.

## Join The Dots

This year, we celebrated our annual Join the Dots event with a series of digital workshops that acknowledged our Aboriginal and Torres Strait Islander community. Over 340 Chisholm employees, students and community members came together over four sessions to learn more about Aboriginal culture through a Welcome to Country by Bunurong Land Council and Aunty Dyan Summers, storytime, zoo tour, yidaki healing, bushfoods and a Wayapa.

## Reconciliation Week

Our Indigenous Engagement Unit's Reconciliation Week digital events included a Welcome to Country ceremony with an overview of what Reconciliation Week means and why we recognise it.



## Careers Month

Across four themed weeks, an audience of more than 300 students welcomed 12 guest speakers from community organisations. The organisations included Vinnies Volunteering Program, Groomed to Go, Springvale Early Learning Centre, Casey Volunteer and Transport Program, New Enterprise Incentive Scheme Program, Casey North Community Information & Support Service Financial Counselling, Randstad Education's early childhood education specialists, Casey Jobs Victoria, Chisholm Skills & Job Centre, Caring for You Nursing Agency and APM Disability Employment Services.

## Harmony Day 2021 digital event

Chisholm celebrates Harmony Day annually to coincide with the national initiative during March. Diversity is one of our proudest hallmarks and our 2021 Harmony Day digital celebration event featured various artists performing live music to an audience of more than 100 students.



Join the Dots event at Dandenong campus

## Student Ambassador Program

This year, we offered eight students the opportunity to access more than 300 hours of on-campus paid employment, gaining enhanced employability, career development and improved workplace experience. Ambassador activities included event support, concierge in student enrolment and enquiries, and Campus Services and Infrastructure project support.

## Student Experience Committee

This year, the nomination and election process saw eight students appointed to the Student Experience Committee. The student representatives provided valuable insight and actively participated in forums and discussions. This provides us with continuous feedback and updates on issues that are important to the broader student community.

## The employer experience

In 2021, we embarked on a multi-year transformation to improve the student and employer experience through digital transformation. We defined a portfolio of 22 projects, focusing on enhancing the student experience at Chisholm. More than 70 employers across the south east region participated in interviews, with the next tranche of research scheduled for 2022. With the student experience well understood, this project focuses on bringing the employer voice to the transformation process and addressing an uplift in their experience.

Together with our student's voices, insights from employers will inform how we design and deliver education and services throughout our organisation. The employer experience model will be developed in consultation with employers and will be a key focus point for our organisation in 2022.

"The experience of our students and employers is the ultimate proof point that our organisation is delivering on its strategic priorities. In many ways, it is our 'true north', keeping us honest and focused in the way we operate." Student and Employer Experience Plan 2021–2023

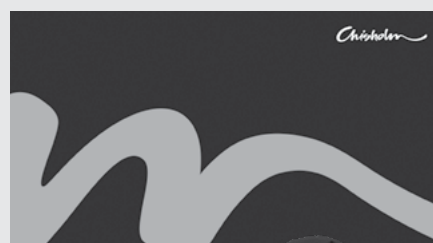
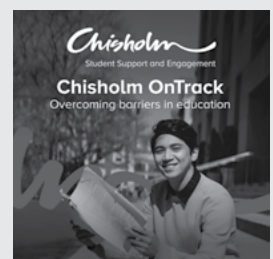
# An evolution of our brand

## A bright, fresh new look

The launch of the 2021–2023 Strategic Plan to guide our organisation through its next phase of operations was a timely opportunity to refresh the Chisholm brand, which had served us well for the past three years.

The new design and colour palette were the results of extensive research and collaboration with our external stakeholders, students and employees. With a reduced emphasis on heavy, bold graphics and the shift to a modern, lighter presence the new-look brand also allows us more agility to adapt the style to support our various audiences, channels and marketing materials.

The refresh project resulted in a brighter suite of colours, fonts, design elements and photography styles that are more aligned with our current capabilities, facilities, student experience and excellence in education and training.



# Caroline Chisholm Education Foundation

The mission of the Caroline Chisholm Education Foundation is to help students in financial hardship receive a high-quality vocational educational qualification.

The scholarships enable students who are experiencing personal hardship to obtain a rewarding outcome and make positive changes that impact on their future education or employment opportunities. Students are able to build their self-esteem and self-worth, providing meaningful role models for family and community.

The Foundation was established in 2007 and is an independent charitable entity. It is a registered charity with the Australian Charities and Not-for-profits Commission and is a deductible gift recipient.

Our Institute funds the administrative costs of the Foundation, which allows 100 per cent of donations to be allocated to student scholarships. Since the establishment of the Foundation over 2500 scholarships have been granted at a cost of more than \$2 million.

This year we received support from Rotary clubs, local government, and business and private donations. We successfully secured grants from the Mornington Peninsula Shire, Rye & District Community Financial Services (Bendigo Bank) and Connected Communities Melbourne (Bendigo Bank). We provided over \$200,000 in scholarship funding to students.

While several fundraising events were cancelled due to COVID-19, the annual Golf Day was held in early 2021 and raised over \$50,000.

## Governance

Members of the Board of Trustees are all volunteers, with many members previously or presently holding positions in companies at senior management, CEO and board level.

In 2021, the Foundation's Board of Trustees included:

- > David Willersdorf (Chair)
- > David Mann AM (Chisholm Board)
- > Aleksandar Vasiljevic OAM
- > Robert Hill APM
- > Ian Predl AM
- > Billie Stapleton
- > Stephen Varty (CEO of Chisholm)
- > Jane McLennan
- > Kirsty Andrews
- > Trish Wilson.

# Achievements for 2021



Number of scholarships awarded

● 2021 – 294

● 2020 – 368



Funding provided to scholarship recipients

● 2021 – \$229,048

● 2020 – \$221,275



Donations and fundraising

● 2021 – \$ 163,647

● 2020 – \$124,220

## Gaby's story

Living in a small single room in a boarding house, Gaby, 59, found herself broke and alone with nothing to fill her days or give her a sense of purpose.

Deciding to investigate Free TAFE courses, Gaby found even with the cost of tuition covered she was unable to stretch her pension to cover the student amenities and material fees. Then a scholarship from the Caroline Chisholm Education Foundation allowed Gaby to pay her fees and start the course.

“There’s no way I’d have been able to study if it wasn’t for the scholarship. I was in such a bad place, emotionally and financially, back then,” Gaby said.

“If I hadn’t been lucky enough to get a scholarship, my life would have remained stagnant. I’m so much better off now I’m studying and have a purpose. It’s all due to the Caroline Chisholm Education Foundation giving me help when I needed it the most.”

Gaby has now completed a Certificate III in Information, Digital Media & Technology and is currently studying for a Certificate IV in Cyber Security. She says her next goal is to complete a Diploma of Cyber Security.

“My circumstances have changed. I’ve moved into my own rented two-bedroom unit. I’m happy and I’ve made new friends through the course. Life is good now.”





# Apprenticeship Hub

Throughout the year, the Apprenticeship Hub continued to navigate an ever-changing landscape and unexpected challenges. In addition to recording the highest number of enrolments, our focus was on consolidation of processes and improving the employer experience.

The Apprenticeship Hub saw a 24 per cent increase in enquiries during 2021.

To improve our engagement with employers, we provided every business operator with online access to a dedicated employer portal. The portal provides access to timetables, communications and apprentice progress and is a centralised management and communications system to support employers through their apprentices' training.

Improvement of the employer and student experience continued to deliver on our strategic intent. Feedback we sought as part of the Employer Voice Project reflected positively on the Apprenticeship Hub and its ability to provide timely support to employers and students.

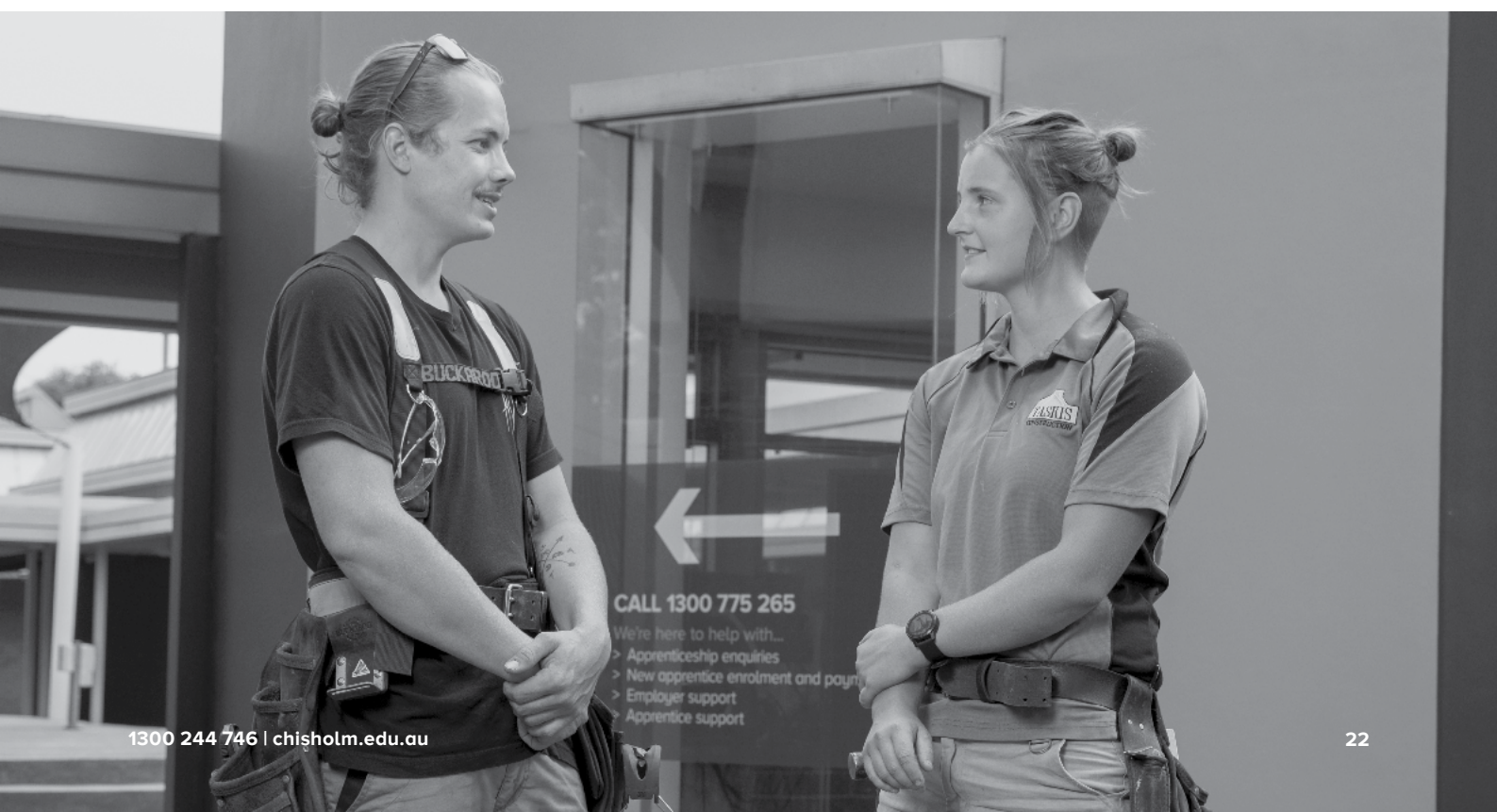
Commencing apprentice numbers increased 60 per cent year-on-year, resulting in an additional 770 new apprentices in the workforce. students. With increased workforce fluidity due to the flow-on effects of the pandemic on industries, the economy and workforce environments, 587 more students than the previous year either moved employers or returned to study after a break. Our systematic approach

to the management of enrolments through a strict workflow process of contact with employers, apprentices and Australian Apprentice Support Network representatives ensures that all parties understand the requirements and that timelines are adhered to.

Communication between delivery areas and the Hub strengthened over the year, with shared knowledge and collaboration evident in an increase in enrolment numbers. This will continue to be a focus of 2022 as we further develop interdepartmental relationships.

We also worked closely with our Student Enquiries and Enrolment Services team throughout 2021, supporting vaccination validation and remote payments procedures to ensure consistency in management of the process for students enrolling or returning to campus.

This collaboration will further evolve in 2022 with the co-location of the Apprenticeship Hub to the refurbished Student Enquiries and Enrolment Services space in Building A, Dandenong campus.



# Skills and Jobs Centre

## Employment, career support and community engagement

During 2021, we calibrated our approach to coaching our community and our students in job readiness and career planning.

We delivered new workshops and pilot programs that included Young Parents Career Coaching, Over 45s Women in Employment and the Glasko Smith-Kline Career Transition Program.

Jobs Bank Victoria, an independent not-for-profit social procurement service for many tier-one Victorian organisations, appointed our Centre as their only recruitment partner in Melbourne's south east.

We served as a conduit for local job seekers and Melbourne's iconic events. A total of 35 staff were placed for the Australian Open and Melbourne International Comedy Festival, earning participants valuable income and experience.

Throughout the year, 302 job seekers were placed in employment and we retained our preferred pipeline status with Serco Asia Pacific. Serco is one of the largest employers in the south east, delivering a range of services in facility management, immigration, justice and corrections services, health management services and fleet and marine services.

Employment demand from Victoria's Big Build continued and we hosted information sessions to better prepare job seekers for opportunities. The first of these resulted in 146 enrolments for free skill sets training. Additional workshops were hosted for prospective candidates to update their resumes, increase their opportunity to transition into the building industry and explore how Free TAFE could support them.

We also facilitated more than 286 job-ready workshops and 507 one-on-one career counselling appointments.

## Community youth programs

Partnership in the following community projects reflected our organisation's strategic direction by supporting those most in need.

- > In partnership with Hallam Secondary College and South East Local Learning and Employment Network (SELLEN), we developed a new initiative to help young parents to study for their VCE, improve their employability skills and plan for their future in work or study. The CareerWise program offered a diverse range of one-on-one and group activities to empower the students and help them to plan and manage their future.
- > We formed a new relationship with Parkville College, the Victorian state school for incarcerated youth. Our team supported these young people to make safe and successful transitions to work and education.
- > We supported youth in out-of-home care and foster care by facilitating the first-ever dedicated career day for this cohort.
- > We also strengthened linkages with the Greater Dandenong Youth Network and Centre for Multicultural Youth.

## Community engagement

Our symbiotic partnership with Groomed-to-Go, the free fitting and styling wardrobe service for disadvantaged people, was further strengthened this year with the not-for-profit servicing our out-of-home care, foster care and women over 45 job seekers pilot programs.

## Springvale Learning and Activity Centre

In 2021 the Department of Justice reached out to us for dedicated English for Work classes for former offenders and in partnership with the Springvale Learning and Activity Centre, a new class was created onsite for the former offenders. English literacy is a huge barrier to employment, and we are also working with the Centre to deliver English literacy classes to the local community onsite.

## Women over 45 job seekers: pilot

In collaboration with Jobfind, we created a customised, job-ready coaching and case management pilot for women aged over 45 years who were experiencing long-term unemployment.

Over 12 weeks, we delivered 80 hours of one-on-one career counselling, 28 hours of virtual job-ready workshops and 11 hours of Job Club presentations. The women also enjoyed individual virtual styling and wardrobe fitting by Groomed to Go. The program recorded an 85 per cent engagement rate and employment placement of 57.1 per cent, exceeding employment provider performance benchmarks.

## Glasko Smith-Kline staff redundancy support program

Our team often manages career transition coaching for small and mid-sized south-east based companies during periods of staff retrenchment. When Glasko Smith-Kline, a global medical technology manufacturer, decided to close their Australian operation they reached out to us to support the career transition of their workforce of over 150 employees. Our team delivered more than 20 job-ready workshops after hours to Glasko Smith-Kline staff and many individual career coaching sessions. This support will recommence in 2022.

### In 2021, our Senior Employment Officer continued to support students in the following ways:

- > 26 class presentations delivered, with a student audience of 233
- > 412 one-on-one student interviews/discussions conducted
- > 262 student referrals sent to employers
- > 98 students attended an employer interview
- > 121 students gained employment through direct placement and/or coaching assistance.



# Chisholm Online



Positive growth and student outcomes were the hallmarks of 2021 for Chisholm Online, further shoring up our increasingly vital role as a provider of uninterrupted anytime, anywhere learning.

Extensive data, including research by the World Bank and Organisation for Economic Co-operation and Development, has indicated that education markets were shifting towards online learning prior to COVID-19 and continued to increase to counter the challenges posed by restrictions and public health and safety concerns.

This trend was evident in our results. We reported significant growth in Skills First scheduled contact hours, increasing 35 per cent over last year, and fee for service revenues increasing 19 per cent. Online operations contributed significantly to our organisation's financial performance during 2021.

While serving students who value online learning to balance study with work and family commitments, we also saw the opportunity to actively support workplace-based learning.

Although lockdowns greatly impacted most on-site work environments, our workplace-based learning continued. We experienced significant challenges in fulfilling student placements when workplaces were under immense strain to either continue operations under COVIDSafe directions or temporarily halt on-site activity. In understanding that all students would not be able to complete every placement,

we shifted our resources to cater for this. We collaborated with business and delivery areas from the broader organisation to extend course completion times and to offer students access to short courses that would better prepare them for their industry experience and maintain motivation.

We continued to expand our range of offerings, including traineeships for workforces in the aged care and health sectors and digitally enabled short courses tailored to our corporate clients. These courses proved to be very popular. Anecdotal evidence suggests the shift to greater acceptance of online learning and shorter course options increased as a result of the business impact of the pandemic.

During the year, significant work was done to build a platform for future growth with investments in new technologies, an influential people transformation in the Teaching and Learning team, a focus on education quality with integration into the Education Quality Framework and investments in product development. This work will continue in 2022 as we prepare for continued success in a post-COVID environment.



# Social responsibility

Chisholm is committed to providing a safe and respectful workplace and place of study for all employees and students. We recognise that family violence can occur in many forms and can significantly affect the lives of employees and students.

## Family violence awareness and response

From the outset of the Family Violence Response Project, the aim has been to share learnings across the Victorian TAFE network. As the work of the project progressed, learnings were documented and following consultation with the Department of Education and Training, we approached TAFE sector representatives to establish a working group with the assistance of the VET Development Centre.

Ten organisations expressed a commitment to participate in the Family Violence TAFE Operational Working Group. The working group produced two resources to provide a ready reference for organisations to respond to family violence disclosure and helpful advice for TAFE institutes on family violence training. The response model describes how TAFE organisations can implement a family violence response program for their employees based on learnings from our Family Violence Response Project.

The Project's shared learnings included a Policy and Practice Guide, a Quick Reference Guide to support colleagues and students, and multiple resources for the Family Violence Contact Officer program.

We developed a Family Violence Contact Officer Plan to operationalise the role. Sixteen participants completed the required training, formalising our contact point for disclosures.

We also created an online Family Violence Training Hub to promote family violence awareness and eliminate violence against women in education and community settings. A Hub Coordinator was appointed to provide a considered approach to delivering accredited and non-accredited family violence training and to provide a community of practice for our teachers delivering these programs. The role will promote knowledge sharing of the current industry needs and standards, identify and embed innovative learner engagement strategies, and drive an uplift in support and debriefing for teachers.

# Campus infrastructure

## Our Chisholm Campus Master Plan: Building for tomorrow's growth, today

In recent years, we have invested significantly in new facilities and upgrading existing buildings, groundworks and landscaping across our campus footprint. Over the past 12 months, we conducted extensive research to envision future growth supported by consolidation and infrastructure upgrade activities at our Dandenong, Cranbourne, Berwick and Frankston campuses.

As part of the strategic planning process and building on previous campus planning work, a key objective for our organisation has been to develop a holistic overarching strategic master plan.

The Campus Master Plan Stage 1 resulted from extensive planning, assessment and analysis. The vision for Frankston and Dandenong campuses is to maximise their location and main road frontage, freeing up space for commercial and industry partnerships. Berwick and Cranbourne each have significant expansion potential on the back of exponential growth in their local government areas and the need to meet increased demand for education and training in Melbourne's south east, both now and for generations to come.

## Campus specialisation and space allocation

Following detailed consultation with Teaching and Learning employees, Associate Directors and area delivery leads, we captured a high-level summary of key influences on the future growth of each campus, providing significant indicators for future campus action plans. This allowed conceptual design priority plans to be developed, supported by all the background material, including current state assessment documents, demand and demographic analysis, and Chisholm strategic document reviews.

The upgrade is recommended to include clarity of space categorisation and relevant areas in a consistent framework that fully aligns with the teaching disciplines. This would allow a complete understanding of space occupancy and utilisation, and result in the ability to map relative growth per discipline at the different campuses.

## The south east growth corridor

- > Berwick and Cranbourne are optimally positioned to leverage forecasted significant population growth in the City of Casey, while Cranbourne's education offering and infrastructure will require restructuring to enable this.
- > Frankston's focus will remain on implementing its campus consolidation and funded projects and leveraging them to enhance connections with local industry and community.
- > A consolidation strategy at Dandenong will focus on leveraging and growing education outputs, including improved links with local industry and the community.



# Projects and progress

## Frankston Redevelopment Project Stage 2

In August, Premier Daniel Andrews confirmed architects Gray Puksand would lead the redesign and vision for the Frankston Redevelopment Project Stage 2. The redesign will see the existing education buildings replaced with almost 10,000m<sup>2</sup> of state-of-the-art learning spaces.

The \$67.6 million Stage 2 project focuses on the eastern end of the campus along Fletcher Road and at the juncture of Quality Street, existing education buildings C and E will be replaced with 10,000m<sup>2</sup> of state-of-the-art learning spaces. The new development will encompass contemporary learning spaces for art and design, community services, IT and cyber security, Foundation College, and VCE and VCAL programs together with a range of student support services and informal learning and collaboration spaces.

Together with the eastern corner of the campus, the redeveloped buildings will connect with the \$85 million Stage 1 redevelopment, completed in October 2019. The first stage, known as the Frankston Learning and Innovation Precinct, provides students with access to the latest technology, industry-led design and equipment, and working environments across various disciplines, including building trades, engineering, electrical and plumbing, early childhood education and care, nursing and allied health, and hair, beauty and wellness. Students have access to replica hospital wards, allied health rooms, replica early childhood centre spaces, a fully operational hair salon and day spa, and construction sites for trade training.

Areas occupied by Building C and E were cleared in December 2021, and construction of the new building is scheduled for commencement in April 2022.

Consultation with employees, students and our broader Chisholm community was extensive. Several online open forums were held throughout September and October.

To achieve a state-of-the-art training facility that is future-ready, the Victorian Government has invested more than \$150 million in the Frankston campus redevelopment program to date.



Frankston Redevelopment Project Stage 2

## Dandenong Trades Centre, Student Hub and campus works

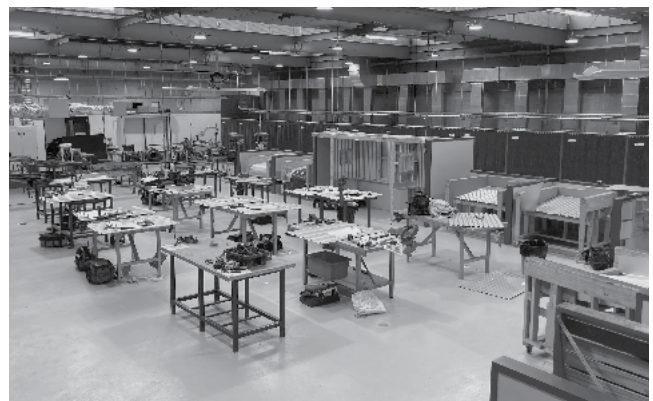
The major works in the \$5.7 million upgrade to the Dandenong Trades Centre was completed in December. New classrooms, employees offices, amenities blocks and external works complement the plumbing, engineering, building and construction workshops. The improved workshop areas and updated facilities allow for more capacity, flexibility and efficiency.

The consolidation of trade delivery facilities has created a new Trades Centre Precinct that aligns with our Building B design at Frankston.

Partial demolition of Building D increased connectivity and access between the trade area and the Stud Road end of the campus.

Landscaping upgrades increased amenities and the overall presentation of these spaces.

Also included in the project are additional civil and stormwater works, including demolition of the entry to records management in Building J and acoustic treatment to the office areas in Building K.



Dandenong Trades Centre – plumbing workshop

## Dandenong Student Hub

**The Student Hub will complement recently completed facilities at the Frankston campus and bring together:**

- > spaces to provide confidential support, including counselling, disability support and apprentice support
- > spaces to support our lead role in family violence prevention and response
- > an on-campus career centre providing drop-in support
- > an on-campus contemporary student lounge
- > an Indigenous engagement unit to provide a space for connection with services, culture and community.

Supported by the Victorian Government as part of the \$6.8 million funding announced for the Dandenong campus is the contemporary Student Hub, completed in June 2021. The Hub delivers a wraparound support model for our students and complements the new student facilities at our Frankston and Berwick campuses. The new space provides students with a dedicated on-campus location to feel welcome, included and supported, with student support employees co-located.

In April we welcomed the Member for Dandenong, Gabrielle Williams MP, on behalf of the Minister for Training and Skills and Minister for Higher Education, the Hon. Gayle Tierney MP. Ms Williams viewed renovations, which provided a more student-centred learning space and corporate office suite. The building works were made possible through the Board's financial support. They enabled business areas to increase interaction and collaboration and released critical campus assets for education delivery activities.



Berwick Student Hub

## Berwick Student Hub

In January, the Member for Narre Warren South, Gary Maas MP, officially opened the Student Services and Support Hub at Berwick campus. The redesigned Hub creates an open, refreshed student area with improved spaces for the many services for prospective and current students. It is also home to a large, multi-use auditorium and meeting place for students. The Chisholm Board approved this refurbishment of Berwick Building A to complement student enrolment works previously undertaken at Dandenong and Frankston campuses.



Berwick Student Hub opening – Gary Maas MP for Narre Warren and Lisa Norman CEO of St John of God South East Melbourne Hospitals



Berwick Student Hub



# Commercial

While our heart is in the south east of Melbourne, we look wide to expand Chisholm's reach far beyond our traditional geographical boundaries into the broader Victorian community and globally.

We operate in a highly competitive and dynamic market, influenced by multiple external factors. Harnessing these to drive our business forward will be critical to our ongoing success and sustainability. A commercial mindset across our organisation is essential, one that traverses business areas and takes a collaborative approach to both our internal and external opportunities.

Our people are our key differentiator. They are deeply connected to our community and industry partners. As our customers and environment evolve, so must our approach and how we engage with our partners.

Core to this is building long-term and enduring partnerships, where we strive to understand the complexities of each partner business. This allows us to provide insights and advice, informed by our deep connections to industry and government, leveraging our knowledge to offer solutions that make a positive difference and drive innovation.

## Commercial development

### Victoria Police

During 2021, we secured the Education Development Specialist Educator Assessments contract with Victoria Police. The primary scope of the services will be to design and deliver an educator assessment strategy for approximately 250 qualified Certificate IV teachers and to support teacher uplift.

### WorkSafe

Our partnership with WorkSafe provides their employees with access to a range of short courses as part of their professional development program. In 2021, we delivered a series of four pilot short course programs to a broad workforce within WorkSafe. Certificate IV in Training and Assessment delivery through Chisholm Online is due for commencement in early 2022.

### Early childhood education traineeship

With the support of the Department of Education and Training, the Early Childhood Educator Traineeship Program will be available until December 2023. This statewide project will create new traineeships for priority job seekers to complete a Certificate III in Early Childhood Education and Care while working in an early childhood service. We will lead the program and collaborate with participating TAFE partners.

### White Card training

As a key subcontractor to KBR Inc, we secured a contract to deliver work health and safety White Card training to HMAS Cerberus naval base students. Training commences in early 2022 for a three-year term.

### Gateway

In collaboration with our international team, a one-off grant was secured from the Department of Jobs, Precincts and Regions Global Gateway Program to support the design and development of a digital asset to build capability in export recovery.

## Commercial opportunity

Education is a dynamic market. Teams across our organisation need to rapidly adapt to both the internal and external environment to ensure we remain relevant and connected to our stakeholders. In 2021 we responded to an urgent demand for skilled hospitality employees, training in the health sector and electric automotive training.

**“Our engagement with customers follows a five-step cycle that is grounded in human-centred design, ensuring we place our customers first and realise shared outcomes.**

**Human-centred design encourages us to focus first on the people we are designing for so that ideas are desirable and useful to them.” Commercial Plan 2021–2023**

### **Vinfast, Haval, Hyzon: Electric vehicle training**

An ever-growing opportunity presented itself during 2021 in the electric vehicle industry, placing our organisation as a market leader in automotive training for electric and hybrid vehicles and enabling us to partner with emerging car manufacturers such as Vinfast, Haval and Hyzon. Accredited training sessions built on the success of the accredited safety training we provided to various councils (including Moreland City Council) and smaller dealers and workshops.

### **Healthe Care**

An agreement with Healthe Care saw initial roll-out of a suite of new Chisholm Online products and the launch of Teachable apps. Healthe Care is Australia’s third-largest private hospital operator and a leading pan-Asian healthcare services group. Following the success of the initial phase, the opportunity exists in 2022 to expand the program to Healthe Care’s 17 sites nationally and their operations in New Zealand and Singapore.

### **Construction industry skill sets**

The Victorian Government’s construction industry skill sets provide free short accredited training courses to help people impacted by the COVID-19 pandemic re-skill and find work in the construction industry.

Chisholm offered five skill sets in 2021 and enrolled almost 670 participants.

- > CONISS012 Prepare to work safely in the construction industry
- > CONISS020 Traffic management skillset
- > CONISS014 Enter and work in confined spaces
- > CONISS001 Operate elevated work platforms (up to 11 m)
- > CONISS022 Remove non-friable asbestos.

### **Hospitality skill set program**

In partnership with the Department of Education, Skills and Employment, Mornington Peninsula Shire, Frankston City Council, Brotherhood of St Laurence and the Frankston Mornington Peninsula Local Learning and Employment Network, we delivered several four-day hospitality skill set programs at our Frankston and Rosebud campuses. The program was designed by industry experts and provided students with the practical knowledge and skills they need to work confidently in a range of entry-level roles across hotels, restaurants and cafés.

The introductory course provided job-seeking participants with basic skills and certification to earn roles with our partners Jackalope, Red Hill Brewery, Rye Hotel, Red Gum BBQ and Point Leo Estate.

### **Short courses**

The Short Course team remained actively engaged with customers and students throughout 2021. Many short courses resumed at close to maximum capacity, and significant interest was generated when we offered community services short courses to the public. It is anticipated that our Higher Education College will accommodate short course opportunities, including options in engineering.

We also provided a pre-paid option for industry, allowing investment from businesses ahead of their employees commencing upskilling and training.

# International

Over the past 20 years, our organisation has undertaken significant offshore activity globally, with commercial and aid development funded activities in Africa, North Asia, South East Asia, South America and the Middle East. Our international operations focus on two distinct areas: placement of international students on campus and management of global delivery and opportunities.

Our international business benefits are beyond financial. They allow our education and training to aid developing economies and provide a global platform for our brand. Our international onshore students add cultural depth and educational richness to our campuses.

International activities continued throughout 2021, focusing on continued operations in a remote delivery environment. During the year we renewed partnerships offshore, commenced our operations in Sri Lanka and commenced preparation for CRICOS re-registration. We utilised the time to improve business processes and student management to ensure that Chisholm continues to be a pre-eminent international education provider as recognised by the Victorian Government and Premier in 2020.

Our partnerships evolved significantly, and this year we introduced new systems to support and streamline our delivery, communication and compliance requirements.

## Sri Lanka CINEC campus

The successful launch of programs at the CINEC campus, Sri Lanka, demonstrated the commitment of Chisholm, CINEC and alankaEd to this young collaborative project. In August, the delivery of Certificate III in Individual Support (CHC33015) officially commenced, generating significant interest and excitement within the local community. In November, we launched the Chisholm Preliminary certification in Early Years Education and Chisholm Advanced certification in Early Years Education. Further training for teachers at the CINEC campus was also held, with 16 teachers completing the Enterprise Skill Set (TAESS00014).

The additional courses add to our suite on offer to CINEC. In 2022 we will deliver courses in IT, electronics and communications, automotive and mental health.

This project caught the attention of many in the vocational and government sectors, with Chisholm referenced as an exemplar partner in Sri Lanka. Our partnership will progress in 2022 to offer graduates in Sri Lanka pathways to our rapidly increasing stable of higher education programs.

## Pacific Islands Kiribati Institute of Technology

In 2021, Scope Global engaged us to conduct consultancy services and RPL assessment at Kiribati Institute of Technology to 2023. We provide professional advice and skill development for teaching staff, resource development and RPL assessment services in accounting and business, community services, hospitality, sustainable energy and automotive.

The redevelopment of IT program resources and RPL kits enables the provision of RPL services to Kiribati Institute of Technology graduates remotely.

The renewal of RPL assessment processes achieved far more than anticipated, focusing on using technology to capture evidence to overcome the present challenges, leading to effective and efficient ways to conduct RPL assessments into the future.

## Middle East Qatar Technical School educational partnership

In 2021, we signed a three-year extension to our education partnership with Qatar's Ministry of Education and Higher Education. The agreement will see us continue to support the development of Qatar Technical School's teaching staff, ensuring consistent, high-quality training and resources so that students gain the preparatory skills and knowledge required to pursue further studies in their chosen fields.

Qatar Technical School for Boys, under the auspice of Chisholm, has delivered a range of Certificate II qualifications since 2018, in areas including engineering, sampling and measurement, process plant operations and public safety. The recent agreement extends to the Qatar Technical School for Girls. Students will initially undertake technical specialisation study areas, such as electrical engineering.

The agreement was signed virtually by Chisholm Director and CEO Stephen Varty and by Fawzia Al-Khater, the Assistant Undersecretary for Educational Affairs of the Ministry of Education and Higher Education in Qatar.

The extended partnership allows Qatar Technical School to expand its educational offerings, satisfying stakeholders and contributing to economic growth in fulfilling Qatar's National Vision 2030. In 2021, 166 students from Qatar Technical School for Boys received certification from Chisholm.

## China

### Educational college partnerships

In 2021, we partnered with 13 colleges across China to deliver engineering, accounting and individual support programs to more than 3100 enrolled students.

Our teachers delivered via remote teaching modes for the second year, customising delivery to partner colleges. Our Professional Educator College provided support and education for the trainers, who also had access to advanced technology and a teachers' aide or translator. Additional services included remote ELICOS provision and IELTS preparation to nominated students across all qualification areas.

More than 16 Chisholm teachers were involved in delivering units remotely to Chinese students during the year. Chisholm also delivered another (TAE40116) Certificate IV in Training and Assessment (via Zoom) to 35 Chinese teachers from different partner colleges across China. Teachers commenced in July 2021 and will complete their studies in mid-2022.

## Vietnam

After completing the Directorate of Vocational Training Trial Implementation Project in 2020, which involved over 720 students across 25 colleges in Vietnam from 12 qualification streams, we worked with the colleges on individual partnership arrangements.

We presented at the Australia Vietnam Education Symposium 2021: Realising opportunities and partnerships in a digital world, which was run virtually in September. We are involved with AusCham Vietnam, including membership on the Education Sub-Committee. We participated in Austrade Vietnam's #ShinewithAustralia TV program and the TAFE Directors Australia-led Vietnam Digital Transformation of Technical and Vocational Education and Training webinar series. From this experience, a new partnership emerged with the College of Agriculture Mechanics.

## REACH Vietnam

As part of our commitment to Vietnam we support REACH, a local non-government organisation. We committed to reviewing the experience and skills of several staff and

graduates of REACH in hospitality to award a skill set certification under the Certificate II in Hospitality (SIT20316). The RPL approach was explicitly redeveloped for REACH to conduct the process remotely. In the future, we hope to offer more opportunities for REACH graduates to obtain internationally recognised certification in hospitality.

## Business growth

### Strategies to manage risks

Our Risk Management Plan outlines specific strategies to mitigate risk in two categories:

- > strategic risk: risks beyond the control of the Board and Executive require changes in strategic direction to protect our business
- > operational risk: downstream risks able to be mitigated through operational management.

Our leadership and management carefully review and evaluate the mitigation measures, including the Australian Skills Quality Authority requirements for offshore delivery and the *Education Services for Overseas Students Act 2000*.

Management undertakes to:

- > implement activities to deliver on the approved Chisholm Commercial Plan
- > provide regular reports to the Board regarding offshore activities
- > undertake frequent consultation with senior management and relevant government departments on strategic direction to minimise potential risk factors.

### Performance measures and targets

Strict quality and project management environments determine offshore opportunities and contracted partnership projects. Assessments and reviews are undertaken at all stages of a project's lifecycle to promote optimum performance and outcomes.

A strong focus on quality assurance supports international project operations and provides opportunities for strengthening partnerships and building on existing international activities.

Detailed financial planning and management ensure that projects are commercially viable and managed to maximise commercial return and benefit:

- > assessment of pipeline activities to determine risk profile, commercial viability and alignment to organisational capability and strategic purpose
- > review of contracts and agreements in the drafting phase to ensure they are fit for purpose with the scope of services
- > assessment of performance against customer requirements.



# Casey Tech School

In 2021, 4617 students from local secondary schools continued to build their skills in communication and critical and creative thinking by developing solutions to the big problems experienced by Casey Tech School's industry partners.

One of the problems identified by the City of Casey was the need to reduce landfill within their local government area. Their commitment to finding alternative, cleaner and greener waste management solutions resulted in a challenge for students to create a community-based solution. Ideas included the use of compostable bioplastics made from seaweed or corn and reusing coffee waste to produce products.

Due to an increasing elderly population and high participation rates in community sports, healthcare has become a growth industry in the Casey region. Aged care services and rehabilitation support are in constant demand. To tackle these issues, we harnessed the expertise and resources of a range of industry partners, including St John of God Hospital and Global Performance Testing. Students stepped up to the challenge to identify new ways of minimising sporting injuries using biomimicry and automation of the rehabilitation process.

The City of Casey developed a Low Range (LoRa) network designed to enable smart devices to activate household tasks such as lighting or sprinkler systems. Together with local multi-award winning electronic design and embedded software development company Successful Endeavours, the challenge for students was to use this network to make Casey more liveable. Students explored the increasing interconnectivity between people and objects, leading to automation through the Internet of Things.

These challenges enabled students from Years 7 to 12 to become aware of the many new and exciting careers and pathways that are open to them in Casey.

Community engagement remained strong throughout 2021, with 909 participants enrolled in 118 hours of free community events, holiday programs and after school clubs. Each program encouraged all age groups to experience and extend their STEM skills, from coding drones to microscopic art, robotics, cosplay and esports.

An online Women in STEM event held to celebrate the 2021 International Women's Day resulted from collaboration with community partner South East Local Learning and Employment Network. More than 130 students aged 13 to 17 from five schools joined the session. Presenters included bioscience researcher Dr Tien Huynh, biomedicine researcher Associate Professor Sheena McGowan, biochemistry and molecular biology expert Dr Saw Hoon Lim and genomicist Dr Twishi Gulati.



# Board and Committees

Chisholm is one of the largest Victorian TAFE providers. Our campuses are prominently located across Melbourne's south east industrial heartland and residential growth corridors.

Our organisation is structured to encourage innovative and responsive leadership from within and across all levels. Teaching and professional business areas are organised in business groups under the responsibility of members of the Executive Directors Group.

## 2021 Board Members

Full name	Category	Term
Stephen Marks	Ministerial Appointed Director, Elected Board Chair	Full year
Stephen Varty	Director and Chief Executive Officer	Full year
John Bennie	Ministerial Appointed Director	Full year
Dr Anne Jones	Ministerial Appointed Director	Full year
Dr Mei Ling Doery	Ministerial Appointed Director	Full year
Prue Digby	Ministerial Appointed Director	Full year
Peter Malone	Staff Elected Director	Until 22 August 2021
Lisa Norman	Board Co-opted Director	Full year
David Mann	Board Co-opted Director	Full year
Geoffrey Cullen	Board Co-opted Director	Full year
Sue Wyatt	Staff Elected Director	From 4 October 2021



## Stephen G. Marks

### Ministerial Appointed Director, Elected Board Chair

Stephen is a Fellow of the Institute of Chartered Accountants in Australia with over 40 years' experience. He was formerly National Chairman of Sothertons Chartered Accountants. He has also acted as a probity auditor and advisor to various state and federal governments. Stephen is now a professional director, having been a director of numerous companies and organisations throughout his career. He currently acts as a board member of St. Vincent's Institute and The Production Company.



## Stephen Varty MAICD

### Director and Chief Executive Officer

Stephen has extensive experience in vocational education and has for many years worked closely with government, industry and community to meet and deliver on the strategic needs and objectives of the VET and higher education sectors. Before being appointed CEO of Chisholm Institute, Stephen held the position of Chief of Education, having joined Chisholm in 2015 from Victoria University where he was Director of Innovation and Engagement. Stephen has held a number of senior leadership and managerial positions across VET and higher education sectors, both in the UK and Australia. Stephen holds a Bachelor of Education – VET, a Graduate Certificate in Educational Leadership and a Master of Education, and is a graduate of the Australian Institute of Company Directors.



## Prue Digby

### Ministerial Appointed Director

Prue has had over 35 years' experience working in senior executive roles providing community and publicly related services to Melbourne and regional Victoria in the state, local and non-government sectors. Prue is the former CEO of the Victorian Building Authority, Deputy Secretary of Planning and Local Government in Victoria, and CEO of the City of Yarra. Prue currently serves on a number of statutory and charitable boards and as a state-appointed municipal monitor.



## Dr Mei Ling Doery

### Ministerial Appointed Director

Mei is a physician strategist and founder of MDMD, a boutique strategy and design practice that operates at the intersection of health and innovation. Mei has a particular interest in the emotional factors that impact decision-making relating to health and performance. Her mission is to better align capital with people and businesses that serve the creation of long-term human value. Mei's perspective on contemporary health challenges is informed by roles as medical advisor for the Department of Veterans' Affairs and past roles with the Australian Defence Force, team doctor for an AFL football team, executive physician at BUPA Wellness, board member at the Victorian Health Promotion Foundation, and as independent advisor to several organisations including the Parliament of Victoria and CSIRO. She is a current expert advisor to OzoneX – an early-stage venture capital firm purpose-built to invest in and scale mission-driven tech companies led by women and other founders from traditionally underrepresented communities and cultures. In 2021 Mei was appointed chair of gender equity advocacy at not-for-profit Teach Us Consent.



## **Dr Anne Jones**

### **Ministerial Appointed Director**

Anne is a researcher and consultant in VET policy. She is a member of Tradeswomen Australia's Strategy Council and an Emeritus Professor at Victoria University. Her work has included 16 years in senior executive roles such as Deputy Vice-Chancellor (Academic and Students), Deputy Vice-Chancellor and Director TAFE at Victoria University and Executive Director Learning and Academic Affairs at Box Hill Institute. Anne has led a wide range of VET and higher educational programs.



## **John Bennie PSM**

### **Ministerial Appointed Director**

John has been CEO of Greater Dandenong City Council since 2006. He was previously CEO of Manningham City Council. He is a former director of the South East Melbourne Manufacturers' Alliance, past Chair of the Southern Melbourne Regional Development Australia Committee, past President of LGPro and past National President of Local Government Managers Australia. He is presently a non-executive Director of MAV Insurance, Chair of MannaCare Inc. and President-elect of the Rotary Club of Templestowe.



## **Lisa Norman**

### **Board Co-opted Director**

Lisa is CEO of St John of God South East Melbourne Hospitals. This includes St John of God Berwick Hospital, Frankston Rehabilitation Hospital and Pinelodge Clinic in Dandenong.

Lisa has worked in the health industry for over 30 years and in executive leadership roles for 20 years.

Initially gaining qualifications as a registered nurse, she went on to gain qualifications in critical care nursing specialising in emergency and trauma nursing.

Lisa holds a Graduate Certificate in Catholic Leadership and Culture and is a board member of The Bays Healthcare Group.



## **David Mann AM KSJ FAICD**

### **Board Co-opted Director**

David is Chairman of Entertainment Assist, the Victoria Police Blue Ribbon Foundation, the Victoria Police Blue Ribbon Day Community Council and the Mount Macedon Memorial Cross Community Committee of Management. David is also a board member of The Production Company, Connected Communities Melbourne and Managing Director, Mann Promotions Pty Ltd, a company focused on promotions, marketing, public relations and crisis management.



## Geoffrey Cullen

### Board Co-opted Director

Geoff is a finance professional with over 40 years' experience in banking, finance and risk management. He has held senior executive positions in Australia, New Zealand, the UK and the USA. Geoff has worked in the not-for-profit sector in risk management, governance, compliance and finance, including serving as a director and chair of risk and finance for an education foundation. He currently chairs a risk committee in the private sector and serves as an independent member on the investment committees of two unlisted property finance funds.



## Peter Malone

### Staff Elected Director (until 22 August 2021)

Peter recently retired from the Royal Australian Navy after having served over 30 years as an officer both full time and in the Reserves. He performed duties such as Executive Officer and Director of Studies Defence International Training Centre (RAAF Williams), Training Development Manager (HMAS Cerberus) and as an Indonesian linguist and interpreter in Australia, overseas and on foreign warships. Peter has a diverse background including research assistant at CSIRO, teaching English as another language (EAL Monash University), foreign language teaching (Indonesian Swinburne University), many fields of science and technology (pure and applied), manager of a multimedia development centre, curriculum developer and project manager for a number of major materials development projects. Peter has a Bachelor of Applied Science, Graduate Diploma in Education, Master of Education, Graduate Certificate in Computing, Graduate Diploma in TESOL and Graduate Certificate in Indonesian.



## Sue Wyatt

### Staff Elected Director (from 4 October 2021)

Sue has many years of experience in the TAFE sector in both New South Wales and Victoria. She commenced her VET career as a teacher with TAFE NSW in 2008 after 20 years in the early childhood and community services industry. After relocating to Victoria, Sue has worked in both regional and metropolitan TAFE institutes, working her way through the roles of teacher, senior educator, partner lecturer and manager. Sue has managed a variety of areas including business, hospitality, higher education, horticulture, hairdressing, community services, massage, professional writing, short courses and engineering, and has managed Chisholm's Early Childhood Education department for the last four years.

# Board Committees chart and membership

## Audit and Risk Management Committee

<b>Prue Digby</b>	Board Director and Committee Chair
<b>Robert Comelli</b>	Board Co-opted Independent Member
<b>Geoff Cullen</b>	Board Director
<b>Geoff Harry</b>	Board Co-opted Independent Member
<b>Dr Anne Jones</b>	Board Director

## Infrastructure, Systems and Planning Committee

<b>Lisa Norman</b>	Board Director and Committee Chair
<b>John Bennie</b>	Board Director
<b>Dr Mei Ling Doery</b>	Board Director
<b>Robert Johnson</b>	Board Co-opted Member
<b>John Papatheohari</b>	Board Co-opted Member

## Education Committee

<b>Dr Anne Jones</b>	Board Director and Committee Chair
<b>Bas Baskaran</b>	Co-opted Independent Member
<b>Sue Wyatt</b>	Board Director
<b>Stephen Varty</b>	Board Director and CEO

## Remuneration Committee

<b>Stephen Marks</b>	Board Chair and Committee Chair
<b>John Bennie</b>	Board Director
<b>Dr Anne Jones</b>	Board Director
<b>Prue Digby</b>	Board Director

## Membership Committee

<b>Stephen Marks</b>	Board Chair and Committee Chair
<b>Dr Anne Jones</b>	Board Director
<b>David Mann</b>	Board Director
<b>Stephen Varty</b>	Board Director and CEO



# Controlled entities

## Directors of TAFE online Pty Ltd (Chisholm Online)

**Dr Mei Ling Doery**  
Director

**Stephen Marks**  
Chisholm Online Chair

**Stephen Varty**  
Managing Director

## Trustees of Caroline Chisholm Education Foundation

**David Willersdorf**  
Chair

**David Mann AM**  
Chisholm Board Member

**Stephen Varty**  
Chisholm Institute CEO

**Kirsty Andrews**  
Chisholm Institute Staff Member

**Robert Hill APM**  
Community Member

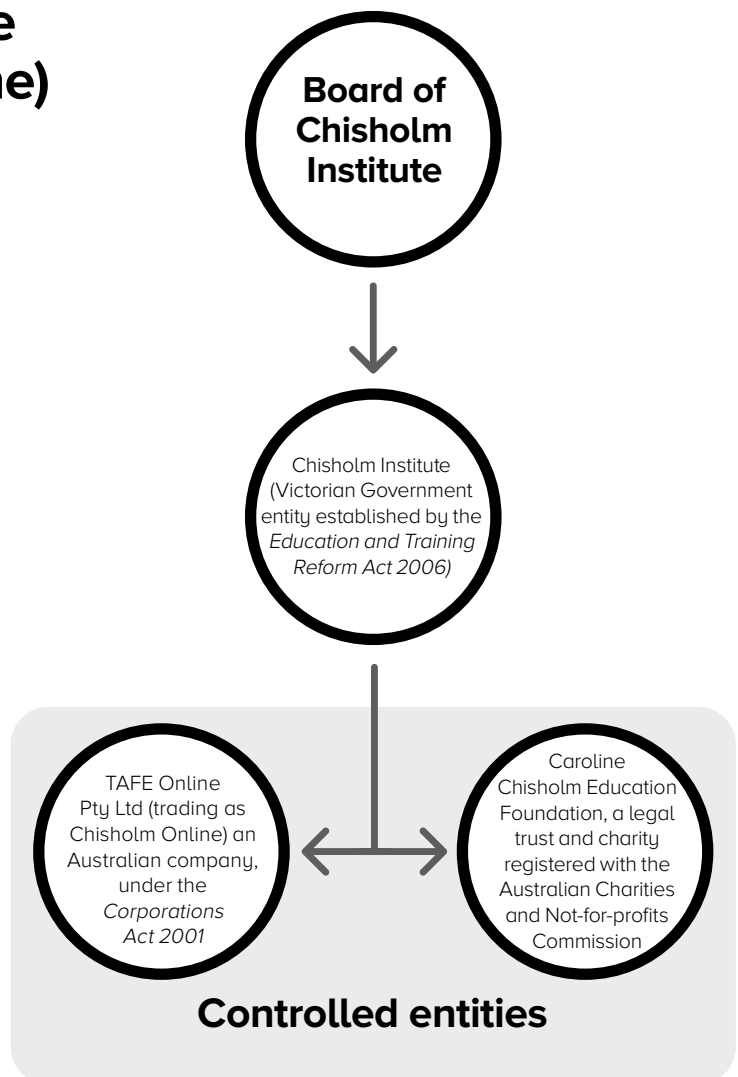
**Jane McLennan**  
Chisholm Institute Staff Member

**Ian Predl AM**  
Community Member

**Billie Stapleton**  
Community Member

**Trish Wilson**  
Chisholm Institute Staff Member

**Aleksandar Vasiljevic OAM**  
Community Member



# Corporate governance

Chisholm Institute and the governing Board of Chisholm Institute are established by the *Education and Training Reform Act 2006* (Vic).

Chisholm is governed by a Board representative of the Victorian Government, industry and community. The Board's governance structure includes several committees that support the work of the Board in executing its governance responsibilities:

- > Audit and Risk Management Committee
- > Education Committee
- > Infrastructure, Systems and Planning Committee
- > Remuneration Committee
- > Membership Committee.

The Board is ultimately responsible to the Victorian Government for the governance and management of Chisholm and its controlled entity Chisholm Online (TAFE Online Pty Ltd), and is accountable to the Minister for Training and Skills and Minister for Higher Education.

## Objectives, functions, powers and duties

The objectives of the organisation established by the Act and the Chisholm Institute Constitution are:

- > to perform its functions for the public benefit by operating its businesses, delivering educational services and utilising assets that it manages on the state's behalf as efficiently as possible and ensuring that it is sustainable in the medium to long term

- > ensuring that its procedures, policies and practices are consistent with prudent commercial practice and endeavouring to maximise its contribution to the economy and wellbeing of the communities and industries served by the organisation and the state as a whole
- > to facilitate student learning, knowledge acquisition, skills for employment and vocational education and training through excellent teaching, innovation and educational leadership that delivers quality outcomes
- > to collaborate as part of a strong public training provider network which is mutually and commercially beneficial to enable the organisation to offer or provide educational services that meet the needs of industry partners and communities, including persons and groups that have particular education needs
- > to facilitate higher education through excellent teaching, innovation and educational leadership that delivers quality outcomes
- > to facilitate increasing opportunities for apprenticeships and traineeships across the relevant Australian industry sectors.

The functions of Chisholm are:

- > to provide the communities and industries serviced by the organisation with efficient and effective technical and further education programs and services
- > to confer vocational training awards
- > to offer and conduct courses of study leading to the conferral of higher education awards
- > to confer higher education awards
- > subject to the requirements of the Act, to operate as a group training organisation that employs apprentices and other trainees and places them with host employers.

# Corporate governance (continued)

Chisholm has the power to do all things that are necessary or convenient to be done for or in connection with, or as incidental to, meeting its objectives or performing its functions. However, the powers of Chisholm are subject to and must be exercised in accordance with the functions, duties and obligations conferred or imposed on the organisation by:

- > the Act and other laws
- > the Constitution
- > Ministerial and government directions and guidelines under the Act and other legislation, laws and conventions
- > the general administrative, social and economic directives and policies established by the Victorian Government from time to time.

The Chisholm Institute Board must take all reasonable steps for the advancement of the objectives of the organisation, while operating in accordance with the economic and social objectives and public sector policy established from time to time by the Minister. While meeting its objectives, the Board is also required to comply with the Chisholm Institute Constitution and provide all assistance and information to the Minister or the Minister's delegates.

## Audit and Risk Management Committee

The Audit and Risk Management Committee is tasked with responsibilities to assist the Board in ensuring that appropriate governance is implemented across Chisholm and relevant controlled entities in relation to internal control and risk management, and external and internal audit, and to independently review the financial statements prior to recommending them to the Board for adoption and approval and release to Parliament.

# Executive Directors Group

## Chief Executive Officer

The CEO is responsible for providing strategic and operational leadership to Chisholm and its entities. The position contributes to achieving our vision of leading education and training. The CEO leads and drives the achievement of Chisholm's strategic vision to be Institute, Partner and Workplace of Choice.

**1 January 2021 – 31 December 2021: Stephen Varty**

## Chief Financial Officer

The Chief Financial Officer is responsible for providing leadership, strategic direction, and advice on Chisholm's financial plan and investments and financial operations and activities. The role ensures that a financial governance framework is in place and that policies, accounting standards and sound financial management practices are adhered to.

**1 January 2021 – 31 December 2021: Toniann Stitz**

## Chief People Officer

The Chief People Officer leads the development and implementation of our workforce's people strategy, including organisational development, workforce planning, human resource management, employee relations and health, safety and wellbeing. The position is responsible for driving a high-performing organisation and supporting cultural change. The role focuses on our people and their capability profile and is responsible for realising the potential to achieve greater organisational effectiveness.

**1 January 2021 – 31 December 2021: Delia McIver**

## Chief Operating Officer

The Chief Operating Officer role focused on developing and improving our core operating systems to enable the achievement of our Strategic Plan and Operational Plans, and drove infrastructure projects for facilities and IT.

**1 January 2021 – 23 February 2021: David Colliver**  
**24 February 2021 (role discontinued)**

## Chief of Education

The Chief of Education leads the development and implementation of the educational strategy, aligned to Chisholm's vision. The position provides strategic educational leadership and expertise across all aspects of educational delivery, planning and performance for students and partners, allowing the best-in-class outcomes for students. This includes all sectors of educational delivery – vocational, higher education and senior secondary both domestically and internationally. The Chief of Education also drives innovative educational initiatives to ensure delivery remains at the forefront of current and future organisational needs.

**1 January 2021 – 1 October 2021: Sandra Walls (interim)**  
**9 August 2021 – 31 December 2021: Conor Mullan**

## Chief of Academic Excellence and Innovation

The Chief of Academic Excellence and Innovation is a newly created position in 2021. The position provides strategic and operational leadership in developing and implementing teaching and learning excellence. The role fosters approaches that support the education delivery areas to strive for excellence through innovation and responsive education that continuously meets the needs of our students, employers and industry.

**15 November 2021 – 31 December 2021: Margaret Fixter**

## Chief of Staff

The Chief of Staff supports the Chief Executive's office and is a crucial point of contact for interaction with external stakeholders, particularly government relations. The position manages the Office of the CEO and plays a critical role in supporting the functions of the Executive team and contributing strategic analysis of Chisholm's program profile.

**1 January 2021 – 23 June 2021: Caitlin Crosby**

**6 September 2021 – 31 December 2021: Jessica Corbett**

**24 June 2021 – 5 September 2021: (Vacant)**

## Chief Commercial Officer

The Chief Commercial Officer is accountable for providing strategic and operational leadership to our commercial functions domestically and internationally. The role identifies business opportunities aligned to Chisholm's vision to drive growth and deliver revenue targets. The position focuses on business development, operational delivery and management of projects and plays a crucial role in supporting international students.

**1 January 2021 – 30 June 2021: David Saunders (interim)**

**20 May 2021 – 31 December 2021: Damien Van Eyk**

## Chief of Student Success and Support

The Chief of Student Success and Support has a key focus on ensuring seamless and enriching end-to-end student service provision. The role drives revenue growth and student retention in an increasingly competitive national and international marketplace, focusing on our vision. The role covers the full range of functions covered in Student Enquiry and Enrolment Services, Marketing and Communication, Student Support and Engagement and Academic Administration.

**1 January 2021 – 31 December 2021: Jane McLennan**

# People, Culture and Safety

Designed to capture the hearts and minds of our people, our People Plan sets out our shared journey to developing our people and nurturing a collaborative culture. The themes within our People Plan – Attract and Welcome, Develop and Grow, Recognise and Retain, Lead and Perform, Value and Communicate, Safe and Well, Positive and Diverse – were developed based on extensive consultation and collaboration across our organisation. This included workshops for each business area, where we collected direct feedback from individuals and teams.

The success of our People Plan 2019–2021 was seen in the recent results of the People Matter Survey. Staff satisfaction increased across many critical focus areas. These focus areas will continue to guide our firm commitment to grow, develop and value our people to foster a culture of wellbeing, safety and respect, even more so in times of significant change and uncertainty.

We consulted widely to create a Family Violence Response Guide for the Public Sector, including training all employees. Process improvements were introduced for our management of operational resilience activities, including the launch of the Roll Call app for emergency communications, so our people can feel safer onsite. We strengthened our induction and onboarding processes and continued to train and support our managers to lead through the challenges of the last 12 months.

## Employee experience

Our work commenced on the *Gender Equality Act 2020* deliverables. After consultation with our employees, we developed a plan that will further strengthen our diversity and inclusion principles included in our People Plan. It will lead to a greater awareness of the diversity within the Chisholm community, enabling us to implement strategies to support our employees.

We were encouraged by the solid level of employee engagement seen in a 75 per cent response rate to the June 2021 People Matter Survey, as administered by the Victorian Public Sector Commission, and maintained strong results in many areas.

Our Exit Interview processes were reinvigorated for more consistency, and the feedback from departing employees was used to improve our induction and on-boarding experience.

The 2021 year was rounded out with significantly improved and timelier People Metrics Reporting for leaders, the refresh of our corporate values (Collaboration, Accountability, Integrity and Respect) and the creation of a People Plan for 2021–2023.

Our People Plan 2021–2023, developed in conjunction with other Strategic Pillar Plans, clearly articulates a three-year strategy for continuing to nurture our people and create a collaborative culture. It builds on the seven themes previously identified by over 1500 of our colleagues. These themes guide our approach to reaffirming our long-term commitment to invest in our people continually.

## Workforce capability

Under the People Plan, a suite of programs was designed and delivered as part of our ongoing commitment to invest in our people. The following training programs were offered remotely:

- > Microsoft Excel and Word training
- > Core Induction, Educator Induction and People Leader Induction modules
- > Respectful Workplace Behaviours for various business areas
- > Communication workshops
- > Wellbeing workshops
- > Emotional Intelligence workshops
- > Performance and Development Review process workshops
- > Reportable Conduct and Child Safe training
- > Fraud and Corruption Control Awareness training
- > Speaking Up Awareness workshops
- > Education Manager Development program
- > Support Staff Essentials program
- > New and Emerging Leaders program
- > Women in Leadership workshop.

Additional training opportunities were also delivered to satisfy a cross-section of our people with various needs:

- > over 150 professional development employees online workshops
- > development programs for new and emerging leaders, support employees and Education Managers
- > *RUOK? Day* recognised through a series of online workshops
- > multiple Respectful Workplace Behaviour training sessions.

Our inaugural employees conference was held virtually in May via an integrated platform.

# Work health, safety and wellbeing

Under the People Plan theme of Safe and Well, we focused on delivering initiatives to support workplace health, safety and wellbeing.

Chisholm received two Safety Award nominations in 2021 to develop comprehensive safe systems of work to protect employees, students, contractors and visitors during the COVID-19 pandemic. These were through the Victorian WorkSafe Awards for OHS Leadership/Achievement and the Australian Workplace Health & Safety Awards for Health & Safety Excellence.

An OHS Officer Training Program was developed and implemented for the Board and Executive team to provide clarification of an officer's OHS obligations, responsibilities and liabilities, and the need to demonstrate due diligence.

An internal Health, Safety and Wellbeing audit program was implemented to ensure safety systems are in place to operate effectively in line with our health and safety policies and occupational health and safety legislation and assist in continuous improvement. The program identified that health, safety and wellbeing practices and processes were generally well implemented across those business units audited.

We completed a competitive tender process for provision of Employee Assistance Program services. This will encourage employees to proactively seek help when required, improving wellbeing outcomes.

Occupational violence training was provided to 84 frontline employees in defusing and de-escalating potentially violent incidents. Feedback from participants was very positive in terms of the practical dialogue and tools they can use if they are confronted by verbal or physical violence situations in the workplace.

We continued to have good representation at our Health and Safety Committee meetings, which foster dialogue between management and employees on continuous improvement of safety outcomes.

Our partnership with the Springday Community Hub continued in 2021, with a steady increase in online platform registrations – from 247 active users in 2020 to 365 in 2021. The platform offers a diverse range of wellbeing initiatives, including various exercise programs and sessions, nutrition tips, meditation, and relaxation guides. Employees can access a diverse range of interactive wellbeing sessions, hosted by experts.

Our Corporate Fitness Program – Fitness Passport – remained strong in 2021, with 102 registered employees and 76 active users. The program offers subsidised gym memberships for employees and their immediate families. We envisage an increase in usage with the easing of COVID-19 restrictions and the reopening of gyms and swimming pools in Victoria.

The Cuppa of Life morning webinars helped our employees start their day in a positive light by hearing guest speakers' stories about overcoming adversities in their life and how they came to thrive in their field. This virtual cafe started in April 2020 with the onset of COVID-19 and assists our employees to connect in a time of uncertainty and isolation.

Against the backdrop of COVID-19, we diligently supported employees through remote working and returning to campus, focusing on wellbeing arrangements while complying with government directions and guidelines. During the year we also held two all-employee wellbeing days, recognising the challenge of operating during the pandemic, and in appreciation of the extraordinary efforts needed to maintain energy and productivity.

## Operational resilience

Under the People Plan theme of Safe and Well, we further improved the effectiveness of our operational resilience capabilities in the following ways.

We appointed a Manager Operational Resilience, who is accountable for developing, implementing, and maintaining our Operational Resilience Management System.

We developed an Operational Resilience Framework to provide a consistent, whole-of-organisation approach to the prevention, preparedness, response and recovery of an incident, emergency, business continuity event, IT disaster recovery event or crisis.

We conducted operational resilience virtual desktop exercises with members of the Executive Directors Group and Crisis Management Team to continue to build competency and resilience in responding to major disruptive events.

A Business Continuity Test was conducted, testing our ongoing commitment to ensure adequate response systems and processes are in place and validate business continuity systems. This activity also highlighted our ability to successfully coordinate a significant disruptive event response and provide communications to a defined series of critical internal stakeholders.

We incorporated operational resilience into the core induction program, with new employees provided an overview of our Operational Resilience Management System.

We also planned, developed, and conducted training on the emergency management, business continuity and crisis management processes for employees and members of the Emergency Control Organisation.

Our active threat training was attended by 399 employees who focused on knowing how to quickly respond and act during an incident. This is essential to protect lives and prevent injury during threat scenarios, which can include hostage situations, active/live shooter incidents and threats that require a building lockdown.



To further enhance our ability to communicate in an emergency, we deployed the Roll Call app as a tool for emergency communications and crisis management team activation. Training and awareness sessions were conducted for all our employees.

We made updates to the Emergency Management policies and procedures, Crisis Management Plan, Emergency Management plans, and Business Continuity Plan to maintain currency and consistency across the Operational Resilience Framework.

## Hazards, incidents and WorkCover

	2021	2020	2019	2018
Total hazard and incident reports*	175	124	287	312
Total 'lost time' standard WorkCover claims	6	10	5	7
Total cost of all 'lost time' WorkCover claims**	\$1,809,476	\$1,433,030	\$173,843	\$401,005
Number of hazard and incident reports***	15.53	11.28	25.72	31.45
Number of 'lost time' standard WorkCover claims****	0.53	0.91	0.45	0.71
Accepted WorkCover claims	7	12	9	8
Accepted and rejected WorkCover claims	8	13	11	9
Total cost of WorkCover claims *****	\$2,003,884	\$2,179,272	\$1,517,774	\$968,718
Average costs per WorkCover claim	\$18,788	\$68,102	\$16,888	\$44,556

Notes:

\* All Chisholm related incidents for employees, students, contractors and visitors

\*\* Total cost includes total compensation paid and Statistical Case Estimate (SCE)

\*\*\* Number of hazard and incident reports per 100 FTE (annualised)

\*\*\*\* Number of lost time standard WorkCover claims per 100 FTE (annualised)

\*\*\*\*\* All premium sensitive claims

### 2021

Number of new claims for WorkCover	8
Accepted claims	7
Rejected claims	1
Pending WorkCover decisions	-
Conciliation after the rejection of claim	1

### WorkCover/return to work

Of the eight accepted claims in 2021, two claimants have not returned to work and continue to receive active claim and injury management support.

Chisholm's WorkCover employer performance rating improved from 1.8993% poorer than the industry comparator (2020–2021) to 31.06% better than the industry comparator (2021–2022).

Our continuing focus on early and proactive injury management (including personal injury) will further improve WorkCover performance for 2022–23.

On a rolling average, the number of premium sensitive claims at the end of 2021 was 32.

	2017	2018	2019	2020	2021
No. of accepted claims	8	8	9	11	7

# Workforce data

## Performance and Accountability Framework full time equivalent (FTE)

	Full time		Part time		Casual		Total
	Ongoing	Fixed term	Ongoing	Fixed term	Teacher	Other	
<b>Dec 2021</b>							
PACCT staff	220.0	131.7	48.2	26.7	-	29.8	<b>456.3</b>
Executive	-	16.7	-	0.9	-	-	<b>17.6</b>
Other	-	-	-	-	-	-	-
Teacher	222.2	76.9	52.8	17.4	277.8		<b>647.1</b>
<b>Total</b>	<b>442.2</b>	<b>225.3</b>	<b>101.0</b>	<b>45.0</b>	<b>277.8</b>	<b>29.8</b>	<b>1121.0</b>

### Dec 2020

PACCT staff	171.4	199.6	45.7	27.5	-	22.0	<b>466.2</b>
Executive	-	6.7	-	0.2	-	-	<b>6.9</b>
Other	-	-	-	-	-	-	-
Teacher	221.1	78.1	65.1	12.8	248.8	-	<b>626.0</b>
<b>Total</b>	<b>392.5</b>	<b>284.4</b>	<b>110.8</b>	<b>40.5</b>	<b>248.8</b>	<b>22.0</b>	<b>1099.0</b>

## Workforce disclosures

	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
<b>Dec 2021</b>							
<b>Gender</b>							
Women executives	11	7.4	0	0	0	11	7.4
Women (total staff)	1019	655.9	255	146	334.1	602	321.8
Men executives	12	10.2	0	0	0	12	10.2
Men (total staff)	665	465.1	245	39	258.1	366	207.0
Self-described	-	-	-	-	-	-	-
<b>Age</b>							
15–24	36	17.2	3	-	3.8	31	13.4
25–34	246	150.3	65	22	71.0	162	79.3
35–44	394	268.4	116	42	133.5	228	134.9
45–54	484	329.1	150	46	177.9	270	151.2
55–64	400	284.4	134	57	167.3	202	117.1
Over 64	124	71.6	32	18	38.7	75	33.0
<b>Total employees</b>	<b>1684</b>	<b>1121.0</b>	<b>500</b>	<b>185</b>	<b>592.2</b>	<b>968</b>	<b>528.8</b>

## Workforce disclosures (continued)

Dec 2020	All employees		Ongoing			Fixed term and casual	
	Number (headcount)	FTE	Full time (headcount)	Part time (headcount)	FTE	Number (headcount)	FTE
<b>Gender</b>							
Women executives	5	4.2	0	0	0	5	4.2
Women (total staff)	1080	647	224	155	291	701	356
Men executives	4	2.7	0	0	0	4	2.7
Men (total staff)	691	452.0	214	32	211.6	445	240.4
Self-described	-	-	-	-	-	-	-
<b>Age</b>							
15–24	49	19.2		2	0.8	47	18.4
25–34	260	156.2	43	21	50.0	196	106.3
35–44	421	257.2	107	37	111.0	277	146.2
45–54	496	325.9	139	50	156.6	307	169.3
55–64	427	278.5	121	54	147.4	252	131.1
Over 64	118	61.9	28	23	36.8	67	25.1
<b>Total employees</b>	<b>1771</b>	<b>1099.0</b>	<b>438</b>	<b>187</b>	<b>502.6</b>	<b>1146</b>	<b>596.4</b>

# Statistical overview

## Chisholm consolidated (includes Chisholm Online)

Student numbers	2021	2020
Government funded accredited programs	20,798	18,587
Fee for service programs	19,026	16,148
(Less) student enrolments in both government accredited programs and fee for service programs	-1,287	-874
<b>Total net student numbers</b>	<b>38,537</b>	<b>33,861</b>

Student contact hour delivery	2021	2020
Government funded accredited programs	6,755,425	6,222,672
Fee for service programs	4,800,978	4,966,989
<b>Total student contact hour delivery</b>	<b>11,556,403</b>	<b>11,189,661</b>

Student numbers by age	2021		2020	
	Student numbers	Per cent	Student numbers	Per cent
Under 15	113	0.3%	168	0.5%
15–19	12,733	33.0%	11,633	34.4%
20–24	8,937	23.2%	8,080	23.9%
25–39	9,940	25.8%	8,253	24.4%
40–64	6,541	17.0%	5,542	16.4%
Over 65	273	0.7%	185	0.5%
Not stated	-	0.0%	-	0.0%
<b>Total</b>	<b>38,537</b>	<b>100.0%</b>	<b>33,861</b>	<b>100.0%</b>

Student numbers by gender	2021		2020	
	Student numbers	Per cent	Student numbers	Per cent
Female	16,939	44.0%	14,475	42.7%
Male	21,362	55.4%	19,186	56.7%
X Indeterminate/Intersex/Unspecified	236	0.6%	200	0.6%
<b>Total</b>	<b>38,537</b>	<b>100.0%</b>	<b>33,861</b>	<b>100.0%</b>

# Course enrolment and student contact hours by campus

Campus	2021				2020			
	Course enrolments*	Per cent	Student contact hours	Per cent	Course enrolments*	Per cent	Student contact hours	Per cent
Dandenong	9,477	20.3%	1,972,930	17.1%	7,474	19.1%	1,806,285	16.1%
Frankston	9,338	20.0%	2,305,444	19.9%	8,074	20.7%	2,234,630	20.0%
Offshore delivery	7,226	15.5%	2,518,939	21.8%	5,982	15.3%	2,795,208	25.0%
Berwick	6,779	14.5%	1,810,512	15.7%	5,551	14.2%	1,645,925	14.7%
Chisholm Online	4,974	10.7%	1,322,935	11.4%	4,361	11.2%	979,449	8.8%
Workplace	4,055	8.7%	731,172	6.3%	3,666	9.4%	838,149	7.5%
Cranbourne	2,172	4.7%	356,294	3.1%	1,422	3.6%	303,575	2.7%
Adult Migrant English Program campuses	843	1.8%	152,895	1.3%	347	0.9%	64,380	0.6%
Auspiced schools	835	1.8%	152,279	1.3%	768	2.0%	138,806	1.2%
Mornington Peninsula	619	1.3%	153,689	1.3%	555	1.4%	140,149	1.3%
Third Party	236	0.5%	33,208	0.3%	184	0.5%	90,801	0.8%
Bass Coast	121	0.3%	46,106	0.4%	157	0.4%	63,250	0.6%
Springvale	-	-	-	-	437	1.1%	77,084	0.7%
Geelong	-	-	-	-	50	0.1%	11,552	0.1%
Chisholm @ 311	-	-	-	-	4	0.0%	398	0.0%
City campus – Lonsdale Street	-	-	-	-	1	0.0%	20	0.0%
<b>Total</b>	<b>46,675</b>	<b>100%</b>	<b>11,556,403</b>	<b>100%</b>	<b>39,033</b>	<b>100.0%</b>	<b>11,189,661</b>	<b>100.0%</b>

\*individual students can choose to enrol at multiple campuses

# Financial performance summary

Chisholm Group, comprising Chisholm Institute, Caroline Chisholm Education Foundation and TAFE Online Pty Ltd (trading as Chisholm Online) recorded a net deficit of \$2.9 million (2020: \$9.5 million surplus) compared to a Board approved budget net deficit of \$7.6 million.

The improved financial outcome in 2021 compared to budget, was due to the late addition of COVID-19 Business Continuity funding from State government, staff utilisation and lower expenses achieved through cost constraint, which were offset by reduced Skills First training revenue and student fees and charges revenue. The increase in total expenses is driven by increased employee benefits in line with Enterprise Bargaining Agreements.

The other economic flows included in the comprehensive result consists of a revaluation of land holdings at all metropolitan and regional campuses. A revaluation of land holdings was required for the 2021 year to ensure the current reported value of land represented market value as per the Valuer-General Victoria indexation factors.

Chisholm Group is focused on its strategic priorities of quality training and education, its people and student experience, while continuing to improve efficiency and productivity, and continuing investment in capital initiatives where viable.

	2021	2020	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>Summary of financial results</b>					
Total income from transactions	171,216	175,726	174,449	175,735	165,564
Total expenses from transactions	171,457	166,370	173,607	150,205	132,216
<b>Net result from transactions (net operating balance)</b>	<b>(241)</b>	<b>9,356</b>	<b>842</b>	<b>25,530</b>	<b>33,348</b>
Other economic flows included in net result	(2,608)	101	58	(23)	(156)
<b>Net result</b>	<b>(2,849)</b>	<b>9,457</b>	<b>900</b>	<b>25,507</b>	<b>33,192</b>
Other economic flows – other comprehensive income	8,870	-	-	-	18,325
<b>Comprehensive result</b>	<b>6,021</b>	<b>9,457</b>	<b>900</b>	<b>25,507</b>	<b>51,517</b>



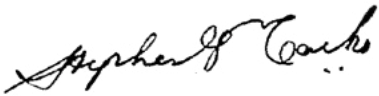
# Financial performance summary (continued)

As at 31st December 2021, Chisholm Group's consolidated net assets were \$416.5 million, up from \$410.5 million in 2020. The increase in net assets is primarily due to investments in buildings, specifically the Dandenong campus trade centre and student hub and the commencement of Frankston Redevelopment building works. This is slightly offset by increased leave provisions as a result of staff continuing to reduce their leave taken throughout 2021 due to COVID-19 restrictions. The increased cash position is driven by the receipt of cash for the Frankston Redevelopment project, which \$31.2 million of current cash holdings is reserved for.

	2021	2020	2019	2018	2017
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>Summary of financial position</b>					
Total assets	494,973	455,183	443,268	431,765	396,949
Total liabilities	78,482	44,713	42,255	31,652	22,343
<b>Net assets</b>	<b>416,491</b>	<b>410,470</b>	<b>401,013</b>	<b>400,113</b>	<b>374,606</b>

# Attestation

I, Stephen G Marks, on behalf of the Responsible Body, certify that for the period 1 January 2021 to 31 December 2021, Chisholm Institute has no Material Compliance Deficiency with respect to the applicable Standing Directions under the Financial Management Act 1994 and instructions.

A handwritten signature in black ink, appearing to read 'Stephen G Marks', with a stylized flourish at the end.

**STEPHEN G MARKS**  
**Board Chair, Chisholm Institute**

Date: 28 February 2022  
Place: Frankston

# Consolidated financial statements

For the year ending 31 December 2021

Chisholm

# Independent Auditor's Report

## To the Board of Chisholm Institute

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**Opinion**

I have audited the consolidated financial report of Chisholm Institute (the institute) and its controlled entities (together the consolidated entity), which comprises the:

- consolidated entity and institute balance sheet as at 31 December 2021
- consolidated entity and institute comprehensive operating statement for the year then ended
- consolidated entity and institute statement of changes in equity for the year then ended
- consolidated entity and institute cash flow statement for the year then ended
- notes to the financial statements, including significant accounting policies
- Declaration by the Chair of the Board, Chief Executive Officer and Chief Finance Officer.

In my opinion the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the institute as at 31 December 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the *Financial Management Act 1994* and applicable Australian Accounting Standards.

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**Basis for  
Opinion**

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

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

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

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**Board's  
responsibilities  
for the financial  
report**

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

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

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**Auditor's  
responsibilities  
for the audit of  
the financial  
report**

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

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

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

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

# Declaration by the Chair of the Board, Chief Executive Officer and Chief Finance Officer


The attached financial statements for Chisholm Institute and the consolidated entity have been prepared in accordance with Standing Direction 5.2 of the Standing Directions of the Assistant Treasurer under the Financial Management Act 1994, applicable Financial Reporting Directions, 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 to and forming part of the financial report, presents fairly the financial transactions during the year ended 31 December 2021 and financial position of the Institute and the consolidated entity as at 31 December 2021.

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

The Board Chair, Chief Executive Officer and Chief Finance Officer sign this declaration as delegates of, and in accordance with a resolution of, the Board of Chisholm Institute.



**STEPHEN G MARKS**  
Board Chair

Date: 28 February 2022  
Place: Frankston



**STEPHEN VARTY**  
Director and Chief Executive Officer

Date: 28 February 2022  
Place: Frankston



**TONIANN STITZ**  
Chief Finance Officer

Date: 28 February 2022  
Place: Frankston



# Comprehensive operating statement

For the year ended 31 December 2021

	Notes	Consolidated		Chisholm	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Continuing operations					
Revenue and income from transactions					
Government contributions	2.1	118,760	125,057	105,962	114,513
Revenue from fees, charges and sales	2.2	51,198	49,412	49,864	48,175
Other revenue	2.3	-	-	268	261
Other income	2.3	1,258	1,257	4,034	3,500
Total revenue and income from transactions		171,216	175,726	160,128	166,449
Expenses from transactions					
Employee benefits	3.1.1	115,980	109,332	108,346	103,041
Depreciation and amortisation	3.6	12,366	12,668	12,058	12,345
Supplies and services	3.3	33,466	33,517	33,301	33,370
Finance costs	3.5	54	67	54	67
Other operating expenses	3.4	9,591	10,786	9,362	10,647
Total expenses from transactions		171,457	166,370	163,121	159,470
Net result from transactions		(241)	9,356	(2,993)	6,979
Other economic flows included in net result					
Net gain / (loss) on non-financial assets	4.1.3, 9.1(b)	(2,720)	75	(2,720)	75
Net gain / (loss) on financial instruments	9.1(a)	112	26	112	25
Other gains / (losses) from other economic flows	9.1(b)	-	-	-	-
Total other economic flows included in net result		(2,608)	101	(2,608)	100
Net result		(2,849)	9,457	(5,601)	7,079
Other economic flows - other comprehensive income					
Items that will not be reclassified to net result					
Gain/(loss) on revaluation of physical assets	9.1(b)	8,870	-	8,870	-
Comprehensive result		6,021	9,457	3,269	7,079

The above Comprehensive Operating Statement should be read in conjunction with the accompanying notes to the financial statements.

# Balance sheet

As at 31 December 2021

	Notes	Consolidated		Chisholm	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Assets					
Financial assets					
Cash and deposits	6.1	98,097	68,205	92,969	64,526
Receivables	5.1	3,716	4,450	4,497	6,521
Investments and other financial assets	4.4	526	522	6,000	6,000
Total financial assets		102,339	73,177	103,466	77,047
Non-financial assets					
Property, plant and equipment	4.1	368,898	356,498	368,898	356,498
Contract assets	5.2	9,361	11,967	8,408	11,738
Right of use assets	6.4	1,158	1,722	1,158	1,722
Intangible assets	4.2	10,244	8,235	9,289	7,422
Other non-financial assets	5.3	2,973	3,584	2,938	3,561
Total non-financial assets		392,634	382,006	390,691	380,941
Total assets					
		494,973	455,183	494,157	457,988
Liabilities					
Employee provisions	5.6	17,534	15,239	17,327	15,050
Payables	5.4	10,495	9,751	10,255	10,691
Borrowings	6.2	1,008	1,008	1,008	1,008
Lease liabilities	6.4	1,078	1,676	1,078	1,676
Contract and other liabilities	5.5	48,367	17,039	48,100	16,443
Total liabilities		78,482	44,713	77,768	44,868
Net assets					
		416,491	410,470	416,389	413,120
Equity					
Accumulated surplus		243,396	246,245	243,294	248,895
Contributed capital	6.3	85,387	85,387	85,387	85,387
Reserves	9.2	87,708	78,838	87,708	78,838
Net worth		416,491	410,470	416,389	413,120

The above Balance Sheet should be read in conjunction with the accompanying notes to the financial statements.

# Statement of changes in equity

For the year ended 31 December 2021

		Physical assets revaluation surplus	Accumulated surplus	Contributions by owners	Total equity
	Notes	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>					
<b>As at 1 January 2020</b>		<b>78,838</b>	<b>236,788</b>	<b>85,387</b>	<b>401,013</b>
Net result for the year		-	9,457	-	9,457
<b>Year ended 31 December 2020</b>		<b>78,838</b>	<b>246,245</b>	<b>85,387</b>	<b>410,470</b>
Net result for the year		-	(2,849)	-	(2,849)
Changes in physical asset revaluation surplus		8,870	-	-	8,870
<b>Year ended 31 December 2021</b>	6.3, 9.2	<b>87,708</b>	<b>243,396</b>	<b>85,387</b>	<b>416,491</b>
<b>Chisholm</b>					
<b>As at 1 January 2020</b>		<b>78,838</b>	<b>241,816</b>	<b>85,387</b>	<b>406,041</b>
Net result for the year		-	7,079	-	7,079
<b>Year ended 31 December 2020</b>		<b>78,838</b>	<b>248,895</b>	<b>85,387</b>	<b>413,120</b>
Net result for the year		-	(5,601)	-	(5,601)
Changes in physical asset revaluation surplus		8,870	-	-	8,870
<b>Year ended 31 December 2021</b>	6.3, 9.2	<b>87,708</b>	<b>243,294</b>	<b>85,387</b>	<b>416,389</b>

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes to the financial statements.

# Cash flow statement

For the year ended at 31 December 2021

	Notes	Consolidated		Chisholm	
		2021	2020	2021	2020
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities					
Receipts					
Government contributions - operating		124,200	133,988	111,126	122,223
Government contributions - capital		39,968	1,846	39,968	1,846
Receipts from customers - fees, charges and sales		51,258	51,151	51,129	49,853
Goods and services tax recovered		7	321	90	531
Interest received		185	347	179	335
Other receipts		1,222	999	4,271	3,517
Total receipts from operating activities		216,840	188,652	206,763	178,305
Payments					
Payments to employees		(113,684)	(106,482)	(106,069)	(100,267)
Payments to suppliers		(52,546)	(58,565)	(51,988)	(57,637)
Interest paid – lease liability		(54)	(67)	(54)	(67)
Total payments from operating activities		(166,284)	(165,114)	(158,111)	(157,971)
Net cash flows from / (used in) operating activities	6.1.1	50,556	23,538	48,652	20,334
Cash flows from investing activities					
Redemptions of / (payments for) investments		(5)	(5)	-	
Payments for non-financial assets		(19,852)	(9,021)	(19,402)	(8,693)
Proceeds from sales of non-financial assets		44	35	44	35
Net cash flows from / (used in) investing activities		(19,813)	(8,991)	(19,358)	(8,658)
Cash flows from financing activities					
Payment of lease liabilities		(851)	(1,250)	(851)	(1,250)
Net cash flows from / (used in) financing activities		(851)	(1,250)	(851)	(1,250)
Net increase / (decrease) in cash and cash equivalents		29,892	13,297	28,443	10,426
Cash and cash equivalents at beginning of financial year		68,205	54,908	64,526	54,100
Cash and cash equivalents at end of financial year	6.1	98,097	68,205	92,969	64,526

The above Cash Flow Statement should be read in conjunction with the accompanying notes to the financial statements.

# Contents of the notes to the consolidated financial statements

Chisholm Group has presented its audited general purpose financial statements for the financial year ended 31 December 2021 in the following structure to provide users with the information about the Group's stewardship of resources entrusted to it.

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# 1. About this report

Chisholm Institute (“Chisholm”) is a statutory body corporate, established pursuant to an Act made by the Victorian Government under the *Education and Training Reform Act 2006* Section 3.1.12 4(a).

Chisholm is a Technical and Further Education (TAFE) provider, based predominantly in the South East of Victoria. In addition to services provided online and through the workplace, it has campuses in the following locations:

- > Bass Coast (Wonthaggi)
- > Berwick
- > Chisholm @ 311 (Lonsdale Street, Dandenong)
- > Cranbourne
- > Frankston
- > Dandenong (Stud Road, Dandenong)
- > Mornington Peninsula (Rosebud)
- > Springvale

Its registered office and principal address is:

Chisholm Institute  
121 Stud Road  
Dandenong VIC 3175  
Australia

## 1.1 Basis of preparation

These financial statements are presented in Australian dollars, the functional and presentation currency of Chisholm Institute (the “Institute”) and its controlled entities, TAFE Online Pty Ltd and the Caroline Chisholm Education Foundation (“Chisholm Group”). These financial statements have been prepared in accordance with the historical cost convention, unless a different measurement basis is specifically disclosed in the notes associated with the item measured on a different basis. Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated. Please note that there may be minor variances between notes due to this rounding.

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

Judgements, estimates and assumptions are required to be made about the financial information being presented. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised as well as in future periods that are affected by the revision.

Judgements made by management in the application of Australian Accounting Standards (AAS) that have significant effects on the financial statements and estimates relate to:

- > the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 7.3);
- > actuarial assumptions for employee benefit provisions based on likely tenure of existing staff, patterns of leave claims, future salary movements and future discount rates (refer to Note 5.6);
- > determining whether government contributions received should be recognised as revenue under AASB 15 or income under AASB 1058, depending on whether the performance obligations within the contract are assessed as sufficiently specific and measuring Chisholm Group’s satisfaction of a performance obligation (refer to Note 2.2);
- > AASB 16 *Leases* and the requirements to determine the lease term to the extent that extension options are certain (refer to Note 6.4);
- > whether Chisholm Institute has control over TAFE Online Pty Ltd and the Caroline Chisholm Education Foundation (refer to Note 9.4); and
- > whether or not AASB 1059 *Service Concession Arrangements: Grantors* is applicable; specifically, in determining whether an asset provides public services and in determining whether the operator manages at least some of the public services and not acting merely as an agent on behalf of the grantor.

These financial statements cover Chisholm Institute and its controlled entities as an individual reporting entity and include all the controlled activities of Chisholm Group.

# 1. About this report (continued)

## 1.1 Basis of preparation (continued)

### Goods and Services Tax (GST)

Income and expenses are recognised net of the amount of associated GST.

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

### Basis of consolidation

In accordance with AASB 10 *Consolidated Financial Statements*, Chisholm Group consolidates its controlled entities on the basis that control exists when an entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of entities included in the consolidated financial statements are from the date on which control commences until the date on which control ceases.

In preparing consolidated financial statements for Chisholm Group, all material transactions and balances between consolidated entities are eliminated.

### Funding risk

Funding risk is the risk of over-reliance on a particular funding source to the extent that a change in that funding source could impact on the operating results of the current year and future years.

Chisholm Group has substantial economic dependency on Government operating and capital contributions.

Chisholm Group manages funding risk by continuing to diversify and increase funding from commercial activities, both domestically and offshore, and meeting government objectives and key performance indicators.

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

## 1.2 Compliance information

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

For the purposes of preparing financial statements, Chisholm Group is classed as a not-for-profit entity. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

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

## 1.3 Impact of COVID-19

The coronavirus (COVID-19), which was declared a global pandemic in March 2020, continued to evolve in 2021.

Various restrictions, such as lockdowns and closure of the State's borders, continued to be enforced and implemented by the government as required to contain the spread of the virus and to prioritise the health and safety of our communities. These actions have in turn continued to impact the manner in which businesses operate, including Chisholm Institute and its controlled entities.

Consistent with the prior year, COVID-19 continued to have a material impact on the operations of Chisholm Group, and as a consequence has resulted in a number of material impacts on the performance of the Group as well as the judgements and estimates used in assessing balances.

Chisholm Group continued to conduct classes through remote learning where possible with learning facilitators in attendance, held examinations online where appropriate, placed restrictions on non-essential work, and continued work from home arrangements where applicable.



# 1. About this report (continued)

## 1.3 Impact of COVID-19 (continued)

The key impacts on the appropriateness of the going concern basis of accounting, performance of the business, and various accounting treatments and estimates are summarised below and disclosed in subsequent notes where relevant and material.

### Key impacts on performance

#### Basis of preparation

Chisholm Group has a strong financial position, with a net asset position of \$416.5 million (2020: \$410.5 million), net loss of \$2.8 million (2020: \$9.5 million profit), and positive operating cash flows of \$50.6 million (2020: \$23.5 million). Considering the Group's financial position, together with the impacts of COVID-19 on the business, Chisholm Group has concluded it is appropriate to prepare the financial statements on a going concern basis.

#### Revenue and other income

Chisholm Group's response to the pandemic included the following:

##### *Training Delivery*

- > continuation of remote learning for approximately 35,000 students and remote working of approximately 1,300 staff;
- > where critical training was delivered on campus, learning facilitators were put in place to ensure COVID-19 safety protocols were adhered to, and additional teachers were utilised to restrict the numbers in classrooms;
- > additional staff to manage placement coordination;
- > continued assistance by the Caroline Chisholm Education Foundation with the provision of loan laptops and Wi-Fi dongles to students in need.

##### *COVID-19 safe management*

- > increased scheduled cleaning of all campuses as well as the purchase of essential personal protective equipment including masks, sanitiser and disinfectant wipes;
- > continued staff training and online modules for staff and contractors regarding COVID-19 safe work practices;
- > increased staff communications via Chisholm Group's 'People Talk' email newsletter.

##### *Business continuity planning*

- > continued use of business continuity plans and a pandemic risk register;
- > scenario planning for financial and training delivery impacts, used to support decision-making;
- > regular meetings of Chisholm Group's executive committee to discuss ongoing changes to delivery and working arrangements and appropriate responses to government announcements, including a COVID-19 safe plan.

The Department of Education and Training provided business continuity grants for the periods 1 January 2021 to 31 March 2021 and 1 October 2021 to 31 December 2021, to assist Chisholm Group with its response to the pandemic, provide support to retain staff, assist with Chisholm Group's continuation of online and remote learning, and maintain government funding close to pre-pandemic levels. This is further discussed in Note 2.1.

COVID-19 impacted Chisholm Group's ability to achieve revenue diversity targets. Fee for service total revenue was down \$3.8 million or 9% (2020: \$7.8 million or 19%) against target, driven by declines within the International, Industry and Short Course areas.

# 1. About this report (continued)

## 1.3 Impact of COVID-19 (continued)

### Key impacts on performance (continued)

The Department of Education and Training provided funding designed to cover lost revenue and additional direct and indirect COVID-19-related costs. This included business continuity grants totalling \$5.4 million from October to December 2021, as an initiative to support business continuity during the Commonwealth and State government response to COVID-19. This initiative enabled Chisholm Group to maintain staffing levels, and maintain government funding at pre-pandemic levels.

In contrast, TAFE Online Pty Ltd's 2021 revenue was 121% of 2020 revenue (2020: 176% of 2019 revenue) due to the continued take-up of online training and learning.

### Expenses

Chisholm Group's daily activities were tightly managed throughout the pandemic, impacting direct and indirect costs. Cost reductions have occurred in the areas of domestic and international travel, uniforms, equipment hire, and utilities.

These cost reductions were offset in part by the following additional COVID-19-related costs:

- > salary costs relating to placement coordination, and learning facilitators to reinforce and ensure COVID-19 safety procedures were adhered to;
- > salary costs relating to additional teachers due to required smaller class sizes for essential on-campus delivery;
- > course development costs as a result of improvements to remote learning, including consultant costs; and
- > increased staffing costs due to the reduction of staff leave being taken throughout the year.

### Employee provisions

COVID-19 forced the cancellation of a number of instances of planned leave by staff due to lockdown restrictions implemented by the State Government. As a result, leave provisions have increased by \$2.3 million (2020: \$2.8 million). This is discussed in Note 5.6.

### Liquidity risk

Impacts on training delivery and maintaining staffing levels were mitigated by funding initiatives of the State Government in the form of business continuity grants, along with close management of operating expenses. This ensured liquidity was maintained which enabled Chisholm Group to achieve a surplus in 2021 and ensure financial viability into 2022.

### Key impacts on accounting treatments and estimates

#### Fair value of non-financial physical assets

Given the essential service, ongoing training delivery and staff working arrangements, there has been no material impact on the fair value of non-financial physical assets. This is discussed further in Note 7.3.

## 2. How we earned our funds

This section presents the sources and amounts of revenue raised by Chisholm Group. Contributions are received from both State and Commonwealth governments, and from other fees and charges.

### 2.1 Government contributions

#### 2.1.1 Government contributions – operating

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Grants and other transfers</b>				
<b>Government contributions - operating</b>				
State government – contestable	80,097	89,962	67,506	79,550
State government – other contributions	28,108	35,111	27,901	34,979
<b>Total government contributions - operating</b>	<b>108,205</b>	<b>125,073</b>	<b>95,407</b>	<b>114,529</b>

Significant judgement is applied to assess if a grant or contract is enforceable and contains sufficiently specific performance obligations and timing of revenue recognition.

Where grants or contracts are recognised over time, the input method of costs incurred to date will be used to measure progress towards satisfaction of the performance obligation. The nature of the service or product and its satisfaction is directly related to the expert knowledge used to provide the service or produce the product. Costs incurred to date mainly comprise salaries; accordingly, costs incurred to date is the best measure of the transfer of control over the service or product. Where government contributions have been received for services to be delivered in the following year, these amounts are deferred as a contract liability (Note 5.5).

Revenue is measured at the amount of consideration to which Chisholm Group expects to be entitled in exchange for transferring promised goods or services to a customer. Specific revenue recognition criteria are set out in the following table.

Revenue	Nature	Performance obligation	Timing of satisfaction
<b>State government – contestable</b>	Refers to contributions received from a limited pool of government funding for which Chisholm Group must compete with other registered training providers. Funding is allocated primarily through a competitive tendering process and a 'User Choice' system.	Provision of education services.	Over time, as the student receives and consumes the educational services.
<b>State government – other contributions</b>	Refers to funding such as specific-purpose grants and additional contributions relating to students who are eligible for concession discounts.	These categories meet the criteria to be recognised as a contract with a customer if the below facts and circumstances exist. Otherwise, they are recognised on receipt or when the right to receive payment is established.	
		Provision of a final product. For example, a conceptual framework with measures or an evaluation report containing data and recommendations.	At the point in time when the final product is delivered.  Where the customer controls the benefit throughout the agreement term, the revenue will be recognised over time as the service is provided.
		Provision of a specific number of internships with an industry partner.	At the point in time when each internship is completed. Transaction price is the amount agreed with the customer for each internship.

Note: the above accounting policies shall be reassessed by Chisholm Group at the end of each reporting period to determine whether they remain appropriate and amended as needed.

## 2. How we earned our funds (continued)

### 2.1 Government contributions (continued)

#### 2.1.2 Government contributions – capital

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Grants and other transfers</b>				
<b>Government contributions – capital</b>				
State government – capital	10,556	(16)	10,556	(16)
<b>Total government contributions – capital</b>	<b>10,556</b>	<b>(16)</b>	<b>10,556</b>	<b>(16)</b>

Note: 2020 capital contributions are negative due to capital contributions recognised as revenue in 2019 but unspent at year end being reclassified as operating contributions in the following year.

Revenue	Nature	Performance obligation	Timing of satisfaction
<b>State government – capital</b>	Where Chisholm Group receives a financial asset to construct or acquire a non-financial asset which is to be retained and used by Chisholm Group.	To acquire or construct a non-financial asset.	Over time, as the building or facility is constructed. Income is recognised to the extent of costs incurred to date because the costs of construction are the best measure of the stage of completion of the building.

### 2.2 Revenue from fees, charges and sales

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Student fees and charges	14,061	15,311	13,062	14,358
Fee for service – government	24,250	19,394	24,250	19,394
Fee for service – international operations – onshore	2,766	4,755	2,766	4,755
Fee for service – international operations – offshore	3,368	3,252	3,368	3,252
Fee for service – other	6,569	6,581	6,234	6,297
<b>Other non-course fees and charges</b>				
Sale of goods	184	119	184	119
<b>Total revenue from fees, charges and sales</b>	<b>51,198</b>	<b>49,412</b>	<b>49,864</b>	<b>48,175</b>

## 2. How we earned our funds (continued)

### 2.2 Revenue from fees, charges and sales (continued)

The following table provides a breakdown of revenue from fees, charges and sales based on the location of course delivery:

	Student fees and charges	Fee for service	Sale of goods	Total
	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>				
Bass Coast	33	11	-	<b>44</b>
Berwick	2,140	4,516	-	<b>6,656</b>
Cranbourne	829	1,495	-	<b>2,324</b>
Dandenong	3,166	15,613	8	<b>18,787</b>
Frankston	4,057	4,524	-	<b>8,581</b>
Mornington Peninsula	304	177	2	<b>483</b>
International Projects	-	3,368	-	<b>3,368</b>
Online Delivery	999	336	-	<b>1,335</b>
Off-site Delivery	813	3,573	-	<b>4,386</b>
Other	1,720	3,340	174	<b>5,234</b>
<b>Total revenue from fees, charges and sales</b>	<b>14,061</b>	<b>36,953</b>	<b>184</b>	<b>51,198</b>
<b>Consolidated 2020</b>				
Bass Coast	48	-	-	<b>48</b>
Berwick	2,416	3,895	-	<b>6,311</b>
Cranbourne	812	798	9	<b>1,619</b>
Dandenong	3,385	12,885	4	<b>16,274</b>
Frankston	4,486	5,420	1	<b>9,907</b>
Mornington Peninsula	245	213	3	<b>461</b>
International Projects	-	3,252	-	<b>3,252</b>
Online Delivery	970	322	-	<b>1,292</b>
Off-site Delivery	850	3,257	-	<b>4,107</b>
Other	2,099	3,940	102	<b>6,141</b>
<b>Total revenue from fees, charges and sales</b>	<b>15,311</b>	<b>33,982</b>	<b>119</b>	<b>49,412</b>

## 2. How we earned our funds (continued)

### 2.2 Revenue from fees, charges and sales (continued)

	Student fees and charges	Fee for service	Sale of goods	Total
	\$'000	\$'000	\$'000	\$'000
<b>Chisholm 2021</b>				
Bass Coast	33	11	-	44
Berwick	2,140	4,516	-	6,656
Cranbourne	829	1,495	-	2,324
Dandenong	3,166	15,613	8	18,787
Frankston	4,057	4,524	-	8,581
Mornington Peninsula	304	177	2	483
International Projects	-	3,368	-	3,368
Online Delivery	-	-	-	-
Off-site Delivery	813	3,573	-	4,386
Other	1,720	3,341	174	5,235
<b>Total revenue from fees, charges and sales</b>	<b>13,062</b>	<b>36,618</b>	<b>184</b>	<b>49,864</b>

<b>Chisholm 2020</b>				
Bass Coast	48	-	-	48
Berwick	2,416	3,895	-	6,311
Cranbourne	812	798	9	1,619
Dandenong	3,385	12,885	4	16,274
Frankston	4,486	5,420	1	9,907
Mornington Peninsula	245	213	3	461
International Projects	-	3,252	-	3,252
Online Delivery	23	38	-	61
Off-site Delivery	850	3,257	-	4,107
Other	2,093	3,940	102	6,135
<b>Total revenue from fees, charges and sales</b>	<b>14,358</b>	<b>33,698</b>	<b>119</b>	<b>48,175</b>

The timing of satisfaction of a sufficiently specific performance obligation and the amount of revenue to be allocated to each performance obligation involves significant judgement. The accounting policy below outlines the material performance obligations, and how and when these are satisfied.

Revenue for student fees and charges is recognised as the course is delivered to the student and is measured as the amount Chisholm Group expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.

Other non-course fees and charges are recognised as the service is delivered to the student or the public. For example, rent and student accommodation revenue is recognised as Chisholm Group provides the accommodation or use of the space to the student or the public.

Chisholm Group uses actual student contact hours and performance obligations as set out in project plans to recognise revenue over time in line with AASB 15.

## 2. How we earned our funds (continued)

### 2.2 Revenue from fees, charges and sales (continued)

Revenue	Nature	Performance obligation	Timing of satisfaction
<b>Student fees and charges</b>	Chisholm Group provides educational services to the general public, both nationally and internationally.	Provision of education services	Course fees and charges revenue is recognised as the course is delivered to the student and is measured as the amount the Chisholm Group expects to be entitled to. Any fee waivers are recognised as a reduction in the amount of revenue recognised. Where revenue has been received for programs or services to be delivered in the following year, these amounts are deferred as a contract liability.
<b>Fee for service – government, international operations</b>	Fee for service relates to course fees funded by government or students	Provision of services	Revenue is recognised by reference to the percentage completion of each contract, i.e. in the reporting period in which the services are rendered.  Where fee for service revenue of a reciprocal nature has been clearly received in respect of programs or services to be delivered in the following year, such amounts are disclosed as a contract liability.
<b>Fee for service – other</b>	Relates to non-course fees and charges.	Provision of services	Other non-course fees and charges are recognised as the service is delivered to the student or the public. For example, rent is recognised as Chisholm Group provides the use of space to the public.
<b>Revenue from sale of goods</b>		Delivery of goods	Revenue is recognised when the goods are delivered and have been accepted by customers. Sales are recognised based on the contractual price, net of any discounts (if applicable). Payment of transaction price is due immediately.

#### Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Revenue recognised that was included in the contract liability balance at the beginning of the period</b>				
Student fees and charges	4,493	4,438	3,923	4,381
Fee for service	911	1,872	889	1,859
Government contributions – other contributions	1,484	3,925	1,482	3,929
Other	1,105	1,098	1,105	1,098
<b>Total</b>	<b>7,993</b>	<b>11,333</b>	<b>7,399</b>	<b>11,267</b>



## 2. How we earned our funds (continued)

### 2.2 Revenue from fees, charges and sales (continued)

#### Transaction price allocated to remaining performance obligations under AASB 15

Revenue is recognised upon completion of sufficiently specific performance obligations.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) under AASB 15 at the reporting date:

	2022	2023	2024
	\$'000	\$'000	\$'000
<b>Consolidated</b>			
Revenue expected to be recognised	16,289	661	144
<b>Chisholm</b>			
Revenue expected to be recognised	16,023	661	144

Note: These are estimates only, based on professional judgement and past experience.

Chisholm Group applies the practical expedient in paragraph 121 of AASB 15 and does not disclose information about remaining performance obligations that have an original expected duration of one year or less.

#### Payment terms

The payment terms for student fees are as follows:

- > up-front payment via cash, EFTPOS or credit card prior to course commencement;
- > payment plan via a third party (Debitsuccess);
- > federal government assistance (VET Student Loan); and/or
- > invoice to a third party (e.g. a student's employer or workers' compensation provider), where a credit check has been performed on the party being invoiced (payment terms are 21 days).

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

### 2.3 Other revenue and income

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Revenue recovery	-	-	268	261
<b>Total other revenue</b>	-	-	<b>268</b>	<b>261</b>
Interest income	184	347	179	333
Scholarships	139	128	8	25
Rental income	208	213	208	213
Donations and bequests	23	5	-	-
Overhead recovery	-	-	2,955	2,367
Other	704	564	684	562
<b>Total other income</b>	<b>1,258</b>	<b>1,257</b>	<b>4,034</b>	<b>3,500</b>
<b>Total other revenue and income</b>	<b>1,258</b>	<b>1,257</b>	<b>4,302</b>	<b>3,761</b>

## 2. How we earned our funds (continued)

### 2.3 Other revenue and income (continued)

Revenue	Nature	Performance obligation	Timing of satisfaction
<b>Revenue recovery</b>	Expenses are sometimes incurred by Chisholm Institute on behalf of the subsidiary entity TAFE Online Pty Ltd, the value of which must be recovered.	None	Recognised at the point the associated expense is incurred.
Income	Nature	Performance obligation	Timing of satisfaction
<b>Interest income</b>	Interest income includes interest received on bank term deposits and other investments and the unwinding over time of the discount on financial assets.	None	Recognised taking into account the effective interest rates applicable to the financial assets.
<b>Rental income</b>	Chisholm Group receives rental income for certain land and buildings leased out to the general public during the semester break period and when the buildings are excess to the current requirement. Chisholm Group also receives rental income from long term lease arrangements with third parties.	Provision of services	Rental income is recognised on a time proportional basis and is brought to account when Chisholm Group's right to receive the rental is established.
<b>Scholarships, donations and bequests</b>	From time to time, generous benefactors may provide donations or gifts to further the objectives of Chisholm Group, or to cover the cost of tuition for disadvantaged students. Typically, donations and bequests do not contain performance obligations that are sufficiently specific.	None	Recognised on receipt when there are no sufficiently specific performance obligations, or it cannot be identified when the obligation is satisfied.  Typically, the stated purpose of the gift is not specific enough for the requirements of the standard. In the rare circumstance where a gift has a sufficiently specific performance obligation, revenue will be recognised when or as the obligation is satisfied.
<b>Overhead recovery</b>	Charged by Chisholm Institute to its subsidiary, TAFE Online Pty Ltd, to cover costs such as rent, utilities and corporate services (e.g. Finance, Human Resources).	None	Overhead is calculated as a percentage of Skills First revenue recognised by TAFE Online Pty Ltd, with revenue recognised by Chisholm Institute and the expense recognised by TAFE Online Pty Ltd at the time of Skills First revenue recognition.
<b>Other</b>	Income that does not fit into the above categories makes up a very small portion of Chisholm Group's overall revenue, and is grouped into "other income".	None	Other income is recognised when Chisholm Group's right to receive payment is established.

#### 2.3.1 Operating leases receivable

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Receivable</b>				
Within one year	121	143	121	143
Later than one year but not later than five years	184	306	184	306
<b>Total leases receivable</b>	<b>305</b>	<b>449</b>	<b>305</b>	<b>449</b>
GST payable on the above	(28)	(41)	(28)	(41)
<b>Net operating leases receivable</b>	<b>277</b>	<b>408</b>	<b>277</b>	<b>408</b>

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

## 3. How we expended our funds

### 3.1 Employee benefits

The present value of employee benefit obligations including annual leave, long service leave and on-costs are determined using various assumptions that may differ from actual developments in the future. These include future salary growth rate, future discount rates, tenure of existing staff, and patterns of leave claims.

All assumptions are reviewed at each reporting date.

#### 3.1.1 Employee benefits in the comprehensive operating statement

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Salaries, wages, overtime and allowances	96,029	90,388	89,514	85,066
Superannuation	8,994	8,406	8,378	7,908
Payroll tax	4,978	4,762	4,634	4,477
Annual leave	2,831	3,373	2,744	3,294
Long service leave	2,054	1,417	2,046	1,353
Workers compensation	972	690	905	651
Termination benefits	154	125	154	125
Other	(32)	171	(29)	167
<b>Total employee benefits</b>	<b>115,980</b>	<b>109,332</b>	<b>108,346</b>	<b>103,041</b>

Note: "Other" includes Fringe Benefits Tax (FBT) expense. The negative figure is due to a refund relating to the 2020-21 FBT year.

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

Employee expenses were impacted by the COVID-19 pandemic. Refer to Note 1.3 for further information.

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

## 3. How we expended our funds (continued)

### 3.2 Superannuation

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

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

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

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Paid contribution for the year</b>				
<b>Defined benefit plans</b>				
State Superannuation Fund – revised and new	216	238	216	238
<b>Total defined benefit plans</b>	<b>216</b>	<b>238</b>	<b>216</b>	<b>238</b>
<b>Accumulation contribution plans</b>				
VicSuper	3,614	3,470	3,316	3,264
Other	4,127	3,496	3,863	3,268
<b>Total accumulation contribution plans</b>	<b>7,741</b>	<b>6,966</b>	<b>7,179</b>	<b>6,532</b>
<b>Total paid contribution for the year</b>	<b>7,957</b>	<b>7,204</b>	<b>7,395</b>	<b>6,770</b>
<b>Contribution outstanding at year end</b>				
<b>Accumulation contribution plans</b>				
VicSuper	619	629	616	597
Other	524	621	443	574
<b>Total accumulation contribution plans</b>	<b>1,143</b>	<b>1,250</b>	<b>1,059</b>	<b>1,171</b>
<b>Total contribution outstanding at year end</b>	<b>1,143</b>	<b>1,250</b>	<b>1,059</b>	<b>1,171</b>

#### Accumulation contribution plans

Contributions are expensed when they become payable.

The bases for contributions are determined by the various schemes.

The above amounts were measured as at 31 December of each year; or in the case of employer contributions, they relate to the years ended 31 December.

## 3. How we expended our funds (continued)

### 3.3 Supplies and services

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Building repairs and maintenance	6,178	4,510	6,178	4,510
Communication expenses	1,523	1,679	1,522	1,678
Contract and other services	12,243	11,733	12,224	11,711
Cost of goods sold / distributed (ancillary trading)	36	9	36	9
Fees and charges	6,078	8,427	5,949	8,357
Other borrowing costs (other than interest)	88	96	86	93
Purchase of supplies and consumables	7,320	7,063	7,306	7,012
<b>Total supplies and services</b>	<b>33,466</b>	<b>33,517</b>	<b>33,301</b>	<b>33,370</b>

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

COVID-19 impacted expenditure relating to supplies and services during 2021. This is discussed further in Note 1.3.

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

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Payable</b>				
Within one year	1,475	1,329	1,475	1,329
Later than one year but not later than five years	1,838	2,197	1,838	2,197
<b>Total operating lease commitments</b>	<b>3,313</b>	<b>3,526</b>	<b>3,313</b>	<b>3,526</b>
GST reclaimable on the above	(301)	(321)	(301)	(321)
<b>Net operating lease commitments</b>	<b>3,012</b>	<b>3,205</b>	<b>3,012</b>	<b>3,205</b>

## 3. How we expended our funds (continued)

### 3.3 Supplies and services (continued)

#### 3.3.2 Other expenditure commitments

Commitments for future maintenance services in existence at reporting date but not recognised as liabilities are as follows:

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Payable</b>				
Within one year	2,853	171	2,853	171
Later than one year but not later than five years	3,317	132	3,317	132
<b>Total other expenditure commitments</b>	<b>6,170</b>	<b>303</b>	<b>6,170</b>	<b>303</b>
GST reclaimable on the above	(561)	(28)	(561)	(28)
<b>Net other expenditure commitments</b>	<b>5,609</b>	<b>275</b>	<b>5,609</b>	<b>275</b>

The significant increase in other expenditure commitments relates to new essential services contracts which Chisholm Group entered into in 2021. These new contracts cover security and building maintenance, and are each 3 to 4 years in length.

### 3.4 Other operating expenses

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Audit fees and services	340	391	326	369
Bad debts from transactions	117	118	117	118
Doubtful debts	(24)	235	(24)	235
Equipment below capitalisation threshold	974	1,201	973	1,195
Impairment loss allowance	16	(215)	16	(215)
Marketing and promotional expenses	2,969	3,216	2,853	3,179
Operating lease rental expenses	1,692	2,167	1,678	2,161
Staff development	868	549	866	520
Travel and motor vehicle expenses	200	244	200	243
Utilities	1,456	1,957	1,456	1,957
Other	983	923	901	885
<b>Total other operating expenses</b>	<b>9,591</b>	<b>10,786</b>	<b>9,362</b>	<b>10,647</b>

Note: "Impairment loss allowance" was previously combined with "Doubtful debts"; from 2021, impairment loss allowance is shown separately. 2020 figures have been restated accordingly.

Other operating expenses generally represent the day-to-day running costs incurred in normal operations and are recognised when they are incurred and reported in the financial year to which they relate.

Audit fees and services relate to costs associated with internal audit services, as well as remuneration to the Victorian Auditor-General's Office for the audit of the financial statements.

COVID-19 impacted other operating expenditure during 2021. This is discussed further in Note 1.3.

### 3. How we expended our funds (continued)

#### 3.5 Finance costs

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Interest on lease liabilities	54	67	54	67
<b>Total finance costs</b>	<b>54</b>	<b>67</b>	<b>54</b>	<b>67</b>

#### 3.6 Depreciation and amortisation expense

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Depreciation of property, plant and equipment	9,566	9,821	9,566	9,821
Depreciation of right of use assets	816	1,213	816	1,213
Amortisation of intangible assets	1,984	1,634	1,676	1,311
<b>Total depreciation and amortisation expense</b>	<b>12,366</b>	<b>12,668</b>	<b>12,058</b>	<b>12,345</b>



## 4. The assets we invested in

### 4.1 Property, plant and equipment

#### Fair value measurement

Where the assets included in this section are carried at fair value, additional information is disclosed in Note 7.3 in connection with how those fair values were determined.

In accordance with government purpose classifications (used by the Australian Bureau of Statistics to classify expenses and acquisitions of non-financial assets of the public sector and general government sector), Chisholm's property, plant and equipment are assets used for the purpose of education. Property, plant and equipment includes all operational assets.

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021	2020	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>						
Land	67,065	58,196	-	-	67,065	58,196
Buildings	308,638	297,761	(23,271)	(17,554)	285,367	280,207
Construction in progress	4,921	4,174	-	-	4,921	4,174
Plant and equipment	36,959	36,588	(27,800)	(25,320)	9,159	11,268
Motor vehicles	1,036	1,036	(865)	(786)	171	250
Leasehold improvements	3,062	3,062	(3,052)	(3,044)	10	18
Land improvements	2,888	2,888	(683)	(503)	2,205	2,385
<b>Net carrying amount</b>	<b>424,569</b>	<b>403,705</b>	<b>(55,671)</b>	<b>(47,207)</b>	<b>368,898</b>	<b>356,498</b>
<b>Chisholm</b>						
Land	67,065	58,196	-	-	67,065	58,196
Buildings	308,638	297,761	(23,271)	(17,554)	285,367	280,207
Construction in progress	4,921	4,174	-	-	4,921	4,174
Plant and equipment	36,959	36,588	(27,800)	(25,320)	9,159	11,268
Motor vehicles	1,036	1,036	(865)	(786)	171	250
Leasehold improvements	3,062	3,062	(3,052)	(3,044)	10	18
Land improvements	2,888	2,888	(683)	(503)	2,205	2,385
<b>Total</b>	<b>424,569</b>	<b>403,705</b>	<b>(55,671)</b>	<b>(47,207)</b>	<b>368,898</b>	<b>356,498</b>

#### Initial recognition

Immediately upon acquisition, items of property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

The cost of leasehold improvements is capitalised and depreciated over the shorter of the remaining term of the lease or their estimated useful lives.

## 4. The assets we invested in (continued)

### 4.1 Property, plant and equipment (continued)

#### Subsequent measurement

Where there is an indication that the value of property, plant and equipment has changed, these assets are subsequently measured at fair value less accumulated depreciation and impairment. Fair value is determined with regard to the asset's highest and best use (considering legal or physical restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset) and is summarised by asset category.

Non-specialised land, non-specialised buildings and artworks are valued using the market approach, whereby assets are compared to recent comparable sales or sales of comparable assets that are considered to have nominal value.

Specialised land and specialised buildings: The market approach is also used for specialised land, although is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants.

For the majority of Chisholm Group's specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation.

The fair value of plant, equipment and vehicles is normally determined by reference to the asset's depreciated replacement cost.

The last formal revaluation of land and building assets (including land improvements) were conducted for the year ended 31 December 2017. For the year ended 31 December 2021, an assessment was conducted using indices provided by the Office of the Victorian Valuer-General. As a result of this assessment, the value of property, plant and equipment was increased by \$8.9 million; refer to Note 7.3(b) and Note 9.2 for further information.

#### Revaluations of non-financial physical assets

Non-current physical assets measured at fair value are revalued in accordance with Financial Reporting Directions (FRDs) issued by the Assistant Treasurer.

Refer to Note 7.3 for additional information on fair value determination of property, plant and equipment.

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

	Land	Buildings	Construction in progress	Plant and equipment	Motor vehicles	Leasehold improvements	Land improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>								
Opening net book amount	58,196	280,207	4,174	11,268	250	18	2,385	<b>356,498</b>
Additions	-	10,869	4,405	594	-	-	-	<b>15,868</b>
Revaluations	8,869	-	-	-	-	-	-	<b>8,869</b>
Disposals	-	(2,758)	-	(13)	-	-	-	<b>(2,771)</b>
Transfers	-	3,658	(3,658)	-	-	-	-	-
Depreciation	-	(6,609)	-	(2,690)	(79)	(8)	(180)	<b>(9,566)</b>
<b>Closing balance</b>	<b>67,065</b>	<b>285,367</b>	<b>4,921</b>	<b>9,159</b>	<b>171</b>	<b>10</b>	<b>2,205</b>	<b>368,898</b>
<b>Consolidated 2020</b>								
Opening net book amount	58,196	286,042	584	13,099	333	113	2,565	<b>360,932</b>
Additions	-	-	4,310	1,065	-	18	-	<b>5,393</b>
Disposals	-	-	-	(6)	-	-	-	<b>(6)</b>
Transfers	-	720	(720)	-	-	-	-	-
Depreciation	-	(6,555)	-	(2,890)	(83)	(113)	(180)	<b>(9,821)</b>
<b>Closing balance</b>	<b>58,196</b>	<b>280,207</b>	<b>4,174</b>	<b>11,268</b>	<b>250</b>	<b>18</b>	<b>2,385</b>	<b>356,498</b>

## 4. The assets we invested in (continued)

### 4.1 Property, plant and equipment (continued)

#### 4.1.1 Reconciliation of movements in carrying amount of property, plant and equipment (continued)

	Land	Buildings	Construction in progress	Plant and equipment	Motor vehicles	Leasehold improvements	Land improvements	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Chisholm 2021</b>								
Opening net book amount	58,196	280,207	4,174	11,268	250	18	2,385	<b>356,498</b>
Additions	-	10,869	4,405	594	-	-	-	<b>15,868</b>
Revaluations	8,869	-	-	-	-	-	-	<b>8,869</b>
Disposals	-	(2,758)	-	(13)	-	-	-	<b>(2,771)</b>
Transfers	-	3,658	(3,658)	-	-	-	-	<b>-</b>
Depreciation	-	(6,609)	-	(2,690)	(79)	(8)	(180)	<b>(9,566)</b>
<b>Closing balance</b>	<b>67,065</b>	<b>285,367</b>	<b>4,921</b>	<b>9,159</b>	<b>171</b>	<b>10</b>	<b>2,205</b>	<b>368,898</b>

<b>Chisholm 2020</b>								
Opening net book amount	58,196	286,042	584	13,099	333	113	2,565	<b>360,932</b>
Additions	-	-	4,310	1,065	-	18	-	<b>5,393</b>
Disposals	-	-	-	(6)	-	-	-	<b>(6)</b>
Transfers	-	720	(720)	-	-	-	-	<b>-</b>
Depreciation	-	(6,555)	-	(2,890)	(83)	(113)	(180)	<b>(9,821)</b>
<b>Closing balance</b>	<b>58,196</b>	<b>280,207</b>	<b>4,174</b>	<b>11,268</b>	<b>250</b>	<b>18</b>	<b>2,385</b>	<b>356,498</b>

#### 4.1.2 Capital commitments

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Payable</b>				
Within one year	2,372	2,278	2,372	2,278
Later than one year but not later than five years	708	-	708	-
<b>Total capital expenditure commitments</b>	<b>3,080</b>	<b>2,278</b>	<b>3,080</b>	<b>2,278</b>
GST reclaimable on the above	(280)	(207)	(280)	(207)
<b>Net capital expenditure commitments</b>	<b>2,800</b>	<b>2,071</b>	<b>2,800</b>	<b>2,071</b>

The increase in capital commitments relates to major building and refurbishment works occurring as part of Stage 2 of the Frankston campus redevelopment.

## 4. The assets we invested in (continued)

### 4.1 Property, plant and equipment (continued)

#### 4.1.3 Gain/loss on property, plant and equipment

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Net gain/(loss) on disposal of property plant and equipment	(2,720)	75	(2,720)	75
<b>Total</b>	<b>(2,720)</b>	<b>75</b>	<b>(2,720)</b>	<b>75</b>

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

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

### 4.2 Intangible assets

Chisholm Institute has capitalised software development expenditure for the upgrade of its student management system (Strata) software and online learning modules. The carrying amount of the capitalised software development expenditure is \$9.3 million (2020: \$7.4 million). Its useful life is 3-4 years.

TAFE Online Pty Ltd has capitalised software development expenditure in relation to its online enrolment system and online learning modules. The carrying amount of the capitalised software development expenditure is \$1.0 million (2020: \$0.8 million). Its useful life is 3 years.

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Software</b>				
<b>Gross carrying amount</b>				
Opening balance	16,231	12,558	13,245	9,900
Additions	3,993	3,673	3,543	3,345
<b>Closing balance</b>	<b>20,224</b>	<b>16,231</b>	<b>16,788</b>	<b>13,245</b>
<b>Accumulated amortisation and impairment</b>				
Opening balance	(7,996)	(6,362)	(5,823)	(4,512)
Amortisation charge	(1,984)	(1,634)	(1,676)	(1,311)
<b>Closing balance</b>	<b>(9,980)</b>	<b>(7,996)</b>	<b>(7,499)</b>	<b>(5,823)</b>
<b>Net carrying amount at end of the year</b>	<b>10,244</b>	<b>8,235</b>	<b>9,289</b>	<b>7,422</b>

## 4. The assets we invested in (continued)

### 4.2 Intangible assets (continued)

#### Initial recognition

When recognition criteria in AASB 138 *Intangible Assets* are met, internally generated intangible assets are recognised at cost. Subsequently, intangible assets with finite useful lives are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognised if all of the following are demonstrated:

- > the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- > the intention to complete the intangible asset for use or sale;
- > the ability to use or sell the asset;
- > the intangible asset will generate probable future economic benefits;
- > the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- > the ability to measure reliably the expenditure attributable to the intangible asset during its development. Subsequent measurement.

#### Subsequent measurement

Software assets are amortised as an 'expense from transactions' on a straight-line basis over their useful lives. Software assets have useful lives of between 3 and 4 years.

#### Impairment of intangible assets

Intangible assets with indefinite useful lives (and intangible assets not yet available for use) are tested annually for impairment and whenever there is an indication that the asset may be impaired. Intangible assets with finite useful lives are tested for impairment whenever an indication of impairment is identified.

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their possible recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off by a charge to the Comprehensive Operating Statement. Impairment of goodwill is not reversed.

### 4.3 Depreciation and amortisation

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

Depreciation and amortisation is generally calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is shorter, using the straight-line method.

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

Class of Assets	Useful Life	Method
Buildings	5 – 80 years (2020: 5 – 80 years)	Straight line
Plant and equipment	3 – 13 years (2020: 3 – 13 years)	Straight line
Motor vehicles	6 – 10 years (2020: 6 – 10 years)	Straight line
Leasehold improvements	3 – 6 years (2020: 3 – 6 years)	Straight line
Land improvements	10 – 40 years (2020: 10 – 40 years)	Straight line
Right of use assets	Lease term (2020: lease term)	Straight line
Software	3 – 4 years (2020: 3 – 4 years)	Straight line

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

Leasehold improvements are depreciated over the shorter of the lease term and their useful lives.

## 4. The assets we invested in (continued)

### 4.4 Investments and other financial assets

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current investments and other financial assets</b>				
Term deposits > three months	526	522	-	-
<b>Non-current investments and other financial assets</b>				
Unlisted shares in subsidiary - TAFE Online Pty Ltd	-	-	6,000	6,000
<b>Total investments and other financial assets</b>	<b>526</b>	<b>522</b>	<b>6,000</b>	<b>6,000</b>

#### Ageing analysis of investments and other financial assets

	Carrying amount	Not past due and not impaired	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>						
Term deposits	526	526	-	-	-	-
<b>Total</b>	<b>526</b>	<b>526</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated 2020</b>						
Term deposits	522	522	-	-	-	-
<b>Total</b>	<b>522</b>	<b>522</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Chisholm 2021</b>						
Investments in subsidiary	6,000	6,000	-	-	-	-
<b>Total</b>	<b>6,000</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Chisholm 2020</b>						
Investments in subsidiary	6,000	6,000	-	-	-	-
<b>Total</b>	<b>6,000</b>	<b>6,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 5. Balances from operations

### 5.1 Receivables

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
<b>Contractual</b>				
Trade receivables	1,953	2,250	1,925	2,250
Loss allowance on trade receivables	(64)	(242)	(64)	(242)
Other receivables	1,800	2,121	2,522	3,981
<b>Total receivables from contracts with customers</b>	<b>3,689</b>	<b>4,129</b>	<b>4,383</b>	<b>5,989</b>
<b>Statutory</b>				
GST input tax credit recoverable	3	321	90	532
FBT recoverable	24	-	24	-
<b>Total current receivables</b>	<b>3,716</b>	<b>4,450</b>	<b>4,497</b>	<b>6,521</b>

**Receivables** consist of:

- > statutory receivables, which include predominantly amounts owing from the Government and GST input tax credits recoverable; and
- > contractual receivables, which include mainly debtors in relation to goods and services, loans to third parties, accrued investment income, and finance lease receivables.

Receivables other than sale of goods and services are stated exclusive of the amount of GST receivable. Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for any required impairments.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. Chisholm Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

Due to the short-term nature of current receivables, their carrying amount is considered to be the same as their fair value.

#### Impairment

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



## 5. Balances from operations (continued)

### 5.1 Receivables (continued)

The movement in the allowance for impairment in respect of trade receivables during the year is shown in the following table.

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Balance at the beginning of the year</b>	<b>(242)</b>	<b>(405)</b>	<b>(242)</b>	<b>(405)</b>
Amounts written off	-	-	-	-
Net remeasurement of loss allowance	(16)	111	(16)	111
Reversal of unused loss allowance recognised in net result	-	-	-	-
Increase in loss allowance recognised in net result	194	52	194	52
<b>Balance at the end of the year</b>	<b>(64)</b>	<b>(242)</b>	<b>(64)</b>	<b>(242)</b>

In respect of trade and other receivables, Chisholm Group is not exposed to any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics. Trade receivables consist of a large number of customers in various industries and geographical areas. Based on historical information about customer default rates, management considers the credit quality of trade receivables that are not past due or impaired to be good.

#### Ageing analysis of contractual receivables

	Carrying amount	Not past due and not impaired	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>						
Trade receivables	1,889	542	1,076	153	118	-
Other receivables	1,800	1,800	-	-	-	-
<b>Total</b>	<b>3,689</b>	<b>2,342</b>	<b>1,076</b>	<b>153</b>	<b>118</b>	<b>-</b>
<b>Consolidated 2020</b>						
Trade receivables	2,008	460	1,051	350	147	-
Other receivables	2,121	2,121	-	-	-	-
<b>Total</b>	<b>4,129</b>	<b>2,581</b>	<b>1,051</b>	<b>350</b>	<b>147</b>	<b>-</b>

## 5. Balances from operations (continued)

### 5.1 Receivables (continued)

#### Ageing analysis of contractual receivables (continued)

	Carrying amount	Not past due and not impaired	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Chisholm 2021</b>						
Trade receivables	1,861	514	1,076	153	118	-
Other receivables	2,522	2,522	-	-	-	-
<b>Total</b>	<b>4,383</b>	<b>3,036</b>	<b>1,076</b>	<b>153</b>	<b>118</b>	<b>-</b>

<b>Chisholm 2020</b>						
Trade receivables	2,008	460	1,051	350	147	-
Other receivables	3,981	3,981	-	-	-	-
<b>Total</b>	<b>5,989</b>	<b>4,441</b>	<b>1,051</b>	<b>350</b>	<b>147</b>	<b>-</b>

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

The average credit period on sales of goods and services is 30.52 days.

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

### 5.2 Contract assets

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Contract assets	9,361	11,967	8,408	11,738
Loss allowance on contract assets	-	-	-	-
<b>Total contract assets</b>	<b>9,361</b>	<b>11,967</b>	<b>8,408</b>	<b>11,738</b>

Contract assets are recognised when Chisholm Group has transferred goods or services to the customer, or achieved performance obligations, but where Chisholm Group is yet to establish an unconditional right to consideration. Contract assets are treated as financial assets for impairment purposes.

## 5. Balances from operations (continued)

### 5.3 Other non-financial assets

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Prepayments	2,759	3,233	2,724	3,210
Inventories	214	141	214	141
<b>Total other non-financial assets – current</b>	<b>2,973</b>	<b>3,374</b>	<b>2,938</b>	<b>3,351</b>
<b>Non-current</b>				
Prepayments	-	210	-	210
<b>Total other non-financial assets – non-current</b>	<b>-</b>	<b>210</b>	<b>-</b>	<b>210</b>
<b>Total other non-financial assets</b>	<b>2,973</b>	<b>3,584</b>	<b>2,938</b>	<b>3,561</b>

Prepayments represent payments in advance of receipt of goods and services, or that part of expenditure made in one accounting period covering a term extending beyond that period.

Inventories include goods and other property held either for sale or for distribution at a zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories held for distribution are measured at cost, adjusted for any loss of service potential. All other inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Cost includes an appropriate portion of fixed and variable overhead expenses. Cost is assigned to other high value, low volume inventory items on a specific identification of cost basis. Cost for all other inventory is measured on the basis of weighted average cost.

### 5.4 Payables

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
<b>Contractual</b>				
Supplies and services	8,953	8,320	8,809	9,324
<b>Total contractual payables</b>	<b>8,953</b>	<b>8,320</b>	<b>8,809</b>	<b>9,324</b>
<b>Statutory</b>				
FBT payable	-	30	-	30
Other taxes payable	1,542	1,401	1,446	1,337
<b>Total statutory payables</b>	<b>1,542</b>	<b>1,431</b>	<b>1,446</b>	<b>1,367</b>
<b>Total current payables</b>	<b>10,495</b>	<b>9,751</b>	<b>10,255</b>	<b>10,691</b>

## 5. Balances from operations (continued)

### 5.4 Payables (continued)

**Payables** consist of:

- > contractual payables, such as accounts payable, and unearned income. Accounts payable represent liabilities for goods and services provided to Chisholm Group prior to the end of the financial year that are unpaid, and arise when Chisholm 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 payable.

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

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

#### Ageing analysis of contractual payables

	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>						
Supplies and services	8,953	8,953	8,896	14	43	-
<b>Total</b>	<b>8,953</b>	<b>8,953</b>	<b>8,896</b>	<b>14</b>	<b>43</b>	<b>-</b>
<b>Consolidated 2020</b>						
Supplies and services	8,320	8,320	8,272	35	13	-
<b>Total</b>	<b>8,320</b>	<b>8,320</b>	<b>8,272</b>	<b>35</b>	<b>13</b>	<b>-</b>
<b>Chisholm 2021</b>						
Supplies and services	8,809	8,809	8,752	14	43	-
<b>Total</b>	<b>8,809</b>	<b>8,809</b>	<b>8,752</b>	<b>14</b>	<b>43</b>	<b>-</b>
<b>Chisholm 2020</b>						
Supplies and services	9,324	9,324	9,279	34	11	-
<b>Total</b>	<b>9,324</b>	<b>9,324</b>	<b>9,279</b>	<b>34</b>	<b>11</b>	<b>-</b>

Note: The disclosures above exclude statutory payables (e.g. GST payable).

The average credit period is 23.1 days. No interest is charged on other payables.

Terms and conditions of amounts payable to other government agencies vary according to a particular agreement with that agency.

Due to their short-term nature, the carrying amounts of trade and other payables are considered to be the same as their fair values.

## 5. Balances from operations (continued)

### 5.5 Contract and other liabilities

Refer to Note 2.2 for further information around revenue recognised in relation to contract liabilities.

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Contract liabilities</b>				
Student fees	3,844	4,493	3,628	3,923
Fee for service	1,222	911	1,210	889
Government contributions – other contributions	10,778	8,668	10,740	8,664
Other	1,249	1,105	1,248	1,105
<b>Total contract liabilities</b>	<b>17,093</b>	<b>15,177</b>	<b>16,826</b>	<b>14,581</b>
<b>Other liabilities</b>				
Deferred capital grants	31,274	1,862	31,274	1,862
<b>Total other liabilities</b>	<b>31,274</b>	<b>1,862</b>	<b>31,274</b>	<b>1,862</b>
<b>Total contract and other liabilities</b>	<b>48,367</b>	<b>17,039</b>	<b>48,100</b>	<b>16,443</b>

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

Grant consideration was received from the Department of Education and Training to support the construction of new buildings under Stage 2 of the Frankston campus redevelopment. Grant consideration is recognised as income following specific guidance under AASB 1058 as the asset is constructed. Income is recognised to the extent of costs incurred to date because the costs of construction most closely reflect the stage of completion of the asset. As such, Chisholm Group has deferred recognition of a portion of the grant consideration received as a liability for outstanding obligations.

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Deferred capital grants</b>				
Deferred capital grants at beginning of the year	1,862	-	1,862	-
Grant consideration for capital works received during the year	39,968	1,846	39,968	1,846
Grant consideration recognised as income under AASB 1058	(10,556)	16	(10,556)	16
<b>Closing balance - deferred capital grants</b>	<b>31,274</b>	<b>1,862</b>	<b>31,274</b>	<b>1,862</b>

## 5. Balances from operations (continued)

### 5.6 Employee benefits in the balance sheet

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Short-term benefits</b>				
Annual leave	4,960	4,084	4,888	4,022
Long service leave	7,656	7,035	7,656	7,035
Time off in lieu	682	521	662	504
On-costs	2,074	1,765	2,062	1,755
<b>Total short-term benefits</b>	<b>15,372</b>	<b>13,405</b>	<b>15,268</b>	<b>13,316</b>
<b>Long-term benefits</b>				
Long service leave	1,858	1,582	1,768	1,496
On-costs	304	252	291	238
<b>Total long-term benefits</b>	<b>2,162</b>	<b>1,834</b>	<b>2,059</b>	<b>1,734</b>
<b>Total employee provisions</b>	<b>17,534</b>	<b>15,239</b>	<b>17,327</b>	<b>15,050</b>

The leave obligations cover Chisholm Group's liabilities for long service leave and annual leave, which are classified as either other long-term benefits or short-term benefits.

The current portion of this liability includes all of the accrued annual leave, the unconditional entitlements to long service leave where employees have completed the required period of service, and also for those employees that are entitled to pro rata payments in certain circumstances. The entire amount of the provision of \$15.4 million (2020: \$13.4 million) is presented as current, since Chisholm Group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, Chisholm Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

COVID-19 forced the cancellation of planned leave by staff due to lockdown restrictions implemented by the state government. As a result, leave provisions increased by \$2.3 million (2020: \$2.8 million). The impact of COVID-19 is discussed in Note 1.3.

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Unconditional and expected to wholly settle within 12 months	6,593	5,744	6,498	5,664
Unconditional and expected to wholly settle after 12 months	8,779	7,661	8,770	7,652
<b>Total current employee provisions</b>	<b>15,372</b>	<b>13,405</b>	<b>15,268</b>	<b>13,316</b>

## 6. How we financed our operations

### 6.1 Cash and deposits

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Cash and deposits	10,843	8,186	5,715	4,507
Deposits at call	87,254	60,019	87,254	60,019
<b>Total cash and deposits</b>	<b>98,097</b>	<b>68,205</b>	<b>92,969</b>	<b>64,526</b>

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

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Net result for the year</b>	<b>(2,849)</b>	<b>9,457</b>	<b>(5,601)</b>	<b>7,079</b>

#### Non-cash movements

Depreciation and amortisation of non-financial assets	12,366	12,667	12,058	12,345
(Profit)/loss on disposal of property, plant and equipment	2,720	(75)	2,720	(75)
Greener Government loan discount	-	-	-	-

#### Movements in assets and liabilities

Decrease/(increase) in trade and other receivables	736	2,589	2,023	2,844
Decrease/(increase) in contract assets	2,606	(2,346)	3,329	(2,501)
Decrease/(increase) in prepayments	685	(1,173)	698	(1,167)
Decrease/(increase) in inventories	(75)	6	(75)	6
(Decrease)/increase in trade and other payables	744	362	(436)	355
(Decrease)/increase in provisions	2,295	2,851	2,277	2,774
(Decrease) / increase in contract and other liabilities	31,328	(800)	31,659	(1,326)
<b>Net cash flows from/(used in) operating activities</b>	<b>50,556</b>	<b>23,538</b>	<b>48,652</b>	<b>20,334</b>

<b>Per cash flow statement</b>	<b>50,556</b>	<b>23,538</b>	<b>48,652</b>	<b>20,334</b>
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Cash flows are included in the cash flow statement on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is presented as an operating cash flow.

## 6. How we financed our operations (continued)

### 6.2 Borrowings

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Current</b>				
Advances from Government	351	351	351	351
<b>Non-current</b>				
Advances from Government	657	657	657	657
<b>Total borrowings</b>	<b>1,008</b>	<b>1,008</b>	<b>1,008</b>	<b>1,008</b>

#### Advances from Government

Advances from Government are initially measured at fair value, being the cost of the interest-bearing liabilities, net of transaction costs.

The measurement basis subsequent to initial recognition depends on whether the Institute has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost.

Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest-bearing liabilities. The Institute determines the classification of its interest-bearing liabilities at initial recognition.

Due to COVID-19, the Victorian government agreed to defer payment of the Greener Government loan scheme; as such, the balances in this note have not changed between 2020 and 2021.



## 6. How we financed our operations (continued)

### 6.2 Borrowings (continued)

#### Maturity analysis of borrowings

	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months - 1 year	1-5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>						
Advances from Government	1,008	1,008	-	-	351	657
<b>Total</b>	<b>1,008</b>	<b>1,008</b>	<b>-</b>	<b>-</b>	<b>351</b>	<b>657</b>

<b>Consolidated 2020</b>						
Advances from Government	1,008	1,008	-	-	351	657
<b>Total</b>	<b>1,008</b>	<b>1,008</b>	<b>-</b>	<b>-</b>	<b>351</b>	<b>657</b>

<b>Chisholm 2021</b>						
Advances from Government	1,008	1,008	-	-	351	657
<b>Total</b>	<b>1,008</b>	<b>1,008</b>	<b>-</b>	<b>-</b>	<b>351</b>	<b>657</b>

<b>Chisholm 2020</b>						
Advances from Government	1,008	1,008	-	-	351	657
<b>Total</b>	<b>1,008</b>	<b>1,008</b>	<b>-</b>	<b>-</b>	<b>351</b>	<b>657</b>

The fair values are not materially different to their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as Level 3 fair values in the fair value hierarchy (see Note 7.3) due to the use of unobservable inputs, including own credit risk.

### 6.3 Contributed capital

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Balance at 1 January	85,387	85,387	85,387	85,387
<b>Balance at 31 December</b>	<b>85,387</b>	<b>85,387</b>	<b>85,387</b>	<b>85,387</b>

Funding that is in the nature of contributions by the Victorian State Government are treated as contributed capital when designated in accordance with UIG Interpretation 1038 *Contribution by Owners Made to Wholly-Owned Public Sector Entities*. Capital funds provided by the Commonwealth Government are treated as income.

## 6. How we financed our operations (continued)

### 6.4 Leases

#### Policy

At inception of a contract, all entities will assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- > the contract involves the use of an identified asset;
- > the customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- > the customer has the right to direct the use of the asset.

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

#### As a lessee

Chisholm Group recognises a right of use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- > any lease payments made at or before the commencement date; plus
- > any initial direct costs incurred; and
- > an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received.

The right of use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right of use asset or the end of the lease term. The estimated useful lives of right of use assets are determined on the same basis as those of property, plant and equipment. In addition, the right of use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate as provided by Treasury Corporation of Victoria (TCV). Generally, Chisholm Group uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- > fixed payments;
- > variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- > amounts expected to be payable under a residual value guarantee; and
- > the exercise price under a purchase option that Chisholm Group is reasonably certain to exercise, lease payments in an optional renewal period if Chisholm Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Chisholm Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured:

- > when there is a change in future lease payments arising from a change in an index or rate;
- > if there is a change in Chisholm Group's estimate of the amount expected to be payable under a residual value guarantee; or
- > if Chisholm Group changes its assessment of whether it will exercise a purchase, extension or termination option.

## 6. How we financed our operations (continued)

### 6.4 Leases (continued)

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right of use asset, or is recorded in profit or loss if the carrying amount of the right of use asset has been reduced to zero.

#### Right of use assets

	Property	Vehicles	Total
	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>			
Balance at 1 January 2021	1,131	591	1,722
Additions	31	227	258
Amortisation	(492)	(324)	(816)
Disposals	-	(6)	(6)
<b>Balance at 31 December 2021</b>	<b>670</b>	<b>488</b>	<b>1,158</b>

<b>Consolidated 2020</b>			
Balance as at 1 January 2020	1,264	376	1,640
Additions	1,236	590	1,826
Amortisation	(843)	(370)	(1,213)
Disposals	(526)	(5)	(531)
<b>Balance as at 31 December 2021</b>	<b>1,131</b>	<b>591</b>	<b>1,722</b>

<b>Chisholm 2021</b>			
Balance at 1 January	1,264	376	1,640
Additions	1,236	590	1,826
Amortisation	(843)	(370)	(1,213)
Disposals	(526)	(5)	(531)
<b>Balance at 31 December</b>	<b>670</b>	<b>488</b>	<b>1,158</b>

<b>Chisholm 2020</b>			
Balance at 1 January	1,264	376	1,640
Additions	1,236	590	1,826
Amortisation	(843)	(370)	(1,213)
Disposals	(526)	(5)	(531)
<b>Balance at 31 December</b>	<b>1,131</b>	<b>591</b>	<b>1,722</b>

Note: Disposals in 2020 were incorrectly absorbed into the figures for additions and amortisation, reducing their values. Disposals have now been separated. There is no impact on the opening and closing balances.

## 6. How we financed our operations (continued)

### 6.4 Leases (continued)

#### Lease liabilities

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Maturity analysis – contractual undiscounted cash flows</b>				
Less than one year	762	776	762	776
One to five years	316	900	316	900
<b>Total undiscounted lease liabilities as at 31 December</b>	<b>1,078</b>	<b>1,676</b>	<b>1,078</b>	<b>1,676</b>
Future finance charges	-	-	-	-
<b>Total discounted lease liabilities as at 31 December</b>	<b>1,078</b>	<b>1,676</b>	<b>1,078</b>	<b>1,676</b>

#### Lease liabilities included in the Balance Sheet at 31 December

Current	762	776	762	776
Non-current	316	900	316	900
<b>Total lease liabilities</b>	<b>1,078</b>	<b>1,676</b>	<b>1,078</b>	<b>1,676</b>

#### Short-term and low value leases

Chisholm Group has elected not to recognise right of use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, and leases of low value assets (individual assets worth less than \$10,000), including IT equipment. Chisholm Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

## 7. Managing risks and uncertainties

### 7.1 Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Contractual financial assets</b>				
<b>Financial assets measured at amortised cost</b>				
Cash and deposits	98,097	68,205	92,969	64,526
Trade receivables	1,889	2,008	1,861	2,008
Other receivables	1,800	2,121	2,522	3,981
Term deposits	526	522	-	-
<b>Total contractual financial assets</b>	<b>102,312</b>	<b>72,856</b>	<b>97,352</b>	<b>70,515</b>
<b>Contractual financial liabilities</b>				
<b>Loans and payables</b>				
Supplies and services	8,953	8,320	8,809	9,324
<b>At amortised cost</b>				
Borrowings (Advances from Government)	1,008	1,008	1,008	1,008
Lease liabilities	1,078	1,676	1,078	1,676
Other liabilities	31,274	1,862	31,274	1,862
<b>Total contractual financial liabilities</b>	<b>42,313</b>	<b>12,866</b>	<b>42,169</b>	<b>13,870</b>

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

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

#### Categories of financial instruments

Chisholm Group classifies its financial assets at amortised cost only if both of the following criteria met:

- > the asset is held within a business model whose objective is to collect the contractual cash flows; and
- > the contractual terms give rise to cash flows that are solely payments of principal and interest.

Financial assets measured at amortised cost are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, receivables are measured at amortised cost using the effective interest method (and for assets, less any necessary impairment) Chisholm Group recognises the following assets in this category:

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

Financial liabilities at amortised cost are initially recognised on the date they originate. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method. Chisholm Group recognises the following liabilities in this category:

- > payables (excluding statutory payables);
- > borrowings (including finance lease liabilities); and
- > contract liabilities (revenue received in advance).

#### 7.1.1 Financial risk management objectives and policies

Chisholm Group is exposed to a variety of financial risks, market risk, credit risk and liquidity risk.

Chisholm Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of Chisholm Group. Chisholm Group uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate, foreign exchange and other price risks and ageing analysis for credit risk.

Primary responsibility for the identification and management of financial risks rests with Chisholm Group's finance function, overseen by the Audit and Risk Management Committee of Chisholm Institute on behalf of the Board.

#### 7.1.2 Credit risk

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

Credit risk is measured at fair value and is monitored on a regular basis. Chisholm Group monitors credit risk by actively assessing the rating quality and liquidity of counterparties:

- > all potential customers are rated for credit worthiness taking into account their size, market position and financial standing; and
- > customers that do not meet Chisholm Group's strict credit policies may only purchase in cash or using recognised credit cards.

The trade receivables balances at 31 December 2021 and 31 December 2020 do not include any counterparties with external credit ratings. Customers are assessed for credit worthiness using the criteria detailed above.

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

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

The carrying amount of contractual financial assets recorded in the financial statements, net of any allowances for losses, represents Chisholm Group's maximum exposure to credit risk without taking account of the value of any collateral obtained.

There are no material financial assets which are individually determined to be impaired.

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

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

	Financial institutions (AA-rating)	Government agencies (AAA rating)	Other counterparty	Total
	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>				
Cash and deposits	98,097	-	-	98,097
Receivables	-	1,007	2,682	3,689
Investments and other financial assets	526	-	-	526
<b>Total contractual financial assets</b>	<b>98,623</b>	<b>1,007</b>	<b>2,682</b>	<b>102,312</b>

<b>Consolidated 2020</b>				
Cash and deposits	68,205	-	-	68,205
Receivables	-	1,460	2,669	4,129
Investments and other financial assets	522	-	-	522
<b>Total contractual financial assets</b>	<b>68,727</b>	<b>1,460</b>	<b>2,669</b>	<b>72,856</b>

<b>Chisholm 2021</b>				
Cash and deposits	92,969	-	-	92,969
Receivables	-	861	3,522	4,383
<b>Total contractual financial assets</b>	<b>92,969</b>	<b>861</b>	<b>3,522</b>	<b>97,352</b>

<b>Chisholm 2020</b>				
Cash and deposits	64,526	-	-	64,526
Receivables	-	1,202	4,788	5,990
<b>Total contractual financial assets</b>	<b>64,526</b>	<b>1,202</b>	<b>4,788</b>	<b>70,516</b>

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

AASB 9 uses an 'expected credit loss' (ECL) model. Under this model, loss allowances are measured on either of the following bases:

- > 12-month ECLs: these are ECLs that result from possible default events within the 12 months after the reporting date; and
- > lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument.

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

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

The expected loss rates are based on the payment profile for sales over the past 60 months before 31 December 2021 and the past 48 months before 31 January 2020, as well as the corresponding historical credit losses during that period. The historical rates are adjusted to reflect current and forward-looking macroeconomic factors affecting the customers' ability to settle the amount outstanding. Chisholm Group has identified gross domestic product (GDP) and unemployment rates of the countries in which the customers are domiciled to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors. However given the short period exposed to credit risk, the impact of these macroeconomic factors has not been considered significant within the reporting period.

The following table provides information about the estimated exposure to credit risk and ECLs for trade receivables as at 31 December 2021:

	Estimated gross carrying amount	Weighted average loss rate	Estimated loss allowance	Credit impaired
	\$'000	%	\$'000	(yes/no)
<b>Consolidated</b>				
<b>31 December 2021</b>				
Current (not past due)	1,745	2.2	39	No
31 – 60 days past due	14	-	-	No
61 – 90 days past due	12	8.3	1	No
More than 90 days past due	118	20.3	24	No
	<b>1,889</b>		<b>64</b>	
<b>1 January 2021</b>				
Current (not past due)	1,697	2.7	46	
31 – 60 days past due	-	-	-	
61 – 90 days past due	6	7.1	-	
More than 90 days past due	305	64.3	196	
	<b>2,008</b>		<b>242</b>	
<b>Chisholm</b>				
<b>31 December 2021</b>				
Current (not past due)	1,717	2.3	39	No
31 – 60 days past due	14	-	-	No
61 – 90 days past due	12	8.3	1	No
More than 90 days past due	118	20.3	24	No
	<b>1,861</b>		<b>64</b>	
<b>1 January 2021</b>				
Current (not past due)	1,697	2.7	46	
31 – 60 days past due	-	-	-	
61 – 90 days past due	6	7.1	-	
More than 90 days past due	305	64.3	196	
	<b>2,008</b>		<b>242</b>	



## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

Loss rates are based on actual credit loss experience.

These rates are multiplied by scale factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and Chisholm Group's view of economic conditions over the expected lives of the receivables.

Trade receivables and contract assets are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with Chisholm Group, and a failure to make contractual payments for a period of greater than 120 days past due.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Of the above impairment losses, less than \$0.1 million (2020: \$0.1 million) relate to receivables arising from contracts with customers.

#### 7.1.3 Liquidity risk

Liquidity risk is the risk that Chisholm Group would be unable to meet its financial obligations as and when they fall due.

For contracts under \$3 million, Chisholm Group operates under a payments policy of settling financial obligations within 10 days, and in the event of a dispute, making payments within 10 days from the date of resolution.

For contracts of \$3 million and above, Chisholm Group operates under a 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.

Chisholm Group's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in Note 7.1.

Chisholm Group manages liquidity risk by:

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

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

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

#### 7.1.4 Market risk

##### Foreign currency risk

Foreign currency risk is the risk that Chisholm Group's operating result, cash flow or capital are negatively impacted by a change in foreign exchange rates. Chisholm Group has minimal exposure to foreign currency risk.

##### Interest rate risk

Interest rate risk arises from the potential for a change in interest rates to change the expected net interest earnings in the current reporting period and in future years, or cause a fluctuation in the fair value of the financial instruments.

The objective is to manage the interest rate risk to achieve stable and sustainable net interest earnings in the long term. This is managed predominantly through a mixture of short term and longer term investments. Management monitors movement in interest rates on a monthly basis.

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

Chisholm Group's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities are set out in the financial instrument composition and maturity analysis table on the next page.

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

#### Interest rate exposure of financial instruments

	Weighted average interest rate	Carrying amount as at 31 December	Interest rate exposure		
			Floating interest rate	Fixed interest rate	Non-interest bearing
		\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>					
<b>Financial assets</b>					
Cash and deposits	0.09%	98,623	98,093	526	4
Trade receivables		1,889	-	-	1,889
Other financial assets		1,800	-	-	1,800
<b>Total financial assets</b>		<b>102,312</b>	<b>98,093</b>	<b>526</b>	<b>3,693</b>
<b>Financial liabilities</b>					
Trade and other payables		42,314	-	1,078	41,236
<b>Total financial liabilities</b>		<b>42,314</b>	<b>-</b>	<b>1,078</b>	<b>41,236</b>
<b>Consolidated 2020</b>					
<b>Financial assets</b>					
Cash and deposits	0.13%	68,727	68,201	522	4
Trade receivables		2,008	-	-	2,008
Other financial assets		2,121	-	-	2,121
<b>Total financial assets</b>		<b>72,856</b>	<b>68,201</b>	<b>522</b>	<b>4,133</b>
<b>Financial liabilities</b>					
Trade and other payables		12,867	-	1,676	11,190
<b>Total financial liabilities</b>		<b>12,867</b>	<b>-</b>	<b>1,676</b>	<b>11,190</b>

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

#### Interest rate exposure of financial instruments (continued)

	Weighted average interest rate	Carrying amount as at 31 December	Interest rate exposure		
			Floating interest rate	Fixed interest rate	Non-interest bearing
			\$'000	\$'000	\$'000
Chisholm 2021					
Financial assets					
Cash and deposits	0.09%	92,970	92,966	-	4
Trade receivables		1,861	-	-	1,861
Other financial assets		2,522	-	-	2,522
Total financial assets		97,353	92,966	-	4,387
Financial liabilities					
Trade and other payables		42,169	-	1,078	41,092
Total financial liabilities		42,169	-	1,078	41,092
Chisholm 2020					
Financial assets					
Cash and deposits	0.10%	64,526	64,523	-	3
Trade receivables		2,008	-	-	2,008
Other financial assets		3,981	-	-	3,981
Total financial assets		70,515	64,523	-	5,992
Financial liabilities					
Trade and other payables		13,871	-	1,676	12,195
Total financial liabilities		13,871	-	1,676	12,195

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

## 7. Managing risks and uncertainties (continued)

### 7.1 Financial instruments (continued)

#### Sensitivity analysis and assumptions

	Carrying amount as at 31 December	Interest rate risk			
		-1% (100 basis points)		+1% (100 basis points)	
		Result	Equity	Result	Equity
		\$'000	\$'000	\$'000	\$'000
Consolidated 2021					
Financial assets					
Cash and deposits	98,624	(89)	-	987	-
Total impact	98,624	(89)	-	987	-
Consolidated 2020					
Financial assets					
Cash and deposits	68,727	(90)	-	688	-
Total impact	68,727	(90)	-	688	-
Chisholm 2021					
Financial assets					
Cash and deposits	92,970	(87)	-	931	-
Total impact	92,970	(87)	-	931	-
Chisholm 2020					
Financial assets					
Cash and deposits	64,526	(66)	-	646	-
Total impact	64,526	(66)	-	646	-

### 7.2 Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet but are disclosed and, if quantifiable, are measured at nominal value.

Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

There were no contingent assets or contingent liabilities as at 31 December 2021 (31 December 2020: nil) that may have a material effect on the financial operations of Chisholm Group.

## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination

*Significant judgement: Fair value measurements of assets and liabilities*

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

This section sets out information on how Chisholm Group determined fair value for financial reporting purposes.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

> land, buildings, plant and equipment, vehicles, and leasehold improvements.

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

Chisholm Group determines the policies and procedures for determining fair values for both financial and nonfinancial assets and liabilities as required.

#### **Fair value estimation**

A number of inputs are used in determining fair values.

To increase consistency and comparability in the financial statements, these inputs are categorised into three levels, also known as the fair value hierarchy. The levels are as follows:

- > Level 1 – quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- > Level 2 – valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- > Level 3 – valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

A summary of changes between levels can be found in Note 7.3(a).

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

#### **Fair value determination of financial assets and liabilities**

Chisholm Group currently holds a range of financial instruments that are recorded in the financial statements where the carrying amounts are a reasonable approximation of fair value, either due to their short-term nature or with the expectation that they will be paid in full.

There is no reportable difference between the carrying amount and fair value for the year ended 31 December 2021.

#### **(a) Fair value determination of non-financial assets**

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

Chisholm Group, in conjunction with the Valuer-General Victoria (VGV), monitors changes in the fair value of each asset through relevant data sources to determine whether revaluations are required. The recurring fair value measurements of non-financial physical assets, such as land and buildings, are based on Level 2 observable inputs and Level 3 unobservable inputs due to the nature and characteristics of Chisholm's campus assets. There is little or no observable market evidence of the market selling price of campus assets as they are specialised assets with a Community Service Obligation (CSO) applied.

The table on the following page shows the relevant fair value information relating to those assets.

## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination (continued)

#### (a) Fair value determination of non-financial assets

	Carrying amount at 31 December	Fair value hierarchy		
		Level 1 Quoted prices	Level 2 Observable price inputs	Level 3 Unobservable inputs
	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>				
Non-specialised land	5,498	-	5,498	-
Specialised land	61,567	-	-	61,567
<b>Total land at fair value</b>	<b>67,065</b>	<b>-</b>	<b>5,498</b>	<b>61,567</b>
Non-specialised buildings	3,237	-	3,237	-
Specialised buildings	282,130	-	-	282,130
<b>Total buildings at fair value</b>	<b>285,367</b>	<b>-</b>	<b>3,237</b>	<b>282,130</b>
Plant and equipment	9,159	-	-	9,159
Vehicles	171	-	-	171
Leasehold improvements	10	-	-	10
Land improvements	2,205	-	-	2,205
Right of use assets	1,158	-	-	1,158
<b>Total other assets at fair value</b>	<b>12,703</b>	<b>-</b>	<b>-</b>	<b>12,703</b>
<b>Consolidated 2020</b>				
Non-specialised land	5,498	-	5,498	-
Specialised land	52,698	-	-	52,698
<b>Total land at fair value</b>	<b>58,196</b>	<b>-</b>	<b>5,498</b>	<b>52,698</b>
Non-specialised buildings	3,353	-	3,353	-
Specialised buildings	276,854	-	-	276,854
<b>Total buildings at fair value</b>	<b>280,207</b>	<b>-</b>	<b>3,353</b>	<b>276,854</b>
Plant and equipment	11,268	-	-	11,268
Vehicles	250	-	-	250
Leasehold improvements	18	-	-	18
Land improvements	2,385	-	-	2,385
Right of use assets	1,722	-	-	1,722
<b>Total other assets at fair value</b>	<b>15,643</b>	<b>-</b>	<b>-</b>	<b>15,643</b>

## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination (continued)

#### (a) Fair value determination of non-financial assets (continued)

	Carrying amount at 31 December	Fair value hierarchy		
		Level 1 Quoted prices	Level 2 Observable price inputs	Level 3 Unobservable inputs
	\$'000	\$'000	\$'000	\$'000
<b>Chisholm 2021</b>				
Non-specialised land	5,498	-	5,498	-
Specialised land	61,567	-	-	61,567
<b>Total land at fair value</b>	<b>67,065</b>	<b>-</b>	<b>5,498</b>	<b>61,567</b>
Non-specialised buildings	3,237	-	3,237	-
Specialised buildings	282,130	-	-	282,130
<b>Total buildings at fair value</b>	<b>285,367</b>	<b>-</b>	<b>3,237</b>	<b>282,130</b>
Plant and equipment	9,159	-	-	9,159
Vehicles	171	-	-	171
Leasehold improvements	10	-	-	10
Land improvements	2,205	-	-	2,205
Right of use assets	1,158	-	-	1,158
<b>Total other assets at fair value</b>	<b>12,703</b>	<b>-</b>	<b>-</b>	<b>12,703</b>
<b>Chisholm 2020</b>				
Non-specialised land	5,498	-	5,498	-
Specialised land	52,698	-	-	52,698
<b>Total land at fair value</b>	<b>58,196</b>	<b>-</b>	<b>5,498</b>	<b>52,698</b>
Non-specialised buildings	3,353	-	3,353	-
Specialised buildings	276,854	-	-	276,854
<b>Total buildings at fair value</b>	<b>280,207</b>	<b>-</b>	<b>3,353</b>	<b>276,854</b>
Plant and equipment	11,268	-	-	11,268
Vehicles	250	-	-	250
Leasehold improvements	18	-	-	18
Land improvements	2,385	-	-	2,385
Right of use assets	1,722	-	-	1,722
<b>Total other assets at fair value</b>	<b>15,643</b>	<b>-</b>	<b>-</b>	<b>15,643</b>

## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination (continued)

#### (a) Fair value determination of non-financial assets (continued)

##### Impairment

Non-financial assets, including items of software, property, plant and equipment, are tested for impairment whenever there is an indication that the asset may be impaired.

The assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that it can be debited to an asset revaluation surplus applicable to that class of asset.

If there is an indication that there has been a reversal in impairment, the carrying amount shall be increased to its recoverable amount. However this reversal should not increase the asset's carrying amount above what would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

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

#### (b) Valuations of property, plant and equipment

Non-financial physical assets are measured at fair value on a cyclical basis, in accordance with Financial Reporting Direction (FRD) 1031 Non-financial Physical Assets issued by the Assistant Treasurer. A full revaluation of education assets normally occurs every five years, but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations with interim revaluations determined in accordance with the requirements of the FRD. Revaluation increases and decreases arise from differences between an asset's carrying value and the fair value. Consistent with all government education assets, an independent valuation of all land and buildings was performed by the Valuer-General Victoria with an effective date of 31 December 2017.

For the year ending 31 December 2021, Chisholm Group conducted a managerial revaluation. As part of the managerial revaluation, the following inputs and assumptions were included:

- a. assumptions made about the future;
- b. source of estimation uncertainty;
- c. the nature or class of assets impacted;
- d. the carrying amount of the assets subject to the significant uncertainty;
- e. sensitivity of the carrying amounts to methods, assumptions and estimates including the reasons for their sensitivity; and
- f. expected resolution of the uncertainty and the range of reasonably possible outcomes within the next financial year in respect of the carrying amounts.

**Non-specialised land and non-specialised buildings** are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by the Valuer-General Victoria with an effective date of 31 December 2017. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

**Specialised land and specialised buildings:** the market approach is also used for specialised land, although is adjusted for the Community Service Obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as a Level 3 asset.



## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination (continued)

#### (b) Valuations of property, plant and equipment (continued)

For Chisholm Group's majority of specialised buildings, the depreciated replacement cost method is used. The replacement cost of specialised buildings is based on comparing the existing building with a modern equivalent, then adjusting for associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of Chisholm Group's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 31 December 2017.

**Construction in progress** assets are held at cost. Chisholm Group transfers the assets out of construction in progress and into the relevant asset category when they are ready for use.

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

**Plant and equipment** is held at fair value. When plant and equipment is specialised in use, such that it is rarely sold other than as part of a going concern, fair value is determined using the depreciated replacement cost method.

**Leasehold improvements** are held at fair value being depreciated cost. As there is no evidence of a reliable market-based fair value (or other relevant fair value indicators) for leasehold improvements, depreciated cost is the fair value for these types of assets. The valuation of leasehold improvements is based on significant unobservable inputs and accordingly is classified as a Level 3 asset.

There were no changes in valuation techniques throughout the period to 31 December 2021.

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

#### Reconciliation of Level 3 movements

	Specialised land	Specialised buildings	Other assets
	\$'000	\$'000	\$'000
<b>Consolidated 2021</b>			
As at 1 January	52,698	276,854	15,643
Additions	-	13,152	852
Disposals	-	(1,593)	(19)
Depreciation/Amortisation	-	(6,283)	(3,773)
Revaluation	8,870	-	-
<b>Balance as at 31 December</b>	<b>61,568</b>	<b>282,130</b>	<b>12,703</b>
<b>Consolidated 2020</b>			
As at 1 January	52,698	282,574	17,749
Additions	-	720	2,908
Disposals	-	-	(537)
Depreciation/Amortisation	-	(6,440)	(4,477)
<b>Balance as at 31 December</b>	<b>52,698</b>	<b>276,854</b>	<b>15,643</b>

## 7. Managing risks and uncertainties (continued)

### 7.3 Fair value determination (continued)

#### Reconciliation of Level 3 movements (continued)

	Specialised land	Specialised buildings	Other assets
	\$'000	\$'000	\$'000
<b>Chisholm 2021</b>			
As at 1 January	52,698	276,854	15,643
Additions	-	13,152	852
Disposals	-	(1,593)	(19)
Depreciation/Amortisation	-	(6,283)	(3,773)
Revaluation	8,870	-	-
<b>Balance as at 31 December</b>	<b>61,568</b>	<b>282,130</b>	<b>12,703</b>

<b>Chisholm 2020</b>			
As at 1 January	52,698	282,574	17,749
Additions	-	720	2,908
Disposals	-	-	(537)
Depreciation/Amortisation	-	(6,440)	(4,477)
<b>Balance as at 31 December</b>	<b>52,698</b>	<b>276,854</b>	<b>15,643</b>

#### Description of significant unobservable inputs to Level 3 valuations

2021 and 2020	Valuation technique	Significant unobservable inputs	Estimated sensitivity
Specialised land	Market approach	Community Service Obligation (CSO) adjustment	A significant increase or decrease in the CSO adjustment would result in a significantly higher or lower fair value
Specialised buildings	Depreciated replacement cost	Useful life of buildings and cost per square metre	A change in the useful life of the buildings and/or cost per square metre would result in a significantly higher or lower fair value
Motor vehicles	Depreciated replacement cost	Useful life of vehicles	A change in the useful life may have an impact on the fair value (higher/lower)
Plant and equipment	Depreciated replacement cost	Useful life of plant and equipment	A change in the useful life may have an impact on the fair value (higher/lower)
Leasehold improvements	Depreciated replacement cost	Useful life of lease	A change in the useful life may have an impact on the fair value (higher/lower)

## 8. Governance disclosures

### 8.1 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, the following disclosures are made regarding responsible persons and executive officers for the reporting period.

The persons who held the positions of Ministers and Accountable Officers in Chisholm Group were as follows:

Position	Name	Relevant Period
Minister for Training and Skills and Minister for Higher Education	The Hon. Gayle Tierney MLC	1 January 2021 to 31 December 2021
Chief Executive Officer (Accountable Officer)	Mr Stephen Varty	1 January 2021 to 31 December 2021
Board Member	Mr Stephen G. Marks (Chair)	1 January 2021 to 31 December 2021
Board Member	Mr John Bennie	1 January 2021 to 31 December 2021
Board Member	Mr Geoffrey Cullen	1 January 2021 to 31 December 2021
Board Member	Ms Prue Digby	1 January 2021 to 31 December 2021
Board Member	Dr Mei Ling Doery	1 January 2021 to 31 December 2021
Board Member	Dr Anne Jones	1 January 2021 to 31 December 2021
Board Member	Mr Peter Malone	1 January 2021 to 22 August 2021
Board Member	Mr David Mann	1 January 2021 to 31 December 2021
Board Member	Ms Lisa Norman	1 January 2021 to 31 December 2021
Board Member	Ms Sue Wyatt	4 October 2021 to 31 December 2021

#### Remuneration

Remuneration received or receivable by the Accountable Officers in connection with the management of Chisholm Group during the reporting period was in the range: \$360,000 – \$369,999 (2020: \$380,000 – \$389,999).

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

	2021	2020
<b>Income range</b>		
Less than \$10,000	2	1
\$20,000 – \$29,999	1	-
\$30,000 – \$39,999	5	6
\$40,000 – \$49,999	1	1
\$70,000 – \$79,999	1	1
<b>Total number</b>	<b>10</b>	<b>9</b>
<b>Total remuneration (\$'000)</b>	<b>327</b>	<b>343</b>

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

## 8. Governance disclosures (continued)

### 8.2 Remuneration of executives

The number of executive officers, other than the Accountable Officers, and their total remuneration during the reporting period is shown in the table below. Total annualised employee equivalent provides a measure of full time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

**Short-term employee benefits** include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

**Post-employment benefits** include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

**Other long-term benefits** include long service leave, other long service benefits or deferred compensation.

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

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Remuneration</b>				
Short-term employee benefits	3,278	3,024	3,110	2,857
Post-employment benefits	319	284	302	268
Other long-term benefits	-	1	-	1
Termination benefits	141	9	141	9
<b>Total remuneration</b>	<b>3,738</b>	<b>3,318</b>	<b>3,553</b>	<b>3,135</b>
<b>Total number of executives</b>	<b>22</b>	<b>20</b>	<b>21</b>	<b>19</b>
<b>Total annualised employee equivalent</b>	<b>15.1</b>	<b>15.9</b>	<b>14.1</b>	<b>14.9</b>

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

### 8.3 Related parties

Related parties of Chisholm Institute and its consolidated group include:

- > all key management personnel and their close family members and personal business interests (controlled entities, joint ventures and entities they have significant influence over);
- > all entities that are controlled and consolidated into Chisholm's consolidated financial statements; and
- > all departments and public sector entities that are controlled and consolidated into the whole-of-state consolidated financial statements.

All related party transactions have been entered into on an arm's length basis.

The following entities have been consolidated into Chisholm Group's financial statements in accordance with AASB 10:

- > TAFE Online Pty Ltd; and
- > Caroline Chisholm Education Foundation.

#### Significant transactions with related entities

In 2021, TAFE Online Pty Ltd repaid an amount of \$1.3 million to Chisholm Institute for a related party loan (2020: \$1.1 million). Chisholm Institute also charged overheads to TAFE Online Pty Ltd totalling \$3.0 million (2020: \$2.4 million).

Chisholm Institute provided donations of \$76,432 (2020: \$24,562) and resources free of charge of \$151,634 (2020: \$168,438) to the Caroline Chisholm Education Foundation during the current financial year.

## 8. Governance disclosures (continued)

### 8.3 Related parties (continued)

#### Related party transactions

	Transaction values for year ended 31 December		Balances outstanding as at 31 December	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Related party transactions</b>				
Debtor – TAFE Online Pty Ltd	-	-	808	2,118
Debtor – Caroline Chisholm Education Foundation (CCEF)	-	-	61	-
Creditor – Caroline Chisholm Education Foundation (CCEF) <sup>(a)</sup>	-	-	-	(1,134)
Donations provided to CCEF	76	25	-	-
Resources provided free of charge to CCEF	152	168	-	-
Revenue collected for TAFE Online Pty Ltd <sup>(b)</sup>	531	1,850	-	-
Expenses paid for TAFE Online Pty Ltd <sup>(b)</sup>	3,221	774	-	-
<b>Total</b>	<b>3,980</b>	<b>2,817</b>	<b>869</b>	<b>984</b>

(a) The 2020 accounts incorrectly showed CCEF to be a debtor of Chisholm Institute. This has been corrected.

(b) Due to a classification error, 2020 revenue collected and expenses paid for TAFE Online Pty Ltd were understated (revenue was incorrectly offset against expenses). These figures have been corrected in 2021; the net impact on the financial statements is nil.

Key management personnel of Chisholm include the members of the Chisholm Institute Board, the Chief Executive Officer, the Chief Finance Officer, and the Chief Operating Officer.

#### Compensation of key management personnel

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Remuneration</b>				
Short-term employee benefits	1,420	1,165	1,420	1,165
Post-employment benefits	106	77	106	77
Termination benefits	111	-	111	-
<b>Total remuneration</b>	<b>1,637</b>	<b>1,242</b>	<b>1,637</b>	<b>1,242</b>

## 8. Governance disclosures (continued)

### 8.3 Related parties (continued)

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

The following related party transactions occurred for the period ending 31 December 2021:

Related party	Nature of relationship	Transaction value \$	Summary of transaction
Connected Communities Melbourne	Shared Board Member	5,000	Donation to CCEF
St John of God Health Care	Board Member part of related party executive	31,818	Parking fees
		2,000	Sponsorship of CCEF Golf Day fundraiser
		(42,220)	Nursing placements
City of Greater Dandenong	Board Member part of related party executive	79,689	Provision of education and training
		(2,908)	Rates, registration fees, permits and licences
Net total related party transactions		73,379	

### 8.4 Remuneration of auditors

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Remuneration of the Victorian Auditor-General's Office</b>				
Audit of the financial statements	63	68	49	46
<b>Total remuneration of the Victorian Auditor-General's Office</b>	<b>63</b>	<b>68</b>	<b>49</b>	<b>46</b>
<b>Remuneration of other auditors</b>				
Internal audit services	278	323	278	323
<b>Total remuneration of other auditors</b>	<b>278</b>	<b>323</b>	<b>278</b>	<b>323</b>
<b>Total</b>	<b>341</b>	<b>391</b>	<b>327</b>	<b>369</b>

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

## 9. Other disclosures

### 9.1 Other economic flows included in comprehensive result

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>(a) Net gain / (loss) on financial instruments</b>				
Foreign currency exchange gain / (loss)	112	26	112	25
<b>Total net gain / (loss) on financial instruments</b>	<b>112</b>	<b>26</b>	<b>112</b>	<b>25</b>
<b>(b) Other gains / (losses) from other economic flows</b>				
Net gain / (loss) on non-financial assets (including PPE and intangible assets)	(2,720)	75	(2,720)	75
Gain / (loss) on revaluation of non-financial assets through other comprehensive income	8,870	-	8,870	-
<b>Total other gains / (losses) from other economic flows</b>	<b>6,150</b>	<b>75</b>	<b>6,150</b>	<b>75</b>
<b>Total other economic flows included in comprehensive result</b>	<b>6,262</b>	<b>101</b>	<b>6,262</b>	<b>100</b>

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

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

- > gains and losses from disposals of non-financial assets (refer to Note 4.1);
- > revaluations and impairments of non-financial physical and intangible assets (refer to Note 4.1 and Note 4.2);
- > remeasurement arising from employee benefits (refer to Note 3.1); and
- > fair value changes of financial instruments (refer to Note 7.3).

This classification is consistent with the whole of government reporting format and is allowed under AASB 101 *Presentation of Financial Statements*.

### 9.2 Other equity reserves

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
<b>Physical asset revaluation surplus</b>				
Balance at 1 January	78,838	78,838	78,838	78,838
Revaluation increment on non-current assets	8,870	-	8,870	-
<b>Balance at 31 December</b>	<b>87,708</b>	<b>78,838</b>	<b>87,708</b>	<b>78,838</b>

Note: The physical asset revaluation surplus arises on the revaluation of land and buildings.

## 9. Other disclosures (continued)

### 9.3 Ex gratia expenses

	Consolidated		Chisholm	
	2021	2020	2021	2020
	\$'000	\$'000	\$'000	\$'000
Compensation for economic loss	47	82	47	82
<b>Total ex gratia payments</b>	<b>47</b>	<b>82</b>	<b>47</b>	<b>82</b>

All ex gratia payments made during 2021 and 2020 related to departing employees.

### 9.4 Controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following controlled entities:

Controlled entities	Note	Country of incorporation	Class of shares	2021 %	2020 %
TAFE Online Pty Ltd	(a)	Australia	Ordinary	100	100
Caroline Chisholm Education Foundation	(b)	Unincorporated entity			

Note: (a) TAFE Online Pty Ltd is a company incorporated under the *Corporations Act 2001* with share capital of 6,000,000 ordinary shares at \$1 each.

(b) Caroline Chisholm Education Foundation is a trust. Its principle purpose is to assist students in financial hardship receive a high quality vocational educational qualification from Chisholm.

#### TAFE Online Pty Ltd

TAFE Online Pty Ltd commenced operations in 2001 as a provider of nationally accredited vocational education courses online.

Chisholm is deemed to have control over TAFE Online Pty Ltd as Chisholm holds 100% of the share capital issued by TAFE Online Pty Ltd.

#### Caroline Chisholm Education Foundation (CCEF)

CCEF was established in 2007 as an independent charitable trust which aims to assist students in financial hardship receive a high quality vocational educational qualification from Chisholm.

Chisholm is deemed to have control over CCEF due to the following factors:

- > CCEF is administered by an independent Board of trustees including a Chisholm Board appointed trustee,
- > the Chisholm CEO as well as two Chisholm staff trustees.
- > All non-Chisholm related trustees must be approved by the Chisholm Board.
- > The beneficiaries of the trust are Chisholm students.
- > Chisholm provides significant financial and administration support to CCEF.



## 9. Other disclosures (continued)

### 9.5 Events after reporting date

No matters or circumstances have occurred subsequent to period end that have significantly affected, or may significantly affect, the operations of Chisholm and the Consolidated Group, the results of those operations or the state of affairs of Chisholm and the Consolidated Group in subsequent financial years.

### 9.6 Application of standards issued but not yet effective

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 31 December 2021 reporting period. The Department of Treasury and Finance assesses the impact of these new standards and advises Chisholm of their applicability and early adoption where applicable.

As at 31 December 2021, there were no new accounting standards issued by the AASB, which are applicable for the year ending 31 December 2021, that are expected to impact Chisholm Group.

### 9.7 New or amended accounting standards and interpretations adopted

#### 9.7.1 Conceptual Framework for Financial Reporting (Conceptual Framework)

Chisholm Group has adopted the revised Conceptual Framework from 1 January 2021. The Conceptual Framework contains new definition and recognition criteria as well as new guidance on measurement that affects several accounting standards, but it has not had a material impact on the consolidated entity's financial statements.

#### 9.7.2 IFRIC Agenda Decision – Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 Intangible Assets)

Chisholm Group has adopted the IFRIC Agenda Decision – Configuration or Customisation Costs in a Cloud Computing Arrangement (IAS 38 *Intangible Assets*) from 1 January 2021. The Agenda Decision clarifies how a customer accounts for costs of configuring or customising a supplier's application software in a Software as a Service (SaaS) arrangement. The Agenda Decision requires management to capitalise elements of expenditure that meet the definition of an intangible asset as defined by AASB 138 *Intangible Assets*, and recognise any additional amounts as an expense as the entity benefits from the expenditure either by applying AASB 138 or another accounting standard.

Chisholm Group conducted an analysis on all costs incurred in relation to its cloud computing arrangements. Through this analysis, Chisholm Group identified costs relating to cloud computing services which did not meet the criteria for capitalisation under AASB 138. Consequently, Chisholm Group wrote off \$0.4 million in relation to these arrangements. This write-off impacted the 2021 year only.

# Independent Auditor's Report

## To the Board of Chisholm Institute

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Chisholm Institute (the institute) which comprises the:</p> <ul style="list-style-type: none"> <li>• performance statement for the year ended 31 December 2021</li> <li>• Declaration by Board Chair, Chief Executive Officer and Chief Finance Officer.</li> </ul> <p>In my opinion, the performance statement of Chisholm Institute in respect of the year ended 31 December 2021 presents fairly, in all material respects.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the institute in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Board's responsibilities for the performance statement</b>	<p>The Board are responsible for the preparation and fair presentation of the performance statement and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.</p>
<b>Auditor's responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.</p>

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

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the institute's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
18 March 2022



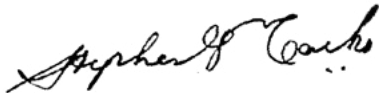
Charlotte Jeffries  
*as delegate for the Auditor-General of Victoria*

# Declaration by Board Chair, Chief Executive Officer and Chief Finance Officer

In our opinion, the accompanying Performance Statement of Chisholm Consolidated in respect of the year ended 31 December 2021, is presented fairly.

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

As at the date of signing, we are not aware of any circumstance which would render any particulars in the Statement to be misleading or inaccurate.



**STEPHEN G MARKS**  
Board Chair

Date: 28 February 2022  
Place: Frankston



**STEPHEN VARTY**  
Director and Chief Executive Officer

Date: 28 February 2022  
Place: Frankston



**TONIANN STITZ**  
Chief Finance Officer

Date: 28 February 2022  
Place: Frankston

# Performance statement

For the year ended 31 December 2021

Key Performance Indicators (KPIs)	Description and Methodology	Metric	2021 Target	2021 Actual	Explanation of variances	Note	Prior year result
Training revenue diversity	<i>Government Funded</i>		58.2%	62.8%	Achieved	a	65.5%
	<i>Fee for Service</i>	Percentage	28.3%	27.0%	Not Achieved	a	23.8%
	<i>Student Fees and Charges</i>		13.5%	10.3%	Not Achieved	a	10.7%
Employment costs as a proportion of training revenue	Employment and Third Party training delivery costs as a proportion of training revenue (VTG and FFS)	Percentage	84.2%	84.8%	Achieved		77.8%
Training revenue per teaching FTE	Training revenue (excl. revenue delivered by third parties)/Teaching FTEs	Dollars	\$211,902	\$211,414	Not Achieved	b	\$226,883
Operating margin percentage	EBIT (excl. Capital Contributions)/Total Revenue (excl. Capital Contributions)	Percentage	(8.45%)	(6.65%)	Achieved	c	5.3%

Notes:

- Similar to 2020, COVID-19 impacted our ability to generate fee for service and student fees and charges revenue whilst training revenue received support from Government.
- Considered achieved as within \$1,000 of target.
- Improved performance due to earlier than expected grant revenue recognition, COVID-19 funding provided by Government, and tightly managed staffing and operational expenses.

# Disclosure index

## Standard disclosures in the Report of Operations (2021)

Item No.	Source	Summary of reporting requirement	Page number
1	FRD 22I	Manner of establishment and the relevant Minister	3, 41
2	FRD 22I	Purpose, functions, powers and duties	2-34, 41
3	FRD 22I	Key initiatives and projects	5-34
4	FRD 22I	Nature and range of services provided	5-43
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5	FRD 22I	Organisational structure	35-40, 43
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6	FRD 10A	Disclosure index	123-124
7	FRD 22I	Employment and conduct principles	125
8	FRD 22I	Workforce data disclosures	44, 47-48
9	FRD 22I	Occupational health and safety policy	45-46
10	FRD 22I	Summary of the financial results for the year	51-52
11	FRD 22I	Significant changes in financial position during the year	51-52
12	FRD 22I	Summary of operational and budgetary objectives	7-12, 20-21, 122, 127, 130
13	FRD 22I	Major changes or factors affecting performance	51, 118
14	FRD 22I	Subsequent events	64, 118
15	FRD 22I	Application and operation of the <i>Freedom of Information Act 1982</i>	127
16	FRD 22I	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	128
17	FRD 22I	Statement on National Competition Policy	126
18	FRD 22I	Application and operation of the <i>Public Interest Disclosures Act 2012</i>	125
19	FRD 22I	Application and operation of the <i>Carers Recognition Act 2012</i> (Carers Act)	125
20	FRD 22I	Details of consultancies over \$10,000	130
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**Financial statements declaration**

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44	KPIs	Key Performance Indicators: <ul style="list-style-type: none"><li>&gt; Employment costs as a proportion of training revenue</li><li>&gt; Training revenue per teaching FTE</li><li>&gt; Operating margin percentage</li><li>&gt; Training revenue diversity</li></ul>	122
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# Additional compliance reports

## Public Sector Employment and Conduct Principles

Our employment policies and processes align with the Victorian Public Sector principles and are compliant with relevant awards, enterprise agreements, statutory requirements and best practice public sector approaches. We continue to strengthen our policies and enhance our practice to ensure a positive employee experience. In 2021 we created an online teacher induction program and provided Education Managers with better training to manage the employee lifecycle. We also provided training on good performance management processes, respectful behaviours, diversity and reportable conduct.

## Victorian Public Sector Travel Principles

Chisholm has policies and procedures about domestic and international travel and accommodation to ensure compliance with the Victorian Public Service Travel Policy. This applies to all employees of Chisholm and its controlled entities. Directly linked to the travel policy are policies involving Staff Code of Conduct, gifts, benefits and hospitality, health and safety, and travel expenditure.

## Compliance with the Carers Recognition Act 2012

Chisholm has taken all practical measures to comply with its obligations under the *Carers Recognition Act 2012*. These include ensuring employees have an awareness and understanding of the care relationship principles set out in the Act, such as communicating information provide to employees on commencement, proactive discussion between employees and their managers considering the care relationship principles set out in the Act when setting policies and procedures and providing services. This includes a regular review of employment policies such as flexible working arrangements and leave provisions to ensure that these comply with the statement of principles in the Act.

## Application and operation of the Public Interest Disclosures Act 2012

The *Protected Disclosure Act 2012* encourages and helps people disclose improper conduct by public officers and public bodies. It provides protection to people who make disclosures and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

Chisholm does not tolerate improper conduct by employees, nor reprisal taken against those who disclose such conduct. It is committed to ensuring transparency and accountability in administrative and management practices and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Chisholm takes all reasonable steps to protect people from any detrimental action in reprisal for making such disclosures.

### Making a disclosure

Disclosures of improper conduct or detrimental action by Chisholm or any of its employees may be made to:

The Independent Broad-based Anti-Corruption Commission.

Street address:  
Level 1, North Tower  
459 Collins Street, Melbourne VIC 3000

Postal address:  
GPO Box 24234, Melbourne VIC 3001  
T: 1300 735 135  
[www.ibac.vic.gov.au](http://www.ibac.vic.gov.au)

Disclosures under the Protected Disclosure Act 2012	2021	2020
The number of disclosures made by an individual to Chisholm and notified to the Independent Board-based Anti-Corruption Commission – assessable disclosures	1	0



## Local Jobs First Act 2003: Victorian Industry Participation Policy implementation

The *Local Jobs First Act 2003* requires departments and public sector bodies to report on the implementation of the Local Jobs First – Victorian Industry Participation Policy (VIPP).

Departments and public sector bodies are required to apply the Local Jobs First – VIPP in all procurement activities valued at \$3 million or more in metropolitan Melbourne and for statewide projects of \$1 million or more for procurement activities in regional Victoria.

During 2021, Chisholm had two projects which are Local Jobs First – VIPP applicable or Local Industry Development Plan applicable. These projects will total over \$70 million, with one of the projects classified as a project of significance.

Data from completed Local Industry Development Plans will be included in the Chisholm 2022 Annual Report.

## Compliance with other legislation and subordinate instruments

Chisholm complies with all relevant legislation and subordinate instruments, including but not limited to the following:

- > *Education and Training Reform Act 2006*
- > TAFE institute constitution
- > Directions of the Minister for Training and Skills (or predecessors)
- > TAFE institute Commercial Guidelines
- > TAFE institute Strategic Planning Guidelines
- > *Public Administrations Act 2004*
- > *Financial Management Act 1994*
- > *Freedom of Information Act 1982*
- > *Building Act 1993*
- > *Public Interest Disclosure Act 2012*
- > *Carers Recognition Act 2012*
- > *Local Jobs First Act 2003*
- > Australian Accounting Standards
- > *Fair Work Act 2009* and *Fair Work Regulations 2009*
- > *Occupational Health and Safety Act 2004* and *Occupational Health and Safety Regulations 2007*.

## Competition policy

Chisholm monitors policies, guidelines and procedures to ensure compliance with applicable National Competition Policy, including requirements of Victoria's Competitive Neutrality Policy and related legislation.

## Additional information available on request

In compliance with the requirements of the Standing Directions 2018 under the *Financial Management Act 1994*, details in respect of the items listed below have been retained by the department and are available on request, subject to the provisions of the *Freedom of Information Act 1982*:

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

Enquiries regarding this information should be directed to:

Head of Marketing and Communications  
E: [marketing@chisholm.edu.au](mailto:marketing@chisholm.edu.au)

# Application of the Freedom of Information Act 1982

Chisholm falls under and complies with all reasonable requests made pursuant to the *Freedom of Information Act 1982*.

Chisholm also has defined procedures which, subject to privacy and confidentiality provisions, facilitate all reasonable requests for information from students, employees and the general public without recourse to the Freedom of Information Act.

General enquiries about Chisholm should be addressed to:

Chisholm  
PO Box 684  
Dandenong Vic 3175  
Or Chisholm.edu.au

All Freedom of Information (FOI) requests should be forwarded to:

Freedom of Information Officer  
Chisholm  
PO Box 684  
Dandenong Vic 3175  
FOI@chisholm.edu.au

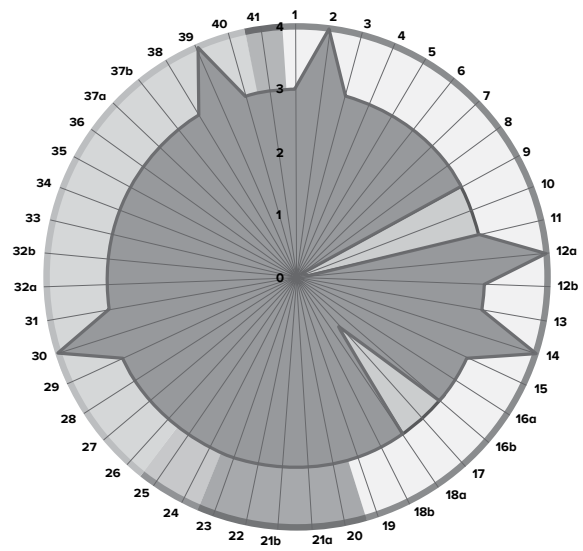
Chisholm may levy a charge for information provided that is subject to a Freedom of Information request in accordance with the Freedom of Information (Access Charges) Regulations 2014.

During the year ended 31 December 2021, Chisholm received eight FOI requests, two of which were processed as formal FOI applications. The other six were processed as informal requests for information.

## Asset Management Accountability Framework maturity assessment

The following sections summarise Chisholm's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. These requirements can be found on the Department of Treasury and Finance website ([www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework](http://www.dtf.vic.gov.au/infrastructure-investment/asset-management-accountability-framework)).

Chisholm's target maturity rating is 'competence', meaning systems and processes fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.



■ Target ■ Overall

### Legend

Status	Scale
Not applicable	N/A
Innocence	0
Awareness	1
Developing	2
Competence	3
Optimising	4
Unassessed	U/A

### Leadership and Accountability (requirements 1–19)

Chisholm has met or exceeded its target maturity level under most requirements within this category.

Chisholm partially non-complied with reporting to government. Chisholm ensures it can provide relevant asset information and performance data to government/central agencies as required using a range of asset information databases and reports, including the asset management plan, financial acquittals and reports.

### Planning (requirements 20–23)

Chisholm has met or exceeded its target maturity level in this category.

### Acquisition (requirements 24 and 25)

Chisholm has met or exceeded its target maturity level in this category.

### Operation (requirements 26–40)

Chisholm has met or exceeded its target maturity level in this category.

### Disposal (requirement 41)

Chisholm has met or exceeded its target maturity level in this category.

# Compliance with the Building Act 1993

## General statement

Chisholm holds all plans and documentation for building extensions and new buildings lodged for issue of building approvals by certified building surveyors. On completion of construction, Chisholm has obtained Certificates of Occupancy and practical completion certificates from the relevant architects and surveyors.

## Assurance programs

The architects provided completion certificates and necessary building compliance and regulatory certificates were received for all projects completed.

## Building maintenance programs

Chisholm has an ongoing maintenance program (using Chisholm employees and engagement of specialist external contractors) for works to the existing buildings controlled by Chisholm.

## Compliance statement

It is considered that all buildings on campus currently conform to the Building Regulations as existed at the time of construction of the respective buildings. All new buildings constructed since the promulgation of the Building Act comply with those relevant standards. Chisholm has an ongoing program to ensure that any alterations or improvements to buildings meet the necessary standards to ensure that they are safe and fit for purpose.

For the year ended 31 December 2021, progress towards full compliance with the Building Act is summarised as follows:

	2021	2020	2019	2018	2017	2016	2015
<b>Building works</b>							
New buildings certified for approval	0	0	2	1	0	1	0
Works in progress subject to mandatory inspections	0	0	2	3	4	2	0
New occupancy permits issued	0	0	2	1	0	0	0
<b>Maintenance</b>							
Notices issued for substandard buildings requiring urgent attention	0	0	0	0	0	0	0
Other notices issued involving major expenditure and urgent attention	1	0	0	0	0	0	0
<b>Conforming</b>							
Number of owned buildings occupied by Chisholm (note the numbers are buildings in their entirety; floors and levels have not been considered)							
Frankston	18	21	21	19*	17*	18	18
Dandenong	26	26	26	25	26	27	27
Berwick	11	11	11	10	9	10	10
Cranbourne	5	5	5	5	5	5	5
Mornington Peninsula	7	7	7	7	7	7	11
<b>Total</b>	<b>72</b>	<b>75</b>	<b>75</b>	<b>71</b>	<b>69</b>	<b>72</b>	<b>76</b>
Number of buildings conforming to the standards	72	73	73	71	69	72	76
Number of non-conforming buildings vacated	0	0	0	0	0	0	0
Number of buildings not confirming to standards	Refer to Subdivision Statements						

## Leased buildings

- > 126 Springvale Road, Springvale, Adult Migrant English Program
- > 311 Lonsdale Street, Dandenong

For non-conforming buildings please refer to subdivision statements below.

**Subdivision 1** of the Building Regulations relates to all new buildings or section of existing buildings altered after 1 July 1994. There are approximately eight buildings out of the 67 that are considered to be Subdivision 1 type buildings. All buildings are issued with an Annual Essential Safety Measures Report.

**Subdivision 2** relates to all buildings constructed or altered prior to 1 July 1994. All Subdivision 2 buildings have been provided with a maintenance determination in accordance with Part 1215 of the Building Regulations, which require all buildings to be provided with this document and subsequent Annual Essential Safety Measures Reports prior to 13 June 2009.

## Report on Major Commercial Activity

There was no Major Commercial Activity conducted by Chisholm in this reporting period.

# Advertising 2021

Details of government advertising expenditure (campaigns with a media spend of \$100,000 or greater exclusive of GST).

Name of campaign	Campaign summary	Start/end date	Advertising (media) expenditure	Creative campaign and development expenditure	Research and evaluation expenditure	Print and collateral expenditure	Other campaign expenditure
January acquisition campaign	Chase Your Calling recruitment campaign executed across television, cinema, out of home, radio, print and digital channels	Jan 21–Mar 21	541,336	110,580	16,356	0	0
Mid-year acquisition campaign	Chase Your Calling recruitment campaign executed across out of home, radio and digital channels	April 21–July 21	161,921	118,705	0	0	0
Q4 acquisition campaign	Chase Your Calling recruitment campaign executed across radio and digital channels	Aug 21–Oct 21	63,500	103,975	16,356	0	0
January acquisition campaign	Chase Your Calling recruitment campaign executed across television, cinema, out of home, radio, print and digital channels	Nov 21–Dec 21	802,436	264,865	0	0	0
			<b>1,569,193</b>	<b>598,125</b>	<b>32,712</b>	<b>0</b>	<b>0</b>
<b>Total \$2,200,030</b>							

## ICT expenditure

Throughout 2021 the Information Technology Services team made significant investments across security, compliance, digital transformation, audio visual and communication systems. The key projects are summarised below:

### Student and Employer Digital Transformation

The Student and Employer Digital Transformation project will enable outstanding student and employer experiences at Chisholm, improving end-to-end experiences and process efficiency and reducing cost of service delivery.

### Information Management Framework and Digital Record Strategy

The Information Management Framework and Digital Record Strategy is complete and aims to assist our organisation to move away from hard copy records management towards adopting digital processes. The strategy aims to realise the benefit from digital records in the shortest time, by focusing on digitising high-value, high-volume records.

### Unified Communications/ Audiovisual project

This project deployed over 80 new state-of-the-art digital screens across our campus network. In addition to the audiovisual upgrades, the project also transitioned our landline network into the Teams 365 environment.

### Online enrolment roll-out and continued enhancement

Student Enquiry and Enrolment Services and Academic Administration continue to grow their online enrolment capabilities. The end-to-end solution now allows students to enquire, enrol and pay via our online service offering.

### System and cyber security

In alignment with the Victorian Protective Data Security Framework, we continued to enhance our security posture. Investments were made in multi-factor identification, identity management and access management solutions.

Total entity ICT Business As Usual expenditure for the full 12 month reporting period	\$17,906,133
Total entity ICT Non-Business as Usual expenditure for the full 12-month reporting period – Operational expenditure	\$1,530,340
Total entity ICT Non-Business As Usual expenditure for the full 12 month reporting period – Capital expenditure	\$4,381,732

## General statement on industrial relations

During the year, our Employee Discipline, Employer Code of Conduct and Performance Development and Review policies were updated.

Through continued employer adaptation to the changing working environment, a new Working Remotely Policy and Flexible Work Policy for Professional Employees and the Chisholm Leadership Group were developed to give employees greater work flexibility. There was also the continuation of Respectful Workplace Behaviours training and the introduction of mandatory Child Safe Reporting training across the employee cohort.

We continued to maintain productive working relationships with our union partners, the Australian Education Union, and the National Tertiary Education Union. Consultations were held with the unions for various building projects on the relocation of employees, COVID-19 safety measures and the Gender Equity Action Plan. A Speaking Up Awareness program was delivered in 2021 to guide, encourage and support all employees to express their ideas and concerns constructively and openly.

## Engagement of consultants

For the year ended 31 December 2021 the Financial Reporting Directions and guidance FRD 22H define a consultant as a particular type of contractor that is engaged primarily to perform a discrete task for an entity that facilitates decision making through:

- > provision of expert analysis and advice
- > development of a written report or other intellectual output.

### Consultancy expenditure

#### Details of consultancies (valued at \$10,000 or greater)

In 2021, there were 29 consultancies where the total fees payable to the consultants were \$10,000 or greater. The total expenditure incurred during 2021 in relation to these consultancies is \$2,092,040 (excluding GST). Details of individual consultancies can be viewed at [chisholm.edu.au/about-us/publications](https://chisholm.edu.au/about-us/publications).

#### Details of consultancies under \$10,000

In 2021, there were 13 consultancies engaged during the year, where the total fees payable to the individual consultancies was less than \$10,000. The total expenditure incurred during 2021 in relation to these consultancies was \$72,694 (excl. GST).

# Compulsory non-academic student fee income statement

## For the year ended 31 December 2021

Chisholm has a range of fees and charges for programs and services. For 2021, the fees and charges included:

- > Tuition fees for eligible Skills First Program students. These ranged from nil to \$12.50 per hour, depending on the course, cohort and competitive forces. There was no minimum fee and maximums did not apply (except VCAL, which was capped at \$1,690). Students who were ineligible for the Skills First Program paid tuition fees of up to \$18.05 per hour. Students enrolled in Chisholm's higher education courses paid up to \$2,126.50 per unit of study.
- > All students enrolling in courses that were on Chisholm's Funded Courses List (including students enrolling in Chisholm owned higher education courses) are required to pay a compulsory fee for their enrolment year that contributes to the cost of providing such services as counselling, welfare services, learning support, study support, IT infrastructure and activities and services provided by the Student Support and Engagement Services business area.
- > The Student Services Fee (SSF) for non-concession eligible students is charged up to a maximum of \$250 per 12 months. The SSF is charged at \$0.76 per hour with a minimum of \$65 charged for a student's first enrolment. If the student has already paid the maximum for which they are eligible they will not be charged SSF for additional enrolments in the same 12-month period. SSF for concession-eligible students is charged up to a maximum of \$125 per 12 months (for enrolments in courses up to Certificate IV level for non-Aboriginal and Torres Strait Islander students). The SSF is charged at \$0.38 per hour with a minimum of \$65 charged for a student's first enrolment. If the student has already paid the maximum for which they are eligible they will not be charged SSF for additional enrolments in the same 12-month period. SSF for students studying higher education courses are charged at a rate of \$30 per unit of study. Students who are based solely in the workplace or studying exclusively online are not required to pay a student services fee.
- > A materials fee was charged to cover the actual cost of providing materials or services used or retained by a student in a particular course of study – if applicable to that course of study. The fee varied by course depending on requirements. Full details were provided to each student prior to enrolment.
- > Recognition of prior learning fees were charged at 50 per cent of the tuition fee that would be charged for participation in training for the same qualification.
- > All eligible Skills First program students who held and presented current and valid concession cards (Commonwealth Health Care Card, Pensioner Concession Card and Gold Veteran Card) prior to course commencement received an 80 per cent discount on tuition fees at Certificate IV level and below. These discounts also applied to students who were a dependant spouse or dependent child of a concession card holder. Students identifying as Australian Indigenous received the 80 per cent discount for all VET course levels.
- > Programs and services provided on a fee-for-service basis were priced in accordance with National Competition Policy principles.
- > Programs and services provided to international students and industry-based customers were costed on a commercial basis.
- > Other fees and charges were on a cost-recovery basis, for example library and parking fines, photocopying and printing charges.



**STEPHEN VARTY**  
Director and Chief Executive Officer

Date: 28 February 2022  
Place: Frankston

# Environmental performance

The environmental performance is a measure of the level of resource consumption and emissions across Chisholm's various activities. This includes all emissions, ranging from fleet vehicles used for work activity, overseas air travel and electricity consumption.

We continue to place environmental considerations into all its operational activities, seeking to continuously improve our environmental practices throughout our operations, and developing and implementing robust systems and processes that protect the environment. Our organisation's environmental performance including energy, water, paper and fuel consumption is measured against a 2007 baseline, and performance against the baseline can be found in the appendices.

Sustainable principles are also included in the delivery of vocational education and training, where various departments have sustainability components embedded into the curriculum. This is the case particularly with workplace practices, including the appropriate disposal of waste, separation and recycling of reusable materials, and undertaking energy and waste audits.

## Capital works

This year our organisation completed an extensive capital works program joint funded by Chisholm and the Department of Education and Training.

The program included:

- > development of a Student Support Hub at Dandenong
- > refurbished teaching spaces in Buildings A and B at Dandenong
- > upgrades to the Dandenong Trade Centre
- > refurbished open plan employee accommodation in Building A at Dandenong
- > commencement of the Frankston Redevelopment Project Stage 2 with the demolition of Buildings C and E in Frankston campus.

With the support of the Victorian Government's Stronger TAFE Fund and TAFE Asset Maintenance Fund, we implemented a program of works to refresh classrooms, restrooms and public spaces in buildings across the Dandenong, Frankston, Berwick and Rosebud campuses. In addition, the program includes ongoing backlog maintenance works to building fabric and building services.

## Carbon impact

With energy being the major component of our organisation's emissions, the impact on CO2 emissions reduced slightly from previous years supported by COVID-19 restrictions on campus.

## Energy consumption

Chisholm continues to focus on energy efficiency through investing in the energy monitoring and reporting infrastructure to identify potential waste and to quantitatively measure and track improvements.

## Chisholm environmental sustainability index 2007–2021

Year	Target sustainability index	Target reduction %	Actual sustainability index	Actual performance %
2007 (baseline)	1.63	0%	1.63	0%
2008	1.59	-2%	1.64	1%
2009	1.55	-5%	1.41	-13%
2010	1.46	-10%	1.39	-14%
2011	1.38	-15%	1.41	-13%
2012	1.29	-20%	1.44	-11%
2013	1.21	-26%	1.27	-22%
2014	1.11	-32%	1.23	-24%
2015	1.03	-37%	1.30	-20%
2016	0.95	-42%	1.22	-24%
2017	0.90	-45%	1.10	-32%
2018	0.86	-47%	1.08	-34%
2019	0.81	-50%	1.18	-27%
2020	0.77	-52%	1.00	-23%
2021	0.73	-54%	0.98	-29%



## 2021 environmental data

### Energy use

Total energy usage segmented by primary source (megajoules)	Electricity	27,475,646
	Natural gas	14,751,635
	GreenPower	0
	<b>Total</b>	<b>42,222,728</b>
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets (tonnes CO <sub>2</sub> e)	Electricity (S2)	8409
	Electricity (S3)	600
	Natural gas (S1)	511
	Natural gas (S3)	52
	GreenPower	0
	<b>Total</b>	<b>9572</b>
Percentage of electricity purchased as GreenPower (%)		0
Units of energy used per full time employee – FTE value used (megajoules per FTE)		0
Units of energy used per unit of office area (megajoules per m <sup>2</sup> )		316

### Waste production

Total units of office waste disposed of by destination (kg per year)	Landfill	591,033
	Recycled	89,646
	<b>Total</b>	<b>680,679</b>
Units of office waste disposed of per full time employee – FTE by destination (kg per FTE)		607
Recycling rate (% of total waste by weight)		15%
Greenhouse gas emissions associated with waste disposal (tonnes CO <sub>2</sub> e)		768

### Paper usage

Total units of A4 equivalent copy paper used (reams)	7,500
Units of A4 equivalent copy paper used per FTE (reams per FTE)	6.7
Percentage of recycled content in copy paper purchased (%)	0%

### Water consumption

Total units of metered water consumed by water source (kilolitres)	16,521
Units of metered water consumed in offices per FTE (kilolitres per full time employee – FTE)	14.7
Units of metered water consumed in offices per unit of office area (kilolitres per m <sup>2</sup> )	0.12%

## Transportation

Total energy consumption by vehicle fleet segmented by vehicle type (MJ)	Diesel	245,550
	LPG	0
	Petrol	1,192,575
	<b>Total</b>	<b>1,438,125</b>
Total vehicle travel associated with entity operations (km)		654,658
Greenhouse gas emissions from vehicle fleet (tonnes CO2e) segmented by vehicle type	Diesel (S1+3)	15
	LPG (S1+3)	0
	Petrol (S1+3)	151
	<b>Total</b>	<b>161</b>
Greenhouse gas emissions from vehicle fleet (tonnes CO2e) per 1000 km		0.14
Total distance travelled by air (km)		0
Percentage of employees regularly using public transport, cycling, walking etc. Sample size – 27 employees – 2015.		1.1%

## Greenhouse gas emissions

Total greenhouse gas emissions associated with energy use (tonnes CO2e)		9572
Total greenhouse gas emissions associated with vehicle fleet (tonnes CO2e)		161
Total greenhouse gas emissions associated with air travel (tonnes CO2e)		
Total greenhouse gas emissions associated with waste disposal (tonnes CO2e)		768
Greenhouse gas emission offsets purchased (CO2-e)		0
Total emissions from all sources		<b>10,501</b>

# Acronyms

<b>AMAF</b>	Asset Management Accountability Framework
<b>CEO</b>	Chief Executive Officer
<b>ELICOS</b>	English Language Intensive Course for Overseas Students
<b>FOI</b>	Freedom of Information
<b>FTE</b>	full-time equivalent
<b>ICT</b>	information and communications technology
<b>IELTS</b>	International English Language Testing System
<b>IT</b>	information technology
<b>OHS</b>	occupational health and safety
<b>RPL</b>	recognition of prior learning
<b>RTO</b>	registered training organisation
<b>SSF</b>	Student Services Fee
<b>STEM</b>	science, technology, engineering and mathematics
<b>TAFE</b>	Technical and further education
<b>VCAL</b>	Victorian Certificate of Applied Learning
<b>VCE</b>	Victorian Certificate of Education
<b>VET</b>	vocational education and training
<b>VIPP</b>	Victorian Industry Participation Policy

Chisholm